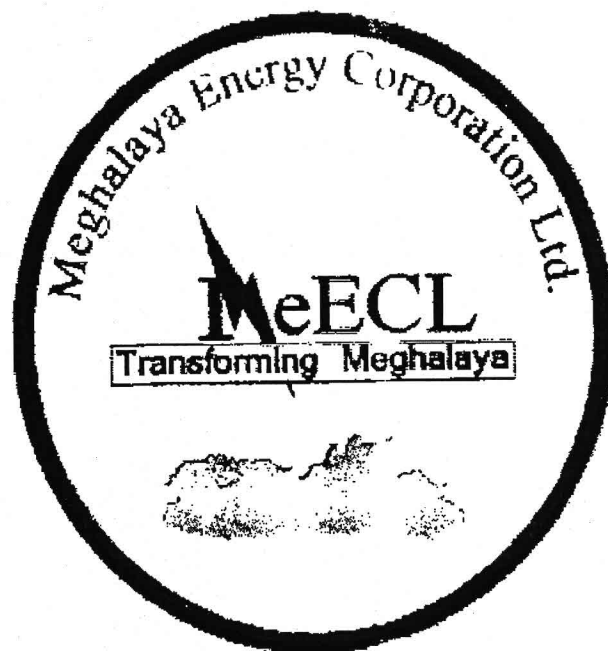


**MEGHALAYA ENERGY CORPORATION  
LIMITED**



**QUARTERLY CONSOLIDATED  
STATEMENT OF ACCOUNTS  
ENDING 30<sup>TH</sup> JUNE 2023**

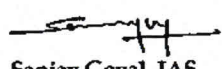
MEGHALAYA ENERGY CORPORATION LIMITED  
CONSOLIDATED BALANCE SHEET AS AT 30TH JUNE, 2023

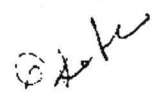
(Amount in INR Lakhs)

ASSETS			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	2	2,43,729.54	2,48,283.64
Capital Work-in-progress	3	1,98,347.71	1,94,492.72
<b>Financial Assets-</b>			
(i) Investments	4 (a)	17,807.38	9,568.43
(ii) Other	4 (b)	88,572.27	87,206.89
Other Non Current Assets	5	9,891.34	9,060.26
<b>Total Non-Current Assets</b>		<b>5,58,348.24</b>	<b>5,48,611.95</b>
<b>Current Assets</b>			
Inventories	6	4,468.73	4,954.63
<b>Financial Assets-</b>			
(i) Trade receivables	7 (a)	87,150.91	90,531.52
(ii) Cash and cash equivalents	7 (b)	8,314.18	5,145.85
(iii) Bank Balances other than cash and cash equivalents	7 (c)	12,453.07	9,296.28
(iv) Loans	7 (d)	37.88	100.01
(v) Others	7 (e)	1,381.67	918.35
Current Tax Assets	8	252.20	264.26
Other current assets	9	4,870.01	5,490.71
<b>Total Current Assets</b>		<b>1,18,928.65</b>	<b>1,16,701.61</b>
<b>TOTAL ASSETS</b>		<b>6,77,276.89</b>	<b>6,65,313.55</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	10	2,25,485.78	2,19,848.19
Other Equity	11	(6,24,211.97)	(6,07,773.11)
		(3,98,726.19)	(3,87,924.92)
<b>Total Equity</b>		<b>(3,98,726.19)</b>	<b>(3,87,924.92)</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities-</b>			
(i) Borrowings	12	3,16,627.80	2,95,766.72
(ii) Others	13	3,22,866.62	3,22,866.62
Deferred Revenue	14	1,77,526.22	1,58,168.46
<b>Total Non-Current Liabilities</b>		<b>8,17,020.64</b>	<b>7,76,801.80</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities-</b>			
(i) Trade payables	15 (a)	75,559.21	76,539.38
(ii) Other financial liabilities	15(b)	1,47,289.71	1,58,329.15
Provisions	16	25,667.76	25,667.85
Other current liabilities	17	6,951.44	7,002.24
Deferred Revenue	18	3,514.31	8,898.06
<b>Total Current Liabilities</b>		<b>2,58,982.43</b>	<b>2,76,436.67</b>
<b>Total Liabilities</b>		<b>10,76,003.07</b>	<b>10,53,238.48</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,77,276.89</b>	<b>6,65,313.55</b>

For and on behalf of the Board

For, **PAIK & CO.**  
CHARTERED ACCOUNTANTS  
FRN-302147E (1961)  
PARTNER  
CA BIPIN KUMAR (FCA)  
Membership No.-059805

  
Sanjay Goyal, IAS  
Chairman-cum-Managing Director  
DIN: 06738413

  
Ramakrishna Chitturi, IAS  
Director (Finance) & Chief Financial Officer  
DIN: 09712409

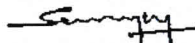
Place: Shillong  
Date: 14/8/23

MEGHALAYA ENERGY CORPORATION LIMITED  
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE QUARTER YEAR ENDED 30TH JUNE, 2023

(Amount in INR Lakhs)

<b>Incomes</b>					
Revenue From Operations	19	26,068.06	33,989.38	34,453.26	1,24,934.97
Other Income	20	7,658.82	(10,023.03)	12,003.21	20,216.60
Prior Period Incomes	21	-	-	-	-
<b>Total Income</b>		<b>33,726.88</b>	<b>23,966.35</b>	<b>46,456.47</b>	<b>1,45,151.56</b>
<b>Expenses</b>					
SLDC (State Load Dispatch Centre) Charges		-	-	-	-
Power Purchase Cost	21	22,699.95	23,120.07	13,101.09	79,808.64
Employee benefits expense	22	7,276.15	17,438.27	11,903.34	44,106.42
Finance costs	23	7,069.68	9,432.54	7,442.28	31,407.93
Depreciation and amortization expense	24	4,922.96	4,812.64	4,405.48	20,087.64
Other expenses	25	2,746.80	2,277.08	1,600.34	5,558.22
Prior period expenses		-	-	-	-
<b>Total</b>		<b>44,715.55</b>	<b>57,080.61</b>	<b>38,452.53</b>	<b>1,80,968.84</b>
<b>Profit/(loss) before exceptional items and tax</b>		<b>(10,988.66)</b>	<b>(33,114.26)</b>	<b>8,003.94</b>	<b>(35,817.28)</b>
Exceptional Items	26	-	(10.10)	(0.30)	(12.80)
<b>Profit/(loss) before tax</b>		<b>(10,988.66)</b>	<b>(33,124.36)</b>	<b>8,003.64</b>	<b>(35,830.08)</b>
Tax Expense					
(i) Current tax	-	-	-	-	-
(ii) Deferred tax	-	-	-	-	-
<b>Profit (loss) for the year</b>		<b>(10,988.66)</b>	<b>(33,124.36)</b>	<b>8,003.64</b>	<b>(35,830.08)</b>
<b>Other Comprehensive Income</b>					
A (i) Items that will not be reclassified to profit or loss	-	-	(3,37,684.10)	-	(2,44,138.64)
A (ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
B (i) Items that will be reclassified to profit or loss	-	-	-	-	-
B (ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>(10,988.66)</b>	<b>(3,70,808.47)</b>	<b>8,003.64</b>	<b>(2,79,968.72)</b>
<b>Earnings per equity share -</b>					
(i) Basic		(0.49)	(17.82)	0.38	(1.65)
(ii) Diluted		(0.49)	(17.82)	0.38	(1.65)

For and on behalf of the Board




Sanjay Goyal, IAS  
Chairman-cum-Managing Director  
DIN: 06738413



Ramakrishna Chitturi, IAS  
Director (Finance) & Chief Financial Officer  
DIN: 09712409

Place: Shillong  
Date: 14/8/23

  
For, **PARIK & CO.**  
CHARTERED ACCOUNTANTS  
FRN-302147E (1961)  
PARTNER  
CA BIPIN KUMAR (FCA)  
Membership No.-059805

MEGHALAYA ENERGY CORPORATION LIMITED  
 CONSOLIDATED CASH FLOW STATEMENT FOR QUARTER YEAR ENDED 30th JUNE, 2023

(Amount in INR Lakhs)

Particulars	For the quarter year ended 30th June, 2023 (Lakhs)	For the quarter year ended 31st March, 2023 (Lakhs)	For the quarter year ended 30th June, 2022 (Lakhs)	For the quarter year ended 31st March, 2022 (Lakhs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit before Tax as per Statement of Profit and Loss	(10,988.66)	(33,124.36)	8,003.64	(35,830.08)
Adjustments for:				
Depreciation and Amortization	4,922.96	4,812.64	4,405.48	20,087.64
Amortization of Grants	-	-	-	(17,692.64)
Provisions	-	-	-	-
Interest Income	250.47	842.57	(56.68)	(873.58)
Finance Costs	7,069.68	9,432.54	7,442.28	31,407.93
Prior Period Adjustment	(5.35)	67.81	-	(405.36)
<b>Operating Profit before Working Capital Changes</b>	<b>1,249.09</b>	<b>(17,968.80)</b>	<b>19,794.72</b>	<b>(3,306.09)</b>
Adjustments for increase/decrease in:				
Inventories	485.91	(392.66)	(188.84)	(798.54)
Trade Receivables	3,380.61	(2,903.88)	(10,531.46)	(21,533.09)
Bank Balances other than cash and cash equivalents	(3,156.79)	1,532.60	3,411.94	6,699.40
Loan to Staff	62.13	(17.21)	50.54	(4.72)
Other current assets	620.70	1,200.58	70.94	2,575.77
Other Financial Assets	(463.32)	(7,343.26)	217.54	12,466.81
Current Tax Assets	12.06	(9.80)	(17.42)	2.06
Trade Payables	(980.17)	2,227.36	1,124.00	10,028.97
Other financial liabilities	(11,039.44)	3,48,716.07	(2,985.79)	(1,542.57)
Provisions	(0.09)	-	-	(1,713.22)
Other current liabilities	(50.80)	857.23	(136.12)	913.36
Deferred tax liabilities	-	-	-	-
<b>Net Cash from Operating Activities</b>	<b>(9,880.12)</b>	<b>3,25,898.24</b>	<b>10,810.05</b>	<b>3,788.09</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Acquisition of PPE and CWIP	(4,223.85)	(26,173.62)	(2,861.21)	(55,792.46)
Investment	(8,238.96)	(1,944.06)	-	(1,795.04)
Other Financial Assets	(1,365.38)	(910.42)	(277.76)	(2,055.30)
Loans	-	-	-	-
Other Non Current Assets	(831.08)	(566.00)	(143.35)	(3,866.32)
Other Non Current Liabilities	(0.00)	-	-	-
Interest income	(250.47)	(842.57)	56.68	873.58
<b>Net Cash from Investing Activities</b>	<b>(14,909.73)</b>	<b>(30,436.68)</b>	<b>(3,225.64)</b>	<b>(62,635.54)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from Equity Share Capital Pending allotment	-	(2,81,684.10)	-	57,547.35
Non Current Borrowings	20,861.08	(23,997.50)	(1,548.15)	(9,580.17)
Current Borrowings	-	-	-	(617.69)
Deferred Revenue	13,974.01	8,653.64	5,673.87	39,446.11
Security Premium reserve	192.76	-	-	-
Finance Costs	(7,069.68)	(9,432.54)	(7,442.28)	(31,407.93)
<b>Net Cash from Financing Activities</b>	<b>27,958.18</b>	<b>(3,06,460.51)</b>	<b>(3,316.56)</b>	<b>55,387.67</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>3,168.33</b>	<b>(10,998.95)</b>	<b>4,267.85</b>	<b>(3,459.79)</b>
Opening balance of Cash and Cash Equivalents	5,145.85	16,160.05	8,604.04	8,605.64
<b>Closing balance of Cash and Cash Equivalents</b>	<b>8,314.18</b>	<b>5,161.10</b>	<b>12,871.89</b>	<b>5,145.85</b>
Consisting of:				
Balances with Banks	7,762.30	4,613.51	12,284.75	4,598.27
Cash on hand	182.53	199.54	325.60	199.52
Cash Inprest with Staff	369.35	348.05	261.54	348.05
Overdraft	-	-	-	-

For and on behalf of the Board

For, **FARIK & CO.**  
 CHARTERED ACCOUNTANTS  
 FRN-302147E (1961)  
 PARTNER  
**CA BIPIN KUMAR (FCA)**  
 Membership No.-059805

*Sanjay Goyal*  
 Sanjay Goyal, IAS  
 Chairman-cum-Managing Director  
 DIN: 06738413

*Ramakrishna Chitturi*  
 Ramakrishna Chitturi, IAS  
 Director (Finance) & Chief Financial Officer  
 DIN: 09712409

Place: *Shillong*

MEGHALAYA ENERGY CORPORATION LIMITED  
 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER YEAR ENDED 30th JUNE, 2023

(Amount in INR Lakhs)

Balance as at 1st April, 2023	2,19,848.19
Additions during the period 01.04.23 to 30.06.23:	-
Allocation of Equity Shares	5,637.59
Balance as at 30th June, 2023	2,25,485.78

(Amount in INR Lakhs)

Balance as at 1st April, 2022	2,08,030.18
Additions during the period 01.04.22 to 31.03.23:	-
Allocation of Equity Shares	11,818.01
Balance as at 31st March, 2023	2,19,848.19

B. Other Equity

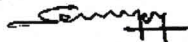
(Amount in INR Lakhs)

Particulars	Equity Share Capital (₹ Lakhs)	Reserve and Surplus (₹ Lakhs)	Minority Interest	TOTAL OTHER EQUITY (₹ Lakhs)
Balance as at 1st April, 2023	59,110.89	(6,66,884.00)	-	(6,07,773.11)
Prior Period Adjustment	-	(5.35)	-	(5.35)
Restated Balance as on 1st April, 2022	-	(6,66,889.35)	-	(6,07,778.46)
Profit/(Loss) during the period	-	(10,988.66)	-	(10,988.66)
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income for the Year	59,110.89	(10,988.66)	-	(10,988.66)
Reserve created during the year	-	-	192.76	192.76
Investment made	-	-	-	-
Transfer to Equity Share Capital	5,637.59	-	-	5,637.59
Balance as at 30th June, 2023	53,473.30	(6,77,878.02)	192.76	(6,24,211.96)

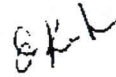
(Amount in INR Lakhs)

Particulars	Equity Share Capital (₹ Lakhs)	Reserve and Surplus (₹ Lakhs)	Minority Interest	TOTAL OTHER EQUITY (₹ Lakhs)
Balance as at 1st April, 2022	13,381.55	(3,86,509.91)	-	(3,73,128.36)
Prior Period Adjustment	-	(405.36)	-	(405.36)
Restated Balance as on 1st January, 2022	-	(3,86,915.28)	-	(3,73,533.73)
Profit/(Loss) during the period	-	(35,830.08)	-	(35,830.08)
Other Comprehensive Income	-	(2,44,138.64)	-	(2,44,138.64)
Total Comprehensive Income for the Year	13,381.55	(2,79,968.72)	-	(2,79,968.72)
Creation through grant received and allotted	57,547.35	-	-	57,547.35
Transfer to Equity Share Capital	(11,818.01)	-	-	(11,818.01)
Balance as at 31st March, 2023	59,110.89	(6,66,884.00)	-	(6,07,773.11)

For and on behalf of the Board



Sanjay Goyal, IAS  
 Chairman-cum-Managing Director  
 DIN: 06738413



Ramakrishna Chitturi, IAS  
 Director (Finance) & Chief Financial Officer  
 DIN: 09712409

Place: Shillong  
 Date: 14/8/23

  
 For, **PARIK & CO.**  
 CHARTERED ACCOUNTANTS  
 FRN-302147E (1961)  
 PARTNER  
 CA BIPIN KUMAR (FCA)  
 Membership No.-059805

**Note: - 1 Group Information and Significant Accounting Policies**

**A. Group Corporate Information of reporting entity**

The Group consist of Meghalaya Energy Corporation Ltd (MeECL) which is a Government Company, wholly owned by the Government of Meghalaya, incorporated under the Companies Act, 2013 in the year 2009 and inherited its business from the erstwhile Meghalaya State Electricity Board (MeSEB) in the year 2010 and its wholly owned three subsidiary Companies namely, Meghalaya Power Generation Corporation Ltd, Meghalaya Power Transmission Corporation Ltd and Meghalaya Power Distribution Corporation Ltd responsible for Generation, Transmission and Distribution of Electricity respectively throughout the State as State Utilities.

**B. Basis of preparation and presentation**

**i. Statement of Compliance**

These Group consolidated financial statements comply with all the material aspects of the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 1956 (to the extent notified and applicable), applicable provisions of the Companies Act, 2013, and the provisions of the Electricity Act, 2003 to the extent applicable.

**ii. Basis of Measurement**

These Group consolidated financial statements are prepared on the accounting principles of going concern on accrual basis of accounting, under historical cost convention except for certain financial instruments which are measured at fair value.

**iii. Functional and presentation currency**

These Group consolidated financial statements are presented in Indian Rupees (INR), which is the Group's functional currency. All financial information presented in INR has been rounded off to the nearest lakh (upto two decimals) except as stated otherwise.

**iv. Current and non-current classification**

The Group's presents assets and liabilities in the balance sheet based on current/non-current classification.

**a) An asset is current when it is:**

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

**b) A liability is current when:**

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

#### **v. Use of estimates and judgment**

The presentation of Group consolidated financial statements requires certain estimates and assumptions. These estimates and assumptions affect the reported amount of assets and liabilities on the last date of the financial year and the reported amount of revenues and expenses during the reporting period. Estimates and judgments are evaluated on regular intervals. They are based on historical factors and include expectations of future events that may have a financial impact on the Group and are believed to be reasonable under the present circumstances. Any differences between actual results and estimates are recognized in the period in which the actual results are known, ascertained or materialized.

#### **C. Significant accounting policies**

A summary of the significant accounting policies applied in the preparation of the Group consolidated financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the Group consolidated financial statements.

##### **1. Basis of consolidation**

The financial statements of subsidiary companies are drawn up to the same reporting date as of the Company for the purpose of consolidation.

##### **Subsidiaries**

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is acquired by the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

##### **2. Property, plant and equipment**

###### **2.1 Initial recognition and measurement**

The Group has adopted the costs model of recognition under Ind AS 16 to measure the Property, Plant and Equipment. Consequently, all the items of property, plant and equipment are carried at cost less the accumulated depreciation and accumulated impairment losses if any. Cost includes expenditure that is directly attributable to bringing the asset to the location and the condition necessary for it to be capable of operating in the manner intended by the management.

Property, Plant and Equipment acquired for replacement of the existing assets/ component are capitalized and the corresponding replaced assets/ component removed/ retired from active use are derecognized.

Property, Plant and Equipment of the transferred undertaking of the erstwhile Meghalaya State Electricity Board (MeSEB) 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.

In case of Property, Plant and Equipment for new projects, extensions, renovation or modernization, the related expenses and interest costs up to the date of commissioning, attributable to the same, are capitalised.

On transition to Ind AS, the Group had elected during the Financial Year 2016-17 to continue with the carrying value of its property, plant and equipment recognized as at 1<sup>st</sup> of April, 2015 measured as per the previous GAAP and used that carrying value as the deemed cost of the property, plant and equipment for furtherance of recognition and presentation thereon.

The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

## **2.2 Subsequent costs**

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

## **2.3 De-recognition**

Property, plant and equipment are derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment and are recognized in the statement of profit and loss.

## **2.4 Spare parts**

Spare parts procured along with the Plant & Machinery or which subsequently meets the recognition criteria of Property, Plant and Equipment are capitalised and added in the carrying amount of such item. The carrying amount of spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as "stores & spares" forming part of the inventory.

Inventories earmarked for Capital Work-in-Progress acquired by the Central Store are initially recognized at cost, computed as Ex-works price plus freight, insurances and applicable taxes.



Issuance of inventories earmarked for Capital Work-in-Progress to underlying units or projects, is made at an Issue Rate which is the approved tender or quotation rate applicable as on the date of such issue. In addition to the Issue Rate, the Central Store charges the concerned underlying unit @ 7.5% towards storage and handling of inventory.

**3. Investment properties:**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable, borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

An investment property is de-recognised upon disposal or when the investment property is permanently withdrawn from its current use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is de-recognised. Investment properties, other than free hold land, are depreciated using straight line method over their estimated useful lives.

**4. Intangible assets and intangible assets under development:**

An intangible asset is recognised if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Group, which have finite useful lives, are recognised at cost. Subsequent measurement is done at cost less the accumulated amortisation and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use. Expenditure incurred which is eligible for capitalization under intangible assets are carried as intangible assets under development till they are ready for their intended use.

**5. Capital work-in-progress:**

Cost of materials consumed, erection charges and the incidental expenses incurred for a project or capital asset pending capitalization is shown as Capital Work-in-Progress (CWIP) till the capitalization of the concerned project or asset.

In case of Capital Work-in-Progress (CWIP) for works against deposits or works contracts where the final settlement of bills with contractors are yet to be effected, capitalization is done on provisional basis subject to necessary adjustments in the year of final settlement.

Claims for price variation or exchange rate variation in case of capital contracts are accounted for on acceptance thereof by the Group.

The costs incurred and revenues generated during the Trial Run Stages of Projects of Power Stations are capitalized. The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and the conditions necessary for it to be capable of operating in the manner intended by the management and borrowing costs.

Costs incurred in Investigation, Research and Surveys have been shown in the same table as Capital

projects. If, however, on conduct of such investigation, research and/or survey, the project envisioned is found to be not viable, then the Group follows a process of systematically writing off the cost so incurred over an ascertained period of time.

A portion of overhead expenses of Corporate Office and Site Office determined on rational basis is allocated to the project, pro-rata to their capital expenditure for the reporting period and the same are apportioned to respective Capital Work-in-Progress (CWIP) accounts on the basis of accretion thereto.

#### 6. Depreciation/amortization:

The rates of depreciation or amortization and estimated useful life thereon as prescribed by the Central Electricity Regulatory Commission (CERC) for the purpose of tariff are being followed by the Group.

With effect from 1 April 2014, Schedule II of the Companies Act, 2013 has been notified and in accordance with part B of Schedule II, the rate and useful life given in the CERC regulation are applied for computing depreciation on assets. However, in case of assets where no useful life is prescribed in CERC regulations, the useful life and residual value as given in part C of Schedule II of the Companies Act, 2013 is adopted.

In line with the above point, computer software and other intangible assets, if any, are categorised under Property, Plant and Equipment and depreciated thereby as per CERC norms.

Major overhaul and inspection costs which have been capitalised are depreciated over the period until the next scheduled outage or actual major inspection/overhaul, whichever is earlier.

Depreciation on the assets is charged on straight line method following the rates and methodology notified by the CERC up to 90% of the original cost of assets after taking 10% as residual value as referred to below :-

Asset Group	Rate
Buildings	3.34%
Hydraulic Works	5.28%
Others Civil Works	3.34%
Plant and Machinery	5.28%
Lines and Cable Network	5.28%
Vehicles	9.50%
Furniture and Fixtures	6.33%
Office Equipment	6.33%
Computer and Accessories	15.00%

#### 7. Non-current Asset held for Sale

Group has classified a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. Group has measured a non-current asset (or disposal group) classified as held for sale at the lower of its carrying amount and fair value less costs to sell.

## 8. Inventories

The Group is engaged in the business of generation, transmission and distribution of electricity and the Inventories shown in the books of accounts are consumables.

Inventories of Operational and Maintenance Stock acquired by the Central Store are initially recognized at cost, computed as Ex-works price plus freight, insurances and applicable taxes.

Issuance of Operational and Maintenance Stock to underlying units is made at an Issue Rate which is the approved tender or quotation rate applicable as on the date of such issue. In addition to the Issue Rate, the Central Store charges the concerned underlying unit @ 7.5% towards storage and handling of inventory.

## 9. Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction/exploration/ development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use.

Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale.

When the Group borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When the Group borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average costs of general borrowing that are outstanding during the period and used for the acquisition, construction/exploration or erection of the qualifying asset.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are recognized as an expense in the year in which they are incurred.

## 10. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash-on-hand, cash-at-bank and liquid term deposits (with an original maturity of three months or less from the date of acquisition), which are subject to an insignificant risk of change in value.

## 11. Government grants

a) Government grants received are recognized when there is reasonable assurance that the Group will comply with the conditions associated with the grant. Government Grants are classified as capital assets and revenue based on the nature of the grant.

b) Grants and Subsidies received for specific assets (property, plant and equipment) are disclosed as 'Grants and Subsidies' (Deferred Incomes) on the Liabilities side of the Balance Sheet as a separate line item. They are amortized in proportion to depreciation on related assets (thereby, amortized based on the expected lives of the related assets), and presented within 'Other Income.'

c) The related assets herein primarily include Plant and Equipment, Hydraulic Works, Lines and Cable Networks. Since the rates of depreciation as prescribed by the Central Electricity Regulatory Commission are being followed by the Group, the same is being

- d) The rate so arrived at is 5.28% as per the CERC guidelines for the related assets mentioned. As seen from the operations during previous years, the creation of assets against capital grants received during the period generally take more than a year for completion. The same are thereby booked under capital work-in-progress. Hence, grants and subsidies have been amortized at 5.28% of their opening balance for the reporting period.
- e) Grants and Subsidies on Revenue Accounts are disclosed separately as Income in the Statement of Profit & Loss.

## **12. Provisions, contingent liabilities and contingent asset**

A provision is recognized when the Group has a present obligation (Legal or Constructive) as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liabilities are not recognized but disclosed in Notes when the Group has possible obligation due to past events and existence of the obligation depends upon occurrence or non-occurrence of future events not wholly within the control of the Group.

Contingent liabilities are assessed continuously to determine whether outflow of economic resources have become probable. If the outflow becomes probable then relative provision is recognized in the Group consolidated financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

## **13. Foreign currency transactions**

- a) Items used in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates, i.e., the functional currency. The functional and presentation currency for the Group is the Indian Rupee (INR).
- b) Foreign currency transactions, if any, are translated into the functional currency using the exchange rates on the date of such transactions.
- c) The exchange difference arising out of transactions through foreign currencies is recognised in the Statement of Profit & Loss.
- d) Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange on the reporting date.

#### 14. Leases

A Lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

##### As a lessee

Finance leases are capitalised on the lease's inception date at the lower of fair value of the leased property or at the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Operating lease payments are charged to the profit or loss on a straight-line basis over the lease term.

##### As a lessor

Lease income from operating leases is recognized as income on a straight-line basis over the lease term of the relevant lease.

#### 15. Revenue from Operations

The MeECL has been incorporated with the objectives of acting as a Holding company of the Distribution, Generation and Transmission utilities and for co-ordination and smooth functioning by providing ancillary services to the subsidiaries as defined in "The Meghalaya Power Sector Reforms Transfer Scheme 2010". With effect from 1st April, 2012, the activities of 'distribution of power', 'generation of power' and 'transmission of power' of the company have been transferred to the respective subsidiaries, namely., Meghalaya Power Generation Corporation Limited (MePGCL), the Generation Utility, Meghalaya Power Transmission Corporation Limited (MePTCL), the Transmission Utility and Meghalaya Power Distribution Corporation Limited (MePDCL), the Distribution Utility, respectively.

The Group's revenues arise from the Generation, transmission and distribution of power and other income. Revenue is regulated and governed by the applicable MSERC Tariff Regulations under Electricity Act, 2003. Revenue from other income comprises interest from banks, employees, contractors etc., surcharge received from customers for delayed payments, sale of scrap, other miscellaneous income, etc.

Revenue is measured based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the products or services and excludes amounts collected on behalf of third parties. The Group recognises revenue when (or as) the performance obligation is satisfied, which typically occurs when (or as) control over the products or services is transferred to a customer.

The incentives/disincentives are accounted for based on the norms notified/approved by the MSERC as per the principles enunciated in Ind AS 115. Rebates allowed to beneficiaries as early payment

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

a) Revenue from Sale of Power:

The Generation Utility is engaged in the business of generation of power as defined in "The Meghalaya Power Sector Reforms Transfer Scheme 2010". It supplies the entirety of its generated power to the Meghalaya Power Distribution Corporation Limited (MePDCL).

Timing of Recognition and Measurement of Revenue: The revenue for the above had been determined as per the tariff order passed by Meghalaya State Electricity Regulatory Commission (MSERC), up to the previous financial year. However revenue from the aforesaid related party operations has been recognised on the basis of current realisability.

b) Revenues of Transmission Utility:

The Transmission Utility is engaged in the business of transmission of power as defined in "The Meghalaya Power Sector Reforms Transfer Scheme 2010". It provides transmission services to the Meghalaya Power Distribution Corporation Limited (MePDCL) and other consumers as well. It also charges the Meghalaya Power Generation Corporation Limited for its operation in-sync with grid system through the State Load Dispatch Centre (SLDC). Furthermore, State Load Dispatch Centre (SLDC) Charges are charged from the Company too.

Timing of Recognition and Measurement of Revenue: The revenue for the above had been determined in accordance with tariff orders awarded by the Meghalaya State Electricity Regulatory Commission (MSERC), as applicable to the consumers. However revenue from the aforesaid related party operations has been recognised on the basis of current realisability.

c) Revenue from Distribution of Power:

The Distribution Utility is engaged in the business of distribution of power as defined in "The Meghalaya Power Sector Reforms Transfer Scheme 2010"

Timing of Recognition and Measurement of Revenue: The revenue for the above had been determined in accordance with tariff orders awarded by the Meghalaya State Electricity Regulatory Commission (MSERC), as applicable to the consumers.

d) Other Income:

- i. Other operating revenues from consumers: Meter rents, Delayed Payment Charges, Rebates, etc are recognized on accrual basis, except other charges from consumers which are recognized on actual realisation basis.
- ii. Income from sale of scrap, fees, penalties and miscellaneous receipts are accounted for on the basis of actual realisation.
- iii. Interest income on term deposit is recognised, when no significant uncertainty as to measurability or collectability exist, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR).
- iv. Profit on sale of mutual funds is accounted as per Ind AS 109.
- v. Other incomes (unless mentioned above) are recognised on accrual basis except when ultimate realisation of such incomes are uncertain or details are not readily available.

## 16. Expenditure

The Group has classified expenses recognised in profit or loss based on the nature of expense method. Expenses shown under employee benefit costs (including allocation from the Holding Company-Meghalaya Energy Corporation Limited), depreciation, finance costs and other expenses are recognized on accrual. The aforesaid expenses are disclosed as separate line items in the Group consolidated financial statements as well.

Item of income or expenditure are disclosed separately if it exceeds one percent of the revenue from operations or Rs. 10,00,000, whichever is higher,

## 17. Employee benefits

Employee benefits include inter alia wages and salaries, General Provident Fund (GPF), gratuity, pension, Contributory Pension Scheme (CPS), leave encashment and post-employment medical benefits.

In accordance with "The Meghalaya Government Power Sector Reforms Transfer Scheme 2010," the Group has all its employees on deputation from the Holding Company, i.e., The Meghalaya Energy Corporation Limited (MeECL).

### Defined contribution plans

- a) Provident Fund – The contribution to the same made at the level of the subsidiaries is transferred to the Company. Thereafter, the said transferred contributions are deposited with the General Provident Fund (GPF) Trust Account of the Company.
- b) Contributory Pension Scheme (CPS) - The contribution to the same made at the level of the subsidiaries is transferred to the Company. Thereafter, the said transferred contributions are deposited with the Contributory Pension Scheme (CPS) Cell of the Company. The company has over the years invested the same in financial instruments. In the current reporting period however, it is undergoing the process of transferring the balances of the subscribers to the scheme to Pension Fund Regulatory and Development Authority (PFRDA). Settlements also are dealt with accordingly.

### Defined benefits plans

The gratuity and pension benefits are classified and post retirement benefits as per Ind AS 19. As per Ind AS 19, the year's liability is estimated on the basis of actuarial valuation made using the Project Unit Credit Method and would be charged to Statement of Profit and Loss. Remeasurement Gains and Losses arising from experience adjustment and changes in actuarial assumption are recognized in the period in which they occur, directly in Other Comprehensive Income in the Balance sheet.

### Other long-term employee benefits

Leave encashment at the end of the service period in which the employee renders the related service is computed based on 'Leave Rules' adopted by Meghalaya Energy Corporation Limited (MeECL). The encashment of leave is given to the employees of the company on retirement. The company accounts for leave encashment liability on the basis of actuarial valuation made using the Project Unit Credit Method and would be charged to the Statement of Profit and Loss. Remeasurement Gains and Losses arising from experience adjustment and changes in actuarial assumption are recognized in the period in which they occur, directly in Statement of Profit and Loss.

### **Short term obligations**

Short term employee benefits obligations are measured on an undiscounted basis and are expenses as the related services are provided. A liability is recognized for the amount expected to be paid under short-term employee benefits if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### **18. Income tax**

Income tax expense for the year represents the sum of the current tax and deferred tax. Current tax expenses is recognised in profit & loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised as such.

Current tax is the expected tax payable / receivable on the taxable income / loss for the year calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding amounts used for taxation purpose.

Deferred tax liability is generally recognized for all taxable temporary differences.

Deferred tax asset is generally recognized only to the extent that it is probable that future taxable profits will be available against which the assets can be utilized. The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

### **19. Operating segments**

In accordance with Ind AS 108, the operating segments used to present segment information are identified on the basis of internal reports used by the Group's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Group's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place.

The operating segments are the segments for which separate financial information is available and for which operating profit or loss amounts are evaluated regularly by the executive management in deciding how to allocate resources and in assessing performance.

### **20. Prior period errors**

Material prior period(s) errors are corrected retrospectively by restating the comparative amounts for the prior periods to the extent practicable along with change in basic and diluted earnings per share. However, if the error relates to a period prior to the comparative period, opening balances of the assets, liabilities and equity of the comparative period presented are restated.



## 21. Earnings per share

Basic earnings per equity share are computed by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all diluted potential equity shares.

## 22. Cash flow statement

In the Cash Flow Statement, cash flows are reported using the indirect method, whereby profit or loss before extraordinary items and tax is adjusted for the effects of necessary adjustments. The net inflows and/or outflows from operating, investing and financing activities of the Group are segregated based on available information.

## 23. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity

### 23.1 Financial assets

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument and are initially recognised at fair value and directly attributable transaction costs towards acquisition or issue of the financial asset are added to or deducted from the fair value on initial recognition except for financial assets which are recognised at fair value through profit and loss.

Financial assets are classified as those measured at:

- Amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/or interest.
- Fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and/or interest but also from the sale of such assets. Such assets are subsequently measured at FVOCI.
- Fair value through profit or loss (FVTPL), where the financial assets are not classified either at amortised cost or FVTOCI.

Financial assets include trade receivables, advances, security deposits, cash and cash equivalents etc and are classified for measurement at amortised cost. Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired.

#### Impairment of Financial Assets:

Allowances for Doubtful Debts have been calculated at 3% of outstanding receivables as on the 31st of March of each year.

#### De-recognition of Financial Assets:-

Financial assets are derecognized when the contractual right to receive cash flows from the financial assets expires, or corporation transfers the contractual rights of such financial assets to receive the cash flows from the asset

## 23.2 Financial Liabilities

### **Initial recognition and measurement**

Financial liabilities include long and short-term loans and borrowings, bank overdrafts, other payables, eligible current and non-current liabilities.

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

#### **Financial liabilities at amortised cost**

After initial measurement, such financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the profit or loss. This category generally applies to borrowings, trade payables and other contractual liabilities.

#### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognised in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

The Company has not designated any financial liability as at fair value through profit and loss.

### **De-recognition**

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

### **Offsetting financial instruments:**

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

Note 2: PROPERTY, PLANT AND EQUIPMENT

(Amount in INR Lakhs)

Particulars	GROSS VALUE AMOUNT			ACCUMULATED DEPRECIATION			NET CARRYING AMOUNT		
	As at 1st April, 2022 (Revised)	Additions during the year	Disposals and Depreciations during the year	As at 31st June, 2023	As at 1st April, 2022 (Revised)	Additions during the year	Disposals and Depreciations during the year	As at 30th June, 2023	As at 31st March, 2023
Land	5,233.65	-	-	5,233.65	-	-	-	5,233.65	5,233.65
Buildings	29,685.20	-	-	29,685.20	7,139.91	260.73	-	7,400.63	22,284.57
Plant and Equipment	99,488.61	-	-	99,488.61	40,634.18	1,383.55	-	42,017.73	57,470.89
Furniture and Fixtures	330.58	-	-	330.58	193.77	4.05	-	197.82	132.75
Vehicles	391.96	29.13	10.34	410.75	212.93	3.78	-	216.70	179.04
Office equipment	1,339.63	7.05	-	1,346.69	838.39	20.86	-	859.24	487.44
Others:	-	-	-	-	-	-	-	-	-
Hydraulic Works	87,659.29	-	-	87,659.29	38,515.78	1,252.08	-	39,767.87	47,891.42
Other Civil Works	17,397.29	-	-	17,397.29	4,920.77	163.96	-	5,084.73	12,312.56
Lines and Cable Network	1,32,264.77	342.99	-	1,32,607.76	33,067.14	1,833.95	-	34,901.09	97,706.67
Assets not in use	15.55	-	-	15.55	-	-	-	-	15.55
<b>Total</b>	<b>3,73,806.52</b>	<b>379.17</b>	<b>10.34</b>	<b>3,74,175.35</b>	<b>1,25,522.87</b>	<b>4,922.96</b>	<b>-</b>	<b>1,30,445.81</b>	<b>2,43,729.54</b>

(Amount in INR Lakhs)

Particulars	GROSS VALUE AMOUNT			ACCUMULATED DEPRECIATION			NET CARRYING AMOUNT		
	As at 1st April, 2022	Additions during the year	Disposals and Depreciations during the year	As at 31st March, 2023	As at 1st April, 2022	Additions during the year	Disposals and Depreciations during the year	As at 31st March, 2023	As at 31st March, 2022
Land	4,973.70	261.97	2.03	5,233.64	-	-	-	5,233.64	4,973.70
Buildings	26,460.75	3,224.45	-	29,685.21	6,095.58	1,044.33	-	7,139.90	20,365.18
Plant and Equipment	85,918.54	13,570.07	-	99,488.61	34,815.16	5,819.02	-	40,634.17	51,103.38
Furniture and Fixtures	327.53	3.05	-	330.58	176.91	16.86	-	193.77	150.62
Vehicles	391.96	-	-	391.96	197.55	15.39	-	212.94	179.03
Office equipment	1,147.62	192.02	-	1,339.63	677.65	160.74	-	838.39	469.97
Others:	-	-	-	-	-	-	-	-	-
Hydraulic Works	87,654.57	4.71	-	87,659.29	33,486.20	5,029.59	-	38,515.79	54,168.38
Other Civil Works	17,397.29	2.38	2.38	17,397.29	4,264.11	656.67	0.01	4,920.77	13,133.18
Lines and Cable Network	97,316.49	34,948.28	-	1,32,264.77	25,722.09	7,345.05	-	33,067.14	71,894.40
Assets not in use	15.55	-	-	15.55	-	-	-	-	15.55
<b>Total</b>	<b>3,21,603.99</b>	<b>52,206.94</b>	<b>4.42</b>	<b>3,73,806.52</b>	<b>1,05,435.23</b>	<b>20,097.65</b>	<b>0.01</b>	<b>1,25,522.87</b>	<b>2,16,168.76</b>

MEGHALAYA ENERGY CORPORATION LIMITED  
CONSOLIDATED NOTES TO ACCOUNTS FOR THE QUARTER YEAR ENDED 30TH JUNE, 2023

Note 3- CAPITAL WORK IN PROGRESS

(Amount in INR Lakhs)

	<b>Capital Work-in-Progress</b>		
	Balance at the beginning of the year	1,84,884.99	1,81,306.04
	Prior Period Adjustment	-	-
1)	Add: Additions during the year	5,974.88	77,622.84
	Less: Deductions during the year	2,719.03	74,043.89
	<b>Balance at the end of the year</b>	<b>1,88,140.84</b>	<b>1,84,884.99</b>
	<b>Capital Stock</b>		
	Balance at the beginning of the year	1,738.97	1,956.11
	Prior Period Adjustment	-	-
2)	Add: Additions during the year	550.79	1,024.93
	Less: Deductions during the year	97.84	1,241.40
	<b>Balance at the end of the year</b>	<b>2,191.92</b>	<b>1,739.64</b>
	<b>Cost of Investigation</b>		
	Balance at the beginning of the year	7,868.09	7,640.63
	Prior Period Adjustment	-	-
3)	Add: Additions during the year	146.86	227.46
	Less: Deductions during the year	-	-
	<b>Balance at the end of the year</b>	<b>8,014.95</b>	<b>7,868.09</b>
	<b>Total</b>	<b>1,98,347.71</b>	<b>1,94,492.72</b>

MEGHALAYA ENERGY CORPORATION LIMITED  
 CONSOLIDATED NOTES TO ACCOUNTS FOR THE QUARTER YEAR ENDED 30TH JUNE, 2023

**NON-CURRENT ASSETS**  
**Note 4(a)- FINANCIAL ASSETS (INVESTMENTS)**

Particulars		
<b>Investments in Equity Instruments-Unquoted:</b>		
Quoted	0.02	0.02
Others	-	-
Investment for Bond Redemption Reserve etc. (at amortised cost)	17,807.36	9,568.40
<b>Total</b>	<b>17,807.38</b>	<b>9,568.43</b>

Note 4(a).1- As per Notification No. POWER-101/2014/190 dated the 24th of March, 2015, grants-in-aid released by the State Government under Special Plan Assistance (SPA), Special Central Assistance (SCA), North Eastern Council (NEC) and Non-Lapsable Central Pool of Resources (NLCP) Schemes shall be converted into equity. In accordance to the same, they are initially transferred to Equity Share Capital Pending Allotment. In tune with the purpose of the grants-in-aid, they are respectively booked against the concerned subsidiaries as 'Investments in Equity Instruments with Subsidiary Companies Pending Allotment'.

Note 4(a).2- After Reconciliation procedures being implemented for 'Investments made out of Staff Pension Fund' during the year, the unreconciled difference stands at 'Rs. 1.53 Lakhs' (As on 31st March, 2019. Book Value is 'Rs. 160.50 Lakhs' and Historical Cost is 'Rs. 158.97 Lakhs'). The proposal for treatment of the same has been put vide Letter U/o No. MeECL/PEN-35AG-Audit/2017/17 dated 25th of October, 2018 addressed to the Company Secretary, MeECL, Shillong. Resolving of the same is under process.

**Note 4(b)- FINANCIAL ASSETS (OTHERS)**

<b>Recoverables From State Government - (Unsecured Considered Goods)</b>	<b>88,572.27</b>	<b>87,206.89</b>
<b>Total</b>	<b>88,572.27</b>	<b>87,206.89</b>

Note 4(b).1- The above recoverable have been taken as per Transfer Notification No. Power-79/2009/Pt-1/422 dated 29.04.2015 towards re-vesting of assets and liabilities by the holding company, i.e., Meghalaya Energy Corporation Limited (MeECL). This head pertains to RGGVY (Rajiv Gandhi Gramin Vidyutikaran Yojana) Loan along with interest of the Government of Meghalaya, borne by MePDCL and thereby recoverable from the State Government, which is purely connected to the Related Party of the Company i.e., Meghalaya Power Distribution Corporation Limited (MePDCL). However, balances have been vested in the Financial Statements of the Company as well, vide the aforesaid notification. Thereby, the ascertainment of the actual status of the same is under reconciliation.

**Note 5- OTHER NON CURRENT ASSETS**

<b>Capital Advances</b>	<b>9,805.09</b>	<b>8,974.01</b>
<b>MAT Entitlement</b>	<b>86.25</b>	<b>86.25</b>
<b>Total</b>	<b>9,891.34</b>	<b>9,060.26</b>

**CURRENT ASSETS**  
**Note 6- INVENTORIES**

<b>Operational and Maintenance Stock</b>	<b>4,468.73</b>	<b>4,954.63</b>
<b>Total</b>	<b>4,468.73</b>	<b>4,954.63</b>

**Note 7(a)- FINANCIAL ASSETS (TRADE RECEIVABLES)**

<b>Secured, considered good</b>		
<b>Unsecured, considered good</b>	<b>87,150.91</b>	<b>90,531.52</b>
<b>Doubtful</b>		
<b>Sub-Total</b>	<b>87,150.91</b>	<b>90,531.52</b>
<b>Less: Allowances for Doubtful Debts</b>		
<b>Total</b>	<b>87,150.91</b>	<b>90,531.52</b>

MEGHALAYA ENERGY CORPORATION LIMITED  
CONSOLIDATED NOTES TO ACCOUNTS FOR THE QUARTER YEAR ENDED 30TH JUNE, 2023

Note 7 (b)- FINANCIAL ASSETS (CASH AND CASH EQUIVALENTS)

Balances with Banks	7762.30	4,598.27
Cash on hand	182.53	199.52
Cash Imprest with Staff	969.35	348.05
<b>Total</b>	<b>8,314.18</b>	<b>5,145.85</b>

Note 7 (c)- FINANCIAL ASSETS (BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS)

Other Bank Balances (Term Deposits - original maturity more than 3 month but less than 12 month)	12,453.07	9,296.28
<b>Total</b>	<b>12,453.07</b>	<b>9,296.28</b>

Note 7 (d)- FINANCIAL ASSETS (LOANS)

Unsecured, Considered Good:		
Loan to Employees	37.88	100.01
<b>Total</b>	<b>37.88</b>	<b>100.01</b>

Note 7 (e)- FINANCIAL ASSETS (OTHER FINANCIAL ASSETS)

Interest Accrued & Due	126.15	161.16
Other Income- Accrued And Due	58.57	34.38
Claims Receivable	0.01	14.72
Other Receivable	1,196.93	708.08
<b>Total</b>	<b>1,381.67</b>	<b>918.35</b>

Note 7 (e).1- Related Party Receivables as stated in 7 (e) and Related Party Payables as stated in Note 15 (C) (Intra-group and intra-unit transactions) primarily comprise of the following transactions :-

- i.) 'Transfers in Transit' inclusive of allotment of fund from Head Quarters and/or Holding Company to underlying Divisions.
- ii.) 'Remittances in Transit' inclusive of transfers of revenue and other collections from underlying Divisions to relevant Head Quarters and/or Holding Company.

Remittances of Fuel, Materials, Personnel and Others:

- i.) Transfer of fuel related expense of one underlying division on behalf of another such division, which may cut across underlying divisions of different companies within the group as well.
- ii.) Transfer of materials between underlying divisions of all the companies within the group and the Central Stores administered by the Holding Company.
- iii.) Transfer of Capital Asset related expenditures or capital incomes of one underlying division on behalf of another such division, which may cut across underlying divisions of different companies within the group as well.
- iv.) Transfer of stock of stationery between underlying divisions of all the companies within the group and the Central Stores administered by the Holding Company.
- v.) Record of any other inter-division transactions, including personnel related balances.

Operations, Capital and Others:

- i) Intra-group receipts and expenses related to segregation of Principal Accounts of cash and banking transactions.
- ii) Recognition of Equity of Holding Company in the company.
- iii) Transfer of Intra-group Loans.
- iv) Transfer of Investments in term deposits and interest thereof from Holding Company to relevant subsidiary companies.
- v) Apportionment of Holding Company's expenses to the related subsidiaries.

Any differences between Receivables and Payables against 'Remittances of Cash and Cash Equivalents' amidst the Company and its Related Parties mainly constitute of figures which are still under reconciliation. Thereby, the same have been grouped under 'Other Current financial Assets' or 'Other Current financial Liabilities', as the case may be, and not under 'Cash and Cash Equivalents'.

MEGHALAYA ENERGY CORPORATION LIMITED  
 CONSOLIDATED NOTES TO ACCOUNTS FOR THE QUARTER YEAR ENDED 30TH JUNE, 2023

Note 8- CURRENT TAX ASSET

Direct Tax	252.20	264.26
Total	252.20	264.26

Note 8.1- With regards to the above, determination of actual status of Tax Assets and their corresponding reconciliation with book balances is under process. Theoretically, the aforesaid Tax Assets should be of current nature only. Thereby, the accurate distinction of such assets into Current and Non-current heads, if applicable, can only be conceived after the said reconciliation is completed.

Note 9 - OTHER CURRENT ASSETS

<i>Unsecured, Considered Goods:</i>		
Advances other than capital advances:		
Operational and Maintenance Advances	719.39	662.46
Staff Related Advance	334.91	333.21
Balance with Government Authorities	3,812.78	3,680.15
Prepaid Expenses	2.94	814.88
Total	4,870.01	5,490.71

MEGHALAYA ENERGY CORPORATION LIMITED  
 CONSOLIDATED NOTES TO ACCOUNTS FOR THE QUARTER YEAR ENDED 30TH JUNE, 2023

Note 10- EQUITY SHARE CAPITAL

(Amount in INR Lakhs)

Particulars	As at 30th June, 2023 (Rupees)	
(a) Authorised: 3,000.00 lakh (Previous year- 3,000.00 lakh) Equity Shares of Rs. 10.00 each	3,00,000.00	3,00,000.00
(b) Issued, subscribed and fully paid up: 22548.58 Lakhs (Previous year- 21984.82 Lakhs) Equity Shares of Rs. 10.00 each	2,25,485.78	2,19,848.19
<b>Total</b>	<b>2,25,485.78</b>	<b>2,19,848.19</b>

Note 10.1- The Group has only one class of equity shares (without differential rights), having par value of INR 10 per share. Each shareholder is eligible to one vote per share held.

Note 10.2- Reconciliation of the number of Equity Shares outstanding

(Amount in INR Lakhs)

Particulars	As at 30th June, 2023 (Rupees)	
Equity Shares at the beginning of the year	2,19,84,81,863.00	2,19,848.19
Add:- Shares issued during the year	5,63,75,980.00	5,637.59
Equity Shares at the end of the year	<b>2,25,48,57,800.00</b>	<b>2,25,485.78</b>

(Amount in INR Lakhs)

Particulars	As at 30th June, 2023 (Rupees)	
Equity Shares at the beginning of the year	2,08,03,01,763.00	2,08,030.18
Add:- Shares issued during the year	11,81,80,100.00	11,818.01
Equity Shares at the end of the year	<b>2,19,84,81,863.00</b>	<b>2,19,848.19</b>

Note 10.3- Details of shares held by the Holding Company:-

100% Shares are held by the Holding Company, Meghalaya Energy Corporation Limited (MeECL) and its nominees.

Note 10.4- Details of Equity Shares held by each shareholder holding more than 5% Equity Shares

Particulars	As at 30th June, 2023 (Rupees)	
	No. of Shares	% Held
Meghalaya Energy Corporation Limited (MeECL) and its nominees	2,25,48,57,800.00	100.00%

Particulars	As at 30th June, 2023 (Rupees)	
	No. of Shares	% Held
Meghalaya Energy Corporation Limited (MeECL) and its nominees	2,19,84,81,863.00	100.00%



MEGHALAYA ENERGY CORPORATION LIMITED

CONSOLIDATED NOTES TO ACCOUNTS FOR THE QUARTER YEAR ENDED 30TH JUNE, 2023

Note 11- OTHER EQUITY

(Amount in INR Lakhs)

<b>Retained Earnings</b>			
1)	Balance at the beginning of the year	(6,66,884.00)	(3,86,509.91)
	Add: Prior Period Adjustments	(5.35)	(405.36)
	Add: Additions during the year	(10,988.66)	(2,44,138.64)
	Less: Deductions during the year	-	35,830.08
	<b>Balance at the end of the year</b>	<b>(6,77,878.02)</b>	<b>(6,66,884.00)</b>
<b>Equity Share Capital Pending Allotment</b>			
2)	Balance at the beginning of the year	59,110.89	13,381.55
	Add: Prior Period Adjustments	-	-
	Add: Additions during the year	-	57,547.35
	Less: Deductions during the year	5,637.60	(11,818.01)
	<b>Balance at the end of the year</b>	<b>53,473.29</b>	<b>59,110.89</b>
<b>Security Premium</b>			
3)	Balance at the beginning of the year	-	-
	Add: Prior Period Adjustments	-	-
	Add: Additions during the year	192.76	-
	Less: Deductions during the year	-	-
	<b>Balance at the end of the year</b>	<b>192.76</b>	<b>-</b>
<b>Total</b>		<b>(6,24,211.97)</b>	<b>(6,07,773.11)</b>

Note 11.1- Equity capital pending allotment represents the amount of shares to be allotted to the Hon'ble Governor of Meghalaya in Financial Year 2010-11 and onwards (including notification issued on the 29th of April, 2015 by the Government of Meghalaya).

Note 11.2- As per CAG Audit Observations, 'Equity Share Capital Pending Allotment' includes R.s 750.00 Lakhs towards equity participation by Government of Meghalaya (GoM) in ONGC Tripura Power Company Limited (OTPC). The matter has been put under reconciliation.

MEGHALAYA ENERGY CORPORATION LIMITED  
 CONSOLIDATED NOTES TO ACCOUNTS FOR THE QUARTER YEAR ENDED 30TH JUNE, 2023

NON-CURRENT LIABILITIES  
 Note 12 - FINANCIAL LIABILITIES (BORROWINGS)

(Amount in INR Lakhs)

Secured:		
<b>(i) Bonds</b>		
These Bonds are intended to be used to repay/restructure the loans obtained from the PFC and / or REC so that the interest burden of the MeECL/MePGCL/MePDCL is reduced. The balance of the proceeds will be utilised to pay the outstanding dues of MePDCL. Bullet repayment in the 10th year, which are backed by State Government guarantee		
(a) MeECL Bond Issue 1st Series 11.64%	4,030.00	4,030.00
(b) MeECL Bond Issue 2nd Series 11.45%	5,000.00	5,000.00
(c) MeECL Bond Issue 3rd Series 11.45%	10,000.00	10,000.00
(d) MeECL Bond Issue 4th Series 11.01%	5,000.00	5,000.00
(e) MeECL Bond Issue 5th Series 11.01%	5,000.00	5,000.00
(f) MeECL Bond Issue 6th Series 11.01%	5,000.00	5,000.00
(g) MeECL Bond Issue 7th Series 10.96%	4,900.00	4,900.00
(h) MeECL Bond Issue 8th Series	24,000.00	
<b>(b) From Others</b>		
11.00% Term Loan from Rural Electrification Corporation (REC) Limited (The loan is secured against hypothecation charge on 'Property, Plant and Equipment'. The loan is repayable in 10 years on an annual basis)	586.94	586.94
11.73% (12.00% - 11.75%) Term Loan from Power Finance Corporation (PFC) Limited (The loan has been availed for Myntdu Leshka Hydro Electric Project (MLHEP). The loan is secured against hypothecation charge on 'Property, Plant and Equipment'. The loan is repayable in 15 years from July, 2014 in Quarterly installments.	10,082.98	10,485.60
11.73% (12.00%-11.75%) Term Loan from Power Finance Corporation (PFC) Limited (The loan has been availed for New Untru Hydro Electric Project (NUHEP). The loan is secured against hypothecation charge on 'Property, Plant and Equipment'. The loan is repayable in 15 years from its C.O.D. in Quarterly installments).	30,499.80	31,286.05
10.50% (10.75% - 10.15%) Term Loan from Power Finance Corporation (PFC) Lakroh (The loan has been availed for Lakroh Small Hydro Project. The loan is secured against hypothecation charge on 'Property, Plant and Equipment'. The loan is repayable in 15 years from its C.O.D. in Quarterly installments).	516.76	526.67
11.07% (12.60% - 8.00%) Loan from Rural Electrification Corporation (REC) Limited (The loan has been availed for Myntdu Leshka Hydro Electric Project (MLHEP). The loan is guaranteed by the State Government. The loan is repayable in Quarterly installments for 10 years commencing from June, 2015).	6,435.47	7,700.68
11.73% (11.75% ~ 12.00%) Loan from Power Finance Corporation (PFC) Limited (The loan has been availed for Myntdu Leshka Hydro Electric Project (MLHEP), for the re-financing of Bonds. The loan is guaranteed by the State Government. The terms of the loan include Quarterly repayments in 10.75 years commencing from January 2018, with no moratorium period)	10,199.59	10,606.87
11.25% (11.25% ~ 12.15%) Loan from Rural Electrification Corporation (REC) Limited (The loan has been availed for Myntdu Leshka Hydro Electric Project (MLHEP). The Loan is guaranteed by the State Government. The terms include Quarterly repayments in 7 years commencing from March 2018, with no moratorium period)	2,131.28	2,545.07
10.50% Loan from Power Finance Corporation (PFC) Limited (This loan has been availed for Canal Stage-I SHP. The loan is to be repaid in 240 EMIs commencing on the first repayment date falling 12 months after scheduled Date of Commencement of commercial operations.	17,311.00	17,311.00
11.75% (11.00% to 11.75%) Special Term Loan from Rural Electrification Corporation (REC) Limited- The loan has been availed as a Special Term Loan for meeting cash-gap. The loan is for a period of 5 years repayable in 60 equal monthly installments, without any moratorium period. Corporate Guarantee has been given on behalf of the Company by Meghalaya Power Transmission Corporation Limited (MePTCL) for the reverse of this loan		
8% Loan from Rural Electrification Corporation (REC) Limited (Restructured) (The terms of the loan include monthly repayments in 20 Years from the year 2002 with State Government Guarantees)	5.01	348.00
9% Loan from Power Finance Corporation (PFC) Limited (Restructured Accelerated Power Development and Reform Programme, R-APDRP-Part A) (This loan has been availed for R-APDRP Part-A Works)	1,219.40	1,219.40
9% Loan from Power Finance Corporation (PFC) Limited (Restructured Accelerated Power Development and Reform Programme, R-APDRP-Part B) (This loan has been availed for R-APDRP Part-B Works)	10,406.24	10,406.24
12.65% Loan from Power Finance Corporation (PFC) Limited (This loan has been availed for power Purchase. It is guaranteed by the State Government, with 3 years moratorium period and quarterly repayments in 7 years)	20,620.40	21,781.12

**MECHALAYA ENERGY CORPORATION LIMITED**  
**CONSOLIDATED NOTES TO ACCOUNTS FOR THE QUARTER YEAR ENDED 30TH JUNE, 2023**

11.15% Loan from PFC Ltd against IPD Scheme. (The loan is to be repaid in 108 equal monthly instalment on the 15th day of each month) 9.50% Atmanirbhar Bharat Abhiyaan Scheme The Loan is backed by State Government Guarantee, with a tenure of 10 years including a moratorium period of 3 years and repayment period of 7 years. The loan is to be availed equally from both PFC and REC Ltd.	472.32	481.62
(i.) REC Ltd	55,067.75	55,067.75
(ii) PFC Ltd	55,067.75	55,067.75
<b>Unsecured:</b>		
(i) Term loans:		
(a) From Others:		
Loans from State Government (The terms of these loans include the clause of semi annual repayment in 10 Years with 2 years of moratorium from the date of disbursement.)	26,033.53	47,797.12
Loan from State Government (These loans have been availed with terms of semi-annual repayments in 10 Years with 2 years of moratorium from the dates of disbursement.)	17,544.58	
Loan from State Government (Against these loans, semi annual repayments in 10 Years with 2 years of moratorium from the date of disbursement have been struck upon.)	4,219.02	
Loan from State Government (OECF) (The loan has been availed for Renovation & Modernization of Uniam Stage-I through additional central assistance scheme)	1,377.20	1,377.20
Loan from State Government (JBIC) (The loan has been availed for Renovation & Modernization of Uniam Stage-II through additional central assistance scheme)	1,128.03	1,128.03
<b>Sub-Total</b>	<b>3,33,855.05</b>	<b>3,14,853.10</b>
<b>Less: Current Maturities of Long Term Debts</b>	<b>17,227.25</b>	<b>18,886.38</b>
<b>Total</b>	<b>3,16,627.80</b>	<b>2,95,766.72</b>

Note 12.1- The Item wise details of Current Maturities of Long term Debts are as under:-

(Amount in INR Lakhs)		
<b>Secured:</b>		
(i) Term loans:		
(a) From Others:		
8% Loan from Rural Electrification Corporation (REC) Limited (Restructured)	-	737.86
11.00% Term Loan from Rural Electrification Corporation (REC) Limited	133.86	133.86
12.65% Loan from Power Finance Corporation (PFC) Limited	4,642.86	4,642.86
13.25% Term Loan from Power Finance Corporation (PFC) Limited (MLHEP)	1,610.46	1,610.46
13.00% Term Loan from Power Finance Corporation (PFC) Limited (NUHEP)	3,145.00	3,145.00
11.25% (10.00%-11.25%) Term Loan from Power Finance Corporation (PFC) Limited Green Energy Ltd	39.65	39.65
11.25% Loan from Rural Electrification Corporation (REC) Limited (MLHEP 60 cr)	827.59	827.59
11.75% Loan from Power Finance Corporation (PFC) Limited (Refinancing of Bonds)	1,629.10	1,629.10
11.75% (11.00% to 11.75%) Special Term Loan from Rural Electrification Corporation (REC) Limited	-	1,538.96
11.07% (14.00% - 11.07%) Loan from Rural Electrification Corporation (REC) Limited	2,530.42	2,530.42
10.90% Loan from PFC Ltd against IPD Scheme.	37.20	37.20
<b>Unsecured:</b>		
(i) From Others:		
Loans from State Government	2,631.11	2,631.11
<b>Total</b>	<b>17,227.24</b>	<b>19,504.07</b>

MEGHALAYA ENERGY CORPORATION LIMITED  
 CONSOLIDATED NOTES TO ACCOUNTS FOR THE QUARTER YEAR ENDED 30TH JUNE, 2023

Note 13 - NON CURRENT FINANCIAL LIABILITIES: OTHERS

(Amount in INR Lakhs)

Serial No.	Particulars	As at 30th June, 2023 (Unaudited)	As at 31st March, 2023 (Unaudited)
1	Terminal Benefits Payable	3,22,866.62	3,22,866.62
	<b>Total</b>	<b>3,22,866.62</b>	<b>3,22,866.62</b>

Note 14- DEFERRED REVENUE

(Amount in INR Lakhs)

Serial No.	Particulars	As at 30th June, 2023 (Unaudited)	As at 31st March, 2023 (Unaudited)
1	Government Grants	1,73,441.05	1,54,318.54
2	Consumers Contribution Towards Cost of Capital Asset	4,085.17	3,849.92
	<b>Total</b>	<b>1,77,526.22</b>	<b>1,58,168.46</b>

MEGHALAYA ENERGY CORPORATION LIMITED  
CONSOLIDATED NOTES TO ACCOUNTS FOR THE QUARTER YEAR ENDED 30TH JUNE, 2023

Note 15 (a)- FINANCIAL LIABILITIES (TRADE PAYABLES)

(Amount in INR Lakhs)

<b>(a) Others</b>		
Payables against Purchase of Power from Outside Parties	70,353.80	70,350.84
Payables against Wheeling Charges	3,154.00	3,467.09
Payables for Operational and Maintenance Related Supplies	2,051.41	2,721.45
<b>Total</b>	<b>75,559.21</b>	<b>76,539.38</b>

Note 15 (b)- OTHER FINANCIAL LIABILITIES

(Amount in INR Lakhs)

<b>Current maturities of long-term debts-</b>		
For Others	17,227.25	18,886.38
<b>Interest accrued-</b>		
(a) Interest payable to the Government	2,266.17	1,732.72
(b) Others	24,426.23	26,610.34
Liabilities for Capital Supplies	28,328.14	34,378.20
Staff Related Liabilities	7,379.37	7,326.77
Security deposits and Retention Moneys Payable	46,721.49	44,734.46
Claim Received from Insurance of Fixed Assets, pending reconciliation	469.91	459.90
Liabilities for Expenses	13,332.40	13,847.83
Other Liabilities	9,455.66	6,569.49
Cash Imprest with Staff	59.00	57.45
Provision for Loss (Pending Investigations)	23.15	23.15
Payable to Pension Trust		56.68
v.) Others		
Liabilities for Supplies (against Temporary Sale of Power)	45.46	45.26
Inter Unit and company balance	(2,444.52)	3,600.51
<b>Total</b>	<b>1,47,289.71</b>	<b>1,58,329.15</b>

Note 16 - PROVISIONS

(Amount in INR Lakhs)

Provision for employee benefits	4,542.50	25,667.85
Provision For Terminal Benefit	21,125.26	
<b>Total</b>	<b>25,667.76</b>	<b>25,667.85</b>

Note 17- OTHER CURRENT LIABILITIES

(Amount in INR Lakhs)

Statutory Dues	6,951.44	7,002.24
<b>Total</b>	<b>6,951.44</b>	<b>7,002.24</b>

Note 18- DEFERRED REVENUE

(Amount in INR Lakhs)

Government Grant	3,430.57	8,578.10
Consumer Contribution	83.74	319.96
<b>Total</b>	<b>3,514.31</b>	<b>8,898.06</b>

MEGHALAYA ENERGY CORPORATION LIMITED  
CONSOLIDATED NOTES TO ACCOUNTS FOR THE QUARTER YEAR ENDED 30TH JUNE, 2023

Note 19- REVENUE FROM OPERATIONS

(Amount in INR Lakhs)

Particulars	For the quarter year ended 30th June, 2023 (Unaudited)	For the quarter year ended 31st March 2023 (Unaudited)	For the year ended 31st June, 2023 (Unaudited)	For the year ended 31st March, 2023 (Unaudited)
<b>Sale of Power:</b>				
Unscheduled Interchange Sales	328.90	1,596.16	576.05	1,954.25
Interstate billing on sale of Power to MPPL, Revenue on Sale of Power to APPCL and HPPC	815.96	1,114.61	1,704.44	758.48
Revenue earned from cross subsidy NTPC PRAS	-	-	-	5,477.23
	6.51	27.22	-	27.22
Sale of Power to Others	481.38	-	-	-
<b>Categories of other Consumers</b>				
Domestic and Residential	6,679.98	8,197.15	7,422.19	28,223.48
Commercial	2,496.59	3,096.23	3,324.78	11,350.51
Industrial Medium and Low Voltage	114.85	119.28	146.44	475.92
Industrial High and Extra High Voltage	8,222.08	14,881.25	15,066.24	56,342.34
Public Lighting	30.76	26.36	41.28	124.85
Irrigation and Agriculture	0.97	1.01	0.79	3.33
Public Water Works	991.33	985.25	951.30	3,513.53
Bulk Supply to others	1,423.56	1,891.69	1,831.88	6,748.52
Miscellaneous and General Purpose	51.88	35.88	27.99	115.82
Electricity Duty Recoveries	116.89	195.80	188.78	694.85
Franchisee	255.96	492.15	692.64	2,452.39
	22,017.60	32,660.05	31,974.80	1,18,262.72
Less Electricity Duty	-	694.85	-	694.85
	22,017.60	31,965.20	31,974.80	1,17,567.87
<b>Other operating revenues-</b>				
Meter Rent	218.13	245.79	292.27	856.89
Reconnection Fees	0.07	0.12	0.07	0.38
Delayed Payment Charges Collected From Consumers	2,868.42	1,055.32	1,201.66	3,682.79
Rebates on Purchase of Energy	136.41	293.88	0.30	584.90
Other Charges From Consumers	373.54	372.51	925.44	1,913.56
Related Party Transactions:	-	-	49.03	-
<b>Other operating revenues-</b>				
State Transmission Utility (STU) and Open Access Charges	417.16	46.90	-	292.63
State Load Dispatch Centre (SLDC) Charges	36.73	9.66	9.68	35.96
<b>Total</b>	<b>26,068.06</b>	<b>33,989.38</b>	<b>34,453.26</b>	<b>1,24,934.97</b>

Note 20- OTHER INCOME

(Amount in INR Lakhs)

Particulars	For the quarter year ended 30th June, 2023 (Unaudited)	For the quarter year ended 31st March 2023 (Unaudited)	For the year ended 31st June, 2023 (Unaudited)	For the year ended 31st March, 2023 (Unaudited)
<b>Interest Income</b>				
From Banks	250.47	842.38	56.68	873.17
From Others	-	0.19	-	0.41
<b>Other non-operating income</b>				
AMC Charges	48.46	-	67.76	68.73
Rental and Hiring Income	74.34	81.81	51.62	275.45
Training Fees	4.87	8.22	-	8.22
Discount Received	11.41	-	-	0.00
Fees and Penalties	3.25	1.76	4.13	20.52
Sale of scrap, tender forms and others	49.70	4.87	2.46	44.01
Miscellaneous receipts	222.29	182.45	323.76	962.19
Amortization of Grant	1,990.23	843.42	1,494.72	7,627.16
Amortization of Consumer Contribution	-	-	-	319.96
R.E. Subsidies	-	8.94	-	-
Revenue Grant from UDAY	-	10,000.00	-	10,000.00
Revenue Grants for Other Expenditures	5,000.00	(22,000.00)	10,000.00	8.94
Department Charges Deposit Work	-	-	1.80	-
Laboratory Testing Fees	0.96	2.93	0.27	7.85
Sundry Balances written back	2.86	-	-	0.00
<b>Total</b>	<b>7,658.82</b>	<b>(10,023.03)</b>	<b>12,003.21</b>	<b>20,216.60</b>

MEGHALAYA ENERGY CORPORATION LIMITED  
CONSOLIDATED NOTES TO ACCOUNTS FOR THE QUARTER YEAR ENDED 30TH JUNE, 2023

Note 21- POWER PURCHASE COSTS

(Amount in INR Lakhs)

Particulars	For the quarter year ended 30th June, 2023 (Unaudited)	For the quarter year ended 31st March, 2023 (Unaudited)	For the quarter year ended 30th June, 2022 (Unaudited)	For the year ended 30th June, 2022 (Audited)
Power Purchase Costs	28,151.33	23,378.48	18,066.80	91,854.17
Surcharge on Power Purchases	2,541.78	1,143.22	-	1,764.74
<b>Total Power Purchase Costs</b>	<b>30,693.11</b>	<b>24,521.70</b>	<b>18,066.80</b>	<b>93,618.92</b>
<b>Total Power Purchase Costs consist of:</b>				
Outside Party Purchases	20,085.79	20,119.65	11,349.13	69,452.37
Wheeling Charges	-	-	-	-
Outside Party Charges	2,614.16	3,000.43	1,751.96	10,356.27
<b>Total</b>	<b>22,699.95</b>	<b>23,120.07</b>	<b>13,101.09</b>	<b>79,808.64</b>

Note 22- EMPLOYEE BENEFITS EXPENSE

(Amount in INR Lakhs)

Salaries and wages	6,706.81	31,111.49	6,458.89	26,417.63
Contribution to provident and other funds	89.02	(1,061.03)	680.00	14,645.19
Staff welfare expenses	1.05	-	-	0.45
Apportionment of Employee Benefit Expenses (from Holding Company)	603.83	(12,468.27)	4,894.53	3,577.23
<b>Sub Total</b>	<b>7,400.71</b>	<b>17,582.19</b>	<b>12,033.42</b>	<b>44,640.50</b>
Less: Employee benefits expense capitalised	124.56	143.92	130.08	534.09
<b>Total</b>	<b>7,276.15</b>	<b>17,438.27</b>	<b>11,903.34</b>	<b>44,106.42</b>

Note 23- FINANCE COSTS

(Amount in INR Lakhs)

<b>Interest:</b>				
Interest - including Penal Interest	7,150.32	9,048.57	7,345.06	27,037.67
Cost of raising finance	-	-	-	0.00
Interest on Loan	-	-	-	37.94
Interest on CPS Staff	-	-	-	0.00
Interest on Bonds	-	-	-	4,369.42
Guarantee charges	108.84	48.66	-	1,010.21
Other Interest	-	382.56	19.47	0.00
Other banking and guarantee charges	235.07	252.32	300.98	196.37
<b>Sub Total</b>	<b>7,494.23</b>	<b>9,732.11</b>	<b>7,665.51</b>	<b>32,652.11</b>
Less: Finance costs capitalised	424.55	299.57	223.23	1,244.19
<b>Total</b>	<b>7,069.68</b>	<b>9,432.54</b>	<b>7,442.28</b>	<b>31,407.93</b>

Note 24- DEPRECIATION AND AMORTIZATION EXPENSE

(Amount in INR Lakhs)

Depreciation	4,922.96	4,812.64	4,405.48	20,087.64
Less: Depreciation expense capitalised	-	-	-	-
<b>Total</b>	<b>4,922.96</b>	<b>4,812.64</b>	<b>4,405.48</b>	<b>20,087.64</b>

MEGHALAYA ENERGY CORPORATION LIMITED  
CONSOLIDATED NOTES TO ACCOUNTS FOR THE QUARTER YEAR ENDED 30TH JUNE, 2023  
Note 25- OTHER EXPENSES

(Amount in INR Lakhs)

(Amount in INR Lakhs)					
<b>Repairs and maintenance</b>					
Buildings	49.33	159.20	26.72	197.36	
Plant and Equipment	199.13	254.45	320.92	1,024.49	
Hydraulic Works	13.07	39.42	15.43	82.12	
Civil Works	2.25	31.87	8.43	61.47	
Lines & Cables	162.77	420.86	204.78	840.10	
Vehicles	3.81	8.93	4.85	25.12	
Furniture and Fixtures	3.55	2.69	0.83	5.28	
Office equipment	4.05	42.10	33.99	109.82	
Lubricants and Consumable Stores	-	-	20.35	20.35	
<b>Administration, Operating and General Expenses</b>					
Insurance Charges	809.91	183.22	516.95	702.15	
UGO Billing Software Services	78.83	162.60	51.91	412.12	
Rent, Rates and Taxes	6.88	8.54	2.00	16.54	
Telegram, Postage, Telegraph and Telex charges	25.96	10.29	4.17	30.62	
Training, conveyance and vehicle running expenses	185.14	500.17	258.07	1,198.81	
Printing and stationery expenses	9.90	19.23	22.06	56.32	
Auditors' remuneration	-	14.84	4.00	18.91	
Consultancy Charges	25.00	31.83	5.83	34.31	
Franchisee Commission	29.92	75.87	-	84.41	
Technical fees	0.15	2.35	0.05	2.27	
License and Registration Charges	2.22	-	-	0.03	
Books & Periodicals	3.14	0.21	0.09	0.69	
Fees and subscription expenses	-	0.09	0.03	0.11	
Advertisement charges	4.50	3.95	19.73	39.37	
Legal and professional charges	1,052.71	71.41	50.35	202.08	
Meghalaya State Electricity Regulatory Commission (MSERC) Fees	13.91	0.50	14.16	36.28	
Electricity and Water Charges	0.58	35.73	3.98	124.75	
Franchisee Transmission Loss	37.78	103.15	3.91	103.15	
Discount allowed	5.45	7.02	4.33	25.40	
Bank Charges	4.35	4.26	3.26	13.65	
Entertainment expenses	1.11	0.36	1.39	6.15	
Interest on CPS	-	2.36	-	-	
RAPDRP Energy Charges	-	0.96	-	-	
Freight charges	-	-	-	-	
Compensation for Damages	7.50	-	-	0.00	
Miscellaneous expenses	8.17	125.90	3.91	147.52	
GST Expenses	-	0.53	-	1.50	
ROC Charges	0.01	0.02	0.12	1.02	
Less: Other Expenses Capitalised	2,751.06	2,324.91	1,606.63	5,625.50	
	4.26	47.83	6.27	67.28	
<b>Total</b>	<b>2,746.80</b>	<b>2,277.08</b>	<b>1,600.34</b>	<b>5,558.22</b>	

Note 26- EXCEPTIONAL ITEMS

(Amount in INR Lakhs)

(Amount in INR Lakhs)				
Compensation to staff for injuries, death and/or damages	-	0.40	(0.30)	(12.80)
Compensation to others for injuries, death and/or damages	-	(10.50)	-	-
<b>Total</b>	<b>-</b>	<b>(10.10)</b>	<b>(0.30)</b>	<b>(12.80)</b>