

• Indian electricity rules 1956.

• Double A/c system :- Accounting system but a presentation system.

1. Stmt of operating revenue
 2. Stmt of operating expense
 3. Stmt of capital & loans
 4. Stmt of capital assets
 5. P/L Appropriation/Net revenue
 6. General B/s.
- CAPITAL A/c

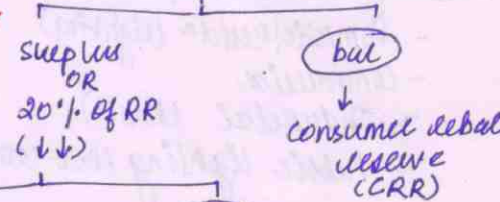
DISPOSAL OF SURPLUS

Clear profit

(-) Reasonable return

= surplus.

Surplus (****)



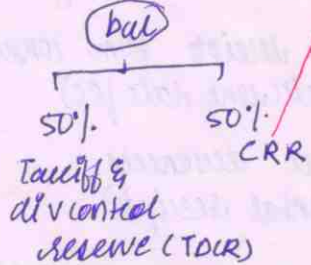
Retention = RR + retained (★)

Clear Profit

= PAT and any other transfer except surplus adj.

Reasonable Return (★★)

$$= [\text{Bank rate} + 2\%] \text{ of capital base} + \frac{1}{2}\% [\text{deb}^n + \text{loan} + \text{dev. reserve}] + [\text{Income on inv other than contingency reserve invest}]$$



Capital base

Comes from wh'tz Public Image & money

- ADD
- Contingency Res. inv.
 - Fined asset
 - WIP
 - Prelim. exp.
 - Intangible
 - Monthly avg of CA (share bank, deposits)

(-) wh'tz DD (money show old to AU)

- LESS
- Loans (loans)
 - Depreciation
 - Debentures
 - Called amt & cons. dist
 - Security deposit
 - Developmental reserve
 - TDR (TDR & div)
 - Am't contri by consumer for FA

• Accounting for fixed assets :-

(a) Pure expansion. (old is undisturbed)

Fined Asset
To Bank.

(b) expansion & replacement: ★★

Cash cost incurred currently xx(A)

(-) cost of plant replaced if it was built now (B)

= Amt to be capitalised A-B=C

Fined Asset C
Replacement B
To Bank A

if old material is also used.
Fined asset
To Replacement.

if old material is sold.
Bank
To Replacement.

Balance of replacement is transferred to Net revenue / P&L Appr. A/c.

cost
old material cash cost (CA)

CAPITAL A/c

stmt of capital & loans

Paid Opⁿ Addn redemption clⁿ

Share Capital
(Authorised, issued, paid up)

Capital Reserve ★★ / share premium

Debentures

loans.

no li and no reserves & surplus - gen B/s

stmt of cap. exp / FA.

Paid Opⁿ Addn depn clⁿ

All assets

(x depn, x CA / inv or cash - gen B/s) ✓✓

Note: give detailed break up of opⁿ / Addn / depn / clⁿ

statement of operating revenue for year ended _____

Part Amt Amt

1. Sale of elec on cash/credit:
 - Domestic/Residⁿ (lighting)
 - Commercial
 - Industrial (Power)
 - Public lighting (pub. lamps)

2. misc receipts from consumers
eminent (late fee)

3. Other revenues
(rental receipts)

(-) total of expenses as per
stmt of opⁿ expens.

Net operating profit

(A)

Net Revenue A/c
P&L App A/c

Part	Amt	Part	Amt
bal b/d	op ⁿ	bal b/d	op ⁿ bal
Operating loss	x x (A)	op ⁿ profit	x x (A)
Int on deb ⁿ		non op ⁿ income	
Prov for tax		(share transfer fees)	int on non-debt inv.
Dividend			
Trf to TDR		bal c/d	
CRR			Reserves & surplus
Contingency & dev reserve			
bal c/d			

statement of operating expenses for year ended _____

Part Amt Amt

A] Generation

1. Hydraulic
 - O - wages/salaries (all opⁿ) (operation)
 - M - repairs & main (maintenance)
 - D - depⁿ (depreciation)

2. Steam Power: OMD

3. Internal combustion: OMD

4. Power Purchased **

B] Transmission

OM

D

C] Distribution

1. High voltage: OM + P

operation & maint x
dep

2. Low voltage: OM + D

3. Public lighting OM + D

D] Consumer service expenses

(salary of meter reading staff, bill machine)

E] General establishment exps.

(all office exps)

F] Other expenses

(Bad debts, int on consumer secⁿ deposit)

G] Management exp (directors & MD exps)

General B/S as on _____

Liab.	Amt	Asset	Amt
Total as per stmt of capital & loans		Total as per stmt of cap assets	
Reserves & surplus		(-) Acc dep	
CL & Prov		Investments	
		CA LG & A	
		Misc exp	