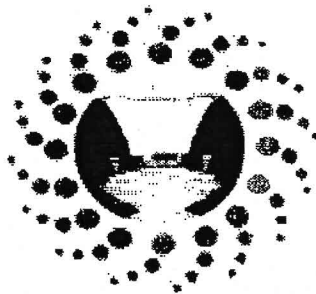


**MEGHALAYA POWER GENERATION
CORPORATION LIMITED**

SHILLONG



MePGCL

Generating Clean And Green Energy

**QUARTERLY STATEMENT OF
ACCOUNTS**


ENDING 30TH JUNE 2023

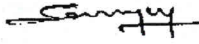
MEGHALAYA POWER GENERATION CORPORATION LIMITED
BALANCE SHEET AS AT 30TH JUNE, 2023

(Amount in INR Lakhs)

Particulars	Notes	2023	2022
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	1,13,591.16	1,16,087.87
Capital Work-in-progress	3	69,871.55	69,716.89
Financial Assets-			
(i) Others	4	1.44	1.44
Other Non Current Assets	5	2,496.00	2,526.56
Total Non-Current Assets		1,85,960.15	1,88,332.75
Current Assets			
Inventories	6	776.08	776.08
Financial Assets-			
(i) Trade receivables	7(a)	18,178.54	7,571.22
(ii) Cash and cash equivalents	7(b)	1,303.61	(1,940.16)
(iii) Bank Balances other than cash and cash equivalents	7(c)	2,133.97	1,915.04
(iv) Loans	7(d)	19.75	29.21
(v) Others	7(e)	28,163.87	26,481.74
Current Tax Assets	8	62.68	71.47
Other current assets	9	1,326.84	2,022.88
Total Current Assets		51,965.34	36,927.47
TOTAL ASSETS		2,37,925.49	2,25,260.23
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	10	92,233.60	91,877.20
Other Equity	11	(1,47,746.92)	(1,50,967.70)
Total Equity		(55,513.32)	(59,090.50)
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities-			
(i) Borrowings	12	94,330.06	97,615.12
Deferred Revenue	13	18,335.41	18,987.49
Total Non-Current Liabilities		1,12,665.47	1,16,602.61
Current Liabilities			
Financial Liabilities-			
(i) Trade payables	14 (a)	1,718.67	2,075.27
(ii) Other financial liabilities	14(b)	1,76,140.77	1,62,995.67
Provisions	15	860.55	860.55
Other current liabilities	16	423.16	512.48
Deferred Revenue	17	1,630.19	1,304.15
Total Current Liabilities		1,80,773.34	1,67,748.12
Total Liabilities		2,93,438.81	2,84,350.73
TOTAL EQUITY AND LIABILITIES		2,37,925.49	2,25,260.23

For and on behalf of the Board


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


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


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

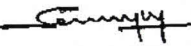
Place: *Shillong*
Date: *14/8/23*

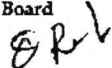
MEGHALAYA POWER GENERATION CORPORATION LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE QUARTER YEAR ENDED 30TH JUNE, 2023

(Amount in INR Lakhs)

Incomes					
Revenue From Operations	18	10,607.32	4,402.06	6,737.68	24,166.54
Other Income	19	352.39	(5,997.46)	3,849.58	1,432.54
Prior Period Incomes		-	-	-	-
Total Income		10,959.71	(1,595.40)	10,587.25	25,599.09
Expenses					
SLDC (State Load Dispatch Centre) Charges	20	51.00	50.00	48.00	194.00
Employee benefits expense	21	2,078.32	4,496.20	3,476.08	12,951.99
Finance costs	22	1,724.36	3,389.10	2,150.33	9,666.68
Depreciation and amortization expense	23	2,516.26	2,527.90	2,635.93	10,373.17
Other expenses	24	1,011.42	496.07	892.42	1,941.60
Prior period expenses		-	-	-	-
Total		7,381.37	10,959.26	9,202.77	35,127.43
Profit/(loss) before exceptional item and tax		3,578.34	(12,554.66)	1,384.48	(9,528.34)
Exceptional Items	-	-	-	-	-
Profit/(loss) before tax		3,578.34	(12,554.66)	1,384.48	(9,528.34)
Tax Expense					
(i) Current tax	-	-	-	-	-
(ii) Deferred tax	-	-	-	-	-
Profit (loss) for the period		3,578.34	(12,554.66)	1,384.48	(9,528.34)
Other Comprehensive Income					
A (i) Items that will not be reclassified to profit or loss	25	-	(84,078.45)	-	(74,984.46)
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	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		3,578.34	(96,633.11)	1,384.48	(84,512.80)
Earnings per equity share -					
(i) Basic		0.39	(10.48)	0.15	(1.04)
(ii) Diluted		0.39	(10.48)	0.15	(1.04)

For and on behalf of the Board


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


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

Place: Shillong
Date: 17/8/23



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

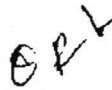
MEGHALAYA POWER GENERATION CORPORATION LIMITED
CASH FLOW STATEMENT FOR THE QUARTER YEAR ENDED 30TH JUNE, 2023

(Amount in Lak)

A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before Tax as per Statement of Profit and Loss	3,578.34	(12,554.66)	1,384.48	-9528.344693
Adjustments for:				
Depreciation and Amortization	2,516.26	2,527.90	2,635.93	10,373.17
Amortization of Grants		-	-	(1,304.15)
Provisions created		-	-	-
Interest Income	(10.78)	(30.85)	(21.55)	(72.38)
Prior period Adjustments	(1.16)	(3.99)		(87.76)
Finance Costs	1,724.36	3,389.10	2,150.33	9,666.68
Operating Profit before Working Capital Changes	7,807.03	(6,672.51)	6,149.19	9,047.22
Adjustments for increase/decrease in:				
Inventories	-	-	-	4.49
Trade Receivables	(10,607.32)	7,558.93	979.14	907.55
Bank Balances other than cash and cash equivalents	(218.93)	(719.90)	1,201.22	942.89
Loan to Staff	9.45	(9.38)	(0.15)	(5.44)
Other current assets	696.03	(770.59)	445.65	1,595.73
Other Financial Assets	(1,682.13)	8,155.12	(8,003.79)	12,407.21
Current Tax Assets	8.79	(0.25)	(5.95)	(14.66)
Trade Payables	(356.60)	(38.50)	7.57	(305.55)
Other financial liabilities	13,145.10	81,034.01	6,786.52	(3,664.59)
Provisions created				-
Other current liabilities	(89.32)	83.43	(138.90)	(43.39)
Taxes Paid				-
Net Cash from Operating Activities	6,712.11	88,620.36	7,420.51	20,871.48
B. CASH FLOW FROM INVESTING ACTIVITIES				
Addition in PPE	(19.56)	(220.40)	(1.67)	(137.70)
Deletion in PPE				2.38
CWIP	(154.66)	(7,960.70)	(2,933.04)	(20,043.84)
Change in other Non Current Assets	30.56	106.88	170.53	(203.78)
Interest income	10.78	30.85	21.55	72.38
Net Cash from Investing Activities	(132.88)	(8,043.37)	(2,742.63)	(20,310.56)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Equity Share Capital Pending allotment	(0.00)	(78,978.45)	-	6,647.35
Borrowings	(3,285.06)	(5,137.78)	992.47	(2,464.15)
Deferred Revenue	(326.04)	2,521.76	(326.04)	2,937.32
Finance Costs	(1,724.36)	(3,389.10)	(2,150.33)	(11,674.37)
Net Cash from Financing Activities	(5,335.46)	(84,983.56)	(1,483.90)	(4,553.65)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	3,243.77	(4,406.57)	3,193.98	(3,992.73)
Opening balance of Cash and Cash Equivalents	(1,940.16)	2,466.40	2,052.57	2,052.57
Closing balance of Cash and Cash Equivalents	1,303.61	(1,940.16)	5,246.55	(1,940.16)
Consisting of:				
Balances with Banks	1,078.54	(2,152.85)	5,112.78	(2,152.85)
Cash on hand	1.98	1.28	1.57	1.28
Cash Imprest with Staff	223.08	211.42	132.20	211.42

For and on behalf of the Board


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


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

Place: Shillong
Date: 14/8/23


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

MEGHALAYA POWER GENERATION CORPORATION LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER YEAR ENDED 30TH JUNE 2023

(Amount in INR Lakhs)

(a)	Particulars	Amount
	Balance as at 1st April, 2023	
	Additions during the period 01.04.23 to 30.06.23:	91,877.20
	Allotment of Equity Shares to the Holding Company (Meghalaya Energy Corporation Limited, MeECL)	356.40
	Balance as at 30th June, 2023	92,233.60

(Amount in INR Lakhs)

(b)	Particulars	Amount (Unaudited)
	Balance as at 1st April, 2022	80,395.19
	Additions during the period 01.04.22 to 31.03.23:	11,482.01
	Allotment of Equity Shares to the Holding Company (Meghalaya Energy Corporation Limited, MeECL)	-
	Balance as at 31st March, 2023	91,877.20

(Amount in INR Lakhs)

(a)	Particulars	Equity Share Capital (Pending Allotment)	Reserve and Surplus (Retained Earnings)	Total
	Balance as at 1st April, 2023	7,306.33	(1,58,274.03)	(1,50,967.70)
	Prior Period Adjustments	-	(1.16)	(1.16)
	(Profit/Loss) during the year	-	3,578.34	3,578.34
	Other Comprehensive Income	-	-	-
	Total Comprehensive Income for the Year	-	3,577.18	3,577.18
	Dividends	-	-	-
	Transfer to Retained Earnings	-	-	-
	Investment made by Meghalaya Energy Corporation Limited (MeECL- Holding Company)	-	-	-
	Transfer to Equity Share Capital	(356.40)	-	(356.40)
	Balance as at 30th June, 2023	6,949.93	(1,54,696.85)	(1,47,746.92)

(Amount in INR Lakhs)


(b)	Particulars	Equity Share Capital (Pending Allotment)	Reserve and Surplus (Retained Earnings)	Total (Unaudited)
	Balance as at 1st April, 2022	658.98	(73,673.48)	(73,014.50)
	Prior Period Adjustments	-	(87.76)	(87.76)
	(Profit/Loss) during the year	-	(9,528.34)	(9,528.34)
	Other Comprehensive Income	-	(74,984.46)	(74,984.46)
	Total Comprehensive Income for the Year	-	(84,512.80)	(84,512.80)
	Dividends	-	-	-
	Transfer to Retained Earnings	-	-	-
	Investment made by Meghalaya Energy Corporation Limited (MeECL- Holding Company)	6,647.35	-	6,647.35
	Transfer to Equity Share Capital	-	-	-
	Balance as at 31st March, 2023	7,306.33	(1,58,274.03)	(1,50,967.70)

For and on behalf of the Board


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


Shri 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 Power (Generation) Corporation Limited

Note:- 1 Company Information and Significant Accounting Policies

A. Corporate Information of reporting entity

The Meghalaya Power Generation Corporation Limited (MePGCL) was incorporated under the erstwhile 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 Companies, Meghalaya w.e.f. 17.03.2010. The authorized share capital of the company is INR 10,00,00,00,000 (Rupees One Thousand Crores) divided into 1,00,00,00,000 (One Hundred Crores) Equity Shares of INR 10 (Rupees Ten) each. The Company is a Government Company within the meaning of sub-section 45 of Section 2 of The Companies Act, 2013 and the entire Paid-up Equity Share Capital is held by the Holding Company i.e., the Meghalaya Energy Corporation Limited (a company wholly owned by the Government of Meghalaya), except the equity shares allotted to the Signatories of the Memorandum of Association of the company.

B. Basis of preparation and presentation

i. Statement of Compliance

a) These 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 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 financial statements are presented in Indian Rupees (INR), which is the Company'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 Company 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.

All other liabilities are classified as non-current.

Meghalaya Power (Generation) Corporation Limited

v. Use of estimates and judgment

The presentation of 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 company 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 financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

1. Property, plant and equipment

1.1 Initial recognition and measurement

The company has adopted the cost 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/ components are capitalized and the corresponding replaced assets/ component removed/ retired from active use are de-recognized.

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 company had elected during the Financial Year 2016-17 to continue with the carrying value of its property, plant and equipment recognized as at 1st 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.

1.2 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 Company 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.

1.3 De-recognition

Property, plant and equipment are derecognized when no future economic benefits are expected from their use or disposal. The carrying amount of an item of property, plant and equipment are

Meghalaya Power (Generation) Corporation Limited

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.

1.4 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.

2. Investment properties:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, 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 Company 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.

3. 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 Company and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Company, 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.

4. 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

Meghalaya Power (Generation) Corporation Limited

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 Work-in-Progress, as they are included as Capital Work-in-progress on successful completion of the concerned investigation, research and/or survey, which primarily pertain to long-term envisaged projects. If, however, on conduct of such investigation, research and/or survey, the project envisioned is found to be not viable, then the Company follows a process of systematically writing off the cost so incurred over an ascertained period of time.

5. 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 company.

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 the 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 of the generation business 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%

6. Non-current Asset held for Sale:

The Company 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. The Company 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 the cost to sell.

Meghalaya Power (Generation) Corporation Limited

7. Inventories:

The Company is engaged in the business of Generation 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.

8. 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 Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When the Company 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.

9. 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.

10. Government grants:

- a) Government grants received are recognized when there is reasonable assurance that the Company 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

Meghalaya Power (Generation) Corporation Limited

(CERC) for the purpose of tariff are being followed by the Company, the same are being used for amortization of such related assets as well.

- 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.

11. Provisions, contingent liabilities and contingent asset:

A provision is recognized when the company 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 company 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 company.

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 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.

12. Foreign currency transactions:

- a) Items used in the financial statements of the company 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 company is 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.

13. 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

Meghalaya Power (Generation) Corporation Limited

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.

14. Revenue from Operations:

The Company's revenues arise from the sale of power and other income. Revenue from the sale of power is regulated and governed by the applicable MSERC Tariff Regulations under the 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 Company 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 incentives are deducted from the amount of revenue.

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 company 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 the Meghalaya State Electricity Regulatory Commission (MSERC), up to the previous financial year.

b) Other Income:

- i. Income from sale of scrap, fees, penalties and miscellaneous receipts are accounted for on the basis of actual realisation.
- ii. 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).
- iii. Interest incomes other than that on term deposits are accounted for on actual realisation basis.
- iv. 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.

Meghalaya Power (Generation) Corporation Limited

15. Expenditure:

The Company 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 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.

16. 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.

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

• **Defined contribution plans**

Provident fund – The contribution to Provident Fund is transferred to the Holding Company i.e., Meghalaya Energy Corporation Limited (MeECL). Thereafter, the said transferred contributions are deposited with the General Provident Fund (GPF) Trust Account of Meghalaya Energy Corporation Limited (MeECL).

Contributory Pension Scheme (CPS) - The contribution to the Contributory Pension Scheme is transferred to the Holding Company i.e., Meghalaya Energy Corporation Limited (MeECL). Thereafter, the said transferred contributions are deposited with the Contributory Pension Scheme (CPS) Cell of the Company.

• **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.

The expenses relating to terminal benefits of employees comprising of provident fund, pension, Contributory Pension Scheme (CPS), gratuity, leave encashment etc. during the reporting period have been taken into consideration on the basis of allocation given by the holding company and the same has been paid or adjusted accordingly.

• **Short-Term Employee Benefits**

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-

Meghalaya Power (Generation) Corporation Limited

term employee benefits if the Company 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.

17. 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.

18. 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 Company's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company'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.

19. 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.

20. Earnings per share:

Basic earnings per equity share are computed by dividing the net profit or loss attributable to equity shareholders of the Company 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 Company 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.

Meghalaya Power (Generation) Corporation Limited

21. 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 Company are segregated based on available information.

22. 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.

22.1 Financial assets:

Financial assets are recognised when the Company 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.

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.

22.2 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.

Meghalaya Power (Generation) Corporation Limited

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 Company 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 derecognised 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

	GROSS CARRYING AMOUNT							NET CARRYING AMOUNT		
	31st March, 2022	31st March, 2023	31st March, 2023	31st March, 2023	31st March, 2023	31st March, 2023	31st March, 2023	31st March, 2023	31st March, 2023	31st March, 2023
	3,280.30	-	-	3,280.30	-	-	-	-	3,280.30	3,280.30
Land and Equipment	23,532.04	-	-	23,532.04	5,980.70	207.64	-	6,188.35	17,343.69	17,551.34
Leasehold Intangible Assets	63,935.61	-	-	63,935.61	30,016.26	885.46	-	30,901.72	33,033.90	33,919.36
Plant and Fixtures	148.92	-	-	148.92	96.44	2.06	-	98.51	50.42	52.48
Intangible Assets	118.11	21.93	-	140.04	83.34	1.47	-	84.81	55.23	34.77
Equipment	146.37	-	-	146.37	84.78	2.28	-	87.06	59.31	61.59
Construction Works	87,641.22	-	-	87,641.22	38,508.62	1,251.84	-	39,760.46	47,880.76	49,132.60
Civil Works	15,922.43	-	-	15,922.43	4,539.84	150.66	-	4,690.50	11,231.92	11,382.59
Under Construction	1,042.87	-	-	1,042.87	387.94	14.85	-	402.79	640.08	654.93
Not in use	15.55	-	-	15.55	-	-	-	-	15.55	15.55
Total	1,95,783.42	21.93	-	1,95,805.35	79,697.92	2,516.26	-	82,214.18	1,13,591.16	1,16,085.50

(Amount in INR Lakhs)

	GROSS CARRYING AMOUNT							NET CARRYING AMOUNT		
	31st March, 2022	31st March, 2023	31st March, 2023	31st March, 2023	31st March, 2023	31st March, 2023	31st March, 2023	31st March, 2023	31st March, 2023	31st March, 2023
	3,277.12	3.18	-	3,280.30	-	-	-	-	3,280.30	3,277.12
Land and Equipment	23,528.26	3.78	-	23,532.04	5,148.04	832.66	-	5,980.70	17,551.34	18,380.22
Leasehold Intangible Assets	63,815.18	120.43	-	63,935.61	26,189.90	3,826.35	-	30,016.26	33,919.36	37,625.28
Plant and Fixtures	146.35	2.57	-	148.92	87.61	8.84	-	96.44	52.48	58.74
Intangible Assets	118.11	-	-	118.11	76.44	4.53	-	80.97	37.14	41.67
Equipment	145.73	0.65	-	146.37	75.43	9.35	-	84.78	61.59	70.29
Construction Works	87,636.50	4.71	-	87,641.22	33,479.99	5,028.63	-	38,508.62	49,132.60	54,156.52
Civil Works	15,922.43	2.38	2.38	15,922.43	3,936.41	603.44	0.01	4,539.84	11,382.59	11,986.01
Under Construction	1,042.87	-	-	1,042.87	328.55	59.39	-	387.94	654.93	714.32
Not in use	15.55	-	-	15.55	-	-	-	-	15.55	15.55
Total	1,95,648.10	137.70	2.38	1,95,783.42	69,322.38	10,373.18	0.01	79,695.55	1,16,087.87	1,26,325.72

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

Note 3: CAPITAL WORK-IN-PROGRESS

(Amount in INR Lakhs)

1	Capital Work-in-Progress	62,144.01	1,690.35	1,679.18	62,155.18
2	Capital Stock	(259.51)	-	-	(259.51)
3	Cost of Investigation, Research and Surveys	7,832.39	143.49	-	7,975.89
	Total	69,716.89	1,833.84	1,679.18	69,871.55

(Amount in INR Lakhs)

1	Capital Work-in-Progress	42,291.92	20,385.94	533.85	62,144.01
2	Capital Stock	-259.51	-	-	-259.51
3	Cost of Investigation, Research and Surveys	7,640.63	191.76	-	7,832.39
	Total	49,673.05	20,577.69	533.85	69,716.89

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

NON-CURRENT ASSETS
 Note 4- FINANCIAL ASSETS (OTHERS)

Recoverable From State Government - (Unsecured Considered Goods)	1.44	1.44
Total	1.44	1.44

Note 4.1- 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 Grameen 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

Capital Advances	2,496.00	2,526.56
Total	2,496.00	2,526.56

CURRENT ASSETS
 Note 6- INVENTORIES

Operational and Maintenance Stock	776.08	776.08
Total	776.08	776.08

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

Unsecured:		
Receivables against Sale of Power to Related Party (Meghalaya Power Distribution Corporation Limited- MePDCL)	18,178.54	7,571.22
Total	18,178.54	7,571.22

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

Balances with Banks	1,078.54	(2,152.85)
Cash on hand	1.98	1.28
Cash Imprest with Staff	223.08	211.42
Total	1,303.61	(1,940.16)

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

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)	2,133.97	1,915.04
Total	2,133.97	1,915.04

Note 7 (d)- LOANS TO STAFF

Loans to Staff - Unsecured, Considered Goods	19.75	29.21
Total	19.75	29.21

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

Unsecured, Considered Goods:		
Claims Receivable	4.21	4.42
Interest Accrued	126.15	126.15
Related Party Receivables:		
i.) Meghalaya Energy Corporation Limited (MeECL)-		
Receivables against Remittances of Cash and Cash Equivalents	28,033.51	26,351.17
Receivables against Operations, Capital and Others		-
Total	28,163.87	26,481.74

Note 7 (f)- Related Party Receivables as stated in 7 (e) and Related Party Payables as stated in Note 14 (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.

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

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

Note 8- CURRENT TAX ASSET

Direct Tax	62.68	71.47
Total	62.68	71.47

Note 8.1- With regards to the above, determination of actual status of taxes and their corresponding reconciliation with book balances is under process. Theoretically, the aforesaid taxes 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

Unsecured, Considered Goods:		
Staff related advance	76.83	69.78
Advances other than capital advances:		
Operational and Maintenance Advances	307.46	250.54
Balance with Government Authorities	942.50	943.53
Prepaid Expenses	0.06	759.03
Total	1,326.84	2,022.88

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

Note 10- EQUITY SHARE CAPITAL

(Amount in INR Lakhs)

Particulars	As at	As at
	30th June, 2023 (Unaudited)	31st March, 2023 (Unaudited)
(a) Authorised: 1,000,000,000.00 no of (Previous year 1,000,000,000.00) Equity Shares of Rs. 10.00 each	1,00,000.00	1,00,000.00
(b) Issued, subscribed and fully paid up: 9,223.36lakh no of (Previous year 9187.72 lakh) Equity Shares of Rs. 10.00 each	92,233.60	91,877.20
Total	92,233.60	91,877.20

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

Note 10.2- Reconciliation of the number of Equity Shares outstanding

Particulars	30th June, 2023	
	No. of shares	Amount
Equity Shares at the beginning of the year	91,87,72,039	91,877.20
Add:- Shares issued during the year	35,63,980	356.40
Equity Shares at the end of the year	92,23,36,019	92,233.60

Particulars	31st March, 2023	
	No. of shares	Amount
Equity Shares at the beginning of the year	91,87,72,039	91,877.20
Add:- Shares issued during the year	-	-
Equity Shares at the end of the year	91,87,72,039	91,877.20

MEGHALAYA POWER GENERATION CORPORATION LIMITED
NOTES TO ACCOUNTS FOR THE QUARTER YEAR ENDED 30TH JUNE, 2023
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	
	No. of Shares	% held
Meghalaya Energy Corporation Limited (MeECL) and its nominees	92,23,36,019	100.00%
Particulars	As at	
	31st March 2023	
	No. of Shares	% held
Meghalaya Energy Corporation Limited (MeECL) and its nominees	91,87,72,039	100.00%

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

Note 11- OTHER EQUITY

(Amount in INR Lakhs)

1	Retained Earnings	(1,58,274.03)	(1.16)	3,578.34		(1,54,696.85)
2	Equity Share Capital Pending Allotment	7,306.33		-	(356.40)	6,949.93
	Total	(1,50,967.70)	(1.16)	3,578.34	(356.40)	(1,47,746.92)

(Amount in INR Lakhs)

1	Retained Earnings	(73,673.48)	(87.76)	-	(84,512.80)	(1,58,274.03)
2	Equity Share Capital Pending Allotment	658.98		6,647.35	-	7,306.33
	Total	(73,014.50)	(87.76)	6,647.35	(84,512.80)	(1,50,967.70)

Note 11.1- Equity Share Capital Pending Allotment represents the amount of equity share capital to be allotted to Meghalaya Energy Corporation Limited

Note 11.2- 'Retained Earnings' has been debited by the following total comprehensive Income/(loss) incurred during the current and previous year.

(Amount in INR Lakhs)

Particulars	For the quarter year ended 30th June, 2023	For the quarter year ended 31st March, 2023	For the quarter year ended 30th June, 2022	For the year ended 31st March 2023
Profit/(Loss)	3,577.18	(84,512.80)	1,384.48	(84,512.80)

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

NON-
 Note 12 - FINANC
 (Amount in INR Lakhs)

Secured:		
(i) Term loans:		
(a) From Others:		
(11.75% ~ 12.00%) 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
(11.75% ~ 12.00%) Term Loan from Power Finance Corporation (PFC) Limited (The loan has been availed for New Umtru 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
(10.15% ~ 10.75%) Term Loan from Power Finance Corporation (PFC) Limited (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
(8.00% ~ 12.60%) Term 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

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

(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 2019, with no moratorium period)	10,199.59	10,606.87
10.50% Loan from Power Finance Corporation (PFC) Limited (This loan has been availed for Ganol Stage-I SHP. The loan is to 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
(11.25% ~ 12.15%) Loan from Rural Electrification Corporation (REC) Limited (60 Crs) (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 2019, with no moratorium period)	2,131.28	2,545.07
Unsecured:		
(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	26,033.53
Loan from State Government (OECF) (The loan has been availed for Renovation & Modernization of Umiam 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 Umiam Stage-II through additional central assistance scheme)	1,128.03	1,128.03
(ii) Related Party:		
Loan from Meghalaya Energy Corporation Limited, MeECL- Holding Company	-	-
Sub-Total	1,05,715.63	1,09,000.69
Less: Current Maturities of Long Term Debts	11,385.57	11,385.57
Total	94,330.06	97,615.12

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

Note 12.1- With regards to the 'Loan from State Government (OECF)', the loan agreement clearly states that the President of India has been mentioned as the Borrower of the Loan. In tune with this, it may be concluded that the company is neither liable to settlement of any interests or repayments of principal against the same. In light of this, the matter has been forwarded to the Legal Cell within the organisation for further clarity. The process of ascertaining the final treatment of the said Loan is under reconciliation.

Note 12.2- With regards to the 'Loan from State Government (JBIC)', the loan agreement clearly states that the President of India has been mentioned as the Borrower of the Loan. In tune with this, it may be concluded that the company is neither liable to settlement of any interests or repayments of principal against the same. In light of this, the matter has been forwarded to the Legal Cell within the organisation for further clarity. The process of ascertaining the final treatment of the said Loan is under reconciliation.

Note 12.3- '11.75% Loan from Meghalaya Energy Corporation Limited, MeECL- Holding Company' has been primarily availed to meet Cash-gap within the entity, amongst other requirements. In line of the same it may be concluded that the Cash Flows from both availing as well as servicing this loan is representative of increase in and maintenance of operating capacity of the entity, in accordance with Para 51 of Ind AS 7- 'Statement of Cash Flows.' Furthermore, the purpose of obtention and retention of other non-current borrowings with regards to furtherance of certain projects as detailed in Note 12 above, can also be construed to be partially representative of increase in and maintenance of operating capacity of the those projects under the entity, (the absolute extent which is practically not ascertainable).

Note 12.4.- The item was details of Current Maturities of Long term Debts' are as under :-

Secured:		
(i) Term loans:		
(a) From Others:		
(11.75% ~ 12.00%) Term Loan from Power Finance Corporation (PFC) Limited (MLHEP)	1,610.46	1,610.46
(11.75% ~ 12.00%) Term Loan from Power Finance Corporation (PFC) Limited (NUHEP)	3,145.00	3,145.00
(10.15%-10.75%) Term Loan from Power Finance Corporation (PFC) Limited Green Energy Ltd	39.65	39.65
(11.25% ~ 12.15%) 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
(8.00% ~ 12.60%) Loan from Rural Electrification Corporation (REC) Limited	2,530.42	2,530.42
Unsecured:		
(b) From Others:		
Loans from State Government	1,603.35	1,603.35
(ii) Related Party:		
Loan from Meghalaya Energy Corporation Limited, MeECL- Holding Company	-	-
Total	11,385.57	11,385.57

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

NOTE 13- DEFERRED REVENUE

Serial No.	Particulars	As at 30th June, 2023 (Unaudited)	As at 31st March, 2023 (Unaudited)
1	Government Grants	18,335.41	18,987.49
	Total	18,335.41	18,987.49

Note 13.1 Details of movement in 'Grants and Subsidies' (read with note 13 and 17)

(Amount in INR Lakhs)

		Balance at the beginning of the year	Additions during the year	Deletions during the year	Balance at the end of the year
1	Government Grants	20,291.64	-	326.04	19,965.60
	Total	20,291.64	-	326.04	19,965.60

(Amount in INR Lakhs)

		Balance at the beginning of the year	Additions during the year	Deletions during the year	Balance at the end of the year
1	Government Grants	18,658.26	2,937.52	1,304.15	20,291.64
	Total	18,658.26	2,937.52	1,304.15	20,291.64

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

Note 14 (a)- FINANCIAL LIABILITIES (TRADE PAYABLES)

Liabilities for Operational and Maintenance Related Supplies	1,051.21	1,458.81
Related Party Payable		
Payables against SLDC (State Load Dispatch Centre)	667.46	616.46
Charges to Related Party (Meghalaya Power Transmission Corporation Limited- MePTCL)		
Total	1,718.67	2,075.27

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

Note 14 (b)- OTHER FINANCIAL LIABILITIES

Liabilities for Capital Supplies	5,572.47	7,793.87
Current maturities of long-term debts-		
Others	11,385.57	11,385.57
Interest accrued-		
Others	12,743.70	13,108.89
Staff Related Liabilities	1,280.46	990.57
Security Deposits and Retention Moneys Payable	3,123.89	2,774.15
Claim Received from Insurance of Fixed Assets, pending reconciliation	366.39	366.39
Liabilities for Expenses	6,325.46	6,284.64
Related Party Payables:		
i.) Meghalaya Energy Corporation Limited (MeECL)- Payables against Remittances of Cash and Cash Equivalents	36,349.54	33,788.80
Payables against Remittances of Fuel, Materials, Personnel and Others	4,002.05	3,213.03
Payables against Operations, Capital and Others	63,292.17	55,441.64
ii.) Meghalaya Power Distribution Corporation Limited (MePDCL)- Payables against Operations, Capital and Others	27,320.47	23,469.52
iii.) Meghalaya Power Transmission Corporation Limited (MePTCL)- Payables against Operations, Capital and Others	4,333.33	4,333.33
Liabilities for Supplies (against Temporary Sale of Power)	45.26	45.26
Total	1,76,140.77	1,62,995.67

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

Note 15 - PROVISIONS

Provision for employee benefits	860.55	860.55
Total	860.55	860.55

Note 16- OTHER CURRENT LIABILITES

Statutory Dues	423.16	512.48
Total	423.16	512.48

Note 17- DEFERRED REVENUE

Government Grants	1,630.19	1,304.15
Total	1,630.19	1,304.15

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

Note 18- Revenue from Operations

Revenue from Sale of Power to Related Party Meghalaya Power Distribution Corporation Limited (MePDCL)	10,607.32	4,402.06	6,737.68	24,166.54
Total	10,607.32	4,402.06	6,737.68	24,166.54

Note 19- OTHER INCOME

Interest Income				
From Banks	10.78	30.85	21.55	72.38
From Others	-	-	-	-
Other non-operating income				
Rental and Hiring Income	0.00	0.22	6.10	5.90
Rebates	11.41	-	-	-
Fees and Penalties	-	0.22	0.02	0.12
Sale of scrap, tender forms and others	2.22	0.03	1.27	37.77
Miscellaneous receipts	0.98	1.33	0.03	4.37
Amortization of Grants	326.04	326.04	326.04	1,304.15
Revenue Grant	-	(6,359.08)	3,492.50	-
Laboratory Testing Fees	0.96	2.93	0.27	7.85
Department Charges Deposit Work	-	-	1.80	-
Total	352.39	(5,997.46)	3,849.58	1,432.54

Note 20- SLDC (STATE LOAD DISPATCH CENTRE) CHARGES

Related Party Charges:				
State Load Dispatch Centre (SLDC) Charges to Meghalaya Power Transmission Corporation Limited (MePTCL)	51.00	50.00	48.00	194
Total	51.00	50.00	48.00	194.00

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

Note 21 - EMPLOYEE BENEFITS EXPENSE

Salaries and wages	1,978.96	8,716.43	1,915.82	12,004.74
Contribution to provident and other funds	22.64	79.78	58.84	288.93
Staff welfare expenses	-	-	-	-
Apportionment of Employee Benefit Expenses (from Holding Company)	201.28	(4,156.09)	1,631.51	1,192.41
Sub Total	2,202.88	4,640.12	3,606.16	13,486.07
Less: Employee benefits expense capitalised	124.56	143.92	130.08	534.09
Total	2,078.32	4,496.20	3,476.08	12,951.99

Note 21.1- Apportionment of Employee Benefit Expenses (from Holding Company) has the following break-up:-

Salaries and wages	199.24	(73.28)	265.73	1,184.57
Contribution to provident and other funds	1.81	(4,082.81)	1,365.78	6.48
Corporation Contribution To CPS Fund	-	-	-	-
Staff welfare expenses	0.19	-	-	1.36
Total	201.28	(4,156.09)	1,631.51	1,192.41

Note 22 - FINANCE COSTS

Interest:				
To related party (Meghalaya Energy Corporation Limited, i.e., Holding Company)- including Penal Interest	-	-	2.36	9.66
To Others - including Penal Interest	2,109.74	3,640.24	2,322.77	10,707.48
Other banking and guarantee charges	99.17	48.43	48.43	193.73
Sub Total	2,148.92	3,688.67	2,373.56	10,910.87
Less: Finance costs capitalised	424.55	299.57	223.23	1,244.19
Total	1,724.36	3,389.10	2,150.33	9,666.68

Note- 22.1 Penal details are stated hereunder-

Related Party (Meghalaya Energy Corporation Limited, i.e., Holding Company)	-	-	2.36	2.54
Others	2.47	110.95	107.46	366.81
Total	2.47	110.95	109.81	369.35

Note 23 - DEPRECIATION AND AMORTIZATION EXPENSE

Depreciation	2,516.26	2,527.90	2,635.93	10,373.17
Less: Depreciation expense capitalised	-	-	-	-
Total	2,516.26	2,527.90	2,635.93	10,373.17

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

Note 24 - OTHER EXPENSES

Repairs and maintenance:				
Buildings	22.80	50.93	26.59	85.03
Plant and Equipment	152.44	125.77	292.50	825.32
Hydraulic Works	13.07	39.42	15.43	82.12
Civil Works	0.20	28.31	5.53	54.54
Lines & Cables	2.25	1.72	5.44	8.85
Vehicles	3.20	5.12	1.58	10.27
Furniture and Fixtures	0.13	0.43	0.02	0.84
Office equipment	0.59	3.99	1.16	7.49
Lubricants and Consumable Stores	-	-	20.35	20.35
Administration, Operating and General Expenses				
Insurance Charges	758.50	162.17	466.06	628.83
Rent, Rates and Taxes	5.00	1.00	-	1.26
Telegram, Postage, Telegraph and Telex charges	0.78	1.49	0.95	4.68
Training, conveyance and vehicle running expenses	33.15	82.03	51.00	202.00
Printing and stationery expenses	1.86	2.29	2.63	7.90
Auditors' remuneration	-	4.03	1.10	5.13
Consultancy Charges	-	-	-	-
Technical fees	0	-	-	-
License and Registration Charges	-	-	-	-
Books & Periodicals	0.02	0.03	0.01	0.14
Fees and subscription expenses	-	-	0.03	0.03
Advertisement charges	0.89	1.00	4.60	7.84
Legal and professional charges	15.48	29.46	1.29	31.52
Meghalaya State Electricity Regulatory Commission (MSERC)	1.86	-	1.16	15.28
Fees	-	-	-	-
Electricity and Water Charges	0.48	2.21	0.14	2.68
Lab Testing Expenses	-	-	-	-
Bank Charges	0.16	0.13	0.13	0.38
Entertainment expenses	0.22	0.17	0.00	0.28
Advance to Staff written off	-	-	-	-
Interest written off	-	-	-	-
Miscellaneous expenses	2.61	2.19	1.01	6.12
Sub Total	1,015.70	543.90	898.69	2,008.88
Less: Other Expenses Capitalised	4.28	47.83	6.27	67.28
Total	1,011.42	496.07	892.42	1,941.60

Note 25 - OTHER COMPREHENSIVE INCOME

Portion of actuarial valuation not pertains to Current year	(84,078.45)	(74,984.46)
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