

# **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 2021 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 significant 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, 2021 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

**Sanjay Singhania**  
**Partner**  
Membership No.076961

Raipur, 10<sup>th</sup> May, 2021

UDIN: 21076961AAAABR7827

**CHHATTISGARH HYDRO POWER LLP****Statement of Assets and Liabilities as at 31st March 2021**

	Particulars	Note	As at 31.03.2021	As at 31.03.2020
			₹	₹
	<b>ASSETS</b>			
<b>(1)</b>	<b>Non-current Assets</b>			
(a)	Property, Plant & Equipment	2	1,96,62,23,232	2,01,02,78,175
(b)	Capital work-in-progress		3,78,78,475	2,99,09,096
(c)	Other Intangible Assets	3	1,02,44,785	1,04,66,074
(d)	Other Non- current Assets	4	7,11,88,401	3,51,22,299
	<b>TOTAL NON CURRENT ASSETS</b>		<b>2,08,55,34,893</b>	<b>2,08,57,75,644</b>
<b>(2)</b>	<b>Current Assets</b>			
(a)	Inventories		45,016	1,87,856
(b)	Financial Assets			
(i)	Trade Receivables	5	7,37,97,337	8,92,49,043
(ii)	Bank, Cash & Cash Equivalents	6	16,10,60,506	16,42,15,697
(iii)	Loans	7	19,71,74,559	5,42,43,793
(iv)	Other financial assets	8	47,89,249	-
(c)	Current Tax Assets (Net)		13,14,617	7,61,052
(d)	Other Current Assets	9	1,03,46,066	1,03,64,644
	<b>TOTAL CURRENT ASSETS</b>		<b>44,85,27,349</b>	<b>31,90,22,085</b>
	<b>TOTAL ASSETS</b>		<b>2,53,40,62,242</b>	<b>2,40,47,97,729</b>
	<b>CONTRIBUTION &amp; LIABILITIES</b>			
	<b>PARTNER'S FUNDS</b>			
(a)	Capital Contribution	10	1,14,31,65,826	1,06,67,34,119
(b)	Other Reserves		2,98,628	5,75,230
	<b>TOTAL PARTNER'S FUND</b>		<b>1,14,34,64,453</b>	<b>1,06,73,09,349</b>
<b>(1)</b>	<b>Liabilities</b>			
	<b>Non-current Liabilities :</b>			
(a)	Financial Liabilities			
	Borrowings	11	86,69,92,144	99,94,52,015
(b)	Deferred Tax Liabilities (Net)	12	33,26,94,052	18,60,15,818
(c)	Other Non Current Liabilities	13	4,60,00,000	2,35,00,000
(d)	Provisions	14	42,90,918	31,18,927
	<b>TOTAL NON CURRENT LIABILITIES</b>		<b>1,24,99,77,114</b>	<b>1,21,20,86,761</b>
<b>(2)</b>	<b>Current Liabilities</b>			
(a)	Financial Liabilities			
(i)	Other Financial Liabilities	15	13,84,15,727	12,14,98,318
(b)	Other current liabilities	16	18,51,208	35,95,911
(c)	Provisions	17	3,53,740	3,07,391
	<b>TOTAL CURRENT LIABILITIES</b>		<b>14,06,20,675</b>	<b>12,54,01,620</b>
	<b>TOTAL CONTRIBUTION &amp; LIABILITIES</b>		<b>2,53,40,62,242</b>	<b>2,40,47,97,729</b>

SIGNIFICANT 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****Sanjay Singhania**

Partner

**Membership No. 076961**

Place : Raipur

Date: 10 May,2021

**Pankaj Sarda**

Designated Partner

**P.S. Duttagupta**

Designated Partner

**Chhattisgarh Hydro Power LLP****Statement of Income and Expenditure for the year ended 31st March 2021**

Sr No.	Particulars	Notes	31.03.2021	31.03.2020
			₹	₹
<b>I</b>	<b>Income</b>			
	Revenue from operations	18	56,02,17,071	47,18,72,434
	Other Revenue	19	2,46,80,291	81,00,051
<b>II</b>	<b>Total Income</b>		<b>58,48,97,362</b>	<b>47,99,72,485</b>
<b>III</b>	<b>Expenses</b>			
	Employee benefit expense	20	1,64,98,464	1,59,72,105
	Finance costs	21	9,36,61,158	11,38,08,354
	Depreciation and amortisation expense	22	4,43,91,260	4,47,08,867
	Operating and Other expenses	23	3,24,65,559	3,14,41,148
	<b>Total expenses</b>		<b>18,70,16,441</b>	<b>20,59,30,475</b>
<b>IV</b>	<b>Profit before tax (II-III)</b>		<b>39,78,80,921</b>	<b>27,40,42,010</b>
<b>V</b>	<b>Income tax expense</b>			
	- Deferred tax		14,68,26,806	9,94,19,602
<b>VI</b>	<b>Profit for the period (IV-V)</b>		<b>25,10,54,115</b>	<b>17,46,22,408</b>
<b>VII</b>	<b>Other Comprehensive income for the</b>			
	(i) Items that will not be reclassified to profit or loss			
	- Actuarial gain or losses on Defined Benefit Plans		(4,25,175)	(1,40,475)
	(ii) Income tax relating to items that will not be reclassified to profit or loss:			
	- Actuarial gain or losses on Defined Benefit Plans		1,48,573	49,088
	<b>Other comprehensive income for the year, net of tax</b>		<b>(2,76,602)</b>	<b>(91,387)</b>
<b>VIII</b>	<b>Total comprehensive income for the year</b>		<b>25,07,77,513</b>	<b>17,45,31,021</b>

SIGNIFICANT 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****per Sanjay Singhania****Partner**

Membership No.076961

**Pankaj Sarda****Designated Partner****P.S. Duttgupta****Designated Partner**

Place : Raipur

Date: 10 May,2021

**Chhattisgarh Hydro Power LLP**  
**STATEMENT OF CHANGES IN OTHER RESERVES**

Particulars	Reserves and Surplus	Other Comprehensive Income	Total other equity
	Retained Earnings		
	₹	₹	₹
<b>Balance as of April 1st , 2019</b>	6,66,617		<b>6,66,617</b>
Profit for the year	17,46,22,408	-	<b>17,46,22,408</b>
Defind Benefit Plan ( net of taxes)	(91,387)		<b>(91,387)</b>
Transferred to partners capital account	(17,46,22,408)	-	<b>(17,46,22,408)</b>
<b>Balance as of March 31, 2020</b>	<b>5,75,230</b>	-	<b>5,75,230</b>
<b>Balance as of April 1st , 2020</b>	5,75,230	-	<b>5,75,230</b>
Profit for the year	25,10,54,115	-	<b>25,10,54,115</b>
Defind Benefit Plan ( net of taxes)	(2,76,602)		<b>(2,76,602)</b>
Transferred to partners capital account	(25,10,54,115)	-	<b>(25,10,54,115)</b>
<b>Balance as of March 31st, 2021</b>	<b>2,98,628</b>	-	<b>2,98,628</b>

The accompanying notes are integral part of the financial statements.

As per our report of even date

**For Chhattisgarh Hydro Power LLP**

**For OPSinghania & Co**

(ICAI Firm Reg. No.002172C)

Chartered Accountants

**per Sanjay Singhania**

**Partner**

Membership No.076961

**Pankaj Sarda**  
**Designated Partner**

**P.S. Duttgupta**  
**Designated Partner**

Place : Raipur

Date: 10 May,2021

**Chhattisgarh Hydro Power LLP****Cash Flow Statement For The Year Ended 31st March' 2021**

Particulars	31.03.2021	31.03.2020
	₹	₹
<b>A. Cash Flow from Operating Activities</b>		
<b>Net Profit/(Loss) Before Tax</b>	<b>39,78,80,921</b>	<b>27,40,42,010</b>
<b>Adjustment to Reconcile net profit to net cash provided by operating activities</b>		
Depreciation & Amortisation	4,43,91,260	4,47,09,003
Gratuity	4,89,895	4,42,861
Leave Encashment	3,10,936	2,28,686
Amortization of Capital Subsidy	(25,00,000)	(5,00,000)
Interset Expenses	9,36,61,158	11,38,08,354
Interest Income	(1,73,80,342)	(75,62,395)
<b>Operating Profit before Working Capital changes</b>	<b>51,68,53,828</b>	<b>42,51,68,520</b>
<b>Changes in assets and liabilities</b>		
Increase/(decrease) in other Current Liabilities	(17,44,703)	9,74,202
Decrease/(increase) in trade receivables	1,54,51,706	(5,39,91,473)
Increase/(decrease) in liabilities and provisions	(23,06,134)	(5,18,758)
(Increase)/decrease Other financial assets	(47,89,249)	-
(Increase)/decrease Other Current Assets	(25,60,13,342)	(4,88,88,324)
(Increase)/decrease Other Non Current Assets	(3,60,66,102)	(1,58,52,105)
<b>Cash generated from/(used in ) operations</b>	<b>23,13,86,005</b>	<b>30,68,92,061</b>
Direct taxes paid (net of refunds)	(5,53,565)	3,49,417
<b>Net Cash Flow from Operating Activities</b>	<b>23,08,32,440</b>	<b>30,72,41,478</b>
<b>B. Cash Flow from Investing Activities</b>		
(Increase)/Decrease in Property, plant & equipment	(80,84,406)	(73,97,539)
Capital subsidy received	2,50,00,000	-
Sale proceeds of property, plant & equipment	-	30,705
Interest Income	1,73,80,342	75,62,395
<b>Net Cash used in Investing Activities</b>	<b>3,42,95,935</b>	<b>1,95,560</b>
<b>C. Cash Flow from Financing Activities</b>		
Partners Contribution including goodwill received	-	55,67,88,258
Payment made to retiring partners including goodwill	-	(55,67,88,258)
Proceeds from long term borrowings	-	(9,38,25,273)
Repayment made to partners	(17,46,22,408)	-
(Repayment)/Proceeds of Short term borrowings	-	(5,17,02,588)
Interset Expenses	(9,36,61,158)	(11,38,08,354)
<b>Net Cash from financing Activities</b>	<b>(26,82,83,566)</b>	<b>(25,93,36,215)</b>
<b>Net Increase/( decrease) in Cash and Cash equivalents (</b>	<b>(31,55,191)</b>	<b>4,81,00,822</b>
<b>Cash &amp; Cash Equivalents at the beginning (Note 6)</b>	<b>16,42,15,697</b>	<b>11,61,14,875</b>
<b>Cash &amp; Cash Equivalents at the end (Note 6)</b>	<b>16,10,60,506</b>	<b>16,42,15,697</b>
<b>Increase/( decrease) in Cash and Cash equivalents</b>	<b>(31,55,191)</b>	<b>4,81,00,822</b>

**Notes:**

(a) Cash and cash equivalent include the following :

Cash on Hand	83,637	38,803
Balance with Banks	16,09,76,869	16,41,76,894
	<b>16,10,60,506</b>	<b>16,42,15,697</b>

(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**

**per Sanjay Singhania**  
**Partner**  
Membership No.076961  
Place : Raipur  
Date: 10 May,2021

**Pankaj Sarada**  
**Designated Partner**

**P.S. Duttgupta**  
**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 is 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.

**(iv) ESTIMATION OF UNCERTAINTIES RELATING TO THE GLOBAL HEALTH PANDEMIC FROM COVID-19 (COVID-19)**

Due to outbreak of COVID-19 globally and in India, the LLP's management has made initial assessment of impact on business and financial risks on account of COVID-19. Considering that the LLP is in the business of Renewable Energy which is considered to be an Essential Service, the management believes that the impact of this outbreak on the business and financial position of the LLP will not be significant. The management does not see any risks in the LLP's ability to continue as a going concern and meeting its liabilities as and when they fall due.

**1.02 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

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

**(a) Financial asset****i) Initial measurement****ii) Classification and subsequent measurement**



(b) **Investments**

Investments in mutual funds are measured at fair value through Profit & Loss Account. The same as been routed through preoperative expenses till commencement of commercial operations.

(c) **Financial liability**

**i) Initial measurement**

***Financial liabilities at amortised cost:***

***Financial liabilities at FVTPL***

(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**

(a) 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.

(b) 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.

(c) 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 rate for sale of electricity has been recognised based on the last available tariff order notified by the CERC. 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 CERC.

(m) **Other Income:**

**Interest income:**

(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 11, Construction Contracts and Ind AS-18, 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 18.

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.

**Chhattisgarh Hydro Power LLP**
**Notes to Financial Statements for the year ended 31st March, 2021**

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
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
<b>Gross Block</b>											
<b>Carrying Value</b>											
<b>As at 01.04.2019</b>	<b>1,61,47,942</b>	<b>10,84,50,845</b>	<b>1,25,98,973</b>	<b>1,82,54,99,636</b>	<b>15,67,737</b>	<b>7,81,913</b>	<b>16,51,74,277</b>	<b>9,22,680</b>	<b>13,36,187</b>	<b>62,17,974</b>	<b>2,13,86,98,164</b>
Addition	3,73,690		4,73,878	-			-			-	8,47,568
Disposals	-	-	48,800	-	-	-	-	-	-	-	48,800
<b>As at 31.03.2020</b>	<b>1,65,21,632</b>	<b>10,84,50,845</b>	<b>1,30,24,051</b>	<b>1,82,54,99,636</b>	<b>15,67,737</b>	<b>7,81,913</b>	<b>16,51,74,277</b>	<b>9,22,680</b>	<b>13,36,187</b>	<b>62,17,974</b>	<b>2,13,94,96,932</b>
Addition	-	-	2,82,079			35,000	-	13,452			3,30,531
Disposals	-	-	-	-	-	-	-	-	-	-	-
<b>As at 31.03.2021</b>	<b>1,65,21,632</b>	<b>10,84,50,845</b>	<b>1,33,06,130</b>	<b>1,82,54,99,636</b>	<b>15,67,737</b>	<b>8,16,913</b>	<b>16,51,74,277</b>	<b>9,36,132</b>	<b>13,36,187</b>	<b>62,17,974</b>	<b>2,13,98,27,463</b>
<b>Depreciation</b>											
<b>As at 01.04.2019</b>	<b>5,50,357</b>	<b>36,96,243</b>	<b>35,73,861</b>	<b>6,81,00,605</b>	<b>4,09,271</b>	<b>3,60,927</b>	<b>55,92,672</b>	<b>1,16,679</b>	<b>1,57,308</b>	<b>19,79,766</b>	<b>8,45,37,689</b>
Depreciation for the year	1,42,584	21,69,017	11,11,200	3,66,01,832	1,60,020	43,367	33,03,266	47,406	56,874	8,52,012	4,44,87,578
Disposal/Adjustments	1,82,183	-	(17,413)	-	-	-	28,720	-	-	-	1,93,490
<b>As at 31.03.2020</b>	<b>8,75,124</b>	<b>58,65,260</b>	<b>46,67,648</b>	<b>10,47,02,437</b>	<b>5,69,291</b>	<b>4,04,294</b>	<b>89,24,658</b>	<b>1,64,085</b>	<b>2,14,182</b>	<b>28,31,778</b>	<b>12,92,18,757</b>
Depreciation for the year	1,48,561	21,69,017	15,03,741	3,65,12,387	1,52,484	95,660	32,75,901	84,450	28,781	1,98,989	4,41,69,971
Disposal/Adjustments	1,82,183	-	980			2,815	28,720	808			2,15,506
<b>As at 31.03.2021</b>	<b>12,05,868</b>	<b>80,34,277</b>	<b>61,72,369</b>	<b>14,12,14,824</b>	<b>7,21,775</b>	<b>5,02,769</b>	<b>1,22,29,279</b>	<b>2,49,343</b>	<b>2,42,963</b>	<b>30,30,767</b>	<b>17,36,04,234</b>
<b>Net Block</b>											
<b>At 31.03.2020</b>	<b>1,56,46,508</b>	<b>10,25,85,585</b>	<b>83,56,403</b>	<b>1,72,07,97,199</b>	<b>9,98,446</b>	<b>3,77,619</b>	<b>15,62,49,619</b>	<b>7,58,595</b>	<b>11,22,005</b>	<b>33,86,196</b>	<b>2,01,02,78,175</b>
<b>At 31.03.2021</b>	<b>1,53,15,764</b>	<b>10,04,16,568</b>	<b>71,33,762</b>	<b>1,68,42,84,813</b>	<b>8,45,963</b>	<b>3,14,144</b>	<b>15,29,44,998</b>	<b>6,86,789</b>	<b>10,93,224</b>	<b>31,87,207</b>	<b>1,96,62,23,232</b>

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

<b>NOTE 3</b>	<b>Other Intangible Assets</b>	
	<b>Right to Use Land</b>	<b>Total</b>
	<b>₹</b>	<b>₹</b>
<b>Gross Block</b>		
<b>Carrying Value</b>		
<b>As at 01.04.2019</b>	1,10,64,464	<b>1,10,64,464</b>
Addition	-	-
Disposals	-	-
<b>As at 31.03.2020</b>	1,10,64,464	<b>1,10,64,464</b>
Addition	-	-
Disposals	-	-
<b>As at 31.03.2021</b>	1,10,64,464	<b>1,10,64,464</b>
<b>Amortization</b>		-
<b>As at 01.04.2019</b>	3,77,101	<b>3,77,101</b>
Amortization for the year	2,21,289	<b>2,21,289</b>
Disposal/Adjustments	-	-
<b>As at 31.03.2020</b>	5,98,390	<b>5,98,390</b>
Amortization for the year	2,21,289	<b>2,21,289</b>
Disposal/Adjustments	-	-
<b>As at 31.03.2021</b>	8,19,679	<b>8,19,679</b>
Net Block		-
<b>At 31.03.2020</b>	1,04,66,074	<b>1,04,66,074</b>
<b>At 31.03.2021</b>	1,02,44,785	<b>1,02,44,785</b>

**Chhattisgarh Hydro Power LLP****Notes to Financial Statements for the year ended 31st March, 2021**

<b>NOTE 4</b>	<b>AS AT</b>	<b>AS AT</b>
<b>Other Non Current Assets</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
Unsecured, considered good		
(a) Capital Advances	6,05,97,356	3,39,46,726
(b) Security Deposits	42,38,502	11,45,921
(c) Prepaid Expenses	63,52,543	29,652
<b>Total</b>	<b>7,11,88,401</b>	<b>3,51,22,299</b>

  

<b>NOTE 5</b>	<b>AS AT</b>	<b>AS AT</b>
<b>Trade Receivables</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
Trade Receivables-considered good, Unsecured	7,37,97,337	8,92,49,043
<b>Total</b>	<b>7,37,97,337</b>	<b>8,92,49,043</b>

  

<b>NOTE 6</b>	<b>AS AT</b>	<b>AS AT</b>
<b>Bank, Cash &amp; cash equivalents</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
Balance with Bank in current accounts		
- In current accounts	98,79,340	1,23,44,757
Cash in hand	83,637	38,803
<b>Other Bank Balances</b>		
Fixed deposits with bank		
- Maturity 3-6 Months	-	5,00,00,000
- Maturity 6-12 Months	15,10,97,529	10,18,32,138
<b>Total</b>	<b>16,10,60,506</b>	<b>16,42,15,697</b>

  

	<b>AS AT</b>	<b>AS AT</b>
<b>Note 7 Loan (Unsecured, considered good):</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
Short Term Loans and Advances		
Loan to Controlling entity	19,71,74,559	5,42,43,793
<b>Total</b>	<b>19,71,74,559</b>	<b>5,42,43,793</b>

  

	<b>AS AT</b>	<b>AS AT</b>
<b>Note 8 Other Financial Assets (Unsecured, considered good):</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
Other receivables	47,89,249	-
<b>Total</b>	<b>47,89,249</b>	<b>-</b>

  

<b>NOTE 9</b>	<b>AS AT</b>	<b>AS AT</b>
<b>OTHER CURRENT ASSETS</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
Other Advances (Unsecured, considered good)		
(i) Advances Recoverable in Cash or Kind	18,97,411	16,94,299
(ii) Pre prepaid Expenses	83,49,690	76,69,176
(iii) Other receivable	-	9,51,687
(iii) Interest Receivable on Electricity Deposit	98,964	49,482
<b>Total</b>	<b>1,03,46,066</b>	<b>1,03,64,644</b>

**Chhattisgarh Hydro Power LLP**  
**Notes to Financial Statements for the year ended 31st March, 2021**

**NOTE 10 : Capital Contribution**

PARTICULARS	PROFIT SHARING RATIO %	AS AT 01.04.2020	CONTRIBUTIO N DURING THE YEAR	WITHDRAWALS DURING THE YEAR	PROFIT (LOSS) DISTRIBUTED	AS AT 31.03.2021
		₹	₹	₹	₹	₹
Sarda Energy & Minerals Ltd.	72%	76,80,48,566	-	12,57,28,134	18,07,58,963	82,30,79,395
Sarda Energy Limited	28%	29,86,85,553	-	4,88,94,274	7,02,95,152	32,00,86,431
<b>Total</b>	<b>100%</b>	<b>1,06,67,34,119</b>	<b>-</b>	<b>17,46,22,408</b>	<b>25,10,54,115</b>	<b>1,14,31,65,826</b>



**Chhattisgarh Hydro Power LLP**  
**Notes to Financial Statements for the year ended 31st March, 2021**

<b>Note 11</b>	<b>As At</b>	<b>As At</b>
<b>Borrowings : Financial Liabilities</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
Term Loan From Banks (Secured)	86,69,92,144	99,94,52,015
<b>Total non-current Borrowings</b>	<b>86,69,92,144</b>	<b>99,94,52,015</b>

**Terms and repayment schedule**

Terms and conditions of outstanding borrowings are as follows:

<b>Nature of Borrowing</b>	<b>Normal Interest Rate</b>	<b>Year of Maturity</b>	<b>Carrying Amount as on 31-03-2021</b>	<b>Carrying Amount as on 31-03-2020</b>
Secured Bank Loan (HDFC)	7.85% p.a. (linked to 1 year MCLR with Annual reset)	2027-28	8,669.92	9,994.52
<b>Total Borrowings</b>	<b>Total Borrowings</b>		<b>8,669.92</b>	<b>9,994.52</b>

**Security against Borrowings**

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

**(b)Collateral**

- 1) Charge on entire current 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.

<b>NOTE 12</b>	<b>As At</b>	<b>As At</b>
<b>DEFERRED TAX LIABILITIES/(ASSETS)</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
Deferred Tax Liabilities/(Assets)		
Accelerated depreciation for tax purpose	37,23,98,479	32,84,80,247
Temporary differences on account of Employee Benefits	(15,97,605)	(11,70,955)
On unabsorbed Depreciation	(3,81,06,822)	(14,12,93,474)
<b>Total</b>	<b>33,26,94,052</b>	<b>18,60,15,818</b>

<b>RECONCILIATION OF DEFERRED TAX LIABILITIES/(ASSETS)</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
Deferred tax liability at the beginning of the year	18,60,15,818	8,66,45,304
Deferred tax liability during the year on account of timing difference	4,34,91,581	4,84,24,209
Deferred tax during the year on account of unabsorbed depreciation utilization/(arri	10,31,86,652	5,09,46,306
<b>Closing balance</b>	<b>33,26,94,052</b>	<b>18,60,15,818</b>

<b>Note 13</b>	<b>As At</b>	<b>As At</b>
<b>Other Non Current Liabilities</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
Unamortised Capital Subsidy	4,60,00,000	2,35,00,000
<b>Other Non Current Liabilities</b>	<b>4,60,00,000</b>	<b>2,35,00,000</b>

<b>Note 14</b>	<b>As At</b>	<b>As At</b>
<b>Long Term Provisions</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
<b>Provision for employee benefits</b>		
Gratuity	27,47,647	24,91,724
Leave encashment	15,43,271	6,27,203
<b>Total Long Term Provisions</b>	<b>42,90,918</b>	<b>31,18,927</b>

<b>Note 15</b>	<b>As At</b>	<b>As At</b>
<b>Other financial liabilities</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
Salary Payable	10,31,150	11,01,240
Interest Accrued but not due on borrowings	67,83,875	86,23,453
Loan processing fees payable	1,53,05,445	1,53,05,445
Current Maturities of Long term Borrowings	11,52,95,256	9,60,79,380
Creditor for Capital Goods	-	3,88,800
<b>Total Other financial liabilities</b>	<b>13,84,15,727</b>	<b>12,14,98,318</b>

**Chhattisgarh Hydro Power LLP**

Notes to Financial Statements for the year ended 31st March, 2021

<b>Note 16</b>	<b>As At</b>	<b>As At</b>
<b>Other current liabilities</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
TDS Payable	4,21,233	5,71,197
Provident Fund Payable	48,369	48,369
GST Payable	3,795	11,780
Other payable	13,77,811	29,64,565
<b>Total Other current liabilities</b>	<b>18,51,208</b>	<b>35,95,911</b>

  

<b>Note 17</b>	<b>As At</b>	<b>As At</b>
<b>Short Term Provisions</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
<b>Provision for employee benefits</b>		
Gratuity	1,31,015	95,982
Bonus	53,840	61,506
Leave encashment	1,68,885	1,49,903
<b>Total Short Term Provisions</b>	<b>3,53,740</b>	<b>3,07,391</b>

  

<b>18. Revenue from operation</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
Sale of Power	54,82,33,191	46,11,92,655
Reimbursement of Duties & Water Charges	1,19,83,880	1,06,79,779
<b>Total Sale of Services</b>	<b>56,02,17,071</b>	<b>47,18,72,434</b>

  

<b>19. Other Income</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
Interest Received	1,73,80,342	75,62,395
Other non-operating income	10,700	37,656
Late payment surcharge	47,89,249	-
Capital Subsidy	25,00,000	5,00,000
<b>Total Other Income</b>	<b>2,46,80,291</b>	<b>81,00,051</b>

  

<b>20. Employee Benefits Expenses:</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
Salaries , Wages & Other Benefits	1,46,84,844	1,44,40,017
Contribution to Provident Fund	3,04,598	2,92,048
Bonus	53,840	63,100
Gratuity Expenses	4,89,895	4,42,861
Leave Encashment	3,20,634	2,28,686
Employees Welfare Expenses	6,44,653	5,05,393
<b>Total</b>	<b>1,64,98,464</b>	<b>1,59,72,105</b>

  

<b>21. Finance Costs:</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
Interest on TL Bank	9,10,27,835	10,69,24,921
Interest on Others	-	51,84,406
Bank Charges	26,33,323	16,99,027
<b>Total</b>	<b>9,36,61,158</b>	<b>11,38,08,354</b>

**Chhattisgarh Hydro Power LLP**  
**Notes to Financial Statements for the year ended 31st March, 2021**

<b>22. Depreciation and Amortization Expenses:</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
Depreciation on Property, Plant and Equipment	4,41,69,971	4,44,87,578
Amortization on Other Intangibles Assets	2,21,289	2,21,289
<b>Total</b>	<b>4,43,91,260</b>	<b>4,47,08,867</b>

<b>23. Operating and Other Expenses</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
Operation & Maintenance of Plant & Machinery	95,83,655	99,82,789
Repair & Maintenance Charges	94,316	75,647
Electricity Charges	14,90,399	17,56,978
Insurance Expenses	44,56,412	33,09,501
Rent Rates & Taxes	5,13,741	6,51,844
Electricity Duty	56,15,172	51,43,496
Water Charges	63,68,708	55,36,283
Communication Expenses	1,66,963	1,56,041
Legal & Professional Charges	3,13,780	9,30,095
Travelling & Conveyance	2,72,683	5,42,601
Vehicle Running & Maint. Exps.	5,44,278	4,87,883
Printing & Stationery	1,32,633	90,211
Audit Fees (refer details below)	1,77,000	1,77,000
Security Charges	16,90,568	15,91,447
Miscellaneous Expenses	10,45,251	10,09,332
<b>Total</b>	<b>3,24,65,559</b>	<b>3,14,41,148</b>
<b>Total</b>	<b>3,24,65,559</b>	<b>3,14,41,148</b>

<b>Payments to the Auditor as:</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
- Statutory Audit Fees	1,47,500	1,47,500
- Tax Audit Fees	29,500	29,500
<b>Total</b>	<b>1,77,000</b>	<b>1,77,000</b>

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

<b>Contingent liabilities</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
Guarantees excluding financial guarantees (given by banker)	2.40 Crores	4.90 Crores
Demand from Chhattisgarh Sales Tax Department for non payment of Entry tax on purchase of explosive material for the F.Y. 2014-15.	0.40 Crores	0.00

**(b) Capital and Other Commitments**

Estimated amount of Contracts remaining to be executed on Capital Account net of advance given Rs. 50,12,500/- (PY Rs. 52,96,000/-).

**25. Related party Disclosure:**

Related parties and nature of relationship where control exists:-

**Controlling entity**

Sarda Energy & Minerals Ltd.

**Subsidiary of Controlling entity**

Sarda Energy Limited w.e.f. 05.04.2019

**Partners other than controlling entity**

Mr.Kamal Kishore Sarda upto 05.04.2019

Chhattisgarh Investments Limited upto 05.04.2019

Prachi Agriculture & Properties Private Limited upto 05.04.2019

Sarda Agriculture & Properties Private Limited (formerly Satva Seeds Private Limited) upto 05.04.2019

**A. Transactions with related Parties**

Nature of Transactions	(Rs.in Lacs)		(Rs.in Lacs)	
	Partners other than controlling entity		Controlling entity	
	2020-21	2019-20	2020-21	2019-20
Transactions during the year	₹	₹	₹	₹
Opening balance of Partners Capital	2,986.88	3,568.46	7,680.48	5,352.67
Partners Capital Received	-	2,497.92	-	1,070.53
Partners Capital paid on retirement	488.94	3,568.44	1,257.28	-
Profit Distribution to Partners	702.95	488.94	1,807.59	1,257.28
<b>Closing Balance of Partners Capital</b>	<b>3,200.89</b>	<b>2,986.88</b>	<b>8,230.79</b>	<b>7,680.48</b>
Loans Taken	-	-	1,055.12	3,077.00
Repayment of Loans Taken	-	-	1,055.12	3,633.57
Interest Paid on Loans Taken	-	-	-	39.54
Interest Received on Loan Given	-	-	90.06	-
<b>Closing Balance</b>				
Advance Given	-	-	<b>1,971.75</b>	<b>542.43</b>

## B. Details of Material Transaction with related parties

Particulars	2020-21	2019-20
	₹	₹
<b>Opening balance of Partners Capital</b>		
Sarda Energy & Minerals Ltd.	7,680.48	5,352.67
Shri Kamal Kishore Sarda	0.00	1,070.54
Chhattisgarh Investments Limited	0.00	1,070.54
Prachi Agriculture & Properties Pvt. Ltd.	0.00	535.26
Sarda Agriculture & Properties Pvt. Ltd.	0.00	892.12
Sarda Energy Limited	2,986.86	0.00
	<b>10667.34</b>	<b>8921.13</b>
<b>Partners Capital Received</b>		
Sarda Energy & Minerals Ltd.	0.00	1070.53
Sarda Energy Limited	0.00	2497.92
	<b>0.00</b>	<b>3568.45</b>
<b>Partners Capital paid on retirement</b>		
Sarda Energy & Minerals Ltd.	1257.28	0.00
Shri Kamal Kishore Sarda	0.00	1070.53
Chhattisgarh Investments Limited	0.00	1070.53
Prachi Agriculture & Properties Pvt. Ltd.	0.00	535.27
Sarda Agriculture & Properties Pvt. Ltd.	0.00	892.11
Sarda Energy Limited	488.94	0.00
	<b>1746.22</b>	<b>3568.44</b>
<b>Profit Distribution to Partners</b>		
Sarda Energy & Minerals Ltd.	1807.59	1257.28
Sarda Energy Limited	702.95	488.94
	<b>2510.54</b>	<b>1746.22</b>
<b>Closing Balance of Partners Capital</b>		
Sarda Energy & Minerals Ltd.	8,230.79	7,680.48
Sarda Energy Limited	3,200.87	2986.86
	<b>11431.66</b>	<b>10667.34</b>
<b>Loan Taken</b>		
Sarda Energy & Minerals Ltd.	1055.12	3077.00
<b>Repayment of Loans Taken</b>		
Sarda Energy & Minerals Ltd.	1055.12	3633.57
<b>Advance Given</b>		
Sarda Energy & Minerals Ltd.	4736.88	542.43
<b>Advance Given received back</b>		
Sarda Energy & Minerals Ltd.	3390.88	0.00
<b>Interest Paid on Loan Taken</b>		
Sarda Energy & Minerals Ltd.	0.00	39.54
<b>Interest Received on Loan Given</b>		
Sarda Energy & Minerals Ltd.	90.06	0.00
<b>Closing Balance</b>		
Sarda Energy & Minerals Ltd.	1971.75	542.43

**CHHATTISGARH HYDRO POWER LLP**  
**SCHEDULES FORMING PART OF THE ACCOUNTS**

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

**a) Defined Contribution plan:**

Amount of Rs. 304598/- (P.Y. Rs.292048) is recognised as an expenses and included in employee benefit expense as under the following defined contribution plans (Refer Note no. 20)

<b>Benefit (Contribution to):</b>	<b>2020-21</b>	<b>2019-20</b>
Provident Fund	3,04,598	2,92,048
<b>Total</b>	<b>3,04,598</b>	<b>2,92,048</b>

**b) Defined benefit plan:**

**Gratuity:**

The LLP provides for gratuity, a defined benefit 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.

<b>Particulars</b>	<b>Gratuity</b>		<b>Leave Encashment</b>	
	<b>2020-21</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2019-20</b>
	<b>(Non Funded)</b>	<b>(Non Funded)</b>	<b>(Non Funded)</b>	<b>(Non Funded)</b>

**I Change in Present value of defined benefit obligation during the year:**

1 Present value of defined benefit obligation at the beginning of the year	25,87,706	18,67,580	7,77,106	6,85,210
2 Interest Cost	1,82,692	1,27,929	54,522	46,937
3 Current Service Cost	3,07,202	3,14,932	2,66,112	1,81,749
4 Past Service Cost	-	-	-	-
5 Benefit paid directly by employer	-	-	(9,698)	-
6 Changes due Actuarial assumption	(1,98,938)	2,77,265	6,24,114	(1,36,790)
7 Present value of defined benefit obligation at the end of the year	<b>28,78,662</b>	<b>25,87,706</b>	<b>17,12,156</b>	<b>7,77,106</b>

**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 obligation at the end of the year	<b>28,78,662</b>	<b>25,87,706</b>	<b>17,12,156</b>	<b>7,77,106</b>
2 Fair value of plan assets at the end of the year	-	-	-	-
Net asset / (liability) - Current	1,31,015	95,982	1,68,885	1,49,903
Net asset / (liability) - Non Current	27,47,647	24,91,724	15,43,271	6,27,203

**IV Expenses recognized in the statement of profit and loss/capitalized for the year:**

Current Service Cost	3,07,202	3,14,932	2,66,112	1,81,749
Interest Cost on benefit obligation (Net)	1,82,692	1,27,929	54,522	46,937
Total expenses included in employee benefits expenses/capitalized	4,89,894	4,42,861	3,20,634	2,28,686

**CHHATTISGARH HYDRO POWER LLP**  
**SCHEDULES FORMING PART OF THE ACCOUNTS**

<b>V Recognized in other comprehensive income for the year:</b>				
Changes due Actuarial assumption	(1,98,938)	2,77,265	6,24,114	(1,36,790)
Recognized in other comprehensive income for the year:	(1,98,938)	2,77,265	6,24,114	(1,36,790)

<b>VI Maturity profile of defined benefit obligation:</b>				
Within the next 12 months (next annual reporting period)	1,31,015	95,982	87,866	31,976
Between 2 and 5 years	5,95,769	4,53,722	4,38,385	1,86,658
Between 6 and 10 years	5,97,915	3,98,738	3,64,663	1,04,813
After 10 Years	15,53,964	16,39,264	8,21,243	4,53,659

<b>VII Quantitative Sensitivity analysis for significant assumption is as below:</b>				
1 1% point increase in discount rate	26,01,097	22,97,910	15,47,161	6,94,249
1% point decrease in discount rate	32,04,045	29,33,095	19,08,078	8,78,537
1% point increase rate of salary Increase	31,23,369	28,38,218	18,96,052	8,74,113
1% point decrease rate of salary Increase	26,41,762	23,50,475	15,54,349	6,96,426
1% point increase rate of withdrawal rate	28,69,310	25,71,273	17,07,140	7,72,005
1% point decrease rate of withdrawal rate	28,89,372	26,06,500	17,18,336	7,83,385

**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	
	2020-21	2019-20	2020-21	2019-20
	Non Funded	Non Funded	Non Funded	Non Funded

<b>VIII The major categories of plan assets as a percentage of total:</b>				
Insurer managed funds	NA	NA	NA	NA

**IX Actuarial assumptions:**

1 Discount rate	7.06%	6.85%	6.85%	6.85%
2 Salary escalation	7.00%	7.00%	7.00%	7.00%
	Indian	Indian	Indian	Indian Assured
	Assured Lives	Assured Lives	Assured Lives	Lives Mortality
3 Mortality rate during employment	Mortality (2012-14)	Mortality (2012-14)	Mortality (2012-14)	(2012-14)
	Indian	Indian	Indian	Indian Assured
	Assured Lives	Assured Lives	Assured Lives	Lives Mortality
4 Mortality post retirement rate	Mortality (2012-14)	Mortality (2012-14)	Mortality (2012-14)	(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:**

- The actuarial valuation of plan assets and the present value of the defined obligation were carried out at 31st March, 2021. 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.
- Discount rate is based on the prevailing market yield of Indian Government securities as at the balance sheet date for the estimated term of the obligations.
- 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.

**CHHATTISGARH HYDRO POWER LLP****Notes to Financial Statements for the year ended 31st March, 2021****27. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS:**

- The following methods and assumptions were used to estimate the fair values:  
Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Financial instruments with fixed and variable interest rates are evaluated by the LLP based on parameters such as interest rates and individual  
The LLP uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:  
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 or indirectly.  
Level 3 : techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

	<b>Carrying amount As at 31.03.2021</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>Financial assets at amortised cost:</b>				
Trade Receivables	737.97	-	-	-
Bank, Cash and cash Equivalents	1,610.61	-	-	-
Loans	1,971.75	-	-	-
Other financial assets	47.89	-	-	-
<b>Total</b>	<b>4,368.22</b>	-	-	-
<b>Financial liabilities at amortised cost:</b>				
Borrowings from Bank	8,669.92	-	-	-
Other financial liabilities (current)	1,384.16	-	-	-
<b>Total</b>	<b>10,054.08</b>	-	-	-

During the reporting period ending 31st March, 2020 and 31st March, 2021, there were no transfers between Level 1 and Level 2 fair value measurements.

	<b>Carrying amount As at 31.03.2020</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>Financial assets at amortised cost:</b>				
Trade Receivables	892.49	-	-	-
Bank, Cash and cash Equivalents	1,642.16	-	-	-
Loans	542.44	-	-	-
<b>Total</b>	<b>3,077.09</b>	-	-	-
<b>Financial liabilities at amortised cost:</b>				
Borrowings from Bank	9,994.52	-	-	-
Other financial liabilities (current)	1,214.98	-	-	-
<b>Total</b>	<b>11,209.50</b>	-	-	-

During the reporting period ending 31st March, 2020 and 31st March 2021 there were no transfer between Level 1 and Level 2 Fair Value Measurements.



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**CHHATTISGARH HYDRO POWER LLP****Notes to Financial Statements for the year ended 31st March, 2021**

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

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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:

	<b>31-Mar-21</b>	<b>31-Mar-20</b>
Cash and cash equivalents	1610.61	1642.16
Trade Receivables	737.97	892.49

**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 2021	Less than 1 year	1-5 years	more than 5 yrs	Total
Long Term Borrowings	1,220.79	5,604.50	2,997.58	9,822.87
Other financial Liabilities	163.37	-	-	163.37
<b>TOTAL</b>	<b>1,384.16</b>	<b>5,604.50</b>	<b>2,997.58</b>	<b>9,986.24</b>

  

As at 31 March 2020	Less than 1 year	1-5 years	more than 5 yrs	Total
Long Term Borrowings	1,047.03	5,188.29	4,720.00	10,955.31
Other financial Liabilities	164.07	-	-	164.07
<b>TOTAL</b>	<b>1,211.10</b>	<b>5,188.29</b>	<b>4,720.00</b>	<b>11,119.38</b>

### Interest rate risk

Interest rate risk is the risk that an upward movement in the interest rate would adversely 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

	<b>31-Mar-21</b>	<b>31-Mar-20</b>
Variable rate borrowings	9,822.87	10,955.31
Fixed rate borrowings	-	-
	<b>9,822.87</b>	<b>10,955.31</b>

#### b) Sensitivity analysis

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

	<b>Impact on Cost ( Net of tax)</b>	
	<b>31-Mar-21</b>	<b>31-Mar-20</b>
Interest rates - increase by 70 basis points	68.76	76.69
Interest rates - decrease by 70 basis points	(68.76)	(76.69)

## 29. CAPITAL MANAGEMENT

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

	<b>INR IN LAKHS</b>	
	<b>31-Mar-21</b>	<b>31-Mar-20</b>
Total long term debt	9,822.87	10,955.31
Less : Bank, Cash and cash equivalent	1,610.61	1,642.16
<b>Net debt</b>	<b>8,212.27</b>	<b>9,313.16</b>
Total Partners' Fund	11,431.66	10,667.34
<b>Net debt to equity ratio</b>	<b>0.72</b>	<b>0.87</b>

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

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**For CHHATTISGARH HYDRO POWER LLP**

As per our Report of even date

**For, OPSinghania & Co**

(ICAI Firm Regn. No. 002172C)

**Chartered Accountants**

**PANKAJ SARDA**  
(Designated Partner)

**P.S. Duttgupta**  
(Designated Partner)

**Sanjay Singhania**  
Partner  
Membership No.076961

Place : Raipur

Date: 10 May,2021

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