



West Bengal Electricity Regulatory Commission

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Dated, Kolkata, the 24th September, 2014

From:

K. P. Bhar, I.A.S. (Retired)
Secretary, WBERC

To

The Chairman and Managing Director,
West Bengal State Electricity Distribution Co. Ltd.
Vidyut Bhawan, 7th Floor, 'A' – Block,
Bidhannagar, Kolkata – 700 091.

Sub: Regulatory Assets (RA) balance of WBSEDCL

Sir,

I am directed to inform you that Regulatory Assets (RA) of WBSEDCL amounting to total Rs. 613265 lakh as appeared in the audited annual report and accounts of WBSEDCL for the year ended 31st March 2013 has been segregated into RA for Rs. 224987.00 lakh as Current Assets and RA for Rs. 388278.00 lakh as Non-current Assets under Sl. No. 20 and 14 respectively of the Notes on Financial Statement for the year ended 31st March, 2013. But, in terms of paragraph 3.6.2, 3.6.3, 3.7 and 3.9 of the order of Annual Performance Review (APR) of the Commission issued on 12.06.2014 in respect of WBSEDCL for the year 2012-13, the total amount of RA of WBSEDCL at the end of the financial year 2012-13 is computed to Rs. 298931.00 lakh only. Thus the difference in the balance of RA between the Commission and WBSEDCL at the year ended 31.03.2013 comes to Rs. 314334 lakh (i.e. Rs. 613265 lakh – Rs. 298931 lakh).

Again, total amount of Regulatory Assets is accumulated to Rs. 889532 lakh at the end of the financial year 2013-14 as disclosed in the annual accounts of WBSEDCL for the year ended 31.03.2014 with a break up of RA for Rs. 563087 lakh and Rs. 326445 lakh as Current Assets and Non-current Assets respectively under Sl. No.: 20 and 14 of the Notes on Financial Statement for the year ended 31st March, 2014. As a result, above the difference has been further increased by Rs. 276267 lakh (i.e. Rs. 889532 lakh – Rs. 613265 lakh) on account of additional accumulation in RA during the year 2013-14. It may be noted that the Commission did not allow any amount of RA for the financial Year 2013-14.

I am directed to inform you that the Commission does not agree with the aforesaid treatment of the amounts as RA reflected in your Annual Report and Accounts for the years 2012-13 and 2013-14.

I am therefore further directed to request you to submit the details of Regulatory Assets as appeared in the books of accounts of WBSEDCL with year wise details of accumulation of Regulatory Assets since the beginning of the regulatory regime and adjustment made against the same with reference to the amount actually admitted and released time to time by the Commission through APR and Tariff Orders so far.

Yours faithfully,

(K. P. Bhar)
Secretary

o/c