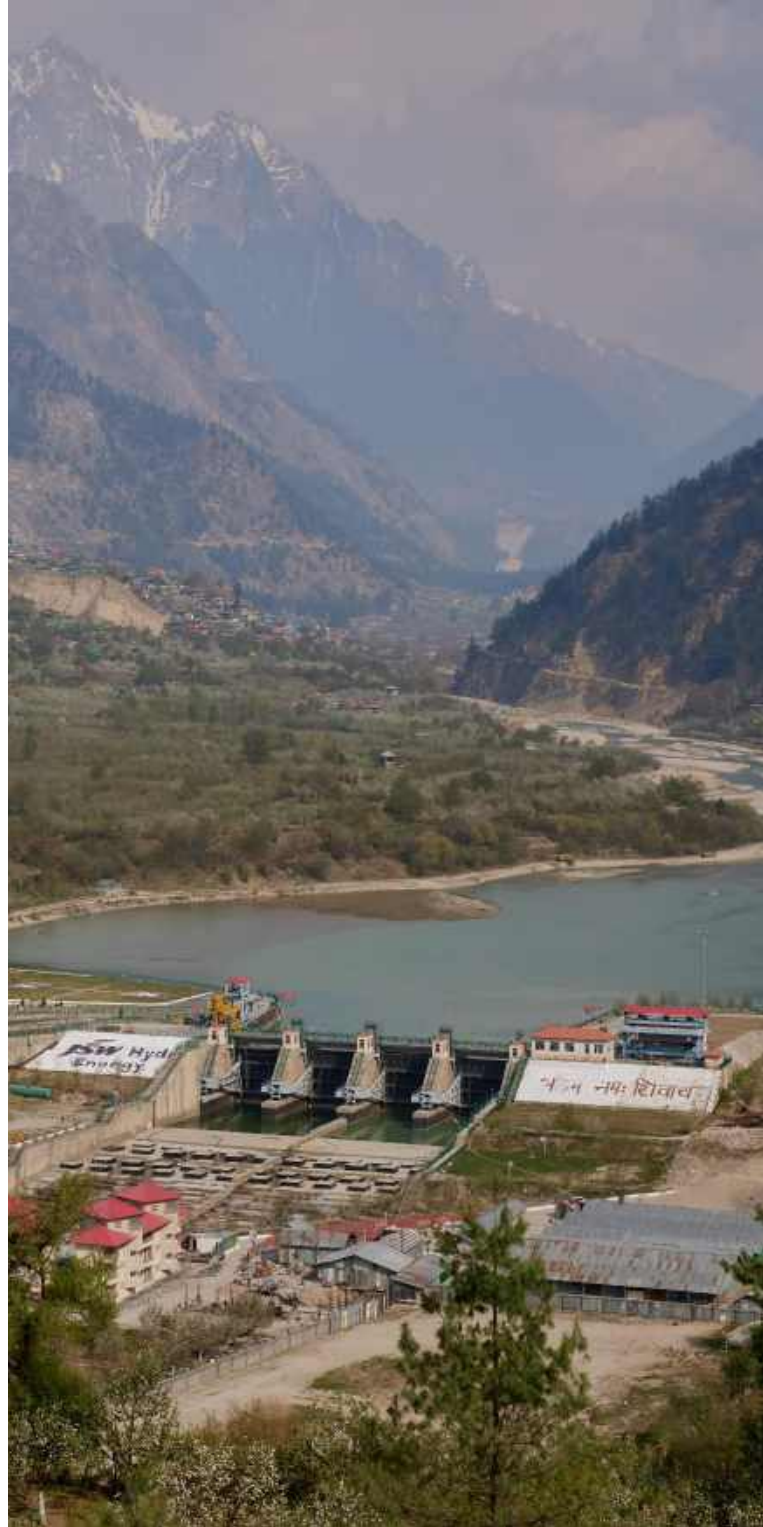


# JSW Hydro Energy Limited (JSWHEL)

## Compliance Certificate (FY 2025)

31<sup>st</sup> March 2025

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The logo for JSW Energy, featuring the letters 'JSW' in a bold, blue, sans-serif font with a red swoosh above the 'S', followed by the word 'Energy' in a smaller, blue, sans-serif font.

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# JSW Energy at a Glance

*Accelerating the Nation's Push Towards Net Zero Emissions.*

## AT THE VANGUARD OF INDIA'S TRANSITION TO LOW-EMISSIONS ENERGY

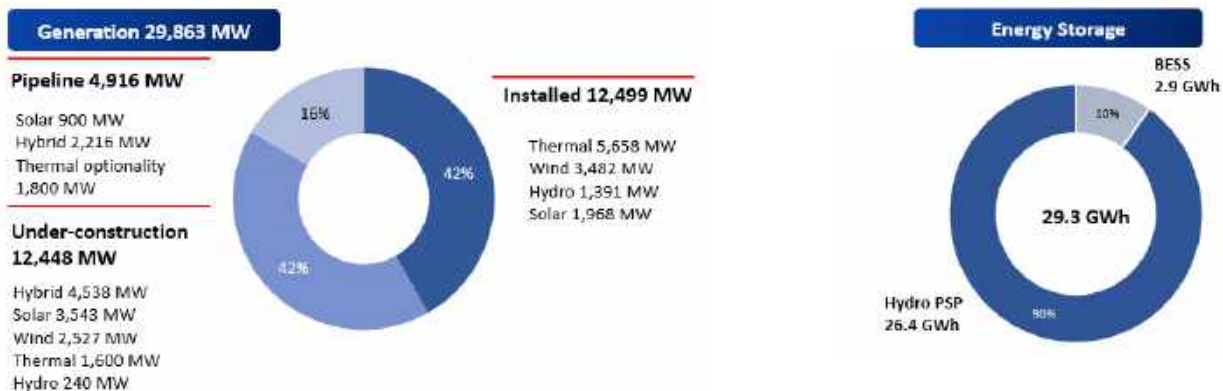
JSW Energy Limited is amongst India's leading independent power producer with a total locked-in generation capacity of 30 GW including operational capacity of 12.5 GW, under-construction capacity of 12.4 GW and pipeline capacity of 4.9 GW. The Company, which is a part of the JSW Group, is leading the energy transition in India by scaling its renewable energy capacity and investing in energy products and services.

Drawing on our firm foundations, and against the backdrop of climate change challenges, we intend to become a Net Zero company before 2050.

With our deep sector experience, expertise and portfolio strength, we aim to triple our installed generation capacity to 30 GW along with 40 GWh of storage capacity by 2030. The Company is also investing in equipment manufacturing to de-risk its supply chain and forward integrating by setting up 3,800 TPA of Green Hydrogen plant. Further, the company has signed MoUs with JSW Steel for 85-90 KTPA of Green Hydrogen with associated RE solutions to be progressively delivered by 2030.

### 30 GW Generation capacity:

Installed: 12.5 GW | Under-Construction: 12.4 GW | Pipeline: 4.9 GW



# JSW Energy Corporate Structure

*JSW Neo Energy is the green energy platform of JSW Energy*

The Company has organized its businesses into green and grey whereby the existing and upcoming renewable energy businesses across generation, energy storage, equipment manufacturing and green hydrogen / ammonia and its derivatives will be housed under a wholly owned subsidiary, JSW Neo Energy.

JSW Neo Energy's total generation capacity is 21 GW, in addition to 29.3 GWh of locked-in Energy storage projects, and 3,800 TPA of Green Hydrogen manufacturing.

This organization of grey and green business helps us to build and streamline the renewable portfolio and set up a holding structure for efficient fund-raising and potentially unlocking value for shareholders in future.

Below is the broad corporate structure of JSW Energy Limited. (REPLACE THE SLIDE BELOW WITH STRUCTURE SHOWN IN ECB PPT OF NEO)

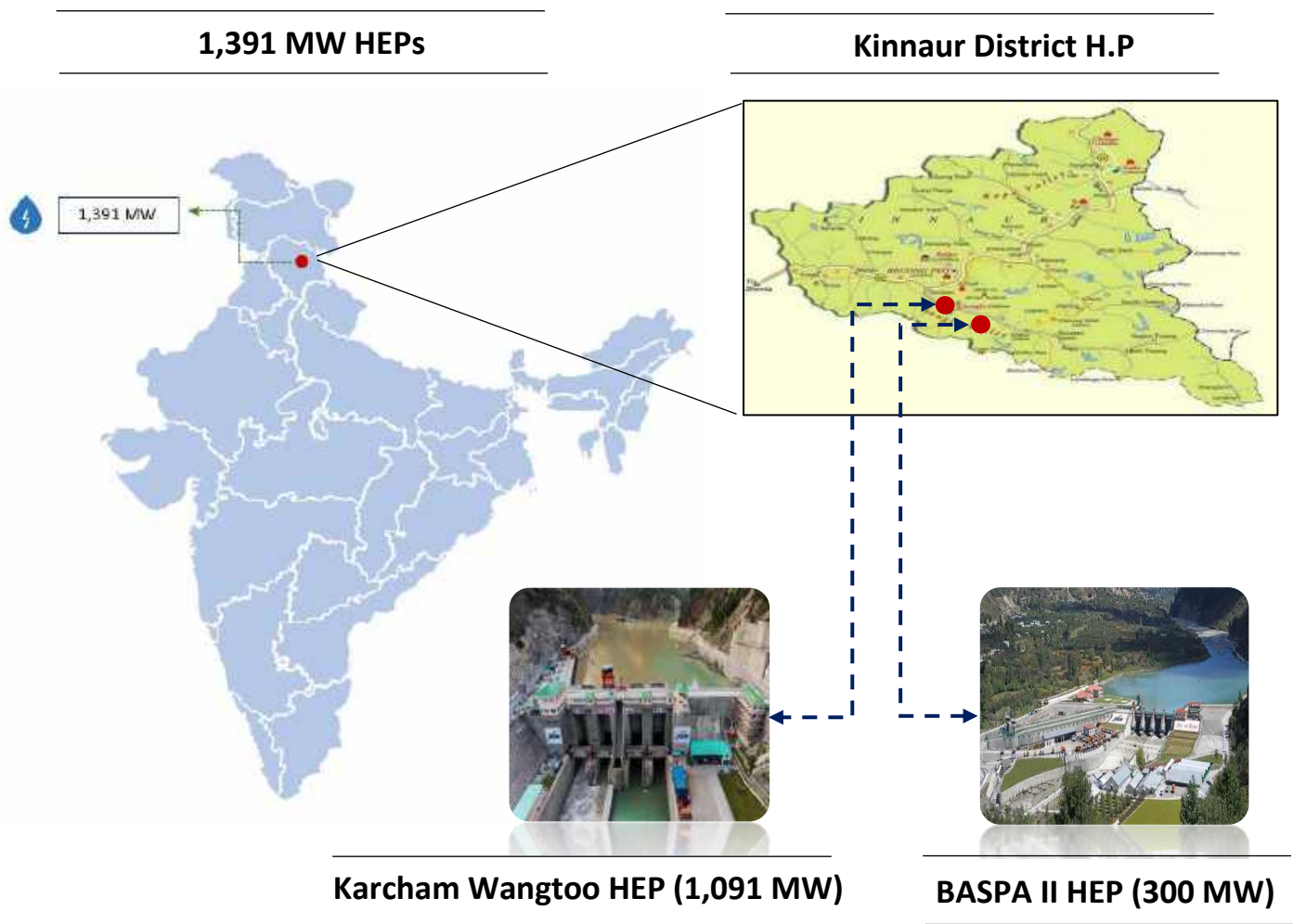


# JSW Hydro Energy Ltd

*JSWHEL is a wholly-owned subsidiary of JSW Neo Energy Limited*

JSWHEL OPERATES TWO HYDRO ELECTRIC PLANTS OF TOTAL 1,391 MW CAPACITY

JSW Hydro Energy Limited (JSWHEL) is a wholly-owned subsidiary of JSW Neo Energy Limited and operates two hydroelectric power plants (HEPs) located in Kinnaur district in the state of Himachal Pradesh, India. Karcham Wangtoo Hydro Electric Project (Karcham HEP) has an installed capacity of 1,091 MW and Baspa II Hydro Electric Project (Baspa HEP) has an installed capacity of 300 MW.



# Overview of Hydro Assets

*Karcham Wangtoo plant has a Design Energy of 4,131 MUs for 1,000 MW*

## KARCHAM WANGTOO 1,091 MW



## SALIENT FEATURES OF THE PLANT

- Karcham Wangtoo run-of-the-river HEP located on river Sutlej
- Dam is located at Karcham while the powerhouse is located at Wangtoo
- The project comprises of ~17kms of head race tunnel
- The plant's pressure shafts feed four generating units of 250MW each, installed in an underground powerhouse at Wangtoo

## CONCESSION & PPA

- **Location:** Kinnaur District, Himachal Pradesh
- **Commission Date:** 13<sup>th</sup> September 2011
- **Concession Details:** Operational concession till September 2051 with a provision to extend for a maximum period of 20 years mutually agreed upon.
- **PPA:** Signed PPA through PTC India Ltd. for 1,000 MW capacity till September 2046 with provision to extend PPA for mutually agreed upon period.
- **Post tax return on equity:** 16.5%
- **Up-rating (91 MW):** 45 MW uprating has been approved till now

# Overview of Hydro Assets

*BASPA plant has a Design Energy of 1,213MUs estimated on P-90 basis*

## BASPA 300 MW



## SALIENT FEATURES OF THE PLANT

- Baspa plant is located on river Baspa, a tributary of river Sutlej
- The project comprises of ~8 kms of head race tunnel
- Plant's underground powerhouse accommodates three 100 MW Pelton turbine generating units
- A Double-circuit 400 KV transmission line feeds into the Jhakri sub-station

## CONCESSION & PPA

- **Location:** Kinnaur District, Himachal Pradesh
- **Commission Date:** 8<sup>th</sup> June 2003
- **Concession Details:** Operational concession till 7th June 2043 with a provision to extend for further 20 years
- **PPA:** For entire saleable capacity PPA was signed with Himachal Pradesh State Electricity Board Ltd.
- **Post tax return in equity:** 16.0%

# Introduction to Green Note

## *JSW Hydro Energy Limited issued a USD 707 Million 10-yr Green Note*

On 18<sup>th</sup> May, 2021 JSW Hydro Energy Limited issued a USD 707 million 10-year green note (4.125% p.a. Senior Secured Notes due 2031, herein referred to as Notes) to refinance its existing term loan denominated in Indian Rupees (₹). Summary of the Notes is as per the following details: -

As per clause 4.3 of Schedule 4 of the Trust Deed, a compliance certificate and a business update is required to be provided within 90 days of closure of each six-month period ending September and March of each year starting from 30th September 2021. This report is the eighth such report being provided in compliance with the same.

CUSIP Regulation S Notes: Y4S71YAA2

Rule 144A Notes: 46653YAA6

ISIN Regulation S Notes: USY4S71YAA27

<b>Issuer</b>	JSW Hydro Energy Ltd
<b>Format</b>	144A / Reg S
<b>Ranking</b>	Senior Secured Notes
<b>Currency</b>	USD
<b>Tenor</b>	10 year with WAL of 7/7.5 years
<b>Use of Proceeds</b>	Mainly to Refinance existing INR debt
<b>Security</b>	The holders of the US dollar senior notes will have security over the movable and immovable project assets, rights under project documents, share pledge and project accounts of the restricted group (It will be shared paripassu with the WC lender)
<b>Key covenants</b>	Graded DSCR, Mandatory Cash Sweeps (MCS) and FFO/Net Debt
<b>Governing Law</b>	English Law / New York Law
<b>Key Features</b>	Bankruptcy remote, static pool of assets, independent director on RG SPVs and no additional debt other than WC basket

# Executive Summary of Power Sector in India

*Power demand grew by 4.2% YoY in FY 2025 and 3.2% YoY in Q4 FY 2025*

In FY 2025 the total Installed Power Capacity in the country stood at 475 GW. India's renewable energy capacity stood at 172 GW (excluding large hydro) and at 220 GW (including large hydro) at the end of March, 2025. The share of renewable energy capacity (including large hydro) has grown from 43% in FY 2024 to 46% in FY 2025. The total capacity additions in the country during FY 2025 stood at 33.2 GW comprising of 3.7 GW thermal and 28.7 GW renewables largely driven by the solar capacity addition (23.8 GW) followed by wind (4.2 GW). Renewable energy (excluding hydro) constituted 86% of total capacity additions in FY 2025.

Power generation from the renewables sources has increased on the back of capacity addition. Renewable generation (excluding hydro) as a percentage of total generation was 14% in FY 2025 and 13% in FY 2024 respectively. The share of thermal sources was 75% in FY 2025 versus 76% in FY 2024.

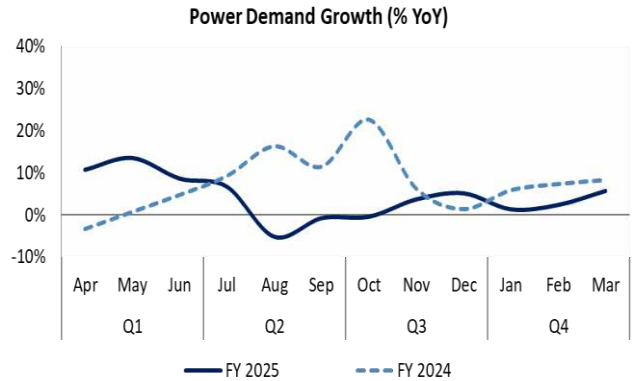
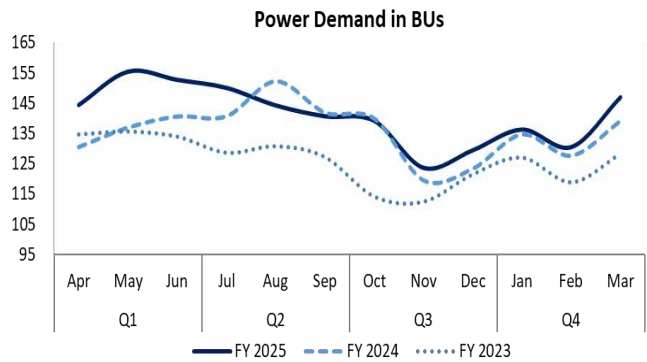
Pan India Power demand during Q4 FY 2025 grew at 3.2% YoY and 4.2% YoY in FY 2025. In tandem with demand, overall generation grew by 3.8% YoY in Q4 FY 2025 and 5.0% YoY in FY 2025. The robust FY 2025 generation was driven by strong growth in Hydro (+11%) and Renewable (+12.9%) generation with Thermal up (+2.8%) YoY. Within renewables, solar generation grew by 23% YoY while wind generation was down by 0.6% YoY in FY 2025.

# Power Sector Updates

## POWER DEMAND

India's power demand increased by 4.2% YoY in FY 2025 to 1,694 BUs, on the back of broad-based demand increase across the country. The record peak demand of 250 GW was witnessed in the month of May in FY 2025.

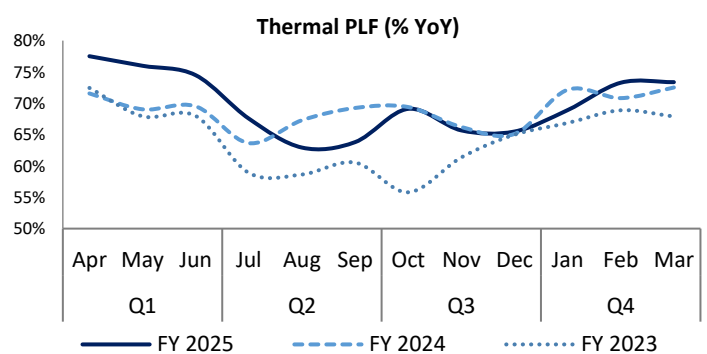
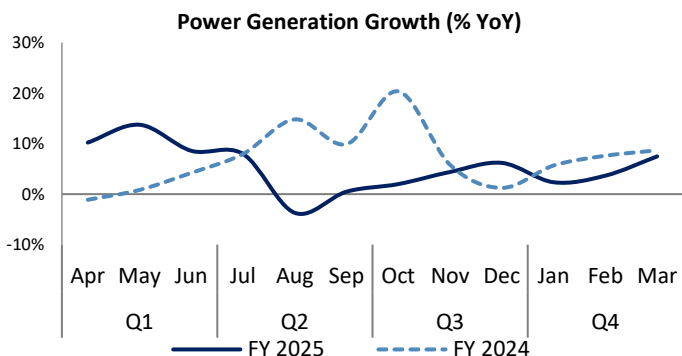
Total demand met (supply) for FY 2025 was 1,692.4 BUs implying a shortfall of 1.6 BUs or 0.1% of the overall demand.



## POWER GENERATION

In line with demand, overall power generation increased by 5.0% YoY in FY 2025, led by higher generation across hydro and renewables. The hydro generation in the country was up 11% YoY in FY 2025 while total renewable generation (solar+ wind) was up 13% YoY. Within renewable, solar generation increased 23% YoY while wind generation was down 0.6% YoY in FY 2025.

Thermal generation increased by 2.8% in FY 2025. Average Thermal PLFs improved in FY 2025 to 70% from 69% last year same period.

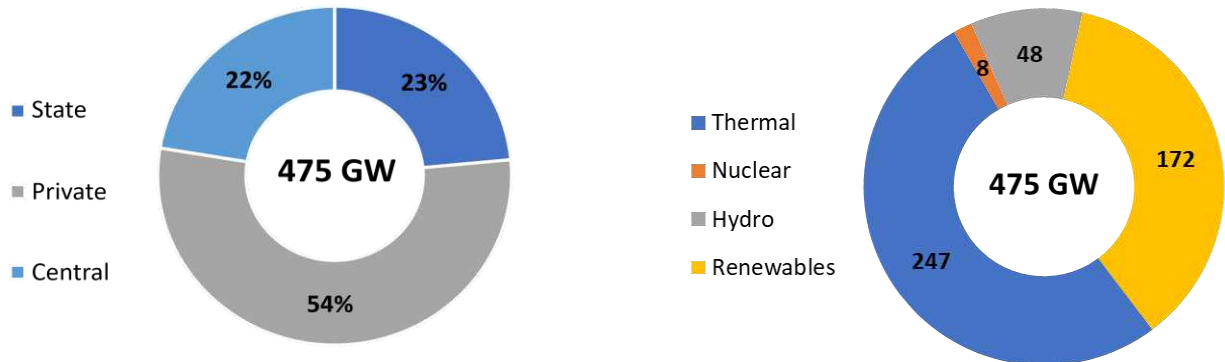


# Power Sector Updates

## POWER CAPACITY

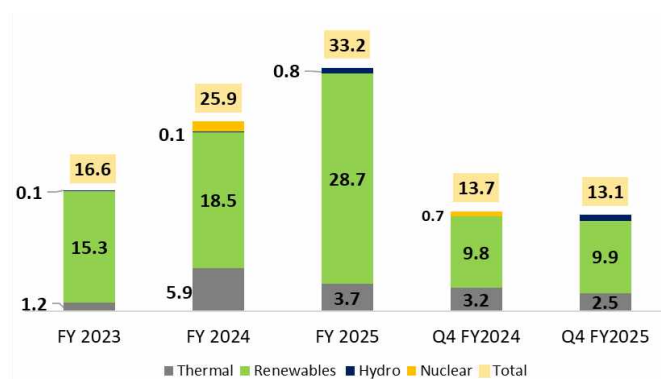
India's installed capacity stood at 475 GW as on March 31, 2025. Net capacity additions during FY 2025 stood at 33.2 GW driven largely by renewable capacity additions of 28.7 GW.

FY 2025 Installed capacity by sector and mode of generation is given below:

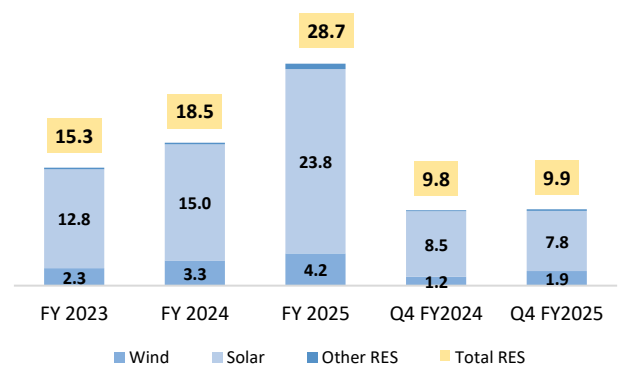


Overall capacity addition of 33.2 GW during the year was dominated by renewable capacity addition of 28.7 GW. Within renewables, solar capacity addition stood at 23.8 GW, while wind capacity additions stood at 4.2 GW in FY 2025.

Overall Segment-wise Net Capacity Addition (GW)



Renewable Capacity addition (Excl Hydro) (GW)



# Executive Summary of Business Performance

## Key Highlights for FY 2025

### OPERATIONAL PERFORMANCE

#### JSW Hydro Energy

- Plant Availability Factor (PAF) came at 96%, remaining well above the normative PAF.
- Gross Generation stood at 5,903 million units (MU), up 19.3% YoY.
- Net Generation stood at 5,862 MUs, up 19.3% YoY.
- Plant Load Factor (PLF) at 50% in FY 2025 as compared to 42% in FY 2024.

### FINANCIAL PERFORMANCE

Revenue from Operations for FY 2025 at ₹1,145 crore<sup>1</sup> decreased 16.4% YoY, as the company had recognised a revenue of ₹173.6 crore last year in FY 2024 by writing back the balance excess truing up provision, on final settlement with DISCOMs, pursuant to an order of Central Electricity Regulatory Commission for Karcham Wangtoo Hydro Plant. This offsets the revenue increase due to higher generation (+19%) in FY 2025.

EBITDA in FY 2025 stood at ₹1,064 crore down 18.4% YoY in FY 2025 as compared to ₹1,304 crore in FY 2024. The YoY decrease in EBITDA was due to revision in two-part tariff at Karcham Wangtoo during the year on account of lower depreciation rate in accordance with CERC Regulations and truing up impact of ₹ 173.6 crore at Karcham Wangtoo in prior period.

Profit after tax for FY 2025 stood at ₹417 crore as compared to ₹420 crore last year in FY 2024.

Receivable Days at the end of March-25 stood at a healthy level of 27 days vs 34 days in March-24. This underpins the continuing cost competitiveness of the power supplied from these hydro power stations for the procuring power distribution companies (DISCOMs), incentivizing the four DISCOMs to prioritize offtake and payments.

*For more details, please visit*

[JSW Energy Integrated Report](#)

[JSW Energy Corporate Presentation](#)

[JSW Hydro Corporate Presentation](#)

[Previous Compliance Certificates](#)

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<sup>1</sup> 1 Crore = 10 million

# Executive Summary of Business Performance

Key Highlights for FY 2025

## OTHER KEY BUSINESS HIGHLIGHTS

- Operating 45 MW uprated capacity at Karcham Wangtoo HEP in merchant market.
- Currently 1,045 MW is operational and will increase to 1,091 MW, thereafter, uprating without any additional capex, subject to fulfillment of certain conditions.

Credit Rating:

- Rating on USD Note of JSWHEL: International - Moody's (Ba1 Outlook – Stable), Fitch (BB+ Outlook – Stable)
- Long Term issuer rating of JSWHEL: Domestic – India Ratings & Research (IND AA Outlook - stable)
- Short Term Rating of JSWHEL: Domestic - India Ratings & Research (IND A1+)

Summary of Covenants: For the 12-month Calculation period from 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2025

Particulars	As on 31 <sup>st</sup> March, 2025
Debt Service Coverage Ratio (DSCR) <b>(Annexure 1)</b>	<b>3.21</b>
FFO/Net Debt <b>(Annexure 2)</b>	<b>20.55%</b>

# Information on Compliance Certificate and Its Workings

Date: 25th June 2025

To:

DB Trust (Hong Kong) Limited (the “Note Trustee”)

Note Holders for U.S.\$ 707,000,000 Senior Secured Notes Due 2031

From:

JSW Hydro Energy Limited

Dear Sirs,

JSW Hydro Energy Limited (the “Issuer”) – Note Trust Deed dated 18<sup>th</sup> May 2021 (the “Note Trust Deed”)

We refer to the Note Trust Deed. This is a Compliance Certificate given in respect of the Calculation Date occurring on 31<sup>st</sup> March 2025. Terms used in the Note Trust Deed shall have the same meaning in this Compliance Certificate.

The Certificate is based on the following documents:

- (a) Unaudited Financial Statements for the 6-month period ended on 31<sup>st</sup> March 2025
- (b) The Cash Flow Waterfall Mechanism as detailed in the Note Trust Deed
- (c) Working annexures

# Compliance Certificate Workings

A. Computation of Operating Account Waterfall as per Note Trust Deed Period from 1<sup>st</sup> October, 2024 to 31<sup>st</sup> March, 2025 (Calculation Date)

We hereby make the Operating Account Waterfall Calculation:

Sr No.	Particulars	Oct 1 <sup>st</sup> 2024 to Mar 31 <sup>st</sup> 2025
	Opening surplus available as on 1 <sup>st</sup> Oct, 2024 for coupon, hedge premium and MCS payment falling due on 18 <sup>th</sup> Nov, 2024	290.40
A	Inflows	
	Operating Revenue (including other income)	609.28
	Working capital Debt	-
	New injection proceeds	-
	True up Reserve	-
	Total Inflows	609.28
B	Less: Statutory dues & Taxes	56.46
C	Less: O&M Expense	156.56
D	Less: True up liability paid	
E	Less: Payments to Trustee, Agents & TRA Bank for cost & liability	0.10
F	Less:	
	a) Coupon payment	95.94
	b) CC/WC interest cost	-
	c) Hedge Premium payments	64.16
	d) MCS Payment	129.97
G	Less:	
	a) WC debt repayment (no obligated principal under bond)	-
	b) Hedge related settlement payments	-
H	Less:	
	Coupon payment due on 18.05.2025	94.17
	Ensuing Hedge Premium payment on 18.05.25 and 18.08.2025	63.81
	Ensuing Hedge related settlement payment on 18.11.2025	-
	Ensuing MCS payment on 18.05.2025	160.95
	<b>Net Surplus to be transferred to Distribution Account</b>	<b>77.56</b>

# Compliance Certificate Workings

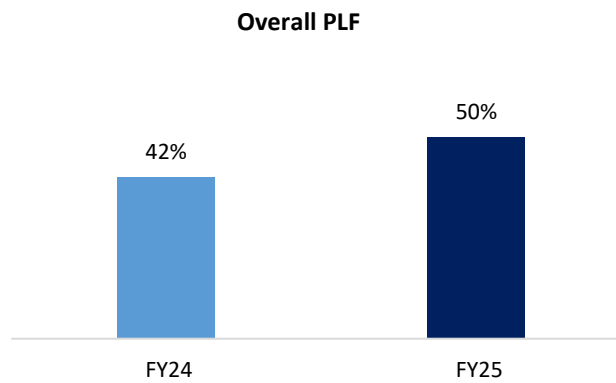
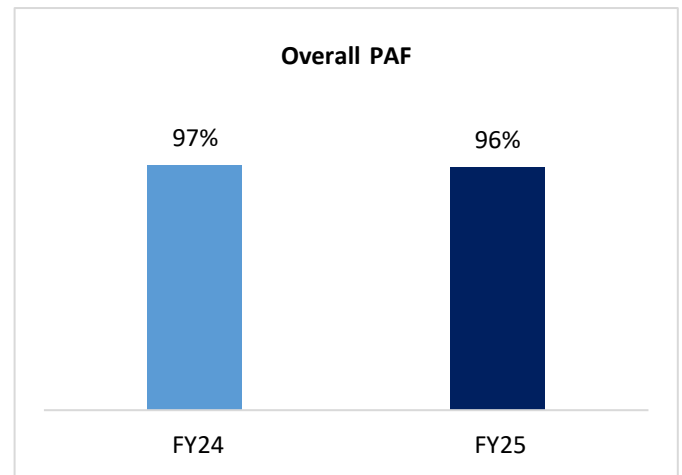
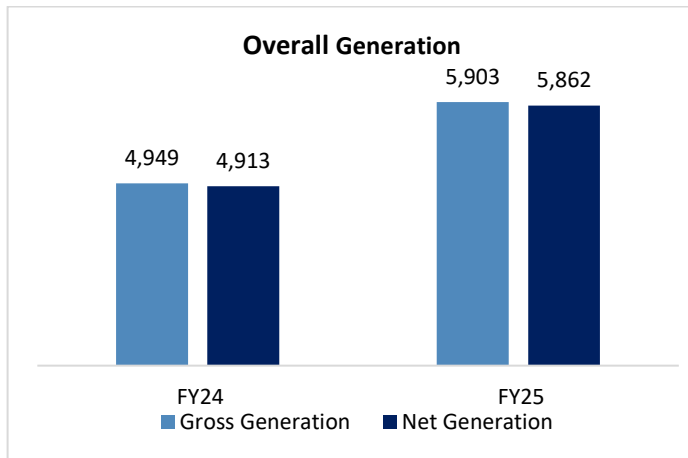
## B. Actual performance v/s stipulated covenants

Particulars	As on 31 <sup>st</sup> March, 2025	Covenant Construct
Debt Service Coverage Ratio (DSCR) <u>(Annexure 1)</u>	3.21	1)DSCR > 1.50x – 100% distribution permitted 2)DSCR ≤ 1.50x – 60% distribution permitted 3)DSCR ≤ 1.40x – 50% distribution permitted 4)DSCR ≤1.30x – No Distribution 5)DSCR < 1.10x – Event of Default
FFO/Net Debt <u>(Annexure 2)</u>	20.55%	FFO/Net Debt ≥ 6% for cash release

For the period 1<sup>st</sup> Oct 2024 to 31<sup>st</sup> March 2025, an amount of ₹77.56 crore is to be transferred from the Operating account to Distribution account as per the Operating Account Waterfall.

# Operational performance for FY25 - Overview

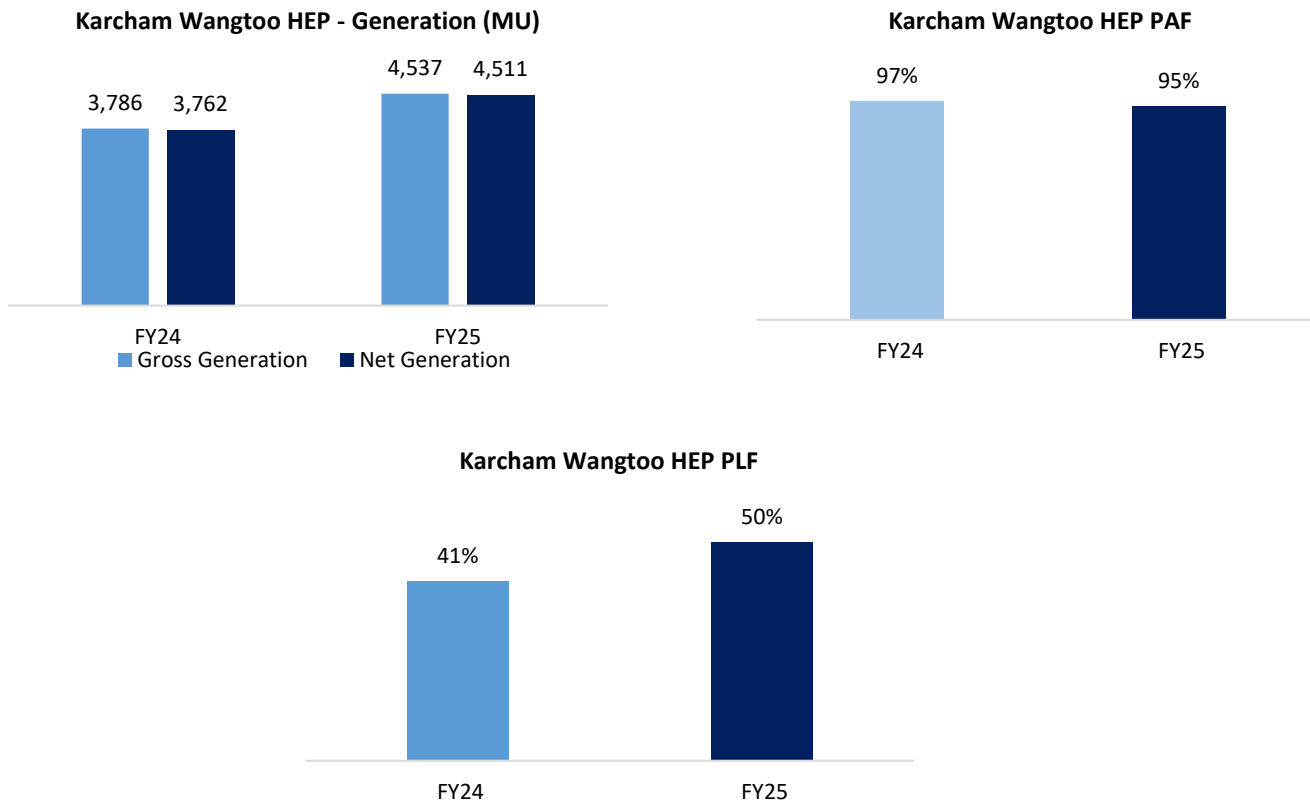
## JSW HYDRO OPERATIONAL PERFORMANCE



Generation & Sales: JSWHEL						
Figures in MU	Gross Design Energy (DE)	Gross generation	Gross Generation as % of DE	Net Generation	Net Saleable Energy	Saleable Design Energy
FY 2025	5,344	5,903	110%	5,862	5,214	4,642
FY 2024	5,344	4,949	93%	4,913	4,275	4,642

# Operational performance for FY25 – Karcham Wangtoo

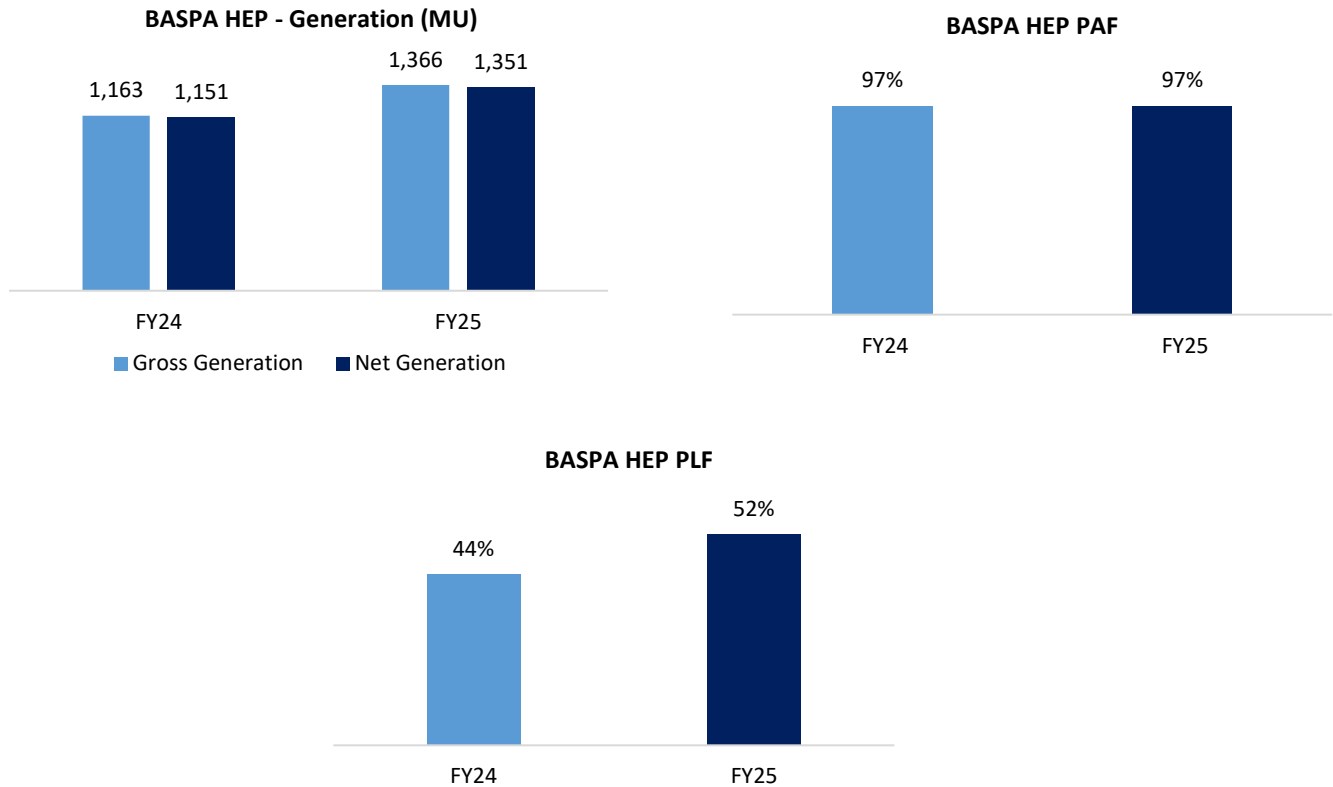
## KARCHAM WANGTOO HEP PERFORMANCE



Generation & Sales: Karcham Wangtoo HEP						
Figures in MU	Gross Design Energy (DE)	Gross generation	Gross Generation as % of DE	Net Generation	Net Saleable Energy	Saleable Design Energy
FY 2025	4,131	4,537	110%	4,511	4,025	3,592
FY 2024	4,131	3,786	92%	3,762	3,263	3,592

# Operational performance for FY25 - Baspa

## BASPA HEP PERFORMANCE



Generation & Sales: Baspa II HEP						
Figures in MU	Gross Design Energy (DE)	Gross generation	Gross Generation as % of DE	Net Generation	Net Saleable Energy	Saleable Design Energy
FY 2025	1,213	1,366	113%	1,351	1,189	1,050
FY 2024	1,213	1,163	96%	1,151	1,013	1,050

## PLANT AVAILABILITY

Overall HEP recorded a PAF of 96% in FY 2025 vs 97% in FY 2024. PAF for the plant continues to be higher than the normative PAF. (Normative PAF revised to 87% for Karcham Wangtoo in FY 2025 and remains 90% for Baspa II)

Hence, both plants were eligible for availability-based incentives apart from the recovery of the fixed costs and ROE based on approved capital cost discovered through the Annual Revenue Requirement under the Multi-Year Tariff mechanism of 5-year blocks.

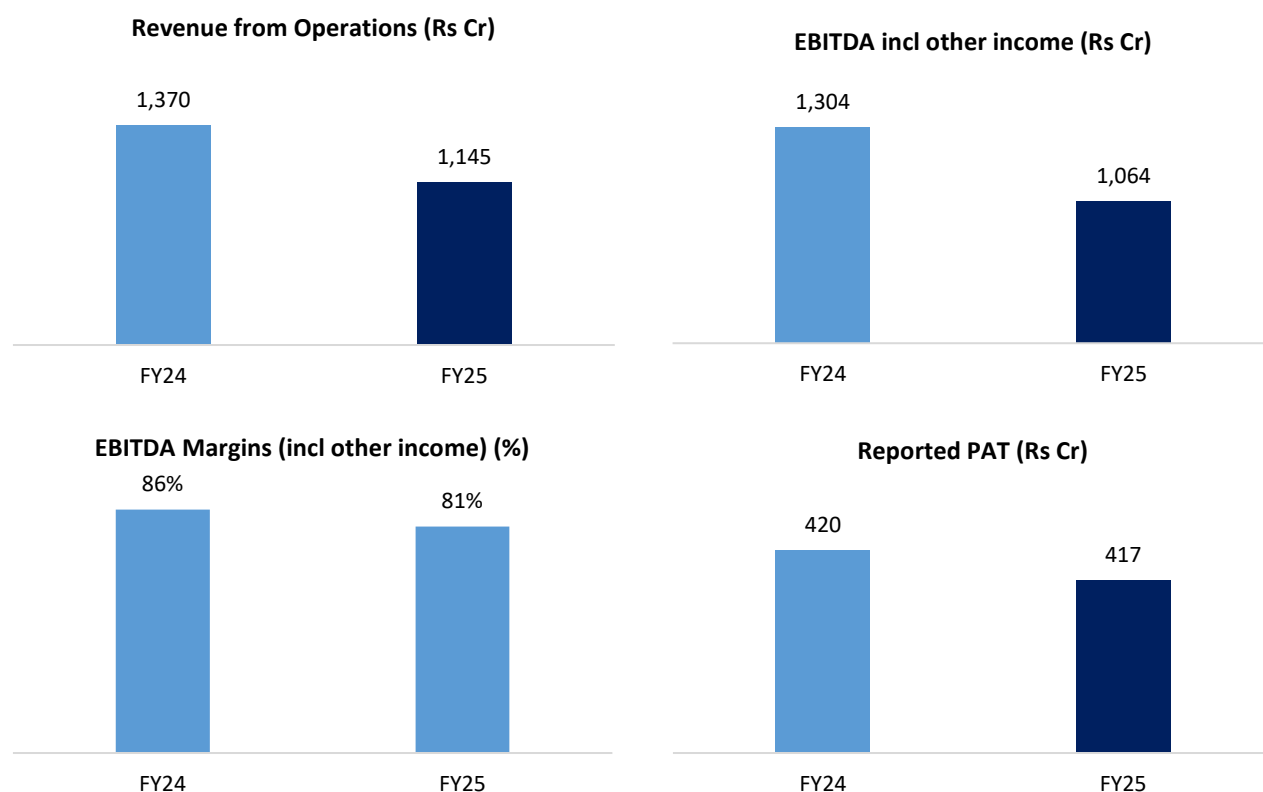
## GENERATION PROFILE

For Karcham HEP, Gross generation at 4,537 MU and Net generation at 4,511 MU increased 20% YoY due to better hydrology. Consequently, the plant has operated at a PLF of 50% in FY 2025 vs 41% in FY 2024

For Baspa II HEP, Gross generation at 1,366 MU and Net generation at 1,351 MU increased 17% YoY. Consequently, the plant operated at a PLF of 52% in FY 2025 vis-à-vis 44% in FY 2024.

At an aggregate company level, the Gross generation at 5,903 MU and Net generation at 5,862 MU for FY 2025 increased 19.3% YoY. Consequently, at a company-wide level, average PLF was at 50% in FY 2025 vs 42% in FY 2024.

## Financial performance for FY 2025



Revenue from operations decreased by 16.4% YoY to ₹1,145 crores compared to ₹1,370 crores in FY 2024, as in prior period the company has recognized a revenue of ₹ 174 crore by writing back the balance excess truing up provision on final settlement with DISCOMs. The overall PAF was reported at 96% for FY 2025, above the normative requirement.

EBITDA in FY 2025 stood at ₹1,064 crores as against ₹1,304 crore in FY 2024. The YoY decrease in EBITDA was due to revision in two-part tariff at Karcham-Wangtoo during the year on account of lower

depreciation rate in accordance with CERC Regulations and truing up impact of ₹ 173.6 crores at Karcham-Wangtoo in prior period.

Therefore, the reported PAT stood at ₹417 crores, decreased 1% YoY basis given the impact of reversal of provisions in prior period.

### **RECIEVABLES POSITION AS ON MARCH, 2025**

Debtor days stood at healthy levels of 27 days as of Mar-25 vs 34 days in Mar-24.

In Days	Mar-25	Mar-24	Mar-23
Receivable Days	27	34	40

# Appendix – 1

## *Form of Compliance Certificate*

### **DB Trust (Hong Kong) Limited (the “Note Trustee”)**

Level 60, International Commerce Centre,  
1 Austin Road West, Kowloon  
Hong Kong

Date: 25th June 2025

Dear Ladies and Gentlemen

### **JSW HYDRO ENERGY LIMITED U.S.\$707,000,000 4.125% Senior Secured Notes due 2031**

In accordance with clause 4.3 of the note trust deed dated 18<sup>th</sup> May 2021 (as amended or supplemented from time to time, the “Note Trust Deed”) made between (1) JSW Hydro Energy Limited and (2) the Note Trustee, we hereby certify and confirm below for the period 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2025 on behalf of the issuer, that:

- (a) as at the Calculation Date, the aggregate amount transfer to the Distribution Account in accordance with the Operating Accounts Waterfall was: **₹ 77.56 crore**
- (b) in accordance with the workings set out in Annexure I, the Debt Service Cover Ratio for the Calculation Period ending on the relevant Calculation Date was: **3.21**
- (c) in accordance with the workings set out in Annexure II, the Fund from Operations to the Net Debt Ratio for the Calculation Period ending on the relevant Calculation Date was: **20.55%**
- (d) the amount received by the issuer pursuant to an Equity Cure, details of the Debt Service Cover Ratio for the Calculation Period ending on the relevant Calculation Date was:
  - (i) without taking into account the Equity Cure: **3.21**
  - (ii) after taking into account the Equity Cure: **No equity cure received**
- (e) the amounts spent by the Issuer by way of Capital Expenditure, details of the amount utilized, the use of proceeds of such amounts, whether such amounts were funded by funds in the Distribution Account was: **NIL**
- (f) the cash balance in each of the Project Accounts as at the relevant Calculation Date was:

Nature of Account	Amount in ₹ Cr (As on 31 <sup>st</sup> March 2025)	Remarks
Operating Accounts	631.88	Including amounts invested in MF/FDRs
Distribution accounts	620.52	Including amounts invested in MF/FDRs
Debt Service Reserve Account	150.00	Including amounts invested in MF/FDRs
<b>Total</b>	<b>1,402.40</b>	

- (g) the MCS amount paid by the Issuer up to (and including) the relevant Calculation Date, and the amounts (if any) of shortfall in the payment of any MCS Amount was: Seven MCS payments up to 31<sup>st</sup> March 2025 amounting to USD **185,587,500** and shortfall is **NIL**
- (h) New Injection amounts received for the purposes of paying any MCS Amount due was: **NIL**
- (i) the amounts paid in respect of True-Up Liabilities, details of the amount utilized and the timing of any amounts utilized: **NIL**
- (j) to the best of our knowledge having made due enquiry, no Default subsists.

Terms not defined herein shall have the same meanings as provided in the Note Trust Deed and the Conditions.

Yours Faithfully,



Chief Financial Officer  
(Sanjeev Kango)

# Annexure – 1

Working for Calculation of Debt Service Cover Ratio (A/B)		1 <sup>st</sup> April 2024 to 31 <sup>st</sup> March 2025
		<u>In Rs Crore</u>
	"Debt Service Cover Ratio" means in relation to a Calculation period ending on the relevant Calculation Date (A/B)	3.21
	"Cashflow Available for Debt Service" means, in respect of any period, (i) the aggregate amount of CFADS Operating Revenue for such period (which, for the avoidance of doubt, shall include interest revenue accrued by the Issuer on all Project Accounts (including the Distribution Account, to the extent any such interest is transferred to the Operating Accounts) to the extent not already included in CFADS Operating Revenue) and (ii) the amount of proceeds received by the Issuer from any New Injection made in such period and designated by the Issuer as an Equity Cure, less:	1,319.41
	a) Operating Expenses (other than any costs or fees payable, written-off or amortized in connection with the Existing Indebtedness, the Senior Secured Documents and any Costs or break fees payable as a consequence of the repayment or prepayment of the Existing Indebtedness) and petty expenses, if any, in each case paid in such period and funded by amounts withdrawn from a Project Account in accordance with these Conditions and the Trust and Accounts Deed;	(255.29)
	b) Taxes (other than where any such Taxes have been paid by the Issuer from funds in the Distribution Account related to the write back of True-Up Liabilities) paid by the Issuer in such period; and	(86.80)
	c) costs paid by the Issuer to the Trustee,	(0.10)
	in each case for (b) and (c) of this definition, without double counting. Amounts received as a New Injection and designated by the Issuer as an Equity Cure in accordance with these Conditions and the Trust and Accounts Deed will be counted in Cashflow Available for Debt Service for the Calculation Period in which the Compliance Certificate is being provided but not for any subsequent period, without double counting, and solely for that specified period.	-
A)	Total	977.22

	“CFADS Operating Revenue” means Operating Revenue excluding (without double counting):	1,319.49
	(a) non-recurring significant items which are not generated in the ordinary course of business (including, but not limited to, profits and losses on the disposal of assets outside the ordinary course of business);	(0.08)
	(b) extraordinary items;	Nil
	(c) any other non-cash items (including, but not limited to, property revaluations); <i>provided</i> that such non-cash items shall not include “income from service concession arrangements” (Trueing up reversal);	Nil
	(d) insurance proceeds, other than business interruption insurance proceeds or advance consequential loss of profit insurance proceeds or any proceeds applied towards reimbursement for repairs or reinstatement of an asset where the cost of the relevant repair or reinstatement is an Operating Expense;	Nil
	(e) proceeds of any Finance Debt or equity; and	Nil
	(f) any warranty claim or indemnity payment received under a PPA, other than any amounts calculated with respect to, or provided in lieu of, revenue or where the cost, liability or loss being compensated for or the subject of the relevant warranty or indemnity is an Operating Expense.	Nil

B)	(ii) the aggregate amount of (x) interest in respect of the Notes accrued during such period, (y) interest in respect of any Working Capital Debt accrued during such period and (z) net payments accrued under any Currency Hedging Agreement or any Interest Rate Hedging Agreement during such period (without double counting); provided that for the Calculation Period ending on 31 <sup>st</sup> March 2025, paragraph (i) shall be Cashflow Available for Debt Service for the 12-months ending March 31, 2025 and paragraph (ii) shall be the aggregate amount of (a) the scheduled principal repayments (to the extent not refinanced, prepaid or repaid and/or marked for refinancing) under the Existing Term Loan Indebtedness during such period, (b) interest payments to creditors of Existing Indebtedness and payments of any Costs (of recurring nature) to creditors in relation to Existing Indebtedness due or accrued during such period, (c) interest accrued in respect of the Notes during such period, (d) interest accrued in respect of any Working Capital Debt during such period and (e) net payments accrued under any Currency Hedging Agreement or any Interest Rate Hedging Agreement during such period.	304.38
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## Annexure – 2

Working for the Fund from Operations to Net Debt Ratio		1 <sup>st</sup> April 2024 to 31 <sup>st</sup> March 2024
		<b>In ₹ Crore</b>
	Fund from Operations to Net Debt Ratio (A/B)	20.55%
	“Funds From Operations” means, for any period,	
	a) EBITDA minus	1,064.10
	b) cash taxes paid on income	(86.80)
	c) adjusted for any positive or negative adjustments in working capital	(0.54)
	d) cash net interest.	(325.81)
<b>A)</b>	<b>Total</b>	<b>650.95</b>
	a) “Net Debt” means the total indebtedness of the Issuer (excluding any Subordinated Debt)	4,419.86
	b) less: Cash balances	(1,252.39)
	c) less any amounts held in the MCS Account,	-
	d) less the Debt Service Reserve Account,	-
	e) less the Restricted Surplus Account and	-
	f) less the Restricted Debt Service Account.	-
<b>B)</b>	<b>Total</b>	<b>3,167.47</b>

# Appendix – 2

## Form of Certificate of Directors

### DB Trust (Hong Kong) Limited (the “Note Trustee”)

Level 60, International Commerce Centre,  
1 Austin Road West, Kowloon  
Hong Kong

Date: 25th June 2025

Dear Ladies and Gentlemen

### JSW HYDRO ENERGY LIMITED U.S.\$707,000,000 4.125% Senior Secured Notes due 2031

In accordance with clause 4.3 of the note trust deed dated May 18, 2021 (as amended or supplemented from time to time, the “**Note Trust Deed**”) made between (1) JSW Hydro Energy Limited and (2) the Note Trustee, we, as Directors of the Issuers, hereby confirm that, having made all reasonable enquiries, to the best of the knowledge, information and belief of the issuers that as at date of this certificate

- (a) as at 25th June 2025, no Event of Default or Potential Event of Default had occurred since April 01, 2024.
- (b) From and including April 01, 2024 to and including 25th June 2025, issuer has complied in all respects with its obligations under the Note Trust Deed and the Notes.

Terms not defined herein shall have the same meaning as provided in the Note Trust Deed.

Yours Faithfully,



Chief Financial Officer  
(Sanjeev Kango)

# **Appendix – 3**

## **Financial Statements of JSWHEL for period ending 31<sup>st</sup> March 2025**

**Independent Auditors' Report**

**To the Members of JSW Hydro Energy Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **JSW Hydro Energy Limited** ("the Company"), which comprise the balance sheet as at March 31, 2025, and the statement of profit and loss, including the statement of other comprehensive income, the cash flow statement and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act"), in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under sub-section (10) of Section 143 of the Act. Our responsibilities under those SAs are further described in the 'Auditor's Responsibilities for the Audit of the Financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, 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 audit opinion on the financial statements.

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of the Management for the Financial Statements**

The Company's Board of Directors are responsible for the matters stated in sub-section (5) of Section 134 of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive loss, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Company'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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company'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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under clause (i) of sub-section (3) of Section 143 of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of managements and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Company 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.

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.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by sub-section (3) of Section 143 of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The balance sheet, the statement of profit and loss including other comprehensive income, the statement of cash flow and the statement of changes in equity dealt with by this report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e. On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act.



- f. With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.
- g. In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule (11) of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note 32 to the financial statements.
  - ii. The Company has made a provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
  - (b) The Management has represented that, to the best of its knowledge and belief, no funds (which are either material either individually or in aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
  - (c) Based on the audit procedures that have been considered reasonable and appropriate on the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. The Company has not declared and paid dividend during the year.
  - vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same was operated throughout the year for all relevant transactions recorded in the software.

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, in respect of accounting software where the audit trail has been enabled. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective year.

For **SHAH GUPTA & CO.**,  
Chartered Accountants  
Firm Registration No.: 109574W



**Parth P Patel**  
M. No. 172670

Unique Document Identification Number (UDIN) for this document is: 25172670BMKVFG2815

Place: Mumbai

Date: May 06, 2025



**ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT**

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of JSW Hydro Energy Limited of even date

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right-of-use assets.
- (B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Company has a program of verification to cover all the items of property, plant and equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the management during the year. There were no material discrepancies noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in note 4 to the financial statements included in property, plant and equipment are held in the name of the Company, except the following:

Description of property	Net carrying value (Rs. In Crore)	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company*
Bithal Land & Building	22.22	Jaiprakash Power Ventures Limited	No	From 01.09.2015	Title has been vested in the name of the company through Scheme of arrangement approved by HP High Court.  Procedural requirement for change of name of the company in the Government record is in process.

- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (ii) (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory by the Management, as compared to book records were not material and have been appropriately dealt with in the books of account. No discrepancies of 10% or more in aggregate for each class of inventory were noticed in respect of such physical verification.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. Based on the records examined by us in the normal course of audit of the financial statements including clarifications provided by the banks, the quarterly returns / statements along with subsequent revisions filed by the Company with the banks are in agreement with the books of account of the Company.
- (iii) (a) During the year, the Company has granted unsecured loans, details of which are given below:

(Rs. in crores)	
Particulars	Loans
<b>A. Aggregate amount granted during the year</b>	
- Related party	1,418.00
<b>B. Balance outstanding as at balance sheet date in respect of above cases</b>	
- Related party	868.00

The Company has not made any investments or provided guarantees or made advances in the nature of loans or provided any security to any other entity during the year.



- (b) During the year, the terms and conditions of the grant of all loans to the parties are not prejudicial to the Company's interest. The Company has not provided guarantees or security or granted advances in the nature of loans to companies, firms, limited liability partnerships or any other parties.
- (c) The Company has granted loans during the year to companies where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular. The Company has not granted advances in the nature of loans to companies, firms, limited liability partnerships or any other parties.
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (e) There were no loans / advances in nature of loans which were granted to same parties and which fell due during the year and were renewed/extended. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, limited liability partnerships or any other parties. Accordingly, reporting under clause 3 (iii) (f) of the Order is not applicable to the Company.
- (iv) The Company has not granted any loans or provided guarantees or securities to parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of the loans granted during the year.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, reporting under clause 3 (v) of the Order is not applicable to the Company.
- (vi) The maintenance of cost records has been specified by the Central Government under Section 148 of the Act. We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under sub-section (1) of Section 148 of the Act and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We are, however, not required to make a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) The Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax, goods and service tax, cess and other material statutory dues applicable to it. According to the information and explanations given to us, there are no undisputed amounts payable in respect of income tax, service tax, goods and service tax, cess and other material statutory dues which were outstanding, at the year end, for a year of more than six months from the date they became payable.
- (b) There are no dues of sales tax, wealth tax, service tax, goods and service tax, income tax, duty of excise, duty of excise, value added tax, and cess which have not been deposited on account of any dispute.
- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, reporting under clause 3 (viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender.
- (b) The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not obtained any term loans during the year. Accordingly, reporting under clause 3 (ix) (c) of the Order is not applicable to the Company.
- (d) The Company has not obtained any short-term loans during the year. Accordingly, reporting under Clause 3 (ix) (d) of the Order is not applicable to the Company.
- (e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended March 31, 2025. Accordingly, reporting under clause 3 (ix) (e) of the Order is not applicable.
- (f) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended March 31, 2025. Accordingly, reporting under clause 3 (ix) (f) of the Order is not applicable.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3 (x) (a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under clause 3 (x) (b) of the Order is not applicable to the Company.
- (xi) (a) No material fraud by the Company or on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor/secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) No whistle-blower complaints have been received during the year by the Company.



- (xii) The Company is not a Nidhi company as per the provisions of the Act. Therefore, the requirement to report on clause 3 (xii) (a), (b) and (c) of the Order are not applicable to the Company.
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the Financial Statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3 (xiii) of the Order is not applicable to the Company.
- (xiv) (a) The internal audit of the Company is covered under the group internal audit pursuant to which an internal audit is carried out every year. In our opinion, the Company's internal audit system is commensurate with the size and nature of its business.  
(b) The reports of the Internal Auditor for the year under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with Directors or persons connected with him. Accordingly, reporting under clause 3 (xv) of the Order is not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3 (xvi) (a) of the Order is not applicable to the Company.  
(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3 (xvi) (b) of the Order is not applicable to the Company.  
(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3 (xvi) (c) of the Order is not applicable to the Company.  
(d) We have been informed by the management that as per the definition of Group under Core Investment Companies (Reserve Bank) Directions 2016, there is one Core Investment Company (CIC) which is registered and four CICs which are not required to be registered with the Reserve Bank of India, forming part of the promoter group.
- (xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause (xviii) is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in Note 30 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a year of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a year of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3 (xx) (a) of Order is not applicable to the Company.  
(b) There are no unspent amounts towards Corporate Social Responsibility (CSR) on ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (6) of Section 135 of the said Act. Accordingly, reporting under clause 3 (xx) (b) of Order is not applicable to the Company.
- (xxi) The reporting under clause 3 (xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said paragraph has been included in this report.

For **SHAH GUPTA & CO.**,  
Chartered Accountants  
Firm Registration No.: 109574W



**Parth P Patel**  
M. No. 172670

Unique Document Identification Number (UDIN) for this document is: 251726708MKVFG2815

Place: Mumbai

Date: May 06, 2025



## ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

### Report on the internal financial controls with reference to the aforesaid Financial Statements under Clause (i) of sub-section (3) of Section 143 of the Act

We have audited the internal financial controls over financial reporting of **JSW Hydro Energy Limited** ("the Company") as of March 31, 2025, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under sub-section (10) of Section 143 of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these financial statements.

#### Meaning of Internal Financial Controls Over Financial Reporting with reference to these Financial Statements

A Company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.



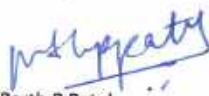
**Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to these financial statements and such internal financial controls were operating effectively as at March 31, 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **SHAH GUPTA & CO.,**  
Chartered Accountants  
Firm Registration No.: 109574W



**Parth P Patel**  
M. No. 172670



Unique Document Identification Number (UDIN) for this document is: 25172670BMKVFG2815  
Place: Mumbai  
Date: May 06, 2025

**JSW HYDRO ENERGY LIMITED**  
Balance Sheet as at 31st March, 2025

( ₹ Crore )

Particulars		Note No.	As at 31st March, 2025	As at 31st March, 2024
<b>A</b>	<b>ASSETS</b>			
1	<b>Non-current assets</b>			
	(a) Property, plant and equipment	4	4,628.91	4,805.22
	(b) Capital work-in-progress	5	20.72	12.85
	(c) Other Intangible assets	6	620.71	649.18
	(d) Financial assets			
	(i) Trade receivables	7	8.58	8.58
	(ii) Loans	8	868.00	1,143.16
	(iii) Other Financial Assets	9	820.41	678.69
	(e) Income tax assets (net)	10A	71.05	70.96
	(f) Other non-current assets	11	2.71	2.80
			<b>7,041.09</b>	<b>7,371.44</b>
2	<b>Current assets</b>			
	(a) Inventories	12	33.45	13.31
	(b) Financial assets			
	(i) Investments	13	915.44	516.55
	(ii) Trade receivables	7	17.91	22.14
	(iii) Unbilled revenue		59.29	103.37
	(iv) Cash and cash equivalents	14A	236.95	87.97
	(v) Bank balances other than (iv) above	14B	251.43	236.98
	(vi) Other financial assets	9	9.10	5.35
	(c) Other current assets	11	27.52	31.82
			<b>1,551.09</b>	<b>1,017.49</b>
	<b>Total assets (1+2)</b>		<b>8,592.18</b>	<b>8,388.93</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
1	<b>Equity</b>			
	(a) Equity share capital	15	1,250.05	1,250.05
	(b) Other equity	16	2,691.11	2,195.44
	<b>Total equity</b>		<b>3,941.16</b>	<b>3,445.49</b>
2	<b>Liabilities</b>			
	<b>(i) Non-current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	17	4,170.27	4,304.76
	(ii) Lease liabilities	18	25.50	25.45
	(iii) Other financial liabilities	19	50.96	58.81
	(b) Provisions	20	11.51	7.03
			<b>4,258.24</b>	<b>4,396.05</b>
	<b>(ii) Current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	17	249.59	389.40
	(ii) Lease liabilities	18	0.41	0.29
	(iii) Trade payables	21		
	(a) Total outstanding dues of micro and small enterprises		8.56	1.84
	(b) Total outstanding dues of creditors other than micro and small enterprises		38.11	46.10
	(iv) Other financial liabilities	19	85.60	99.76
	(b) Other current liabilities	22	2.27	4.53
	(c) Provisions	20	7.26	5.47
	(d) Current tax liabilities (net)	10B	0.98	-
			<b>392.78</b>	<b>547.39</b>
	<b>Total Liabilities</b>		<b>4,651.02</b>	<b>4,943.44</b>
	<b>Total equity and liabilities (1+2)</b>		<b>8,592.18</b>	<b>8,388.93</b>

See accompanying notes to the financial statements

As per our attached report

For **Shah Gupta & Co**

Chartered Accountants

Firm Registration No.: 109574W

Parti P Patel

Partner

CA No. 172670



For and on behalf of Board of Directors

*Gyan Bhadra Kumar*

Gyan Bhadra Kumar  
Whole Time Director  
(DIN: 03620109)

*Sharad Mahendra*

Sharad Mahendra  
Chairman  
(DIN: 02100401)

*Sanjeiv Kango*

Sanjeiv Kango  
Company Secretary &  
Chief Financial Officer

Place: Mumbai

Date: 6th May, 2025

**JSW HYDRO ENERGY LIMITED**  
Statement of Profit and Loss for the year ended 31st March, 2025

₹ Crore, except per share data and as stated otherwise

Particulars	Note No.	For the year ended 31st March, 2025	For the year ended 31st March, 2024
I Revenue from operations	23	1,144.77	1,370.03
II Other Income	24	174.72	149.44
<b>III Total income (I + II)</b>		<b>1,319.49</b>	<b>1,519.47</b>
IV Expenses			
(a) Employee benefits expense	25	102.49	95.78
(b) Finance costs	26	330.67	357.83
(c) Depreciation and amortisation expense	27	227.73	436.87
(d) Other expenses	28	152.90	120.05
<b>Total expenses</b>		<b>813.79</b>	<b>1,010.53</b>
V Profit before tax		505.70	508.94
VI Tax Expense			
Current tax	29	88.36	88.92
Deferred tax		30.73	(80.65)
VII Deferred Tax (recoverable from)/adjustable in future tariff		(30.73)	80.65
		88.36	88.92
VIII Profit for the year (V-VI-VII)		417.34	420.02
IX Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurements of the net defined benefit plan		(3.26)	(0.58)
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.57	0.10
B (i) Items that will be reclassified to profit or loss		75.43	(99.94)
(ii) Income tax relating to items that will be reclassified to profit or loss		(18.99)	25.15
(iii) Deferred tax recoverable from / (adjustable in) future tariff		18.99	(25.15)
<b>Other comprehensive income/(loss) for the year (A + B)</b>		<b>72.75</b>	<b>(100.42)</b>
X Total comprehensive income for the year (VIII + IX)		490.09	319.60
XI Earnings per equity share of (₹) 10 each	38		
Basic ₹		3.34	3.36
Diluted ₹		3.34	3.36

See accompanying notes to the financial statements

As per our attached report

For Shah Gupta & Co  
Chartered Accountants  
Firm Registration No.: 109574W

  
Parth P Patel  
Partner  
M No. 172670



For and on behalf of Board of Directors



Gyan Bhadra Kumar  
Whole Time Director  
[DIN: 03620109]



Sharad Mahendra  
Chairman  
[DIN: 02100401]



Sanjeev Kango  
Company Secretary &  
Chief Financial Officer

Place: Mumbai

Date : 6th May, 2025

**JSW HYDRO ENERGY LIMITED**

Statement of changes in equity for the year ended 31st March, 2025

**a. Equity share capital** ( ₹ Crore )

Particulars	No. of shares	Total
Balance at the 1st April, 2023	1,25,00,50,000	1,250.05
Changes in equity share capital during the year	-	-
Balance at the 31st March, 2024	1,25,00,50,000	1,250.05
Changes in equity share capital during the year	-	-
Balance at the 31st March, 2025	1,25,00,50,000	1,250.05

**b. Other equity** ( ₹ Crore )

Particulars	Reserves & surplus		Item of other comprehensive income	Capital Contribution by parent company	Total
	Equity-settled employee benefits reserve	Retained earnings	Effective portion of cash flow hedge		
Balance at 1st April, 2023	8.10	1,517.66	189.12	156.14	1,871.02
Profit for the year	-	420.02	-	-	420.02
Other comprehensive income /(loss) for the year, net of income tax	-	(0.48)	(99.94)	-	(100.42)
Recognition of Share based payment	4.82	-	-	-	4.82
Balance as at 31st March, 2024	12.92	1,937.20	89.18	156.14	2,195.44

( ₹ Crore )

Particulars	Reserves & surplus		Item of other comprehensive income	Capital Contribution by parent company	Total
	Equity-settled employee benefits reserve	Retained earnings	Effective portion of cash flow hedge		
Balance as at 1st April, 2024	12.92	1,937.20	89.18	156.14	2,195.44
Profit for the year	-	417.34	-	-	417.34
Other comprehensive income /(loss) for the year, net of income tax	-	(2.69)	75.43	-	72.75
Recognition of Share based payment	5.58	-	-	-	5.58
Balance as at 31st March, 2025	18.50	2,351.85	164.61	156.14	2,691.11

See accompanying notes to the financial statements

As per our attached report  
For Shah Gupta & Co  
Chartered Accountants  
Firm Registration No.: 109574W

*Parth P Patel*  
Parth P Patel  
Partner  
M No. 172670



For and on behalf of Board of Directors

*Gyanbhadra*

Gyan Bhadra Kumar  
Whole Time Director  
[DIN: 03620109]

*Sharan Mahendra*

Sharan Mahendra  
Chairman  
[DIN: 02100401]

*Sanjeev Kango*

Sanjeev Kango  
Company Secretary &  
Chief Financial Officer

Place: Mumbai  
Date : 6th May, 2025

**JSW HYDRO ENERGY LIMITED**  
**Statement of Cash Flows for the year ended 31st March, 2025**

₹ Crore

Particulars	For the year ended		For the year ended	
	31st March, 2025		31st March, 2024	
<b>I CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit before tax		505.70		508.94
Adjusted for:				
Depreciation and amortisation expense	227.73		436.87	
Interest income earned on financial assets that are not designated as FVTPL	(71.76)		(98.15)	
Net Gain arising on financial instruments designated as FVTPL	(85.68)		(36.68)	
Excess provision no longer required written back	(15.05)		(183.21)	
Gain on sale / discard of property, plant and equipment (net)	(0.09)		(0.01)	
Share based payments	5.58		4.82	
Finance costs	330.21		357.83	
Unrealised foreign exchange Loss / (gain) (net)	0.46		(8.35)	
		<b>390.40</b>		<b>473.12</b>
Operating profit before working capital changes		<b>896.10</b>		<b>982.06</b>
Adjustment for movement in working capital :				
(Increase) / Decrease in Trade receivables and Unbilled revenue	48.31		10.37	
(Increase) / Decrease in Inventories	(20.15)		(0.21)	
(Increase) / Decrease in Current & non-current assets	(141.47)		231.61	
Increase / (Decrease) in Trade payables & Other Liabilities	160.39		(156.72)	
		<b>47.08</b>		<b>85.05</b>
Cash generated from operations		<b>943.18</b>		<b>1,067.11</b>
Income taxes paid (net)		(86.80)		(81.11)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>		<b>856.38</b>		<b>986.00</b>
<b>II CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of property, plant & equipment (including Capital Work in progress and capital advances)		(30.87)		(17.97)
Proceeds from sale of property, plant & equipment (including Capital Work in progress)		0.24		0.06
Loan given to /returned by related party (net)		275.16		(354.16)
Bank deposits not considered as cash and cash equivalent		(11.15)		(40.95)
Interest received		68.23		93.78
Sale of current investments (net)		87.14		25.20
<b>NET CASH GENERATED/(USED) IN INVESTING ACTIVITIES</b>		<b>388.75</b>		<b>(294.04)</b>
<b>III CASH FLOW FROM FINANCING ACTIVITIES</b>				
Repayment of non-current borrowings		(378.43)		(423.56)
Repayment of current-borrowings (net)		-		(35.00)
Payment of lease liabilities		(0.52)		(0.50)
Finance costs paid		(318.31)		(357.04)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>(697.26)</b>		<b>(816.10)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (I+II-III)</b>		<b>547.87</b>		<b>(124.14)</b>
<b>CASH AND CASH EQUIVALENTS - At the beginning of the year</b>		<b>604.52</b>		<b>728.66</b>
<b>CASH AND CASH EQUIVALENTS - At the end of year</b>		<b>1152.39</b>		<b>604.52</b>
Cash and cash equivalents comprise of:				
1) Balances with Banks (refer note 14A)				
-In Current accounts		30.94		58.96
-In Deposit accounts with maturity less than 3 months at inception		206.00		29.00
2) Cash on hand (refer note 14A)		0.01		0.01
3) Investments in mutual funds (refer note 13)		915.44		516.55
<b>Total</b>		<b>1152.39</b>		<b>604.52</b>

See accompanying notes to the financial statements

Note:

The Statement of cash flows has been prepared under the indirect method as set out in Indian Accounting standard (Ind AS 7) Statement of cash flows.

As per our attached report

For Shah Gupta & Co

Chartered Accountants

Firm Registration No.: 109574W

Parth P Patel  
Partner  
M No. 172670



Place: Mumbai  
Date : 6th May, 2025

For and on behalf of Board of Directors

*Gyanbhadra K*

Gyan Bhadra Kumar  
Whole Time Director  
(DIN: 03620109)

*Mahendra*

Shafiq Mahendra  
Chairman  
(DIN: 02100401)

*Sanjeev Kango*

Sanjeev Kango  
Company Secretary &  
Chief Financial Officer

## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

### Note 1: General information

JSW Hydro Energy Limited is a public limited Company domiciled in India and is incorporated under the provisions of the Companies Act, 2013 applicable in India is wholly owned subsidiary of JSW Neo Energy Limited and is a step down subsidiary of JSW Energy Limited. The registered office of the Company is located at Sholtu Colony, P.O. Tapri, Dist. Kinnaur, 172104 (HP). The Company is primarily engaged in the business of generation and sale of power.

### Note 2.1: Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On August 12, 2024 and September 09, 2024, MCA issued the Companies (Indian Accounting Standards) Amendment Rules, 2024 and Companies (Indian Accounting Standards) Second Amendment Rules, 2024 introducing following changes:

Ind AS 117 – Insurance Contracts:

Ind AS 117: Insurance Contracts was introduced and Ind AS 104: Insurance Contracts was withdrawn. This was accompanied with consequent amendments in other standards.

Ind AS 116 – Leases:

The amendments clarify accounting treatment for a seller-lessee involved in sale and leaseback transactions, and introduced some related illustrative examples.

The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

### Note 2.2: Statement of compliance

The Financial Statements of the Company which comprise the Balance Sheet as at 31st March, 2025, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended 31st March, 2025, and a summary of the material accounting policies and other explanatory information (together hereinafter referred to as "Financial Statements") have been prepared in accordance with Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, the provisions of the Companies Act, 2013 ("the Act") to the extent notified and other accounting principles generally accepted in India. The Financial Statements were approved for issue by the Board of Directors on 6th May, 2025.



## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

### Note 3: Basis of preparation & presentation of financial statement & Material accounting Policy

#### 3.1 Basis of preparation & Presentation of financial statements:

The Financial Statements are prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies given below which are consistently followed except where a new accounting standard or amendment to the existing accounting standards requires a change in the policy hitherto applied. Presentation requirements of Division II of Schedule III to the Companies Act, 2013, "as amended", as applicable to the Financial Statements have been followed. The Financial Statements are presented in Indian Rupees ('INR') in crore rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013.

#### Current and non-current classification:

The Company presents assets and liabilities in the balance sheet based on current / noncurrent classification. An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in the normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. 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 liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

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

#### Material accounting Policy

##### 3.2 Property, plant and equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning.

Properties in the course of construction are carried at cost, less any recognised impairment loss, as capital work in progress. Upon completion, such properties are transferred to the appropriate categories of property, plant and equipment and the depreciation commences

Where an obligation (legal or constructive) exists to dismantle or remove an asset or restore a site to its former condition at the end of its useful life, the present value of the estimated cost of dismantling, removing or restoring the site is capitalized along with the cost of acquisition or construction upon completion and a corresponding liability is recognised.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.



## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

### 3.3 Other Intangible assets

a) Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses.

b) An intangible asset is derecognised on disposal, or when no further economic benefits are expected from use or disposal. Gain / (loss) on de-recognition are recognized in profit or loss.

### 3.4 Depreciation and Amortisation

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values.

Depreciation on Property, plant and equipment is covered under Part B of Schedule II of the Companies Act, 2013. Accordingly, depreciation has been provided on straight line method at the rates using the methodology as notified by Central Electricity Regulatory Commission (CERC). As per CERC regulations, depreciation for the first twelve years from the effective date of the commercial operation of the station was being calculated annually based on straight line method and at rates specified below.

The remaining depreciable value as on 31st March of the year closing after a period of twelve years from the effective date of commercial operation of the station is spread over the balance useful life of the assets.

**Rate of depreciation and amortisation for the first twelve years are given below**

Particulars	Depreciation rate (Per Annum)
Plant & Machinery	5.28%
Buildings	3.34%
Furniture's & Fixtures	6.33%
Vehicles	9.50%
Office Equipment's	6.33%
Computer & Software	15.00%

The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Rights under Service Concession are amortised upto the term of Power purchase agreement (PPA).

Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset.



## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

### 3.5 Impairment of tangible & intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

### 3.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

If any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.

The Company suspends capitalisation of borrowing costs during extended periods in which it suspends active development of a qualifying asset.

Borrowing Cost includes exchange differences arising from foreign currency borrowings from ECB to the extent they are regarded as an adjustment to the finance cost.

### 3.7 Statement of cash flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- i. changes during the period in inventories and operating receivables and payables, transactions of a non-cash nature;
- ii. non-cash items such as depreciation, provisions, and unrealised foreign currency gains and losses etc.; and
- iii. all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents comprise cash at banks and on hand, short-term deposits with an original maturity of three months or less and liquid investments, which are subject to insignificant risk of changes in value.

### 3.8 Revenue recognition

Revenue towards satisfaction of performance obligations from contracts with customers is recognised when control of the goods including power generated or services is transferred to the customer, at transaction price (net of variable consideration) i.e. at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services having regard to the terms of the contract including Power Purchase Agreements, relevant tariff regulations and the tariff orders by the regulator, as applicable. If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for satisfaction of performance obligation. The variable consideration is estimated having regard to various relevant factors including historical trend and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Compensation towards shortfall in offtake are recognised on collection or earlier when there is reasonable certainty to expect ultimate collection.



## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

### Sale of Power

Revenue from capacity charges (other than from contracts classified as lease) under the long term power supply agreements is recognised over a period of time as the capacity of the plant is made available under the terms of the contracts. Electricity charges are recognised on supply of power under such power supply agreements. Revenue from sale of power on merchant basis is recognised when power is supplied to the customers.

The Company primarily generates revenue from contracts with customers for supply of power generated from power plants including from allocating the capacity of the plant under the long term power purchase agreements, from sale of power on merchant basis including under short term contracts.

Revenue from operations of the company mainly consists from plants regulated under the Electricity Act, 2003. Accordingly, the Central Electricity Regulatory Commission (CERC) determines the tariff on the norms prescribed in the tariff regulations as applicable from time to time. Revenue from sale of energy is accounted for as per tariff notified by CERC. In case of power stations where the tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC Tariff Regulations.

As at each reporting date, revenue from operations includes an accrual for energy sales transmitted to customers but not yet billed (unbilled Revenue).

Rebate to customers as early payment incentive is deducted from the amount of revenue from energy sales.

Incentives are accounted for based on the norms notified/approved by the Central Electricity Regulatory Commission.

Interest/Surcharge on late payment/ overdue sundry debtors for sale of energy are recognised when no significant uncertainty as to measurability or collectability exists.

Income arising from sale of Renewable Energy Certificate (REC) and carbon credits is recognized on transfer/sale of Renewable Energy Certificate (REC) and carbon credits i.e. when there is certainty regarding ultimate collection.

### Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company 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.

Interest or Surcharge on delayed payments on overdue trade receivables is recognised when significant certainty as to measurability or realisability exists.

### **3.9 Foreign currency transactions**

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

In preparing the Financial Statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and
- exchange differences on transactions entered into in order to hedge certain foreign currency risks.

### **3.10 Employee benefits**

#### **a) Short term employee benefits:**

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

#### **b) Long term employee benefits:**

Liabilities recognised in respect of longterm employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date. The liabilities for contingency leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related liability. Measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.



## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

### C) Retirement benefit costs and termination benefits:

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

#### Defined contribution plans:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. Payments made to state-managed retirement benefit plans are accounted for as payments to defined contribution plans where the Company's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

#### Defined benefit plans:

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurements comprising actuarial gains and losses, the effect of the asset ceiling (if applicable) and the return on plan assets (excluding interest) are recognised immediately in the balance sheet with a charge or credit to other comprehensive income in the period in which they occur. Remeasurements recognised in other comprehensive income are not reclassified. Actuarial valuations are being carried out at the end of each annual reporting period for defined benefit plans.

The retirement benefit obligation recognised in the balance sheet represents the deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/ superannuation. The gratuity is paid @ 15 days salary for each completed year of service as per the Payment of Gratuity Act, 1972.

### 3.11 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

The Holding Company has created an Employee Welfare Trust for providing share-based payment to its employees. The Holding Company uses the Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Parent Company from the market or directly from the Parent Company, for giving shares to employees.



## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

### 3.12 Taxation

Income tax expenses represents the sum of the tax currently payable and deferred tax.

#### a) Current tax

Current tax is the amount of tax payable based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

#### b) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

A deferred tax asset arising from unused tax losses or tax credits (credit on account of Minimum Alternative Tax) is recognised only to the extent that the Company has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the Company. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets 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 end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. For operations carried out under tax holiday period (80IA benefits of Income Tax Act, 1961), deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets relate to the same taxable entity and same taxation authority.

#### c) Current and deferred tax for the year

Current and deferred tax are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.



## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

### 3.13 Earnings per share

Basic earnings per share is computed by dividing the profit/(loss) for the year by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit/(loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

### 3.14 Provisions, contingencies and commitments

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable incremental costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

A disclosure for contingent liabilities is made when there is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- (b) a present obligation that arises from past events but is not recognized because:
  - (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - (ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- (a) estimated amount of contracts remaining to be executed on capital account and not provided for;
- (b) uncalled liability on shares and other investments partly paid;
- (c) funding related commitment to associate and joint venture companies; and
- (d) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Commitments include the amount of purchase orders (net of advances) issued to parties for completion of assets.



## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

### 3.15 Financial instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

#### A. Financial assets

##### (i) Recognition and Initial measurement:

All financial assets are recognized initially at fair value. In case of financial assets not recorded at fair value through profit or loss (FVTPL), financial assets are recognized at transaction costs that are attributable to the acquisition of financial assets. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchases and sales of financial assets are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

##### (ii) Classification of financial assets

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit and loss. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets 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.

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL:

- The asset 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.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the effective interest rate (EIR) method.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL. In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.



## JSW HYDRO ENERGY LIMITED

### Notes to Financial Statement for the year ended 31st March, 2025

Financial assets at FVTPL are measured at fair value at the end of each reporting year, with any gains and losses arising on remeasurement recognised in statement of profit and loss. The net gain or loss recognised in statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the other income line item. Dividend on financial assets at FVTPL is recognised when:

- The Company's right to receive the dividends is established;
- It is probable that the economic benefits associated with the dividends will flow to the entity;
- The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Perpetual debt instruments / loans, which provide it's holder with the contractual right to receive payments on account of interest at fixed dates extending into the indefinite future, either with no right to receive a return of principal or a right to a return of principal under terms that make it very unlikely or very far in the future, are considered as investment in equity instrument of the holder. The Company has elected to measure investment in equity instruments of it's subsidiaries at cost.

#### (iii) Derecognition of financial assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

#### (iv) Impairment:

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost. Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 months expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

#### (v) Income from financial assets:

Dividend income from investments is recognised when the shareholder's right to receive payment has been established. 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. Delayed payment charges are recognised on collection or earlier when there is reasonable certainty to expect ultimate collection.

#### (vi) Effective interest method:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter year, to the net carrying amount on initial recognition. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.



## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

### B. Financial liabilities and equity instruments

#### Classification as debt or equity

Debt and equity instruments issued by a company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by an entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in statement of profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

#### Financial liabilities:

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

#### Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL. A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profittaking; or
- It is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and

Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

#### Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit or Loss.

### C. Derivative financial instruments:

The Company uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting year. The resulting gain or loss is recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Statement of Profit and Loss depends on the nature of the hedge item.

The contracts to buy or sell a non-financial item that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements are not considered as derivative instruments.

### D. Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.



## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

### E. Fair Value measurement:

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i) In the principal market for the asset or liability; or
- ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a nonfinancial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses 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 assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, 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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### F. Hedge accounting

The Company designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency, interest rate and commodity risk, as either cash flow hedge, fair value hedge. Hedges of foreign currency risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to hedged risk.

### Fair value hedges:

The Company designates only the spot component for derivative instruments in fair value Hedging relationship. The Company defers changes in the forward element of such instruments in hedging reserve and the same is amortised over the period of the contract.

When the Company designates only the intrinsic value of the option as the hedging instrument, it account for the changes in the time value in OCI. This amount is be removed from OCI and recognised in P&L, either over the period of the hedge if the hedge is time related, or when the hedged transaction affects P&L if the hedge is transaction related.



## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

### Cash flow hedges:

The effective portion of changes in fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to Statement of Profit and Loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains or losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the nonfinancial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in Statement of Profit and Loss.

### 3.16 Leases

#### (a) The Company as lessee:

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

For a contract that contain a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component and the aggregate standalone price of the non-lease components.

#### (b) The Company as lessor:

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Subsequent to initial recognition, the Company regularly reviews the estimated unguaranteed residual value and applies the impairment requirements of Ind AS 109, recognising an allowance for expected credit losses on the lease receivables.

Finance lease income is calculated with reference to the gross carrying amount of the lease receivables, except for creditimpaired financial assets for which interest income is calculated with reference to their amortised cost (i.e. after a deduction of the loss allowance).

When a contract includes both lease and nonlease components, the Company applies Ind AS 115 to allocate the consideration under the contract to each component.



## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

### 3.17 Service concession arrangements

Under Appendix C to Ind AS 115 – Service Concession Arrangements (revenue from contract with customer) applies to public-to-private service concession arrangements if:

- a) the grantor controls or regulates what services the operator must provide with the infrastructure, to whom it must provide them, and at what price; AND
- b) the grantor controls—through ownership, beneficial entitlement or otherwise—any significant residual interest in the infrastructure at the end of the term of the arrangement; AND
- c) Is the infrastructure constructed or acquired by the operator from a third party for the purpose of the service arrangement OR is the infrastructure existing infrastructure of the grantor to which the operator is given access for the purpose of the service arrangement?

Infrastructure used in a public-to-private service concession arrangement for its entire useful life (whole of life assets) is within the scope of this Appendix if the conditions in 'a') above are met.

These arrangements are accounted on the basis of below mentioned models depending on the nature of consideration and relevant contract law.

#### Financial asset model:

The Financial asset model is used when the Company, being an operator, has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services. Unconditional contractual right is established when the grantor contractually guarantees to pay the operator:

- (a) specific or determinable amount;
- (b) the shortfall, if any, between amounts received from the users of the public services and specified or determinable amounts.

#### Intangible asset model:

The intangible asset model is used to the extent that the company, being an operator, receives a right (a license) to charge users of the public service. A right to charge users of a public services is not an unconditional right to receive cash because the amounts are contingent on to the extent that public uses the services. Both type of arrangements may exist within a single contract to the extent that the grantor has given an unconditional guarantee of payment for the construction and the operation i.e. considered as a Financial asset and to the extent that the operator has to rely on the public using the service in order to obtain payment, the operation has an intangible asset. If the Company (being an operator) performs more than one service (i.e., construction or upgrade services and operation services) under a single contract or arrangement, consideration received or receivable is allocated by reference to the relative fair values of the services delivered, when the amounts are separately identifiable.

The Company manages concession arrangements which include power supply from one of its hydro power plant. The Company maintains and services the infrastructure during the concession period. These concession arrangements set out rights and obligations related to the infrastructure and the services to be provided.

The right to consideration gives rise to an intangible asset and financial receivable and accordingly, both the intangible asset and financial receivable models are applied.

Income from the concession arrangements earned under the intangible asset model consists of the (i) Fair Value of the contract revenue, which is deemed to be fair value of consideration transferred to acquire the asset; and (ii) payments actually received from the users. The intangible asset is amortized over its expected useful life in a way that reflects the pattern in which the asset's economic benefits are consumed by the Company, starting from the date when the right to operate starts to be used. Based on these principles, the intangible asset is amortized in line with the actual usage of the specific public facility, with a maximum of the duration of the concession.

Financial receivable is recorded at a fair value of guaranteed residual value to be received at the end of the concession period. This receivable is subsequently measured at amortised cost. Financial receivable is discounted at IRR and Income from service concession arrangements is booked.

Any asset carried under concession arrangements is derecognised on disposal or when no future economic benefits are expected from its future use or disposal or when the contractual rights to the financial asset expire.

### 3.18 Segment reporting:

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Group to make decisions for performance assessment and resource allocation. The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments.

### 3.19 Exceptional items:

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and the same is disclosed in the notes to accounts.

### 3.20 Inventories

Inventories are stated at the lower of cost or net realisable value. Costs of inventories are determined on weighted average basis.

Cost of inventories includes cost of purchase price, cost of conversion and other cost incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Materials and other supplies held for the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. However, when a decline in the price of materials indicates that the cost of the finished products exceeds net realisable value, the materials are written down to net realisable value.



**JSW HYDRO ENERGY LIMITED**

Notes to the financial statements for the year ended 31st March, 2025

**Note 4. Property, plant & equipment**

( ₹ Crore )

Particulars	Land - Freehold	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Right of Use Assets	Total
<b>At cost</b>								
<b>I. Gross carrying value</b>								
Balance as at 1st April, 2023	77.40	58.94	7,552.74	6.37	1.39	6.41	34.35	7,737.60
Additions	-	4.52	2.66	0.41	0.05	0.69	-	8.33
Disposals /discard	-	-	-	(0.02)	(0.00)	(0.13)	-	(0.15)
<b>Balance as at 31st March, 2024</b>	<b>77.40</b>	<b>63.46</b>	<b>7,555.40</b>	<b>6.76</b>	<b>1.44</b>	<b>6.97</b>	<b>34.35</b>	<b>7,745.78</b>
Additions	-	5.92	8.74	1.08	0.41	2.00	0.46	18.61
Disposals /discard	-	-	(0.97)	-	-	(0.51)	-	(1.48)
<b>Balance as at 31st March, 2025</b>	<b>77.40</b>	<b>69.38</b>	<b>7,563.17</b>	<b>7.84</b>	<b>1.85</b>	<b>8.46</b>	<b>34.81</b>	<b>7,762.91</b>
<b>II. Accumulated depreciation</b>								
Balance as at 1st April, 2023	-	8.79	2,515.55	4.28	0.53	2.65	5.59	2,537.39
Depreciation expense for the year	-	2.08	398.82	0.37	0.09	0.58	1.36	403.30
Eliminated on disposals/discards	-	-	-	(0.02)	(0.00)	(0.11)	-	(0.13)
<b>Balance as at 31st March, 2024</b>	<b>-</b>	<b>10.87</b>	<b>2,914.37</b>	<b>4.63</b>	<b>0.62</b>	<b>3.12</b>	<b>6.95</b>	<b>2,940.56</b>
Depreciation expense for the year	-	2.39	189.78	0.18	0.06	0.21	1.34	193.95
Eliminated on disposals /discards	-	-	(0.12)	-	-	(0.40)	-	(0.52)
<b>Balance as at 31st March, 2025</b>	<b>-</b>	<b>13.26</b>	<b>3,104.03</b>	<b>4.81</b>	<b>0.68</b>	<b>2.93</b>	<b>8.29</b>	<b>3,134.00</b>
<b>Net carrying value as at 31st March, 2024</b>	<b>77.40</b>	<b>52.59</b>	<b>4,641.03</b>	<b>2.13</b>	<b>0.82</b>	<b>3.85</b>	<b>27.40</b>	<b>4,805.22</b>
<b>Net carrying value as at 31st March, 2025</b>	<b>77.40</b>	<b>56.12</b>	<b>4,459.14</b>	<b>3.03</b>	<b>1.17</b>	<b>5.53</b>	<b>26.52</b>	<b>4,628.91</b>

**Note:**

a) Refer note 17 for the details in respect of certain property, plant and equipment hypothecated/mortgaged as security against borrowing

**Details of immovable properties (Freehold Land) of which title deeds are not in the name of the company:**

Description of the Property	Net Carrying value (₹ crore)	Title deeds held in the name of	Share of the Group in the property (%)	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
Bithal Land & Building	22.22	Jaiprakash Power Ventures Limited	100%	NA	1st Sept., 2015	Title has been vested in the name of company through Scheme of arrangement approved by HP High Court. Procedural requirement for change of name of company in the Government record is in process.

**The Company presents right-to-use assets that do not meet the definition of investment in "Property, plant and equipment"**

Particulars	Leasehold Land	Vehicle	Total
<b>I. Gross carrying value</b>			
Balance as at 1st April, 2023	34.35	-	34.35
Additions	-	-	-
<b>Balance as at 31st March, 2024</b>	<b>34.35</b>	<b>-</b>	<b>34.35</b>
Additions	-	0.46	0.46
<b>Balance as at 31st March, 2025</b>	<b>34.35</b>	<b>0.46</b>	<b>34.81</b>
<b>II. Accumulated depreciation</b>			
Balance as at 1st April, 2023	5.59	-	5.59
Depreciation expense for the year	1.36	-	1.36
<b>Balance as at 31st March, 2024</b>	<b>6.95</b>	<b>-</b>	<b>6.95</b>
Depreciation expense for the year	1.32	0.02	1.34
<b>Balance as at 31st March, 2025</b>	<b>8.27</b>	<b>0.02</b>	<b>8.29</b>
<b>III. Net carrying value as at 31st March, 2024</b>	<b>27.40</b>	<b>-</b>	<b>27.40</b>
<b>IV. Net carrying value as at 31st March, 2025</b>	<b>26.08</b>	<b>0.44</b>	<b>26.52</b>



## JSW HYDRO ENERGY LIMITED

Notes to the financial statements for the year ended 31st March, 2025

### Note 5. Capital work-in-progress

Capital work in progress & pre operative expenditure during construction period (pending allocation) relating to property, plant & equipment

( ₹ Crore )

Balance as at 31st March, 2024	12.85
Balance as at 31st March, 2025	20.72

Footnote:

- 1) Amount transferred to property plant and equipment during the year ₹ 6.46 crore (for the year ended 31st March, 2024: ₹ 4.08 Crore), amount transferred to Profit and Loss ₹ Nil
- 2) No project temporarily suspended as on 31st March, 2025.
- 3) Refer Note 17 for the details in respect of certain property, plant and equipment hypothecated / mortgaged as security against borrowings.
- 4) There are no cost overrun / timeline delays in any of the projects

#### Capital work in progress ageing

( ₹ crore)

As at 31st March, 2024	Amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
<b>At Cost</b>					
Projects in progress	11.23	1.62	-	-	12.85
Projects temporarily suspended					
<b>Total</b>	<b>11.23</b>	<b>1.62</b>	<b>-</b>	<b>-</b>	<b>12.85</b>

#### Capital work in progress ageing

( ₹ crore)

As at 31st March, 2025	Amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
<b>At Cost</b>					
Projects in progress	14.33	6.39	-	-	20.72
Projects temporarily suspended					
<b>Total</b>	<b>14.33</b>	<b>6.39</b>	<b>-</b>	<b>-</b>	<b>20.72</b>



## JSW HYDRO ENERGY LIMITED

Notes to the financial statements for the year ended 31st March, 2025

### Note 6. Other Intangible assets

( ₹ Crore )

Particulars	Computer Software	Rights under Service Concession Arrangement*	Total
<b>At cost</b>			
<b>I. Gross Carrying Value</b>			
Balance as at 1st April, 2023	1.68	932.53	934.21
Disposals	-	(0.07)	(0.07)
Additions	0.19	0.90	1.09
<b>Balance as at 31st March, 2024</b>	<b>1.87</b>	<b>933.36</b>	<b>935.23</b>
Disposals	-	(0.19)	(0.19)
Additions	0.77	4.64	5.41
<b>Balance as at 31st March, 2025</b>	<b>2.64</b>	<b>937.81</b>	<b>940.45</b>
<b>II. Accumulated amortisation</b>			
Balance as at 1st April, 2023	1.03	251.52	252.55
Amortisation expense for the year	0.26	33.31	33.57
Eliminated on disposal of assets	-	(0.07)	(0.07)
<b>Balance as at 31st March, 2024</b>	<b>1.29</b>	<b>284.76</b>	<b>286.05</b>
Amortisation expense for the year	0.28	33.49	33.77
Eliminated on disposal of assets	-	(0.08)	(0.08)
<b>Balance as at 31st March, 2025</b>	<b>1.57</b>	<b>318.17</b>	<b>319.74</b>
<b>Net carrying value as at 31st March, 2024</b>	<b>0.58</b>	<b>648.60</b>	<b>649.18</b>
<b>Net carrying value as at 31st March, 2025</b>	<b>1.07</b>	<b>619.64</b>	<b>620.71</b>

1) \*Refer Note 36 for Service concession arrangement details.

2) Refer Note 17 for the details in respect of certain property, plant and equipment hypothecated / mortgaged as security against borrowings.



## JSW HYDRO ENERGY LIMITED

Notes to the financial statements for the year ended 31st March, 2025

### Note 7. Trade receivables

( ₹ Crore )

Particulars	As at 31st March, 2025			As at 31st March, 2024		
	Current	Non- Current	Total	Current	Non- Current	Total
(i) Trade Receivables Secured, considered good	17.91	8.58	26.49	22.14	8.58	30.72
<b>Total</b>	<b>17.91</b>	<b>8.58</b>	<b>26.49</b>	<b>22.14</b>	<b>8.58</b>	<b>30.72</b>

### Ageing of trade receivables

( ₹ Crore )

As at 31st March, 2025	Undisputed Trade receivables		Disputed Trade Receivables	
	Considered good	Considered doubtful	Considered good	Considered doubtful
Outstanding for following periods from due date of payment				
Less than 6 months	5.50	-	-	-
6 months-1 year	0.33	-	-	-
1-2 years	0.42	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	8.58	-
Within credit period	11.66	-	-	-
<b>Total</b>	<b>17.91</b>	<b>-</b>	<b>8.58</b>	<b>-</b>

( ₹ Crore )

As at 31st March, 2024	Undisputed Trade receivables		Disputed Trade Receivables	
	Considered good	Considered doubtful	Considered good	Considered doubtful
Outstanding for following periods from due date of payment				
Less than 6 months	9.21	-	-	-
6 months-1 year	0.42	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	8.58	-
Within credit period	12.51	-	-	-
<b>Total</b>	<b>22.14</b>	<b>-</b>	<b>8.58</b>	<b>-</b>

• The Credit period allowed to customers is 60 days in Karcham plant and 30 days in Baspa Plant and Interest rate is on overdue receivables is generally levied at 15% and 18.15%(SBI PLR @15.15%+3%) Karcham & Baspa respectively per annum as per terms of agreement.

• Refer Note 17 for trade receivables hypothecated as security for borrowings.

• The Company does not have history of defaults in trade receivables. Loss allowance is estimated for disputed receivables based on assessment of each case by obtaining legal advice, where considered necessary.

• Trade receivables include Rs. 8.58 crore (as at 31st March, 2024 Rs.8.58 crore) withheld / unpaid by the customers because of tariff related disputes which are pending adjudication. The Company has, based on legal advice, and subsequent actions by the regulators in certain cases, assessed that there is a reasonable certainty about recoverability of these receivables and no provision is required. Having regard to the said assessment and based on the expected timing of realisation of these balances, the Company has classified the receivables as non-current.



**JSW HYDRO ENERGY LIMITED**

Notes to the financial statements for the year ended 31st March, 2025

**Note 8. Loan**

( ₹ Crore )

Particulars	As at 31st March, 2025			As at 31st March, 2024		
	Current	Non- Current	Total	Current	Non- Current	Total
1) Unsecured, considered good						
- Loan to related parties (refer note 43)	-	868.00	868.00	-	1,143.16	1,143.16
<b>Total</b>	-	<b>868.00</b>	<b>868.00</b>	-	<b>1,143.16</b>	<b>1,143.16</b>

All loans have been given for business purpose only.

**Note 9. Other financial assets**

Particulars	As at 31st March, 2025			As at 31st March, 2024		
	Current	Non- Current	Total	Current	Non- Current	Total
(a) Service concession receivable * (refer note 36)	0.00	0.35	0.35	0.00	0.36	0.36
	<b>0.00</b>	<b>0.35</b>	<b>0.35</b>	<b>0.00</b>	<b>0.36</b>	<b>0.36</b>
(b) Security deposits						
- Unsecured, considered good						
- Government/Semi-Government Authorities	-	0.52	0.52	-	0.52	0.52
- Others	-	0.09	0.09	-	0.09	0.09
	-	<b>0.61</b>	<b>0.61</b>	-	<b>0.61</b>	<b>0.61</b>
(c) Interest receivable						
- Interest accrued on deposits	5.50	-	5.50	4.11	-	4.11
- Interest accrued on investments	3.15	-	3.15	-	-	-
	<b>8.65</b>	-	<b>8.65</b>	<b>4.11</b>	-	<b>4.11</b>
(d) Other bank balances						
- Margin money for security (against the guarantees)	-	-	-	-	3.30	3.30
	-	-	-	-	<b>3.30</b>	<b>3.30</b>
(e) Derivative designated as hedges (refer note 34)						
- Foreign currency options	-	819.45	819.45	-	674.42	674.42
	-	<b>819.45</b>	<b>819.45</b>	-	<b>674.42</b>	<b>674.42</b>
(f) Others	0.45	-	0.45	1.24	-	1.24
<b>Total</b>	<b>9.10</b>	<b>820.41</b>	<b>829.51</b>	<b>5.35</b>	<b>678.69</b>	<b>684.04</b>

\* Less than Rs. 50,000

- **Foreign Currency Options** is net off value derived from Hedge effectiveness testing. It is the difference derived from Derivative assets value of Rs. 541.85 crs and Derivative liability value (Debit balance) of Rs. 277.60 crs.



**JSW HYDRO ENERGY LIMITED**

Notes to the financial statements for the year ended 31st March, 2025

Note 10A. Income tax assets (net)

( ₹ Crore )

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	Current	Non-current	Current	Non-current
Advance tax and tax deducted at sources [(Net of provision for tax as at 31st March, 2025 Rs. 476.47 crore, as at 31st March, 2024 Rs. 385.21 crore)]	-	71.05	-	70.96
	-	71.05	-	70.96

Note 10B. Current tax liabilities (net)

( ₹ Crore )

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	Current	Non-current	Current	Non-current
Income tax liabilities [ Net of advance tax & tax deducted at source as at 31st March, 2025 Rs. 87.79 crore, as at 31st March, 2024 - Nil ]	0.98	-	-	-
	0.98	-	-	-



**JSW HYDRO ENERGY LIMITED**

Notes to the financial statements for the year ended 31st March, 2025

Note 11. Other assets

( ₹ Crore )

Particulars	As at 31st March, 2025			As at 31st March , 2024		
	Current	Non- Current	Total	Current	Non- Current	Total
(a) Capital advances	-	1.77	1.77	-	1.95	1.95
(b) Prepayments	20.61	0.94	21.55	16.60	0.85	17.45
(c) Balances with government authority	1.23	-	1.23	1.93	-	1.93
(d) Advances to vendors	5.68	-	5.68	13.29	-	13.29
<b>Total</b>	<b>27.52</b>	<b>2.71</b>	<b>30.23</b>	<b>31.82</b>	<b>2.80</b>	<b>34.62</b>



## JSW HYDRO ENERGY LIMITED

Notes to the financial statements for the year ended 31st March, 2025

### Note 12. Inventories

( ₹ Crore )

Particulars	As at 31st March, 2025	As at 31st March, 2024
(a) Stores and spares	15.70	13.19
(b) Carbon Credits	17.60	-
(c) Renewable energy certificates (REC)	0.06	-
(d) Medicines	0.09	0.12
<b>Total</b>	<b>33.45</b>	<b>13.31</b>

#### Footnotes:

##### Cost of inventories recognised as an expense

Particulars	As at 31st March, 2025	As at 31st March, 2024
(a) Stores and spares	15.74	13.22
(b) Medicines	0.59	0.38
<b>Total</b>	<b>16.33</b>	<b>13.60</b>

Basis of valuation: Refer note 3.20 (Inventories)

Refer Note 17 for Inventories hypothecated as security against certain bank borrowings.



**JSW HYDRO ENERGY LIMITED**

Notes to the financial statements for the year ended 31st March, 2025

**Note 13. Investments**

( ₹ Crore )

Particulars	As at 31st March, 2025			As at 31st March, 2024		
	Current	Non- Current	Total	Current	Non- Current	Total
<b>Unquoted Investments:</b>						
<b>A ) Investment in mutual funds (at Fair Value through Profit &amp; Loss)</b>						
i) Aditya Birla Sunlife Liquid Fund - Growth	200.44	-	200.44	138.40	-	138.40
ii) SBI Liquid Fund Regular Growth	37.47	-	37.47	121.24	-	121.24
iii) Mirae Assets Liquid Fund Regular Plan Growth	100.21	-	100.21	33.91	-	33.91
iv) Mirae Assets Ultra Short Duration Fund-Regular Plan Growth	-	-	-	20.03	-	20.03
v) Aditya Birla Sunlife Liquid Interval Income-Qtlr-SI-Growth	-	-	-	57.05	-	57.05
vi) Aditya Birla Sunlife Liquid FMP-Series US-Regular Growth	-	-	-	15.26	-	15.26
vii) Aditya Birla Sunlife Liquid Money Manager Growth	-	-	-	20.45	-	20.45
viii) Kotak FMP Series 328-Regular Plan Growth	-	-	-	10.10	-	10.10
ix) Kotak Liquid Regular Growth	19.01	-	19.01	71.91	-	71.91
x) Mahindra Manulife Liquid Regular Growth	15.70	-	15.70	18.08	-	18.08
xi) SBI FMP- Series 92 91 days)- Regular Plan-Growth	-	-	-	10.12	-	10.12
xii) ABSL Crisil-IBX Fin Serv 3 to 6 Months Debt Index Fund-Dir G	50.95	-	50.95	-	-	-
xiii) Mirae Assets Money Market Fund-Regular Plan Growth	43.58	-	43.58	-	-	-
xiv) Tata Liquid Fund Regular Plan-Growth	147.55	-	147.55	-	-	-
xv) UTI Liquid Fund - Regular Plan Growth	200.43	-	200.43	-	-	-
xvi) DSP Liquidity Fund-Regular Plan Growth	50.10	-	50.10	-	-	-
	<b>865.44</b>	<b>-</b>	<b>865.44</b>	<b>516.55</b>	<b>-</b>	<b>516.55</b>
<b>Quoted Investments:</b>						
<b>A ) Investment in Non-convertible debentures (at Amortised cost)</b>						
i) Investment in Non-convertible debentures	50.00	-	50.00	-	-	-
	<b>50.00</b>	<b>-</b>	<b>50.00</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>915.44</b>	<b>-</b>	<b>915.44</b>	<b>516.55</b>	<b>-</b>	<b>516.55</b>

Particulars	As at 31st March, 2025	As at 31st March, 2024
Investment at amortised cost	50.00	-
Investment at fair value through profit or loss	865.44	516.55

- Terms of Non-convertible debentures are as follows:

7.80 % Redeemable Non Cumulative debentures of 2500 units @ Rs. 1 lakh each fully paid up invested in HDFC Bank Limited are redeemable on 2nd June, 2025.



**JSW HYDRO ENERGY LIMITED**

Notes to the financial statements for the year ended 31st March, 2025

**Note 14A. Cash and cash equivalents**

( ₹ Crore )

Particulars	As at 31st March, 2025	As at 31st March, 2024
(a) Balances with banks		
-In Current accounts	30.94	58.96
In Deposit accounts (maturity less than 3 months at inception)	206.00	29.00
(b) Cash on hand	0.01	0.01
<b>Total</b>	<b>236.95</b>	<b>87.97</b>

**Note 14B. Bank balances other than cash and cash equivalents**

( ₹ Crore )

Particulars	As at 31st March, 2025	As at 31st March, 2024
(a) Balances with banks		
-In deposit accounts (maturity more than 3 months at Inception)	100.00	61.84
(b) Earmarked balances with banks		
-Margin money for security (against the guarantees)	151.43	175.14
<b>Total</b>	<b>251.43</b>	<b>236.98</b>



**JSW HYDRO ENERGY LIMITED**

Notes to the financial statements for the year ended 31st March, 2025

**Note 15. Equity share capital**

( ₹ Crore )

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	No. of shares	Amount	No. of shares	Amount
Authorised: Equity shares of ₹ 10 each with voting rights	1,25,00,50,000	1,250.05	1,25,00,50,000	1,250.05
Issued, Subscribed and Fully Paid: Equity shares of ₹ 10 each with voting rights	1,25,00,50,000	1,250.05	1,25,00,50,000	1,250.05
	<b>1,25,00,50,000</b>	<b>1,250.05</b>	<b>1,25,00,50,000</b>	<b>1,250.05</b>

**a) Reconciliation of the number of shares outstanding at the beginning and end of year:**

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	No. of shares	Amount	No. of shares	Amount
Balance as at the beginning of the year	1,25,00,50,000	1,250.05	1,25,00,50,000	1,250.05
Issued during the year	-	-	-	-
Balance as at the end of the year	1,25,00,50,000	1,250.05	1,25,00,50,000	1,250.05

**b) Rights, preferences and restrictions attached to equity shares :**

- (i) The Company has only one class of equity shares having a par value of ₹10 each. Each holder of equity shares is entitled to one vote per share.
- (ii) In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to the shareholding. However, no such preferential amount exists currently.

**c) Details of shareholding more than 5% shares in the company are set out below :**

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	No. of Shares	% of total shares	No. of Shares	% of total shares
JSW Neo Energy Limited & its nominees	1,25,00,50,000	100%	1,25,00,50,000	100%

**d) Shares held by promoters and promoter group at the end of the year :**

Particulars	As at 31st March, 2025		As at 31st March, 2024		% change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
JSW Neo Energy Limited & its nominees	1,25,00,50,000	100%	1,25,00,50,000	100%	0.00%
<b>Total</b>	<b>1,25,00,50,000</b>	<b>100%</b>	<b>1,25,00,50,000</b>	<b>100%</b>	<b>0.00%</b>



## JSW HYDRO ENERGY LIMITED

Notes to the financial statements for the year ended 31st March, 2025

Note 16. Other Equity

( ₹ Crore )

Particulars	As at 31st March, 2025	As at 31st March, 2024
<b>A. Reserve &amp; Surplus</b>		
- Retained earnings	2,351.85	1,937.20
<b>B. Other reserves</b>		
- Equity-settled employee benefits reserve	18.50	12.92
- Capital contribution by ultimate parent company	156.14	156.14
<b>C. Other comprehensive income</b>		
- Effective portion of cash flow hedge	164.61	89.18
	<b>2,691.11</b>	<b>2,195.44</b>

**Notes:**

**(1) Retained earning**

Retained earning comprise balance of accumulated (undistributed) profit and loss at each year end.

**(2) Equity -settled employee benefit reserve**

The Company offers ESOP under which options to subscribe for the JSW Energy Limited (JSWEL) share have been granted to each employee and senior management. The share based payment reserve to used to recognise the value of equity settled share based payments provided as part of the ESOP scheme.

**3) Capital contribution by ultimate parent company**

Waiver of Interest by the ultimate parent company, JSW Energy Limited (JSWEL) on the debenture issued by the company to JSWEL is considered as the ' Capital contribution by ultimate parent company' as per the provision of Ind AS.

**4) Effective portion of cash flow hedge**

It represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which shall be reclassified to profit or loss in the period in which undelying hedge transaction occurs.



## JSW HYDRO ENERGY LIMITED

Notes to the financial statements for the year ended 31st March, 2025

### Note 17. Borrowings

( ₹ Crore )

Particulars	As at 31st March, 2025	As at 31st March, 2024
<b>Measured at amortised cost</b>		
<b>Non- Current</b>		
Secured Borrowings:		
i) USD Green Bonds	4,205.17	4,347.22
Less: Unamortised borrowing cost	34.90	42.46
	<b>4,170.27</b>	<b>4,304.76</b>
<b>Current</b>		
Secured Borrowings :		
i) USD Green Bonds	257.15	397.88
Less: Unamortised borrowing cost	7.56	8.48
	<b>249.59</b>	<b>389.40</b>
<b>Total</b>	<b>4,419.86</b>	<b>4,694.16</b>

**Note:**

The rate of interest for Secured Notes (Green Bond) is @4.125% ( March, 24 - @4.125% )

### Reconciliation of the borrowings outstanding at the beginning and end of the year:

( ₹ Crore )

Particulars	As at 31st March, 2025	As at 31st March, 2024
<b>I. Non-current borrowings (including current maturities of long-term debt)</b>		
<b>Balance as at the beginning of the year</b>	<b>4,694.16</b>	<b>5,084.01</b>
Cash flows (repayment )/proceeds	(378.43)	(467.40)
<b>Non- Cash Changes:</b>		
Foreign Exchange Movement	95.65	68.23
Amortised borrowings cost	8.48	9.32
<b>Balance as at the end of the year</b>	<b>4,419.86</b>	<b>4,694.16</b>
<b>II. Current borrowings</b>		
<b>Balance as at the beginning of the year</b>	-	<b>35.00</b>
Cash Flows (repayment)/ proceeds	-	(35.00)
<b>Balance as at the end of the year</b>	-	-



Details of Security :

USD Green Bond

( ₹ Crore )

Terms of repayment	Security	As at 31st March, 2025	
		Current	Non-Current
USD 30.05 million @ 4.125% Senior secured notes repayable in half yearly installments till May 2031	<ul style="list-style-type: none"> <li>• First ranking pari-pasu mortgage over the leasehold and freehold land of the Baspa II Project.</li> <li>• First ranking pari passu charge over the Project Accounts, all movable assets (tangible &amp; intangible) and current assets of the Baspa II project, all revenues from the Projects including book debts and operating cash flows, both present and future and the rights, title and interest of the project under the PPAs and clearances pertaining to the Project Baspa II HEP (both present and future) project of the Group situated at Kinnaur Dist., Himachal Pradesh.</li> <li>• First ranking pari passu pledge over 51% of equity shares of the Issuer held by JSW Neo Energy Limited and other shareholders and a negative pledge over the remaining 49%. of equity shares of the Issuer held by JSW Neo Energy Limited and other shareholders.</li> </ul>	18.91	309.29
USD 491.37 million @ 4.125% Senior secured notes repayable in half yearly installments till May 2031	<ul style="list-style-type: none"> <li>• First ranking pari-pasu mortgage over the leasehold and freehold land of the Karcham II Project.</li> <li>• First ranking pari passu charge over the Project Accounts, all movable assets (tangible &amp; intangible) and current assets of the Karcham II project, all revenues from the Projects including book debts and operating cash flows, both present and future and the rights, title and interest of the project under the PPAs and clearances pertaining to the Project Karcham II HEP (both present and future) project of the Group situated at Kinnaur Dist., Himachal Pradesh.</li> <li>• First ranking pari passu pledge over 51% of equity shares of the Issuer held by JSW Neo Energy Limited and other shareholders and a negative pledge over the remaining 49%. of equity shares of the Issuer held by JSW Neo Energy Limited and other shareholders.</li> </ul>	238.24	3,895.88
<b>Total secured borrowings</b>		<b>257.15</b>	<b>4,205.17</b>
<b>Unamortised upfront fees on borrowings</b>		<b>(7.56)</b>	<b>(34.90)</b>
<b>Total secured borrowings measured at amortised cost</b>		<b>249.59</b>	<b>4170.27</b>



## USD Green Bond

( ₹ Crore )

Terms of repayment	Security	As at 31st March, 2024	
		Current	Non-Current
USD 41.86 million @ 4.125% Senior secured notes repayable in half yearly instalments till May 2031	<ul style="list-style-type: none"> <li>• First ranking pari-pasu mortgage over the leasehold and freehold land of the Baspa II Project.</li> <li>• First ranking pari passu charge over the Project Accounts, all movable assets (tangible &amp; intangible) and current assets of the Baspa II project, all revenues from the Projects including book debts and operating cash flows, both present and future and the rights, title and interest of the project under the PPAs and clearances pertaining to the Project Baspa II HEP (both present and future) project of the Group situated at Kinnaur Dist., Himachal Pradesh.</li> <li>• First ranking pari passu pledge over 51% of equity shares of the Issuer held by JSW Neo Energy Limited and other shareholders and a negative pledge over the remaining 49% of equity shares of the Issuer held by JSW Neo Energy Limited and other shareholders.</li> </ul>	29.26	319.74
USD 527.28 million @ 4.125% Senior secured notes repayable in half yearly instalments till May 2031	<ul style="list-style-type: none"> <li>• First ranking pari-pasu mortgage over the leasehold and freehold land of the Karcham II Project.</li> <li>• First ranking pari passu charge over the Project Accounts, all movable assets (tangible &amp; intangible) and current assets of the Karcham II project, all revenues from the Projects including book debts and operating cash flows, both present and future and the rights, title and interest of the project under the PPAs and clearances pertaining to the Project Karcham II HEP (both present and future) project of the Group situated at Kinnaur Dist., Himachal Pradesh.</li> <li>• First ranking pari passu pledge over 51% of equity shares of the Issuer held by JSW Neo Energy Limited and other shareholders and a negative pledge over the remaining 49% of equity shares of the Issuer held by JSW Neo Energy Limited and other shareholders.</li> </ul>	368.62	4,027.48
<b>Total secured Borrowings</b>		<b>397.88</b>	<b>4,347.22</b>
<b>Unamortised upfront fees on borrowings</b>		<b>(8.48)</b>	<b>(42.46)</b>
<b>Total secured borrowings measured at amortised cost</b>		<b>389.40</b>	<b>4304.76</b>



**JSW HYDRO ENERGY LIMITED**

Notes to the financial statements for the year ended 31st March, 2025

Note 18. Lease liabilities

( ₹ Crore )

Particulars	As at 31st March, 2025			As at 31st March, 2024		
	Current	Non-Current	Total	Current	Non-Current	Total
Lease liabilities	0.41	25.50	25.91	0.29	25.45	25.74
<b>Total</b>	<b>0.41</b>	<b>25.50</b>	<b>25.91</b>	<b>0.29</b>	<b>25.45</b>	<b>25.74</b>

\*Refer to Note no. 41



**JSW HYDRO ENERGY LIMITED**

Notes to the financial statements for the year ended 31st March, 2025

Note 19. Other financial liabilities

( ₹ Crore )

Particulars	As at 31st March, 2025	As at 31st March, 2024
<b>Non- Current</b>		
(a) Deposits received	0.02	0.02
(b) Derivative instruments		
- Foreign currency Forward contracts	3.93	0.78
(c) Other payables	47.01	58.01
	<b>50.96</b>	<b>58.81</b>
<b>Current</b>		
(a) Interest accrued but not due on borrowings	68.00	72.31
(b) Other liabilities		
- Payable for capital supplies/services		
Micro and small enterprises	0.04	-
Other than Micro and small enterprises	14.11	26.95
- Other payables	3.45	0.50
	<b>85.60</b>	<b>99.76</b>
<b>Total</b>	<b>136.56</b>	<b>158.57</b>



**JSW HYDRO ENERGY LIMITED**

Notes to the financial statements for the year ended 31st March, 2025

**Note 20. Other Liabilities**

( ₹ Crore )

Particulars	As at 31st March, 2025			As at 31st March, 2024		
	Current	Non- Current	Total	Current	Non- Current	Total
<b>Provision for employee benefits</b>						
(i) Provision for gratuity	2.49	9.65	12.14	2.32	5.02	7.34
(ii) Provision for compensated absence	4.77	1.86	6.63	3.15	2.01	5.16
<b>Total</b>	<b>7.26</b>	<b>11.51</b>	<b>18.77</b>	<b>5.47</b>	<b>7.03</b>	<b>12.50</b>

\* Refer Note No 39 (Employee benefit plans)



**JSW HYDRO ENERGY LIMITED**

Notes to the financial statements for the year ended 31st March, 2025

**Note 21. Trade payables**

( ₹ Crore )

Particulars	As at 31st March, 2025			As at 31st March, 2024		
	Current	Non- Current	Total	Current	Non- Current	Total
<b>Trade Payables</b>						
(a) Total outstanding dues of micro and small enterprises	8.56	-	8.56	1.84	-	1.84
(b) Total outstanding dues of creditors other than micro and small enterprises	38.11	-	38.11	46.10	-	46.10
<b>Total</b>	<b>46.67</b>	<b>-</b>	<b>46.67</b>	<b>47.94</b>	<b>-</b>	<b>47.94</b>

**Trade payables ageing**

( ₹ Crore )

As at 31st March, 2025	Undisputed		Disputed	
	MSME	Others	MSME	Others
Outstanding for following periods from due date of payment				
Less than 1 year	-	2.87	-	-
1-2 years	-	0.81	-	-
2-3 years	-	0.02	-	-
More than 3 years	-	1.84	-	-
Not due	8.56	12.08	-	-
Unbilled	-	20.49	-	-
<b>Total</b>	<b>8.56</b>	<b>38.11</b>	<b>-</b>	<b>-</b>

( ₹ Crore )

As at 31st March, 2024	Undisputed		Disputed	
	MSME	Others	MSME	Others
Outstanding for following periods from due date of payment				
Less than 1 year	-	1.70	-	-
1-2 years	-	0.54	-	-
2-3 years	-	0.27	-	-
More than 3 years	-	2.01	-	-
Not due	1.84	28.15	-	-
Unbilled	-	13.43	-	-
<b>Total</b>	<b>1.84</b>	<b>46.10</b>	<b>-</b>	<b>-</b>

-Trade payables are normally settled within 30 days.

-Refer Note 43 (Closing balance of Trade payable pertaining to related parties)

**Disclosure related to Micro and Small Enterprises :**

( ₹ Crore )

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	Current	Non-current	Current	Non-current
Principal amount outstanding to MSME	8.56	-	1.84	-
Principal amount due and remaining unpaid	8.54	-	-	-
Interest due on (2) above and the unpaid interest	0.02	-	-	-
Interest paid on all delayed payments under the MSMED Act.	-	-	-	-
Payment made beyond the appointed day during the year	-	-	-	-
Interest due and payable for the period of delay other than (4) above	-	-	-	-
Interest accrued and remaining unpaid	-	-	-	-
Amount of further interest remaining due and payable in succeeding years	-	-	-	-



**JSW HYDRO ENERGY LIMITED**

Notes to the financial statements for the year ended 31st March, 2025

Note 22. Other current liabilities

( ₹ Crore )

Particulars	As at 31st March, 2025	As at 31st March, 2024
(a) Advance received from customers	-	0.02
(b) Statutory dues	2.23	4.43
(c) Others	0.04	0.08
<b>Total</b>	<b>2.27</b>	<b>4.53</b>



## JSW HYDRO ENERGY LIMITED

Notes to the financial statements for the year ended 31st March, 2025

### Note 23. Revenue from operations

( ₹ Crore )

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
<b>I Disaggregation of revenue from contract with customers:</b>		
(1) Sale of power (Own generation)	1,137.27	1,365.79
(2) Other Operating Income		
Sale of renewable energy certificates	7.45	-
Sale of carbon credit	-	(0.06)
<b>Total revenue from contract with customers</b>	<b>1,144.73</b>	<b>1,365.73</b>
<b>II Income from service concession arrangement (refer note-36)</b>	<b>0.05</b>	<b>4.30</b>
<b>Total (I) + (II)</b>	<b>1,144.77</b>	<b>1,370.03</b>

#### (a) Revenue from Contract with Customers

The Company primarily generates revenue from contracts with customers for supply of power generated from power plants including from allocating the capacity of the plant under the long term power purchase agreements and under short term contract ( merchant basis). Revenue from capacity charges (other than from contracts classified as service concession arrangements) under the long term power supply agreements is recognised at point of time as the capacity of the plant is made available under the terms of the contracts. Electricity charges are recognised on supply of power under such power supply agreements. Revenue from sale of power on merchant basis are under short term contracts, is recognised when power is supplied to the customers at contractual rates.

Incentives are accounted for based on norms notified/approved by the Central Electricity Regulatory Commission

#### (b) Significant changes in the contract liability balance and unbilled revenue during the year are as follows

Particulars	As at 31st March, 2025	As at 31st March, 2024
<b>Opening Balance</b>	<b>103.37</b>	<b>79.88</b>
Less: Billed during the year	103.37	79.88
Add: Unbilled during the year	59.29	103.37
<b>Closing Balance</b>	<b>59.29</b>	<b>103.37</b>

Contract liability is the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customers in advance.

Contract liability - Advance from customers	For the year ended 31st March, 2025	For the year ended 31st March, 2024
<b>Opening Balance</b>	<b>0.02</b>	<b>0.73</b>
Less: Revenue recognised during the year from balance at the beginning of the year	0.02	0.73
Add: Advance received during the year not recognized as revenue	-	0.02
<b>Closing Balance</b>	<b>-</b>	<b>0.02</b>

The revenue is accounted as per tariff regulation and tariff order.

#### (c) Details of revenue from contracts with customers

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Total Revenue from contract with customers as above	1,144.73	1,365.73
Add: Rebate on prompt payment	14.23	19.16
Less: Incentive	(58.99)	(72.68)
<b>Total Revenue from contract with customers as per contracted price</b>	<b>1,099.96</b>	<b>1,312.21</b>

#### (d) Credit terms

The Credit period allowed to customers is 60 days in Karcham plant and 30 days in Baspa Plant. Thereafter, delayed payment charges is recoverable from the customers at the rates prescribed under the respective Power Purchase Agreement / Tariff Regulations on the outstanding balance.

#### (e) Others

In accordance with the applicable Tariff Regulations of the Central Electricity Regulatory Commission (CERC) and the Power Purchase Agreement (PPA) executed between the Company & PTC India Limited, CERC had approved tariff for the Multi year tariff (MYT) 2019-24. Subsequently, the Company had filed application for true up of generation tariff for MYT 2019-24 and petition for tariff determination for the MYT 2024-29.

Pending approval of the true up of MYT petition filed by the Company for the relevant control period, the revenue for the current year is recognized based on provisional tariff considering the applicable CERC Tariff Regulations.



**JSW HYDRO ENERGY LIMITED**

Notes to the financial statements for the year ended 31st March, 2025

Note 24. Other income

( ₹ Crore )

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
<b>a) Interest Income earned on financial assets that are not designated as at FVTPL</b>		
i On bank deposits	44.81	17.62
ii On loans	15.73	80.53
iii Other financial assets	12.23	2.93
<b>b) Other non-operating income</b>		
i Net Gain on sale of current investments designated as at FVTPL	85.68	36.68
ii Net Gain on disposal of property, plant and equipment	0.09	0.05
iii Net gain on foreign currency transactions	0.02	0.00
iv Domestic scrap sales	0.08	0.30
v Provision no longer required written back	15.05	9.15
vi Miscellaneous income	1.03	2.18
<b>Total</b>	<b>174.72</b>	<b>149.44</b>



## JSW HYDRO ENERGY LIMITED

Notes to the financial statements for the year ended 31st March, 2025

### Note 25. Employee benefits expense

( ₹ Crore )

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
(a) Salaries and wages	82.68	78.22
(b) Contribution to provident and other funds	6.37	5.81
(c) Share based payment	5.63	4.82
(d) Staff welfare expenses	7.81	6.93
<b>Total</b>	<b>102.49</b>	<b>95.78</b>

- Refer note 39 ( Employee benefit plans) for the details of defined benefit plan and defined contribution plan of the Company.
- Refer note 40 (Employee share base payment plan )for the details of share base payment



## JSW HYDRO ENERGY LIMITED

Notes to the financial statements for the year ended 31st March, 2025

Note 26. Finance costs

( ₹ Crore )

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
(a) Interest expense :		
i Interest on green bond	170.65	189.08
ii Hedging charges	133.73	149.79
iii Interest on cash credit	-	0.06
iv Other interest on truing up liability	4.75	0.00
(b) Revaluation gain/loss on foreign currency borrowings (net)	10.10	6.68
(c) Other borrowing costs	9.12	9.89
(d) Interest on lease liabilities	2.32	2.33
<b>Total</b>	<b>330.67</b>	<b>357.83</b>



## JSW HYDRO ENERGY LIMITED

Notes to the financial statements for the year ended 31st March, 2025

Note 27. Depreciation and amortisation expense

( ₹ Crore )

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
(a) Depreciation on property, plant and equipment	193.96	403.30
(b) Amortization of intangible assets	33.77	33.57
<b>Total</b>	<b>227.73</b>	<b>436.87</b>



## JSW HYDRO ENERGY LIMITED

Notes to the financial statements for the year ended 31st March, 2025

### Note 28. Other expenses

( ₹ Crore )

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
(a) Stores and spares consumed	15.74	13.22
(b) Power & water	4.90	4.32
(c) Rent including lease rentals	2.09	2.06
(d) Repairs and maintenance	33.54	27.89
(e) Rates and taxes	0.97	0.70
(f) Insurance	36.74	29.09
(g) Legal and other professional charges	9.23	9.89
(h) Travelling expenses	19.34	6.39
(i) Donation	-	1.00
(j) Corporate social responsibility expenses*	10.97	9.00
(k) Open access charges	0.26	0.18
(l) Other general expenses	3.02	3.08
(m) Safety and Security	7.93	6.26
(n) Branding expenses	3.41	3.55
(o) Shared service charges	4.74	3.42
(p) Property ,plant and equipment written off**	0.02	0.00
<b>Total</b>	<b>152.90</b>	<b>120.05</b>

\* Refer note 42 (Details of Corporate Social Responsibility (CSR) expenditure

\*\* Less than Rs. 50,000.00



## JSW HYDRO ENERGY LIMITED

Notes to the financial statements for the year ended 31st March, 2025

### Note 29. Tax expense

( ₹ Crore )

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
(a) Current Tax	88.36	88.92
<b>Total</b>	<b>88.36</b>	<b>88.92</b>

A reconciliation of income tax expenses applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expenses for the year indicated are as follows:

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Profit before tax	505.70	508.94
Enacted tax rate	34.944%	34.944%
Expected tax expense at statutory tax rate	176.72	177.84
Tax effect due to tax holiday	(46.36)	(175.15)
Effect due to non deductible expenses	3.83	1.12
Excess MAT credit write off	34.72	-
Effect of taxes (recoverable)/payable in future tariff	(30.73)	80.65
Impact due to reduced rate of tax during the year	(45.75)	9.44
Impact due to reduced rate of tax on opening	(3.50)	(4.88)
OCI Tax	(0.57)	(0.10)
<b>Tax expenses for the year</b>	<b>88.36</b>	<b>88.92</b>

### Deferred tax assets / (liabilities)

Significant components of deferred tax assets / (liabilities) ,deductible temporary differences and unused tax losses recognised in the Financial Statements are follows:

Particulars	As at 31st March, 2024	Recognised / (reversed) through profit or loss/ OCI / equity	As at 31st March,2025
Property plant & equipment	207.89	8.00	215.89
Borrowings	(12.82)	(2.02)	(14.84)
MAT credit	83.91	(43.74)	40.17
OCI	(22.44)	(18.99)	(41.42)
Recoverable / (payable) in future tariff	(275.45)	49.72	(225.73)
Others	18.91	7.03	25.94
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

Particulars	As at 31st March, 2023	Recognised / (reversed) through profit or loss/ OCI / equity	As at 31st March,2024
Property plant & equipment	157.24	50.66	207.90
Borrowings	1.13	(13.95)	(12.82)
MAT credit	55.18	28.73	83.91
OCI	(47.60)	25.15	(22.45)
Recoverable / (payable) in future tariff	(169.65)	(105.80)	(275.45)
Others	3.70	15.21	18.91
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>



**JSW HYDRO ENERGY LIMITED**

**Notes to the financial statements for the year ended 31st March, 2025**

**Note no. 30 - Financial Ratios**

Sr. No.	Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024	Variance (%)	Change in ratio in excess of 25% compared to preceding year
1	<b>Current Ratio (in times)</b> (Current Assets / Current Liabilities)	3.95	1.86	112%	Increase was primarily on account of increase in current assets (mainly increase in Investments & Other bank balances).
2	<b>Debt-Equity Ratio (in times)</b> ((Non- Current Borrowings + Current Borrowings) / Total Equity))	1.12	1.36	(18%)	
3	<b>Debt Service Coverage Ratio (in times)</b> (Profit before Tax, Depreciation, Interest on Borrowings / Interest on Borrowings + Long Term Borrowings scheduled Principal repayments during the year).	1.47	1.59	(8%)	
4	<b>Return on Equity Ratio (%)</b> (Net profit after tax / Average Net Worth)	11%	13%	(12%)	
5	<b>Inventory Turnover (no. of days)</b> (Average Inventory) / (Stores & Spares Consumed)	523	354	48%	Increase was primarily on account of carbon credit Inventory
6	<b>Debtors Turnover (no. of days)</b> (Average Trade Receivables + average unbilled revenue X No of days) / Revenue from operations	35	37	(5%)	
7	<b>Payables Turnover (no. of days)</b> (Average Trade payables including acceptances X No of days) / Cost of goods sold	1,057	1,001	6%	
8	<b>Net Capital Turnover (in times)</b> (Revenue from operations / Working Capital)	0.99	2.91	(66%)	Due to decrease in revenue from operation & increase in current assets
9	<b>Net Profit Margin (%)</b> (Net profit after tax / Total Income)	36%	31%	19%	
10	<b>Return on Capital Employed (%)</b> (Profit before tax + Interest on borrowings) / (Total equity + Total borrowings + deferred tax)	10%	11%	(9%)	
11	<b>Return on Investment (%)</b> (Profit generated on sale of investment / Cost of investment)	10.04%	7.21%	39%	Higher income received on sale of Investments with low cost of Investments.



# JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

## Note 31 Key sources of estimation uncertainty and critical accounting judgements:

In applying the Company's accounting policies, which are described in note 3, the directors are required to make judgements that have a significant impact on the amounts recognized and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### A) Key sources of estimation uncertainty:

#### i) Provisions and contingencies:

In the normal course of business, contingent liabilities arise from litigations and claims. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such contingent liabilities are disclosed in the notes but are not recognised. Potential liabilities that are remote are neither recognized nor disclosed as contingent liability. The management decides whether the matters needs to be classified as 'remote,' 'possible' or 'probable' based on expert advice, past judgements, terms of the contract, regulatory provisions etc.

#### ii) Fair value measurements:

When the fair values of financial assets or financial liabilities recorded or disclosed in the Financial Statements cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques including the Discounted Cash Flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility

#### iii) Income taxes:

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. In assessing the realizability of deferred tax assets arising from unused tax credits, the management considers convincing evidence about availability of sufficient taxable income against which such unused tax credits can be utilized. The amount of the deferred income tax assets considered realizable, however, could change if estimates of future taxable income changes in the future.

### B) Critical accounting judgements in applying accounting policy:

The following are the critical judgements, apart from those involving estimations (which are presented separately above), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in financial statements:

#### i) Evaluation of contracts to determine whether it contains lease arrangements:

The management has critically evaluated the terms of the contract (including by obtaining independent legal advice) with respect to Karcham Hydro Plant to determine whether the contract is, in substance, with a customer or with multiple state electricity utility companies, and the customer is merely acting as an intermediary/ facilitator, i.e. an agent. Based on such evaluation, it was concluded that the arrangement, in substance, is not in the nature of lease in terms of Ind AS 116, Leases.

#### ii) Tariff related disputes with customers:

Tariff related disputes with the customers arise mainly on account of differences in interpretation of the terms of the power purchase agreements / regulations. A significant judgment is required in determining likelihood of entitlement to the revenue. The Company recognizes such revenues having regard to legal advice, judicial precedence and interpretation of the terms of the agreements / regulations. The final outcome of such disputes may have impact on the revenue recognised by the Company. The Company has also estimated the expected timing of realisation of these balances, which is in turn dependent on the expected ultimate settlement of legal disputes, for classification of such receivables between current and noncurrent.



**JSW HYDRO ENERGY LIMITED**

Notes to Financial Statement for the year ended 31st March, 2025

**Note 32. Contingent liabilities (to the extent not provided for)**

(A) Claims against the Company not acknowledged as debt

(1) Disputed claims / levies (excluding interest, penalty, if any) in respect of:

( ₹ Crore )

Particulars	As at 31st March, 2025	As at 31st March, 2024
(i) Survey and investigation work	139.83	139.83
(ii) Water Cess	406.93	184.49
(iii) Free power	172.23	-
(iv) Income tax Demand for AY 2016-17	34.72	34.72
(v) Others	0.07	0.07
<b>Total</b>	<b>753.78</b>	<b>359.11</b>

**(i) Survey and Investigation works** - Himachal Pradesh State Electricity Board Limited (HPSEBL) has made a claim against Jai Prakash Power Venture Limite (JPVL), as seen in its letter dated 6th November, 2012, for expenditures incurred for a survey and investigation work in connection with the Baspa II Project amounting to Rs 127.84 Crore the company has filed an application with the High Court of Himachal Pradesh to restrain HPSEBL from recovering the claimed amount from the energy bills of the company. The court has accepted the plea and directed the Company to deposit Rs.25.00 Crore as security deposit. Accordingly, the company has deposited Rs. 25.00 Crore with HPSEBL, However decision came from High Court in favour of the company during the FY 21-22 and an amount of Rs. 25 Crore as security deposits has been received along with Interest from the HPSEB. However, HPSEBL has challenged the award in High Court, Shimla and case in under process.

**(ii) Water cess** - Government of Himachal Pradesh (GoHP) has introduced water cess on consumption of water for generation of Hydropower through Himachal Pradesh Water Cess on Hydro Power Generation Ordinance passed by Government of Himachal Pradesh ("GoHP") on 15th February, 2023 ("Ordinance") and through Jal Shakti Vibhag Notification bearing No. JSV-B (A)3-1/2022, dated 16th February 2023 ("Notification"). Therefore, water cess @Rs.0.30 per cubic metre of water consumption shall be levied in terms of the Notification. The imposed cess to be recoverable as a change in law from DISCOMs.

However, Hon'ble Himachal Pradesh High Court vide its Judgement dated 05.03.2024 declared the provisions of the Hydropower Electricity Generation Act, 2023 & Rules framed thereunder are ultra vires and beyond Legislative Competence of the State. Accordingly quashed & set aside the said act and rules framed thereunder.

GoHP has filed Special Leave Petition (SLP) against the aforesaid Judgement of Himachal Pradesh High Court before Hon'ble Supreme Court.

**(iii) Free power** - As per the Implementation Agreement of Karcham Wangtoo HEP, free power to the home state is 12% for initial 12 years and 18% for remaining 28 years. The PPA with PTC India Limited was drawn up in the same lines for passing though the financial implications. However, in the March 2022 True-up order CERC had capped the free power to 13% including 1% for Local Area Development Fund (LADF). In order to buy peace and to continue our good relationship with the Government of Himachal Pradesh (GoHP) since 30.09.23, 18% free power is being provided under protest. The Company has filed a writ petition (CWP No. 7667 of 2023) for seeking a direction against the State of Himachal Pradesh and Director of Energy of GoHP to align the provisions of the Implementation Agreement dated 18.11.1999 and the Supplementary Implementation Agreements, on the subject of free power supply with the CERC Tariff Regulations, 2019 and the Judgment and Order dated 17.03.2022 of the CERC; to declare the policies dated 07.07.2012 & 18.08.2017 to be ultra vires the CERC Tariff Regulations, 2019 made under the Electricity Act, 2003 on the topic of free power, in so far as the same require the Company to supply free power beyond the cap prescribed under the CERC Tariff Regulations, 2019.

(2) For disputes with customers regarding determination of tariff under power supply arrangements aggregating to ₹ 8.58 crore (as at 31st March, 2024 ₹ 8.58 crore). (refer note 7)

**Note 33. Commitments**

( ₹ Crore )

Particulars	As at 31st March, 2025	As at 31st March, 2024
Estimated amount of Capital contracts remaining to be executed to the extent not provided for (net of advances)	23.84	19.20
<b>Total</b>	<b>23.84</b>	<b>19.20</b>



**JSW HYDRO ENERGY LIMITED**

Notes to Financial Statement for the year ended 31st March, 2025

**Note 34. Financial Instruments:****a) Financial Instruments by category**

( ₹ Crore )

As at 31st March, 2025	FVTPL	FVTOCI	Amortised Cost	Derivatives in hedging relationship	Total
<b>Financial assets</b>					
Investment in mutual fund units	865.44	-	-	-	865.44
Non Convertible Debentures	-	-	50.00	-	50.00
Security deposits	-	-	0.61	-	0.61
Trade receivables #	-	-	26.49	-	26.49
Service concession receivable	-	-	0.35	-	0.35
Cash and cash equivalents and other bank balances #	-	-	488.38	-	488.38
Unbilled revenue	-	-	59.29	-	59.29
Interest Receivable	-	-	8.65	-	8.65
Other Receivable	-	-	0.45	-	0.45
Loans	-	-	868.00	-	868.00
Foreign Currency Options	-	-	-	819.45	819.45
<b>Total Financial assets</b>	<b>865.44</b>	<b>-</b>	<b>1,502.22</b>	<b>819.45</b>	<b>3,187.11</b>
<b>Financial liabilities</b>					
Green Bonds	-	-	4,419.86	-	4,419.86
Rent and other deposits #	-	-	0.02	-	0.02
Trade Payables #	-	-	46.67	-	46.67
Payable for capital projects#	-	-	14.15	-	14.15
Other payable#	-	-	50.46	-	50.46
Lease Liabilities	-	-	25.91	-	25.91
Foreign Currency Forwards	-	-	-	3.93	3.93
Interest accrued but not due on borrowings	-	-	68.00	-	68.00
<b>Total Financial liabilities</b>	<b>-</b>	<b>-</b>	<b>4,625.07</b>	<b>3.93</b>	<b>4,629.00</b>



**JSW HYDRO ENERGY LIMITED**

Notes to Financial Statement for the year ended 31st March, 2025

( ₹ Crore )

As at 31st March, 2024	FVTPL	FVTOCI	Amortised Cost	Derivatives in hedging relationship	Total
<b>Financial assets</b>					
Investment in mutual fund units	516.55	-	-	-	516.55
Security deposits / Non Convertible Debentures	-	-	0.61	-	0.61
Trade receivables #	-	-	30.72	-	30.72
Service concession receivable	-	-	0.36	-	0.36
Cash and cash equivalents and other bank balances #	-	-	324.94	-	324.94
Unbilled Revenue #	-	-	103.37	-	103.37
Interest Receivable	-	-	4.11	-	4.11
Other Receivable	-	-	1.24	-	1.24
Loans	-	-	1,143.16	-	1,143.16
Foreign Currency Options	-	-	-	674.42	674.42
<b>Total Financial assets</b>	<b>516.55</b>	<b>-</b>	<b>1,608.51</b>	<b>674.42</b>	<b>2,799.48</b>
<b>Financial liabilities</b>					
Green Bonds	-	-	4,694.16	-	4,694.16
Rent and other deposits #	-	-	0.02	-	0.02
Trade Payables #	-	-	47.94	-	47.94
Payable for capital projects#	-	-	26.95	-	26.95
Other payable#	-	-	58.51	-	58.51
Lease Liabilities	-	-	25.74	-	25.74
Foreign Currency Forwards	-	-	-	0.78	0.78
Interest accrued but not due on borrowings	-	-	72.31	-	72.31
<b>Total Financial liabilities</b>	<b>-</b>	<b>-</b>	<b>4,925.63</b>	<b>0.78</b>	<b>4,926.41</b>

#The carrying amounts of ancillary borrowing cost, trade receivables, unbilled revenue, other receivables, trade payables, capital creditors, cash and cash equivalents and other bank balances, rent and other deposits are considered to be the same as their fair values, due to their short term nature. The fair values of the financial assets and financial liabilities included in the level 2 are based on NAV and in level 3 based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.



## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

### ii) Fair Value Hierarchy:

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are

(a) recognised and measured at fair value and

(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard.

### Financial assets and liabilities measured at fair value :

Particulars	As at 31st March, 2025		As at 31st March, 2024		Level	Valuation techniques and key inputs
	Carrying value	Fair value	Carrying value	Fair value		
<b>Financial assets</b>						
Foreign Currency Options	819.45	819.45	674.42	674.42	2	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
Investment in mutual fund units	865.44	865.44	516.55	516.55	2	The mutual funds are valued using the closing NAV
<b>Total</b>	<b>1,684.89</b>	<b>1,684.89</b>	<b>1,190.97</b>	<b>1,190.97</b>		
<b>Financial liabilities</b>						
Foreign currency Forward contracts	3.93	3.93	0.78	0.78	2	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
<b>Total</b>	<b>3.93</b>	<b>3.93</b>	<b>0.78</b>	<b>0.78</b>		

### Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of financial assets and liabilities measured at amortised cost which are not disclosed below are considered to be the same as their fair values, due to their short term nature.

### Financial Assets & Liabilities, measured at amortised cost , for which Fair value is disclosed:

Particulars	As at 31st March, 2025		As at 31st March, 2024		Level	Valuation Technique
	Carrying Value	Fair Value	Carrying Value	Fair Value		
<b>Financial assets</b>						
Security deposits	0.61	0.61	0.61	0.61	3	Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.
Investment in Non Convertible Debentures	50.00	50.00	-	-	3	Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.
Loan given to related party	868.00	868.00	1,143.16	1,143.16	3	Loan given to related party has been considered at amortised cost.
Service concession receivable	0.35	0.39	0.36	0.39	3	Service concession agreement has been considered at amortised cost.
<b>Total</b>	<b>918.96</b>	<b>919.00</b>	<b>1,144.13</b>	<b>1,144.16</b>		
<b>Financial Liabilities</b>						
Lease Liabilities	25.91	27.75	25.74	23.67	3	Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.
Borrowings (includes Current & Non-current)	4,419.86	3,705.52	4,694.16	3,934.59	3	The borrowings are valued using the NPV
<b>Total</b>	<b>4,445.77</b>	<b>3,733.27</b>	<b>4,719.90</b>	<b>3,958.26</b>		



## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

### Risk Management Strategies

#### 1. Financial risk management objectives

The Company's corporate treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures, wherever required. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

#### a. Foreign currency risk management

The Company's functional currency is Indian Rupees (INR). The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. The Company is exposed to exchange rate risk under its debt portfolio.

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in increase in the Company's overall debt position in Rupee terms without the Company having incurred additional debt.

In order to hedge exchange rate risk, the Company has a policy to hedge cash flows up to a specific tenure using forward exchange contracts, options.

All hedging activities are carried out in accordance with the Company's internal risk management policies, as approved by the Board of Directors, and in accordance with the applicable regulations where the Company operates.

The Company has also considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing hedge effectiveness and measuring hedge ineffectiveness. The Company continues to believe that there is no impact on effectiveness of its hedges.

The carrying amounts of the Company's financial assets and liabilities denominated in different currencies are as follows:

Currency exposure as at 31st March, 2025		( ₹ Crore )
<b>Particulars</b>		<b>TOTAL</b>
<b>Financial assets:</b>		Foreign currency equivalent
Foreign currency options (USD)		819.45
<b>Total Financial Assets</b>		<b>819.45</b>
<b>Financial liabilities:</b>		Foreign currency equivalent
Borrowings (USD)		4,419.86
Foreign currency forwards contracts (USD)		3.93
<b>Total Financial liabilities</b>		<b>4,423.79</b>

Currency exposure as at 31st March, 2024		( ₹ Crore )
<b>Particulars</b>		<b>TOTAL</b>
<b>Financial assets:</b>		Foreign currency equivalent
Foreign currency options (USD)		674.42
<b>Total Financial Assets</b>		<b>674.42</b>
<b>Financial liabilities:</b>		Foreign currency equivalent
Borrowings (USD)		4,694.16
Foreign currency forwards contracts (USD)		0.78
<b>Total Financial liabilities</b>		<b>4,694.94</b>

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilizing currency options & forward contracts.

The Company uses foreign currency options contracts & forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and foreign currency required at the settlement date of certain payables. The use of foreign currency options contracts & forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such options contracts & forward contracts consistent with the Company's risk management policy.

#### Movement in Cash flow hedge:

( ₹ Crore )

Particulars	As at 31st March, 2025	As at 31st March, 2024
Opening Balance	89.18	189.12
FX recognised in other comprehensive income	75.43	(99.94)
<b>Closing Balance</b>	<b>164.61</b>	<b>89.18</b>

The outstanding foreign exchange options contracts for borrowings and interest payable at the end of the reporting period are as under:

Particulars	As at 31st March, 2025	As at 31st March, 2024
No. of Contracts	4	4
Type of Contracts	Call Spread	Call Spread
Equivalent to USD in millions	581.62	709.47
Average exchange rate (1USD=Rupees)	(1)	(1)
Nominal Value (Rs. In Crore.)	4,977.58	5,915.11
Fair Value MTM asset/(liabilities) (Rs. In crore)	291.56	231.17

(1) the options contracts include a combination of calls and puts with different strike prices.

The outstanding forward exchange contracts towards borrowings and interest payable at the end of the reporting period are as under:

Particulars	As at 31st March, 2025	As at 31st March, 2024
No. of Contracts	6	2
Type of Contracts	Forward	Forward
Equivalent to USD in millions	57.30	42.73
Average exchange rate (1USD=Rupees)	85.60	83.37
Nominal Value (Rs. In Crore.)	496.26	356.28
Fair Value MTM asset/(liabilities) (Rs. In crore)	4.52	0.78



## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

### b. Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with fixed interest rates. The risk is managed by the Company by maintaining fixed rate of borrowings.

The Company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

### Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The following table provides a break-up of the Company's non-current fixed rate borrowings:

( ₹ Crore )			
As at March,2025	Net Balance	Unamortised Transaction Cost	Gross Balance
Fixed rate borrowings	4,419.86	42.46	4,462.32
<b>Total</b>	<b>4,419.86</b>	<b>42.46</b>	<b>4,462.32</b>

( ₹ Crore )			
As at March,2024	Net Balance	Unamortised Transaction Cost	Gross Balance
Fixed rate borrowings	4,694.16	50.94	4,745.10
<b>Total</b>	<b>4,694.16</b>	<b>50.94</b>	<b>4,745.10</b>

The company has only fixed rate of borrowings, there will be no exposure to change in interest rates accordingly sensitivity analysis is not applicable.

### c. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure and the credit ratings of its counterparties are continuously monitored.

The state electricity distribution companies (Government companies) are the major customer of the Company and accordingly, credit risk is minimal.

### Customer contributing more than 10% of revenue

Revenue from operations includes revenue aggregating to ₹1,134.72 crore (previous year : ₹1,326.48 crore) from three (previous year :two) major customers having more than 10% of total revenue from operations of the Company.

### Loans and investment in debt securities:

The Company's centralised treasury function manages the financial risks relating to the business. The treasury function focusses on capital protection, liquidity and yield maximisation. Investments of surplus funds are made only in approved counterparties within credit limits assigned for each of the counterparty. Counterparty credit limits are reviewed and approved by the Finance Committee of the Company. The limits are set to minimise the concentration of risks and therefore mitigate the financial loss through counter party's potential failure to make payments.

### Cash and cash equivalents, derivatives and financial guarantees:

Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies.

### d. Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.



## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

The table below provides details regarding the remaining contractual maturities of financial liabilities as at reporting date.

As at 31st March, 2025

( ₹ Crore )

Particulars	< 1 year	1-5 years	> 5 years	Total
<b>Non-current financial liabilities</b>				
Long term borrowings	-	1,115.66	3,054.61	4,170.27
<b>Other long-term liabilities</b>				
Rent and other Deposits	-	0.02	-	0.02
Foreign Currency Forward	-	3.93	-	3.93
Lease payable	2.72	14.13	37.89	54.74
Other Payable	-	47.01	-	47.01
<b>Total Non-Current financial Liabilities</b>	<b>2.72</b>	<b>1,180.75</b>	<b>3,092.50</b>	<b>4,275.97</b>
<b>Current financial liabilities</b>				
Trade and other payables and acceptances:				
Trade payables - Other than acceptances	46.66	-	-	46.66
<b>Other current financial liabilities:</b>				
Short Term Borrowings	249.59	-	-	249.59
Payable for capital project	14.15	-	-	14.15
Other payable	3.45	-	-	3.45
Interest accrued but not due on borrowings	68.00	-	-	68.00
Lease payable	0.41	-	-	0.41
<b>Total current financial liabilities</b>	<b>382.26</b>	<b>-</b>	<b>-</b>	<b>382.26</b>
<b>Total Financial Liabilities</b>	<b>384.98</b>	<b>1,180.75</b>	<b>3,092.50</b>	<b>4,658.23</b>
Future Interest on Borrowings	160.74	682.71	15.15	858.60



## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

As at 31st March, 2024

( ₹ Crore )

Particulars	< 1 year	1-5 years	> 5 years	Total
<b>Non-current financial liabilities</b>				
Long term borrowings	-	1,135.84	3,168.92	4,304.76
<b>Other long-term liabilities</b>				
Rent and other Deposits	-	0.02	-	0.02
Foreign Currency Forward	-	0.78	-	0.78
Lease payable	0.29	2.60	22.85	25.74
Other payable	-	58.01	-	58.01
<b>Total Non-Current financial Liabilities</b>	<b>0.29</b>	<b>1,197.25</b>	<b>3,191.77</b>	<b>4,389.31</b>
<b>Current financial liabilities</b>				
Trade and other payables and acceptances:				
Trade payables - Other than acceptances	45.11	2.82	-	47.93
<b>Other current financial liabilities:</b>				
Short Term Borrowings	389.40	-	-	389.40
Payable for capital project	26.95	-	-	26.95
Other payable	0.50	-	-	0.50
Interest accrued but not due on borrowings	72.31	-	-	72.31
Lease Payable	0.29	-	-	0.29
<b>Total current financial liabilities</b>	<b>534.56</b>	<b>2.82</b>	<b>-</b>	<b>537.38</b>
<b>Total Financial Liabilities</b>	<b>534.85</b>	<b>1,200.08</b>	<b>3,191.77</b>	<b>4,926.69</b>
Future Interest on Borrowings:	172.06	725.32	133.28	1,030.66

The Company has hypothecated part of its trade receivables, loans, short term investments and cash and cash equivalents in order to fulfil certain collateral requirements for the banking facilities extended to the Company. There is obligation to release the hypothecation on these securities to the Company once these banking facilities are surrendered. (Refer Note 15)



## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

### Note 35 Capital management

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Company's capital requirement is mainly to fund its capacity expansion ,repayment of principal and interest on its borrowings and strategic acquisition.The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Company is not subject to any externally imposed capital requirements.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and align maturity profile of its debt commensurate with life of the asset and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

### Gearing ratio

The Company monitors its capital using gearing ratio, which is net debt divided to total equity as given below:

Particulars	( ₹ Crore )	
	As at 31st March ,2025	As at 31st March ,2024
Debt (i)	4,419.86	4,694.16
Cash on hand	0.01	0.01
Cash and bank balances (including current investment in liquid fund) (ii)	1,252.38	666.35
Net debt (i-ii)	<b>3,167.47</b>	<b>4,027.80</b>
Total equity (iii)	3,941.16	3,445.49
Net debt to equity ratio	<b>0.80</b>	<b>1.17</b>

(i) Debt includes Current and Non-Current borrowings (refer note No-17)

(ii) Includes cash and cash equivalents balance in bank deposits and investments in mutual fund & Investment in Non-convertible debentures (other than earmarked deposits and Investment in Mutual Funds)

(iii) Includes equity share capital and other equity. ( refer note No-15 & 16)



## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

### Note 36. Service concession arrangement

#### (a) Description of the concession arrangement:

On 1st October, 1992, a service concession agreement was entered into with the Government of Himachal Pradesh ("the Government") to establish, own, operate and maintain 300 MW Hydro Electric power plant at Baspa, Kuppa, Himachal Pradesh ("the power plant") for supply of power to Himachal State Electricity Board. Pursuant to the above, a power purchase agreement was entered with Himachal Pradesh State Electricity Board ("the PPA").

#### (b) Significant terms of the concession arrangement:

Term	Particulars
Period of arrangement	40 years from date of commissioning of the power plant and extendable for 20 years at the option of the Government
Commissioning of the Power plant	8th June, 2003
Tariff	Determined by HPERC in terms of HPERC ( Terms and Conditions for Determination of Hydro Generation Supply Tariffs ) Regulation 2011, along with its subsequent ammendments, having regard to the Tariff entitlement under PPA.
Option to purchase	After the expiry of the agreement period, the Government has the option to purchase all the assets and works of the power plant, at mutually agreed terms.
Free power	12 % of free power of the electricity generated is to supplied to the Government

#### (c) Obligation for overhaul:

Under the concession agreement, the Company has to manage, operate, maintain and repair the power plant entirely at its own cost.

#### (d) Renewal /Termination options:

Termination of the concession agreement can happen before expiry date under the force majeure events and default by either parties of the concession agreement

#### (e) Classification of service concession arrangement in the Financial Statements:

Particulars	( ₹ Crore )	
	As at 31st March, 2025	As at 31st March, 2024
Intangible asset - Rights under service concession receivable (refer note 6)	619.64	648.60
Financial asset – Receivable under service concession arrangement (refer note 9)	0.35	0.36

### Note 37. Operating segment / Segment Reporting

In accordance with the Ind AS 108, 'Operating Segments' the company has disclosed the segment information in the financial statements for the year ended 31st March, 2025.

The information regarding the revenue from sale of power to customers (single reportable Segment) has been disclosed below:

#### Revenue from operation

Particulars	( ₹ Crore )	
	As at 31st March, 2025	As at 31st March, 2024
Within India	1,144.77	1,370.03
Outside India	-	-
<b>Total</b>	<b>1,144.77</b>	<b>1,370.03</b>

#### Non-current operating assets

All non-current assets (other than financial instruments, deferred tax assets) of the Company are located in India



## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

### Note 38. Earnings per share

Particulars	For the Year ended 31st March, 2025	For the Year ended 31st March, 2024
Profit attributable to equity holders of the Company (₹ crore) - (A)	417.34	420.02
Weighted average number of equity shares for basic & diluted EPS - (B)	1,25,00,50,000	1,25,00,50,000
Earnings Per Share (₹) – Basic and Diluted (C) - (A/B)	3.34	3.36
Nominal value of an equity share (₹)	10	10

### Note 39. Employee benefit Plans:

#### Defined contribution plans:

Retirement Benefits in the form of Provident Fund and National Pension Scheme which are defined contribution schemes are charged to the consolidated statement of profit and loss for the period in which the contributions to the respective funds accrue as per relevant rules / statutes.

#### (a) Provident fund:

The Company's contribution to provident fund recognized in Statement of Profit and Loss of ₹ 3.99 crore (Previous year ₹ 3.85 crore) (Included in note 25)

#### (b) National pension scheme:

The company's contribution to National Pension Scheme (NPS) recognized in statement of profit and loss of ₹ 0.61 crore (Previous year : ₹ 0.44 crore) (Included in Note 25)

#### Defined benefit plans:

#### (a) Gratuity:

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. The amount of gratuity shall be payable to an employee on the termination of his employment after he has rendered continuous service for not less than five years, or on their superannuation or resignation. However, in case of death of an employee, the minimum period of five years shall not be required. The amount of gratuity payable on retirement / termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service completed. The gratuity plan is a funded plan administered by a separate fund that is legally separated from the entity and the company makes contributions to the insurer (LIC). The company does not fully fund the liability and maintains a target level of funding to be maintained over period of time based on estimations of expected gratuity payments.

#### (b) Compensated absences plan

During the year ended 31st March, 2025, the compensated absence plans were revised as detailed below:

1. Priviledged Leave (PL) - Unutilised PL balance at the end of the calendar year (31st December) shall be encashed at the prevailing basic pay and no carry forward is allowed.
2. Contingency Leave (CoL) - The existing casual leave and sick leave were clubbed together and shall be called as CoL. The annual credit of a contingency leave shall be 14 days for plant locations and 8 days for Corporate and other locations. Maximum accumulation of 30 days is allowed and can not be encashed.



## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to market yields at the end of the reporting period on government bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in equity securities and debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.
Asset Liability matching risk	The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.
Mortality risk	Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.
Concentration risk	Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31st March, 2025 by M/S K A Pandit, Consultants & Actuaries. 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.



## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

### Gratuity

Changes in the defined benefit obligation and fair value of plan assets as at 31st March, 2025

( ₹ Crore )

Particulars		Defined Benefit Obligation	Fair Value of Plan assets	(Benefit)/ Liability
Gratuity cost charged to profit or loss	<b>Opening Balance as on 1st April, 2024</b>	<b>11.03</b>	<b>3.70</b>	<b>7.34</b>
	Current Service cost	1.23		1.23
	Net interest expense /(Income)	0.79	0.27	0.51
	Liability Transferred in/Acquisitions	0.01		0.01
	(Liability Transferred out/Divestments)	(0.22)		(0.22)
	<b>Sub-total included in profit or loss</b>	<b>1.81</b>	<b>0.27</b>	<b>1.54</b>
Re-measurement gains / (losses) in other comprehensive income	Benefits paid	(2.79)	(2.79)	-
	Return on plan assets (excluding amounts included in net interest expense)	-	(0.09)	0.09
	Actuarial changes arising from changes in demographic assumptions	(0.15)	-	(0.15)
	Actuarial changes arising from changes in financial assumptions	0.20	-	0.20
	Experience adjustments	3.12		3.12
	<b>Sub-total included in OCI</b>	<b>3.17</b>	<b>(0.09)</b>	<b>3.26</b>
	Contributions by employer	-	-	-
	<b>Closing Balance as on 31st March, 2025</b>	<b>13.23</b>	<b>1.10</b>	<b>12.14</b>

Changes in the defined benefit obligation and fair value of plan assets as at 31st March, 2024

( ₹ Crore )

Particulars		Defined Benefit Obligation	Fair Value of Plan assets	(Benefit)/ Liability
Gratuity cost charged to profit or loss	<b>Opening Balance as on 1st April, 2023</b>	<b>9.44</b>	<b>3.83</b>	<b>5.24</b>
	Current Service cost	1.13		1.13
	Net interest expense /(Income)	0.67	0.29	0.38
	Liability Transferred in/Acquisitions	0.05		0.05
	(Liability Transferred out/Divestments)	(0.05)		(0.05)
	<b>Sub-total included in profit or loss</b>	<b>1.80</b>	<b>0.29</b>	<b>1.51</b>
Re-measurement gains / (losses) in other comprehensive income	Benefits paid	(0.39)	(0.39)	-
	Return on plan assets (excluding amounts included in net interest expense)	-	(0.03)	0.03
	Actuarial changes arising from changes in demographic assumptions	(0.12)	-	(0.12)
	Actuarial changes arising from changes in financial assumptions	0.38	-	0.38
	Experience adjustments	0.30		0.30
	<b>Sub-total included in OCI</b>	<b>0.18</b>	<b>(0.03)</b>	<b>0.59</b>
	Contributions by employer	-	-	-
	<b>Closing Balance as on 31st March, 2024</b>	<b>11.03</b>	<b>3.70</b>	<b>7.34</b>

The actual return on plan assets (including interest income) was ₹ 0.18 Crore (previous year ₹0.26 crore)

The major categories of plan assets of the fair value of the total plan assets are as follows.

Particulars	As at 31st March, 2025	As at 31st March, 2024
Insurer Managed Funds	100%	100%

In the absence of detailed information regarding plan assets which is funded with insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.



## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

The principal assumptions used in determining gratuity for the Company's plans are shown below:

Particulars	As at 31st March, 2025	As at 31st March, 2024
Discount rate;	6.65%	7.21%
Future salary increases;	8.00%	8.30%
Rate of Employee Turnover	8.21%	6.50%
Expected return on plan assets	6.65%	7.21%
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14) (Urban)	Indian Assured Lives Mortality (2012-14) (Urban)

### Sensitivity Analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discounted rate, expected salary increase and mortality. The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period. While holding all other assumptions constant. There was no change in methods & assumptions used in preparing sensitivity analysis from prior years.

### Defined Benefit Obligation on Current Assumptions

Particulars	As at 31st March, 2025	As at 31st March, 2024
Delta Effect of +1% Change in Rate of Discounting	(0.73)	(0.69)
Delta Effect of -1% Change in Rate of Discounting	0.82	0.78
Delta Effect of +1% Change in Rate of Salary Increase	0.80	0.76
Delta Effect of -1% Change in Rate of Salary Increase	(0.73)	(0.69)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.09)	(0.08)
Delta Effect of -1% Change in Rate of Employee Turnover	0.10	0.08

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that change in assumption would occur in isolation of the another as some of the assumptions may be co-related.

The following are the maturity analysis of projected benefit obligations:

Particulars	( ₹ Crore )	
	As at 31st March, 2025	As at 31st March, 2024
Within the next 12 months (next annual reporting period)	1.52	0.92
Between 2 and 5 years	5.32	4.30
Between 6 and 10 years	6.27	5.08
Above 10 years	7.94	9.46
<b>Total expected payments</b>	<b>21.05</b>	<b>19.75</b>



## JSW HYDRO ENERGY LIMITED

### Notes to Financial Statement for the year ended 31st March, 2025

Each year an assets-liability-matching study is performed in which the consequences of the strategic investment policies are analysed in term of risk and return profiles.

The company expects to contribute ₹ 2.11 crore (previous year ₹ 1.76 crore) to its gratuity plan for the next year. The weighted average duration of the defined benefit plan is 7 years (previous year 8 years)

#### Compensated Absences

The Company has a policy on compensated absences with provisions of accumulation of contingency leave and encashment for privileged leave by the employees during employment or on separation from the Company due to death, retirement or resignation. The expected cost of contingency leave is determined by actuarial valuation performed by an independent actuary at the balance sheet date using projected unit credit method.



**JSW HYDRO ENERGY LIMITED**

**Notes to Financial Statement for the year ended 31st March, 2025**

**Note 40. Employee share based payment plan:**

**JSWEL Employees Stock Ownership Plan – 2021 (ESOP 2021)**

The company has offered equity options under ESOP 2021 to the permanent employees, including whole-time director, of the Company who has been working in India or outside India, in the grades of (i) L16 and above, and (ii) select employees in the grade L-11 to L-15 based on last 3 (three) years performance; and in each case, as may be determined based on the eligibility criteria, or any other employee as may be determined by the compensation committee of ultimate holding company (JSW Energy Limited) from time to time, except any employee who is a promoter or belongs to the promoter company or a director who either by himself or through his relatives or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company and Independent directors, Nominee Directors and Non-Executive Directors.

The grant is determined after having regard to various factors and criteria specified in ESOP 2021. The exercise price is ₹10 or any other price as may be determined by the Compensation Committee. The option shall not be transferable and can be exercised only by the employees of the company.

Vesting of the options granted under the ESOP 2021 shall be at least one year from the date of Grant. 25% of the granted options would vest on the date following 1 year from the date of respective grant, 25% of the granted options would vest on the date following 2 years from the date of respective grant and the remaining 50% on the date following 4 years from the date of respective grant.

**JSWEL Employees Stock Ownership Plan – Samruddhi 2021 (ESOP Samruddhi 2021)**

The company has offered equity options under ESOP Samruddhi 2021 to the permanent employees, including whole-time director, of the Company who has been working in India or outside India, in the grades of L-01 to L-15 (excluding employees covered under ESOP 20-21) , except any employee who is a promoter or belongs to the promoter company or a director who either by himself or through his relatives or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company and Independent directors, Nominee Directors and Non-Executive Directors.

The grant is determined after having regard to various factors and criteria specified in ESOP Samruddhi 2021. The exercise price is ₹10 or any other price as may be determined by the Compensation Committee of ultimate holding company (JSW Energy Limited). The option shall not be transferable and can be exercised only by the employees of the company.

Vesting of the options granted under the ESOP Samruddhi 2021 shall be at least one year from the date of Grant. 25% of the granted options would vest on the date following 2 years from the date of respective grant, 25% of the granted options would vest on the date following 3 years from the date of respective grant and the remaining 50% on the date following 3 years from the date of respective grant.



**JSW HYDRO ENERGY LIMITED****Notes to Financial Statement for the year ended 31st March, 2025****ESOP 2021 (Grant Date: 7th Aug, 2021)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Outstanding at 1st April	42,088	65,151
Granted during the year	-	-
Exercised During the Year	19,111	19,114
Expired during the year	7,879	3,949
Outstanding at 31 <sup>st</sup> March	15,098	42,088

**ESOP Samruddhi 2021 (Grant Date: 7th Aug, 2021)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Outstanding at 1st April	3,98,272	5,02,750
Granted during the year	-	-
Exercised During the Year	1,06,801	1,03,765
Expired during the year	14,977	713
Outstanding at 31 <sup>st</sup> March	2,76,494	3,98,272

**ESOP 2021 (Grant Date: 7th Aug, 2022)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Outstanding at 1st April	57,375	71,700
Granted during the year	-	-
Exercised During the Year	12,425	14,325
Expired during the year	-	-
Outstanding at 31 <sup>st</sup> March	44,950	57,375

**ESOP 2021 (Grant Date: 7th Aug, 2023)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Outstanding at 1st April	61,700	-
Granted during the year	-	61,700.00
Exercised During the Year	7,250	-
Expired during the year	7,300	-
Outstanding at 31 <sup>st</sup> March	47,150	61,700.00

**ESOP Samruddhi 2023 (Grant Date: 7th Aug, 2023)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Outstanding at 1st April	54,900	-
Granted during the year	-	54,900.00
Exercised During the Year	-	-
Expired during the year	1,900	-
Outstanding at 31 <sup>st</sup> March	53,000	54,900.00

**ESOP 2021 (Grant Date: 7th Aug, 2024)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Outstanding at 1st April	-	-
Granted during the year	82,400	-
Exercised During the Year	-	-
Expired during the year	-	-
Outstanding at 31 <sup>st</sup> March	82,400	-

**ESOP Samruddhi 2023 (Grant Date: 7th Aug, 2024)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Outstanding at 1st April	-	-
Granted during the year	90,650	-
Exercised During the Year	-	-
Expired during the year	-	-
Outstanding at 31 <sup>st</sup> March	90,650	-



**JSW HYDRO ENERGY LIMITED**

**Notes to Financial Statement for the year ended 31st March, 2025**

The method of settlement for above grants and shares options outstanding are as below:

Particulars	ESOP 2021			
	7th Aug, 2021	7th Aug, 2022	7th Aug, 2023	7th Aug, 2024
Grant Date				
Vesting period	1/2/3 years	1/2/3 years	1/2/3 years	1/2/3 years
Method of settlement	Equity	Equity	Equity	Equity
Exercise price ₹	10	10	10	10
Fair value ₹	229.88	250.5	275.31	667.43
Dividend Yield(%)	20%	20%	0.69%	20.00%
Expected Volatility(%)	42.53% / 42.22% / 40.85%	47.51% / 44.43% / 43.44%	51.64%/ 49.26%/ 46.10%	47.30% / 47.84% / 47.01%
Risk free Interest rate (%)	5.02% / 5.44% / 5.78%	6.73% / 6.90% / 7.01%	7.01%/ 7.05% / 7.07%	6.71% / 6.73% / 6.75%
Expected Life of Share options (years)	3/4/5 years	3/4/5 years	3/4/5 years	3/4/5 years
Options exercisable at the end of the year	15080	22475	11775	-

**Pricing formula:**

Book close date	6th Aug, 2021	6th Aug, 2022	6th Aug, 2023	6th Aug, 2024
Closing market Price (₹)	246.17	266.35	291.16	683.4
Exercise price (₹)	10.00	10.00	10.00	10.00
Discount (%)	-	-	-	-

Particulars	ESOP 2021 Samruddhi		
	7th Aug, 2021	7th Aug, 2023	7th Aug, 2024
Grant Date			
Vesting period	2/3/4 years	2/3/4 years	2/3/4 years
Method of settlement	Equity	Equity	Equity
Exercise price ₹	10	10	10
Fair value ₹	228.5	275.31	665.95
Dividend Yield(%)	20%	20%	20%
Expected Volatility(%)	42.22% / 40.85% / 42.45%	51.64%/49.26% / 46.10%	47.84% / 47.01% / 45.05%
Risk free Interest rate (%)	5.44% / 5.78% / 6.06%	7.01%/7.05% / 7.07%	6.73% / 6.75% / 6.77%
Expected Life of Share options (years)	4/5/6 years	3/4/5 years	4/5/6 years
Options exercisable at the end of the year	276494	13250	-

**Pricing formula:**

Book close date	6th Aug, 2021	6th Aug, 2023	6th Aug, 2024
Closing market Price (₹)	246.17	291.16	683.4
Exercise price (₹)	10.00	10.00	10.00
Discount (%)	-	-	-

Expected option Life	The expected option life is assumed to be mid-way between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The Expected option life is calculated as (Year to Vesting + Contractual Option term) / 2.
Expected volatility	Volatility was calculated using standard deviation of daily change in stock price. The historical period considered for volatility match the expected life of the option.
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	The following factors have been considered: (a) Share price (b) Exercise prices (c) Historical volatility (d) Expected option life (e) Dividend Yield
Whether and how any other features of the option grant were incorporated in to the measurement of fair value, such as market condition.	
Model used	Black-Scholes Method

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

Weighted average remaining contractual life will be after expected life of options and Weighted average share price after Weighted average exercise price

Scheme	ESOP 2021				Samruddhi		
	07-Aug-21	07-Aug-22	07-Aug-23	07-Aug-24	07-Aug-21	07-Aug-23	07-Aug-24
Weighted average remaining contractual life ( in months)	32	44	56	68	44	68	80
Weighted average share price for options exercised	637.34	637.34	637.34	637.34	637.34	637.34	637.34



## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

### Note 41. Lease Liabilities

For the Financial Year 2024-25

( ₹ Crore )

Particulars	For the year Ended 31st March,2025
Depreciation	1.34
Interest expenses on lease liabilities	2.32

For the Financial Year 2023-24

( ₹ Crore )

Particulars	For the year Ended 31st March,2024
Depreciation	1.36
Interest expenses on lease liabilities	2.33

Future minimum rentals payable under non-cancellable operating leases as follows:

( ₹ Crore )

Particular	As at 31st March, 2025	As at 31st March,2024
Within one year	2.72	2.60
After one year but not more than five years	14.13	13.55
More than five years	37.89	40.59
<b>Total</b>	<b>54.74</b>	<b>56.75</b>

The agreements are executed on non-cancellable basis for a period of 3-40 years, which are renewable on expiry with mutual consent.

Reconcilitaion of the lease liabilities:

( ₹ Crore )

Particulars	As at 31st March, 2025	As at 31st March, 2024
Opening Lease liabilities as per Indas 116	25.74	26.01
Add: Lease liabilities recognised during the year	0.46	-
Add: Interest Expense on Lease liabilities	2.32	2.33
Less: Cash Outflow/Lease Rent	2.61	2.61
Balance as at the end of the Year	25.91	25.74



**JSW HYDRO ENERGY LIMITED**

Notes to Financial Statement for the year ended 31st March, 2025

**Note 42. Details of Corporate Social Responsibility (CSR) Expenditure:**

( ₹ Crore )

Particulars	As at 31st March, 2025	As at 31st March, 2024
1.) Amount required to be spent by the company during the year	10.97	9.00
2.) Amount spent during the year on:		
(i) Construction / acquisition of an asset	-	-
(ii) On purpose other than (i) above	10.97	9.00
3.) Shortfall at the end of the year	-	-
4.) Total of previous years shortfall	-	-
5.) Reason for shortfall	-	-
6.) Nature of CSR activities	<ul style="list-style-type: none"><li>• Educational infrastructure &amp; systems strengthening,</li><li>• Enhance Skills &amp; rural livelihoods through nurturing of supportive ecosystems &amp; innovations,</li><li>• General community infrastructure support &amp; welfare initiatives,</li><li>• Integrated water resources management,</li><li>• Nurture women entrepreneurship &amp; employability,</li><li>• Nurturing aquatic &amp; terrestrial ecosystems for better environment &amp; reduced emissions,</li><li>• Public health infrastructure, capacity building &amp; support programs,</li><li>• Sports promotion &amp; institution building,</li><li>• Waste management &amp; sanitation initiatives,</li><li>• Project Management Cost</li></ul>	
7.) Amount unspent, if any;	-	-
8.) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Donation paid to JSW Foundation, related party in relation to CSR Expenditure	
9.) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	-	-



# JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

## Note 43. Related party disclosure

<b>A)</b>	<b>List of Related Parties</b>
<b>I</b>	<b>Ultimate Holding Company</b>
1	JSW Energy Limited
<b>II</b>	<b>Holding Company</b>
1	JSW Neo Energy Limited
<b>III</b>	<b>Fellow Subsidiaries</b>
1	JSW Power Trading Company Limited
2	JSW Energy PSP Two Limited
3	JSW Energy (Kutehr) Limited
<b>IV</b>	<b>Key Managerial Personnel</b>
1	Mr. Sharad Mahendra - Chairman
2	Mr.Pritesh Vinay -Director
3	Mr.Sunil Goyal - Independent Director
4	Mr. Gyan Bhadra Kumar - Whole Time Director
5	Mr. Sanjeev Kango - Chief Financial Officer & Company Secretary
6	Ms. Seema Jindal- Woman Director / Independent Director
<b>V</b>	<b>Other related parties with whom the company has entered into transactions during the year</b>
1	JSW Steel Limited
2	Jindal Education Trust (Jindal Vidya Mandir)
3	Jindal Education Trust (Jaypee Private ITI)
4	JSW IP Holdings Private Limited
5	JSW Global Business Solutions Limited
6	JSW Foundation
7	JSW Steel Coated Products Limited
8	Mytrah Vayu Urja Private Limited
9	JSW Projects Limited
10	JSW Energy PSP Two Limited
11	JSW Energy(Barmer) Limited
12	Sapphire Airlines Private Limited



# JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

(₹ crore)

B	Transaction during the year	Relationship	For the year ended 31st March, 2025	For the year ended 31st March, 2024
<b>1</b>	<b>Sale of power /Material/Other to:</b>			
	JSW Power Trading Company Limited	Fellow Subsidiaries	203.55	42.08
	JSW Energy PSP Two Limited*	Fellow Subsidiaries	0.00	0.00
	JSW Steel Coated Products Limited*	Fellow Subsidiaries	0.00	-
	Mytrah Vayu Urja Private Limited*	Fellow Subsidiaries	0.00	-
	JSW Projects Limited*	Fellow Subsidiaries	0.00	-
	JSW Energy (Barmer) Limited	Fellow Subsidiaries	0.01	-
<b>2</b>	<b>Service Received from:</b>			
	JSW Global Business Solutions Limited	Others	4.74	3.42
<b>3</b>	<b>Purchase of Goods</b>			
	JSW Steel Limited	Others	0.33	1.23
<b>4</b>	<b>Branding expense</b>			
	JSW IP Holdings Private Limited	Others	3.41	3.55
<b>5</b>	<b>Reimbursement received from / (paid to) {net}:</b>			
	JSW Energy Limited	Ultimate Holding Company	(8.57)	(9.69)
	JSW Steel Limited	Others	(1.58)	(1.55)
	JSW Power Trading Company Limited	Fellow Subsidiaries	(1.41)	(0.01)
	Jindal Education Trust (Jindal Vidya Mandir)	Others	(0.50)	(0.48)
	Jindal Education Trust (Jaypee Private ITI)	Others	(0.27)	(0.25)
	JSW Foundation	Others	0.05	0.07
<b>6</b>	<b>Donation for CSR Expenses</b>			
	JSW Foundation	Others	10.97	9.00
<b>7</b>	<b>Charter Hire charges</b>			
	Sapphire Airlines Private Limited	Others	12.24	-
<b>8</b>	<b>Loan Given to:</b>			
	JSW Energy Limited	Ultimate Holding Company	-	354.16
<b>9</b>	<b>Loan repaid by:</b>			
	JSW Energy Limited	Ultimate Holding Company	(275.16)	-
<b>10</b>	<b>Interest Income on Loan:</b>			
	JSW Energy Limited	Ultimate Holding Company	15.73	80.53

\* Less than Rs. 50,000/-



## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

(₹ crore)

C	Closing Balances	Relationship	As at 31st March, 2025	As at 31st March, 2024
<b>1</b>	<b>Trade Receivables</b>			
	JSW Energy (Barmer) Limited	Fellow Subsidiaries	0.01	-
	JSW Energy PSP Two Limited	Fellow Subsidiaries	-	*0.00
<b>2</b>	<b>Trade Payables</b>			
	JSW Energy Limited	Ultimate Holding Company	0.21	2.84
	JSW Global Business Solutions Limited	Others	0.32	0.36
	JSW Steel Limited	Others	0.06	0.71
	Sapphire Airlines Private Limited	Others	7.45	-
	JSW Energy PSP Two Limited*	Fellow Subsidiaries	0.00	-
	Myntra Vayu Urja Private Limited*	Fellow Subsidiaries	0.00	-
	JSW Projects Limited*	Fellow Subsidiaries	0.00	-
	JSW PSP TWO Limited*	Fellow Subsidiaries	0.00	-
	JSW IP Holdings Private Limited	Others	0.49	-
<b>3</b>	<b>Deposit With</b>			
	JSW IP Holdings Private Limited	Others	0.07	0.07
<b>4</b>	<b>Equity Share Capital</b>			
	JSW Neo Energy Limited	Holding Company	1,250.05	1,250.05
<b>5</b>	<b>Loan Given</b>			
	JSW Energy Limited	Ultimate Holding Company	868.00	1,143.16

\* Less than Rs. 50,000/-

†

## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

### D. The Remuneration to Key Managerial Personnel during the year:

(₹ crore)

SI No	Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
1	Short term benefits	2.30	2.13
2	Post –Employment benefits	0.12	0.08
3	Sitting fees	0.05	0.05

#### Note:

The above figures does not include provisions for gratuity, group mediclaim, group personal accident and compensated absences as the same is determined at the company level and is not possible to determine for select individuals.

The Company has accrued Rs. 0.88 crore (previous year Rs. 0.41 crore) in respect of employee stock options granted to Whole Time Director and CFO/Company Secretary. The same has not been considered as managerial remuneration of the current year as defined under section 2 (78) of the Companies act 2013 as the options have not been exercised.

i) No amounts in respect of related parties have been written off / written back during the year, nor has any provision been made for doubtful debts / receivables during the year, except as discussed above

ii) Related party relationships have been identified by the management and relied upon by the Auditors

iii) Related party transactions have been disclosed on basis of value of transactions in terms of the respective contracts.

iv) Terms and conditions of sales and purchases: the sales and purchases transactions among the related parties are in the ordinary course of business based on normal commercial terms, conditions, market rates and memorandum of understanding signed with the related parties. For the year ended 31st March, 2024 & 31st March, 2025, the Company has not recorded any loss allowances for transactions between the related parties.

v) Transactions are inclusive of Taxes

vi) Transactions are disclosed based on relationship as on the date of transaction.

vii) Purchase of goods are at arm length price.



# JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

## Note 44A. Remuneration to Auditors (excluding GST)

(₹ crore)

Sl. No.	Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
1	Services as statutory auditors (including quarterly limited reviews)	0.45	0.43
2	Tax audit and certification fees	0.08	0.08
3	Reimbursement of out of pocket Expenses	0.01	0.01
	<b>Total</b>	<b>0.54</b>	<b>0.52</b>

## Note 44B. Change in pattern of depreciation as per CERC Regulation

The Company's Karcham wangtoo HEP project has completed 12 years since its commercial operations. As per CERC Tariff Regulations, the Property plant and equipment (PPE) are to be depreciated based on the depreciation rates prescribed under CERC regulation for 12 years and afterwards, the PPE are to be depreciated based on the balance useful life of the respective assets. Accordingly, the effective depreciation rate has been reduced from the 5.18% to 1.33% and consequently, there was a reduction in the revenue from operations and EBITDA of the company from the current year onwards which will be partly compensated by a lower depreciation charge on fixed assets.



## JSW HYDRO ENERGY LIMITED

Notes to Financial Statement for the year ended 31st March, 2025

### Note no. 45 - Other statutory information:

- i) The Company is not declared wilful defaulter by any bank or financial institution or lender during the year.
- ii) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- iii) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- iv) The Company have immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) whose title deeds are held in the name of the company (except as disclosed under Note No 4).
- v) The Company does not have any transactions with struck off companies.
- vi) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- vii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- viii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- ix) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- x) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- xi) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- xii) The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

Note no. 46 - Previous years figures have been regrouped/reclassified wherever necessary.

For and on behalf of Board of Directors



Gyan Bhadra Kumar  
Whole Time Director  
[DIN:03620109]



Sharad Mahendra  
Chairman  
[DIN: 02100401]





Sanjeev Kango  
Company Secretary &  
Chief Financial Officer