

The Electricity (Supply) Annual Accounts Rules, 1985

UTTAR PRADESH

India

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Rule

THE-ELECTRICITY-SUPPLY-ANNUAL-ACCOUNTS-RULES-1985 of 1985

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The Electricity (Supply) Annual Accounts Rules, 1985 Published vide Notification No. G.S.R. 1134, dated the 31st October, 1985, published in Gazette of India, (Ordinary) Part 2, Section 3 (i), pages 3024-3103 In exercise of the powers conferred by Section 69 of the Electricity (Supply) Act, 1948 (54 of 1948), the Central Government, in consultation with the Comptroller and Auditor-General of India and the State Governments, hereby makes the following rules namely-

Chapter I

Introductory

1. Short title and commencement.

(1) These rules may be called the Electricity (Supply) Annual Accounts Rules, 1985. (2) They shall come into force with effect from date of their publication in the official Gazette.

2. Definitions.

(1) In these rules, unless the context otherwise requires,-(a) "Act" means the Electricity (Supply) Act, 1948 (54 of 1948), (b) "Annexure" means an Annexure appended to these rules, (c) "Annual statement of Accounts" means the Annual Statement of Accounts as defined in sub-rule (1) of rule 5 and includes the Annual Account and the Accounts ; (d) "Financial year" means a period of twelve calendar months ending on the 31st day of March every year or in the case of the first accounts, a shorter period commencing on the date of constitution of the Board and ending on the 31st day of March immediately following ; (e) "Notes" or "Notes to Accounts" means the Notes to Accounts contained in statement No. 5 of the Annual statement of Accounts (f) "Schedule" means a Schedule

forming part of the Annual Statement of Accounts ;(g)"statement" means a statement forming part of the Annual Statement of Accounts.(2)Words and expressions used herein and not defined but in the Act, shall have the meaning respectively assigned to them in the Act.

Chapter II

Compilation of Annual Accounts

3. Accounting Period.

- The accounting period for which the annual accounts have to be compiled by a Board shall be a period of twelve calendar months ending on the 31st day of March every year or in the case of the first accounts a shorter period commencing on the date of constitution of the Board and ending on the immediately following the 31st day of March.

4. Compilation and submission of annual accounts.

- Every Board shall at the end of each financial year, compile its annual accounts for that year and, within six months from the end of such financial year, submit the said Annual Accounts and Auditors report thereon to the Central Electricity Authority and to the concerned State Government.(2)The accounts when submitted to the Central Electricity. Authority and to the State Government shall have the auditors report at the top followed by Annual Statement of Accounts arranged in the order mentioned in sub-rule (1) of rule 5.

5. Form and contents of Annual Statement of Accounts.

(1)The Annual Statement of Accounts of a Board shall comprise of the following Statements and Schedules arranged in the order given below-Statement No.

1. Revenue Account

2. Net Revenue and Appropriation Account

3. Balance Sheet

4. Schedule to the Revenue Account Schedules (Schedules 1 to 18) to the Balance Sheet (Schedules 19 to 35)

4.

-A. Statement of Accounting Policies

5. Notes to Accounts

6. Function-wise Analysis of Revenue and expenses

7. Sources and uses of funds

8. Statement of Capital Base and surplus under section 59 of the Act, and

9. Statement of technical particulars

(2)The Annual Accounts shall present a true and fair view of the financial position of the Board at the end of the financial year and of the results of operations of the Board for the year.

6. Chart of Accounts.

(1)The Chart of Accounts, as laid down in Annexure II shall come into force with effect from the date of commencement of these rules. The transactions of a Board which take place after the said date shall, subject to rule 11, be accounted for under the account heads provided in the Chart of Accounts as given in the said Annexure.(2)A Board may, in accordance with the provisions contained in Annexure II, make additions or modifications to the Chart of Accounts if the local conditions or procedures so warrant.

7. Basic accounting principles and policies.

(1)The transactions of a Board shall be accounted for in accordance with the basic accounting principles and policies laid down in Annexure III.(2)The said basic accounting principles and policies shall be adopted immediately on the commencement of these rules.(3)The basic accounting principles and policies shall be applied only prospectively, that is to say, only to the transactions which take place on the commencement of these rules.

8. Disclosure of accounting policies.

- A Board shall, in its Annual Accounts, include a Statement of accounting policies (Statement 4) confirming adherence to the prescribed accounting policies and also stating therein the departures, if any, made therefrom.

9. Accounting policies for transactions not covered by Annexure III.

(1)A Board shall adopt commercial accounting system of year-end accruals even in respect of transactions for which no specific policy is prescribed in Annexure III. The accounting policy adopted in such cases shall be stated in the statement of accounting policies, if the amounts involved are significant.(2)Even the accounting policies other than the prescribed policies applied to a Board's

peculiar transactions in accordance with sub-rule (1) above shall be applied consistently from year to year.(3)In the event of several or all the Boards commencing new activities of the nature not hitherto carried out, the Central Government shall, in consultation with the Comptroller and Auditor-General of India and the concerned State Governments, upon intimation or knowledge thereof, lay down wherever considered necessary the accounting policies relating to the transactions arising from the said new set of activities. Appropriate account heads may be specified by Central Government for booking such transactions. Disclosure requirement for reporting of such transactions in Annual Accounts shall also be laid down by the Central Government in consultation with the Comptroller and Auditor-General of India and the concerned State Governments.

10. Criteria for departure from the prescribed accounting policies.

(1)A Board may make a departure from the prescribed accounting, policies only in the following circumstances, namely :-(a)situations in which, for reasons to be recorded in writing, the prescribed accounting policies are considered impracticable or unnecessary ;(b)by adoption of the prescribed accounting policies, the Board's accounts would fail to give a true and fair view.(2)Any departure from the prescribed accounting policies or change in respect of the accounting policies adopted by the Board under sub-rule (1) of rule 9 shall be disclosed in a Board's annual accounts for the year of departure or change as also for the first two years immediately thereafter. Such disclosure shall also include the reasons for the said departure or change and its effect on the surplus for the year or on capital base to be considered For the purposes of computation of the minimum surplus under Section 59 of the Act.(3)Where the departure from the prescribed accounting policies referred to in sub-rule (2) above involves deviation from the account heads as prescribed in the Chart of Accounts or introduction of new accounts heads, the fact shall be reported to the Central Government and the Comptroller and Auditor-General of India.

11. Process of change-over to the new form of accounts.

- Tire procedures to be followed on changing over to the new form of Accounts shall be as laid down in Annexure IV.

12. Uniformity in procedural matter.

- In order to ensure uniformity in procedural matters in maintenance of accounts, a Board shall follow the principles specified in Annexure V.

13. Adjusting entries.

- The Board may make any adjusting entries in its accounts for the financial year ending on the thirty-first day of March, 1986, to make such accounts conformable to the provisions of these rules.

Chapter III

Adoption of Annual Accounts

14. Adoption of annual accounts by the Board.

(1) Annual accounts of a Board shall be considered and initially adopted by the Board before their submission for audit to the Comptroller and Auditor-General of India or to any other person authorised by him in this behalf. (2) These accounts shall, upon completion of the audit by the aforesaid authority and after incorporating therein any changes necessitated be considered and finally adopted by the Board. Annexure I Annual Statement of Accounts

Part I – Statements

(Statements 1 to 9)

REVENUE ACCOUNT STATEMENT 1

(Rs. in lakhs)

Schedule Note		This year	Previous year		
		Units sold (in millions)			
1	2	3	4	5	6 7
	INCOME				
1. [[Schedules 2 and 3 relate to Element-wise Analysis of Revenue and Average Realisation from Sale of Power, respectively.]	Revenue from Sale of Power]		_____		
4.	Revenue Subsidies and Grants		_____		
5.	Other Income		_____		
			_____	_____	
	TOTAL		_____	_____	
	EXPENDITURE		_____		
6.	Purchase of Power		_____		
7.	Generation of Power		_____		
8.	Repairs and Maintenance		_____		

9.	Employee Costs	_____	
10.	Administration and General Expenses	_____	
11.	Depreciation and Related Debits (Net)	_____	
12.	Interest and Finance Charges	_____	
	Sub-Total	_____	_____
	Less : Expenses Capitalised :		
13.	Interest and Finance Charges Capitalised	_____	
14.	Other Expenses Capitalised	_____	
	Sub-Total	_____	_____
15.	Other Debits	_____	
16.	Extra-ordinary items	_____	
	TOTAL	_____	_____
	PROFIT/(LOSS) BEFORE TAX	_____	
17.	Provision for Income-tax	_____	
	PROFIT/(LOSS) AFTER TAX	_____	
	PROFIT/(LOSS) AFTER TAX	_____	
18.	Net Prior Period/Credits/(Charges)		

SURPLUS/(DEFICIT)

Surplus as a percentage of the value of fixed assets of the Board in service at the beginning of the year.

Minimum specified by the State Government

Actual

(Minimum surplus specified by the State Government for 198..... 8.....subsequent year) is % % %

* Schedules 2 and 3 relate to Element-wise Analysis of Revenue and Average Realisation from Sale of Power respectively.

STATEMENT 2 NET REVENUE & APPROPRIATION ACCOUNT

NOTE	(Rs. in lakhs)	
	This year	Previous year
Balance brought forward from last year		
Surplus/(Deficit) from Revenue Account		
CREDITS		
Transfer from General Reserve		
APPROPRIATION		
Contributions to Reserve and Reserve Funds		
*-Sinking Fund for Repayment of Borrowings		
-General Reserve		
BALANCE CARRIED FORWARD		
* Operation of this account may be held in abeyance.		

BALANCE SHEET STATEMENT 3

(Rs. in lakhs)

Schedule Note	As at 31st March this year	As at 31st March previous year
	NET ASSET	
19.	Net Fixed Assets	
	Gross Block	
	Less : Accumulated Depreciation	
	Net Fixed Assets	
21.	Capital expenditure in progress	
22.	Assets not in Use	
23.	Deferred Costs	
24.	Intangible Assets	
25.	Investments	
	Net Current Assets	
	Total Current Assets	
	Less :	
	Total Current Liabilities :	
27.	Security Deposits from Consumers	
28.	Other Current Liabilities	
	Total Current Liabilities	
	Net Current Assets	
29.	Subsidy Receivable from	

Government

NET ASSETS

FINANCED BY

30.	Borrowing for Working Capital	_____
31.	Payment due on Capital Liabilities	_____
32.	Capital Liabilities	_____
33.	Fund from State Government	_____
34.	Contributions, Grants and Subsidies towards Cost of Capital Assets	_____
35.	Reserves and Reserve Funds Surplus/(Deficit)	_____
	TOTAL FUNDS	_____

* Schedule 20 relates to Function-wise Break-up of Fixed Assets

STATEMENT OF ACCOUNTING POLICIES STATEMENT 4

1. Statement on Compliance with the Provisions of the Electricity (Supply) Act, 1948 and the Rules made thereunder.

The Board has maintained its accounts and compiled its Annual Statement of Accounts in accordance with the related provisions of the Electricity (Supply) Act, 1948 and the rules made thereunder. The following departures from the Basic Accounting Principles and Accounting Policies (as permitted under the Rules) have been made for the reasons stated there against : (a) (b) (c) 2. Changes in Accounting policies The accounting policies adopted by the Board have been consistently followed during the year, except for the changes in the following areas : (For each change In the accounting policy state :- policy followed hitherto-policy adopted during the year-the amount, if material, by which an item in the Revenue Account, Net Revenue and Appropriation Account or Balance Sheet, has been affected by the change. For this purpose, a plus/minus charge of 3% or more shall be considered to be material).

NOTES TO ACCOUNTS STATEMENT 5

Notes to accounts are an important requirement in providing a true and fair view. Notes must be as clearly recorded as possible and be able to fully convey the matter without any ambiguity. Amounts involved must be given wherever relevant. Notes should be split in 2 sections : (A) Notes to Revenue Account and Net Revenue & Appropriation Account and (B) Notes to Balance Sheet. Wherever a note relates to items in both the sections, the note should be given in the Section for Revenue Account. Cross-reference of note number should be given against the relevant item in the Revenue Account, net Revenue & Appropriation Account. Balance Sheet or any of the other Statements or Schedules. Similarly, relevant Schedule number/Statement number should also be stated against the note. The matters included in the attached list must be disclosed in 'Note to Accounts' by every board except cases where any of them are not applicable to a Board. This list however, is not intended to be an exhaustive list and, therefore, a Board would have to select other matters for which a note would be essential in the Annual Accounts. Explanation of Certain Terms used in the Notes to Accounts. (1) Note 1 refers to 'Contracts placed but not executed and not provided for', This

team means :The total value of the work contracted as on the date of the Balance Sheet.Less :Contract value of work which is executed and accounted for (i.e. either paid for or a liability in favour of the supplier/contractor having been provided for) as on that date.Less :Amount of advance payments (made against the unexecuted portion of contract) which remains unadjusted as on the date of the Balance Sheet.The word 'contract' for the purpose of this note covers all types of capital contracts, such as, contracts for capital supplies, contracts for erection of capital assets ; contracts for supply-cum-erection of capital assets, etc. contract value of which exceeds Rs. 1 crore each.(2)Notes 3 and 4 below refer to 'unconditional obligations for purchase and unconditional right of sale of power'.An 'unconditional purchase obligation' is any arrangement for purchase of power from other bodies which is non-cancellable or is cancellable only :-upon the occurrence of some remote contingency or-with the permission of the other party or-If a replacement agreement is signed between the same parties or-upon payment of a penalty of such an amount that the continuation of the agreement appears reasonably assured.What is, 'unconditional purchase obligation' for the purchasing party is 'an unconditional right of sale' for the selling party.(3)Notes 3 and 4 distinguish unconditional purchase obligations "with financing arrangement" from others. Unconditional purchase obligations "with financing agreement" means the purchase arrangement of the type described in (2) above which was negotiated as part of financing for the facilities (generating station, transmission lines etc.) that will provide, the contracted power. Example of such an arrangement is financing of NTPC projects by the World Bank subject to NTPC entering into agreements with State Electricity Boards for purchase of power to be generated by NTPC.

MATTERS TO
BE
DISCLOSED
IN 'NOTES TO
ACCOUNTS'

		End of This yearRs.	End of Previous yearRs.
1.	Commitments for Capital Expenditure : Contracts placed but not executed and not provided for Works Authorised but not contracted Total		
2.	Aggregate amount of Capital Liabilities falling due for Repayment/Redemption -next year		
3.	Unconditional Obligations for Purchase of Power		

-With Financing
Arrangement

-Others

The disclosure of such obligations should include the nature and term of obligations, the fixed or variable payments to be made for the power purchase under the agreement, the Units and value of purchase during the year etc. separately for each such.

4. Unconditional right of Sale of Power.

-With Financing
Arrangement

-Others

The disclosure shall include information referred to in note 3 above for purchase obligations.

5. In respect of Contingent Liabilities which are in excess of 1 crore each in value, Board shall disclose the total amount contingently payable if the liabilities were to become actual liabilities as on the date of the Balance Sheet.

6. Lien etc. on Board's assets.

7. Conditions, if any, remaining unfulfilled as on the date of the Balance Sheet for government grants, etc. though the grant is received.

8. Board's assets, whether adequately insured or not.

9.

Accumulated losses and
unabsorbed depreciation
and investment allowance as
at the year-end in the
income-tax proceedings.

		This year	Previous year		
		MT	MT	MT	MT
10.	Coal Receipts, Consumption and Stocks (Quantities) :				
	Opening Stock		_____		
	Gross Receipts	_____			
	Less :Transit Loss	_____			
	Opening Stock plus Net Receipts	_____		_____	
	Less :Consumption	_____			
	Closing Stock	_____			

11. Amount of Liability for
customs duty on capital
equipment, spares and other
materials in Bonded
Warehouse which is
not provided for.
12. Classification of
Expenditure :
"All expenses are reflected
in Revenue Account
under natural heads.
Accordingly expenses shown
under Purchase of Power,
Generation of Power or
Repairs and Maintenance do
not include any employee
costs, depreciation,
administration and general
expenses and interest and
finance charges which
are disclosed separately".

- Revenue Account includes the following costs and revenue attrial stage in respect of the undermentioned generating stations,incurred after the capitalisable period i.e. Full period of trialstage or the period of three months from the commencement oftrial stage (whichever is shorter):
- (1) Location of Generating Station
 - (2) Capacity
 - (3) Period of trial stage
 - (4) Units generated, auxiliary consumption and net generationduring the trial stage.
 - (5) Revenue from sale of power generated during trial stage(Total less Capitalised = Credited to Revenue A/c)
 - (6) Costs incurred during trial stage - (Item-wise break-up)(total less : Capitalised = Charged to Revenue A/c)
- Revenue Account includes the following continuing expensesrelating to the under mentioned closed Power Stations, Lines,Sub-Stations etc. :
- (1) Details of the closed Power Station/Line/Sub-Station
 - (2) Date of Closure
 - (3) Total expenses incurred since closure Rs of which Rs isincurred during the year

(4) Break-up of expenses
into Employee, Costs,
Repairs and Maintenance,
Administration.

Note regarding reasons for
extremely
abnormal increase/decrease
in the value of items in
Annual Accounts
as compared to those in the
previous year.

15.

Take-over of Licensee,
broad details of assets and
liabilities taken over,
mortgages etc. of the assets
not released upto

16.

the Balance Sheet date,
compensation paid/payable
and disputes, if any, raised
by the licensee regarding the
take-over, compensation or
other matters.

17.

Generation, Purchase and
sale of Power (in million
units)

{|

	THIS YEAR			PREVIOUS YEAR		
	Units Generated			Auxiliary Consumption	Net	
Thermal	<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>	
Hydel	<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>	
Gas	<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>	
Purchase					<input type="checkbox"/>	<input type="checkbox"/>
Sale					<input type="checkbox"/>	<input type="checkbox"/>
T & D Losses	Units & %			Units & %		

18. Generating Stations Location Capacity A. Plants in operation since the beginning of the year. B. Plants commissioned during the year. C. Plants decommissioned during the year. 19. Purchase, Issues and Stocks of Materials (Value recorded in Account heads 22.2 to 22.6 should be disclosed here)

Balance in This Year Previous Year

	Account Code	Rs.	Rs.	Rs.	Rs.
(A) Opening Stock					
– Capital	22.60 & 22.61				
– O & M	22.62 & 22.63				
Total					
(B) Purchases					
– Capital	22.20 & 22.21				
– O & M	22.22 & 22.23				
Total					
(C) Opening Stock Plus purchases					
	Balance in	This Year	Previous Year		
	Account Code	Rs.	Rs.	Rs.	Rs.
(D) Issues for Consumption					
-Capital	22.30 & 22.31				
-O & M	22.32 & 22.33				
Total					
(E) Issues to Contractors					
-Issues	22.34 & 22.35				
>Returns	22.36 & 22.37				
Net Issues					
(F) Total Issues (D+E)					
(G) Closing Stock					
-Capital	22.60 & 22.61				
-O & M	22.62 & 22.63				
Total					
(H) Transfer Inward	22.40 & 22.41				
(I) Transfer Outward	22.42 & 22.43				
- 20. Reconciliation of receivables against Sale of Power -					

	Account Code	This Year Rs.	Previous Year Rs.	Rs.	Rs.
(A) Opening Balance	23.1				
	23.2				
	23.4				
	23.5				
	23.6				
	23.7				

(B) Revenue from Sale of Power

	61.1	
	61.2	
	61.3	
	61.6	
	61.7	
	61.9	
(C) Total Electricity Duty and other Levies Charged to	61.50161.539	
(D) Delayed Payment Charges	62.250	
(E) Total Debits (B to D)		
(F) Total (A+E)		
(G) Collections from Consumers	23.3	
(H) Discount to Consumers for Timely Payment of Bills to	78.82078.839	
(I) Bad Debts Written-off	79.410	
(J) Security Deposits from Permanently Disconnected Consumersadjusted	-	
(K) Total Credits (G to J)		
(L) Closing Balance (F-K)		
(M) Break-up of Closing Balance		23.1
	23.2	
	23.4	
	23.5	
	23.6	
	23.7	

(N) Increase/Decrease in Receivables (A-L)

[-] 21. Bases of determining quantities of Fuel Receipts, Consumption and Stocks at power Stations of the Board. }

FUNCTION

WISE

ANALYSIS

OF

REVENUE

AND

EXPENSES

Sl. No. Item Function (See Note 1 below)

Hydel Thermal Gas...

GENERATION Transmission

Total

REVENUE

1.

	Revenue from Sale of Power	
	Revenue	
2.	Subsidies and Grants (See Note 3)	
3.	Other Income (See Note 3)	
4.	TOTAL INCOME	
EXPENSES		
1.	Purchase of Power (Put it in total column)	
2.	Generation of Power	
	-Fuel	
	Consumption	
	-Other Fuel related costs	
	-Operating Expenses	<hr/>
	Sub-total	<hr/>
	-Fuel related Losses	<hr/>
	Total	<hr/>
3.	Repairs and Maintenance	
4.	Employee Costs	
5.	Administration and General Expenses	
6.	Depreciation and Related Debits(Net)	
7.	Interest and Finance Charges	<hr/>
8.	Total Expenses	

- Less :
 9. Expenses Capitalised
 Add :
 10. Expenses Re-allocated
 NET
 11. EXPENSES

NOTES : (1) The functions shown in this schedule are only illustrative Actually the analysis would be for those functions which are incorporated in the Location Codes assigned to accounting units.(2)To be shown in the column of the function the subsidy/grant relates to,(3)This being the income accounts group for different types of income including miscellaneous receipts, each function is likely to have some amount of some income.

Construction

HV

SOURCES AND USES OF FUNDS STATEMENT 7

(Rs. in lakhs)

Note	Sl. No.	Particulars	THIS YEAR	PREVIOUS YEAR
1	2	3	4	5
FUNDS PROVIDED BY				
Profit before tax				
(excluding Revenue subsidies and Grants)				
Less : Tax payment during the year				
Add : Debits to Revenue Account not requiring Cash Outlay				
*-Depreciation				
-Amortisation of deferred costs				

-Amortisation of
intangibleassets
Less : Credits to Revenue
Accountnot involving cash
receipts

Net Funds from Earnings ☐

Receipts of Revenue ☐
subsidies andgrants

Contributions, Grants
andsubsidies towards cost ☐
of capital assets

Proceeds from disposal of ☐
fixedassets

**FUNDS FROM
OPERATIONS**

Increase/(Decrease) in ☐
WorkingCapital

-Stocks ☐

-Receivable against Supply ☐
ofPower

-Loans & Advances ☐

-Sundry Receivables ☐ _____

Sub-total ☐ _____

-Security Deposit from
Consumers

-Current and Accrued
Liabilities

Net Increase/Decrease in
WorkingCapital

Increase/Decrease in Cash
andBank Balances

Increase/Decrease in
Borrowingfor Working
Capital

FUNDS UTILISED ON ☐
WORKING CAPITAL

NET FUNDS FROM
OPERATIONS

FUNDS UTILISED ON
CAPITAL EXPENDITURE

On Projects (Refer
Annexure to Statement 7
for Project-wise break-up)

Intangible assets

Deferred cost

TOTAL CAPITAL
EXPENDITURE

SHORTFALL IN CAPITAL
FUND MET FROM
EXTERNAL SOURCES

NET

INCREASE/(DECREASE)
IN CAPITAL LIABILITIES

Fresh Borrowing

State Loans

Foreign Currency

Loan/Credits

Other Borrowings

Increase/Decrease in
Payments Due on Capital
Liabilities

Net Increase/(Decrease)
in Capital
Liabilities

NET

(INCREASE)/DECREASE
IN INVESTMENTS

NET CAPITAL FUNDS
FROM
EXTERNAL SOURCES

Net Funds from

Operations as a percentage
of Total Capital

%

Expenditure

PROJECT-WISE
ANALYSIS OF

CAPITALEXPENDITURE

Annexure to Statement 7

Project Code	Brief Description of Project	Total Project Cost	Cost upto the end of the Previous Year	Cost Incurred during this year	Total cost upto the end of this year
Original Sanction	Revised Sanction				

GENERATION(A)Sub-total
 (A)TRANSMISSIONLINES &
 SUB-STATIONS (B)Sub-total
 (B)RURALELECTRIFICATION
 (C)OTHERPROJECTS (D)Sub-total
 (D)Total (A toD)Constructionmachinery
 not covered by any
 projectRevenueexpenses
 capitalisedProvision for Works completed
 GRAND TOTAL

Notes

(1) Cost incurred during this year does not include-

The increase/(decrease) in following balances as compared tothese balances at the end of previous year.

Increase/(decrease) in advances for capital supplies/capitalWorks Rs._____

Increase/(decrease) in capital stores at constructionlocations Rs._____

(Increase)/decrease in liability for capital supplies/capitalworks Rs._____

NET Rs._____

(2) In the capital expenditure on take-over of licensementioned in project code...above. Rs._____

Compensationpaid in cash is Rs._____

and Rs._____

Compensationin form of Bonds/Debentures is Rs._____

STATEMENT OF CAPITAL BASE AND SURPLUS

STATEMENT 8

[under Section 59 of the Electricity (Supply) Act, 1948]

Sl. No.	Particulars	Schedule	At the Beginning of this year	At the Beginning of the Previous year
1.	Original Cost of Fixed Assets	19		

2.	Less : Accumulated Depreciation	19
3.	Net Block (1-2)	
4.	Consumer's Contribution	34
5.	CAPITAL BASE (3-4)	
	(i.e. Value of Fixed assets in Service at the beginning of the year under Section 59)	

Sl. No.	Particulars	This year	Previous Year
6.	SURPLUS (under Section 59)		
7.	Surplus as a % of Capital Base (under Section 59)	%	%

STATEMENT OF TECHNICAL PARTICULARS STATEMENT 9

Sl. No.	Particulars	This Year	Previous Year
1.	Installed Generating Capacity (in MW) at the year-end Hydel Thermal_____		
	TOTAL		
2.	Normal Maximum Demand on the system (in MW) (a) Restricted (b) Unrestricted		
3.	Plant Capacity available at the time maximum system demand was met (as a % of Declared Net Capacity of generating stations)	%	%
4.	Plant Load Factor		
5.	Generation (in Million KWH) Hydel Thermal_____		
	TOTAL		
6.	Auxiliary Consumption (in Million KWH)		
7.			

	Power Purchases (in Million KWH)		
	Sources		
	TOTAL		
8.	Power available for Sale (in Million KWH) (5-6-7)		
9.	Power Sold (in Million KWH)		
10.	Transmission & Distribution Losses		
	– in Million KWH (8-9)		
	– As a % of total power available for sale	%	%
11.	Fuel		
	(a) Consumption (in MT)		
	Coal		
	RFO/FO		
	LD Oil/HSD		
	(b) Average Calorific Value per kg of Fuel Consumed (in K.Cal./Kg.)		
	Coal		
	RFO/FO		
	LD Oil/HSD		
	(c) Consumption per Unit of Generation (in Kg./KWH)		
	Coal		
	FRO/FO		
	LD Oil/HSD		

STATEMENT OF
TECHNICAL
PARTICULARS

Sl. No.	Particulars	This year	Previous year
No. of Consumers	Connected Load in MW	No. of Consumers	Connected Load in MW
12.	Sale of Power		
	Consumer Category		

- (i) Domestic
- (ii) Commercial
- (iii) Public Lighting
- (iv) Irrigation and Dewatering
- (v) Public Water Works
- (vi) Industrial (LT/HT,
Power-Intensive Special)
- (vii) Railway Traction
- (viii) Bulk Supply
- (ix) Outside Supplies
- (x) Miscellaneous
- TOTAL

Note : Wherever appropriate indicate % Increase/Decrease over the previous year in brackets.

Part II – Schedule to the Revenue Account

REVENUE FROM SALE OF SCHEDULE I POWER

Sl. No.	Particulars	Account Code	This year Rs.	Previous year Rs.
1	2	3	4	5
1.		Consumer category-wise/sub-accounts under main		
3.		accounts 61.2 and 61.3 and consumer-wise sub-accounts undermain account 61.1		
15.	Total Revenue			
16.	Electricity Duty Recovery	61.501 to 61.519		
17.	Other State Levies Recovery	61.521 to 61.539		
18.	Meter Rent/Service Line Rental	61.6		
19.	Recoveries for Theft of Power/ Malpractice	61.7		
20.	Sub-total			
21.	Wheeling Charges	61.8		

	Recoveries		
	Miscellaneous		
22.	charges from Consumers	61.9	
23.	GROSS REVENUE FROM SALE OF POWER		
24.	Less : Electricity Duty Payable	(Contra)	61.541 to 61.559
25.	Other State Levies Payable	(Contra)	61.561 to 61.579
26.	TOTAL		

SCHEDULE 2
ELEMENTWISE
ANALYSIS OF
REVENUE

Sl. No.	Particulars	Account Code	This Year Rs.	Previous Year Rs.
	REVENUE			
	Demand Charges	Last digit of the sub-accounts for each consumer category grouped by element		
	Energy Charges			
	Fuel Cost Adjustment Charges			
	Power Factory Surcharge			
	Adjustments to Past Billings			
	TOTAL			
	ELECTRICITY DUTY & OTHER STATE LEVIES			
	Electricity Duty Recovery	61.501 to 61.519		
	Other State Levies Recovery	61.521 to 61.539		
	TOTAL EXCISE			
	METER	61.6		

RENT/SERVICE LINE

RENTAL RECOVERIES
FOR MALPRACTICES 61.7

WHEELING CHARGES
RECOVERIES 61.8

MISCELLANEOUS
RECOVERIES

Fuse Charges Sub-accounts under 61.9

TOTAL
MISCELLANEOUS 61.9
RECOVERY

GROSS REVENUE
FROM SALE OF POWER

Less: Electricity Duty,
Payable(Contra)

61.541 to 61.559

Other State Levies
Payable(Contra) 61.561 to 61.579

TOTAL

AVERAGE
REALISATION SCHEDULE
FROM SALE 3
OF POWER

Previous Year			This Year				
No. of Consumers	Unit sold	Average Realisation in paise per unit	Sl. No.	Consumers Category	No. of Consumers	Unit sold	Average Realisation in paise per unit
Unit	% of Total Units sold	Unit	% of Total Units sold				
		100%			TOTAL		100%

Average
realisation from
each category of
consumers
should
becomputed as
follows :

Revenue from
Sale of Power to
the Consumer
Category
Plus Electricity
Duty and
Other State
Levies Recovery
from that
Category
TOTAL divided
by number of
units sold to that
category

REVENUE SUBSIDIES AND
GRANTS

SCHEDULE 4

Particulars	Account Code	This Year Rs.	Previous Year Rs.
	Each of the sub-accounts under main account 63.1		

TOTAL
SCHEDULE 5
OTHER
INCOME

Sl. No.	Particulars	Account	This Year Rs.	Previous Year Rs.	Rs. Rs.
1.	Interest on Staff Loans and Advances	62.210 to 62.219			
2.	Income from Investments	62.220 to 62.239			
3.	Interest on Loans & Advances to Licensees	62.240			
4.	Delayed Payment Charges for Consumers	62.250			
5.	Interest on Advances to Suppliers/Contractors	62.260			
6.	Interest from Banks (other than on Fixed Deposits)	62.270			
7.	Income from Trading	62.3			
8.	Income from Staff Welfare Activities	62.6			

9.	Miscellaneous Receipts	62.9
	TOTAL	

SCHEDULE

6

PURCHASE
OF POWER

S. No.	Particulars	Account Code	This Year Rs.	Previous Year Rs.
1.	Power Purchased	70.1 Each sub-account separately		
2.	Total Power purchase			
	Write-off of cost of acquiring rights to receive power from other bodies	70.3		
4.	Wheeling charges	70.4		
	TOTAL			
	Fuel Consumption			
1.	Coal	71.110		
2.	Oil	71.120		
3.	Gas	71.130		
4.		71.140		
		to		
		71.199		
5.	Total (1 to 4)			
6.	Other Fuel Related Costs	71.271.3 (71.462.7)		
7.	Sub-total for Fuel Cost	(5+6)		
	Operating Expenses			
8.	Cost of Water -Hydel Power	71.5		

	-Thermal	
	Power	
	Lubricants	
9.	and Consumable Stores	71.6
10.	Station Supplies	71.7
11.	Sub-total for Operating Expenses	(8 to 10)
12.	Cost of Generation of Power	(7+11)
13.	Fuel Related Losses	(72.1,72.2)72.3
14.	TOTAL (12+13)	

REPAIRS AND
MAINTENANCE

SCHEDULE 8

Sl. No.	Particulars	Account Code	This Year Rs.	Previous Year Rs.
	Repairs and Maintenance to Plant & Machinery	74.1		
1.	Buildings	74.2		
2.	Civil Works	74.3		
3.	Hydraulic Works	74.4		
4.	Lines, Cable Network etc.	74.5		
5.	Vehicles	74.6		
6.	Furniture & Fixture	74.7		
7.	Office Equipments	74.8		
	TOTAL			

SCHEDULE 9

EMPLOYEE
COSTS

Sl. No.	Particulars	Account Code	This Year Rs.	Previous Year Rs.
1.	Salaries	75.1		
2.	Overtime	75.2		
3.	Dearness Allowance	75.3		

4.	Other Allowances	75.4
5.	Bonus	75.5
6.	Sub-total	
7.	Medical Expenses Reimbursement	75.611
8.	Leave Travel Assistance	75.612
9.	Earned Leave Encashment	75.612
10.	Payment under Workmen's Compensation Act	75.629
11.	Total Other Staff Costs (7 to 10)	
12.	Staff Welfare Expenses	75.7
13.	Terminal Benefits	75.8
	TOTAL	

SCHEDULE 10

ADMINISTRATION & GENERAL EXPENSES

Sl. No.	Particulars	Account Code	This Year Rs.	Previous Year Rs.
1.	Rent, Rates and Taxes	76.101to76.102		
2.	Insurance	76.104to76.106		
3.	Telephone Charges, Postage, Telegram and Telex Charges	76.111to76.113		
4.	Legal Charges	76.121		
5.	Audit Fees	76.122		
6.	Consultancy Charges	76.123		
7.	Technical Fees	76.124		
8.	Other Professional Charges	76.125		
9.	Conveyance & Travel	76.131to76.139		
10.	Other Expenses	76.151to76.190		
	Fees & Subscription			
	Books & Periodicals			
	Printing & Stationery			
	Advertisements			
	Contributions			
	Electricity Charges			
	Water Charges			
	Entertainment			
	Miscellaneous Expenses			
11.	Total of Other Expenses			

12.	Freight	76.210to76.220
13.	Other Purchases related expenses	76.230to76.299
14.	Total freight and other Purchase related expenses	76.2
15.	TOTAL	

SCHEDULE 11

DEPRECIATION AND
RELATED DEBITS (NET)

Sl. No.	Particulars	Account Code	This Year Rs.	Previous Year Rs.
1.	Depreciation	77.1 & 77.2		
2.	Asset Decommissioning Costs	77.5		
3.	Small and low value Items Written-off	77.6		
4.	Sub-total			
5.	Written-down value of assets scrapped	77.710		
6.	Write-off of deficits of Fixed Assets observed upon physical verification	77.720		
7.	Loss on sale of Fixed Assets	77.730		
8.	Total of (5 to 7)			
9.	Total Debits (4 and 8)			
	Less			
10.	Gain on Sale of Assets (excluding capital Gains Rstransferred to (RESERVE)	62.4		
11.	TOTAL			

SCHEDULE 12

INTEREST AND
FINANCE
CHARGES

Sl. No.	Particulars	Amount Code	This Year Rs.	Previous Year Rs.
1.	Interest on State Government Loans	78.1		
2.	Interest on Bonds	78.2		
3.	Interest on Debentures	78.3		
4.	Interest on Foreign Currency Loans/Credits	78.4		
5.				

	Interest on Other Loans/Deferred Credits	Each Sub-account under 78.5 shown separately	
6.	Penal Interest in respect of Capital Liabilities	78.591to78.599	
7.	Interest to Consumers	78.6	
8.	Total Interest on Capital Liabilities		
9.	Interest on Borrowings for Working Capital	78.7	
10.	Other Interest and Finance Charges		
11.	Discount to Consumers for Timely Payment of Bills	78.820to78.839	
12.	Interest to Supplies/Contractors	78.841to78.842	
13.	Interest on Contributory Provident Fund	78.850	
14.	Interest on Contributory Provident Fund	78.851	
15.	Interest of General Provident Fund	78.852	
16.	Other Interest	Other sub-account under 78.85	_____
17.	Cost of Raising Finance	78.861to78.869	
18.	Discount on Issue of Bonds/ Debentures	78.871	
19.	Premium on Redemption of Bonds/ Debentures	78.873	_____
20.	Other Charges	78.881to78.889	
21.	Interest on sums paid by State Govt. under Guaranties	78.890	
22.	Total		

Note : The interest charges shown in the Schedule are after deducting a rebate of Rs. [*] earned for timely payment of interest/timely repayment of borrowings.

SCHEDULE 13

INTEREST AND FINANCE CHARGES CAPITALISED

This Schedule shall contain the detailed workings for computing the amount of capitalised interest on funds used during construction stage.

This year

Previous year

SCHEDULE 14

OTHER EXPENSES CAPITALISED

1.	Capitalisation of Cost of Generation during trial stage	71.9
2.	Employee Costs capitalised	75.9
3.	Administration and General Expenses capitalised	76.9
4.	Depreciation and related costs capitalised	77.9
	TOTAL	

OTHER DEBITS

SCHEDULE 15

Sl. No.	Particulars	Amount Code	This Year Rs.	Previous Year Rs.
1.	Materials Cost Variance	79.1		
2.	Research & Development Expenses	79.2		
3.	Cost of Trading/Manufacturing Activities	79.3		
4.	Bad and Doubtful Debts Written off/ Provided for	79.4		
5.	Miscellaneous Losses & Written-off	79.5		
6.	Sundry Expenses	79.7 (each sub-account separately)		
	TOTAL			

SCHEDULE 16

EXTRAORDINARY ITEMS

Extraordinary items are defined as "those items which arise from events or transaction outside the ordinary activities of the Board and which are both material and expected not to recur frequently or regularly. They do not include items which, though exceptional in terms of amount and occurrence (and which may therefore require separate disclosure), arise from the events or transactions within the ordinary activities of the Board. Similarly prior/period items are not extraordinary items merely because they relate to a prior year.

Sl. No.	Particulars	Amount Code	This Year Rs.	Previous Year Rs.
1.	Extraordinary Credits (including subsidies against			

				loss on account of flood, fire, cyclone, fire, etc. Account head 63.2)	
				1	
				1	
				1	
				1	
				Total Credits	
				Extraordinary Debits (Losses on Account of Flood, Cyclone, Fire etc. Account Head 79.8)	
				1	
				1	
				1	
				1	
				Total	
				Extraordinary Items (Net)	
2.					
3.					
PROVISION FOR INCOME TAX	SCHEDULE 17				
Sl. No.	Particulars	Amount Code	This Year Rs.	Previous Year Rs.	
	Provision for Income Tax	46.8			
	TOTAL				

SCHEDULE 18

NET PRIOR PERIOD CREDITS/CHARGES

Prior period items are defined as those items which arise.

-from retrospective change in the basis of accounting (it may be noted that retrospective change in the basis of accounting should be avoided as far as possible).

-on correction of fundamental error in accounts of prior periods.

-on account of short excessprovision
made in previous years.

Boards

Waiver of any liability relating to
revenueexpense of past years (such as
waiver of interest for past yearsby State
Government in view of the Boards weak
financialposition) would be treated as
prior period income.

Sl. No.	Particulars	Amount Code	This Year Rs.	Previous Year Rs.
1.	Income relating to previous years	Separately each sub-account under 65.1 to 65.9		
2.	Prior period expenses/losses	Separately for each Sub-account under 83.1 to 83.9		
3.	Net prior period credits/Charges (1-2) or (2-1) as the casemay be			

Part III – Schedule to the Balance Sheet

Schedule 19

FIXED ASSETS &
PROVISION FOR
DEPRECIATION

Gross Block

Sl. No.	Asset/Group	Account Code	At the end of previous year	Additions	Deductions	Re-classification
1.	Land & Land Rights	10.1				
2.	Buildings	10.2				

3.	Hydraulic Works	10.3
4.	Other Civil Works	10.4
5.	Plant & Machinery	10.5
6.	Lines and Cable Network	10.6
7.	Vehicles	10.7
8.	Furniture & Fixtures	10.8
9.	Office Equipment	10.9
	Sub-TOTAL	
	Capital Expenditure	
10.	resulting in an asset not belonging to the Board.	11.1
	Spare	
11.	Units/Service Units	11.2
	Capital Spares at	
12.	Generating Stations	11.3
	Asset taken over from	
13.	Licensees-pending final valuation	11.5
	TOTAL	
	TOTAL for Previous Year.	
	Also provide notes as given on the next page	

Provision for Depreciation

Net Block

At the end of the previous year	Depreciation for the year	Adjustments on deductions	Reclassification	At the end of the year	At the end of the year	At the end of the previous year.
---------------------------------	---------------------------	---------------------------	------------------	------------------------	------------------------	----------------------------------

Notes : (1) Previous year's figures should be shown in brackets below each figure.(2)Disclose by way

of a note that 'Gross block does not include value of small and low value assets each costing below Rs. 500, charged to Revenue Account in the year in which they are first put to use.-Value of such assets charged to Revenue Account-during the year Rs.....-Total upto the Balance Sheets date (i.e. including previous year's write offs) Rs.....

SCHEDULE 20

*FUNCTIONWISE

BREAK UP OF FIXED ASSETS

Function	Gross Block				
At the end of the previous year	Additions		Deductions	Reclassification	At the end of the year
Thermal Generation					
Hydel Generation					
Transmission					
Distribution					
TOTAL					
Previous Year					
Accumulated Depreciation	Net Book				
At the end of the previous year	Depreciation for the Year		Adjustments on deductions	Reclassification	At the end of the year

SCHEDULE 21

CAPITAL EXPENDITURE IN PROGRESS

Sl. No.	Particulars	Account Code	This Year Rs.	Previous Year Rs.
1.	Capital Work-in-progress	14		
2.	Contracts-in-progress	15.1		
3.	Sub-total			
4.	Revenue Expenses Pending Allocation	15.2		

over Capital Works

5.	Provision for completed work	15.5
6.	Construction Facilities (Cost Rs. Less Provision for Depreciation Rs.)	15.6
7.	Assets at Construction stage (3 to 6P)	
8.	Advances for Suppliers/Contractors (Capital)	25.1 to 25.9
9.	TOTAL	

Note :

1. Under the standard rate based valuation, certain fast-moving items of stores and charged to works at their standard rates and not at actual cost. For the year as a whole, the variance between the standard rate and the actual cost accumulated in Materials Cost Variance shows (an excess of standard cost over actual cost Rs.) (an excess of actual

cost over standard cost Rs.) on the total purchases of materials (for use both capital and O&M) recorded during the year Rs.

2. Contracts-in-progress represents the portion of interim payments made to contractors for capital works executed in respect of which title is to pass to the Board only upon completion of the contract.

3. Depreciation on construction facilities charged to capital work during the year is Rs.

SCHEDULE 22

ASSETS NOT IN USE

Balance in the beginning of the previous year	Additions during the previous year	Deductions during the previous year	Sl. No.	Asset Group	Account Code	Balance at the end of the previous year	Additions during the year	Deductions during the year	Balance at the end of this year
Rs.	Rs.	Rs.			Rs.	Rs.	Rs.	Rs.	Rs.
			1.	Written-down value of obsolete/ Scrapped assets	16.1 Each sub-account separately disclosed.				

TOTAL

SCHEDULE 23

DEFERRED COSTS

Balance in the beginning of the previous year	Cost deferred during the previous year	Cost Charged to revenue during the previous year	Particulars	Account Code	Balance at the end of the previous year	Cost deferred during the year	Cost charged to revenue during the year	Balance at the end of (This year)
Rs.	Rs.	Rs.			Rs.	Rs.	Rs.	Rs. Rs.
			Deferred Revenue Expenditure -Compensation for premature takeover of Licensed	17.2				
				17.221				
					Other sub-accounts under 17.2			
			TOTAL Deferred Revenue Expenditure Expenditure on survey/ feasibility studies of projects not yet sanctioned	17.3				
			Total Deferred Costs	17				

SCHEDULE 24

INTANGIBLE ASSETS

Balance in the beginning of the previous year	Cost deferred during the previous year	Cost Charged to revenue during the previous year	Intangible Assets	Account Code	Balance at the end of the previous year	Cost deferred during the year	Cost charged to revenue during the year	Balance at the end of (This year)
---	--	--	-------------------	--------------	---	-------------------------------	---	-----------------------------------

year		year				the year	
Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs. Rs.
			Payments to acquire right to receive 18.100 power from other bodies				
			Expenses for forming and organising 18.200 the Board				
			TOTAL				

SCHEDULE 25
INVESTMENTS

Balance in the beginning of the previous year	Further investments during the previous year	Investments realised during the previous year	Sl. No.	Investment	Account Code	Balance at the end of the previous year	Further investmen during the year
Rs.	Rs.	Rs.				Rs.	Rs.
			1.	Investments against fundsSub-total	20.1Each sub-account separately		
			2.	Investments other than fund investmentsSub-total	20.2Each sub-account separately		
			3.	Investments in subsidiariesSub-total	20.3Each sub-account separately		
			4.	Investments in partnerships/joint venturesSub-totalGrand-Total	20.4each sub-account separately		

TOTAL CURRENT ASSETS SCHEDULE 26

Sl. No.	Current Asset	Schedule This Year	Previous Year
1.	Stocks	26(a)	
2.	Receivables against Supply of Power	26(b)	
3.	Cash and Bank Balances	26(c)	
4.	Loan and Advances	26(d)	

5.	Sundry Receivables	26(e)
	TOTAL	

SCHEDULE 26

(a)

STOCK

Sl. No.	Particulars	Amount Code	This Year Rs.	Previous Year Rs.
1.	Fuel Stocks	21.101 21.105 21.108		
2.	Coal in Transit	21.121		
3.	Oil in Transit	21.125		
4.	Stock of Materials at Construction Stores	22.60 & 22.61		
5.	Stock of Materials at Other Stores	22.62 & 22.63		
6.	Materials at Site	22.64 & 22.65		
7.	Materials pending Inspection	22.66 & 22.67		
8.	Materials in Transit	22.68 & 22.69		
9.	Other materials Accounts	22.7		
10.	Fuel Stock Excess/Shortages-Pending Investigation	22.2		
11.	Materials Stock Excess/Shortage-Pending investigation	22.8		
	TOTAL			

SCHEDULE 26(b)

RECEIVABLES

AGAINST SUPPLY OF
POWER

Sl. No.	Particulars	Amount Code	This Year Rs.	Previous Year Rs.
1.	Sundry Debtors for Sale of Power.	23.1		
2.	Sundry Debtors for Inter-State Sale of Power.	23.6		
3.	Sundry Debtors for Electricity Duty	23.2		
4.	Provision for Unbilled Revenue	23.4		
5.	Dues from Permanently Disconnected Consumers (net of security deposits forfeited)	23.5		
6.	Sundry Debtors-Miscellaneous Receipts	23.7		

from ConsumersSub-Total

7.	Less : Provision for Doubtful dues from Consumers	23.9
	TOTAL	

SCHEDULE 26(c)

CASH AND BANK
BALANCES

Sl. No.	Particulars	Amount Code	This Year Rs.	Previous Year Rs.
1.	Cash on hand	24.1		
2.	Cash Imprests with Staff	24.2		
3.	Balance with Banks	24.3 & 24.4		
4.	Cash in Transit	24.5 24.6		
	TOTAL			

LOANS &
ADVANCES

SCHEDULE 26(d)

Sl. No.	Particulars	Amount Code	This Year Rs.	Previous Year Rs.
1.	Advances for O & M Supplies/ Words	26.1 to 26.7		
2.	Advances for Fuel Supplies	26.8		
3.	Sub-total			
4.	Loans & Advances to Staff	27.1 27.2		
5.	Loans & Advances to Licences	27.3		
6.	Advance Income Tax/deductions at source	27.4		
7.	Loas & Advances-Others	27.8		
8.	TOTAL			
9.	Less : Provision for Doubtful Loans and Advances	27.9		
10.	TOTAL (8-9)			

SUNDRY
RECEIVABLES

SCHEDULE 26 (e)

Sl. No.	Particulars	Amount Code	This Year Rs.	Previous Year Rs.
1.	Sundry Debtors-Trading Account	28.1		
2.	Income accrued and due			
	-on investments	28.210 & 28.240		
	-other Income accrued and due	28.290		

3.	Income accrued but not due	28.3
4.	Amount recoverable from Employees/ Ex-Employees	28.4
5.	Fuel Related Receivables & Claims	
	-Grade difference of coal	28.511 & 28.512
	(Net of provision for loss on grade difference)	
	-Railway claims for coal	28.513 & 28.514
	-Others	Other sub-accounts under 28.5
6.	Other Claims & Receivables	28.7 & 28.8
7.	Deposits	28.9
	TOTAL	

SCHEDULE 27

SECURITY DEPOSITS FROM CUSTOMERS

Sl. No.	Particulars	Amount Code	This Year Rs.	Previous Year Rs.
1.	Security Deposits from consumers (in cash)	48.1		
2.	Security Deposits from Consumers (other than in cash)	48.2		
3.	Interest Payable on Consumers Deposits	48.3		
	TOTAL.			

SCHEDULE 28

OTHER CURRENT LIABILITIES

Sl. No.	Particulars	Amount Code	This Year Rs.	Previous Year Rs.
1.	Liabilities to Railways for Coal Receipts	40.1		
2.	Liability on account of Grade Differences of Coal	40.2		
3.	Unpaid Coal Bills	40.7		
4.	Other Fuel related Liabilities	Other sub-accounts under 40	_____	
5.	Liability for Purchase of Power	41.1 & 41.2		

6.	Liability for Capital Supplies/ Works	42.1, 42.2 & 42.3
7.	Liability for o & M. Supplies/Works	43.1, 43.2 & 43.3
8.	Staff related liabilities and provisions	44.1 to 44.4
9.	Deposits and Retentions from Supplies and Contractors (Net of deposits received in form of investments,	46.1 & 28.930
10.	Electricity Duty and other Levies Payable to government	46.3
11.	Liability for Expenses	46.4
12.	Amount owing to Licences	46.6
13.	Accrued/Unclaimed amounts relating to Borrowings	46.7
14.	Provision for Income Tax	46.8
15.	Other Liabilities and Provisions	46.9
16.	Sub-total	
17.	Deposits for Electrification, Service Connection, etc.	47
18.	TOTAL	

SCHEDULE 29

SUBSIDY RECEIVABLE FROM GOVERNMENT

Sl. No.	Particulars	Amount Code	This Year Rs.	Previous Year Rs.
	Capital Subsidy Grant Receivable	28.610		
	Revenue Subsidy/Grant Receivable	28.620		
	TOTAL			

SCHEDULE 30

BORROWINGS FOR WORKING CAPITAL

Sl. No.	Particulars	Amount Code	This Year Rs.	Previous Year Rs.
1.	Cash Credit from Banks	50.1		
2.	Bank Overdrafts	50.2		
	TOTAL			

Note : Temporary borrowings raised and repaid during the years Rs.

SCHEDULE

31

**PAYMENT
DUE ON
CAPITAL
LIABILITIES**

Due at the beginning of previous year	Becoming due during the previous year	Payments made during the previous year	Sl. No.	Particulars	Account Code	Due at the end of the previous year	Becoming due during this year	Payments made during the year	Due at the end of the year
			1.	REPAYMENTS DUE	51.101 to 51.199 each sub-account separately				
				Total Repayments Due					
			2.	INTEREST ACCRUED AND DUE	51.201 to 51.299				
			–	On Capital Liabilities					
			–	State Government					
			–	On Other Capital Liabilities					
				Total Interest Accrued & Due					
			3.	TOTAL					

SCHEDULE

32

**CAPITAL
LIABILITIES**

Outstanding at the beginning of the previous year	Amount Received during the previous year	Repayments during the previous year	Sl. No.	Particulars	Details of interest rate, moratorium and rate applicable	Account Code	Outstanding at the beginning of the previous year	Amount received during the year	Repayments during the year
---	--	-------------------------------------	---------	-------------	--	--------------	---	---------------------------------	----------------------------

year

at the end of
the year

Each
sub-account
1.2.3.4. under 52 &
53

TOTAL

Note - 1. In respect of foreign currency loans/credits, the amount shown as received during the year [includes increase of Rs. (previous year Rs.) [is net of decrease of Rs. (previous year....) made consequent upon the realignment the rupee value of loans/credits in terms of exchange rate at the end of the year.

2. Borrowings Power : Maximum borrowing power under Section 65(B) of Electricity (Supply) Act, 1948.

Less : Exercised upto the end of the year. Add : Redeemed during the year. Balance of exercisable borrowing power as at the end of the year.

3. Securities offered against the borrowings.

SCHEDULE 33

FUNDS FROM

STATE

GOVERNMENT

Outstanding at the beginning of the previous year	Amount Received during the previous year	Repayments during the previous year	Sl. No.	Particulars	Details of interest rate, moratorium and rate applicable at the end of the year	Account Code	Outstanding Amount at the end of the previous year	Outstanding Amount during the year
					Each sub-account under 54.1 & 54.2 shown separately			
9.	TOTAL LOANS							
10.	Amount received from State Government							

under
Guarantees

11. TOTAL

Note : The amount outstanding at the end of the year includes.Rs. being the fair value of assets donated by State Government.Rs. being fair value of assets received under lease from the State Government.

SCHEDULE 34

CONTRIBUTION,
GRANTS AND
SUBSIDIES
TOWARDS COST OF
CAPITALASSETS

Balance at the beginning of the previous year	Received during the Sl. previous No. year	Particulars	Account Code	Balance at the end of the previous year	Additions during the year	Total at the end of the year
	1.	Consumers, Contribution	55.1	Separately for each sub-account		
	2.					
	3.					
	19.					
		Total				
	20.	Consumers Contribution				
		Subsides towards cost of Capital Assets	55.2			
	21.					
		Grants towards cost of Capital Assets	55.3			
	22.					

TOTAL

Note: The amount of subsidies, grants etc. becoming refundable (owning to reasons such as Board's failure to fulfil the conditions for subsidies, grants) should be shown as a negative amount in the column for Additions during the year and the reasons therefor, should be disclosed by way of a note in this Schedule.

SCHEDULE

35

RESERVE
AND
RESERVE
FUNDS

Balance at the beginning of the previous year	Additions during the previous year	Deductions during the previous year	Sl. No.	Particulars	Account Code	Balance at the end of the previous year	Additions during the year	Deductions during the year	Balance at the end of the year
--	--	--	------------	-------------	-----------------	--	---------------------------------	----------------------------------	--

RESERVES

- Each
sub-account
under 56 & 57
to be shown
separately (Excluding
net Revenue
Appropriation
(A/C).
- 1.
- 2.
- 3.
10. Total Reserves
11. RESERVE
FUNDS
15. Total Reserve
Fund
16. TOTAL.

Break-up of General Reserve Additions/Deductions. Annexure II
Chart of Accounts
Section -
1 Structure of Chart of Accounts

1. A structured Chart of Accounts has been recommended for booking the various transactions.

Coding Scheme

2. The Account heads bear a five-digits Code. The coding scheme is explained below-

(1) First and second digits indicate the Account Group. (2) First and second digits along with the third digit indicate the Main Account Code. (3) The fourth and fifth digits are used for coding Sub-Accounts within each Main Account Code. (4) Main Account Code along with the Sub-Account Codes forms the specific Account Code for an Account Head.

Board's Role in Coding of Sub-Accounts

3. In several Main Account Codes, the precise Sub-Accounts shall have to be assigned by individual Board's depending on their own requirements. The examples of such Codes are :

(1)Project codes for booking capital work-in-progress.(2)Consumer category codes for booking the Revenue from sale of power and Receivables for sale of power.(3)Inter-unit accountsLocation Code

4. Each Board shall assign location codes to all its Accounting Units. These shall be assigned in such a way that the code also denotes the function performed by the operations under the Accounting Unit. The exact functions to be recognised for this purpose shall be those for which separate divisions are in existence. Coding at division level would enable two different codes, say transmission and construction, to be assigned to two different division under a common circle.

Location Code to be prefix at Account Codes

5. The location code shall be a prefix to the account codes recommended in the uniform Chart of Accounts. The location code will remain same for all the transactions at an Accounting Unit. Therefore, the location code shall not have to be written every time. The code will be pre-printed on all the accounting documents in use at that location. Such a structure of account coding has enabled smaller account code of 5 digits as against 8 digit code in the existing Chart of Accounts.

Coding of Accounts Explained

6. An accounting unit shall record its transactions under the proposed Chart of Accounts in the manner discussed below :

(1)Each accounting unit shall be assigned a location code which will indicate.(a)Function (generation, transmission etc.) performed at the accounting unit.(b)Specific code given to the accounting unit.Location code will be a 3 digit code.(2)The location code of a unit shall be a prefix to each account code used at the accounting unit.

111 46.410

Account code for Sundry Creditors for
Expenses

Location code- thermal Power Generation-
Ukai

(3)The use of location code is mainly to segregate one unit from another at the time when trial balance or accounts statements/summaries from various accounting units are received at one place. For example at the stage of compiling accounts from divisions and trial balance and account summaries of a large number of circles, so long as an accounting unit sends its trial balance/accounts summaries, schedules, statements etc. to another unit with the Location Code written on it, identification of such location is ensured. (4)Therefore on a day today basis, the location code need not be recorded while writing account code on vouchers etc. instead the code can be pre-printed or rubber stamped in advance. (5)Inter-unit advices raised by a location must bear the location code so that the receiving unit can easily identify the advices. (6)In relation to the accounts for inter-unit transactions, however, two location codes are involved. (a)Location code of the unit which records the transaction. (b)Location code of the unit to which the transaction is debited or credited. For example, transfer of fixed assets from unit 334 to unit 465. The location code of the unit recording the transaction, i.e. 334 will be as mentioned earlier, pre-printed on that unit's vouchers. The account code will be 32.465 where 32 is the inter-unit account for fixed assets related transaction and 465 means the transfer is to Unit 465. Correspondingly unit number 465 has got its code pre-printed on its own vouchers. Therefore, it will use the account code 32.334 where 32 is the inter-unit account for fixed assets related transactions and 334 means the transfer is from unit number 334. (7)The location codes mentioned on divisions/circles, accounts would be used for segregation of transactions of different functions at the time of compilation. The prefix of location code :- of various divisions shall be omitted when circle prepares the trial balances of the divisions under it. The consolidated trial balance would then bear circle's code as the location code.- of various circles shall be omitted when the Head Office consolidates circle-wise accounts and compiles the Board's accounts. Blanks provided in the Chart of Accounts

7. Blanks have been provided in the Chart of Accounts at Account Group Main Account Head as well as the Sub-Account Head levels so as to provide flexibility for introduction of new account heads at appropriate levels as per the procedure laid down in paragraph 8 below.

Introduction of New Accounts

8. The Chart of Accounts provides for all possible transactions envisaged by the Central Government. If however, a Board observes that some of its transactions cannot be booked under any of the account heads or that they need to be booked with greater analysis, new accounts, as may be-necessary, shall be introduced. Purpose and usage of each new account shall be clearly defined by the Board.

9. Any main account code or sub-account code so introduced by a Board must be within the account group concerned.

10. Any main account code or sub-account code so introduced by a Board may, at Board's discretion, be reclassified within the same account group or deleted at any time thereafter.

11. Introduction of a new account group shall require prior approval of the Central Government. Any approval by the Ministry in this regard shall be in consultation with the C & A G and the concerned State Government.

Deletion of Account Codes

12. Boards shall not be permitted to delete any account from the prescribed chart of accounts. This prohibition shall apply even in cases where the Boards do not have the type of transactions covered by an account.

Section - 2Chart of Accounts(Account Heads and Account Codes)

ACCOUNT GROUP CODE	ACCOUNT GROUP
10 to 16	CAPITAL EXPENDITURE AND FIXED ASSETS
10	Fixed Assets
11	Other Capital Expenditure/Fixed Assets
12	Provision for Depreciation on Fixed Assets
13	Provision for Depreciation on Other Capital Expenditure/Fixed Assets
14	Capital Work-in-Progress Accounts
15	Other Accounts for Assets at Construction Stage
16	Assets not in use
17 to 19	DEFERRED COSTS AND INTANGIBLE ASSETS
17	Deferred Costs

18	Intangible Assets
20	INVESTMENTS
21 to 29	CURRENT ASSETS, LOANS AND ADVANCES
21	Fuel Stock Accounts
22	Stocks and Related Accounts
23	Receivables against Supply of Power
24	Cash and Bank
25	Advance to Supplier/Contractors-(Capital)
26	Advance to Suppliers/Contractors-(O&M)
27	Other Loan and Advances
28	Sundry Receivables
30 to 39	INTER UNIT ACCOUNTS
30	Inter-Unit Accounts-Fuel
31	Inter-Unit Accounts-Materials
32	Inter-Unit Accounts-Capital Expenditure & Fixed Assets
33	Inter-Unit Accounts-Remittances to Head Office
34	Inter-Unit Accounts-Funds Transfer from Head Office
36	Inter-Unit Accounts-Personnel
37	Inter-Unit Accounts-Other Transactions/Adjustments
40 to 49	CURRENT AND ACCRUED LIABILITIES
40	Fuel related Liabilities
41	Liability for Purchase of Power
42	Liability for Capital Supplies/Capital Works
43	Liability for O&M Supplies/O&M Works
44	Staff related Liabilities & Provisions
46	Other Liabilities and Provisions
47	Deposits for Electrification, Service Connection, etc.
48	Security Deposits from Consumers
50 to 54	CAPITAL LIABILITIES AND OTHER BORROWINGS
50	Borrowings for Working Capital
51	Payments Due on Capital Liabilities
52-53	Capital Liabilities (other than State Government Loans)
54	Funds from State Government
55 to 59	RESERVES AND SURPLUS
55	Contributions, Grants and Subsidies towards Cost of Capital Assets
56	Reserves

57	Reserve Funds
58	Surplus
60 to 69	INCOME
61	REVENUE from Sale of Power
62	Other Income
63	Subsidies and Grants
65	Prior Period Income
70 to 89	EXPENSES AND LOSSES
70	Power Purchased Account
71	Cost of Generation of Power
72	Fuel related Losses
74	Repairs & Maintenance
75	Employee Costs
76	Administration and General Expenses
77	Depreciation and other Costs related to Fixed Assets
78	Interest and other Finance Charges
79	Other Debits to Revenue Account
81	Provision for Income-tax for the year
83	Prior Period Expenses/Losses
90 to 99	MEMORANDUM ACCOUNTS
91	Costs and Revenue at Trial Stage
92	Memorandum Accounts for Recording No. of Units of PowerPurchase, Generation, Sale, etc.
10	FIXED ASSETS
10.1	LAND AND LAND RIGHTS
10.101	Land owned under full title
10.102	Land held under lease
10.103	Cost of land development on leasehold land
10.2	BUILDINGS
10.20	Buildings containing generating plants, transmission anddistribution installations.
10.201	Buildings containing Thermo-electric Generating Plant
10.202	Buildings containing Hydro-electric Generating Plant
10.203	Buildings containing Diesel-electric Generating Plant
10.204 to	Blank for buildings containing other types of
10.206	generatingPlants
10.207	Building containing Transmission Installations
10.208	Building containing Distribution installations

10.21 to 10.29	Ancillary Buildings
10.211	Office Buildings
10.222	Residential Colony for staff
10.233	Other Buildings
10.3	HYDRAULIC WORKS
	Hydraulic Works-forming part of hydro-electric system
10.301	dams,spilways, weirs, canals, reinforced concrete flumes and syphons
	Hydraulic works forming part of hydro-electric system,reinforced concrete pipelines and surge tanks, steel pipelines,service gates, steel surge tanks, hydraulic control valves andother Hydraulic works
10.305	
10.310	Cooling water system
10.311	Cooling towers
10.315	Sweet water arrangement including reservoir, etc.
10.320	Plant and pipelines for water supply in residential colony
10.322	Drainage and sewerage-residential colony
10.4	OTHER-CIVIL WORKS
10.401	Pucca roads
10.402	Kuchha roads
10.412	Railway sidings
10.5	PLANT & MACHINERY
10.501	Boiler Plant & equipments
10.502	Furnace/burners
10.503	Turbine-generator-steam power generation
10.504	Plant foundations for steam power plant
10.509	Auxiliaries in steam power plant
10.511	Locomotives and wagons
10.515	Coal handling plant and handling equipments
10.517	Gas station, gas pipelines, etc.
10.531	Hydel power generating plant
10.532	Plant foundation for hydel power generating plant
10.535	Auxiliaries in hydel power plant
10.536	Gas power plant
10.537	Plant foundation for gas power plant
10.538	Auxiliaries in gas power plant
	Transmission plant-transformers having a rating of 100 KVAand above
10.541	

10.542	Other transformers
10.543	Other transmission plant, transformer kiosks, sub-station equipment and other fixed apparatus
10.551	Material handling equipment-earth-movers, bulldozers
10.552	Material handling equipment-cement mixers
10.553	Material handling equipment-cranes
10.555	Material handling equipment-others
10.561	Switchgear including cable connections
10.563	Batteries including charging equipment
10.565	Fabrication shop/workshop plants and equipments
10.567	Lighting arrestors
10.571	Communication equipment-radio & high frequency carriersystem
10.572	Communication equipment-telephone lines and telephones
10.574	Static Machine tools and equipment
10.576	Air-conditioning plant-static
10.577	Air-conditioning plant portable
10.58 & 10.59	Miscellaneous equipments
10.580	Refrigerators and water coolers
10.581	Meter testing laboratory tools and equipment
10.582	Equipments in hospitals/clinics Tools and tackles
10.583	Sub-account codes should be introduced for each major type of equipments which are being grouped at present under one account head 'Miscellaneous Equipment'.
10.599	Other miscellaneous equipment
10.6	LINES, CABLE NETWORK, ETC.
10.601	Overhead line (towers, pole, fixtures, overhead conductors and devices)-line on fabricated steel supports operating at nominal voltage higher than 66 KVA.
10.602	Overhead line (towers, poles, fixtures, overhead conductor and device)-lines on steel support operating at nominal voltage higher than 13.2 KVA but not exceeding 66 KVA.
10.603	Overhead lines (towers, pole, fixtures, overhead conductors and devices)-line on reinforced concrete supports.
10.604	Overhead lines (towers, pole, fixtures, overhead conductors and devices)-lines on treated Wood Support.

10.611	Underground cables including joint box and disconnecting boxes
10.612	Underground cables-cable duct system
10.621	Service connections
10.625	Temporary connections for supply of Power
10.631	Metering equipments
10.641	Street lighting and signal system
10.685	Miscellaneous equipments
10.7	VEHICLES
10.710	Trucks, tempos, trekkers, etc.
10.720	Buses including minibuses
10.730	Jeeps and motor cars
10.740	Other vehicles
10.8	FURNITURE & FIXTURES
10.9	OFFICE EQUIPMENT
10.901	Calculators
10.902	Typewriters
10.903	Cash registers in cash offices
11	OTHER CAPITAL EXPENDITURE / FIXED ASSETS ACCOUNTS CAPITAL EXPENDITURE RESULTING IN AN ASSET NOT BELONGING TO THE BOARD
11.101	Roads on municipal land
11.2	SPARE UNIT/SERVICE UNITS
11.3	CAPITAL SPARES AT GENERATING STATIONS
11.4	ASSETS TRANSFER INWARD
11.401 to 11.409	Assets transfer inward-debits on receipt Sub-accounts similar to broad asset groups in Account Group '10'.
11.421 to 11.429	Assets transfer inward-credits on transfer to Account Group 10 Sub-accounts similar to broad asset groups in Account Group 10.
11.5	ASSETS TAKEN OVER FROM LICENSEES-PENDING FINAL VALUATION Assets taken over from licensees pending final valuation Sub-account similar to broad asset groups in
11.501 to 11.509	Account Group 10. Thus separate sub-account groups e.g. 511 to 519, 521 to 529 for each licensee whose taken over assets are not finally valued.
12	PROVISION FOR DEPRECIATION ON FIXED ASSETS

- 12.1 DEPRECIATION PROVISION-LEASEHOLD LAND AND LAND DEVELOPMENTCOSTS
- 12.2 DEPRECIATION PROVISION-BUILDINGS
- 12.3 DEPRECIATION PROVISION-HYDRAULIC WORKS
- 12.4 DEPRECIATION PROVISION-OTHER CIVIL WORKS
- 12.5 DEPRECIATION PROVISION-PLANT & MACHINERY
- 12.6 DEPRECIATION PROVISION-LINES, CABLE NETWORK ETC.
- 12.7 DEPRECIATION PROVISION-VEHICLES
- 12.8 DEPRECIATION PROVISION-FURNITURE & FIXTURES
- 12.9 DEPRECIATION PROVISION-OFFICE EQUIPMENT
(Sub-accounts similar to broad classification in Fixed Assetsaccounts) Under each main account, two sub-accounts should be operated :
 - 1. Provision for depreciation
 - 2. Advance Depreciation (Debit Account)-see Guidelines toChart of Account).
- 13 PROVISION FOR DEPRECIATION ON OTHER CAPITAL EXPENDITURE/FIXEDASSETS
 - DEPRECIATION PROVISION ON CAPITAL EXPENDITURE RESULTING IN ANASSET NOT BELONGING TO THE BOARD
 - 13.1
 - DEPRECIATION PROVISION ON SPARE UNITS/SERVICE UNITS
 - 13.2
 - DEPRECIATION PROVISION ON CAPITAL SPARES AT GENERATINGSTATIONS
 - 13.3
 - DEPRECIATION PROVISION ON ASSETS TRANSFER INWARD
 - 13.4
 - Depreciation provision on assets transfer
 - 13.401 to 13.409 inward-creditsSub-accounts similar to broad asset groups in Account Group 10
 - Depreciation provision on assets transfer
 - 13.421 to 13.429 inward-classifiedto Account Group 12.
Sub-accounts similar to Broad asset groups in Account Group10.
 - DEPRECIATION PROVISION ON ASSET TAKEN OVER FROMLICENSEES-PENDING FINAL VALUATION
 - 13.5
 - Depreciation provision on asset taken over from licensees-Pending final valuation. Sub-accounts similar
 - 13.501 to 13.509

to broad assetgroups in account group 10. Thus sub-account groups, e.g. 13.511to 13.519, 13.521 to 13.529 for each licensee whose assets takeover are not finally valued.

14

CAPITAL WORK-IN-PROGRESS ACCOUNTS

Sub-accounts shall be structured as follows :

14

Capital W1P

3rd & 4th digits of 5th
code digit

Project Number
indicating the
main group

- 1 Land
- 2 Buildings
- 3 Hydraulic work
- 4 Other civil works
- 5 Plant & machinery
- 6 Line, Cable Network, etc.
- 7 Vehicles
- 8 Furniture & fixtures
- 9 Office equipment

15.

OTHER ACCOUNTS FOR ASSETS AT CONSTRUCTION STAGE

15.1

CONTRACTS-IN-PROGRESS Sub-account codes for each project

15.2

REVENUE EXPENSE PENDING ALLOCATION OVER CAPITAL WORKS

15.201 to 15.209

Sub-account for each of the expense account groups (Notproject-wise)

15.220

Head office Supervision Charges

15.5

PROVISION FOR COMPLETED WORKS

15.6

CONSTRUCTION FACILITIES

15.601

Construction Equipment-Earthmoving equipment and bulldozers

15.602

Construction Equipment-Cranes

15.603

	Construction Equipment-Cement mixers and other civilconstruction machinery
15.631	Fabrication shop/construction workshop equipment
	Provision for depreciation on construction facilities
15.651 to 15.699	Sub-accounts corresponding to sub-account for respective assetsfrom 601 to e.g. 15.603 will have 15.643 as the code forprovision for depreciation on that asset.
16.	ASSETS NOT IN USE
16.1	WRITTEN DOWN VALUE OF OBSOLETE/SCRAPPED ASSETS
	(Sub-accounts similar to classification of fixed assetsaccounts)
17.	DEFERRED COSTS
17.2	DEFERRED REVENUE EXPENDITURE
17.221	Compensation for premature takeover of licensees
17.3	EXPENDITURE ON SURVEY/FEASIBILITY STUDIES OF PROJECTS NOT YET SANCTIONED
18	INTANGIBLE ASSETS
18.100	Payments to acquire right to receive power from other bodies
18.200	Expenses for forming and organising the Board
20	INVESTMENTS
20.1	INVESTMENTS AGAINST FUNDS
20.110	Staff Pension Fund Investments
20.120	Gratuity Fund Investments
20.2	INVESTMENTS OTHER THAN FUND INVESTMENTS
20.210	Investments in Government Securities
20.230	Investments in Bonds/Debentures of other Electricity Boards
20.250	Investments in Bonds/Debentures of Other Bodies engaged inGeneration, Transmission or Distribution of power.
20.270	Investments in shares in Corporations and Public LimitedCompanies
20.280	Investments in form of Fixed Deposits with Banks, Companiesetc.
20.290	Other Investments
	For each of these accounts in 20.1 and 20.2 sub-account codescan be used for recording investment in each type of bond,share, etc. under an account. For example, 20.111

to 20.119 for different investments against staff pension funds, 20.270 to 20.279 for shares in different companies and so on.

20	INVESTMENTS (CONTD)
20.3	INVESTMENTS IN SUBSIDIARIES
20.31	Investments in share in Subsidiaries
	Sub-accounts for subsidiarywise/share capitalwise
20.311 to 20.319	(equity/preference) break-up (separate account for each subsidiary)
20.32	Investments in Debentures/Bonds of Subsidiaries
20.321 to 20.329	Sub-accounts for subsidiarywise/investmentwise break-up
20.33	Loans to Subsidiaries
20.331 to 20.339	Sub-accounts for subsidiarywise/Loanwise break-up
20.4	Investments in partnerships/joint ventures
20.41	Investments in Capital of Partnerships/Joint Ventures
20.411 to 20.419	Sub-accounts for firmwise/joint venturewise break-up
20.42	Loans to Partnerships/Joint Ventures
20.421 to 20.429	Sub-accounts for firmwise/joint venturewise/loanwise break-up
21	FUEL STOCK & RELATED ACCOUNTS
21.1	FUEL STOCK ACCOUNTS
21.101	Coal Stock
21.105	Oil Stock
21.108	Gas
21.121	Coal-in-Transit
21.125	Oil-in-Transit
21.2	FUEL STOCK EXCESS/SHORTAGE PENDING INVESTIGATION
22	MATERIALS STOCK & RELATED ACCOUNTS
22.1 TO 22.7	MATERIALS STOCK & RELATED ACCOUNTS
22.1	insurance spare stock accounts
22.2	materials purchase accounts
22.20 & 22.21	Capital Materials Purchase
22.201	Capital Materials Purchase-Steel
22.202	Capital Materials Purchase-Cement
22.203	Capital Materials Purchase-Transformers

22.204	Capital Materials Purchase-Metering Equipment
22.205	Capital Materials Purchase-Cables & Conductors
22.206	Capital Materials Purchase-Poles
22.207	Capital Materials Purchase-Electric Light Fittings
22.208	Capital Materials Purchase-Spares
22	STOCKS & RELATED ACCOUNTS (CONTD)
22.2	MATERIALS PURCHASE ACCOUNT (CONTD)
22.20 & 22.21	Capital Materials Purchase (Cont'd)
22.219	Capital Materials Purchase-Others (Materials groups indicated by the 5th digit can berestructured as considered suitable, by the Board)
22.22 & 22.23	O&M Materials Purchase-
22.221	O&M Materials Purchase-Steel
22.222	O&M Materials Purchase-Cement
22.223	O&M Materials Purchase-Transformers
22.224	O&M Materials Purchase-Metering Equipments
22.225	O&M Materials Purchase-Cables & Conductors
22.226	O&M Materials Purchase-Poles
22.227	O&M Materials Purchase-Electric Light Fittings
22.228	O&M Materials Purchase-Spares
22.229	O&M Materials Purchase-Others
22.3	MATERIALS ISSUE ACCOUNT
22.30 & 22.31	Materials Issues (Capital) Sub-Codes 22.301 to 22.319 shall be used to book issue aswell as returns under each material group.
22	STOCKS & RELATED ACCOUNTS (CONTD)
22.3	MATERIALS ISSUE ACCOUNTS (CONTD)
22.32 & 22.33	Materials Issue (O&M) Sub-Codes 22.321 to 22.339 shall be used to book issues aswell as returns under each material group.
22.34 & 22.35	Materials Issued to Contractors Sub-Codes 22.341 to 22.359 shall be used to book issued undereach materials group.
22.36 & 22.37	Materials Returned by Contractors Sub-Codes 22.361 to 22.379 shall be used to book return fromcontractors under each materials group.
22.4	MATERIALS TRANSFER ACCOUNTS
22.41	Materials Transfer Inward

	Sub-Codes 22.401 to 22.419 shall be used to book MaterialTransfer Inward under each material group.
22.42 & 22.43	Materials Transfer Outward
	Sub-Codes 22.421 to 22.439 shall be used to book MaterialsTransfer Outward under each materials group.
22.5	MATERIALS STOCK ADJUSTMENT ACCOUNTS
22.50 & 22.51	Materials Stock Adjustment A/c (Capital)
	Sub-Codes 22.501 to 22.519 shall be used to book stockadjustments for excesses/shortages and for each materials group.
22	STOCKS & RELATED ACCOUNTS (CONT'D)
22.5	MATERIALS STOCK ADJUSTMENT ACCOUNTS (CONTD)
22.52 & 22.53	Materials Stock Adjustment A/c (O&M)
	Sub-Codes 22.521 to 22.539 shall be used to book stockadjustments for excesses and shortages under each materialsgroup.
22.6	MATERIALS STOCK ACCOUNTS
22.60 & 22.61	Capital Materials Stock A/c
	Sub-Codes 22.601 to 22.619 shall be used to consolidatecapital materials stocks under each materials group.
22.62 & 22.63	O&M Materials Stock A/c
	Sub-Codes 22.621 to 22.639 shall be used to consolidate O&Mmaterials stocks under each materials group.
22.64 & 22.65	Materials at Site (Capital)
22.640	Materials at Site (O&M)
22.66 & 22.67	Materials Pending Inspection
22.660	Capital Materials Pending Inspection
22.670	O&M Materials Pending Inspection
22	STOCKS & RELATED ACCOUNTS (CONT'D)
22.6	MATERIALS STOCK ACCOUNTS (CONTD)
22.68 & 22.69	Materials-in-Transit
22.680	Capital Materials-in-Transit
22.690	O&M Materials-in-Transit
22.7	OTHER MATERIALS ACCOUNTS
22.710	Workshop Suspense-Materials
22.720	Materials Issued to Fabricators
22.730	

	Materials Issued on Loan to Parties other than Contractors
22.740	Capital Equipments and Capital Spares in Bonded Warehouses
22.750	Materials in Bonded Warehouse
22.760	Obsolete Materials Stock
22.8	MATERIALS STOCK EXCESS/SHORTAGE PENDING INVESTIGATION
22.810	Stock Excess Pending Investigation
22.830	Stock Shortage Pending Investigation
23	RECEIVABLES AGAINST SUPPLY OF POWER
23.1	SUNDRY DEBTORS FOR SALE OF POWER
23.101	Sundry Debtors for sale of Power-Domestic
23.102	Sundry Debtors for sale of Power-Commercial
	Thus sub-codes 101 to 119 shall be used to identifyreceivable to specific category of consumers.
23.2	SUNDRY DEBTORS FOR ELECTRICITY DUTY
	Sub-Codes 201 to 219 to identify receivables to specificcategory of consumers.
23.3	SUNDRY DEBTORS COLLECTIONS ACCOUNT
	(Separate sub-account for debiting day's collections and forcrediting on transferring them to respective accounts in 23.1 &23.2)
23.4	PROVISION FOR UNBILLED REVENUE
	Sub-Codes 401 to 419 to identify provisions to specificcategory of consumers.
23.5	DUES FROM PERMANENTLY DISCONNECTED CONSUMERS
	Sub-codes 501 to 519 to identify dues to specific category ofconsumers.
23.6	SUNDRY DEBTORS FOR INTER-STATE SALE OF POWER
	Sub-accounts 601 to 609 to identify dues to specific States.
23.7	SUNDRY DEBTORS-MISCELLANEOUS RECEIPTS FROM CONSUMERS
23.9	PROVISION FOR DOUBTFUL DUES FROM CONSUMERS (Credit Account)
	Sub-codes 901 to 919 to identify dues to specific category ofconsumers

24	CASH AND BANK
24.1	CASH ACCOUNTS
24.110	Cash on Hand
24.120	Postage Stamps on Hand
24.2	CASH INTRESTS WITH STAFF ACCOUNTS
24.210	Permanent Imprest with Staff
24.220	Temporary Imprest with Staff
24.3	COLLECTING BANKS ACCOUNTS
24.301	Collecting Bank-e.g. Bank of Baroda
	301 to 399 sub-accounts to be operated for individual Bankaccounts. Each accounting unit shall operate the sub-code forthe specific Bank accounts under its jurisdiction.
24.4	DISBURSEMENT BANK ACCOUNTS
24.401	Disbursement Bank-e.g. Bank of Baroda
	401 to 489 sub-accounts to be operated for individual Bankaccounts. Each accounting unit shall operate the sub-codes forthe specific Bank accounts under its jurisdiction.
24.490	Funds Transfer for Payment of Interest on Bonds (say, Bank ofIndia).
24.491	Funds Transfer for Payment of Interest on RE Debentures (say,Central Bank of India)
24.5	REMITTANCE TO HO IN TRANSIT ACCOUNTS
24.501	Remittances from Division.
	Sub-Accounts 501 to 549. HO will operate Circle-wise SubAccounts. Circle will operate Division-wise Sub-Accounts codesin use will vary from location to location. These Sub-accountcodes are to enable follow-up of remittances from Divisions byHO and Circle. At the time of consolidation of Board's Accounts,total amount in transit can be known at main a/c level 24.5.
24.551	Remittances from Circle.
	Sub-Accounts 551 to 599 HO will operate Circle-wiseSub-Accounts to monitor remittance from circles.
24.6	TRANSFERS FROM HO IN TRANSIT ACCOUNTS
24.601	Transfers from HO
24.9	CASH INFLOW AND OUTFLOW ACCOUNTS
24.911 to 24.919	Cash Outflow (Capital Receipts) A/c (Credit A/c)

24.921 to 24.929	Cash Outflow (Capital Payments) A/c (Debit A/c)
24.931 to 24.939	Cash Inflow (Revenue Receipts) A/c (Credit A/c)
24.941 to 24.959	Cash Outflow (Revenue Receipts) A/c (Debit A/c)
24.991	Total Cash Inflow A/c-(Debit A/c)
24.995	Total Cash Outflow A/c (Credit A/c)
25	ADVANCE TO SUPPLIERS/CONTRACTORS (CAPITAL)
25.1	ADVANCE TO SUPPLIERS/CONTRACTORS (CAPITAL) INTEREST BEARING Sub-codes 25.101 to 25.199 shall be used to identify advanceto specific projects to the extent possible.
25.5	ADVANCE TO SUPPLIERS/CONTRACTOR (CAPITAL) INTEREST FREE Sub-codes 25.501 to 25.599 shall be used to identify advanceto specific project to the extent possible.
25.7	CONTRACTORS MATERIALS CONTROL ACCOUNT (CAPITAL) Sub-cods 25.701 to 25.799 shall be used to identify advanceto specific projects.
26	ADVANCE TO SUPPLIERS/CONTRACTORS (O&M)
26.1	ADVANCE TO SUPPLIERS/CONTRACTORS (O&M)- INTEREST BEARING
26.5	ADVANCE TO SUPPLIERS/CONTRACTOR (O&M)-INTEREST FREE
26.7	CONTRACTORS MATERIAL CONTROL A/C (O&M)
26.8	ADVANCE FOR FUEL SUPPLIES
26.801	Advance to Coal Suppliers
26.805	Advance to Oil Suppliers
27	OTHER LOANS AND ADVANCES
27.1	LOANS AND ADVANCES TO STAFF-INTEREST BEARING Loans and Advances to Staff-House Building
27.101	Loans and Advances to Staff-Scooter
27.102	Sub-Accounts 101 to 119 for different types of loans
27.2	LOANS AND ADVANCES TO STAFF-INTEREST FREE
27.3	LOANS AND ADVANCES TO LICENSEES
27.4	

ADVANCE INCOME-TAX AND TAX DEDUCTIONS AT SOURCE

27.410	Advance Income-tax
27.421	Income tax deducted at source-Income from Investments
27.425	Income Tax deducted at Source-Other Receipts
27.8	LOANS AND ADVANCE-OTHERS
27.9	PROVISION FOR DOUBTFUL LOANS & ADVANCES (CREDIT A/C)
28	SUNDRY RECEIVABLES
28.1	SUNDRY DEBTORS-TRADING ACCOUNT
28.101	Sundry Debtors For Sale of Electrical Plant Manufactured by the Board
28.102	Sundry Debtors for Sale, Hire Purchase or Hire of Apparatus and Wiring
28.103	Sundry Debtors for Sale of Stores
28.104	Sundry Debtors for Rental from Property
28.107	Sundry Debtors for Sale of Steam
28.108	Sundry Debtors for Other Miscellaneous Income
28.2	INCOME ACCRUED & DUE
28.210	Income accrued and due on Fund Investments
28.220	Income accrued and due on Investments other than Fund Investments
28.230	Income accrued and due on Investments in subsidiary companies
28.240	Income accrued and due on Investments in Partnerships/Joint Ventures
28.290	Income accrued and due-Others (Sub-account codes may be operated in respect of different incomes within each category, e.g. 28.211 Income accrued on Pension Fund Investment)
28.3	INCOME ACCRUED BUT NOT DUE
28.310 to 28.340	Sub-heads same as in the case of 28.210 to 28.240 above
28.350	Interest Accrued but not Due-Loans and Advances to Licensees
28.360	Interest Accrued-Staff Loans and Advances
28.390	Income Accrued but not Due-Others
28.4	AMOUNT RECOVERABLE FROM EMPLOYEE/EXEMPLOYEES

28.401	Amount Recoverable from Employees
28.402	Amount Recoverable from Ex-Employees
28.5	FUEL RELATED RECEIVABLES AND CLAIMS
28.511	Grade Differences-Inferior Grade of Coal
28.512	Provision for Loss on Inferior Grade of Coal
28.513	Railway Claims for Coal-Coal Cost
28.514	Railway Claims for Coal-Freight
28.531	Quantity Difference-short Receipt of Gas
28.532	Provision for Loss on Short Receipts of Gas
28.551	Freight paid on coal wagons not received
28.552	Freight paid on oil Tankers not received
28.553	Coal Cost of wagons not received
28.554	Claims for Missing Tankers-Oil Cost
28.555	Claims for Missing Tankers-Freight
28.558	Claims for Short Receipts of Gas
28.6	SUBSIDY/GRANTS RECEIVABLE
28.610	Capital Subsidy/Grants Receivable
28.620	Revenue Subsidy/Grants Receivable
28.7	OTHER CLAIMS
28.72	Claim for Loss/Damage to Materials
28.721	Claim for Loss/Damage to Materials-Railways
28.722	Claim for Loss/Damage to Materials-Custom Authorities
28.723	Claim for Loss/Damage to Materials-Port Trust Authorities
28.724	Claim for Loss/Damage to Materials-Insurance Companies
28.725	Claim for Loss/Damage to Materials-Suppliers
28.729	Claims for Loss/Damage to Materials-Others
28.74	Claim for Loss/Damage to Capital Assets
28.741	Claim for Loss/Damage to Capital Assets-Railways
28.742	Claim for Loss/Damage to Capital Assets-Customs' Authorities
28.743	Claim for Loss/Damage to Capital Assets-Port TrustAuthorities
28.744	Claim for Loss/Damage to Capital Assets-Insurance Companies
28.745	Claim for Loss/Damage to Capital Assets-Suppliers
28.749	Claim for Loss/Damage to Capital Assets-Others

28.8	OTHER RECEIVABLES
28.810	Expenses Recoverable from Suppliers/Contractors
28.820	Prepaid Expenses
28.857	Excess Repayment of State Government Loans
Note :-	Expenses recoverable from Suppliers/Contractors relate to certain expenses like demurrage etc. incurred by them which are recoverable from them in terms of the purchase order.
28.9	DEPOSITS
28.911	Deposit with Custom Authorities.
28.912	Deposit with Port Trust Authorities.
28.913	Deposit with Excise, Authorities.
28.914	Deposit with Telephone Authorities
28.919	Other Deposits
28.930	Securities from Suppliers/Contractors (Deposits in the form of Fixed Deposits, etc.).
28.932	Securities from Consumers-(Deposits in the form of Fixed Deposits, etc.).
30	INTER-UNIT-ACCOUNTS-FUEL
31	INTER-UNIT-ACCOUNTS-MATERIALS
32	INTER-UNIT-ACCOUNTS-CAPITAL EXPENDITURE & FIXED ASSETS
33	INTER-UNIT-ACCOUNTS-REMITTANCES TO HEAD OFFICE
34	INTER-UNIT-ACCOUNTS-FUNDS TRANSFER FROM HEAD OFFICE
36	INTER-UNIT-ACCOUNTS-PERSONNEL
37	INTER-UNIT-ACCOUNTS-OTHER TRANSACTIONS/ADJUSTMENTS Each of the above accounts will have, as sub-account code, the 3-digit location code given to the Accounting Units with which the Inter-Unit transactions have taken place.
40	FUEL RELATED LIABILITIES
40.1	LIABILITIES TO RAILWAYS FOR COAL RECEIPTS
40.110	Freight Payable-Allotted Wagons
40.120	Diverted Internal Wagons Freight Payable
40.130	Diverted External Wagons Freight Payable
40.140	Unconnected Wagons Freight Payable

40.160	Diverted Internal Wagons-Coal Cost
40.170	Diverted External Wagons-Coal Cost
40.180	Unconnected Wagons-Coal Cost
40.2	LIABILITIES TO COLLIERIES
40.210	Grade Differences-Superior Grade
40.220	Provision for Gain on Superior Grade (Debit Account)
40.230	Retentions on account of inferior Grade
40.3	LIABILITIES TO RAILWAYS FOR OIL RECEIPTS
40.310	Freight Payable-Oil
40.320	Unconnected Tankers-Oil Cost A/c
40.330	Unconnected Tankers-Freight Payable A/c
40.4	LIABILITY TO OIL SUPPLIERS
40.410	Provision for Unpaid Oil Bills
40.5	LIABILITY FOR SUPPLY OF GAS
40.510	Gas Suppliers Account
40.520	Liability for Purchase of Gas
40.530	Quantity Difference-Excess Receipts of Gas
40.540	Retentions for Short Receipts of Gas
40.6	LIABILITY FOR FUEL RELATED COSTS
40.611to40.619	Coal Related Costs (Sub Accounts 40.611 to 40.619 can be operated for liabilityfor specific coal related costs e.g. 40.611-Coal handlingcontractors)
40.621to40.629	Oil Related Costs
40.631to40.639	Gas Related Costs
40.641	Provision for Coal Related Costs
40.642	Provision for Oil Related Costs
40.643	Provision for Gas Related Costs
40.7	UNPAID COAL BILLS
41	LIABILITY FOR PURCHASE OF POWER
41.1	SUNDRY CREDITORS FOR PURCHASE OF POWER (Sub-Accounts may be operated for each different suppliers ofpower, e.g. 41.101-National Thermal Power Corporation)
41.2	PROVISION FOR LIABILITY FOR PURCHASE OF POWER
42	LIABILITY FOR CAPITAL SUPPLIES/CAPITAL WORKS

42.1	LIABILITY FOR SUPPLY OF MATERIALS/WORKS CAPITAL
	Sub-accounts 42.101 to 42.199 should be operated for projectcodes to identify liability under specific projects to theextent possible.
42.2	SUPPLIERS/CONTRACTORS CONTROL A/C-CAPITAL
	Sub-accounts 42.201 to 42.299 should be operated for projectcodes to identify creditors for suppliers/works under specificprojects to the extent possible.
42.3	PROVISIONS FOR SUPPLY OF MATERIALS/WORK-CAPITAL
43	LIABILITY FOR O&M SUPPLIES/O&M WORKS
43.1	LIABILITY FOR SUPPLY OF MATERIALS/WORKS-O&M
43.2	SUNDRY CREDITORS/CONTRACTORS CONTROL A/C-O&M
43.3	PROVISION FOR SUPPLY OF MATERIALS/WORKS-O&M
44	STAFF RELATED LIABILITIES AND PROVISIONS
44.1	STAFF RELATED PROVISIONS
44.110	Provision for Gratuity
44.120	Provision for Pension
44.2	UNPAID SALARIES, BONUS ETC.
44.210	Unpaid Salaries
44.220	Unpaid Bonus
44.3	SALARIES, BONUS ETC. PAYABLE
44.310	Net Salary Payable
44.320	Bonus Payable
44.330	Liability for Medical Expenses
44.340	Liability for Earned Leave Encashment
44.4	STAFF DEDUCTIONS & RECOVERIES PAYABLE
44.401	Income Tax Deducted at Source
44.402	Employee's Contribution to PF
44.403	Employees' Contribution to FPS
44.404	Boards Contribution to PF
44.405	Board's Contribution to FPS
46	OTHER LIABILITIES AND PROVISIONS
46.1	DEPOSITS FROM SUPPLIERS/CONTRACTORS
46.101	Security Deposits in cash-Capital

46.102	Security Deposits other than in Cash-Capital
46.103	Earnest Money Deposits-Capital
46.104	Retention Money from Suppliers/Contractors-Capital
46.121	Security Deposit in Cash-O&M
46.122	Security Deposit other than in Cash-O&M
46.123	Earnest Money Deposit-O&M
46.124	Retention Money from Suppliers/Contractors-O&M
46.3	ELECTRICITY DUTY AND OTHER LEVIES PAYABLE TO GOVERNMENT
46.300	Electricity Duty and other Levies Payable to Government
46.4	LIABILITY FOR EXPENSES
46.410	Sundry Creditors for Expenses
46.430	Provision for Liability for Expenses
46.6	AMOUNT OWING TO LICENSEES
46.7	ACCRUED/UNCLAIMED AMOUNTS RELATING TO BORROWINGS
46.710	Interest Accrued but not Due on Borrowings
46.720	Unclaimed Interest on Borrowings
46.730	Unclaimed Repayments of Bonds/Debentures
46.8	PROVISION FOR INCOME-TAX
46.9	SUNDRY LIABILITIES AND PROVISIONS
446.91	Cheques etc.in Transit
46.910	Stale Cheques
46.911	Railway Credit Notes for Coal
46.912	Railway Credit Notes for Oil
46.913	Other Railway Credit Notes
46.914	Interest Warrants issued for Payment of Interest on Bonds
46.915	Interest Warrants issued for Payment of Interest on Debentures.
46.920	Security Deposit from Employees
46.922	Advance Received for Sale of Stores Scrap etc.
46.923	Income-Tax Deducted at Source on Payment of Interest on Borrowings
46.924	Income Tax Deducted at Source on Payments to Contractors
46.925	Income Tax Deducted at Source on Payments
46.931	Liability for Unissued Cheques

46.935	Government Subsidy Refundable
46.96	Provision for Loss on Obsolescence
46.961	Provision for Loss on Obsolescence of Capital Assets
46.962	Provision for Loss on Obsolescence of Capital Spares
46.963	Provisions for Loss on Obsolescence of Stores in Stock
Notes :-	The account-(Other Miscellaneous Liabilities)-is not provided in the proposed chart of accounts Specific accounts for liabilities of different type should be opened under this group 46.9 and all transactions at source must be identified to a specific account head between 46.910 and 46.949
	DEPOSITS FOR ELECTRIFICATIONS SERVICE CONNECTIONS, ETC.
47	DEPOSITS FOR ELECTRIFICATION OF VILLAGES
47.1	DEPOSITS FOR ELECTRIFICATIONS OF INDUSTRIAL ESTATES
47.2	DEPOSITS FOR SERVICE CONNECTIONS
47.3	Deposits for Low or Medium Voltage Service Connections
47.301	Deposits for H.T. Service Connections
47.311	OTHER DEPOSITS FROM CONSUMERS
47.6	(Sub-Accounts for each type of other deposits, for example : 47.601 Deposits, Received against Burn Meters)
48	SECURITY DEPOSITS FROM CONSUMERS
48.1	SECURITY DEPOSITS FROM CONSUMERS (IN CASH)
	(Sub-Accounts 48.101 to 48.119 shall be operated to book Security Deposit separately for each consumer category)
48.2	SECURITY DEPOSITS FROM CONSUMERS (OTHER THAN IN CASH)
	(Sub-Accounts for consumer categories from 48.201 to 48.219)
48.3	INTEREST PAYABLE ON CONSUMERS' DEPOSITS
	(Sub-Accounts for consumer categories from 48.301 to 48.319)
50	BORROWINGS FOR WORKING CAPITAL
50.1	CASH CREDIT FROM BANKS
50.2	BANK OVERDRAFT
51	PAYMENTS DUE ON CAPITAL LIABILITIES

51.1	REPAYMENTS DUE (Sub-Accounts 51.101 to 51.199 should be used for recording repayment due for each source of capital borrowings)
51.2	INTEREST ACCRUED AND DUE (Sub-accounts 51.201 to 51.299 should be operated for recording interest accrued and due on each source of capital borrowings)
52 & 53	CAPITAL LIABILITIES (OTHER THAN STATE GOVERNMENT LOANS)
52.1	BONDS
52.110	Public Bonds
52.170	Bond Subscription moneys pending Allotment
52.2	DEBENTURES
52.210	RE Debentures
52.250	RE Debentures-Matching Contribution Other Debentures
52.290	Debentures Subscription moneys pending Allotment
52.3	FOREIGN CURRENCY LOANS/CREDITS
52.310	Foreign Currency Loans
52.350	Foreign Currency Deferred Credit
52.4	DEFERRED PAYMENT CREDIT IN RUPEES
52.5	LOAN FROM LIFE INSURANCE CORPORATION
52.501	Loans from L.I.C.
53.1	LOANS FROM AGRICULTURAL REFINANCE CORPORATION
53.2	LOANS FROM AGRICULTURAL FINANCE CORPORATION
53.3	LOANS FROM RURAL ELECTRIFICATION CORPORATION
53.4	LOANS FROM NABARD
53.5	LOANS FROM COMMERCIAL BANKS FOR ELECTRIFICATION SCHEMES
53.6	FINANCIAL PARTICIPATION BY CONSUMERS
53.610	Financial Participation by Consumers-Interest bearing
53.620	Financial Participation by Consumers-Interest free
54	FUNDS FROM STATE GOVERNMENT
54.1	STATE GOVERNMENT LOANS UNDER SECTION 60 OF THE ELECTRICITY(SUPPLY) ACT, 1948

54.2	STATE GOVERNMENT LOANS UNDER SECTION 64 OF THE ELECTRICITY(SUPPLY) ACT, 1948
54.3	AMOUNT RECEIVED FROM STATE GOVERNMENT FOR REPAYMENTSGUARANTEED
54.4	AMOUNT RECEIVED FROM STATE GOVERNMENT FOR INTEREST GUARANTEED
55	CONTRIBUTIONS, GRANTS & SUBSIDIES TOWARDS COST OF CAPITALASSETS
55.1	CONSUMERS' CONTRIBUTION TOWARDS COST OF CAPITAL ASSETS
55.2	SUBSIDIES TOWARDS COST OF CAPITAL ASSETS
55.3	GRANTS TOWARDS COST OF CAPITAL ASSETS
56	RESERVES
56.1	GENERAL RESERVE
56.2	CAPITAL RESERVE
56.3	SINKING FUND FOR REPAYMENT OF BORROWINGS
56.4	INVESTMENT ALLOWANCE RESERVE
56.410	Investment Allowance Reserve
56.450	Investment Allowance Reserve-Utilized
56.5	TARIFF RESERVE
56.6	OTHER RESERVES
56.610	Reserve for Materials Cost Variance
56.620	Exchange Variance Reserve
56.660	Property Insurance Reserve
57	RESERVE FUNDS
57.1	STAFF RESERVE FUNDS
57.110	Contributory Provident Fund
57.20	General Provident Fund
57.130	Gratuity Fund
57.140	Staff Pension Fund
57.150	Staff Welfare Fund
58	SURPLUS
58.1	REVENUE ACCOUNT
58.2	NET REVENUE AND APPROPRIATION ACCOUNT
58.210	Net Revenue and Appropriation Account
58.22	Appropriations of Surplus/Contribution to Reserves/ReserveFunds
58.221	Contribution to Sinking Fund for Repayment of

Borrowings

58.222 Contribution to General Reserve

61 REVENUE FROM SALE OF POWER

REVENUE FROM SALE OF POWER-INTER-STATE

61.1 Sub-Accounts 61.10 to 61.19 should be operated for recording sale to different States.

61.2 & 61.3 REVENUE FROM SALE OF POWER-OTHER CONSUMERS

Sub-accounts 61.20 to 61.39 should be operated for different categories of consumers as existing in the tariff structure of the respective Boards. In assigning the sub-accounts it is desirable to bear in mind the Planning Commission's categories of consumers which are given below :

- Domestic
- Commercial
- Public Lighting
- Irrigation & Dewatering
- Public Water Works
- Industrial (LT, HT, Power Intensive and Special)
- Railway Traction
- Bulk Supply
- Outside Supplies
- Miscellaneous

Under the main accounts 61.1, 61.2 and 61.3 the 5th digit of each account Code should be used for recording individual, type of charge under the tariff effective in each Board. The specific Code should however be so structured that uniform type of charge should be booked under the same 5th digit Code.

For example-

- 0 Energy Charges
- 1 Demand Charges
- 2 Fuel Cost Adjustment Charge
- ,
- ,
- ,
- 8 Power Factor Surcharge
- 9 Adjustment to Pat Billing

61	REVENUE FROM SALE OF POWER (CONTD)
61.2 & 61.3	REVENUE FROM SALE OF POWER-OTHER CONSUMERS (CONT'D)
	All adjustments made to correct the errors in past billing (but in current year) shall not be analysed in to individual elements (0 to 8) but be booked in total under the head 9-"Adjustments to Post Billing". On incorporating the Consumer Category and individual type of charge, the account codes would evolve as illustrated below : e.g.
61.201	Revenue from Sale of Power-Domestic-Demand Charges
61.292	Revenue from Sale of Power-Public Water Works-Fuel Cost Adjustment Charge
61.5	ELECTRICITY DUTY AND OTHER STATE LEVIES
61.501	Electricity Duty Recovery-Domestic Consumers
61.502	Electricity Duty Recovery-Commercial Consumers
	Thus the last two digits shall be used for recording the excise duty recovery separately from each consumer category
61.521 to 61.539	Other State Levies Recovery
61	REVENUE FROM SALE OF POWER (CONT'D)
61.5	ELECTRICITY DUTY AND OTHER STATE LEVIES (CONTD)
61.541 to 61.559	Electricity Duty Payable (Contra)
61.561 to 61.579	Other State Levies Payable (Contra)
	NOTE
61.5	
61.6	METER RENT/SERVICE LINE RENTAL
61.7	RECOVERIES FOR THEFT OF POWER/MALPRACTICES
61.710	Recoveries for Theft of Power
61.720	Recoveries for Malpractices
61.8	WHEELING CHARGES RECOVERIES
61.9	MISCELLANEOUS CHARGES FROM CONSUMERS

The sub-accounts in this group are contra accounts to enable reporting of Electricity Duty distinctly in the Income Schedule.

61.901	Fuse Charges
61.902	Reconnection Fee
61.903	Public Lighting Maintenance Charges
61.914	Meter Box Charges
	Sub-accounts to be operated for each type of miscellaneous recovery
62	OTHER INCOME
62.2	INCOME FROM LOANS, ADVANCES, INVESTMENTS, ETC.
62.21	Interest on staff Loans and Advances
	Sub-accounts 62.210 to 62.219 for each type of loan
62.22	Income from Investments
	Sub-accounts 62.220 to 62.239 corresponding to each type of investment as classified in Account Group 20- "Investments"
62.240	Interest on Loans & Advances to Licensees
62.250	Delayed Payment Charges from Consumers
62.260	Interest on Advances to Suppliers/Contractors
62.270	Interest from Banks (other than interest on fixed deposits which will be accounted for as income from investments)
62.3	INCOME FROM TRADING
62.310	Profit on Sale of Electrical Plant manufactured by the Board (only Profit i.e. after deducting cost from the sale proceeds)
62	OTHER INCOME (CONT'D)
62.3	INCOME FROM TRADING
62.321	Profit on Sale, Hire Purchase or Hire of Apparatus (Profit after deducting cost from the sale proceeds)
62.322	Profit on Sale, Hire Purchase or Hire of Wiring (Profit after deducting cost from sale proceeds)
62.323	Hire Charges from Contractors
62.330	Profit on Sale of Stores (Profit after deducting cost from the sale proceeds)
62.340	Sale of Scrap (Sale proceeds since no cost is assigned to scrap)
62.350	Sale of Steam, (Sale proceeds since no cost is assigned to steam)
62.351	Sale of Fly Ash (Sale proceeds since no cost is assigned

	toFly Ash)
62.36	Other Miscellaneous Receipts from Trading
662.360 to 62.369	Separate sub-accounts should be operated for each type of miscellaneous receipts from trading normally received and 62.369 should be used for balance miscellaneous receipts from trading
62	OTHER INCOME (CONT'D)
62.4	GAIN ON SALE OF FIXED ASSETS
62.6	INCOME/FEES/COLLECTIONS AGAINST STAFF WELFARE ACTIVITIES
62.610	Film-Show Collections
62.620	Fees from Library Members
62.630	Recoveries for Transport Facilities
62.7	EXCESS FOUND ON PHYSICAL VERIFICATION OF FUEL STOCKS
62.9	MISCELLANEOUS RECEIPTS
62.901	Rental for Staff Quarters
62.902	Rental from Contractors
62.905	Excess found on Physical Verification of Materials Stock
62.906	Excess found on Physical Verification of Fixed Assets
62.910	Recovery for Transport & Vehicle Expenses (Other than Recoveries from Staff)
62.912	Sundry Credit balances Written back
62.913	Refunds from Customs Authorities
92.914	Port Trust Refunds
92.916	Commission for collection of Electricity Duty
63	SUBSIDIES AND GRANTS
63.1	REVENUE SUBSIDIES AND GRANTS
63.110	RE Subsidies
63.120	Grants for Research and Development Expenses
63.2	SUBSIDIES AGAINST LOSS ON ACCOUNT OF FLOOD, FIRE, CYCLONE, ETC.
65	PRIOR PERIOD INCOME
65.1	FUEL RELATED GAINS ON PRIOR PERIOD TRANSACTIONS
65.110	Coal related Gains of Prior Periods
65.120	Oil related Gains of Prior Periods
65.130	Gas related Gains of Prior Periods

65.2	RECEIPTS FROM CONSUMERS RELATING TO PRIOR PERIODS
65.4	INTEREST INCOME FOR PRIOR PERIODS
65.5	EXCESS PROVISION FOR INCOME-TAX IN PRIOR PERIODS
65.6	EXCESS PROVISION FOR DEPRECIATION IN PRIOR PERIODS
65.7	EXCESS PROVISION FOR INTEREST AND FINANCE CHARGES IN PRIOR PERIODS
65.8	OTHER EXCESS PROVISION IN PRIOR PERIODS
65.9	OTHER INCOME RELATING TO PRIOR PERIODS
70	POWER PURCHASED ACCOUNT
70.1	POWER PURCHASED ACCOUNT (Sub-account for each supplier of power and separately for power cost and excise)
70.3	WRITE OFF OF COST OF ACQUIRING RIGHTS TO RECEIVE POWER FROM OTHER BODIES
70.4	WHEELING CHARGES PAYABLE
71	COST OF GENERATION OF POWER
71.1	FUEL CONSUMPTION
71.110	Cost of Coal Consumed-Steam Generation
71.120	Cost of Oil Consumed-Steam Generation
71.130	Cost of Gas Consumed-Steam Generation
71.140	Cost of Gas Consumed-Steam Combustion
71.150	
71.160	(For each such separate category)
71.2	FUEL RELATED COSTS
71.121	Coal Related Costs
71.211	Coal Handling Contract Charges
71.212	Demurrage on Coal Wagons
71.213	Siding Charges
71.214	Penalties for Overloading;
71.215	Commission to Agents
71.216	Payments to Railway Staff posted at Thermal Power Station
71.217	Coal Stock Maintenance Costs
71.219	Other Coal Related Costs
71	COST OF GENERATION OF POWER (CONT'D)

71.2	FUEL RELATED COSTS (CONT'D)
71.22	Oil Related Costs
71.221	Oil Handling Contract Charges
71.222	Demurrage on Oil Tankers
71.223	Siding Charges for Oil Receipts
71.23	Gas Related Costs
71.231	Gas Station/Pipeline Maintenance Charges paid to GasSuppliers
71.232	Gas Meter Testing Charges
71.3	FREIGHT VARIANCE ON COAL RECEIPTS
71.4	STOCK SHORTAGES ON PHYSICAL VERIFICATION OF FUEL STOCKS
71.410	Stock Shortage on Physical Verification of Coal Stock
71.420	Stock Shortage on Physical Verification of Oil Stock
71.5	COST OF WATER
71.6	LUBRICANTS AND CONSUMABLES STORES
71.7	STATION SUPPLIES
	Each of these three accounts will have sub-accounts for HydelPower Generation, Thermal Power Generation and InternalCombustion Power Generation.
71	COST OF GENERATION OF POWER (CONTD)
71.9	COST OF GENERATION DURING TRIAL STAGE-CHARGED TO CAPITALWORKS
72	FUEL RELATED LOSSES
72.1	TRANSIT LOSS OF FUEL
72.100	Total Transit Loss-Coal
72.101	Transit Loss I-Coal
72.102	Transit Loss II-Coal
72.131	Transit Loss of Oil
72.141	Loss on Short Receipt of Gas
72.2	LOSS ON SETTLEMENT OF CLAIMS FOR FUEL
72.210	Difference on Settlement of Railway Claims for Coal
72.220	Difference on Settlement of Railway Claims for Oil
72.3	DIFFERENCES IN GRADE OF COAL
74	REPAIRS AND MAINTENANCE
74.1	REPAIRS AND MAINTENANCE TO PLANT & MACHINERY
74.2	REPAIRS AND MAINTENANCE TO BUILDINGS

- 74.3 REPAIRS AND MAINTENANCE TO CIVIL WORKS
- 74.4 REPAIRS AND MAINTENANCE TO HYDRAULIC WORKS
- 74.5 REPAIRS AND MAINTENANCE TO LINES, CABLE NETWORK ETC.
- These five main account heads shall have sub-accounts as follows:
- Normal Repairs and Maintenance. Such repairs shall be further classified into departments/cost centres. These departments need not be the same as the departments for which employee costs are analysed. However some degree of compatibility between the two bases of analysis would be desirable.
- For each department, the R&M costs shall be booked under 3 sub-heads :
- (1) Materials issued from Stores
 - (2) Payments for materials specifically purchased for the repairs and directly received at site (not through stores)
 - (3) Payments to Contractors and other outside parties.
- It should be noted that Payments to temporary employees shall not be booked under the account head "Repairs and Maintenance" even if those employees were retained specifically for a scheme. All employee cost shall be booked under the account group "75 Employee Costs."
- 74.100 to 74.159 60 Account Codes (100 to 159) would accommodate 20 departments with 3 account heads for each
- Repairs & Maintenance under schemes for special
- 74.160 to 74.189 and foreseen R&M sanctioned as a part of annual budget or at the time of revision of budgets.
- For each scheme, a code shall be assigned by the respective accounting unit. Each scheme shall have three sub-account codes as in case of normal Repairs and Maintenance.
- 74 REPAIRS AND MAINTENANCE (CONTD)
- 74.6 REPAIRS AND MAINTENANCE TO VEHICLE (CONTD)
- Repairs and Maintenance under specially sanctioned
- 74.190 to 74.199 scheme for unforeseen repairs and maintenance.
- Each scheme shall be assigned code by the respective accounting unit

Each scheme shall have 3 sub-account codes as in case of normal repairs and maintenance

- 74.6 REPAIRS AND MAINTENANCE TO VEHICLES
- 74.61 Repairs and Maintenance to Trucks, Tempos and Trekkers
- 74.63 Repairs and Maintenance to Buses/Mini-buses
- 74.65 Repairs and Maintenance to Jeeps and Motor Cars
- 74.66 Repairs and Maintenance to other vehicles
- Last digit shall be used for booking the repairs and maintenance into three types as in case of Repairs and Maintenance to Plant.
- 74.7 REPAIRS AND MAINTENANCE TO FURNITURE AND FIXTURES
- 74.70 Repairs and Maintenance to Furniture and Fixtures
(Sub-account codes for analysis into three types as in case of Repairs and Maintenance to Plant and Machinery).
- 74.8 REPAIRS AND MAINTENANCE TO OFFICE EQUIPMENT
- 74.80 Repairs and Maintenance to Office Equipment
(Sub-account codes for analysis into three types as in case of Repairs and Maintenance to Plant and Machinery).
- 75.1 SALARIES
- 75.110 Salaries-Permanent Employees
- 75.130 Salaries-Temporary Employees-Regular
- 75.150 Salaries-Temporary Employees-Casual
- 75.170 Salaries-Apprentices
- 75.2 OVERTIME
- 75.210 Overtime-Permanent Employees
- 75.230 Overtime-Permanent Employees-Regular
- 75.250 Overtime-Permanent Employees-Casual
- 75.270 Overtime-Apprentices
- 75.3 DEARNESS ALLOWANCE
- 75.310 Dearness Allowance-Permanent Employees
- 75.330 Dearness Allowance-Temporary Employees-Regular
- 75.4 OTHER ALLOWANCES
- 75.410 Other Allowances-Permanent Employees
- 75.430 Dearness Allowance-Temporary Employees-Regular

75.450	Dearness Allowance-Temporary Employees-Casual
75.470	Dearness Allowance-Apprentices
75.5	BONUS
	All the above accounts under 75.1, 75.2, 75.3, 75.4 and 75.5 should incorporate sub-account codes for identifying these costs to broad departments to be decided by the Board. The purpose of department wise analysis of these costs is to provide information which can be used on various decisions such as capitalisation of staff costs, etc. The coding will be as illustrated below.
	75.111 : Salaries-Permanent-Fuel Section
75	EMPLOYEES COSTS (CONTD)
75.6	OTHER STAFF COSTS (CONTD)
	75.112 : Salaries-Permanent-Accounts
	75.113 : Salaries-Permanent-Electrical Maintenance
	75.114 : Salaries-Permanent-Stores
	75.126 : Salaries-Permanent-H.T. Linet Laying Cell
	75.127 : Salaries-Permanent-Workshop
	To enable incorporating such coding of departments, the accounts have been so coded that each account can have 20 sub-accounts e.g. 75.110 to 75.129 salaries Permanent Employees.
75.6	OTHER STAFF COSTS
75.611	Medical Expenses Reimbursement
75.612	Leave Travel Assistance
75.617	Earned Leave Encashment
75.629	Payment Workmen's Compensation Act
75.7	STAFF WELFARE EXPENSES
75.710	Medical Expenses
75.720	Canteen Expenses
75.730	Education Expenses
75.740	Uniform & Livery Expenses
75.750	Recreation Expenses
75.760	Other Welfare Expenses
75.8	TERMINAL BENEFITS
75.810	Terminal benefits (PF) Board's Contribution
75.820	Terminal benefits (FPS) Board's Contribution
75.830	Terminal benefits (Superannuation) Board's Contribution

75.840	Terminal benefits (Gratuity)
75.850	Provident Fund Inspection & Audit Charges
75.9	EMPLOYEES COSTS CHARGED TO CAPITAL WORKS
76	ADMINISTRATION & GENERAL EXPENSES
76.1	ADMINISTRATION EXPENSES
76.10	Property Related Expenses
76.101	Rent (including Lease Rentals)
76.102	Rates & Taxes
76.104	Insurance on Fixed Assets
76.105	Insurance on Stocks
76.106	Insurance on Assets under construction
76.11	Communication
76.111	Telephone & Trunk Calls
76.112	Postage & Telegram
76.113	Telex Charges
76.12	Professional Charges
76.121	Legal Charges
76.122	Audit Fees
76.123	Consultancy Charges
76.124	Technical Fees
76.125	Other Professional Charges
76.13	Conveyance and Travelling
76.131	Conveyance Expenses
76.132	Travelling Expenses
76	ADMINISTRATION & GENERAL EXPENSES (CONTD)
76.1	ADMINISTRATION EXPENSES (CONTD)
76.133	Travelling allowance to Employees
76.136	Vehicle Running Expenses-Petrol & Oil (Other than Trucks/Delivery Van)
76.138	Vehicles License & Registration Fee
76.16	Other Expenses
76.151	Fees & Subscription
76.152	Books & Periodicals
76.153	Printing & Stationery
76.155	Advertisement Expenses
76.157	CONTRIBUTIONS
76.158	Electricity Charges

76.160	Water Charges
76.162	Entertainment
76.190	Miscellaneous Expenses
76.2	MATERIALS RELATED EXPENSES
76.210	Freight on Capital Equipments
76.220	Other Freight
76.230	Transit Insurance
76.240	Vehicle Running Expenses-Trucks/Delivery Vans
76.250	Octroi
76.260	Advertisement of Tenders, Notices & Other Purchaserelated advertisement
76.270	Incidental Stores Expenses
76.281	Fabrication Charges
76.282	Fabrication charges absorbed in cost of fabrication/credit
76.900	ADMINISTRATION AND GENERAL EXPENSES CHARGED TO CAPITAL WORKS (Credit Account)
77	DEPRECIATION AND OTHER COSTS RELATING TO FIXED ASSETS
77.1 & 77.2	DEPRECIATION
77.110	Amortisation of Leasehold Assets
77.120	Depreciation on Buildings
77.130	Depreciation on Hydraulic Works
77.140	Depreciation on other Civil Works
77.150	Depreciation on Plant & Machinery
77.160	Depreciation on Lines & Cable Network etc.
77.170	Depreciation on Vehicles
77.180	Depreciation on Furnitures and Fixtures
77.190	Depreciation on Office Equipment
77.210	Depreciation on Capital Expenditure resulting in an asset notbelonging to the Board
77.220	Depreciation on Spare Units/Service Units
77.230	Depreciation on Capital Spares at Generating Stations
77.250	Depreciation on Assets taken over from Licensees pendingfinal valuation
	The above accounts will have sub-account codes similar to themain account codes of fixed assets
77	DEPRECIATION AND OTHER COSTS RELATING TO

THE FIXED ASSETS(CONTD)

77.5	ASSET DECOMMISSIONING COSTS
77.510	Site Restoration Costs
77.520	Building/Civil Works Demolition Costs
77.530	Generating Plant Decommissioning Costs
77.540	Transmission Lines/Sub-Station Decommissioning Costs
77.550	Other Decommissioning Costs
77.6	SMALL AND LOW VALUE ITEMS WRITTEN OFF
77.610	Small & Low Value Items Written-Off (Sub-accounts 76.611 to 76.699 to analyse & control the write-off)
77.7	LOSSES RELATING TO FIXED ASSETS
77.710	Written Down Value of Assets Scrapped
77.720	Write-off Deficits of Fixed Assets observed upon Physical Verification
77.730	Loss on Sale of Fixed Assets (Last digit to be used for sub-account codes for each of the main asset group)
77.9	DEPRECIATION AND RELATED COSTS CHARGED TO CAPITAL WORKS(CREDIT ACCOUNT)
78	INTEREST & OTHER FINANCE CHARGES
78.1	INTEREST ON STATE GOVERNMENT LOANS
78.2	INTEREST ON BONDS
78.3	INTEREST ON DEBENTURES
78.4	INTEREST ON FOREIGN CURRENCY LOANS AND CREDITS
78.5	INTEREST ON OTHER LOANS/DEFERRED CREDITS (IN RUPEE)
78.59	Penal Interest on Capital Liabilities (Sub-accounts 78.590 to 78.599 as per classification of Capital Liabilities)
78.6	INTEREST TO CONSUMERS
78.7	INTEREST ON BORROWING FOR WORKING CAPITAL
78.8	OTHER INTEREST & FINANCE CHARGES
78.82 & 78.83	Discount to Consumers
78.820 to 78.839	Discount to Consumers for Timely Payment of Bills (Sub-accounts for consumer categories)
78.84	Interest to Suppliers/Contractors

78.841	Interest to Suppliers/Contractors-Capital
78.842	Interest to Suppliers/Contractors-O&M
78.85	Interest on FD, CPF, GPF, SDs, etc.
78.850	Interest on Fixed Deposits
78.851	Interest on Contributory Provident Fund
78.852	Interest on General Provident Fund
78.853	Interest on security Deposits from Staff
78.86	Cost of Raising Finance
78.861	Stamp Duty
78.862	Legal Charges
78.863	Advertisements
78.864	Service Fee
78.865	Credit Fee
78.866	Commitment Charges
78.87	Discount/Redemption Premium on Bonds/Debentures
78.871	Discounts on Bond/Debentures
78.873	Redemption Premium on Bonds/Debentures
78.83	Other Charges
78.881	Bank Charges for Remittances Between Board's Offices
78.882	Bank Commission for Collection from Consumers
78	INTEREST & OTHER FINANCE CHARGES (CONTD)
78.8	OTHER INTEREST & FINANCE CHARGES (CONTD)
78.88	Other Charges (Cont'd)
78.883	Other Bank Charges
78.884	Guarantee Charges
78.89	Interest on payments by State Government under guarantees
78.890	Interest on Sums paid by the State Government underGuarantees
78.9	CAPITALISATION OF INTEREST ON FUNDS USED DURING CONSTRUCTION
79	OTHER DEBITS TO REVENUE ACCOUNT
79.1	MATERIALS COST VARIANCE
79.110	Materials Cost Variance-Capital
79.120	Materials Cost Variance-O&M
79.2	RESEARCH & DEVELOPMENT EXPENSES
79.210	R&D Expenses
79.3	COST OF TRADING/MANUFACTURING ACTIVITY

79.4	BAD & DOUBTFUL DEBTS WRITTEN OFF/PROVIDED FOR
79.410	Bad Debts Written Off-Dues from Consumers
79.420	Bad Debts Written Off-Advances to Suppliers/Contractors
79.430	B&d Debts Written Off-Others
79.460	Bad and Doubtful Debts Provided for-Dues from Consumers
79.470	Bad and Doubtful Debts Provided for-Advances to Suppliers/Contractors
79.480	Bad and Doubtful Debts Provided for-Others
79.5	MISCELLANEOUS LOSSES AND WRITE-OFFS
79.510	Shortage on Physical Verification of Stocks
79.511	Loss of materials by pilferage etc.
79.520	Loss of Cash Written-Off
79	OTHER DEBTS TO REVENUE ACCOUNTS (CONTD)
79.5	MISCELLANEOUS LOSSES AND WRITE-OFF (CONTD)
79.530	Compensation for Injuries, Death and Damages-Staff
79.531	Compensation for Injuries, Death and Damages-Outsiders
79.532	Infertuous Capital Expenditure Written-off
79.560	Loss on Obsolescence of Fixed Assets
79.561	Loss on Obsolescence of Stores, etc. in Stock
79.570	Loss of Exchange Rate Variation
79.571	Sundry Debit Balances Written-off
79.572	Loss on Sale of Scrap
79.573	Loss on Sale of Stores
79.7	SUNDRY EXPENSES
79.710	Intangible Assets Written-off
79.72	Write-off of Deferred Revenue Expenditure
79.720	Write-off Compensation for Premature Takeover of Licensee
79.730	Provision for Contingencies
79	OTHER DEBTS TO REVENUE ACCOUNT (CONTD)
79.8	LOSSES ON ACCOUNT OF FLOOD, CYCLONE, FIRE, ETC.
79.881	Loss to Fixed Assets on account of Floods, Cyclone, Fire,etc.

79.882	Loss to Stocks on account of Floods, Cyclone, Fire, etc.
79.883	Loss to Assets under Construction on account of Floods, Cyclone, Fire, etc.
79.884	Loss on Write-off of Dues from Consumers in areas affected by Flood, Cyclone, etc.
81	PROVISION FOR INCOME-TAX FOR THE YEAR
81.1	PROVISION FOR INCOME-TAX FOR THE YEAR
83	PRIOR PERIOD EXPENSES/LOSSES
83.1	SHORT PROVISION FOR POWER PURCHASED IN PREVIOUS YEARS
83.2	FUEL RELATED LOSSES AND EXPENSES RELATING TO PREVIOUS YEARS
83.210	Coal related Expenses/Losses of Previous Years
83.220	Oil related Expenses/Losses of Previous Years
83.230	Gas related Expenses/Losses of previous Years
83.3	OPERATING EXPENSES OF PREVIOUS YEARS
83.4	EXCISE DUTY ON GENERATION RELATING TO PREVIOUS YEARS
83.5	EMPLOYEE COSTS RELATING TO PREVIOUS YEARS
83.6	DEPRECIATION UNDER PROVIDED IN PREVIOUS YEARS
83.7	INTEREST AND OTHER FINANCE CHARGES RELATING TO PREVIOUS YEARS
83.8	OTHER CHARGES RELATING TO PREVIOUS YEARS
83.810	Short Provision for Income tax-Previous years
83.820	Administrative Expenses-Previous Years
83.840	Materials Related Expenses-Previous Years
91	COSTS & REVENUE AT TRIAL STAGE
91.1	DEBIT ACCOUNTS FOR COSTS AT TRIAL. STAGE
91.101	Fuel Costs at trial stage debit account
91.111	Operating Costs at trial stage-debit account
91.121, 91.131 &	
91.191	For different expense groups
91.2	MEMORANDUM CREDIT ACCOUNTS FOR THE DEBITS OF COSTS
	Memorandum credit accounts for the debits in above
91.201 to 91.299	accountse.g. 91.201 for fuel cost at trial stage credit account.
91.3	CREDIT ACCOUNTS FOR REVENUE AT TRIAL STAGE

91.301	Credit account for revenue from power generated at trialstage
91.4	MEMORANDUM DEBIT ACCOUNTS FOR CREDITS OF REVENUE
91.401	Memorandum debit account for the credits in above revenueaccounts
92	MEMORANDUM ACCOUNTS FOR RECORDING NO OF UNITS OF POWERPURCHASE, GENERATION, SALE, ETC.
92.1	TOTAL UNITS ACCOUNT
92.2	UNITS GENERATED ACCOUNT
92.201	Thermal
92.202	Hydel
92.205	Gas Turbine etc.
92.3	AUXILIARY CONSUMPTION ACCOUNT (Sub-account similar to those for 92.2)
92.4	UNITS PURCHASED ACCOUNT (Sub-accounts for each source of purchase)
92.5	UNITS SOLD ACCOUNT (Sub-accounts for each consumer category)

Annexure IIIBasic Accounting Principle and Policies

1. Basic Accounting Principles

1.1A Board shall follow the basic accounting principle laid down in the following paragraphs in the preparation of its Annual Accounts. Entity of a Board for the purpose of Annual Accounts1.2Annual Accounts of a Board shall reflect the transactions of the Board and of any other body in which the Board has ownership rights as a sole owner, partner or a member of association of persons and in the management of which the Board can exercise and actually exercises significant influence.1.3A mere right to receive a part or whole of the power generated by any other body, whether at cost or at a prefixed rate shall not be the ground for reflecting the transactions of such body in Board's accounts.1.4Where the transactions of any other body have to be reflected in more than one Board' accounts in accordance with the Paragraph 1.2 each Board shall reflect the assets, liabilities, income and expenses of that body in proportion of its ownership share in that body.1.5Interest acquired by a Board in any body whose transactions do not require incorporation into a Board's accounts in accordance with the paragraph 1.2 shall be disclosed, at cost, in Board's accounts as investments. In such cases the excess or shortfall of Board's share of the net assets of the body over the cost of acquiring the interest in that body shall be disclosed in the Board's accounts by way of a note. Historical Cost Convention1.6In a Board's accounts, Assets, Liabilities, Expenses and Revenue shall be recorded at the amounts at which the transactions took place. This policy implies that no revaluation of assets or liabilities shall be done for adjusting them to replacement cost, current cost,

etc. Similarly depreciation on replacement cost basis shall also not be permitted. **Going Concern Concept** 1.7 Financial statements of a Board shall be drawn up on the premise that its business will continue indefinitely. **Consistency Concept** 1.8 Uniform accounting policies shall be applied on the same basis from year to year. Even the accounting policies following in respect of areas not specifically covered hereafter or in cases where departure from the prescribed accounting policy is permitted shall be following consistently from year to year. **True and Fair Presentation** 1.9 Accounting of a Board shall present a true and fair view of the financial position and results of operations of the Board. True and fair view implies the disclosure of all information necessary for a reader's understanding of the financial position and results of operations of the Board. 1.10 The objective of prescribing the form of annual accounts of a Board is to prescribe the minimum and uniform disclosure required by all Boards. Additional information in the accounts or by way of notes may be given if it is necessary to ensure true and fair presentation. **Cash Basis of Accounting Only Where Prescribed** 1.11 The cash basis of accounting, i.e. the practice of booking costs, revenues, assets and liabilities, when money is received or paid and not when accrued shall not be adopted by Board except in the specific cases, where cash basis is prescribed in this Annexure or in Annexure V. In all other cases, a Board shall follow commercial accounting system which requires recording of transactions by which revenues, costs, assets and liabilities are reflected in the accounts for the period in which they accrue. **No Retrospective Adjustments To Prior Period Revenue/Costs** 1.12 All prior period revenue or cost arising on account of a difference between an accounting estimate made for accrual and the actual values involved or on account of any other reason shall be accounted for prospectively and no retrospective restating of past year's figures shall be permitted. **Comparative Figures for Previous Year** 1.13 Comparative figures for the previous year shall be given in the Annual Accounts. No. regrouping of previous year's figures shall be permitted except in cases where a different basis for the figures for the same item has been adopted during the current year. **Reserves Not To Absorb Charge Against Revenue** 1.14 Reserves of a Board whether created out of appropriation from surplus of past years or in any other manner shall not be used (except in prescribed circumstances) for absorbing the cost which would otherwise be a charge against the revenue of the current year, past years or future years. **Revenues Not To Be Directly Credited To Reserves** 1.15 No reserves shall be given any credit for any amount which should otherwise be treated as revenue for the current year, past years or future years. **Offsetting of Assets and Liabilities** 1.16 In the balance sheet of a Board, assets and liabilities shall be set off against each other only when a legal right of offset exists, Payables to one party shall therefore not be set off against receivables from the same party unless the Board has a legal right to offset the two. **Events Occurring, After the Balance Sheet Date** 1.17 All events or transactions occurring after the date of balance sheet and before the date of the auditors report shall be treated in the following manner. (1) Two types of subsequent events and transactions require consideration by the Board. (2) The first type consists of those events that provide additional evidence with respect to the conditions that existed at the date of the balance sheet and affect the estimates necessary for accrual etc. in the process of preparing annual accounts. All information that becomes available prior to the finalisation of the annual accounts should be used in evaluating the conditions on which the estimates were based. The annual accounts, shall be adjusted for any changes in estimates resulting from the use of such evidence. Identifying the events that require adjustment in accounts calls for the exercise of judgment and knowledge of the facts. For example, a loss on an uncollectible receivable as a result of a consumer's deteriorating condition leading to bankruptcy subsequent to the balance sheet date would be indicative of his poor financial

condition existing at the balance sheet date, thereby calling for adjustment of the accounts. On the other hand, a similar loss resulting from a consumer's major at the balance sheet date and adjustment would not be called for.(3)The second type consists of events that provide evidence with respect to conditions, that did not exist at the balance sheet date but arose subsequent to that date. These events should not result in adjustment of the accounts. Some of these events, however, may be of such a nature that the omission of their disclosure may result in misleading statement. Examples of this type of event (which should not result in adjustment of accounts but which do require disclosure) are take over of a licensee, loss from fire, flood, etc.No Deferment of Loss Write Off1.18The revenue Account for a Board shall reflect full amount of the loss, if any, to the Board due to any material calamities like cyclone, flood, etc., on recurring events like fire or possibly recurring events like receipt of inferior grade of coal. No part of the loss shall be deferred for write off over future years.

3.

% Return and The Treatment of Unusual and Extraordinary Gains and Losses and Prior Year Income and Expenses1.19In a Board's Revenue Account, all unusual and extraordinary losses or gains and prior periods income and expenses shall be disclosed separately. However, for the purpose of compliance with Section 59 requiring minimum surplus of 3 % on fixed assets base, such unusual and extraordinary losses and gains and prior period credits and charge shall be considered in the same way as other usual and recurring income expenses, losses or gains for the year. Such a treatment will reflect (and not conceal by ignoring such items) that the Board's operating surplus has been affected during the year on account of such items.

2. Accounting Policies

2.1Transactions of a Board shall be accounted for in accordance with the Accounting Policies laid down hereinbelow. The prescribed Accounting Policies are classified under the following sections.(1)Capital Expenditure and Fixed Assets.(2)Fuel and Materials Accounting.(3)Borrowings and investments.(4)Other Account areas.I. Capital Expenditure and Fixed AssetsDisclosure at Historical Cost and no Revaluation of Fixed Assets.2.2Fixed Assets of a Board shall be recorded in the books of account and disclosed in annual accounts at Historical Cost. This policy implies that no revaluation of fixed assets shall be done for adjusting them to replacement cost, current cost etc. Similarly depreciation on replacement cost shall also not be permitted.Expenditure On Project IdentificationSurvey and Feasibility Studies.2.3Expenditure incurred on identification survey and feasibility studies of a project, before the project is considered for sanction or rejection, shall be accumulated in an account provided for this purpose. Later, if the project, the full amount of expenditure shall be charged to Revenue as infructuous capital expenditure in the year in which the project is rejected. If the project is sanctioned, the expenditure shall be charged to capital work-in-progress account for that project. Any expenditure incurred on detailed feasibility studies, etc. after a project is sanctioned shall also be charged to the capital work-in-progress account for that project. The aggregate of the expenditure incurred before and after sanction of a project shall be allocated over the tangible assets acquired/constructed under the project, in the same manner as the revenue expenditure chargeable to capital works are to be allocated.Cost of Capital Assets2.4Cost of

a capital assets shall include all actual costs' incurred to prepare the assets for use subject to the exceptions and the bases of determining cost prescribed in the following paragraphs.

Treatment of Material related Costs.

2.5 All materials related costs recorded at an accounting unit under which only capital construction activities are carried out shall be charged to capital works.

2.6 At a location under which capital construction as well as O & M activities are being carried out, only the following costs shall be charge to works : (1) Inland freight on imported capital equipment. (2) Freight on Local capital Equipment. (3) Testing charges - capital equipment. (4) Incidental Stores Expenses - Capital Equipment. (5) Octroi on Capital Equipment. (6) Advertisement for tenders etc. for purchase of capital equipment. Imported Equipments

2.7 Capital equipments, spares and other materials imported by the Board shall be valued as follows for receipts and issues accounting : (1) Cost Freight C.I.F. Value PLUS Insurance (2) Customs Duty. Outside Labour/Contractor Charges

2.8 All labour charges or contractor charges payable to outsiders for work done by them in respect of capital jobs shall be included in the cost of concerned capital assets.

Employee Cost of Board's Staff

2.9 All employee costs in respect of construction units shall be fully charged as cost of capital assets.

2.10 For an O & M-cum-capital unit, the procedure for accounting Employee Costs shall be as follows : (1) Temporary employees-monthly payments such as salaries/wages, dearness allowance, overtime and other allowances shall be capitalised. Some temporary employees may be entitled to retirement benefits. Monthly contribution to provident Fund and Family Pension Scheme should also be capitalised. If however, any temporary employees are entitled to annual payment like bonus, no part of it should be capitalised because by the time of bonus payment, the relevant capital jobs/project that they worked on might have been completed and closed and the asset cost already determined and transferred to fixed infirmity, no capitalisation of such annual payments shall be done even if the jobs are not closed. (2) Additional emoluments (e.g. Project allowance) to O & M staff for working additionally on a capital project shall be recorded in a separate account on accrual and shall be fully capitalised. (3) A separate payroll shall be prepared for a group of permanent staff members if any, deployed exclusively or largely on capital jobs. The costs should be booked, under a distinct department code such as construction or Project section etc. All monthly payments (salaries, overtime, D.A. and other allowances) recorded under such departmental codes shall be fully capitalised. However, no part of retirement benefits and annual payments should be capitalised. (4) In respect of other permanent employee who work on both capital and O&M jobs without additional emoluments, no part of the employee costs shall be capitalised.

Expenses Chargeable to Capital Works

2.11 All expenses in respect of construction units shall be fully chargeable as cost of capital assets.

2.12 At an O & M cum location (where both capital and O&M work is being carried out) only the following expenses shall be capitalised. (1) Insurance on assets under construction. (2) Legal charges and stamp fees in connection with agreements with capital suppliers/contractors. (3) Fees payable to foreign technician for capital projects. (4) Expenses incurred for foreign technician for capital projects. (5) Technical documentation and design charges. (6) Other consultancy charges - Projects (which includes architectural fees) (7) Power consumed for construction. No part of any other Administration and general expenses shall be charged to capital works.

Capitalisation of Depreciation

2.13 Depreciation on construction facilities (earth movers, cement mixer, etc.) shall be capitalised. Similarly, depreciation on fixed assets used for construction of other assets (e.g. depreciation on vehicles transferred to a project, depreciation on building furniture and fixtures, vehicles and office equipments at construction division or construction circles) shall also be charged to capital works.

No Capitalisation of Losses

2.14 Some

losses may be involved in execution of capital projects for example irrecoverable advances to contractors, loss of assets or damage to assets at construction stage and shortage observed upon physical verification of stores at construction divisions. No part of any loss should be capitalised and included in the cost of assets.

No Capitalisation of Income 2.15 No income shall be capitalised and reduced from the cost of any asset. Even in cases where the income is identifiable to one or more specific assets, no capitalisation of such income shall be done. The policy is, however, subject to a different treatment prescribed for revenue during trial stage.

Subsequent Increase/Decrease in Costs 2.16 All subsequent increase or decrease in capital expenditure shall be identified to relevant assets and the cost accounted for earlier for that asset shall be charged accordingly. Subsequent increase/decrease in staff costs and other expenses.

2.17 Any subsequent increase or decrease in the staff costs and other expenses which were charged to capital works in the past shall be treated as follows : (1) If the increase or decrease has taken place during the same accounting year (as the year in which the expenses were originally charged to works), the amount of increase or decrease should be added to or deducted from, the staff costs and expenses chargeable to works for the period in which the increase/decrease has taken place. (2) If the increase/decrease has taken place in the accounting years subsequent to the accounting year in which the relevant staff costs and other expenses were incurred, the amount of increase/decrease shall be ignored for the purpose of capitalisation of expenses in the subsequent years.

Land and Land Rights 2.18 Land cost shall comprise of the following : (1) Purchase price of land. (2) Compensation for acquisition of land. (3) Compensation for trees and crops on the acquired land. (4) Legal charges, stamp duty, etc. incurred in order to secure effective title. (5) Land revenue and other taxes paid during the stage of land development. (6) Site preparation costs, such as, cost of levelling hills or filling low spots cost of clearing trees, etc. (7) Cost of demolishing an unwanted structure if the land is acquired with structure.

2.19 Cost of land improvements having a limited life, such as, cost of landscaping, gardens, sidewalks, fences and digging for sewage system shall be added to Cost of Land as "Cost of Land Development".

Buildings 2.20 In case of Purchase/acquisition of a building, the building costs shall include the following items : (1) Purchase price (2) Compensation for acquisition of Building (3) Payments to tenants to cancel their tenancy rights. (4) Expenses, such as, legal charges, stamp duty etc., incurred for securing an effective title. (5) Repairs, alterations and improvements to put the building in usable condition. (6) Architect's fees for remodelling, alterations, improvements before the building is first put to use.

2.21 Cost of a constructed building shall include the following items : (1) Cost of construction comprising of materials, labour, contractor charges and depreciation on construction machinery. (2) Surveying. (3) Cost of obtaining permits, sanctioned plans, occupation certificates from Municipal or other bodies (4) Architectural fees (5) Insurance on uncompleted structure (6) Cost of excavation (excavation is not a cost of land development).

Additions, Improvements, Replacement & Repairs 2.22 Expenditure on additions, improvements, replacement and repairs and maintenance shall be treated in accordance with the policies prescribed in the following paragraphs.

Repairs before Commissioning of Assets 2.23 Any expenditure on repairs or rehabilitation of an asset purchased by the Board whether second hand or new) incurred before commissioning the asset for putting the asset in usable condition shall be treated as a cost of that capital asset.

Repairs and Maintenance 2.24 Any expenditure on restoring an asset back upto the level of output/efficiency/performance at which it was, when it was first put to use is repairs expenditure. Any expenditure on maintaining the asset upto the level of output/efficiency/performance expenditure.

2.25 Expenditure on repairs and maintenance shall be charged to revenue in the year in

which it is incurred. This shall be done regardless of the amount of any repairs or maintenance expenditure.

Additions2.25 Additions may bring into existence a new asset or increase the physical size of an asset through extension, etc. All expenditure on additions shall be capitalised.

Improvements2.27 An expenditure having the effect of extending the useful life of an asset or increasing output or capacity or efficiency of an asset or decreasing operating costs of an asset is 'Improvement'. Expenditure on improvement may involve replacement of old (e.g., replacing a transformer by another transformer of higher capacity) or may not involve replacement of old (e.g. expenditure on acid resistance lining in a tank in water treatment plant). All expenditure on improvements shall be capitalised.

Alterations/Renovations2.28 In case of alterations or renovations of building or plant, the treatment of expenditure shall be similar to that for improvements.

Rearrangement2.29 All expenditure on rearrangement (of plan layout, office layout, etc.) shall be charged to revenue in the year in which the expenditure is incurred.

Replacements2.30 Replacements can be defined as 'Substitution of one fixed asset by another, particularly of an old asset by new asset or of an old part by a part. Expenditure on minor replacements shall be charged to revenue as Repair and Maintenance Expenditure. Major replacement expenditure shall be capitalised. However the cost and accumulated depreciation of the old replaced asset shall be withdrawn when the expenditure on the new replacing asset is capitalised. A broad criterion of distinguishing minor and major shall be replacement of any asset or part of the asset for which a separate fixed asset record is required shall be considered major replacement.

Piecemeal Rebuilding2.31 An asset may be rebuilt by replacement of its components over a period of time instead of at one time. The criteria fixed for 'minor' and 'major' replacements shall in such cases be applied to the aggregate of expenditures on replacement in an asset and accounted for accordingly.

Shifting an asset to another Place2.32 Any expenditure incurred on shifting assets from one place to another place shall, regardless of the amount of expenditure, be charged to revenue in the year in which the expenditure is incurred.

Contributions, Grants & Subsidies Towards Cost of Capital Assets2.33 Contributions, Grants and Subsidies towards cost of Capital Assets shall be treated in accordance with the policies laid down in the following paragraphs.

2.34 Amount receivable as consumer's contribution, subsidy or grant towards capital assets shall be credited to appropriate account set out in Chart of Accounts only if the following conditions are satisfied : (1) the amount is not subject to any conditions to be fulfilled by the Board, or the conditions attached to the amount have been fulfilled by the Board. (2) no part of the amount is refundable nor is likely to become refundable by the Board.

2.35 Consumers, Contribution, subsidies and grants towards cost of capital assets shall not be treated as a reduction in the cost but as a capital receipt to be credited to capital reserve account.

2.36 Accounting for cost of a capital as it shall be done in the normal course without considering any contribution, subsidy or grants towards the cost of the asset. Depreciation shall also be charged in the normal course on the full cost of the asset.

Full Write-off Small and Low Value Items2.37 Full cost of all small and low value assets each costing Rs. 500 or less shall be fully charged to revenue in the year in which the assets are put to use. No part of the cost of such items shall therefore be included in the cost of fixed assets nor shall any depreciation be charged thereon.

Exceptions2.38 The policy for full write-off stated in paragraph 2.37 above shall not apply to : (1) Items of a type for which a specific classification has been prescribed for the purpose of depreciation under the Electricity (Supply) Act, 1948. (2) Items included under the classifications 'Furniture & Fixture' and 'Office Equipments'.

2.39 The accounting policy for write-off of small and low value assets prescribed in paragraph 2.37 shall not apply to cost of granting each service

connection. Criteria to apply to whole Asset and not to individual components. 2.40 In applying the accounting policy for full write-off of small and low value items, the assets as a whole shall be recognised and the individual spare parts or components of the assets shall not be treated separately. The criterion of Rs. 500 should therefore be applied to the aggregate expenditure.

Piecemeal Building of Assets 2.41 Assets may be completely built over a considerable period of time rather than at one time. The cut-off criteria for write-off should in such be applied to the aggregate of expenditures and accounted for accordingly.

Commissioning of Assets 2.42 All capital expenditure shall be accounted for through capital work-in-progress accounts. On commissioning of assets, the expenditure shall be transferred to appropriate fixed assets accounts. Transfer from capital work-in-progress accounts of fixed asset accounted for capitalisation of assets and laid down in the following paragraphs.

Capitalisation When Asset is first put to use 2.43 An asset shall be Capitalised when it is first put to use. Assets which are commissionable but not actually commissioned.

2.44 An asset which is installed/constructed and is in unsuitable/commissionable condition but not commissioned/put to use shall not be capitalised until it is actually put to use.

2.45 All costs incurred on capital assets (including costs incurred on maintaining the assets which are ready but await the actual commissioning) shall be charged as the cost of the assets. No waiting for Finishing Touches.

2.46 Cost of an asset incurred upto the stage of commissioning of the asset should be capitalised when it starts being used without waiting for any finishing touches which may not be significant in work and value. Costs of, such finishing touches when completed, should be accounted for and added to the cost of the asset capitalised earlier.

Technical Certificate 2.47 Commissioning of an asset is a technical matter which involves consideration of various factors such as trial, testing to ensure whether the asset is in usable condition etc. Capitalisation of assets shall therefore be done on issue of Asset Commissioning certificate from the relevant Technical Authority of the Board.

Capitalisation regardless of disputes with Contractors 2.48 Mere disputes with contractors/suppliers regarding the fulfilment of the terms and conditions of contract with them shall not be permitted to withhold or defer capitalisation of assets concerned. Cost of the assets determined on the basis of the contract should be capitalised by making necessary provision for liability to contractors/suppliers acknowledged by the Board.

Capitalisation regardless of Non-finalisation of Contractor's Bills, etc. 2.49 Mere non-submission of interim or final bills by suppliers or contractors shall not be permitted to withhold capitalisation of assets. In case where bills are not received or are received but not passed, a provision should be made for an amount as per the contract. The cost of assets concerned shall be determined accordingly and capitalised when assets are first put to use.

Escalation Claims 2.50 Cost escalation claims made by suppliers and contractors should be provided for to the extent the claims are acknowledged by the Board and cost of assets inclusive of such provision shall be capitalised when assets are first put to use.

Rural Electrification Schemes 2.51 Cost of assets forming basis infrastructure for an electrification scheme shall be capitalised, when the infrastructure is first put to use and lines are energized. The subsequent expenditure on granting service connections, shall be capitalised as and when each service connection is granted. Capitalisation of individual service connections shall not be withheld or deferred until the targeted number of the connections are granted.

Full Capitalisation of Common Facilities 2.52 Certain assets may constitute common facilities, such as, coal handling plant at a power station project which would provide services to say 3 units. Full cost of such common facilities assets shall be capitalised when the assets are first put to use.

Full Capitalisation of Underutilized Assets 2.53 An asset once put to use, even if underutilised,

shall be capitalised for its full cost.

Commissioning of Power Station 2.54 The prescribed accounting policy for capitalisation of power station assets is laid down below : (1) All costs incurred prior to commencement of trial stage shall be capitalised. (2) All costs and revenue during the trial stage shall be treated in the manner prescribed in paragraph 2.56 titled Costs and Revenue at Trial Stage. (3) At the end of the trial stage, the generating plant shall be treated as 'commissioned'.

Commissioning of Transmission Lines and Sub-stations 2.55 On commissioning of a transmission line, all the assets which are put to use shall be capitalised and the total cost of such assets shall be transferred from capital work-in-progress accounts to Fixed Asset Accounts. All expenses incurred before commissioning of transmission lines and substation shall be included in the cost of the assets.

Costs and Revenue during Trial Stage 2.56 Costs incurred and revenue earned (from sale of power generated by the unit under trial) during the period of trial stage shall be treated as follows : (1) Full period of trial stage or the period of three months from the commencement of trial stage (whichever is shorter) shall be called capitalisable period. (2) Trial stage costs incurred during the capitalisable period shall be treated as capital costs of assets involved. (3) Revenue earned from the sale of power generated (by the unit under trial) during the capitalisable period shall be treated as reduction in capital costs. (4) The excess of costs as per (2) above over the revenue as per (3) above shall be added to the costs of the assets involved at the trial stage. If the amount of revenue is greater than the amount of costs, the excess shall be deducted from the cost of the assets involved at trial stage. (5) All trial stage costs incurred or revenue earned after the end of capitalisable period shall be taken to Revenue Account without capitalisation of any part of it.

Capitalisation of Capital Spares at Generating Stations 2.57 Capital spares at a Generating Station purchased prior to commissioning of the generating station shall be capitalised upon commissioning of the Generating Station for which the spares are purchased.

Capital spares purchased subsequent to the commissioning of generating station 2.58 Capital spares purchased subsequent to the commissioning of generating station shall be capitalised upon purchase.

Capitalisation of Spare Units/Service Units 2.59 Assets which are to be classified as Spare Units/Service Units in accordance with the accounting policy recommended under the section 'Other Accounting policies' shall be capitalised when they are put into usable condition regardless of whether they are actually used or not.

Depreciation 2.60 The accounting policies relating to depreciation on fixed assets are laid down in the following paragraphs : (1) The Board shall charge as depreciation on the fixed assets in use in the beginning of the year, such an amount as is required to write-off 90 per cent of the cost of an asset, on a straight line method over the estimated useful life of the asset. (2) Depreciation charge on an asset shall cease from the year following year in which, - the year's depreciation along with the depreciation charged in the previous year's becomes equal to or more than 90 per cent of the cost of the asset, or the asset permanently ceases to be used by the Board; whichever is earlier. (3) Depreciation charge on a newly commissioned asset shall commence in the year immediately following the year of commissioning.

Depreciation on Leasehold Assets 2.61 In respect of leasehold assets, the depreciation to be charged every year shall be such an amount as is required to write-off 100 per cent (unlike 90 per cent for other assets) of the cost of leasehold asset, on a straight line method. - over the estimated useful life of the asset or - over the period of the lease, whichever is shorter. In considering the period of the lease, the renewal clause, if any, in the lease agreement shall be ignored.

Expenditure on development/improvement on leasehold assets 2.62 Expenditure on development/improvement on leasehold assets shall be depreciated in such a way that full amount of such expenditure, can be written-off, on straight line method over :- the estimated useful life of asset or - the balance of the lease period, whichever is shorter. In considering the lease period, the renewal clause, if any, in the lease

agreement shall be ignored. **Second Hand Assets** 2.63 second hand assets i. e., assets used by the previous owner (for whatever number of years) and acquired by the Board shall be depreciated over:- the estimated useful life of those assets ascertained by the State Government and- where no such period is ascertained by the State Government half of the estimated useful life of new assets of that class, (as if half the life is expired). **Assets of Common Retirement Date** 2.64 Asset which are of use only collectively in a group and an individual assets in that group is of no use in isolation after the other assets of the group are retired/scrapped, are defined as 'Assets of Common Retirement Date'. The period of estimated useful life' adopted for the purpose of charging depreciation shall be common for all the assets in the group of 'Assets of Common Retirement Date'. **Retrospective Reworking of Depreciation** 2.65 Retrospective reworking of accumulated depreciation owing to charge in the amount of cost of an asset for the reasons mentioned in 2.124 shall be made only where the increase/decrease in the amount of cost is more than.- Rs. 50,000 for an asset, and- 20 per cent, of the cost booked earlier. In all other cases, the depreciation in the balance life of the asset should be increased or decreased proportionately so that 90 per cent of full cost (or 100 per cent in case of lease-hold assets) is depreciated over the estimated useful life of the asset. **Depredation of Assets used for Construction** 2.66 Assets used for construction are classified as under : (1) Construction Facilities (2) Project Assets (3) Fixed Assets. 2.67 By 'construction facilities' is meant those assets which are intended for use on one or the other capital project. 2.68 Depreciation shall be charged on assets classified as construction facilities in the normal manner as it is charged on assets used for O & M except that the amount of depreciation shall be debited not to Depreciation Account but to 'capital WIP - Revenue Expenses Reclassified Account'. 2.69 Certain assets acquired/constructed as a part of a project may be used for construction of other asset of the same project. Such assets should not be capitalised when they are first put to use. Capitalisation should not be withheld till commissioning of say power plant itself. Depreciation is not chargeable in the first year of commissioning. From the subsequent year, depreciation should be charged in the normal manner. However, the depreciation so charged shall be reclassified and charged to cost of other assets of the project. 2.70 Fixed Assets used for construction means those assets which have been, on their commissioning, transferred to Fixed Assets accounts, and are now deployed on any project at construction stage. 2.71 Depreciation on such assets shall be charged in the normal manner. The amount of depreciation charged on such assets shall be later reclassified and charged to capital works. **Provisioned Depreciation** 2.72 Board shall ensure that there is no asset which is in service but not depreciated for reasons such as : (1) Precise cost not known. (2) Estimated useful life not known or (3) The responsibility for maintenance and/or accounting of newly constructed/acquired assets not known : Boards shall endeavour to remove any such reasons at the earliest and shall in the mean time charge at least provisional depreciation on the assets concerned. **Retirement, Scrapping, Obsolescence and Sale of Assets** 2.73 The accounting policies relating to retirement, scrapping, obsolescence and sale of assets are laid down in the following paragraphs. **Cost of Retirement, Scrapping, Sale of Assets** 2.74 All costs incurred on retirement scrapping and sale of assets shall be charged to Revenue Account in the year in which the costs are incurred. Examples of such cost are : (1) Building/Civil Works demolition costs, (2) Plant decommissioning costs, (3) Site restoration costs. (4) Expenses like legal Charges and Stamp duty for transfer of title to the purchaser. (5) Freight etc. on transfer of assets to any Asset/Scrap Disposal Authority in the Board. (6) Expenditure on freight etc. on delivery of the sold assets/scrap to the purchaser. **Withdrawal of cost and Depreciation** 2.75 On retirement, scrapping, obsolescence of an

asset, the cost of the asset and the accumulated depreciation on it shall be withdrawn from the fixed asset base and transferred to a separate account provided for this purpose. Loss on Scrapping of Assets2.76In case of scrapped asset for which no scrap/salvage value is realised, the written down value of such assets shall be charged off as "Written down value of assets scrapped" in the Revenue Account for the year in which the scrapped assets are found unrealisable. Gain or Loss on Sale of Assets2.77Gain or loss arising on sale of capital assets shall be treated as a revenue item. The gain shall, subject to paragraph 2.78 be credited to Revenue Account for the year in which the asset is sold and the loss on sale of a capital asset shall be debited to the Revenue Account for the year in which the asset is sold.2.78The gain on sale of assets shall be treated as a Revenue item only to the extent of total depreciation charged on the sold asset. Gain if any in excess of the accumulated depreciation charged by the Board on the sold asset shall be treated as a capital gain and credited to capital Reserve. 2.79For the purpose of computing gain or loss on sale of an asset also the contributions, grants and subsidies towards cost of any capital asset sold shall not be reduced from the cost of the asset sold. Date of Acquisition not known2.80In case of assets scrapped/destroyed/sold for which the date of acquisition is not known, it shall be assumed for the purpose of withdrawal of cost and depreciation that the asset concerned was the oldest asset of the type in use at that accounting unit. Loss of Assets2.81In the event of loss/destruction of an asset, the cost and the accumulated depreciation on that asset shall be withdrawn from the fixed assets block and provision for depreciation respectively. Write-off of Loss2.82Excess of the written down value of the lost/destroyed asset over the amount of insurance claim granted shall be charged to revenue in the year in which the insurance claim is settled. Other Accounting Policies2.83The accounting policies for all other matters in relation to capital assets are laid down in the following paragraphs. Capital Spares at Generating Stations2.84The Accounting policy in respect of capital spares at generating stations is given below : (1)The capital spares at Generating stations should be treated as a capital asset. (2)Accounting shall be done together for the entire 'lot' of the spares and not item by item. (3)The total cost of all the spares shall be capitalised. (4)No accounting shall be done at the time of issue of such spares for replacement in the generating plant. (5)However on the other hand, depreciation shall be charged on the total cost of the entire lot of spares. (6)For the purpose of charging depreciation, the estimated useful life of the spares shall be assumed to be equal to the estimated useful life of the generating plant. (7)On this basis, depreciation equal to 100% (not 90% as in case of other assets) of the cost of spares shall be charged by the time the generating plant is to be retired. (8)On expiry of the life, the spares will therefore be valueless. (9)The spares remaining unutilised may be sold along with the retired generating plant. Entire sale proceeds should be treated as gain on sale of assets since 100% depreciation is charged in the past. (10)In respect of the stock of spares remaining unsold on retirement of the plant, no accounting shall be necessary. (11)If some spares are sold and some are not sold, the accounting is necessary only for spares sold, i.e. treat the sale proceeds as gain on sale of assets. (12)If some spares are transferred by the generating station to another generating station requiring them, no accounting is necessary in such case. Takeover of Licensee2.85In respect of the assets taken over from licensee, the amount of compensation payable for an asset shall be treated as and accounted for as the cost of the asset.2.86Even where the takeover itself or the compensation determined by the Board for takeover has been disputed by the licensee, the assets shall be provisionally valued at the compensation determined by the Board.2.87Depreciation shall also be charged as in the normal course based on the provisional valuation. Estimated useful life shall be as fixed by the State Government. If State

Government has not fixed and life half of normal life shall be adopted. Spare Units/Service Units 2.88 The accounting policies prescribed for spare units/service units are given below. The term 'spare unit' covers both spare units and service units. (1) All spare units shall be capitalised when they are purchased and put into 'usable' condition (ignoring the fact that they are not actually being used and lying in stores unutilised). (2) Depreciation on spare units shall be charged in normal course as charged for the same type of assets which are in use. (3) When the original units are removed for repairs or maintenance and the spare units are installed, no accounting adjustments are necessary. (4) Expense on repairs or maintenance on the removed units shall be charged to revenue. (5) No accounting entry will be passed either :- when the removed unit is put back into usable condition or- when it is actually used again in place of some other unit removed for repairs or maintenance or- the repaired unit is installed back in its place and the spare unit installed earlier (Step No. 3 above) is removed and brought back to stores. (6) When the removed unit is considered irreparable, it will be considered to be a retired asset (if the estimated life is over) or scrapped asset (if estimated life is not over) and accordingly the subsequent accounting for estimated life is not over) and accordingly the subsequent accounting for retirement, scrapping and sale shall be done. (7) Simultaneously with retirement/scrapping of the original unit, the cost and accumulated depreciation on the spare unit shall be transferred to Fixed Assets account. (8) If one new spare unit is purchased (so as to keep total stock at its position) it will be capitalised and there after the above procedure shall again be followed in respect of it. (9) Thus essentially, the capital asset additions shall be recognised when a new unit is purchased and a deduction is recognised when any unit is retired/scrapped. All transfers within the entire stock of installed units plus spare units could not involve any accounting.

Formation of a New Board 2.89 On formation of a new State Electricity Board,, the geographical territories of an existing Board may get transferred to the new Board. The fixed assets of the existing Board may also get transferred at Book value (cost less accumulated depreciation) to the new board. In all cases of transfers, the new board shall not account for the book value at the net cost but shall incorporate gross cost as well as accumulated depreciation in its books of account. Depreciation on such assets should also continue to be charged on the gross cost in the same manner as the Board holding that asset hitherto would have charged.

Finance related Costs 2.90 The accounting policies for treatment of costs related to funds utilised for the purpose of construction/ acquisition of assets are prescribed in the following paragraphs.

Costs relating to Borrowings 2.91 Guarantee charges, commitment charges, legal charges/stamp duty for loan agreements/bonds/debentures, advertisement costs in a public issue of bonds, commission or issue bonds/debentures and such other costs shall be charged to revenue in the year in which the costs are included.

Discount/Commission/Redemption Premium on Bonds/Debentures etc. 2.92 Discounts on issue of bonds/debentures shall be charged to revenue in the year in which bonds/debentures are issued. Premium payable on redemption of bonds/ debentures shall be charged to revenue in the year in which the premium becomes payable.

Capitalisation of Interest on Funds utilised at Construction Stage 2.93 No capitalisation of an imputed interest cost (notional interest) on the Board's own funds and interest free finance shall be permitted.

2.94 Every year, a portion of the interest payable on the interest bearing borrowings which relate to financing of capital assets at constructions stage i.e., till the point of commissioning of assets shall be computed in the manner prescribed in paragraph 1.42 of Annexure V and if so directed by Central Government, be capitalised.

2.95 The amount of interest so computed and capitalised shall be reduced from the amount of interest for the year and only the balance amount shall be chargeable to the Revenue

Account for the year.2.96No part of interest shall be capitalised in respect of assets which involve no time period or involve significant time periods for bringing the asset into usable condition.

Examples of such cases are :- purchase of new vehicles,- purchase of furniture items,- purchase of office equipments.2.97The amount of interest capitalised shall be included in the cost of the assets

which involve significant time periods at construction stage and the same shall, along-with the basic cost of assets, be depreciated in normal course, over the expected useful life of assets.II. Fuel and

Materials AccountingFuel Accounting2.98The accounting policies for Fuel Accounting are laid down

in the following paragraphs :Basis of Valuation of Receipts of Fuel2.99Valuation of full receipts shall be based on the actual quantity and quality of fuel received as determined in accordance with

Annexure V and shall cover two elements of cost, viz. fuel cost and freight for fuel

receipts.2.100Freight cost for coal shall be booked at a standard freight rate to be fixed for each quart for each power station on the basis of colliery-wise expected supplies as per Coal Allotment

Programme.Treatment of Other Cost relating to Fuel2.101The costs relating to receipts and stocks of fuel other than the freight cost and fuel cost shall not be added to the value of fuel received,

consumed or in stock. These costs when incurred (whether paid or not) shall be charged to revenue through the relevant account provided for these costs.Accounting for Inferior Grade of Coal2.102In

respect of the wagons allotted to and received by a Board, in the event of receipt of a grade of Coal inferior to the grade billed, the excess, if any, of the amount billed over the amount payable for the

inferior grade of Coal actually received, shall be treated as a loss on inferior grade of coal, if the same is not recoverable from the collieries. Such treatment shall be given, as far as possible, in the year of

such receipts.Accounting for Superior Grade of Coal2.103In respect of the wagons allotted to and received by a Board, in the event of receipt of a grade of coal superior to the grade billed, the excess,

if any, of the amount payable for the superior grade of Coal actually received over the amount billed shall be treated as a gain on superior grade of Coal. Such treatment shall, as far as possible, be given

in the year of such receipts.Accounting for Losses or Gains on Settlement of Claims with Railways for Missing Wagons2.104No provision shall be made for the losses or credit taken for the gains

which are likely to arise on' settlement of the claims with Railways which remain unsettled at the year-end.2.105Losses or gains or settlement of claims should be booked in the accounts on

intimation of the decision by the Railways to the Board of the claims which are settled by them.Basis

of Valuation of Fuel Consumed and Fuel Stock2.106The rate adopted for valuation of fuel consumed shall be a weighted average rate computed in following manner :

(Value of stock at theplusvalue of Net receipts)(beginning of the month during the month)(Quantity of stock at Quantity of Net)the (beginning of the month Receipts during the month)

2.107The fuel stocks at the end of a month shall also be valued at the above mentioned weighted average rate.Notes. - (1) Net receipts would mean receipts after deducting the transit loss of fuel

Transit loss shall be valued at the average receipt rate for the month.(2)Quantity and value of all fuel receipts during the month shall regardless of their grades be aggregated for this purpose.Treatment

of Excess/Shortage on Physical Verification Fuel Stocks2.108The value of shorter on physical verification of fuel stocks all the year end will be treated as a cost of fuel consumed and the value of

excess as a reduction in cost of fuel consumed.Accounting for Materials

Transactions2.109Accounting for all materials transactions shall be in the same period in which the physical event of receipts issues etc. takes place Similarly liability for all materials received and

accepted by the Board shall be created in month in which the materials are accepted. Accounting for Incidental Expenses 2.110 Incidental expenses incurred shall not be linked to the actual materials receipts, issues and therefore, shall not be treated as Materials Cost. These expenses shall be treated as a period cost and shall be charged to the Revenue Account of the period in which these expenses are incurred. Recognition of Consumption 2.111 Accounting for consumption shall closely follow the physical transactions. Issues of materials in respect of specific works shall be forthwith treated as consumption. Where there are lump-sum withdrawal of materials, consumption shall be recognised only when the exact end-use is established. III. Borrowings and Investments Interest on Borrowings 2.112 Provision shall be made every year for the interest accrued on all borrowings including State Government loans whether such interest is due or not and whether it is actually paid or not in the event of interest payment to State Government not being effected in pursuance of Section 67-A of the Act, the same may be considered as deferred liability. The deferred liability in such cases only means deferment of payments and not deferment of the charge to Revenue Account. 2.113 Total interest cost for the year including interest on State Government loans shall, subject to capitalisation of a portion of interest as per paragraph 2.114 be charged to Revenue Account for the year. 2.114 A portion of the interest on borrowings which relates to financing of capital work-in-progress upto the stage of commissioning shall, if so directed by Central Government be capitalised in accordance with paragraphs 2.93 to 2.97. Cost Relating to Borrowings 2.115 Guarantee charges, commitment charges and legal charges/stamp duty for loan agreements, debenture trust deeds, bonds or debentures shall be charged to revenue in the year in which the costs are incurred. Provision shall be made at the year-end for the above costs for the year, which have accrued but are not paid. Discount and Redemption Premium on Bonds, etc. 2.116 Discount on issue of bonds, debentures or other securities offered by a Board shall be charged to Revenue in the year in which the bonds/debentures are issued. 2.117 Premium, if any, payable on redemption of bonds, debentures or other securities shall also be charged to Revenue Account in the year in which premium becomes payable. Treatment of Income and Investments 2.118 Income from investment shall be credited to the Revenue Account for the year in which the income has accrued. However, if the investments are held as earmarked investments against any Fund such as Pension Fund, Gratuity Fund, etc., the income from such investments may be credited directly to the respective Fund. 2.119 Provision shall be made for the income from investments (whether to be credited to Revenue Account or a Fund) which has accrued but not received by the Board. Investments to be Recorded 'at Cost' 2.120 Investments shall be recorded in the books of accounts at actual cost of acquisition including transfer charges, stamp duty etc. No adjustment shall be made for the excess or shortfall of the cost over the face value of the investments. Treatment of Loss/Gain relating to Investments 2.121 Gain on sale of investments shall be credited to the net Revenue and Appropriation Account. Similarly if any Redemption premium is received on maturity of securities, the same shall also be credited to Net Revenue and Appropriation Account. Loss on sale of investments shall be debited to Net Revenue and Appropriation Account, in case of investments against a Fund the credit for the gain or debit for the loss shall not be given to the Revenue Account but to the respective Fund Account itself. IV. Other Accounting Areas Foreign Currency Transactions 2.122 When a foreign currency transaction is being first recorded in a Board's books of accounts, the assets, liabilities, income or expenses arising from the foreign currency transaction shall be translated at the official exchange rate in force on the transaction date. 2.123 All amounts owed to the Board or owed by the Board in foreign currency outstanding at the balance

sheet date (including liability in relation to acquisition of fixed assets) shall be translated at the official exchange rate in force as on the balance sheet date. If the amount derived on such translation is different from the amount at which the receivable or liability is appearing in the books of account, the difference shall be recorded in the books as under ;(1)Increase in the amount of receivable or decrease in the amount of the liability shall be treated as a gain and be credited to Exchange Variance Reserve.(2)Decrease in the amount of receivable or increase in the amount of liability shall be treated as a loss and shall be debited to Exchange Variance Reserve. If as a result of such debit, the net balance in reserve account is a debit balance, the amount of debit balance shall be charged to revenue for the year as "Loss on Exchange Rate Variation".Gain or loss arising on account of difference between actual amount received/paid and the amount at which the item is appearing in books shall also be treated in the same manner as above.2.124Where any revaluation or devaluation of rupee vis-a-vis the currency in which the liability is to be discharged is more than 10% at one time, the same shall not be treated in accordance with the above mentioned policy. The policy relating to treatment of such situation shall be as follows :(1)The increase or decrease in the amount of foreign currency liability shall be accounted for as an increase or decrease in the cost of the assets financed by the liability.(2)The depreciation for the past years shall also be reworked for the assets where the conditions laid down in paragraph 2.65 for retrospective reworking of depreciation are fulfilled.Loss due to Fire, Flood, Cyclone, etc.2.125All losses on account of flood, cyclone, fire, etc. shall be treated as the loss for the year in which the loss was incurred. Such a charge against revenue shall be reduced :(1)by the insurance claim granted by the insurer where assets are insured with an outside insurer;(2)by the amount of reserve created where the Board follows self-insurance practice and(3)by subsidy, if any, received from Government etc., specifically for meeting the loss.In the case referred to in sub-point (2) above, the excess amount set aside, if any, in respect of the assets may be written back to Revenue Account. Income-tax2.126Provision shall be made every year, for the tax payable by the Board on its income or profits in accordance with provisions of the relevant tax law. Such a provision shall be treated as a charge against the revenue before arriving at the Board's profit for the purpose of computing surplus for the year under Section 59.2.127Any excess or shortfall of the provision for income period credit or prior period charge in the revenue account for the year in which such excess or shortfall is established.Timing of Accounting of Revenue2.128revenue from sale of power shall be accounted for on an accrual basis. The accounting for revenue shall thus be totally delinked from the timing and the extent of actual collection of revenue from the consumers. Where the sale of energy prior to the end of a year has not been billed, a provision for such unbilled revenue shall be made at the year-end so as to treat the amount as revenue in the year of supply of power.Treatment of certain items recoverable from consumers2.129The accounting policy on treatment of certain items recoverable from consumer's is laid down below with reference to each such item :(1)Electricity Duty. - Electricity duty recovered from consumers and forwarded to the Government is neither a cost nor an income to the Board. It should thus be kept out of the Revenue Account altogether. The point of time the liability to pay Electricity Duty to the Government arises would differ from State to State-it may arise either on assessment or on collection. In order to reflect the liability truly in either case, the amount of duty assessed but not collected from consumers and the amount of duty collected from consumers but not yet remitted to the Government shall be shown separately in the accounts.(2)Minimum Charges. - Minimum Charges levied in case of consumption below a specific minimum consumption during a billing period or during a year shall, for the sake of working convenience, be treated fully as revenue

from sale of power although strictly only a part thereof relates to sale of power.(3)Treatment of Minimum Charge levied on Applicants who have delayed taking of connection. - Applicants who delay their Test Report are at times billed a minimum charge even though no power has been supplied to them. Such income shall be treated as Miscellaneous Charges from Consumers". The amount receivable on this account shall also be accounted for in an account separate from 'Sundry Debtors for Sale of Power'.(4)Treatment of discount allowed for timely payment. - Cash discounts allowed to consumers as an incentive for timely payment by the due date should when allowed, be treated as a cost and shown separately as such in the Revenue Account.(5)Treatment of Delayed Payment Charges. - Charges recovered from consumers for delayed payments should not be clubbed with the revenue from sale of power but shown separately since these are more in the nature of a financial charge.(6)Accounting for bills of Thefts of Energy. - Income arising from the bills raised for Theft of Energy, whether on a consumer or an outsider, shall be treated as income and reported under a separate account head provided for such revenue.Cheque Received and in Hand to be Regarded as Cash2.130Cheques and bank drafts received will be treated as cash until they are deposited in bank and will be included as "Cash on Hand" in the accounts. Banking of such cheques and drafts will, therefore, be considered as deposit of cash in the bank Account.Subsidies2.131Subsidies which are receivable to assist a Board to meet, partly or fully, shortfall of revenue as compared to cost of operations of a specific type or of a specific activity carried out or being carried out by the Board on its own or under the directive of the body from whom the subsidy is receivable shall be credited to Revenue Account.2.132The subsidies, the receipt whereof is dependent upon the Board satisfying certain conditions shall not be taken credit for to Revenue Account until the Board satisfies all such conditions.2.133Where a claim for subsidy of revenue nature is made by no intimation of granting of the claim has so far been received the outstanding amount for the current year and for the past years should be shown as a deduction in the Reserve Schedule.

Annexure IVProcedures on Change-Over to the New Firm of Accounts

1. Implementation of the New Form of Accounts shall, inter alia, involve the following :

(1)Adoption of the prescribed basic accounting principles and polices.(2)Adoption of the prescribed Chart of Accounts and(3)Compilation of the Annual Statement of Accounts in the Prescribed formats.

2. The prescribed basic accounting principles and polices shall be applied only prospectively that is to say, only to the transactions which take place after the effective date.

3. The revenue or expense resulting from any transaction relating to prior periods shall be segregated as Prior Period Income or Expense.

4. Policies, like basis of valuation of materials purchased, would apply only to prospective transactions. But the prescribed basis of valuation of issues may be applied for the sake of simplicity and uniformity even to the issues out of the stock on hand as on the effective date, if the stock is valued on a basis not much different from the prescribed basis. The small differences arising in such cases shall be dealt with appropriately with a disclosure in the annual accounts for the year of changeover to the new form of accounts and the year in which the adjustments are made.

Retrospective adjustments for interest and depreciation

5. In respect of interest and depreciation, however, a retrospective adjustment shall be done. Under Sections 67 and 68 of the Act, prior to their amendment by the Electricity (Supply) Amendment Act, 1983. Depreciation Charge was restricted to the amount of surplus available after appropriations under section 67. Similarly interest on State Government loans and lower priority as compared to the creation of sinking Fund for repayment of loans.

6. As a consequence of these provisions, the Boards have created Sinking Funds for repayment of loans although huge arrears of interest and depreciation remain to be charged to revenue.

7. Every Board shall re-open its accounts for the year ending on a date immediately preceding the effective date. The following adjustments shall be made to these accounts :

(1) Full amount of the reserve or the sinking fund for repayment of loans standing in an account, by whatever name called, shall be credited to a 'Restructuring Account'. (2) All arrears of depreciation and arrears of interest shall be debited to the Restructuring Account. (3) The net balance in the Restructuring Account, whether debit or credit, shall be transferred to the Net Revenue and Appropriation Account for the year in which the prescribed accounting policies become effective. (4) Reopening of the said accounts shall be after prior approval of the Board. (5) A note containing the 'Restructuring Account showing adjustments made to the previous year's accounts shall also be included in the Board's annual accounts for the first year ending after the effective date. Adoption of the prescribed chart of Accounts

8. The prescribed Chart of Accounts shall be adopted as under :

(1) All revenue, expenses, gains and losses which take place after the effective date shall be accounted for under the prescribed account heads. (2) (a) Balances in the Balance sheet accounts as on the

effective date shall be analysed wherever necessary, and restated, to the extent possible, under the account heads prescribed for assets, liabilities, reserves and reserve funds.(b)Where such restating of a balance (or part of a balance) is not possible owing to non-availability of information in respect of the outstanding balance (or, as the case may be, that part of the balance) :(i)each Board shall introduce necessary account heads and transfer thereto each of such balances or the parts of the balances which could not be so restated; and(ii)transactions after the effective date, which clear, in full or in part, the earlier balances shall be accounted for under the accounts so introduced by the Board.(c)All transactions, other than those referred to in clause b(ii) above,, occurring after the effective date, shall be accounted for under the relevant account heads under the prescribed Chart of Accounts.(d)After a period of three years from the effective date, the past balances remaining uncleared in the accounts introduced by the Board as aforesaid shall be dealt with depending on the nature of the account head concerned and the materiality of the amounts involved.(3)Balances, if any, in inter-unit accounts, as on the effective date, shall be reconciled, as far as possible. The unreconciled portions of such balances shall be dealt with after taking into consideration factors, such as, the type of inter-unit transactions normally taking place between the accounting units involved, the nature of operations (construction or operations and maintenance) performed at the concerned accounting unit and the materiality of the amounts involved.Compilation of the Annual Statement of Accounts in Revised Formats

9. The Annual Statement of Accounts for the accounting year ending immediately after the effective date, as adopted by the Board, shall also include a note containing particulars of-

(1)part balances restated (i.e. the amount restated and the earlier account head from which and the new account head under which the balance has been restated); and(2)balances transferred (which could not be so restated) to the accounts introduced by the Board as aforesaid.Such balances shall, as far as possible, be so grouped as to broadly confirm to the disclosure requirements under the revised annual accounts formats.

10. For each of the first four years ending immediately after the effective date, the Board shall also include, in its annual accounts, a note containing particulars of :

(1)the amount of past balances transferred to each of the accounts introduced by the Board in accordance with sub-paragraph 2(b)(i) of paragraph 8 above.(2)the amount of the aggregate of the amounts of past balance cleared by transactions,-- during the year.- during one or more previous years ended after the effective date in accordance with sub-paragraph 2(b)(ii) of paragraph 9 above.(3)the past balances remaining uncleared at the end of the third year after the effective date and the manner in which they have been dealt within the fourth year as discussed in sub-paragraph (2)(d) of paragraph 8 above; and(4)the unreconciled balances in the inter-unit accounts and the manner in which they have been dealt with as discussed in sub-paragraph (3) of paragraph 8 above.

11. The additional notes required to be given as per sub-paragraph (5) of paragraph 7 as also per paragraphs 9 and 10 above during the period of change-over to the prescribed new form of accounts shall be part of the Annual Statement of Accounts.

12. In the annul accounts for the first three years ending after the effective date the uncleared portions of the past balances (which could not be restated) outstanding in the accounts introduced by the Board shall be disclosed separately in the appropriate Schedule to the Balance Sheet.

Annexure VProcedural Matters Relating to Accounting TransactionsThe procedural matters relating to accounting transactions of State Electricity Boards are classified under the following sections
:Section Subject

1. Capital Expenditure and Fixed Assets.

2. Fuel and Materials Accounting.

3. Borrowings and Investments.

4. Other Accounting Areas.

1. Capital Expenditure and Fixed Assets

1.1The procedural matters regarding expenditure on construction acquisition and maintenance of capital assets are laid down in this Section.Cost of Capital Assets - Departure from 'Actual Cost' basis'1.2Reference is invited to paragraph 2.4 of Annexure III wherein it is stated that the cost of a capital asset shall include all actual costs' incurred to prepare the assets for use. However a departure from 'Actual Cost' basis of accounting capital assets shall be made in the following cases.(1)Assets received as Donation/Grant. - An Asset received as donation shall be accounted for at its fair market value. The fair market value shall be debited as the cost of the asset and credited to 'Donated Capital Assets Account' which shall be included under a Reserve and be treated in the same manner as Contributions Grants and Subsidies towards cost of capital assets. Donated assets which are subject to certain conditions shall nevertheless be treated as fixed assets but be disclosed by way of a footnote indicating value of such assets. Assets received as grant shall also be accounted for in the same manner as donated assets.(2)Exchange of Assets. - Where an asset is exchanged for another asset the asset surrendered shall be deemed to have been disposed of at its fair market value. Gain or loss based on the fair market value shall be accounted for in the normal course. The cost of the asset acquired in exchange shall be deemed to be the fair market value of the asset surrendered plus any additional consideration given or minus any additional consideration received.(3)Leasehold Assets. - Lease premium payable on acquiring lease rights for assets shall be treated as the cost of leasehold assets. Depreciation shall be charged on such cost in the manner

prescribed for Depreciation on Leasehold Assets. Periodic rentals payable on leasehold assets shall be charged to Revenue in the year in which the rentals accrue. If the Board acquires leasehold rights for an asset with no or negligible lease premium, the fair market value of the asset shall be determined and the amount required to state the asset at its fair market value shall be debited of the asset and credited to an account 'Liability for leasehold Assets'. The fair market value of the leasehold assets shall be depreciated over the lease period. Simultaneously extinguishment of a proportionate amount of liability set up in the books shall also be affected. By the end of the lease period the liability in accounts would have been fully extinguished and a provision for depreciation equal to the amount of fair market value booked as cost would have been created. On returning the assets to lessor, the provision shall be set off against the amount of cost of the asset so as to close the two accounts.

Employee Costs Chargeable to Works^{1.3} For the purpose of determining employee costs chargeable to capital works the following classification of employee costs shall be adopted :

(1) Employee costs recorded at construction divisions/construction circle/construction stores division/construction workshops, etc. where no activities relating to O & M are carried out shall include : (a) cost of temporary staff (b) cost of permanent staff deployed at the location throughout the year (c) cost of permanent staff deployed for the part of the year. In such cases it may happen for example that an employee's two months salaries etc. are booked here when he was deployed here but the annual payments like bonus and LTA or earned leave encashment (part of which is relating to these two months) is paid and recorded at some other location where he is deployed at the time of such payments. In case of some other employee full year's annual payment. like bonus may be paid and recorded at construction unit although he has worked there only for say 4 months. No adjustment need be made for such minor inaccuracies.

(2) At accounting units which have both O&M and construction work employee costs shall include : (a) Cost of temporary labour/supervisors retained specifically for one or more capital jobs. (b) Additional emoluments (such as project allowance) given to O&M staff at a location for also doing the work related to capital projects. (c) Cost of permanent staff members deployed exclusively or largely on construction jobs. For example Projects Section, Design Section, etc. at Head Office. Project accounting staff at a division construction engineers at a power station where 2 units are in operation and third unit is being set up capital stores staff if such separate stores is set up and so on. (d) Staff which works on both capital as well as O&M Jobs without any additional emoluments to them.

Method of Allocation of Staff Cost and Expenses over Various Assets^{1.4} Staff costs materials related expenses and other expenses which are chargeable to capital works shall be : (1) identified to specific capital job wherever possible (2) failing which identified to a specific group of capital jobs wherever possible (and within the group allocated on an ad-valorem basis); (3) failing which identified to a project wherever possible (and allocated on ad-valorem basis over various jobs within the project); (4) failing which allocated on an ad-valorem basis over various projects and various jobs within each project. Identification to one or more jobs should be done only if possible to identify without any allocation. In all other cases ad-valorem allocation shall be adopted.

^{1.5} By ad-valorem basis is meant allocation of capitalisable expenses as a percent of the capital expenditure incurred during the period on the job/project (and not as a per cent of total capital expenditure on that job/project including the expenditure incurred in previous periods of allocation).

^{1.6} For the purpose of allocation the term capital expenditure would include progress payments on supply-cum-contracted work order which are to be recorded in a separate account.

^{1.7} No part of the staff costs or other expenses chargeable to capital works shall be allocated over the capital expenditure on furniture

office equipments and vehicles or on capital expenditure for take over of license.1.8The work of capitalization of assets commissioned during the period cannot be expected to be kept pending merely for determination of total capitalisable expenses incurred during the period. Methods of allocation using fair estimate of such capitalisable expenses may be adopted where necessary. Cost of Development on Leasehold Assets1.9The cost of development on leasehold assets shall be accounted for under a separate account and not added to the cost of leasehold assets. Land as a Future Plant Site1.10Land may be purchased or acquired as a future plant site for projects which are yet to be taken up (e.g. land purchased for a project which is sanctioned in principle but detailed survey and investigation is continuing). Cost of such land shall be debited to capital work-in-progress account (Project code-99) - Not identifiable to any specific project code). Purchase of a Building alongwith land1.11When a building is purchased alongwith the land the purchase cost shall be allocated between the land and the building based upon a technical and commercial appraisal. If a part of the purchase consideration towards land is for lease rights to the land that part should be appropriately classified as leasehold land. Assets Awaiting Conveyance in favour of the Board1.12In the case of purchased assets wherein formal conveyance is delayed and the Board has in the meantime put the asset to use the cost of the asset shall be shown as fixed assets. The fact of pending conveyance of the asset may be disclosed by the way of a note to the accounts. Contributions grants and subsidies towards cost of capital Assets1.13Accounting procedures relating to contributions grants and subsidies towards cost of capital assets are laid down in the following paragraphs. Consumers' Contribution1.14Reference is invited to paragraph 2.34 of Annexure III wherein it is stated that amount receivable as consumers' contribution shall be credited to consumers' contribution account if-(1)the amount is not subject to any conditions to be fulfilled by the Board or the conditions attached to the amount have been fulfilled by the Board; and(2)no part of the amount is refundable nor is likely to become refundable by the Board.1.15Any amount received by a Board as consumers' contribution or deposit shall be accounted through "Deposit for Deposit Works A/c. until the above two conditions for treating the amount as consumers contribution mentioned above have been met at which time the amount will, be transferred to Consumers' Contribution Account. Amount if any becoming refundable shall be debited to the Deposit for Deposit Works A/c. Certain Amounts may not be Grants/Subsidy1.16Certain amounts receivable by the Board may be computed with reference to the cost of capital assets or progress on a capital project but in fact are actually in the nature of interest free loans. Such amounts shall not be treated as grants or subsidy towards cost of capital assets. Treatment of Small and low value items (each costing Rs. 500 or less) for Non-accounting purposes1.17For the purpose of project cost estimation, for reporting of total project cost, or for deciding competent authority for project approval and execution, the cost of all such small and low value items shall be included in the amount of cost of the project and be treated in the same manner as large value assets which are to be capitalised. Similarly the controls regarding records, custody, numbering and verification of such assets shall remain the same as is presently exercised over those assets. Commissioning of Power Station1.18The various aspects connected with commissioning of Power Station and therefore related to the accounting policy for capitalisation of Power Station assets are set out hereinbelow : (1)Activities like flushing of pipes, acid cleaning of boiler, acid cleaning of pipes, steam blowing of lines, moisture drying of generator, etc. shall be deemed to be before commissioning. (2)Testing of individual segments of the plant for example testing of protective system, testing of cooling water system, etc. shall be deemed to be before commissioning. (3)On the collective testing of the entire plant (which is also known as rolling of the

machine - when Turbin-Generator is put on trial along with Boiler and all other plants) the 'trial stage' shall be deemed to have commenced.(4)The trial stage shall be deemed to have ended at the end of the month during which the new generating station achieves for the first time an 'Availability Factor' which is equal to or more than the "Average Availability Factor of all other Generating stations of the Board in the previous month'.For this purpose, Availability Factor shall be computed as follows :

$$\frac{\text{Total Running Hours during the Month}}{\text{Total Clock Hours during the month}} \times 100$$

(i.e, No.of days in the month x 24 Hours)Average availability Factors of all other generating Stations of the Board shall be worked out as follows :

$$\frac{\text{Aggregate of the total running hours of each of the other generating stations}}{\text{Total clock hours during the month x number of other generating stations}} \times 100$$

(5)The end of the trial stage of a new generating station shall be certified by the highest technical authority in the Board.(6)On the receipt of such a certificate, all the assets at the new generating Station which are put to use shall be capitalised. Cost of the assets shall be transferred to Fixed Assets Account. In this regard full cost of common facilities, assets and under utilised assets shall also be capitalised.Commissioning of Transmission Lines and Sub-Stations1.19Commissioning of transmission lines and sub-stations also involve trial stage.However,unlike generating Stations, no revenue is generated and the costs incurred are not very large during the trial stage. No trial stage shall therefore be recognised for defining commissioning of transmission lines and sub-stations.1.20A transmission line shall be deemed to have been commissioned at the end of the month during which it achieves an availability factor which is equal to or more than the "Average Availability Factor of all other Transmission lines of the Board."1.21Sub-stations shall also be deemed to have been commissioned on achievement of the availability factor as in case of transmission lines. In both cases, commissioning shall be certified by the highest technical authority of the Board.Determination of Revenue during Trial Stage of Generating Station1.22Revenue during the capitalisable period which is the full period of trial stage or the period of three months from the commencement of trial stage (whichever is shorter shall be computed as under :

Units generating during the capitalisable period	X X
Less: Auxiliary Consumption	X
Net units sent out	X X
Less: T & D. Losses computed at a % of T&D.	
Loss in the Board during the previous year	X
Units treated as sold	X X
Multiplied by	

Board's average realisation per unit during the previous year X

The resultant shall be deemed to be the Revenue during the capitalisable period.Depreciation1.23Procedural matters connected with the accounting policy on depreciation on fixed assets are set out in the following paragraphs.General Framework for charging Depredation1.24The general framework for charging depreciation is outlined below :(1)The existing practice of charging depreciation on straight line method shall continue.(2)90 per cent of the cost of fixed asset shall be depreciated over the estimated useful life of the asset.(3)"Estimated useful life of

the asset".- as prescribed by the central government in consultation with the Central Electricity Authority.- as prescribed by the State Government in respect of assets where the Central Government has not prescribed any period.(4)No depreciation shall be provided on an asset in the year in which it is first put to use by the Board.(5)Depreciation shall be charged on an asset even if during the year, it permanently ceases to be used by the Board.Periodic Review of prescribed 'Estimated useful life'1.25Central Government shall periodically carry out an exercise to assess the need for any change in the estimated useful life of assets' prescribed by it, required in view of technological changes in the assets normally used by various Boards of the country. Based on the findings of the exercise, such changes shall be made to the schedule of prescribed period of estimated useful life of assets as are considered necessary by the Central Government. All changes to the schedule of prescribed period of estimated useful life, shall be prospective and shall be applicable only for depreciation chargeable in subsequent years.Assets of Common Retirement Date1.26An area where the concept of 'Assets of Common Retirement Date' would become operative in subsequent additions at a generating plant, substations or transmission lines, resulting, in assets which would be retired along with the assets installed earlier, although as such, the number of years or estimated useful life of the newly added assets would not expire by then This concept is illustrated below :Example :(1)Estimated life of water circulating system is say 25 years and generating plant also 25 years.(2)A totally new arrangement of water circulating system at a generating plant felt necessary in say 11th year of the generating plant with balance life 15 years (i.e., 25 years less 10 years expired).(3)The water-circulating system would have normally been depreciated over 25 years. However the expenditure on new water-circulating system in this case would be required to be depreciated over the balance 15 years since it would not be of any use after the generating plant itself is retired in the 15th year from now.Subsequent Change in the Purpose of use of an Asset1.27Any change in the purpose of use of an asset shall be recognised only prospectively for charging depreciation in the years subsequent to such change. For example Building containing Diesel Generating Sets is to be depreciated over say 30 years, the DG sets are scrapped earlier since they were obsolete in technology and the building is, after some modifications used for say office purpose (for which estimated life is say 50 years). The change in the estimated useful life of the asset owing to a change in the purpose for which the asset is used, shall be recognised only for future depreciation.Wear & Tear during Construction Stage1.28In a project period of say 4 to 5 years, assets which were constructed in say first year but lying idle until completion of other assets, do suffer wear and tear during the following 3 to 4 years. No depreciation shall be charged towards such wear and tear of such idle assets at construction stage.Assets Transferred to Other Divisions/Circles1.29In respect of the assets transferred between accounting units during the year, the accounting unit which held the assets at the beginning of the year shall charge full year's depreciation on the transferred asset and no depreciation on the assets shall be charged for the year by the transferred location (s).Retirement, Scrapping, Obsolescence and Sale of Assets1.30Procedural matters, connected with the accounting policies relating to retirement, scrapping obsolescence and sale of assets are set out in the following paragraphs.Sale of Assets for which written-down value is not known1.31Fixed Assets sold by the Board for which written-down value is not known shall be deemed to have been sold without any loss or gain. The written-down value shall be deemed to be equal to the sale proceeds.Provision for Loss on Obsolescence1.32Provision shall be made for loss if any expected to arise from the obsolescence determined by the Board of any of its capital assets whether in service or removed from service.

Similar provision shall be made for loss from obsolescence of capital spares. The provision shall be utilised to meet the loss arising on disposal/scraping of those assets. Assets taken over from licensee^{1.33} The accounting policy prescribed for assets taken over from licensee requires adoption of provisional valuation in case of disputes. On final valuation of the taken over assets the following procedures should be adopted-

- (1) Any increase or decrease from the provisional valuation shall be adjusted to the cost of the assets.
- (2) Small and low value assets shall be written off.
- (3) Depreciation on all the balance assets which are capitalised shall be reworked from the date on which the assets were vested in the Board.
- (4) Difference between the provisional depreciation and the reworked depreciation shall be credited or debited (as the case may be) to the Revenue Account for the year in which final valuation of taken over assets is done. Such debit or credit shall be disclosed in the Revenue Account as Prior Period Gain or Charge.

^{1.34} The reworking of depreciation referred to in the above paragraph shall also incorporate changes, if any, made to the estimates of useful life of the assets which were adopted for charging provisional depreciation. This may be necessary when the State Government has finally fixed the estimated useful life. If however the final estimate of useful life is made after the reworking of depreciation then the changes in life shall be recognised only for future depreciation without any retrospective reworking.

Disputed Claims under Warranty for Repairs^{1.35} Suppliers/Contractors of capital equipments may have provided warranty of repairs of assets. Boards claims under such warranties may get disputed by suppliers/Contractors. Repairs expenditure incurred by the Board for which reimbursement is claimed but is disputed shall be fully charged to Revenue Account for the year in which the costs are incurred. Reimbursement when granted by the Supplier should be credited to Revenue Account in the year of receipt of reimbursed amount.

Excess/Deficits observed on Physical Verification^{1.36} Any excess observed on physical verification of assets shall be brought into Board's books by valuing each excess item at one rupee each. The credit will be given to miscellaneous income account.

^{1.37} The written-down value of assets not found on physical verification and established after investigation as deficit shall be written off by transferring the cost and accumulated depreciation on such assets to the Revenue Account.

Certain Disclosures required to Board's accounts^{1.38} Board's accounts shall disclose by way of a note-

- (1) Book value of assets, if any, which are likely to require surrender of the assets by the Board to the Suppliers/Lenders since the Board has failed to make certain payments in respect of purchase price of the asset or loans raised on the security of such assets.
- (2) The Assets in respect of which an effective title is not vested in the Board.

Liability for capital Supplies/Capital Works^{1.39} The accounting procedures relating to providing of liability in respect of Capital Supplies/Capital Works shall be as follows-

- (1) Liability to Supplier contractor shall be created by the Board on acceptance by the Board of the Goods supplied by supplier or works carried out by Contractor.
- (2) Capital Supplies in respect of which the property in the goods has passed to the Board although the Board has actually not received the goods shall be accounted for at the year end and capital supplies in transit and corresponding the liability towards the supplier shall be created in Boards books.
- (3) At the year end, the capital works completed by contractors in respect of which bills are not received by the Board or received but not passed shall be identified and certified by Board's engineers and provided for in accounts to create liability to Contractors as ascertained on the basis of the contracts. This requirement shall not apply to contracts with total contract value of less than Rs. 25 lakhs.
- (4) In respect of imported capital equipment kept in Bonded warehouse no provision need be made for the customs duty which will become payable on removal of the equipments from the bonded warehouse.

Cash Discount^{1.40} Cash discounts earned by the Board on making timely or early

payments to Suppliers/Contractors shall not be reduced from the cost of the assets but shall be credited to Revenue Account as an income for the year in which the cash discount is earned. Interest on Advances to Suppliers/Contractors^{1.41} Interest receivable by the Board on advances to suppliers and contractors for capital supply/works shall not be deducted from the cost of the assets purchased or constructed but shall be credited to Revenue Account as an income for the year in which the interest income accrues. Capitalisation of Interest on funds utilised during construction stage^{1.42} In computing the interest on funds utilised during construction stage of capital assets the following factors shall be taken into consideration : (1) The full amount of interest payable for the year would be considered for this purpose. (2) Arrears of interest shall not distort the computation of interest on funds utilised construction as these arrears are required to be debited to a Restructuring Account and then adjusted to surplus/losses. (3) In view of the difficulties in identifying a source to its use no attempt shall be made for source use identification. (4) The exercise of computation of capitalisable interest shall be carried out at head office of the Board. (5) This exercise shall be carried out considering rupees in thousands only.

1.43 Interest on funds utilised during construction stage of capital assets shall for the purpose of capitalisation of such interest be computed as outlined below : (1) The Net Assets shown in the Balance Sheet shall be split into : (a) Assets at Construction Stage (ACS)) This would be established with reference to Schedule 21 to the Balance Sheet). (b) Balance Net Assets (BNA). (2) The ACS computed under 1(a) above shall be reduced by excess if any of Liability for Capital Supply Works over Capital Stores and Advances for Capital Supply/Works. (3) BNA shall be derived after the balance current liabilities are netted off against the current assets. (4) Total Funds as per Balance Sheet will be first classified as under : (a) Borrowing for Working Capital. (b) Payments due on Capital Liabilities (c) Loans having an initial period of interest-holiday (d) Other interest-free liabilities (e) Reserve Funds (f) Reserves and Surplus (g) Interest-bearing capital liabilities. (5) Matching of each of the above-mentioned different items of funds with the Assets for the purpose of determining Interest-bearing ACS' and 'Interest-bearing BNA shall be carried out as under : (a) Borrowings for Working capital and payments due on capital liabilities shall be deemed to be financing BNA and therefore deducted from BNA. (b) Capital loans which provide an interest-free period for the first few years shall be fully appropriated against the ACS on the grounds that interest-holiday is specifically to provide interest-free finance at construction stage. (c) Interest-free capital liability if any shall be proportionately divided over ACS and BNA. (d) Reserve funds shall be set against the investments made against the funds. (e) Reserves surplus and the excess of Reserve fund over its investment as per 5(d) above shall be added up to determine 'Own Funds'. 'Own Funds' shall be divided proportionately over ACS and BNA. (f) Where the Board has negative 'Own Funds' in its Balance Sheet because of accumulated losses no adjustment of own funds shall be made (meaning that a part of the funds of capital liabilities is sunk by way of losses). (6) Balance ACS and BNA after carrying out the matching as described in (5) above would represent 'Interest-bearing ACS' (IB-ACS) and 'Interest-bearing BNA' (IB-BNA). The aggregate of the two should be equal to interest-bearing capital liabilities (as reduced by negative own funds if any). (7) Interest-bearing ACS at the beginning of the year and at the end of the year shall be used to determine Average Interest Bearing ACS. Similarly Average interest-Bearing BNA' shall be computed. (8) The interest payable for the year on capital liabilities shall be proportionately divided over the average IB-ACS and average IB-BNA. (9) The portion of interest payable allocated to IB-ACS would represent the amount of interest to be capitalised.

2. Fuel and Materials Accounting

2.1 The procedural matters regarding Fuel and Materials accounting are laid down in this section.

Quantitative Measurement of Fuel

2.2 The procedure in respect of quantitative measurement of receipts consumption and stock of fuel are discussed in the following paragraphs :

Need for measurement

2.3 Proper measurement of quantity of fuel is of critical importance for the following purposes : (1) Computation of cost of fuel consumed. (2) Valuation of fuel stocks. (3) Facilitating dealings with third parties, such as, fuel suppliers transporters fuel handling contractors. The method and basis for such measurement needs to be precise because any small inaccuracy in the basis would when applied to large volumes of fuel result in a significant inaccuracy in the measurement.

2.4 In view of the need for a precise measurement, it is essential that all receipts and consumption of fuel of each type be quantified through actual measurement/weightment.

2.5 Actual measurement would require installation and continuous maintenance of facilities like weight, bridges, flow meters, belt scale, etc. which would involve expenditure ranging from small to large amounts depending on the adequacy of the existing facilities. Such an expenditure should however be treated as justified in view of the importance of precise measurement of fuel receipt, consumption and stocks.

Oils

2.6 Certain physical parameters like specific gravity of oil, etc. have to be used for converting readings from oil flow meters and dip measurement in oil storage tanks into quantity of oil. Such parameters shall be established through laboratory analysis periodically.

Gas

2.7 Quantitative measurement of gas also requires use of certain norms and physical parameters for converting readings from gas flow meters into volume of gas. Such norms and parameters shall be used after they are established through periodic analysis in the laboratory.

Coal

2.8 With regard to quantitative measurement of coal, however, certain factors need to be considered : (1) Inadequate facilities at the receiving point would slow down the unloading process. Any delay in unloading wagons would result in a liability to pay demurrage apart from increasing the wagon turnaround' time. (2) Quantity of coal to be handled by weighing facilities is relatively high. (3) The weightment facilities in coal handling plants work in quite rugged conditions. (4) Receipt and consumption of coal is a day and night affair.

2.9 On a proper consideration of these factors the procedures requiring 100 per cent, measurement in all cases of fuel receipt and consumption has been modified in case of coal. The modified procedure is discussed below : (1) Wherever adequate facilities including spare equipment to meet the requirements during the period of equipment break-down are available, full quantity, of all the receipts of coal should be weighed. (2) Wherever adequate weighing facilities are installed but owing to a short period of breakdown of weighing facilities, 15 to 20 per cent of the receipts during the month remain unmeasured, the results obtained for the (80 to 85 per cent) receipts during the month which have been weighed should be applied to the unweighed wagons to estimate quantity therein. (3) Where adequate weighing facilities are not existing, such facilities should be installed. In the intervening period, coal receipts during each month should be quantified on the basis of a sampling method. A sample of receipts which are statistically representative of all the receipts during the month must be drawn each month. The sample of wagons should be weighed and the weightment recorded in a register alongwith the carrying capacity (including permissible overloading) of the wagon. Total of weightment should be deducted from the total of carrying capacity. The resultant figure would give quantity of transit loss of coal. The transit loss so derived during the month and total carrying capacity for weighed receipts should be considered alongwith such transit loss derived in similar

manner during, say, each of the preceding two months so as to compute as weighed percentage to transit loss. Such a weighed percentage to transit loss should be used for estimating the total quantity of coal received in the wagons (whether weighed or not weighed). Consumption of Coal

(1) Where adequate weighment facilities (including spare equipment for use during the period of break-down) are available to ensure that consumption during full period can be weighed accurately, the total consumption should be quantified through actual measurement/weighment.

(2) Where adequate weighment facilities are existing but are facing a breakdown for a short period during the month, the consumption during that period should be worked out on the basis of formula or norms to be laid down for that power station on the lines described in sub-para (4) below.

(3) Where facilities for weighment of coal consumption do not exist, such facilities should be installed. In the intervening period, consumption of coal should be estimated on the basis of formula or norms to be laid down for that power station in the manner described in sub-para (4) below.

(4) The basis for estimation of consumption should be laid down after reviewing plant performance in a representative sample of observations drawn from the current data on consumption.

(5) The formula should be fixed after considering all the relevant factors. An illustrative list of the factors to be considered while fixing the formulae/norms is: (a) Quality of the fuel normally received. (b) Specification of the fuel required. (c) Plant design, boiler design etc. (d) Age of the plant. (e) Various options of fuel mix. (f) Plant efficiency.

(6) It is vital that the approach/method of fixing formulae or norms, for estimating the consumption of fuel be uniform for all the power plants of a Board.

(7) In this respect, involvement of one or more independent technical/scientific bodies, technical representatives of suppliers etc. would ensure a fair and proper fixation of formulae or norms.

(8) Formulae/norms should be operative for a specified period at the end of which a periodic review should be carried out.

Fuel Stocks 2.10 The stock of all types of fuel at the year end shall be physically verified and the quantity of stock determined through appropriate methods such as weighment, volumetric measurement etc.

Determining Quality of Fuel Receipts 2.11 For the purpose of valuation of fuel receipts, the quality of fuel, receipts shall be determined by analysing in the laboratory, under established methods, all the samples of fuel receipts drawn under accepted statistical sampling methods.

Accounting for Inferior Grade of Coal 2.12 In the cases where a claim is preferred by the Board on the collieries or reimbursement of the loss on account of receipts of inferior grade of coal, a provision shall be made at the year-end to cover the loss expected to arise from the refusal by the collieries of the claims made on them. Such a provision may be of an amount equal to a part or whole of the claims remaining unsettled at the year-end.

2.13 The quantum of provision shall be in accordance with the provisions of a formal agreement between the Board and the collieries which would govern the sampling techniques and basis of computation of amount payable by either party on grade differences. Until such times as a formal agreement in-connection with grade differences is entered into between the Board and the collieries, the provision shall be: (1) 100 per cent, of the amount of claims remaining unsettled at the year-end as reduced by (2) an amount of claims which is, in view of the past experience and an appraisal of future, considered likely to be granted by the collieries.

Accounting for Superior Grade of Coal 2.14 In respect of receipts of superior grade of coal, a provision for gain shall be made in accordance with a formal agreement between the Board and the collieries dealing with grade differences or coal receipts. Until such time as a formal agreement is entered into the provision for gain shall be made for an amount considered by the Board as not payable in view of past experience and an appraisal of factors likely to govern future decisions.

Accounting for Coal Wagons in Transit 2.15 Coal wagons in transit would

mean 'wagons allotted to an SEB and despatched by the collieries but which are :- not received by Board by the year-end.- not claimed from the Railways as "missing wagons".2.16Coal wagons in transit at the year-end shall, whether or not any payment is made to the collieries for those wagons, be disclosed as coal-in-transit at the amount billed by the collieries.2.17Liability in respect of coal wagons in transit which are not paid for by the SEB for the year-end would be provided for at the year-end at an amount equal to the amount billed by the collieries.Treatment of Excess/Shortage on Physical Verification of Fuel Stocks2.18Fuel stocks at the year-end shall be physically verified to ascertain the quantity of stock to be considered for valuation and disclosure in financial statements. Fuel stock as per accounting records shall be adjusted for the shortage or excess, if any observed on physical verification of stocks. Valuation of shortage or excess, if any, shall be at the rate to be applied to the closing stocks for the month in which the shortage or excess has been observed.Basis for Valuation of Gas Consumption2.19Valuation of gas consumption would be at the purchase order rate applicable to the receipts during the month.Materials Accounting2.20Accounting procedures relating to materials cost are laid down hereinbelow :(1)Stores which are exclusively catering to the requirements of construction projects shall be treated as "Capital Stores".(2)Stores which are providing materials for both capital and O&M purposes shall book purchase related transactions basically as an O&M stores except that the value of issues on capital jobs shall be booked separately.(3)Fast moving items shall be covered by a standard rate system in which receipts issues and stocks shall be valued at scientifically determined standard rate and the variance between actual costs and standard rate shall be collected in a separate account called "Materials Cost Variance".(4)In case of items not covered by the Standard Rate System, the receipts shall be valued at Basic price plus Excise Duty plus Sales Tax". In such cases, the issues shall be valued at the weighted average rate applicable to the closing stock of the previous month. Where the closing stock of the previous month is nil, the valuation of issues shall be at the rate of first receipt of the month.(5)Subsequent increase/decrease in the cost of receipts shall be adjusted in the issue rate prospectively and no retrospective adjustment shall be made to the value of past issues made out of the concerned receipts or to the assets constructed out of such issues.(6)Freight on materials purchased (whether incurred and billed by supplier or incurred by the Board) shall not be treated as materials cost and shall be recorded in the separate account provided for this purpose.(7)All other incidental costs such as packing charges Octroi etc. shall also not be treated as materials cost and shall be recorded in separate accounts provided for this purpose.(8>Returns from out of the materials issued in the past shall be valued at the issue rate applicable for the month in which the materials are returned.(9)The prescribed basis of valuation of issues and returns may lead to certain anomalies in stock values. Such anomalies if any shall be removed at the end of every quarter and the amount by which the stock values required adjustment shall be accounted for in a separate account prescribed for this purpose.(10)The liability to be created on the receipt of materials shall be made- at the standard rate in case of fast-moving items and- at the purchase order rate in case of other items.(11)Accounting for advance adjusted and recoveries and deductions made from a suppliers bill passed by the Board and recognition of the liability for the net amount due on that bill shall not be deferred till the actual discharge of the net liability.(12)Loss on shortage in materials stock shall be provided for in the period in which the shortages are observed.Treatment of Materials Cost Variance2.21Under the standard rate system referred to above materials cost variance if any in respect of receipts at construction locations or at O&M locations shall not be charged to Revenue Account or to Capital Works.2.22The balance in the "Materials Cost Variance Account" at the

year-end shall be treated as follows : (1) Credit balance shall be created to a Reserve called "Reserve for Materials Cost Variance." (2) Debit balance shall be debited to the "Reserve for Materials Cost Variance". If as a result of such debit the net balance in this Reserve account is a debit balance the amount of debit balance shall be charged to Revenue account for the year. 2.23 Accounting treatment for materials cost variance prescribed above assumes that the standard rates are fixed appropriately and that a system exists for periodic revision of rates whenever significant variances are being observed. 2.24 The amount of materials cost variance recorded by construction divisions and circles and treated on the above lines shall be shown by way of note in the fixed Assets Schedule in the Board's annual account.

3. Borrowings and Investments

3.1 The procedural matters regarding accounts of borrowings and investments are laid in this section. Deferred Credit Usance Bills 3.2 Usance bills may be issued by a Board under Deferred Credit Scheme. Such bills may include even the interest for future years. In a balance sheet such interest portion should be shown as a deduction from the amount of outstanding usance bills. Debentures issued as Collateral Security 3.3 Debentures or any other debt certificates issued as a collateral security shall not be recorded in the books as a liability but be disclosed by way of a note. Provision for Depreciation or Appreciation in value of Investment 3.4 No provision need be made for the depreciation in the market value of securities (bonds and debentures or government promissory notes) held by the board as investments (i.e, market value being lower than the cost of the investments) since it would be fair assumption in the case of such securities that the securities would be held till maturity when full value of the security would be realised. However, there may be securities in respect of which such an assumption about holding till maturity does not hold good. No provision shall be created even in such cases for depreciation in the value of investments. Similarly no provision for any appreciation in the market value of investments shall be made by a Board.

4. Other Accounting Areas

4.1 The procedural matters relating to other accounting areas are laid down in this section. Provision for Doubtful Dues From Consumers 4.2 A fixed percentage of dues from consumers (except for a slight variation in the case of large consumers discussed later) shall be maintained as a provision for meeting debts which turn bad. This will eliminate the need for case-wise investigation at the time of creating a provision. Such investigation can be conducted independently and in depth at the time of actually writing off a debt. A detailed study should be conducted periodically to ascertain the appropriate percentage for each Board and to update the percentage so determined. One exception to the above rule is the case of high tension/large supply consumers. In such cases, individual bad debts can sometimes be large enough to affect any overall percentage. Doubtfulness of balances due from such consumers should be reviewed case-wise and if the doubtful amount exceeds and fixed percentage, the amount of such excess should be additionally provided for. However, if the doubtful amount so determined is less than the fixed percentage, the percentage should be nevertheless provided as a measure of conservation. Accounting for Write-Off of Bad Debts 4.3 Any receivables for sale of power to be written off shall be charged to the Revenue Account as bad debts written off,

without touching the general provision for doubtful debts directly. Disclosure of Unissued Cheques 4.4 Cheques which are prepared under authorised payment vouchers but remain unissued at the year (i.e., not yet issued to payee) will, in accordance with the prescribed accounting policy, be debited to relevant liability account on preparation of such cheques. However, since such cheques are not issued to payee and therefore liability not actually discharged, the total amount of such cheques shall be disclosed in Board's Accounts under a separate account "Liability under Unissued Cheques". Correspondingly, the bank balance shall be restored to the level existing before debiting such unissued cheques. Provision for Obsolescence 4.5 Provision shall be made every year to cover the loss arising from technological obsolescence to the extent such loss has been determined, in respect of fixed assets in use, construction stores or operating stores in stock and assets under construction. Such provision shall be treated as a charge against the revenue for the year. Insurance 4.6 If a Board has not got its assets insured with an outside insurer, the fact shall be disclosed in the Board's account. 4.7 Under the practice of self-insurance (where the Board sets aside an amount Rs. an insurance premium, so that the amount so accumulated can be used for meeting loss of assets on account of fire flood cyclone etc.) the amount aside every year shall be treated as a charge against revenue. However it needs to be ensured that the amount of insurance premium for this purpose is scientifically established. Research and Development Costs 4.8 Research and development costs incurred by a Board as a result of which no tangible asset is acquired by the Board shall be written-off in the year of incurring the costs. This shall be done even in cases where the E&D cost are expected to result in an increase in revenue of future years. The R&D expenditure for acquiring tangible assets shall be treated like expenditure for acquiring any other fixed asset. Amortisation of Intangible Assets 4.9 Intangible assets of a Board shall be amortised over the period estimated to be benefited. A proportionate amount (calculated with reference to the benefits during the year such as additional revenue arising as a result of the asset) shall be charged to revenue account for each of such years benefited. Transmission of Power 4.10 If a Board receive power from one State for onward transmission to another State under purchase/sale arrangement between the former State and the latter State, the intermediary transmitting Board shall show the units so transmitted as a deduction from its gross figures of units purchased and units sold. Disclosure of Contingent Liabilities 4.11 The amount of contingent liabilities (as on the date of the Balance Sheet) which are material shall be disclosed in the annual accounts of the Board. 4.12 Contingent liability would mean an obligation relating to current year or past years which is dependent upon the happening or non-happening of an event. Example of contingent liabilities are : (1) claim by the supplier or contractor for a price higher than the one adopted by the Board for booking liability to him in relation to purchases or contract work during the current year or past years. This would include all cost escalation claims for supplies/works. (2) claim for refund of an increase in tariff made by consumers or by anyone else by contesting it in a court of law. (3) claim by the lenders for a higher interest or for a penal interest for any default in repayment instalments or in paying interest or for any other reason. (4) claim against the Board for payment of tax on income or profit of the Board or for excise duty, levies etc. not accepted by the Board. Refunds of Customs Duty/Port Trust Charges 4.13 Refunds of customs duty or port trust charges shall be credited to revenue unless the amounts are material in which case the portion, if any, relating to import of capital assets shall be deducted from the cost of the assets.