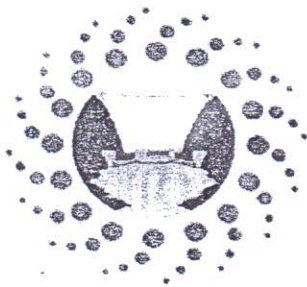


MEGHALAYA POWER GENERATION
CORPORATION LIMITED

SHILLONG



MePGCL

Generating Clean And Green Energy

STATEMENT OF ACCOUNTS

2013-2014

MEGHALAYA POWER GENERATION CORPORATION LIMITED
BALANCE SHEET AS AT 31st MARCH 2014

Particulars		Note No.	As At 31st March 2014	As At 31st March 2013
I. EQUITY AND LIABILITIES				
(1) Shareholders' funds				
(a)	Share capital	2	5,00,000	5,00,000
(b)	Reserves & surplus	3	89,90,46,847	1,70,50,35,549
			89,95,46,847	1,70,55,35,549
(2)	Equity Capital pending allotment	4	6,90,55,25,891	6,70,17,05,891
(3) Non-current liabilities				
(a)	Long-term borrowings	5	8,97,29,13,382	8,91,16,81,660
			8,97,29,13,382	8,91,16,81,660
(4) Current liabilities				
(a)	Short-term borrowings	6	39,78,55,227	19,67,23,781
(b)	Trade Payables	7	1,06,78,05,846	39,44,19,896
(c)	Other current liabilities	8	1,72,38,62,803	1,09,99,79,271
(d)	Short term provisions	9	8,21,15,132	8,32,86,242
			3,27,16,39,008	1,77,44,09,190
TOTAL			20,04,96,25,129	19,09,33,32,291
II. ASSETS				
(1) Non-current assets				
(a) Fixed assets				
(i)	Tangible assets	10	13,77,19,51,779	13,11,35,20,050
(ii)	Capital Work in Progress	11	3,18,30,30,393	3,47,75,10,069
			16,95,49,82,173	16,59,10,30,119
(2) Current assets				
(a)	Inventories	12	7,65,45,976	8,17,49,510
(b)	Cash & Bank Balances	13	2,15,01,256	6,51,35,257
(c)	Short-term loans and advances	14	2,96,91,835	2,55,75,071
(d)	Other current assets	15	2,96,69,03,889	2,32,98,42,334
			3,09,46,42,956	2,50,23,02,171
TOTAL			20,04,96,25,129	19,09,33,32,291
Significant accounting policies		1		
Notes to the financial statements		23		

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

Kiron Joshi & Associates
Chartered Accountants
(Firm Regn. No 313048E)

For and on behalf of the board

Kiron Joshi
Proprietor
M. No. : 051046



(G S Mukherjee)
Company Secretary

(A Bhagotia)
Director (Finance)

(P B O Warjri)
Chairman-cum-Managing Director

Place:- Shillong

Date:- 15/01/2014

MEGHALAYA POWER GENERATION CORPORATION LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2014

Particulars	Note No.	For the year ended 31st March 2014	For the year ended 31st March 2013
I Revenue			
(a) Revenue from operations	16	1,70,38,38,420	1,41,20,06,934
(b) Other income	17	66,36,611	88,26,243
Total Revenue		1,71,04,75,031	1,42,08,33,176
II Expenses:			
(a) Employee benefits expense	18	52,98,62,953	49,48,02,619
(b) Finance costs	19	98,34,04,551	63,57,91,084
(c) Depreciation & Amortisation expenses	20	66,34,68,041	73,95,32,581
(d) Other expenses	21	11,95,51,139	10,63,85,007
(e) Prior period items (net)	22	11,43,97,465	67,53,297
Total Expenses		2,41,06,84,150	1,98,32,65,006
III. Profit/(Loss) before exceptional and extraordinary items and tax (I-II)		(70,02,09,119)	(56,24,31,900)
IV. Exceptional items		-	-
V. Profit/(Loss) before extraordinary items and tax (III-IV)		(70,02,09,119)	(56,24,31,900)
VI. Extraordinary items		-	-
VII. Profit/(loss) before tax (V-VI)		(70,02,09,119)	(56,24,31,900)
VIII. Tax expense		-	-
(a) Current Tax		-	-
(b) Deferred Tax		-	-
IX. Profit/(loss) for the year (VII-VIII)		(70,02,09,119)	(56,24,31,900)
X. Basic and Diluted Earnings per equity share		(14,004.18)	(11,248.64)
(Face value of Rs. 10/- each):			
Significant accounting policies	1		
Notes to the financial statements	23		

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

Kiron Joshi & Associates
Chartered Accountants
 (Firm Regn. No 313048E)

For and on behalf of the board

Kiron Joshi
Proprietor

I No : 051046



(Signature)
(G S Mukherjee)
Company Secretary

(Signature)
(A Bhagotia)
Director (Finance)

(Signature)
(P B O Warjri)
Chairman-cum-Managing Director

Place:- Shillong

Date:- 15/01/2016

MEGHALAYA POWER GENERATION CORPORATION LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2014

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax as per Statement of Profit & Loss	(70,02,09,119)	(56,24,31,909)
Adjustments for:		
Depreciation & Amortization	66,35,93,094	73,95,32,583
Finance Cost	98,34,04,551	63,57,91,584
Operating Profit before Working Capital Changes	94,67,88,526	81,28,92,258
Adjustments for increase/decrease in:		
Inventories	52,03,534	(8,17,49,510)
Short term loans & advances	(41,16,764)	(2,55,75,071)
Other current assets	(63,70,61,555)	(2,33,16,54,680)
Trade payables	67,33,85,950	39,44,19,896
Other current liabilities	62,38,83,532	78,94,02,401
Short term provisions	(11,71,110)	8,32,86,242
Cash generated from Operations	1,60,69,12,112	(35,89,78,464)
Taxes Paid	-	-
Net Cash generated from Operations	1,60,69,12,112	(35,89,78,464)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Net Purchase of Fixed Assets & CWIP	(1,14,80,85,731)	(17,33,07,81,543)
Net Cash from Investing Activities	(1,14,80,85,731)	(17,33,07,81,543)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Grants & subsidies	1,47,61,000	2,26,82,04,573
Capital reserves	-	98,263
Increase/Decrease in long term borrowings	6,12,31,722	9,22,39,54,340
Increase/Decrease in short term borrowings	20,11,31,446	19,67,23,781
Finance Cost	(98,34,04,551)	(63,57,91,584)
Equity Capital pending allotment	20,38,19,999	6,70,17,05,891
Net Cash from Financing Activities	(50,24,60,383)	17,75,48,95,264
Net Increase in Cash & Cash Equivalents (A+B+C)	(4,36,34,001)	6,51,35,257
Opening balance of Cash and Cash Equivalents	6,51,35,257	-
Closing balance of Cash and Cash Equivalents:	2,15,01,256	6,51,35,257
Consisting of:		
Cash in hand	4,00,490	5,22,120
Cash Imprests with Staff	1,00,30,714	1,10,27,257
Balance with bank in Current accounts	1,10,70,052	5,35,85,880
	2,15,01,256	6,51,35,257

As per our report of even date attached

Iron Joshi & Associates
 Chartered Accountants
 Firm Regn. No 313048E)

For and on behalf of the board

Kiron Joshi
 Proprietor
 No. : 051046



(S Mukherjee)
 Company Secretary

(A Bhagotia)
 Director (Finance)

(P B O Warjri)
 Chairman-cum-Managing Director

Place:- Shillong
 Date:- 15/01/2016

MEGHALAYA POWER GENERATION CORPORATION LIMITED
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

Note 2 Share capital

Particulars	As At	As At
	31st March 2014	31st March 2013
(i) Authorised 1,00,00,00,000 (Previous year 1,00,00,00,000) Equity Shares of Rs. 10 each	10,00,00,00,000	10,00,00,00,000
(ii) Issued, subscribed and fully paid up 50,000 (Previous year 50,000) Equity Shares of Rs. 10 each	5,00,000	5,00,000
Total	5,00,000	5,00,000

1 The Company has only one class of equity shares, having a par value of Rs. 10 per share. Each shareholder is eligible to one vote per share held.

2 Reconciliation of the number of shares outstanding: -

Particulars	For the year ended 31st March 2014		For the year ended 31st March 2013	
	No. of shares	Amount	No. of shares	Amount
Equity Shares at the beginning of the year	50,000	5,00,000	50,000	5,00,000
Add - Shares issued during the year	-	-	-	-
Equity Shares at the end of the year	50,000	5,00,000	50,000	5,00,000

3 Details of the shares held by each shareholder holding more than 5% shares:-

Particulars	For the year ended 31st March 2014		For the year ended 31st March 2013	
	No. of shares	% held	No. of shares	% held
Meghalaya Energy Corporation Limited (MeECL)	50,000	100%	50,000	100%

4 Details of shares held by the Holding Company:

100 % shares held by holding company namely Meghalaya Energy Corporation Limited and its nominees.



MEGHALAYA POWER GENERATION CORPORATION LIMITED
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

Note 3 Equity Capital pending allotment

Particulars	Account Code No.	As At 31st March 2014	As At 31st March 2013
Equity Capital pending allotment	54 500(A)	6,90,55,25,891	6,70,17,05,891
Total		6,90,55,25,891	6,70,17,05,891

The equity capital pending allotment represents the amount of equity capital to be allotted to the MeECL in accordance with notification issued on dated April 29, 2015 by Government of Meghalaya and consequent transactions after that.
 The 61,02,85,189 no. of Equity Shares have been issued to MeECL amounting to Rs 6,10,28,51,890/- on May 27 2015 @10/- per share.
 The balance amount shares will be allotted on completion of due procedure.

Note 4 Reserves & surplus

Particulars	Account Code No.	As At 31st March 2014	As At 31st March 2013
Grant & Subsidies			
Opening Balance	55.3	2,26,82,04,573	-
and Addition during the year		1,47,61,000	2,26,82,04,573
Closing Balance		2,28,29,65,573	2,26,82,04,573
Less Accumulated Amortization			
Opening Balance	55.9	12,07,59,424	2,18,842
Closing Balance		2,16,22,06,148	2,26,79,85,731
Capital Reserves			
Opening Balance	56.2 & 56.3	1,96,16,763	1,95,18,500
and Addition during the Year		-	98,263
Closing Balance		1,96,16,763	1,96,16,763
Surplus in Statement of Profit & Loss			
Opening Balance		-58,25,66,945	-2,01,35,036
and - Profit/(Loss) during the year as per Statement of Profit & Loss		-70,02,09,119	-56,24,31,909
Closing Balance		-1,28,27,76,064	-58,25,66,945
Total		89,90,46,847	1,70,50,35,549



Note 5 Long term borrowings

Particulars	Account Code No.	As At 31st March 2014	As At 31st March 2013
A Secured			
Term Loans			
(i) From Banks			
(a) 13.55% Term Loan from Federal Bank for Myntdu Leshka Hydro Electric Project (MLHEP), loan is secured against hypothecation charge on assets of the company and is also guaranteed by the State Government. Loan is repayable in 7 years in monthly installments starting from April 01, 2012)	53.910	35,71,42,856	56,69,92,610
(b) 12.75% Term Loan from Central Bank of India for MLHEP Project, loan is secured against hypothecation charge on assets of the company and is also guaranteed by the State Government. Loan is repayable in 7 years in monthly installments starting from April 01, 2012)	53.500	56,50,78,328	64,84,11,664
(ii) From Others			
(1) 13.14% Term Loan from PFC for MLHEP Project, loan is secured against hypothecation charge on fixed assets. Loan is repayable in 15 years from its COD in Quaterly installments)	53.800	2,04,94,82,006	1,68,30,82,947
(ii) Total (A)		2,97,17,03,190	2,89,84,87,221
B Unsecured			
(1) 11.40% BSE Power Bonds-II for MLHEP Project, Guaranteed by the State Government, Semi annual interest payment for 10 years with bullet repayment on November 18, 2018)	52.110	50,00,00,000	50,00,00,000
(2) 9.95% BSE Power Bonds-I for MLHEP Project, Guaranteed by the State Government, Semi annual interest payment for 10 years with bullet repayment on October 17, 2017)	52.110	1,20,00,00,000	1,20,00,00,000
(3) 11.07% Loan from REC for MLHEP Project, guaranteed by State Government, Annual repayment 10 years from COD)	53.303	2,53,04,23,534	2,53,04,23,534
(4) 12.50% Loan from HUDCO for New Umtru Hydro Electric Power Project (NUHEP); Guaranteed by the State Government, Quaterly repayment in 9 years from its COD)	53.900	1,51,94,98,441	1,43,51,81,856
(5) 30% Loan from State Government for annual repayment in 10 Years with 2 years of moratorium from the date of disbursement.)	54.200(S)	44,69,84,500	40,93,39,000
(6) Loan from State Government (OECF) for Renovation & Modernization of Umiam Stage-I through additional financial assistance scheme)	54.700(OECF)	13,77,19,879	13,77,19,879
(7) Loan from State Government (JBIC) for Renovation & Modernization of Umiam Stage-II through additional financial assistance scheme)	54.700(JBIC)	11,28,02,851	11,28,02,851
(ii) Total (B)		6,44,74,29,205	6,32,54,67,120
Loss:- Current Maturities of Long Term Debts		44,62,19,013	31,22,72,681
Total (A+B-C)		8,97,29,13,382	8,91,16,81,660



Note 6 Short term borrowings

Particulars	Account Code No.	As At	As At
		31st March 2014	31st March 2013
Secured (Against FIDs of Holding Company)			
Payable on demand/Bank Overdrafts from Banks:			
Vijaya Bank	50 201(VB)	20,85,55,547	17,42,80,350
Central Bank of India	50 201 (CBI)	2,54,37,042	2,24,43,431
Federal Bank	50 201 (Fed)	16,34,47,222	-
Others	50 201	4,15,416	-
Total		39,78,55,227	19,67,23,781

Note 7 Trade Payables

Particulars	Account Code No.	As At	As At
		31st March 2014	31st March 2013
Deposits and Retentions from Suppliers and Contractors	46.1 & 28.930	29,17,27,228	29,09,71,577
Liability to Supplies/Works	42.1 & 42.6	72,86,39,907	8,25,46,688
Liabilities for O & M Supplies	43.1 to 43.6	4,74,38,711	2,09,01,631
Total		1,06,78,05,846	39,44,19,896

1 Based on the information available with the company, there are no dues payable to an enterprise covered under the Micro, Small and Medium Enterprises Development Act, 2006.

Note 8 Other Current Liabilities

Particulars	Account Code No.	As At	As At
		31st March 2014	31st March 2013
Liability for Expenses	46.4	32,66,44,075	28,56,09,765
Other Liabilities	46.9	8,77,74,977	8,10,33,970
Payment Due	51.1	19,38,29,368	5,22,61,340
Interest Accrued and due	51.2	66,84,60,417	36,88,01,516
Service Tax Payable	46.ST	9,34,953	-
Current Maturities of Long Term Debts			
PFC		16,10,46,268	6,68,29,173
HUDCO		4,94,37,500	4,94,37,500
Federal Bank		8,92,85,715	7,14,28,572
CBI		10,41,66,670	8,33,33,336
State Government		4,22,82,860	4,12,44,100
Total		1,72,38,62,803	1,09,99,79,271

Note 9 Short term provisions

Particulars	Account Code No.	As At	As At
		31st March 2014	31st March 2013
Staff related liabilities & provisions	44.1 to 44.6	8,21,15,132	8,32,86,242
Total		8,21,15,132	8,32,86,242



SHALAYA POWER GENERATION CORPORATION LIMITED
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

Note 10 Fixed Assets

S.No.	Asset Group	Accounts Code	GROSS BLOCK		ACCUMULATED DEPRECIATION				NET BLOCK	
			As at 31.03.2013	Addition during the year	Deduction during the year	As at 31.03.2014	As at 31.03.2013	Depreciation for the year	Adjustment or Deduction	As at 31.03.2014
1	Land and land rights	10.1	22,73,74,827	13,21,28,698	1,000	35,95,02,525	-	-	22,73,74,827	35,95,02,525
2	Buildings	10.2	1,04,37,76,283	54,92,58,492	-	1,59,30,34,776	11,74,25,641	5,17,61,218	16,91,86,858	92,63,49,811
3	Hydraulic Works	10.3	7,18,57,37,122	44,16,19,109	11,24,35,375	7,51,49,20,856	1,18,96,24,422	39,06,31,573	1,57,45,75,921	5,99,61,12,700
4	Others Civil Works	10.4	1,37,53,08,279	3,42,47,971	9,202	1,40,95,47,048	16,02,35,905	4,57,93,747	20,60,29,652	1,21,50,72,374
5	Plant and Machinery	10.5	5,49,18,61,358	39,89,66,234	58,38,043	5,88,49,89,549	83,00,64,156	28,90,33,344	1,12,55,37,846	4,66,17,97,202
6	Lines and Cable Network	10.6	7,32,44,173	24,91,036	-	7,57,35,208	2,05,02,916	34,54,255	2,39,57,171	5,27,41,257
7	Vehicles	10.7	1,79,15,514	-	-	1,79,15,514	81,98,201	13,31,056	95,29,757	97,17,314
8	Furniture and Fixtures	10.8	2,11,26,744	21,76,677	-	2,33,03,421	81,71,748	12,00,524	93,72,272	1,29,54,997
9	Office Equipment	10.9	1,48,96,780	7,21,081	-	1,56,17,861	50,52,548	9,27,958	59,80,506	98,44,233
10	Assets not in use	16	15,54,504	-	-	15,54,504	-	-	-	15,55,336
	TOTAL		15,45,27,95,585	1,56,16,09,298	11,82,83,620	16,89,61,21,263	2,33,92,75,635	78,41,33,676	3,12,41,69,484	13,11,35,20,050
	PREVIOUS YEAR		3,03,79,94,986	12,48,43,42,859	6,95,41,429	15,45,27,96,417	1,60,67,99,880	73,97,51,425	2,33,92,76,367	1,43,11,96,106



Item 11 Capital work in progress:

Particulars	Account Code No.	As At 31st March 2014	As At 31st March 2013
Capital Work-in-progress	14	2,47,02,05,865	2,73,53,22,326
Advance to Supplier (Capital Expenses)	25.1 to 25.9	34,12,09,306	40,60,15,908
Deferred Expenditure	17.3 & 18.2	37,16,15,222	33,61,71,834
Total		3,18,30,30,393	3,47,75,10,069

Item 12 Inventories

Particulars	Account Code No.	As At 31st March 2014	As At 31st March 2013
Materials Stock	22	7,65,45,976	8,17,49,510
Total		7,65,45,976	8,17,49,510

Item 13 Cash & Bank Balances

Particulars	Account Code No.	As At 31st March 2014	As At 31st March 2013
Cash & Cash Equivalents			
Cash	24.1	4,00,490	5,22,120
Cash Imprests with Staff	24.2	1,00,30,714	1,10,27,257
Advance with Banks in Current Accounts	24.3, 24.4 & 24.7	1,10,70,052	5,35,85,880
Total (A)		2,15,01,256	6,51,35,257
Other Bank Balances			
Bank FDS	20.2	-	-
Total (B)		-	-
Total (A+B)		2,15,01,256	6,51,35,257



MEIPALAYA POWER GENERATION CORPORATION LIMITED
 GOING TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

note 14 Short term loans & advances

Particulars	Account Code No.	As At 31st March 2014	As At 31st March 2013
Secured, considered good	26.1 to 26.7	2,25,24,265	1,85,53,005
Advances for O & M Supplies/Works	27.1 to 27.2	70,79,672	69,34,168
Loans and Advances to Staff	27.8	87,899	87,899
Total		2,96,91,835	2,55,75,071

note 15 Other current assets

Particulars	Account Code No.	As At 31st March 2014	As At 31st March 2013
Income accrued but not due	28.3	1,59,28,847	
Recoverable from Ex-employees	28.4	48,46,259	42,93,527
Other claims and Receivables	28.6 to 26.8 (Excl.28.89) & 46.3	16,45,822	-16,71,027
Inter Company receivable	30-39 & 24.5-24.6	2,92,11,13,824	2,23,20,77,707
Provision against Power supply	23	2,33,69,138	9,51,42,127
Total		2,96,69,03,889	2,32,98,42,334

note 16 Revenue from operations

Particulars	Account Code No.	For the year ended 31st March 2014	For the year ended 31st March 2013
Revenue from sale of power to MePDCL	61.110 -122	1,70,38,38,420	1,41,20,06,934
Revenue from operations		1,70,38,38,420	1,41,20,06,934

note 17 Other Income

Particulars	Account Code No.	For the year ended 31st March 2014	For the year ended 31st March 2013
Interest Income			
Interest from banks (Other than interest on fixed deposits)	62.270-62.273	-	
Interest on loans and advances	62.211-62.216	13,861	
Interest income from fixed deposits with banks	62.222	-	
Interest income from other investments	62.223	-	
Other Income			
Account Received	62.260-62.264	-	
Miscellaneous receipts	62.901-62.950	62,09,566	64,53,717
Income from Trading	62.321-62.360	4,13,184	23,72,526
Interest on overdue trade receivables	62.25	-	
Total		66,36,611	88,26,243



INDIAN RAYA POWER GENERATION CORPORATION LIMITED
 ATTACHED TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

Note 18 Employee benefit expense

Particulars	Account Code No.	For the year ended 31st March 2014	For the year ended 31st March 2013
Salaries and wages	75.1 to 75.6 & 75.XXX	43,36,48,421	43,20,54,459
Contributions to provident and other funds	75.8	16,50,52,287	14,33,54,707
Staff Welfare Expenses	75.7	2,50,099	3,32,098
Less: Capitalised to CWIP	75.9	59,89,50,807	57,57,41,264
Total		6,90,87,854	8,09,38,645

Note 19 Finance costs

Particulars	Account Code No.	For the year ended 31st March 2014	For the year ended 31st March 2013
Interest Expense on borrowings	78.1, 2 & 5	1,11,26,09,012	1,00,36,05,036
Cost of raising finance	78.851-869	59,25,425	17,37,680
Other charges	78.881-889	3,96,98,117	1,00,87,492
Less: Capitalised	78.9	1,15,82,32,554	1,01,54,30,208
Total		17,48,28,003	37,96,38,624

Note 20 Depreciation & Amortisation Expenses

Particulars	Account Code No.	For the year ended 31st March 2014	For the year ended 31st March 2013
Depreciation	77.1	78,41,33,676	73,97,51,425
Less: Depreciation Of Related Costs Charged To Capital Works	77.9	1,25,053	
Less: Transferred from Reserve/Amortisation of grant	77.9 (Amor)	12,05,40,582	2,18,842
Total		66,34,68,041	73,95,32,583



ALAYA POWER GENERATION CORPORATION LIMITED
 FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

Other expenses

Particulars	Account Code No.	For the year ended 31st March 2014	For the year ended 31st March 2013
Repairs and Maintenance			
Consumption of Lubricants, stores, spares and spare parts	71.6	10,12,944.00	3,27,656
Labour	74.2	1,42,66,579	91,03,625
Plant & Machinery	74.1	2,32,07,805	2,72,77,301
Plantation Work	74.3	1,67,74,529	78,58,392
Plant Works	74.4	66,57,328	97,99,664
Wires & Cables	74.5	80,061	17,89,431
Structures	74.6	13,37,343	13,31,371
Leisure & Culture	74.7	8,68,891	5,24,068
Office equipment	74.8	4,70,366	1,62,250
		6,46,75,846	5,81,73,758
Administration & General Expenses			
Insurance	76.104-76.107	1,71,00,486	1,63,80,075
Land Rates and Taxes	76.101-76.103	10,02,875	10,01,014.00
Telegram, Postage, Telegraph and Telex charges	76.110-76.113	6,23,847	7,11,821
Travelling and conveyance	76.131-76.139	1,27,64,242	1,24,63,278
Printing and stationery	76.153	7,86,499	12,27,810
Consultancy Charges	76.123	98,28,626	7,58,728
Technical fees	76.124	-	6,451
Books & Periodicals	76.152	20,411	27,470
Books & Subscription	76.151	-	90,390
Advertisement	76.155	1,01,060	56,770
Legal and professional	76.121 & 125	33,388	14,95,395
Auditors Remuneration	76.122	9,57,034	8,28,090
Joint RC Fees	76.129	8,78,000	-
Electricity Charges	76.158	37,264	38,233
Water Charges	76.16	1,52,709	58,468
Entertainment	76.162	3,04,374	4,47,969
Lab Testing	76.164	1,110	300
Bad Debts and other misc. written off	79.4-79.5	3,000	1,81,61,365
Other Purchase Related Expenses	76.165 & 76.210-		
	76.290	5,22,863	8,82,282
Miscellaneous expenses	76.19	3,24,719	9,09,939
TDC Charges to MePTCL	70.9	1,31,03,667	-
		5,85,46,174	5,55,45,848
		12,32,22,020	11,37,19,606
Provision Capitalised	76.9	36,70,881	73,34,604
Total		11,95,51,139	10,63,85,002

22 Prior period items (net)

Particulars	Account Code No.	For the year ended 31st March 2014	For the year ended 31st March 2013
Expense			
Employee costs	83.5	49,02,642	26,06,490
Provision under provided in previous year	83.6	65,00,962	1,37,07,089
Interest & Other Finance Charges	83.7	-	-
Others	83.81 - 83.85	11,24,33,569	10,43,178
		12,38,37,173	1,73,56,757
Income			
Provision excess provision	65.6, 65.8 & 65.9	94,39,708	1,06,03,460
		94,39,708	1,06,03,460
Total		11,43,97,465	67,53,297



23 ADDITIONAL DISCLOSURES

- 23.1 Meghalaya Power Generation Corporation Limited (MePGCL) was incorporated under the Companies Act, 1956 on 18.12.2009. The company was entitled to commence business according to the Certificate for Commencement of Business issued by the Registrar of Company, Meghalaya w.e.f. 17.03.2010. The authorized share capital of the company is Rs.1,000 Crore divided into 100 Crore nos. of Equity Shares of Rs. 10 (Rupees Ten) only each. The Company is a Government Company within the meaning of Section 617 of The Companies Act, 1956 and entire Share Capital is held by Meghalaya Energy Corporation Limited (a company wholly owned by the Government of Meghalaya), except shares allotted to the Signatories of the Memorandum of Association of the company.
- 23.2 At the time of formation of the Company 50,000 (Fifty Thousand) nos. of Equity share of Rs.10/- each was allotted to various persons being the signatories of the Memorandum of Association of the company. However, the beneficial interest for all the shares are lying with MeECL. The names of the shareholders are available in the Memorandum and Article of Association issued by the Company.
- 23.3 In exercise of the power conferred under Section 131 of the Electricity Act, 2003 the Govt. of Meghalaya unbundled the Meghalaya State Electricity Board (MeSEB) into four companies i.e. Meghalaya Energy Corporation Limited (MeECL), the holding company, Meghalaya Power Distribution Corporation Limited (MePDCL), the distribution utility, Meghalaya Power Generation Corporation Limited (MePGCL), the generation utility, Meghalaya Power Transmission Corporation Limited (MePTCL), the transmission utility vide "The Meghalaya Power Sector Reforms Transfer Scheme, 2010" notified by the Meghalaya State Govt. vide Notification No. Power-79/2009/290 dated 31.03.2010. Subsequently through an amendment in the Transfer Scheme, the State Government transferred all the assets and liabilities of MeSEB to the holding company only and subsidiaries namely generation utility, transmission utility and distribution utility were made operational w.e.f. April 01, 2012 after re-vesting of assets and liabilities by holding company as per notification no. Power-79/2009/Pt-1/422 dated April 29, 2015.
- 23.4 The company is in the process of getting its name incorporated in the various assets and liabilities transferred to it from the holding company as per the provisions of "The Meghalaya Power Sector Reforms Transfer Scheme, 2010" on which the name of the holding company is still appearing for example: current accounts, loans etc. The charge/mortgage created against the



of the company as accurate in respect of various loans taken by the erstwhile MPECL and MPECL which are subsequently transferred to the company as on 1 April 2012 pursuant to the Transfer Scheme notified by the State Government continue to be paid and funded on the company.

23.5 Details of government grants

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
Government grants and subsidies received by the Company during the year towards	1,49,79,842	2,26,82,04,573*
- Grant & Subsidies (recognized under Reserves & Surplus)	1,49,79,842	2,26,82,04,573*
- Grant & Subsidies (recognized under Revenue)	NIL	NIL

Note * represents grants received as per notification dated April 29, 2015 issued under "The Meghalaya Power Sector Reforms Transfer Scheme, 2010".

23.6 Details of borrowing costs capitalised

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
Borrowing costs capitalised during the year	17,48,28,003	37,96,38,624
As fixed assets / intangible assets / capital work-in-progress	17,48,28,003	37,96,38,624
As inventory	NIL	NIL

23.7 Related party transactions

Details of related parties

Description of relationship	Names of related parties
Holding Company	1. Meghalaya Energy Corporation Ltd.
Fellow Subsidiaries	1. Meghalaya Power Transmission Corporation Ltd. 2. Meghalaya Power Distribution Corporation Ltd.
Key Management Personnel (KMP)	1. Mr. W.M.S. Pariat, IAS, Chairman-cum-Managing Director (Up to February 26, 2014) 2. Mr. P.B.O. Warjri, IAS, Chairman-cum-Managing Director (With effective from February 26, 2014)



3. Mr. J. S. Wadhia, IAS, Director (Finance) (Up to February 28, 2014)
4. Mr. Paikaj Jain, IAS, Director (Finance) (With effective from February 28, 2014)
5. Mr. M. Kharmujai, IAS, Director (Corporate Affairs) (Up to February 28, 2014)
6. Mr. Abhishek Bhagotia, IAS, Director (Corporate Affairs) (With effective from February 28, 2014)
7. Mr. B.K. Dev Varma, IAS, Director
8. Mr. Elias Lyngdoh, Director (Generation)

Key Management Personnel- Salary & Benefits

1. Mr. Elias Lyngdoh, Director (Generation): Rs.10,88,138/- (Gross)

There are no transaction during the year with any related party required to be reported other than transactions between state-controlled enterprises as such as per Para 9 of Accounting Standard-18, the disclosures are not required.

23.8 Earnings per share

EPS has been calculated as under:

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2012
Net profit / (loss) for the year	(70,02,09,119)	(562,431,909)
Number of equity shares	50,000	50,000
Value per share	10	10
Earnings per share - Basic	(14,004.18)	(11,248.64)
Earnings per share - Diluted	(14,004.18)	(11,248.64)

Company has not discontinued any operation during the financial year. Also, there are no extraordinary items during the year.

Company does not have any preference shares, outstanding warrants, stock options, share warrants and convertible bonds for the financial year causing any dilution effect.

Equity Capital pending allotment is resulting into anti-dilutive EPS and therefore has not been considered for calculation of EPS.



23.9 Terminal Benefits

In terms of "The Meghalaya Government Power Sector Reforms Transfer Scheme 2010," the company has all its employees on deputation from MePCL. The expenses arising relating to terminal benefits of employees comprising of provident fund, pension, CPS gratuity, leave encashment etc. during the financial year has been taken into consideration on the basis of allocation given by the holding company and the same has been paid/adjusted.

23.10 Contingent Liabilities

Income Tax Assessments from the Assessment Year 2010-11 to 2012-13 have been made by the Income Tax Authority and no demand has been raised. Assessment for the AY 2013-14 and AY 2014-15 is pending.

MePCL is representing all court cases related to MePGCL on its behalf, although recognition of any liability due to any unfavorable order/judgment would be passed on company.

There are 2 no. of cases are pending in High Court of Meghalaya related to Small Hydro Project, Ganol of amount estimated at Rs.7,87,263/-.

Estimated liability in respect of contracts on capital account yet to be executed has not been disclosed, as the amount is not ascertainable.

23.11 Payment to auditors: -

The following provisions have been made in the books w.r.t. to Auditors' Fees:

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Statutory Audit	6,84,000	6,00,000
Tax Audit	28,090	28,090
AG Audit	2,00,000	2,00,000
Cost Audit	74,047	NIL

23.12 Balances of Trade Payables, Other Current Liabilities, Loans & Advances, IUTs are as per the books of accounts of the company and are subject to confirmation and reconciliation.

23.13 Net deferred tax (liability) / asset

Applying the principles of AS 22, on Accounting for taxes on income, deferred tax asset has emerged on account of unabsorbed depreciation and business losses, however in absence of reasonable and virtual certainty to earn future profits sufficient to set off such assets, the same has not been recognized in the accounts.


23.14 Foreign Currency Transactions





Particulars	As on 31.03.2014	As on 31.03.2013
Value of investments on CH basis	Nil	Nil
Earnings in Foreign Currency	Nil	Nil
Expenditure in Foreign Currency	Nil	Nil

- 23.15 There is no non cancellable Lease as such, disclosure as per AS-19 is not required.
- 23.16 During the year, some of the accounting policies have been added / reworded / redrafted / modified for better presentation and to bring them in line with accounting standards.
- 23.17 The figures mentioned in financial statements are in confirmation with the books of accounts and are subject to confirmation and reconciliation, if any.
- 23.18 Amounts stated in the financial statements are in Indian Rupees and have been rounded off to the nearest rupees.
- 23.19 Previous year's figures have been regrouped, recast and rearranged wherever possible and necessary to correspond with the current year's classification.

For and on behalf of the board

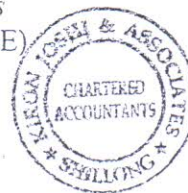

(G S Mukherjee)
Company Secretary


(A Bhagotia)
Director (Finance)


(P B O Warjri)
Chairman-cum-Managing Director

As per our report of even date attached
For Kiron Joshi & Associates
Chartered Accountants
(Firm Regn. No.:313048E)

CA Kiron Joshi
(Proprietor)
M No.:051046



Place: Shillong
Date: 15/01/2016

MEGHALAYA POWER GENERATION CORPORATION LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

SIGNIFICANT ACCOUNTING POLICIES**1. ACCOUNTING POLICIES:**

The Financial statements are prepared under the historical cost convention and in accordance with generally accepted accounting principles and in accordance with the provisions of the Companies Act, 1956. However where there is a deviation from the provisions of the Companies Act, 1956 in preparation of these accounts, the corresponding provisions of The Electricity Act 2003 have been adopted.

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

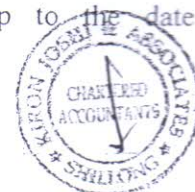
- a) The Company is a Public Limited company registered under the Provisions of the Companies Act, 1956 and has applied provisions of the said Act for the preparation of its Financial Statements, unless otherwise stated. The Financial Statements are prepared and presented under the historical cost convention on accrual basis of accounting as going concern, in accordance with the accounting principles generally accepted in India and comply with the mandatory Accounting Standards referred to in subsection (3C) of section 211 of the companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. Accounting Policies have been followed consistently except stated specifically.
- b) The material known liabilities are provided for on the basis of available information estimates unless otherwise stated.

1.2 USE OF ESTIMATES

The presentation of Financial Statements requires certain estimates and assumptions. These estimates and assumption affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known/ materialized.

1.3 FIXED ASSETS

- a) Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation. The Fixed Assets of transferred undertaking of erstwhile Meghalaya State Electricity Board are stated as specified in notification No.POWER-79/2009/290 dated 31st March 2010 issued by the Government of Meghalaya notifying "The Meghalaya Power Sector Reforms Transfer Scheme 2010" as amended.
- b) In case of Fixed Assets for New Projects/ extensions/ renovation and modernization, the related expenses and interest cost up to the date of



commercially attributable to such projects' expansion & renovation and modernization are capitalised.

1.4 CAPITAL WORK IN PROGRESS (CWIP)

- a) Cost of material consumed, erection charges and the incidental expenses incurred for the project/asset, pending for capitalization are shown as Capital Work in Progress till the capitalization of asset/project.
- b) In case of Capital Work in Progress for work against Deposits/ Work contract where the final settlement of bills with contractor is yet to be effected, capitalization is done on provisional basis subject to necessary adjustment in the year of final settlement.
- c) Claim for price variation/ exchange rate variation in case of capital contracts are accounted for an acceptance thereof by the Company.
- d) The cost incurred and revenue generated during the Trial Run Stage of the Projects/Power Station is capitalized.

1.5 BORROWING COST

Borrowing cost including interest, guarantee fees, commitment charges etc; that is directly attributable to the acquisition, construction or production of a qualifying asset is capitalized as part of the cost of that asset up to period the project is commissioned or asset is put to use.

1.6 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

1.7 IMPAIRMENT OF ASSETS

The Impairment of Assets i.e. "The cash generating unit" is defined in Accounting Standard-28 notified under the Companies Act, 1956 on "Impairment of Assets" are identified at the Balance sheet date with respect to carrying amount of the asset vis-a-vis its estimated revenue generation during balance useful life of that asset and the loss, if any, is recognized in Statement of Profit & Loss. Impairment loss, if any, to be reversed subsequently is accounted for in the year of reversal. The Company has adopted the policy of carrying out impairment test once in the span of every three financial years.

1.8 DEPRECIATION AND AMORTIZATION



The rates of depreciation prescribed by Central Electricity Regulatory Commission for the purpose of tariff are being followed by the company which is significantly different from those prescribed under Schedule XIV Companies Act 1956.

1.9 INVESTMENT

Investments are classified into current and non-current investments. Current investments are stated at the lower of cost and fair value. Non-current investments are stated at cost price. Provision for diminution in the value of Non-current Investment is made only if such decline is not temporary in nature in the opinion of the management.

1.10 INVENTORIES

- a) Stores and spares are valued at lower of the weighted average cost inclusive of freight and other allocable overheads or net realizable value.
- b) Scraps/ Obsolete assets are valued at estimated cost or net realizable value, whichever is less.
- c) Stores and spares in Transit are valued at cost plus freight and other incidental expenses.

1.11 REVENUE RECOGNITION

(i) Revenue from Sale of Power

Company is engaged in power generation business as defined in "The Meghalaya Power Sector Reforms Transfer Scheme 2010". It supplies whole of its generated power to MePDCL. Revenue for company has been determined as per tariff order passed by MeSERC for FY 2013-14.

(ii) Other Income

- (a) Income from sale of scrap and insurance claims are accounted for on the basis of actual realization.
- (b) Other income except mentioned above is recognised on accrual basis except when ultimate realisation of such income is uncertain.
- (iii) Amount in respect of unclaimed security deposit, earnest money deposit and misc. deposit of suppliers and contractors, stale cheques etc. which is pending for more than three years and which are not payable is considered as income.

1.12 EXPENDITURE

All expenses are reflected in revenue accounts under their natural heads. Expenses shown under the employee cost (including allocation from holding company), depreciation, finance cost and other expenses are disclosed separately.

1.13 GRANT AND SUBSIDIES FROM THE GOVERNMENT

- a) In accordance with the Accounting Standard 12 on 'Accounting for Government Grants', notified under the Companies Act 1956, Grants and Subsidies received from Government are recognised on reasonable certainty of its realisability.



Grants and Subsidies received for the specific assets are disclosed as Grants on the balance sheet side and amortized in proportion of depreciation every year for depreciable assets acquired. On acquisition of Non depreciable assets, the cost of asset acquired is transferred from Grant account to Capital Reserve and kept intact.

Grants & Subsidies on Revenue Accounts are disclosed separately as Income in the Statement of Profit & Loss.

22. TAXATION

The expense comprises current income tax and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of Income Tax Act 1961. Deferred tax is recognised, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods using the tax rates and laws that are enacted and are substantively enacted as on the Balance Sheet date. Where there is unabsorbed depreciation or carried forward losses, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future.

23. TRANSACTIONS IN FOREIGN CURRENCY

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.

Exchange difference arising out of receipt/payment of foreign currency are recognised in the Statement of Profit & Loss.

24. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

25. SEGMENT REPORTING

The Company identifies primary segments based on the dominant source, nature of activities and the internal organisation and management structure. The operating segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive management in deciding how to allocate resources and in assessing performance.

26. EMPLOYEE BENEFITS

Provident fund – The contribution to Provident Fund is transferred to MeECL Provident Fund Account maintained with Meghalaya Energy Corporation Ltd.

