OPSinghania & Co
CHARTERED ACCOUNTANTS
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Independent Auditor's Report

To the Partners of Chhattisgarh Hydro Power LLP

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Chhattisgarh Hydro Power LLP** (the "LLP"), which comprise the statement of assets and liabilities as at 31st March 2024 and the statement of income and expenditure (including other comprehensive income), statement of changes in other reserves and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements give the information and give a true and fair view of the financial position of the entity as at March 31, 2024 and of its financial performance and its cash flows for the year ended on that date in accordance with the Indian Accounting Standards ("Ind AS") issued by the Institute of Chartered Accountants of India ("the ICAI").

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the ICAI. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the LLP in accordance with the Code of Ethics issued by the ICAI together with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the aforesaid Ind AS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the LLP to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the LLP to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For **OPSinghania & Co**
(ICAI Firm Regn. No.002172C)
Chartered Accountants

Vijay Jadwani
Partner
Membership No.432878

Raipur, 18th May, 2024

UDIN: 24432878BKDHBB3793

CHHATTISGARH HYDRO POWER LLP
Statement of Assets and Liabilities as at 31st March 2024

	Particulars	Note	As at 31.03.2024	As at 31.03.2023
			₹	₹
	ASSETS			
(1)	**Non-current Assets**			
(a)	Property, Plant & Equipment	2	1,89,72,67,304	1,91,82,70,425
(b)	Capital work-in-progress	3	1,98,53,38,032	56,89,00,890
(c)	Other Intangible Assets	4	95,80,918	98,02,207
(d)	Financial Assets			
	Other Non-current Financial Assets	5	5,00,00,000	5,00,06,137
(e)	Other Non- current Assets	6	24,76,41,152	11,00,67,913
	TOTAL NON CURRENT ASSETS		**4,18,98,27,405**	**2,65,70,47,572**
(2)	**Current Assets**			
(a)	Financial Assets			
	(i) Trade Receivables	7	3,34,76,835	8,60,51,700
	(ii) Cash & Cash Equivalents	8	2,08,57,410	65,45,955
	(iii) Bank balance other than cash & cash equivalent above	8	17,13,00,000	10,16,18,657
	(v) Other financial assets	9	1,88,79,374	1,79,86,350
(b)	Other Current Assets	10	2,43,97,692	1,27,66,837
	TOTAL CURRENT ASSETS		**26,89,11,311**	**22,49,69,499**
	TOTAL ASSETS		**4,45,87,38,716**	**2,88,20,17,070**
	CONTRIBUTION & LIABILITIES			
	PARTNER'S FUNDS			
(a)	Capital Contribution	11	2,19,56,74,777	1,27,38,41,214
(b)	Other Reserves		4,93,936	4,51,276
	TOTAL PARTNER'S FUND		**2,19,61,68,713**	**1,27,42,92,490**
	Liabilities			
(1)	**Non-current Liabilities :**			
(a)	Financial Liabilities			
	Borrowings	12	46,59,21,247	60,13,95,811
(b)	Deferred Tax Liabilities (Net)	13	31,81,06,025	33,63,22,489
(c)	Other Non Current Liabilities	14	4,30,00,000	4,40,00,000
(d)	Provisions	15	85,81,106	63,35,407
	TOTAL NON CURRENT LIABILITIES		**83,56,08,378**	**98,80,53,707**
(2)	**Current Liabilities**			
(a)	Financial Liabilities			
	(i) Borrowings	16	1,24,47,84,785	54,61,66,497
	(ii) Other Financial Liabilities	17	16,46,24,132	6,50,12,762
(b)	Other current liabilities	18	1,45,68,988	41,14,162
(c)	Provisions	19	5,97,299	8,47,181
(d)	Current Tax Liability (Net)		23,86,421	35,30,272
	TOTAL CURRENT LIABILITIES		**1,42,69,61,625**	**61,96,70,874**
	TOTAL CONTRIBUTION & LIABILITIES		**4,45,87,38,716**	**2,88,20,17,070**

MATERIAL ACCOUNTING POLICIES 1.01
The accompanying notes are integral part of the financial statements
As per our Report of even date

For, OPSinghania & Co
(ICAI Firm Regn. No. 002172C)
Chartered Accountants

For CHHATTISGARH HYDRO POWER LLP

Vijay Jadwani
Partner
Membership No. 432878
Place : Raipur
Date: 18th May 2024

Pankaj Sarda
Designated Partner

P.S. Duttagupta
Designated Partner

Chhattisgarh Hydro Power LLP
Statement of Income and Expenditure for the period ended 31st March 2024

Sr No.	Particulars	Notes	31.03.2024	31.03.2023
			₹	₹
I	**Income**			
	Income from operations	20	38,72,64,959	42,13,08,329
	Other Revenue	21	1,17,46,807	1,83,75,249
II	**Total Income**		**39,90,11,766**	**43,96,83,578**
III	**Expenses**			
	Employee benefit expense	22	2,39,32,905	2,12,15,944
	Finance costs	23	6,47,19,928	5,78,66,190
	Depreciation and amortisation expense	24	4,37,78,133	4,47,88,738
	Operating and Other expenses	25	4,29,40,316	4,03,65,835
	Total expenses		**17,53,71,281**	**16,42,36,706**
IV	**Profit before tax (II-III)**		**22,36,40,485**	**27,54,46,872**
V	**Income tax expense**			
	- Current tax		3,73,12,004	4,52,15,962
	- Tax Prior Period		(65,704)	-
	- Deferred tax		(1,82,39,378)	(1,72,10,204)
VI	**Profit for the period (IV-V)**		**20,46,33,563**	**24,74,41,113**
VII	**Other Comprehensive income for the**			
	(i) Items that will not be reclassified to profit or loss			
	-Acturial gain or losses on Defined Benefit Plans		65,575	(2,35,663)
	(ii)Income tax relating to items that will not be reclassified to profit or loss:			
	- Acturial gain or losses on Defined Benefit Plans		(22,915)	82,350
	Other comprehensive income for the period, net of tax		**42,660**	**(1,53,313)**
VIII	**Total comprehensive income for the period**		**20,46,76,223**	**24,72,87,800**

MATERIAL ACCOUNTING POLICIES 1.01

The accompanying notes are integral part of the financial statements.
As per our report of even date

For OPSinghania & Co
(ICAI Firm Reg. No.002172C)
Chartered Accountants

For Chhattisgarh Hydro Power LLP

Vijay Jadwani
Partner
Membership No. 432878

Pankaj Sarda
Designated Partner

P.S. Duttagupta
Designated Partner

Place : Raipur
Date: 18th May 2024

Chhattisgarh Hydro Power LLP
STATEMENT OF CHANGES IN OTHER RESERVES

Particulars	Reserves and Surplus	Other Comprehensive Income	Total other equity
	Retained Earnings		
	₹	₹	₹
Balance as of April 1st , 2022	6,04,589		**6,04,589**
Profit for the year	24,74,41,113	-	**24,74,41,113**
Defind Benefit Plan (net of taxes)	(1,53,313)		**(1,53,313)**
Transferred to partners capital account	(24,74,41,113)	-	**(24,74,41,113)**
Balance as of March 31, 2023	**4,51,276**	**-**	**4,51,276**
Balance as of April 1st , 2023	4,51,276	-	**4,51,276**
Profit for the year	20,46,33,563	-	**20,46,33,563**
Defind Benefit Plan (net of taxes)	42,660		**42,660**
Transferred to partners capital account	(20,46,33,563)	-	**(20,46,33,563)**
Balance as of 31st March , 2024	**4,93,936**	**-**	**4,93,936**

The accompanying notes are integral part of the financial statements.

As per our report of even date

For OPSinghania & Co
(ICAI Firm Reg. No.002172C)
Chartered Accountants

Vijay Jadwani
Partner
Membership No. 432878

Place : Raipur
Date: 18th May 2024

For Chhattisgarh Hydro Power LLP

Pankaj Sarda
Designated Partner

P.S. Duttagupta
Designated Partner

Chhattisgarh Hydro Power LLP

Cash Flow Statement For The Year Ended 31st March 2024

Particulars	**31.03.2024**	**31.03.2023**
	₹	₹
A. Cash Flow from Operating Activities		
Net Profit/(Loss) Before Tax	**22,36,40,485**	**27,54,46,872**
Adjustment to Reconcile net profit to net cash provided by operating activities		
Depreciation & Amortisation	4,37,78,133	4,47,88,738
Provision for employee benefits	20,61,392	17,87,324
Amortization of Capital Subsidy	(10,00,000)	(10,00,000)
Interest Expenses	6,47,19,928	5,78,66,190
Interest Income	(98,92,882)	(99,52,929)
Operating Profit before Working Capital changes	**32,33,07,055**	**36,89,36,194**
Changes in assets and liabilities		
Increase/(decrease) in other Current Liabilities	1,04,54,826	28,90,426
Decrease/(increase) in trade receivables	5,25,74,865	67,63,613
Decrease/(increase) in inventories	-	-
Increase/(decrease) in other financial liabilities	9,96,11,370	3,70,67,824
(Increase)/decrease Other financial assets	(8,93,024)	(74,22,320)
(Increase)/decrease Other Current Assets	(1,16,30,855)	(4,94,369)
(Increase)/decrease Other Non Current Assets	10,35,788	(3,99,037)
Cash generated from/(used in) operations	**47,44,60,025**	**40,73,42,331**
Direct taxes paid (net of refunds)	(3,83,90,151)	(41,22,207)
Net Cash Flow from Operating Activities	**43,60,69,874**	**40,32,20,124**
B. Cash Flow from Investing Activities		
(Increase)/Decrease in Property, plant & equipment	(1,57,75,99,892)	(53,21,19,115)
Investment in fixed deposit with bank - maturity for more than 3 months	(6,96,75,206)	(6,44,974)
(Increase)/Decrease in loans	-	3,10,28,637
Interest Income	98,92,882	99,52,929
Net Cash used in Investing Activities	**(1,63,73,82,216)**	**(49,17,82,523)**
C. Cash Flow from Financing Activities		
Contribution made by partners	71,72,00,000	(20,00,00,000)
(Repayment)/Proceeds of long term borrowings	56,31,43,724	34,59,95,189
Interest Expenses	(6,47,19,928)	(5,78,66,190)
Net Cash from financing Activities	**1,21,56,23,797**	**8,81,28,999**
Net Increase/(decrease) in Cash and Cash equivalents (A+B+C)	**1,43,11,455**	**(4,33,400)**
Cash & Cash Equivalents at the beginning (Note 6)	65,45,955	69,79,354
Cash & Cash Equivalents at the end (Note 6)	2,08,57,410	65,45,955
Increase/(decrease) in Cash and Cash equivalents	**1,43,11,455**	**(4,33,400)**

<u>Notes:</u>

(a) Cash and cash equivalent include the following :

Cash on Hand	95,275	31,993
Balance with Banks	2,07,62,135	65,13,962
	2,08,57,410	**65,45,955**

(b) Figures in brackets represent outflows.

As per our report of even date

For OPSinghania & Co
(ICAI Firm Reg. No.002172C)
Chartered Accountants

For, Chhattisgarh Hydro Power LLP

Vijay Jadwani
Partner
Membership No. 432878
Place : Raipur
Date: 18th May 2024

Pankaj Sarda
Designated Partner

P.S. Duttagupta
Designated Partner

1.00 **REPORTING ENTITY**

The LLP is domiciled in India and is incorporated under the provisions of Limited Liability Partnership Act, 2008. The LLP in engaged in the business of generation and distribution of hydro electric power and has implemented a Small Hydro Power Project named 24 MW Gullu SHP. The plant has started commercial operations w.e.f. 17.07.2017. In addition, it is implementing other small hydro power projects which are under construction.

1.01 **SIGNIFICANT ACCOUNTING POLICIES**

(i) **BASIS OF PREPARATION AND PRESENTATION**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, except for certain financial instruments which are measured at fair values in accordance with Ind AS issued by the Institute of Chartered Accountants of India.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or are vision to an existing accounting standard requires a change in the accounting policy hitherto in use. The LLP has not early adopted any standards, amendments that have been issued but are not yet effective/notified.

(ii) **BASIS OF MEASUREMENT**

The financial statements have been prepared on the historical cost convention and on accrual basis except for the following:

- defined benefit plans

(iii) **USE OF ESTIMATES**

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

1.02 **SUMMARY OF MATERIAL ACCOUNTING POLICIES:**

(a) **Current versus non-current classification**

The LLP presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- expected to be realised or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or a cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets are classified as non-current.

A liability is current when it is:

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

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The LLP has identified twelve months as its operating cycle.

(b) **Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Normally at initial recognition, the transaction price is the best evidence of fair value.

However, when the LLP determines that transaction price does not represent the fair value, it uses inter-alia valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All financial assets and financial liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy. This categorisation is based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Financial assets and financial liabilities that are recognised at fair value on a recurring basis, the LLP determines whether transfers have occurred between levels in the hierarchy by re- assessing categorisation at the end of each reporting period.

(c) **Financial Instruments**

i) Financial Assets

A. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement

Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C. Impairment of financial assets

In accordance with Ind AS 109, the LLP uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through OCI.

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables LLP applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The LLP uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

ii) Financial Liabilities

A. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii) Derecognition of financial instruments

The LLP derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the LLP's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

(d) **Property, plant and equipment**

Items of property, plant and equipment are measured at cost less accumulated depreciation/, amortisation and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for its intended use.

The residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively.

Depreciation and amortisation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method. Land, Right to use Land, Approach Road, Plant & Machinery and Building are depreciated/amortised over the period for which ownership of the plant is vested with the LLP as per Implementation Agreement signed with the Government of Chhattisgarh. The residual value of the aforesaid assets is considered nil as these will be transferred to the State Government after expiry of the Agreement term and no amount will be payable by the State Government on transfer.

(e) **Intangible assets**

Intangible assets comprising of Right to Use land rights expected to provide future economic benefits are stated at cost of acquisition/ implementation/ development.

(f) **Capital Work-in-Progress**

(i) Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work in Progress. Such costs comprises purchase price of asset including import duties and non-refundable taxes after deducting trade discounts and rebates and costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(ii) Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and up-gradation etc. of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under “Capital works in progress” and subsequently allocated on systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects.

(iii) Capital Expenditure incurred for creation of facilities, over which the LLP does not have control but the creation of which is essential principally for construction of the project is capitalized and carried under “Capital work in progress” and subsequently allocated on systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects, keeping in view the “attributability” and the “Unit of Measure” concepts in Ind AS 16- “Property, Plant & Equipment” . Expenditure of such nature incurred after completion of the project, is charged to Profit or Loss.

(g) **Borrowing Costs**

Interest and other borrowing costs in connection with the borrowing of the funds to the extent related/attributed to the acquisition/construction of fixed assets are capitalized only with respect to qualifying fixed assets i.e. those which take substantial period of time to get ready for its intended use for the period when the qualifying assets are under construction..

Transaction costs are calculated by taking into account fees and other cost that have been incurred for establishment of loan facilities and forms integral part thereof. Borrowings are subsequently measured at amortised cost using Effective Interest Rate (EIR) method. The EIR amortisation is included in finance cost and is capitalised to the cost of the PPE under construction till the commencement of commercial production and charged to Profit and Loss Account thereafter.

(h) **Government grant**

Government grants are recognised initially as deferred income when there is reasonable assurance that they will be received and the LLP will comply with the conditions associated with the grant. Grants that compensate the LLP for expenses incurred are recognised over the period in which the related costs are incurred and are deducted from the related expenses. Grants that compensate the LLP for the cost of an asset are recognised in profit or loss on a systematic basis over the useful life of the related asset.

(i) **Employee benefits**

Employee benefits consist, inter-alia, of gratuity, leave benefits (including compensated absences) and other terminal benefits.

The liability in respect of Gratuity, Leave encashment are ascertained at the year end on the basis of actuarial valuation.

The liability for leave benefits (including compensated absences), allowance on retirement/ death and memento on superannuation to employees is ascertained at the year end on the basis of actuarial valuation.

The expenses incurred on terminal benefits in the form of ex-gratia payments and notice pay on voluntary retirement schemes are charged to profit or loss in the year of incurrence of such expenses.

Service cost & net interest on the net defined benefit liability (asset) are recognized in Profit or loss unless another Standard permits inclusion in the cost of asset.

Remeasurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

(j) **Provisions and contingent liabilities**

Provisions are recognised when the LLP has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the LLP expects some or all of a provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is virtually certain.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed on the basis of judgment of management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

(k) **Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks.

(l) **Revenue Recognition:**

The LLP recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the LLP expects to be entitled in exchange for those goods or services. The LLP has generally concluded that it is the principal in its revenue arrangements as it typically controls the goods or services before transferring them to the customer.

The rate for sale of electricity has been recognised based on the last available tariff order notified by the CSERC. The difference in rate on notification of the applicable tariff order shall be recognised as income or expenditure in the year of notification of the tariff order by the CSERC.

(m) **Other Income:**

Interest income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the LLP and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset’s net carrying amount on initial recognition.

(n) **Income Taxes**

Income tax expense represents the sum of current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income. In this case the tax is also recognised directly in equity or in other comprehensive income.

(i) Current income tax

The current tax is based on taxable profit for the year under the Income Tax Act, 1961. Taxable profit differs from profit as reported in the Statement of Profit and Loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible (permanent differences). The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in India where the LLP operates and generates taxable income.

(ii) Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the LLP's financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unused tax losses and unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of an asset or liability in a transaction that at the time of the transaction affects neither the taxable profit or loss nor the accounting profit or loss.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the LLP expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(o) **Impairment of financial assets**

In accordance with Ind-AS 109, the LLP applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following:
i.Financial assets that are measured at amortised cost.
ii.Financial assets that are debt instruments and are measured as at FVTOCI.
Contract assets and trade receivables under Ind AS-115, Revenue.

The LLP follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract assets resulting from transactions within the scope of Ind-AS 11 and Ind- AS 115.

The application of simplified approach does not require the LLP to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets, the LLP assesses whether there has been a significant increase in the credit risk since initial recognition. If credit risk has increased significantly, ECL is provided. For assessing increase in credit risk and impairment loss, the LLP assesses the credit risk characteristics on instrument-by-instrument basis.

Impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the statement of profit and loss.

(p) **Impairment of non-financial assets - property, plant and equipment and intangible assets:**

The LLP assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(q) **New and amended standards :**

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2023 dated March 31st, 2023, to amend the existing Ind AS viz. Ind AS 12,1,8,34,109,101,102,103,107 & 115. There is no such impact of amendments which would have been applicable from April 1, 2023.

The LLP has not early adopted any standards, amndements that hav been issued but are not yet effective/notified.

Chhattisgarh Hydro Power LLP
Notes to Financial Statements for the year ended 31st March 2024

NOTE 2	**Property, Plant & Equipment**										
	Land	**Approach Road**	**Office Equipemnts**	**Plant and Equipment**	**Furniture & Fixture**	**Survey Equipments**	**Building**	**Tools and Tackles**	**Weigh Bridge**	**Vehicle**	**Total**
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Gross Block											
As at 01.04.2022	**1,67,81,268**	**10,84,50,845**	**1,42,44,104**	**1,83,99,71,747**	**15,86,318**	**8,41,339**	**18,00,92,029**	**9,50,221**	**13,36,187**	**72,96,670**	**2,17,15,50,727**
Addition	20,97,940		32,25,455	64,62,801	3,10,216	8,260	3,03,057	1,62,566	-	23,29,827	1,49,00,122
Disposals	-	-	-	-	-	-	-	-	-	-	-
Transfer to govt. compensatory afforestation	35,40,800										35,40,800
As at 01.04.2023	**1,53,38,408**	**10,84,50,845**	**1,74,69,559**	**1,84,64,34,548**	**18,96,534**	**8,49,599**	**18,03,95,086**	**11,12,787**	**13,36,187**	**96,26,497**	**2,18,29,10,049**
Addition	1,72,68,840	-	20,45,181	48,98,400	1,20,202	-	74,427	-	-	13,10,854	2,57,17,904
Disposals				-							-
As at 31.03.2024	**3,26,07,248**	**10,84,50,845**	**1,95,14,740**	**1,85,13,32,948**	**20,16,736**	**8,49,599**	**18,04,69,513**	**11,12,787**	**13,36,187**	**1,09,37,351**	**2,20,86,27,953**
Depreciation											
As at 01.04.2022	**15,40,554**	**1,02,03,294**	**75,57,195**	**17,77,99,645**	**8,71,277**	**6,02,123**	**1,62,77,396**	**3,09,407**	**2,87,924**	**37,02,886**	**21,91,51,701**
Depreciation for the year	1,49,630	21,69,017	16,28,712	3,65,17,810	1,47,408	47,718	32,73,900	66,235	44,961	5,22,058	**4,45,67,449**
Disposal/Adjustments	-	-	1,55,204	4,58,284	18,009	3,834	9,81,101	1,939	-	1,61,987	**17,80,358**
Disposal/Adjustments	(8,59,882)	-	-	-	-	-	-	-	-	-	**(8,59,882)**
As at 01.04.2023	**8,30,302**	**1,23,72,311**	**93,41,111**	**21,47,75,739**	**10,36,694**	**6,53,675**	**2,05,32,397**	**3,77,581**	**3,32,885**	**43,86,931**	**26,46,39,626**
Depreciation for the year	1,49,630	19,20,033	9,49,092	3,71,47,994	1,40,179	24,276	25,98,525	67,732	12,163	5,47,221	**4,35,56,844**
Disposal/Adjustments	-	2,48,984	3,07,256	11,51,971	36,407	4,110	9,28,337	2,745	33,218	4,51,151	**31,64,179**
											-
As at 31.03.2024	**9,79,932**	**1,45,41,328**	**1,05,97,459**	**25,30,75,704**	**12,13,280**	**6,82,060**	**2,40,59,259**	**4,48,058**	**3,78,266**	**53,85,303**	**31,13,60,649**
Net Block											
At 31.03.2023	**1,45,08,106**	**9,60,78,534**	**81,28,448**	**1,63,16,58,809**	**8,59,840**	**1,95,924**	**15,98,62,689**	**7,35,206**	**10,03,302**	**52,39,566**	**1,91,82,70,423**
At 31.03.2024	**3,16,27,316**	**9,39,09,517**	**89,17,281**	**1,59,82,57,244**	**8,03,456**	**1,67,539**	**15,64,10,254**	**6,64,729**	**9,57,921**	**55,52,048**	**1,89,72,67,304**

* adjustment includes depreciation on Rehar Project assets which is under construction stage are being transferred to capital work-in-progress.

Note 3 Capital-Work-in Progress (CWIP)	As at 31.03.2024	As at 31.03.2023
	₹	₹
Capital Work-in Progress (CWIP)	1,98,53,38,032	56,89,00,890
Total	**1,98,53,38,032**	**56,89,00,890**

A) For Capital-work-in progress, following ageing schedule shall be given:
CWIP aging schedule

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
2023-24	₹	₹	₹	₹	₹
Projects in progress	1,37,36,39,956	41,56,01,981	3,64,96,581	-	1,82,57,38,518
Project & Preoperative Expenses					
24.90 M.W. Rehar-I SHP	5,21,44,718	5,64,00,081	2,09,74,308	2,40,62,160	15,35,81,267
24.00 M.W. Mand SHP	43,200	47,200	4,62,265	17,89,910	23,42,575
24.90 M.W. Jelha SHP	3,25,670	-		33,50,002	36,75,672
Total	**1,42,61,53,544**	**47,20,49,262**	**5,79,33,154**	**2,92,02,072**	**1,98,53,38,032**
Projects temporarily suspended	-	-	-	-	-
2022-23					
Projects in progress	42,53,18,386	3,64,96,578			46,18,14,964
Project & Preoperative Expenses	-				-
24.90 M.W. Rehar-I SHP	5,64,00,081	2,09,74,308	79,58,278	1,61,03,882	10,14,36,549
24.00 M.W. Mand SHP	47,200	4,62,265	11,100	17,78,810	22,99,375
24.90 M.W. Jelha SHP	-			33,50,002	33,50,002
Total	**48,17,65,667**	**5,79,33,151**	**79,69,378**	**2,12,32,694**	**56,89,00,890**
Projects temporarily suspended	-	-	-	-	-

B) As at the balance sheet date, the assets/projects forming part of capital work in progress are neither exceeded its estimated cost nor its estimated completion time line.

NOTE 4	Other Intangible Assets	
	Right to Use Land	Total
	₹	₹
Gross Block		
Carrying Value		
As at 01.04.2022	1,10,64,464	**1,10,64,464**
Addition	-	-
Disposals	-	-
As at 31.03.2023	1,10,64,464	**1,10,64,464**
Addition	-	-
Disposals	-	-
As at 31.03.2024	1,10,64,464	**1,10,64,464**
Amortization		-
As at 01.04.2022	10,40,968	**10,40,968**
Amortization for the year	2,21,289	**2,21,289**
Disposal/Adjustments	-	-
As at 31.03.2023	12,62,257	**12,62,257**
Amortization for the year	2,21,289	**2,21,289**
Disposal/Adjustments		-
As at 31.03.2024	14,83,546	**14,83,546**
Net Block		-
At 31.03.2023	98,02,207	**98,02,207**
At 31.03.2024	95,80,918	**95,80,918**

NOTE 5 **Other Non Current Financial Assets**	**AS AT 31.03.2024**	**AS AT 31.03.2023**
Bank deposits more than 12 months maturity	5,00,00,000	5,00,06,137
Total	**5,00,00,000**	**5,00,06,137**

NOTE 6 **Other Non Current Assets**	**AS AT 31.03.2024**	**AS AT 31.03.2023**
Unsecured, considered good		
(a) Capital Advances	24,28,26,132	10,42,17,105
(b) Security Deposits	35,78,592	48,91,811
(c) Prepaid Expenses	12,36,428	9,58,997
Total	**24,76,41,152**	**11,00,67,913**

NOTE 7 **Trade Receivables**	**AS AT 31.03.2024**	**AS AT 31.03.2023**
Trade Receivables-considered good, Unsecured	3,34,76,835	8,60,51,700
Total	**3,34,76,835**	**8,60,51,700**

Outstanding for following period for due of payment as on 31st March 2024						**Total**
Particular	**Less than 6 Month**	**6 Month to 1 Year**	**1-2 Years**	**2-3 Years**	**More than 3 years**	
Undisputed trade receivables- considered good	3,29,86,855	-	1,19,028	3,70,952	-	3,34,76,835
Undisputed trade receivables- considered doubtful	-	-	-	-	-	-
Disputed trade receivables- considered good	-	-	-	-	-	-
Disputed trade receivables- considered doubtfull	-	-	-	-	-	-

Outstanding for following period for due of payment as on 31st March 2023						**Total**
Particular	**Less than 6 Month**	**6 Month to 1 Year**	**1-2 Years**	**2-3 Years**	**More than 3 years**	
Undisputed trade receivables- considered good	8,56,80,748	-	3,70,952	-	-	8,60,51,700
Undisputed trade receivables- considered doubtful	-	-	-	-	-	-
Disputed trade receivables- considered good	-	-	-	-	-	-
Disputed trade receivables- considered doubtfull	-	-	-	-	-	-

NOTE 8 **Bank, Cash & cash equivalents**	**AS AT 31.03.2024**	**AS AT 31.03.2023**
Cash & cash equivalents		
Balance with Bank in current accounts		
- In current accounts	2,07,62,135	65,13,962
Cash in hand	95,275	31,993
Total	**2,08,57,410**	**65,45,955**
Other Bank Balances		
Fixed deposits with bank		
- Maturity 6-12 Months	17,13,00,000	10,16,18,657
Total	**19,21,57,410**	**10,81,64,612**

Fixed deposit with bank agreegating to Rs.1713.00 Lacs (Previous year 1016.19 lacs) pledged with bank for availing bank guarantee and letter of credits and margin money towards DSRA account.

Note 9 Other Financial Assets (Unsecured, considered good):	**AS AT 31.03.2024**	**AS AT 31.03.2023**
Other receivables	1,88,17,936	1,79,64,012
Interest Receivable on Electricity Deposit	61,438	22,338
Total	**1,88,79,374**	**1,79,86,350**

NOTE 10 OTHER CURRENT ASSETS	**AS AT 31.03.2024**	**AS AT 31.03.2023**
(Unsecured, considered good)		
(i) Advances Recovarable in Cash or Kind	1,51,21,607	82,29,237
(ii) Pre prepaid Expenses	23,36,642	25,02,344
(iii) Advance for Expenses	69,39,443	20,35,255
Total	**2,43,97,692**	**1,27,66,837**

NOTE 11 : Capital Contribution

PARTICULARS	PROFIT SHARING RATIO %	AS AT 01.04.2023	CONTRIBUTION DURING THE YEAR	WITHDRAWALS DURING THE YEAR	PROFIT (LOSS) DISTRIBUTED	AS AT 31.03.2024
		₹	₹	₹	₹	₹
Sarda Energy & Minerals Ltd.	**72.00%**	91,71,65,674	55,86,64,000	-	14,73,36,165	1,62,31,65,839
Sarda Energy Limited	**28.00%**	35,66,75,540	15,85,36,000	-	5,72,97,398	57,25,08,938
Total	**100.00%**	**1,27,38,41,214**	**71,72,00,000**	**-**	**20,46,33,563**	**2,19,56,74,777**

Note 12 **Borrowings : Financial Liabilities**	**As At 31.03.2024**	**As At 31.03.2023**
Term Loan From Banks (Secured)	46,59,21,247	60,13,95,811
Total non-current Borrowings	**46,59,21,247**	**60,13,95,811**

Terms and repayment schedule

Terms and conditions of outstanding borrowings are as follows:

Nature of Borrowing	**Normal Interest Rate**	**Year of Maturity**	**Carrying Amount as on 31.03.2024**	**Carrying Amount as on 31.03.2023**
Secured Bank Loan (HDFC)	9.70% p.a. (linked to 1 year MCLR with Annual reset)	2027-28	4,659.21	6,013.96
Total Borrowings	**Total Borrowings**		**4,659.21**	**6,013.96**

Security against Borrowings

(a)Primary Security Charge on entire movable & immovable fixed assets of 24 MW Gullu Hydro Power Project of Chhattisgarh Hydro Power LLP.

(b)Collateral Security 1) Charge on entire currents assets of 24 MW Gullu Hydro Power Project of Chhattisgarh Hydro Power LLP.

2) Unconditional and irrevocable personal guarantees of Mr Kamal Kishore Sarda & Mr Pankaj Sarda.

NOTE 13 **DEFERRED TAX LIABILITIES/(ASSETS)**	**As At 31.03.2024**	**As At 31.03.2023**
Deferred Tax Liabilities/(Assets)		
Accelerated depreciation for tax purpose	44,85,32,280	42,89,29,502
Temporary differences on account of Employee Benefits	(31,94,085)	(24,99,541)
Unused Tax Credit	(12,72,32,170)	(9,01,07,472)
Total	**31,81,06,025**	**33,63,22,489**

RECONCILIATION OF DEFERRED TAX LIABILITIES/(ASSETS)	**31.03.2024**	**31.03.2023**
Deferred tax liability at the beginning of the year	33,63,22,489	35,36,15,042
Deferred tax liability during the year on account of timing difference	1,89,08,234	2,78,00,605
Recognition of unused tax credit during the period	(3,71,24,697)	(4,50,93,158)
Closing balance	**31,81,06,025**	**33,63,22,489**

Note 14 **Other Non Current Liabilities**	**As At 31.03.2024**	**As At 31.03.2023**
Unamortised Capital Subsidy	4,30,00,000	4,40,00,000
Other Non Current Liabilities	**4,30,00,000**	**4,40,00,000**

Note 15 **Long Term Provisions**	**As At 31.03.2024**	**As At 31.03.2023**
Provision for employee benefits		
Gratuity	54,92,505	40,38,449
Leave encashment	30,88,601	22,96,958
Total Long Term Provisions	**85,81,106**	**63,35,407**

Note 16 **Short term Borrowings**	**As At 31.03.2024**	**As At 31.03.2023**
Current Maturities of Long term Borrowings	13,45,11,132	13,45,11,132
Loans from Controlling Entity repayable on demand	1,11,02,73,653	41,16,55,365
Total Borrowings Financial Liabilities	**1,24,47,84,785**	**54,61,66,497**

Note 17 **Other financial liabilities**	**As At 31.03.2024**	**As At 31.03.2023**
Employee benefit Payable	66,38,607	61,15,128
Interest Accrued but not due on borrowings	49,86,678	45,23,996
Retention money payable	13,38,90,094	2,95,69,040
Creditors for capital goods	1,66,61,020	2,26,41,821
Other payable	24,47,733	21,62,777
Total Other financial liabilities	**16,46,24,132**	**6,50,12,762**

Note 18 **Other current liabilities**	**As At 31.03.2024**	**As At 31.03.2023**
Statutory dues payable	1,45,14,636	40,70,453
Bonus payable	54,352	43,709
	1,45,68,988	**41,14,162**

Note 19 **Short Term Provisions**	**As At 31.03.2024**	**As At 31.03.2023**
Provision for employee benefits		
Gratuity	4,05,845	4,41,204
Leave encashment	1,91,454	4,05,977
Total Short Term Provisions	**5,97,299**	**8,47,181**

Note 20 **Revenue from operation**	**As At 31.03.2024**	**As At 31.03.2023**
Sale of Power	37,74,21,778	41,16,46,268
Reimbursement of Duties & Water Charges	98,43,181	96,62,061
Total Sale of Services	**38,72,64,959**	**42,13,08,329**

Ind AS 115 Revenue from Contracts with Customers

The Company recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods.

The Company has assessed and determined the following categories for disaggregation of revenue:

Particulars	**As At 31.03.2024**	**As At 31.03.2023**
Revenue from contracts with customer	**38,72,64,959**	**42,13,08,329**
Other operating revenues	-	-
Total Revenue from operations	**38,72,64,959**	**42,13,08,329**
India	**38,72,64,959**	**42,13,08,329**
Outside India	-	-
Total Revenue from operations	**38,72,64,959**	**42,13,08,329**
Timing of revenue recognition		
At a point in time	**38,72,64,959**	**42,13,08,329**
Contract balances		
Trade Receivables (refer note 7)	**3,34,76,835**	**8,60,51,700**
Other Receivables (refer note 9)	**1,88,79,374**	**1,79,64,012**
Contract Liabilities	**-**	**-**

Trade receivables are on terms of credit period 60 days. There is no expected credit losses on trade receivables as on 31st March,2024 and in the preceding financial year.

Note 21 **Other Income**	**As At 31.03.2024**	**As At 31.03.2023**
Interest Income		
- From Deposits	98,92,882	99,52,929
Late payment surcharge	8,53,925	74,22,320
Capital Subsidy	10,00,000	10,00,000
Total Other Income	**1,17,46,807**	**1,83,75,249**

Note 22 **Employee Benefits Expenses:**	As At 31.03.2024	As At 31.03.2023
Salaries , Wages & Other Benefits	2,03,08,700	1,80,03,193
Contribution to Provident Fund	4,83,177	4,13,713
Gratuity Expenses	11,15,086	8,83,829
Leave Encashment	9,46,306	9,03,495
Employees Welfare Expenses	10,79,636	10,11,714
Total	**2,39,32,905**	**2,12,15,944**

Note 23 **Finance Costs:**	As At 31.03.2024	As At 31.03.2023
Interest on Term Loan from Bank	6,31,66,043	5,53,62,571
Bank Charges	15,53,885	25,03,619
Total	**6,47,19,928**	**5,78,66,190**

Note 24	**31.03.2024**	**31.03.2023**
Depreciation and Amortization Expenses:		
Depreciation on Property,Plant and Equipment	4,35,56,844	4,45,67,449
Amortization on Other Intangibles Assets	2,21,289	2,21,289
Total	**4,37,78,133**	**4,47,88,738**

Note 25	**31.03.2024**	**31.03.2023**
Operating and Other Expenses		
Operation & Maintenance of Plant & Machinery	1,36,68,088	1,30,19,008
Repair & Maintenance Charges	62,993	49,031
Electricity Charges	26,74,381	22,74,631
Insurance Expenses	46,90,900	50,31,116
Rent	4,91,908	7,94,084
Electricity Duty	54,52,453	48,77,203
Water Charges	43,90,728	47,84,858
Communication Expenses	2,79,943	2,37,818
Legal & Professional Charges	12,27,901	14,58,590
Travelling & Conveyance	6,43,606	11,49,469
Vehicle Running & Maint. Exps.	21,28,031	13,29,841
Printing & Stationery	3,45,668	2,59,788
Audit Fees (refer details below)	2,95,000	2,95,000
Security Charges	20,11,791	19,06,456
Miscellaneous Expenses	45,76,925	28,98,941
Total	**4,29,40,316**	**4,03,65,835**
Total	**4,29,40,316**	**4,03,65,835**

Payments to the Auditor as:	**31.03.2024**	**31.03.2023**
- Statutory Audit Fees	2,36,000	2,36,000
- Tax Audit Fees	59,000	59,000
Total	**2,95,000**	**2,95,000**

26. (a) Contingent liabilities (to the extent not provided for)

Contingent liabilities	**31.03.2024**	**31.03.2023**
Guarantees excluding financial guarantees (given by banker)	240.60 Lacs	240 Lacs
Demand from Chhattisgarh Sales Tax Department for non payment of Entry tax on purchase of explosive material for the F.Y. 2014-15.	-	40 Lacs
Demand from Income Tax Department for disallowance of deduction claimed u/s 80IA for AY 2022-23.	315.34 Lacs	-

(b) Capital and Other Commitments

Estimated amount of Contracts remaining to be executed on Capital Account net of advance given Rs. 66,50,62,364/- (PY Rs. 1,51,79,77,100/-).

27 Related party Disclosure:

Related parties and nature of relationship where control exists:-

Controlling entity	Subsidiary of Controlling entity
Sarda Energy & Minerals Ltd.	Sarda Energy Limited

A. Transactions with related Parties

Nature of Transactions	Partners other than controlling entity (Rs.in Lacs)		Controlling entity (Rs.in Lacs)	
Transactions during the year	**2023-24**	**2022-23**	**2023-24**	**2022-23**
	₹	₹	₹	₹
Opening balance of Partners Capital	3,566.77	3,433.93	9,171.66	8,830.08
Partners Capital Received	1,585.36	-	5,586.64	-
Partners Capital repaid	-	560.00	-	1,440.00
Profit Distribution to Partners	572.97	692.84	1,473.36	1,781.58
Closing Balance of Partners Capital	**5,725.10**	**3,566.77**	**16,231.66**	**9,171.66**
Purchase of Capital Assets	-	-	28.91	-
Loans Taken	1,705.00	-	8,343.65	8,679.71
Repayment of Loans Taken	-	-	3,750.00	4,665.00
Interest Paid on Loans Taken	42.10	-	721.83	101.84
Closing Balance				
Unsecured Loan	**1742.89**	-	**9,359.85**	**4,116.55**

B. Details of Material Transaction with related parties

Particulars	2022-23	2021-22
	₹	₹
Opening balance of Partners Capital		
Sarda Energy & Minerals Ltd.	9,171.66	8,830.08
Sarda Energy Limited	3,566.77	3,433.93
	12738.43	**12264.01**
Partners Capital Received		
Sarda Energy & Minerals Ltd.	5586.64	0.00
Sarda Energy Limited	1585.36	0.00
	7172.00	**0.00**
Partners Capital repaid		
Sarda Energy & Minerals Ltd.	0.00	1440.00
Sarda Energy Limited	0.00	560.00
	0.00	**2000.00**
Profit Distribution to Partners		
Sarda Energy & Minerals Ltd.	1473.36	1781.58
Sarda Energy Limited	572.97	692.84
	2046.34	**2474.42**
Closing Balance of Partners Capital		
Sarda Energy & Minerals Ltd.	16,231.66	9,171.66
Sarda Energy Limited	5,725.10	3,566.77
	21956.77	**12738.43**
Purchase of Capital Assets		
Sarda Energy & Minerals Ltd.	28.91	0.00
Loan Taken		
Sarda Energy & Minerals Ltd.	8343.65	8679.71
Sarda Energy Limited	1705.00	0.00
Repayment of Loans Taken		
Sarda Energy & Minerals Ltd.	3750.00	4665.00
Advance Given received back		
Sarda Energy & Minerals Ltd.	0.00	310.29
Interest Paid on Loan Taken		
Sarda Energy & Minerals Ltd.	721.83	101.84
Sarda Energy Limited	42.10	0.00
Closing Balance		
Sarda Energy & Minerals Ltd. (Payable)	9359.85	4116.55
Sarda Energy Limited	1742.89	0.00

28. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 19 EMPLOYEE BENEFITS:

a) Defined Contribution plan:

Amount of Rs. 4,83,177/- (P.Y. Rs.4,13,713/-) is recognised as an expenses and included in employee benefit expense as under the following defined contribution plans (Refer Note no. 22)

Benefit (Contribution to):	2023-24	2022-23
Provident Fund	4,83,177	4,13,713
Total	**4,83,177**	**4,13,713**

b) Defined benefit plan:

Gratuity:

The LLP provides for gratuity, a defined banefit retirement plan covering eligible employees. The Gratuity plan provides a lumpsum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 to 30 days salary for each completed year of service subject to a maximum of Rs. 20 Lacs. Vesting occurs upon completion of five continuous years of service in accordance with Indian law.

	Particulars	Gratuity		Leave Encashment	
		2023-24	2022-23	2023-24	2022-23
		(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
I	**Change in Present value of defined benefit obiligation during the year:**				
1	Present value of defined benefit obiligation at the beginning of the year	44,79,653	32,57,463	27,02,935	19,02,139
2	Interest Cost	3,29,254	2,43,332	1,98,666	1,42,090
3	Current Service Cost	7,85,832	6,40,497	7,47,640	7,61,405
4	Past Service Cost	-	-	-	-
5	Benefit paid directly by employer	-	-	-	-
6	Changes due Acturial assumption	3,03,610	3,38,361	(3,69,185)	(1,02,698)
7	Present value of defined benefit obiligation at the end of the year	**58,98,349**	**44,79,653**	**32,80,056**	**27,02,935**
II	**Change in fair value of plan assets during the year:**				
1	Fair value of plan assets at the beginning of the year	-	-	-	-
2	Interest Income	-	-	-	-
3	Contribution paid by the employer	-	-	-	-
4	Benefit paid from the fund	-	-	-	-
5	Fair value of plan assets at the end of the year	-	-	-	-
III	**Net asset / (liability) recognised in the balance sheet:**				
1	Present Valur of defined benefit obiligation at the end of the year	**58,98,349**	**44,79,653**	**32,80,056**	**27,02,935**
2	Fair value of plan assets at the end of the year	-	-	-	-
	Net asset / (liability) - Current	4,05,845	4,41,204	1,91,454	4,05,977
	Net asset / (liability) - Non Current	54,92,504	40,38,449	30,88,602	22,96,958
IV	**Expenses recognized in the statement of profit and loss/capitalized for the year:**				
	Current Service Cost	7,85,832	6,40,497	7,47,640	7,61,405
	Interest Cost on benefit obiligation (Net)	3,29,254	2,43,332	1,98,666	1,42,090
	Total expenses included in employee benefits expenses/capitaliz	11,15,086	8,83,829	9,46,306	9,03,495

V	**Recognized in other comprehensive income for the year:**				
	Changes due Acturial assumption	3,03,610	3,38,361	(3,69,185)	(1,02,698)
	Recognized in other comprehensive income for the year:	3,03,610	3,38,361	(3,69,185)	(1,02,698)
VI	**Maturity profile of defined benefit obiligation:**				
	Within the next 12 months (next annual reporting period)	4,05,845	4,41,204	1,91,454	4,05,977
	Between 2 and 5 years	9,46,310	8,26,098	4,99,712	4,08,112
	Between 6 and 10 years	11,58,576	9,04,968	5,90,457	4,00,569
	After 10 Years	33,87,618	23,07,383	19,98,433	10,82,300
VII	**Quantitative Sensitivity analysis for significant assumption is as below:**				
1	1% point increase in discount rate	54,18,628	40,97,409	29,95,444	24,41,953
	1% point decrease in discount rate	64,53,541	49,23,757	36,15,926	30,14,573
	1% point increase rate of salary Increase	63,22,660	48,10,388	35,96,068	30,02,211
	1% point decrease rate of salary Increase	55,20,117	41,82,940	30,07,225	24,47,934
	1% point increase rate of withdrawal rate	59,12,886	44,95,516	32,67,883	26,94,874
	1% point decrease rate of withdrawal rate	58,81,242	44,61,828	32,93,636	27,12,563

2 **Sensitivity Analysis Method:**

Sensitivity Analysis is determined based on the expected movement in liability if the assumption were not proved to be true on different count.

	Particulars	Gratuity		Leave Encashment	
		2023-24	**2022-23**	**2023-24**	**2022-23**
		Non Funded	**Non Funded**	**Non Funded**	**Non Funded**
VIII	**The major categories of plan assets as a percentage of total:**				
	Insurer managed funds	NA	NA	NA	NA
IX	**Actuarial assumptions:**				
1	Discount rate	7.25%	7.35%	7.25%	7.35%
2	Salary escalation	7.00%	7.00%	7.00%	7.00%
3	Mortality rate during employment	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
4	Mortality post retirement rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
5	Rate of Employee Turnover	1% to 5%	1% to 5%	1% to 5%	1% to 5%
6	Future Benefit Cost Inflation	NA	NA	NA	NA
7	Medical premium inflation Rate	NA	NA	NA	NA

Notes:

(i) The actuarial valuation of plan assets and the present value of the defined obligation were carried out at 31st March, 2024. The present value of the defined benefit obligation and the related current service cost and past service cost,were measured using the Projected Unit Credit Method.

(ii) Discount rate is based on the previling market yield of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

(iii) The salary escalation rate is arrived after taking into consideration the seniority, the promotion and other relevant factors,such as, demand and supply in employment market.

29. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS:

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans fron
2. Financial instruments with fixed and variable interest rates are evaluated by the LLP basedon parameters such as interest rates and individual c

The LLP uses the following hierarchy fordetermining and disclosing the fair value of financial instruments by valuation techniquie:

Level 1 : quoted (unadjusted)prices in active markets for identical assets or liabilities.

Level 2 : other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly of indirectl

Level 3 : techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

	Carrying amount As at 31.03.2024	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Trade Receivables	334.77	-	-	-
Bank, Cash and cash Equivalents	1,921.57	-	-	-
Loans	-	-	-	-
Other financial assets	188.79	-	-	-
Total	**2,445.14**	**-**	**-**	**-**
Financial liabilities at amortised cost:				
Borrowings	17,107.06	-	-	-
Other financial liabilities (current)	1,646.24	-	-	-
Total	**18,753.30**	**-**	**-**	**-**

During the reporting period ending 31st March, 2023 and 31st March, 2024, there were no transfers between Level 1 and Level 2 fair value measurements.

	Carrying amount As at 31.03.2023	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Trade Receivables	860.52	-	-	-
Bank, Cash and cash Equivalents	1,081.65	-	-	-
Loans	-	-	-	-
Other financial assets	179.86			
Total	**2,122.03**	**-**	**-**	**-**
Financial liabilities at amortised cost:				
Borrowings from Bank	11,475.62	-	-	-
Other financial liabilities (current)	650.13	-	-	-
Total	**12,125.75**	**-**	**-**	**-**

During the reporting period ending 31st March, 2023 and 31st March 2024 there were no transfer between Level 1 and Level 2 Fair Value Measurements.

30.FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES **INR IN LAKHS**

The Firm's principal financial liabilities comprise loans and borrowings are in domestic currency only, and other payables. The main purpose of these financial liabilities is to finance the Firm's project. The Firm's principal financial assets include investments, loans, and other receivables, and cash and short-term deposits .

The LLP is exposed to the following risks from its use of financial instruments:

The Firm's Partners has overall responsibility for the establishment and oversight of the risk management framework.This note presents information about the risks associated with its financial instruments, the Firm's objectives, policies and processes for measuring and managing risk, and the Firm's management of capital.

Credit Risk

The LLP is exposed to credit risk as a result of the risk of counterparties non performance or default on their obligations. The LLP's exposure to credit risk primarily relates to investments and cash and cash equivalents. The LLP monitors and limits its exposure to credit risk on a continuous basis.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and deposits which are readily convertible to cash. These are subject to insignificant risk of change in value or credit risk.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	31-Mar-24	31-Mar-23
Bank, Cash and cash equivalents	1921.57	1081.65
Trade Receivables	334.77	860.52

Liquidity risk

The LLP is exposed to liquidity risk related to its ability to fund its obligations as they become due. The LLP monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The LLP has access to credit facilities and debt capital markets and monitors cash balances daily. In relation to the LLP's liquidity risk, the LLP's policy is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions as they fall due while minimizing finance costs, without incurring unacceptable losses or risking damage to the LLP's reputation.

Maturities of financial liabilities

The contractual undiscounted cash flows of financial liabilities are as follows:

INR IN LAKHS

As at 31 March 2024	Less than 1 year	1-5 years	more than 5 yrs	Total
Borrowings	12,447.85	4,659.21	-	17,107.06
Other financial Liabilities	1,646.24	-	-	1,646.24
TOTAL	**14,094.09**	**4,659.21**	**-**	**18,753.30**

As at 31 March 2023	Less than 1 year	1-5 years	more than 5 yrs	Total
Borrowings	5,461.66	6,013.96	-	11,475.62
Other financial Liabilities	650.13	-	-	650.13
TOTAL	**6,111.79**	**6,013.96**	**-**	**12,125.75**

Interest rate risk

Interest rate risk is the risk that an upward movement in the interest rate would adversley effect the borrowing cost of the LLP. The LLP is exposed to long term and short-term borrowings.

The exposure of the LLP's borrowings to interest rate changes at the end of the reporting period are as follows:

a) Interest rate risk exposure

	31-Mar-24	31-Mar-23
Variable rate borrowings	17,107.06	11,475.62
Fixed rate borrowings	-	-
	17,107.06	**11,475.62**

b) Sensitivity analysis

Profit or loss/ Cost estimate to higher/lower interest rate expense from borrowings as a result of changes in interest rates.

	Impact on Cost (Net of tax)	
	31-Mar-24	**31-Mar-23**
Interest rates - increase by 70 basis points	119.75	80.33
Interest rates - decrease by 70 basis points	(119.75)	(80.33)

31. CAPITAL MANAGEMENT

The LLP's main objectives when managing capital are to:

INR IN LAKHS

	31-Mar-24	31-Mar-23
Total long term debt	17,107.06	11,475.62
Less : Bank, Cash and cash equivalent	1,921.57	1,081.65
Net debt	**15,185.49**	**10,393.98**
Total Partners' Fund	21,956.75	12,738.41
Net debt to equity ratio	0.69	0.82

The LLP has complied with the covenants as per the terms of the major borrowing facilities throughout the reporting period.

As per our Report of even date

For, OPSinghania & Co

(ICAI Firm Regn. No. 002172C)

Chartered Accountants

For CHHATTISGARH HYDRO POWER LLP

Vijay Jadwani

Partner

Membership No. 432878

Place : Raipur

Date: 18th May 2024

Pankaj Sarda
(Designated Partner)

P.S. Duttagupta
(Designated Partner)