

B.C.P. JAIN & CO.

CHARTERED ACCOUNTANTS



E-2/33, Arera Colony Bhopal, 462016

Tel. /Fax: (0755)2460110, 4273027

Mobile: 9303131056, 9300115772

Email: jainamitca@rediffmail.com

casiddhant9@gmail.com

B.C. JAIN M. Com. FCA	AMIT JAIN B.Com. LLB, FCA, DISA	NARESH VYAS B. Com. FCA	RAJNI JAIN B. Com. FCA, DISA	PANKAJ AGRAWAL B. Com. FCA, DISA	AMIT CHOPRA B. Com. FCA, CS	
NEELAM JAIN B. Com. FCA	RAHUL JAIN B. Com. FCA	SIDDHANT JAIN FCA	VAISHALI JAIN ACA	MOHIT AGRAWAL B. Com. ACA	DIVYANSHU VYAS B. Com. ACA	VINAMRA JAIN ACA

INDEPENDENT AUDITOR'S REPORT

To,

The Members of

M/s. NHDC Limited

NHDC Parisar, Shyamla Hills,

Bhopal, Pin Code – 462002

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of NHDC LTD ("the Company"), which comprises the Balance Sheet as on March 31, 2026 and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended as on that date, and Notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory notes for the year ended as on that date (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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 on March 31, 2026 and its Profit, Changes in Equity and its Cash Flows for the year ended as on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SA) specified under section 143(10) of the Act. Our responsibilities



under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence that is obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

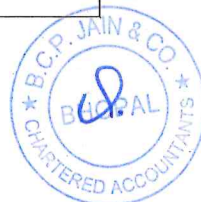
Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters, for incorporation in our Report.

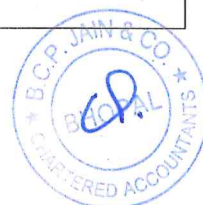
SI	Key Audit Matter	Auditor's Response
1	Recognition and measurement of revenue from sale of power The Company recognizes revenue from Sale of Power in accordance with the principles of Ind AS 115, based on tariffs approved by the Central Electricity Regulatory Commission (CERC). As on the audit date, revenue is recognized on the basis of the tariff petition filed for ISPS and OSPS for the period 2024-29, which is presently pending for final order from CERC. For the current year, the Company has billed revenue based on the Annual Fixed Cost (AFC) during FY 2025-26 as	We have obtained an understanding of the CERC Tariff Regulations, Orders, Guidelines and the Company's Accounting Policy and procedures in respect of revenue recognition and measurement of revenue from sale of power comprising of capacity and energy charges and adopted the following audit procedures: • Evaluated and tested the effectiveness of the Company's design of internal financial controls relating to recognition and measurement of revenue from sale of power. We understood the determination and working of the various factors and parameters in billing and revenue



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	approved by the Board. The CERC Tariff Regulations notified on 15.03.2024 stipulate that capital costs considered for tariff fixation in the current period shall be subject to truing up at the end of the tariff period. Accordingly, sales for the year have been recognized based on principles established in CERC regulations 2024-29 and actual capital expenditure of admitted items, with tariff adjustments calculated for truing up. During the year, consequent upon corrigendum issued by the Central Electricity Authority (CEA) dated 29.03.2022 reading 'BM³' as 'MAFt' (Million Acre Feet), and the order of Hon'ble CERC dated 30.03.2026 in Petition No. 378/MP/2022 and Petition No. 220/MP/2022 filed by the beneficiary Madhya Pradesh Power Management Company Limited (MPPMCL), the Design Energy and corresponding energy beyond design energy of ISPS and OSPS for FY 2010-11 to FY 2018-19 has been recomputed. Consequently, an aggregate amount of ₹156,12,63,660/- (ISPS ₹109,58,00,310/- and OSPS ₹46,54,63,350/-) being the differential amount has been booked as reduction in Earlier Year Sales – unbilled, refundable to MPPMCL in 12 interest-free monthly	recognition in terms of CERC Regulations. • Verified the calculation of Annual Fixed Cost (AFC) for FY 2025-26 as approved by the Board resolution dated 06.05.2024, and its application in revenue recognition. Further we have examined the tariff petition filed by the Company for the period 2024-29 and the consequent principles applied pending final order of CERC. • Reviewed the computation of truing up adjustments based on actual capital expenditure of admitted items as per CERC Regulations. • Assessed the consistency of the Company's application of principles established in CERC Regulations 2024-29 for sales recognition. • In respect of the re-computation of Design Energy of ISPS and OSPS pursuant to the CEA corrigendum and Hon'ble CERC order dated 30.03.2026, for financial year 2010-11 to 2018-19, we examined the petition records, the said CERC order, the management workings of the differential amount of ₹156,12,63,660/- and the booking thereof as a reduction in Earlier Year Sales (unbilled) refundable in 12 interest-free monthly instalments to MPPMCL. We also



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	instalments (refer Notes to the Financial Statements). Further, the interest provision earlier created in the same respect has been reversed during the year, the order of CERC having specifically directed the refund without interest. Apart from above, revenue related to Solar Power projects has been recognized based on the rate decided as per the respective Power Purchase Agreement (PPA).	verified the reversal of the interest provision earlier created in the same respect and confirmed that the same is consistent with the directions of the CERC order. During our examination of energy charge billing practices, we observed that the Company has calculated energy charges based on saleable design energy (DE) determined by CERC on the basis of water utilization report issues by the Narmada Controlling Authority (NCA) for Financial year 2020-21 and continuously the same design energy is being considered for billing upto current year. Subject to the above, the recognition and measurement of revenue from sale of power from Hydro Power projects is considered to be adequate and reasonable. Further, based on verification of generation report and terms of PPA agreement, the revenue from sale of solar power project is considered to be adequate and reasonable.
2	Compliance of Ind AS 116 with respect of lease arrangement pursuant to Ind AS 116 The Power Purchase Agreement ("PPA")	As part of our audit procedures, we performed the following: • We have verified the Finance Lease Models of the Indira Sagar Power Station and Omkareshwar Power Station in



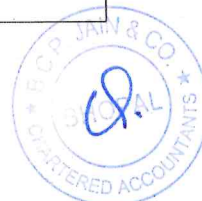
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	executed between NHDC Ltd ("the Company") and Madhya Pradesh Power Management Company Limited ("the Beneficiary"), highlighted that: The Company has entered into a PPA with the Beneficiary, being the sole off-taker, for a substantial duration approximating the stipulated operational life of the Hydro Power Stations. The contractual terms confirm that the arrangement satisfies the criteria of an embedded lease as defined under Indian Accounting Standard 116 ("Ind AS 116") on Leases. Reference is drawn to the disclosure made by the Company in Note 17(B) of Note 34 (Explanatory Notes) wherein it has been specifically stated that 'the stipulated duration of the original PPA is 35 years as specifically mentioned in clause 13 of the PPA. Based on the auto renewal clause of the PPA and the CERC Regulation, the Company has reconsidered the lease arrangement and has assessed the life at 40 years (considering continuation of the PPA with same beneficiary. Accordingly the same period has been considered by the management for the AFC projections. In accordance with Ind AS 116	preparation of the Standalone Financial Statement. These models are based on capital cost and Annual Fixed Cost (including projected). The Company has identified and segregated the components of energy bills relating to the lease model and Sale of Power. The energy bills contain various factors of billing as per tariff order, including Capacity Charges, Energy Charges, tariff adjustments, etc. We confirmed that elements of billing falling under Annual Fixed Cost (AFC) have been appropriately dealt with in the Lease model. • We verified that these models have proper linkage to the codes of accounts in the Trial Balance. • We examined the reconciliation statement showing the total billed and unbilled amount mapped to Income from Lease model and Income from Sale of Power. Sl. No. 17(B) of Note 34 - Explanatory Notes to Account, provides the maturity analysis of lease receivables and changes in the carrying amount of net investment in finance lease. Income from Finance Lease for the year ended 31.03.2026 stands at ₹503.71 Crore (previous year ₹503.59 Crore) and the Net Investment in the Lease as at 31.03.2026 is ₹3,631.74 Crore (previous year



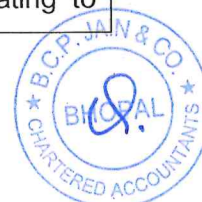
SI	Key Audit Matter	Auditor's Response
	requirements, the Company has appropriately bifurcated its revenue from power generation operations into: a) Revenue from lease rentals; and b) Revenue from sale of power. The significant portion of lease rental income is recognized as finance lease income and disclosed under "Revenue from Operations" in the Statement of Profit and Loss, while the remaining portion is appropriately adjusted against the lease receivable balance. The lease receivables have to be classified in the Balance Sheet as "Non-current Assets" and partly as "Current Assets - Financial Assets - Others" in accordance with their maturity profile. The Company is required to apply the appropriate discount rate for lease payments as required by Ind AS 116, using the interest rate implicit in the lease. This rate has to be recalculated at each reporting date to reflect changes arising from: a) Additional capitalization or de-capitalization of underlying assets; and b) Revisions in the trued-up/estimated Annual Fixed Charges (AFC) as prescribed in the latest notifications issued by the Central Electricity Regulatory Commission (CERC), to the extent applicable. The embedded lease arrangement under	₹3,660.64 Crore). • We evaluated the reasonableness of the discount rate applied by management by assessing the methodology used and verifying the inputs to the calculation. • We tested the mathematical accuracy of the lease calculations, including the bifurcation of revenue streams and the classification of lease receivables between current and non-current portions. • We assessed the adequacy and appropriateness of the disclosures in the financial statements relating to the embedded lease arrangement. Based on the procedures performed, we conclude that the recognition of revenue and measurement of Lease rent receivable is adequate and reasonable. The Company has appropriately applied the requirements of Ind AS 116 in accounting for the embedded lease arrangement in the Power Purchase Agreement, including the bifurcation of revenue, determination of the interest rate implicit in the lease, and classification of lease receivables.



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	Ind AS 116 is identified as a Key Audit Matter due to the significant complexity in accounting treatment and the material impact on the financial statements. The determination of the interest rate implicit in the lease requires specialized knowledge and involves frequent recalculations based on changes in asset base and regulatory parameters. These calculations materially affect revenue recognition patterns, asset classification, and overall financial presentation. Additionally, the bifurcation of revenue streams and proper classification of lease receivables between current and non-current categories demands considerable judgment. The pervasive nature of these accounting determinations across multiple financial statement elements and their susceptibility to estimation uncertainty necessitated heightened audit attention and specialized procedures in this area.	
3	Regulatory Deferral Account Balances and Revenue Recognition The operating activities of the Company are subject to cost-of-service regulations whereby tariff charged for electricity generated is based on allowable capital and other costs and expenses and	We have assessed the application of the provisions of Ind AS 114, Guidance Note on Accounting for Rate Regulated Activities (Previous GAAP) issued by the ICAI in respect of the Company's revenue recognition policy for sale of power. We have verified the accounting of revenue in accordance with the CERC Tariff



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	stipulated return thereagainst. Regulatory Deferral Accounts are based on estimates with respect to recoverability thereof as per the current CERC Tariff Regulations on final approval and notifications. Accruals are determined based on tariff regulations and past tariff orders and are subject to verification and approval by regulators. Further, the costs incurred are subject to prudential checks and prescribed norms. Significant judgments are made in determining the accruals including interpretation of tariff regulations. The above rate regulation results in creation of right (asset) or an obligation (liability) as envisaged in the accounting framework which is not the case in other industries. Guidance Note on Accounting for Rate Regulated Activities (Previous GAAP) issued by the ICAI is applicable. The Company has recognized Deferred Tax Asset relating to MAT credit entitlement as per Ind AS 12. Utilization of MAT credit will result in lower outflow of income tax in future years and accordingly Regulatory Deferral Liability attributable to the said MAT credit entitlement has also been recognised, payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations. Further, partial	Regulations, Orders, Circulars, Guidelines and the Company's internal circulars and procedures in respect of recognition and measurement of revenue from sale of energy comprising of capacity and energy charges. It is observed that the consideration of various items under "Net movement in Regulatory Deferral Account Balances" and the treatment in the audited accounts are in compliance with the accounting principles laid down in Ind AS 114. Based on the above procedure performed, the recognition, measurement and adequacy of disclosure of revenue as per Ind AS 114 and Ind AS 115 for FY 2025-26 are considered to be adequate and reasonable. Attention is invited to Sl. No. 21 of Note-34 – Other Explanatory Notes to Accounts. We called for a statement of MAT credit entitlement year-wise till 2025-26, how much MAT credit was utilized, and how much MAT credit is yet to be utilised in future. We also reviewed the future cash flow submitted for tariff revision and the future cash flow assessment to determine whether the MAT credit shall be utilized in future. Based on the above procedures performed, the recognition and measurement of deferred tax relating to



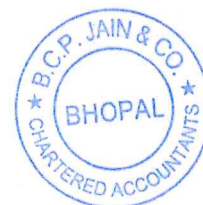
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	benefit of MAT credit is to be appropriated/adjusted in future years through effective tax rate adjustment mechanism as applicable for the Tariff Regulations 2019-24 and 2024-29 and accordingly accounted as Regulatory Deferral Liability. The recoverability of this deferred tax asset relating to MAT credit entitlement is dependent upon the generation of sufficient future taxable profits to utilise such entitlement within the stipulated period prescribed under the Income Tax Act, 1961. The Company has recognised regulatory deferral account debit balance for adjustment against deferred tax liabilities (net) in the financial statements. The debit balance in Regulatory Deferral Account is disclosed in Note No. 14.1 and credit balance in Note No. 14.2 separately in the balance sheet. During the year, pursuant to the provisions of Section 206(3) read with Section 200(1) of the Income Tax Act, 2025 (refer Note 30.1.2 of the Financial Statements), applicable with effect from 1st April 2026, the Company has elected to exercise the new tax regime option, whereby the applicable tax rate stands changed from 34.944% (being 30% basic + 12% surcharge + 4% cess) to 25.168%	MAT credit entitlement and corresponding Regulatory Deferral Liability are reasonable. We have verified the accounting of regulatory deferral account debit balance with regard to recognition and measurement. It is explained that CERC Regulations provide that deferred tax liability up to 31st March 2009 shall be recovered from the beneficiaries as and when the same gets materialized. Further, for the period commencing from 1st April 2014, CERC Tariff Regulations provide for grossing up of the return on equity based on effective tax rate for the financial year based on the actual tax paid during the year on the generation income. The deferred tax recoverable from beneficiaries in future years was presented as an adjustment to deferred tax liabilities and was not recognised as Regulatory Deferral Account. Based on an opinion dated 06.05.2018 issued by the Expert Advisory Committee of the Institute of Chartered Accountants of India (EAC of the ICAI), the same has been recognised as regulatory deferral account debit balance. • With reference to the consequential restatement on account of the change in tax rate from 34.944% to 25.168% under



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	with effect from FY 2026-27 onwards. Since tax provisioning and estimates are dependent on a number of factors, the consequential effect of this rate change has been brought into the books for the year ended 31.03.2026, including (i) re-statement of the Regulatory Deferral Account balances at the new effective tax rate; (ii) re-statement of Deferred Tax Liability and Deferred Tax Asset; and (iii) re-statement of the Return on Equity (ROE) used in the Annual Fixed Cost (AFC) projections. The summary financial impact thereof is disclosed in Notes 14.1, 14.2, 18 (Annexure thereto) and 30.1 of the Financial Statements. The summarised effect of the change in tax rate as captured in the Financial Statements is as under: (i) The Regulatory Deferral Account Debit balance reduced by ₹115.99 Crore, on account of reversal of ₹64.18 Crore (Type A – Tariff Period upto 2009) and ₹51.81 Crore (Type B – Tariff Period 2014-19 onwards) consequent to the rate restatement. (ii) The Regulatory Deferral Account Credit balance (MAT Credit to be passed on to beneficiaries) reduced from ₹291.14 Crore to ₹157.83 Crore, after utilisation of	the Income Tax Act, 2025 (Section 206(3) read with Section 200(1)), we examined: (a) the management workings of the remeasurement of Regulatory Deferral Account Debit and Credit balances at the new tax rate, with reference to Note 14.1 (₹410.43 Cr → ₹298.63 Cr) and Note 14.2 (₹291.14 Cr → ₹157.83 Cr) of the Financial Statements; (b) the Annexure to Note 18 setting out the movement in Deferred Tax Liability and Deferred Tax Asset, including the impact of the rate change of ₹271.44 Cr (DTL credit) and ₹2.70 Cr (DTA charge) routed through the Statement of Profit and Loss; (c) the disclosure in Note 30.1 of the Financial Statements showing the net impact of ₹268.74 Cr as 'Change in rate of tax'; and (d) the management's projections for future ROE used in the AFC computation, restated at the effective rate of 25.168%. • Based on our review of the above workings, supporting calculations, and the disclosures in Notes 14.1, 14.2, 18, 30.1 and 31 read with Note 31.1 of the Financial Statements, the restatement carried out in respect of the change in tax rate is, in our opinion, in conformity with the principles of Ind AS 12 'Income Taxes' and Ind AS 114 'Regulatory Deferral Accounts'. We also reviewed the

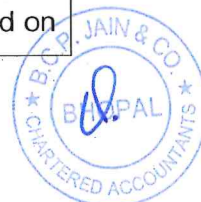


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	₹133.31 Crore during the year. (iii) Deferred Tax Liability (Net) re-measured to ₹363.60 Crore from ₹431.85 Crore (previous year). Per Note 30.1, the change in rate of tax has resulted in a credit of ₹271.44 Crore in the Statement of Profit and Loss in respect of DTL and a corresponding charge of ₹2.70 Crore in respect of Deferred Tax Asset, with a net positive impact of ₹268.74 Crore on the tax expense for the year. (iv) Future ROE projections used in the AFC computation for tariff projection have been restated using the new effective tax rate of 25.168% for the period commencing from 1st April 2026.	corresponding effect, where applicable, on the Movement in Regulatory Deferral Account Balances reported in Note 31. Based on the above procedure performed, the recognition, measurement and disclosure for regulatory deferral account debit balance is adequate and reasonable.
4	Impairment assessment of Property, Plant and Equipment (PPE) Each of the Power Station/ Project has been considered as Cash Generating Units (CGU) of the Company and Impairment indicators and requirements thereof have been assessed with respect to Property, Plant and Equipment (PPE). Ind AS 36 – Impairment of Assets requires an entity to assess on each Balance Sheet date whether there is any indication	The Company has a material asset base in physical terms with respect to Hydro Power Stations and pursuant to implementation of Ind AS 116, "Leases" the majority of assets has been categorized under Finance Lease which is reflected in Balance sheet under Lease Rent recoverable instead of PPE, rest of the assets with respect to hydro power stations are reflected in PPE. In addition to above Company have also PPE of Solar Power Stations. Each of the Power Station has been considered as Cash Generating Units (CGU) of the Company

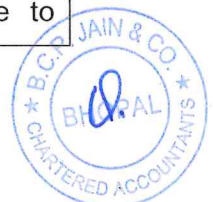


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SI	Key Audit Matter	Auditor's Response
	that an asset may be impaired. If any such indication exists, the entity is required to estimate the recoverable amount of the asset. Based on the assessment, the Company has concluded that there exists no significant impairment indicator or any impairment in respect of the CGUs of the Company tested for impairment during the year 2025-26. Hence no provision for impairment against PPE has been considered necessary by the Company. We considered this as a key audit matter as the carrying value of PPE requires impairment assessment based on future expected cash flows associated with the power plants.	for Impairment assessment. We evaluated the Company's process of impairment assessment in assessing the appropriateness of the impairment model including the independent assessment of discount rate, economic growth rate, terminal value, etc. We have obtained the in-house Technical Committee report on impairment and reviewed it. The Committee constituted has senior officials from Commercial, O&M, C&P and Finance division. We have also evaluated and checked the cash flow forecasts prepared by the Company taking into consideration of CERC Regulations applicable for the tariff period of 5 years from 01st April 2024 to 31st March 2029 along with the assumptions. The fact that there is no restructuring or discontinuation of operations of the business of the Company during the period, there is no deterioration in the financial condition of beneficiary, and that the Company has taken Mega Insurance coverage of Assets of Projects was considered by the Committee. The assessment of impairment indicators based on internal & external sources of information for power stations including projects under construction has been considered for the purpose of impairment analysis. Based on



SI	Key Audit Matter	Auditor's Response
		the above procedures performed, we observed that the Company's impairment assessment is adequate and reasonable.
5	Contingent Liability (Note 34.1(a) of Financial Statements – read with the summarised tabular disclosure thereunder) There are a number of litigations pending before various forums, against the Company other than capital commitments on capital works. These litigations are against the Company in matters of disputes over land compensation cases, disputed tax and other matters related to tariff, contractor's payments subject to arbitration or challenging of arbitration awards. Claims made against the Company are significant. These are pending for decision before arbitration or other judicial forums and consequential and possible impact thereof and provisions/disclosure required have been based on the management's assessment of the probability of the occurrence of the liability. The management does not expect that the above claims/obligations (including under litigation), when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations or	Our audit procedures, based on which we arrived at the conclusion regarding the reasonableness of the Contingent Liabilities, included the following: • We evaluated the contractual terms and conditions and management's rationale for the adequacy of provisions made and amounts remaining unprovided against demands made against the Company. • We held discussions with management and reviewed correspondence and Notes on related matters. • We placed reliance on decisions in similar matters and assessed the probability of liabilities arising from pending cases, considering provisions made by Management pending final judgments/decisions. • We reviewed the appropriateness and adequacy of disclosures made by management as required by Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets." • We have specifically reviewed the disclosures made in Note 34, sub-sections 1(a), (b), (c), (d), (e), (f) and (g) of the Financial Statements with reference to



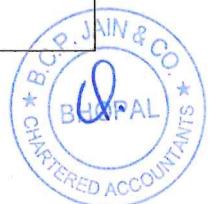
SI	Key Audit Matter	Auditor's Response
	financial condition. Reference is specifically drawn to Note 34, sub-section 1(a) read with sub-sections (b) to (g) of the Financial Statements for the complete disclosure of contingent liabilities. The aggregate contingent liability as on 31.03.2026 stands at ₹1,103.44 Crore (previous year ₹1,035.84 Crore), an addition of ₹67.60 Crore during the year.	each category of contingent liability identified during the year, including the material movements set out in the issue column. We obtained legal opinions/management representations in respect of significant additions, in particular the increase of ₹88.57 Crore in Land Compensation cases and ₹19.54 Crore in Capital Works claims. As per the Company's explanatory notes, contingent liabilities related to service matters have not been disclosed in the financial statements. Based on the procedures performed, the estimation and disclosures of other contingent liabilities are considered to be adequate and reasonable.
6	Investments – Bank Fixed Deposits and Interest Income The Company has substantial financial assets deployed in the form of Bank Fixed Deposit Receipts (FDRs) with various scheduled banks. The aggregate FD investments form a major component of the Company's financial assets and constitute a significant source of Other Income. As on 31.03.2026, the position is as under: • Non-current Bank Deposits with original	In response to this Key Audit Matter, we performed the following procedures: • We reviewed the Company's documented investment policy and assessed, on a sample basis, the diligence exercised by the management in evaluating various Investment in FDs offers from different banks (private and public scheduled commercial banks) with reference to: (i) prevailing market interest rates as on date of Investment; (ii) credit rating/security of the bank; (iii) tenor matching the Company's projected



SI	Key Audit Matter	Auditor's Response
	maturity of more than 12 months (Note 3.4(B)): ₹380.09 Crore (PY ₹14.50 Crore); • Current Bank Deposits for original maturity more than 3 months upto 12 months (Note 9): ₹1,446.72 Crore (PY ₹1,646.74 Crore); • Bank Deposits with original maturity of three months or less, included in Cash & Cash Equivalents (Note 8): ₹132.00 Crore (PY ₹35.00 Crore); • Aggregate gross FD investments approximately: ₹1,958.81 Crore; • Interest Income earned on Bank Deposits during the year forms a substantial portion of Other Income (refer Note 24.2 – Other Income aggregating ₹226.01 Crore); • Accrued Interest on Bank Deposits as at year-end: ₹45.68 Crore (current portion, Note 11(E)) and ₹7.31 Crore (non-current portion, Note 3.4(C)); • Bank Deposits include amounts under lien with banks of ₹8.30 Crore as per orders of Hon'ble Courts, etc. (Note 9.2). Considering the materiality of the FD investments in the context of the Balance Sheet, the significance of interest income to the Statement of Profit and Loss, and the management judgment involved in	liquidity requirements; and (iv) the comparison sheet of bank quotes obtained for each fresh investment (v) Apportionment of investment between public and private scheduled commercial Banks. We are of the opinion that the investment decisions taken during the year are consistent with the Company's investment policy and have resulted in optimal yield. • We obtained the complete list of Bank Fixed Deposit Receipts (FDRs) outstanding as on 31.03.2026 from the Finance Department, reconciled with the Trial Balance and the SAP-ERP system records, and physically verified each Fixed Deposit Receipt held by the Company in original. The FDRs were independently confirmed with the respective banks through balance confirmation circularization as on 31.03.2026. • We checked the interest calculations on each FDR with reference to the agreed rate of interest, tenor of the deposit, and the interest payment cycle (cumulative/quarterly/half-yearly), recomputing the interest income for the year on a sample basis covering all



SI	Key Audit Matter	Auditor's Response
	assessing investment opportunities among various banks offering different interest rates within the framework of the Company's investment policy, this matter has been determined to be a Key Audit Matter.	material FDRs. • We verified the accrued interest computation as on 31.03.2026 (current ₹45.68 Crore in Note 11(E) and non-current ₹7.31 Crore in Note 3.4(C)) and ensured the same has been recognised on time-proportion basis in accordance with Ind AS 109 and the Company's accounting policy. • We verified the disclosure of FDRs under lien with banks (under court orders, margin against bank guarantees, etc.) and confirmed that the same have been appropriately disclosed in Notes. • We reviewed the classification of FDRs between Cash and Cash Equivalents (Note 8 – original maturity ≤ 3 months), Other Bank Balances (Note 9 – original maturity > 3 months upto 12 months) and Other Financial Assets-Non-current (Note 3.4 – original maturity > 12 months) to ensure consistency with Schedule III to the Companies Act, 2013. Based on the procedures performed, the recognition, measurement, classification and disclosure of Bank Fixed Deposits, interest income / accrued interest are considered to be adequate and reasonable.



Information Other than the Standalone 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 Directors' Report including Annexures, Management Discussion and Analysis Report and Report on Corporate Governance, but does not include the standalone financial statements and our auditor's reports thereon. The other information as stated above is expected to be made available to us after the date of this Auditor's Report.
- Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information identified above when it becomes available, and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the other information as stated above and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe necessary actions required as per applicable laws and regulations.

Responsibility of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (the Act) with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, Cash Flows and Changes in Equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. 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 implementation and maintenance of



accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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 management either intends to liquidate the Company or cease operations, or has no realistic alternative but to do so.

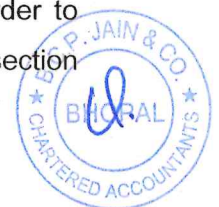
The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section



143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial

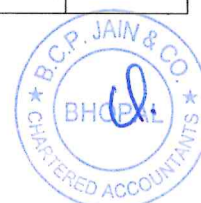


statements of the current period and therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequence of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

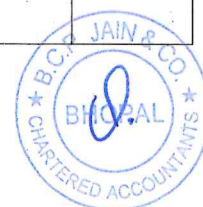
Report on Other Legal and Regulatory Requirements

- 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-1" and "Annexure 2" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
- Based on the verification of books of account of the Company and according to information and explanations given to us, we give below a report on the Directions issued by the Comptroller and Auditor General of India in terms of Section 143(5) of the Act:

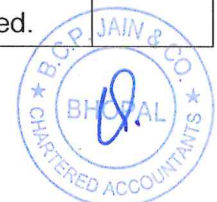
S. No.	CAG Direction	Auditor's Reply	Action Taken	Impact on FS
I	Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for Post retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The auditor shall provide a brief note on the valuation approach, its reasonability, and compliance	In this regard we submit that as per the information and explanations given to us and based on our audit, the Company has Post-Retirement Benefits Trusts which are subject to independent audit by auditors as per trust deed, which are in the nature of defined benefits and defined contributions namely Employees Provident Fund Trust, Leave Encashment Trust, Gratuity Trust, Retired Employees Health Scheme Trust and Social Security	No action required.	Nil



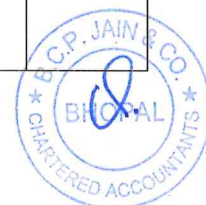
	with applicable regulations, reporting any material deviations or misstatements.	Scheme Trust. In terms of Ind AS-19 Actuarial Valuation of Post Retirement Trusts is done on yearly basis by registered Actuary and as per Actuarial Valuation report the amount is remitted by the Company to respective Trusts. Out of these, funds of Gratuity and LE are invested with the LIC of India. Value of investments with LIC as on 31st March are obtained from the LIC. In the case of SSS and REHS Trusts, investments are being made in Govt securities, PSU/ Corporate Bonds and Term deposits with scheduled commercial banks on the basis of maximum yield offered at the time of investment. Investments of funds with EPF Trust are being invested as per EPFO guidelines in category I ,II & V in the specified investment limit as per the highest YTM offered at the time of investment with Govt & State Govt. Bonds, Corporate Bonds. Holding in Govt and PSU/ Corporate Bonds and Mutual Funds (only Indexed funds) in the		
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		respective books of the Trusts are valued as per the face value of the securities and the NAV as on the Balance sheet respectively. Accordingly, the valuation approach followed in the books of respective trusts is reasonable. Further there is no material deviation/ misstatement in the valuation.		
II	Whether the Company has a system in place to process all the accounting transactions through IT system? If yes, whether review of this system and controls that are significant to the companies financial reporting process as well as cyber security has been done by Information Security Auditing Organisations empanelled by Cert-In at a minimum frequency of once in a year and material discrepancies found, if any, have been suitably reported? The implications of processing of accounting transactions outside IT system on the integrity of the accounts along with financial implications may also be reported.	The Company has a system in place to process all the accounting transactions through IT system(s) namely SAP. The review of this system and controls that are significant to the companies financial reporting process as well as cyber security has been done by Information Security Auditing Organisations empanelled by Cert-In at a minimum frequency of once in a year and no material discrepancies were found. No transactions have been processed outside such IT system.	No action required.	Nil
III	Whether funds (grants/ subsidy etc.) received/ receivable for	The Company has properly accounted for funds (grants and	No action required.	Nil



	specific schemes from Central/State Government or its agencies were properly accounted for as per the applicable accounting standards or norms and whether the received funds were utilised as per its terms and conditions? Whether accounting of interest earned on grants received has been done as per terms and conditions of the Grant. List the cases of deviation.	subsidy) received/ receivable for specific schemes from Central/ State Government or its agencies, as the case may be, as per the applicable accounting standards or norms. The received funds were utilised as per its terms and conditions. The terms and conditions of the grant do not specifically provide for any stipulated investments to be made out of the grants. Similarly no such terms and conditions in relation to interest on grants have been specified.		
IV (a)	Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, (a) whether the Risk Management Policy has been formulated considering global best practices?	The company has identified the key risk areas and has formulated a risk management policy to mitigate these risks. No such open risk exist as on the date of audit as also verified by us as per latest minutes of the risk management committee. As represented by management the said policy has been formulated based on global best practices and duly approved by the Board of Directors.	No action required.	Nil
IV (b)	Whether the Company has identified its data assets and whether it has been valued appropriately?	The company has not identified any data assets yet and consequently these have not been subject to valuation.	No action required.	Nil



V	Whether the Company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted.	Based on the information and explanations given to us, secretarial audit report of the company (where applicable), and audit procedures carried out by us, the company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable.	No action required.	Nil
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Further to our comments in the Annexure referred to in the paragraph above, as required by section 143(3) of the Act, based on our audit we report that:

- (i) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (ii) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
- (iii) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.



- (iv) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act.
- (v) In terms of Notification No. G.S.R. 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, provisions of Section 164(2) of the Act regarding disqualifications of the Directors are not applicable as it is a Government Company.
- (vi) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-2" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (vii) As per Notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, section 197 of the Act is not applicable to the Government Companies. Accordingly, reporting in accordance with the requirement of provisions of section 197(16) of the Act is not applicable to the Company.
- (viii) 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 and Companies (Audit and Auditors) Amendment Rules, 2021, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements as on 31-Mar-2026. (Refer Note No. 34(1) to the Standalone Financial Statements).
 - The Company has made provision, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts. However, there are no such derivative contracts dealt by the Company, hence provision for foreseeable losses towards derivative contracts are not applicable.
 - There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company.
 - Omitted as per Companies (Audit and Auditors) Amendment Rules, 2021, which has been notified by MCA vide Notification dt. 24-Mar-2021.
 - (i) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 person(s) or entity(ies), including foreign entities ("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 on behalf of the Ultimate Beneficiaries;

(ii) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("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 by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(iii) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided above, contains any material misstatement.

- The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Companies Act, 2013.

- Under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014, the Company has used accounting software i.e. SAP-ERP for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature



has not been tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

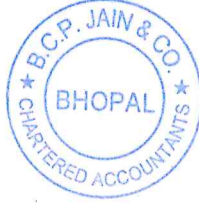
For B.C.P. JAIN & CO.

Chartered Accountants

Firm Registration No. - 000802C

Signature:

Name: Vinamra Jain



Designation: Partner

M.Number: 478899

UDIN: 26478899QZEGZB4699

Date: 04/05/2026

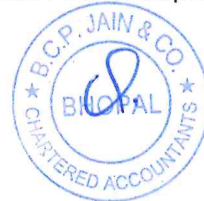
Place: Bhopal

ANNEXURE - '1' TO THE INDEPENDENT AUDITOR'S REPORT 2025-26

[Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirement's" section of our report to the Members of NHDC Ltd. of even date]

To the best of our information and according to the explanations provided to us by the Company and the books of accounts and records examined by us in the normal course of audit, we state that:

- (i) In respect of the Company's Property, Plant and Equipment, Right to Use Assets and Intangible Assets:
- (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-to-use assets.
- B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) As per the information and explanations given by the management and on the basis of our examination of the records of the Company, property, Plant and Equipment have been physically verified by the management (except for submerged assets in water) during the year in accordance with its annual assets and inventory verification policy of the company, which in our opinion, is reasonable having regard to the size of the company, location of its plants and the nature of its assets. Discrepancies noticed on such verification during the year have been appropriately dealt within the books of account. According to information and explanations given by the management and in our opinion, the same are not material.
- (c) According to the information and explanations given by the Management, 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 the financial statements are held in the name of the company, the major portion of immovable properties is land acquired for dam, resettlement and rehabilitation of affected people, these are right-to-use of land and so no title deed exists in the name of the company for such law, as on the balance sheet date except for the following where the title/ lease deeds are not available with the Company.



Description of property	Gross carrying value ## (Rs. in Lakhs)	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 name of company
Land Right to Use- Indira Sagar Project (ISP)- 102352.14 Acres	86,868	Land owned by Govt of Madhya Pradesh	No	-	Right to use granted by Govt of MP
Land Right to Use- Omkareshwar Project (OSP)- 14405.87 Acres	37,712	Land owned by Govt of Madhya Pradesh	No	-	Right to use granted by Govt of MP

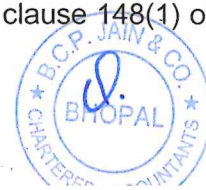
##Expenditure incurred are compensatory in nature including payment made to land outsees and resettlement expenses incurred up to 31-Mar-2026. Pursuant to application of Ind AS 116, the Hydro power station(s) have been classified under finance Lease. After application of finance Lease, a component of Land-Right to Use of ISPS & OSPs excluding government grant have been derecognised and presented as value of Underlying Asset. Accordingly, the carrying value of Land Right to Use shown as Rs. 1,24,580 Lakhs against Rs. 3,74,743 Lakhs (Refer Note no. 2.3 of Financial Statements).

(d) According to the information and explanations given to us and on the basis of examination of records of the Company, the company has not revalued any of its Property, Plant and Equipment (including right-to-use assets) and Intangible Assets during the year.

(e) According to the information and explanations given to us and on the basis of examination of records of the company, there are no proceedings which have been initiated during the year or are pending against the company as at 31st March, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.



- (ii) (a) As per the information and explanations given by the management, the management has conducted physical verification of inventory (except for goods in transit) at all locations in reasonable intervals during the year. In our opinion based on information and explanations given to us, the procedures of physical verification of inventory followed by the management, is reasonable and adequate in relation to the size of the company and the nature of its business. The company is maintaining proper records for inventory and no discrepancies exceeding 10% or more in the aggregate for each class of inventory were noticed. Minor discrepancies noticed during physical verification were properly dealt in the books of account.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of Rs.5 Crore, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting clause 3(ii)(b) of the order is not required.
- (iii) The company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Hence reporting under clause 3 (iii) (a) (A&B) & 3(iii) (b,c,d,e & f) is not required.
- (iv) In our opinion and according to the information and explanations given to us the company has complied with the provisions of sections 185 and 186 with respect to loans, investments, guarantees and security made.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of section 73 to 76 or any other relevant provisions of the Act. In respect of overdue earnest money deposits and security deposits, Management is of the view that overdue earnest money deposits and security deposits of suppliers/contractors appearing in the books are in the nature of retention money for performance of contracts or supply of goods and services and accordingly, not to be treated as deemed deposits by virtue of amendment in rule 2, sub rule (1), clause (c) of the Companies (Acceptance of Deposits) Amendment Rules 2016.
- (vi) We have broadly reviewed the books of accounts maintained by the company pursuant to rules made by the Central Government for the maintenance of cost records under clause 148(1) of the



Companies Act 2013, for the products/ services of the company which is electricity generation. We are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not however made a detailed examination of these records with a view to determine whether they are accurate or complete.

- (vii) (a) According to the information and explanations given to us, during the year, the company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess, Electricity Duty, Energy Development Cess and any other statutory dues with the appropriate authorities to the extent applicable to it.

There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employee's State Insurance, Income tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as on 31-03-2026 for a period of more than six months from the date they become payable.

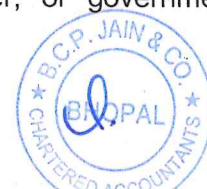
- (b) According to the information and explanations given to us and as per books of accounts of the company, there are no statutory dues referred to in sub-clause (a) which have not been deposited with appropriate authorities on account of any dispute.

- (viii) According to the information and explanations given to us and as per books of accounts of the company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- (ix) According to the information and explanations given to us:

- (a) Based on our audit procedures and as per the information and explanations given by the management, During the year, the Company has neither defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender nor has taken any loan/borrowings from any lender. Hence, reporting under clause 3(ix)(a) of the order is not required.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not been declared as a wilful defaulter by any bank or financial institution or other lender; or government or any government authority.



- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not taken any short term loan during the year. Hence, reporting under clause 3(ix)(c) of the order is not required.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not taken any short term loan during the year. Hence, reporting under clause 3(ix)(d) of the order is not required.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, Associates or Joint ventures. Accordingly, reporting under clause 3(ix) (e) of the Order is not required.
- (f) According to the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, hence reporting on Clause 3(ix)(f) of the Order is not required.
- (x) (a) In our opinion and according to the information and explanations given to us by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) is not required.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or Optionally) and hence reporting under Clause 3(x)(b) of the Order is not required.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of



Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) According to information and explanations given to us, no whistle blower complaints have been received by the Company during the year (and up to the date of this report).

(xii) (a) The company is not a Nidhi company and hence reporting under Clause 3(xii)(a), (b), (c) of the order is not required.

(xiii) According to the information and explanations given by the management, transactions with related parties are in compliance with section 177 and 188 of the Companies Act 2013 where applicable and the details of related party transactions have been disclosed in the Note No. 34 to the standalone financial statements, as required by the applicable accounting standards.

(xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) According to the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with them as per the provisions of section 192 of Companies Act. Hence, reporting under clause 3(xv) of the Order is not required.

(xvi) According to the information and explanations given to us and based on our examination of the records of the Company,

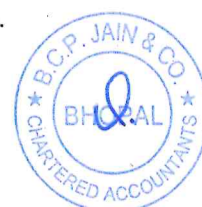
a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year.

c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

d) The Group does not have any CIC.

Hence reporting under clauses 3(xvi) (a), (b), (c) and (d) of the Order are not required.



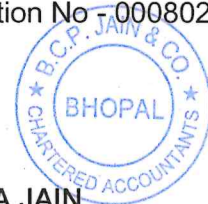
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year, accordingly reporting under clause 3(xviii) is not required.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period 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 period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, reporting under clauses 3(xx)(a) and 3(xx)(b) of the Order are not required.
- (xxi) Since, the financial statement is a standalone financial statement, reporting to the clause (xxi) of the order is not required.

For B.C.P. JAIN & CO.

Chartered Accountants

Firm Registration No. 000802C





CA VINAMRA JAIN

Partner

M. No. : 478899

UDIN: 26478899QZEGZB4699

Date : 04.05.2026

Place : Bhopal

ANNEXURE - '2' TO THE INDEPENDENT AUDITOR'S REPORT 2025-26

[Referred to in paragraph 3(vi) under "Report on Other Legal and Regulatory Requirement's" section of our report to the Members of NHDC Ltd. of even date]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of NHDC Limited ("the Company") as of 31st March, 2026 in conjunction with our audit of the Standalone Ind AS 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 issued by the Institute of Chartered Accountants of India ('ICAI'). 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 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 and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting 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 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

Because of the inherent limitations of internal financial controls over financial reporting, 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 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 system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2026, based on the criteria for internal financial control over financial reporting 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 B.C.P. JAIN & CO.

Chartered Accountants

Firm Registration No. 000802C



CA VINAMRA JAIN

Partner

Date : 04.05.2026

Place : Bhopal

M. No. : 478899

UDIN: 26478899QZEGZB4699



NHDC LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2026

(Amount in ₹ Lakhs)

PARTICULARS	Note No.	As at 31st March, 2026	As at 31st March, 2025
ASSETS			
(1) NON-CURRENT ASSETS			
a) Property, Plant and Equipment	2.1	69,053	72,660
b) Capital Work In Progress	2.2	2,279	2,236
c) Right Of Use Assets	2.3	71,903	74,952
d) Investment Property	2.4	-	-
e) Intangible Assets	2.5	-	-
f) Intangible Assets under development	2.6	-	-
g) Financial Assets			
i) Investments	3.1	-	-
ii) Trade Receivables	3.2	-	-
iii) Loans	3.3	2,742	2,926
iv) Others	3.4	3,97,200	3,61,066
h) Other Non Current Assets	4	1,268	1,449
TOTAL NON CURRENT ASSETS		5,44,445	5,15,289
(2) CURRENT ASSETS			
a) Inventories	5	1,562	1,390
b) Financial Assets			
i) Investments	6	-	-
ii) Trade Receivables	7	23,021	38,052
iii) Cash and Cash Equivalents	8	14,135	4,627
iv) Bank balances other than Cash and Cash Equivalents	9	1,44,672	1,64,674
v) Loans	10	681	717
vi) Others	11	15,006	17,045
c) Current Tax Assets (Net)	12	3,643	997
d) Other Current Assets	13.1	2,223	2,625
TOTAL CURRENT ASSETS		2,04,943	2,30,127
(3) Assets Classified as held for Sale	13.2	59	2
(4) Regulatory Deferral Account Debit Balances	14.1	29,863	41,043
TOTAL ASSETS		7,79,310	7,86,461
EQUITY AND LIABILITIES			
(1) EQUITY			
(a) Equity Share Capital	15.1	1,96,258	1,96,258
(b) Other Equity	15.2	3,76,268	3,71,964
TOTAL EQUITY		5,72,526	5,68,222
(2) LIABILITIES			
NON-CURRENT LIABILITIES			
a) Financial Liabilities			
i) Borrowings	16.1	-	-
ii) Lease Liabilities	16.2	4,835	5,019
iii) Other financial liabilities	16.3	3,708	105
b) Provisions	17	873	822
c) Deferred Tax Liabilities (Net)	18	36,360	43,185
d) Other non-current Liabilities	19	83,371	86,966
TOTAL NON CURRENT LIABILITIES		1,29,147	1,36,097
(3) CURRENT LIABILITIES			
a) Financial Liabilities			
i) Borrowings	20.1	-	-
ii) Lease Liabilities	20.2	184	194
iii) Trade Payables	20.3		
Total outstanding dues of micro and small enterprises		1,162	855
Total outstanding dues of Creditors other than micro and small enterprises		788	743
iv) Other financial liabilities	20.4	18,620	12,597
b) Other Current Liabilities	21	6,429	6,253
c) Provisions	22	34,671	32,386
d) Current Tax Liabilities (Net)	23	-	-
TOTAL CURRENT LIABILITIES		61,854	53,028
(4) Regulatory Deferral Account Credit Balances	14.2	15,783	29,114
TOTAL LIABILITIES		2,06,784	2,18,239
TOTAL EQUITY & LIABILITIES		7,79,310	7,86,461

Material accounting policies
The accompanying notes form an integral part to the Financial Statements
As per our report of even date attached

1
1-34

For and on behalf of Board of Directors

For B.C.P. Jain & Co.
Chartered Accountants
(Firm Regn.No. 000802C)

CA VINAMRA JAIN
Partner
M.No. 478899
UDIN: 26478899QZEGZB4699

OM PRAKASH
Managing Director
DIN 11460399

V. K. TRIPATHI
Co. Secretary

ANUJ KAPOOR
Director
DIN: 10137420

DEEPAK AHUJA
General Manager (Fin) &
Chief Financial Officer



NHDC LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2026

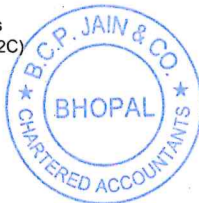
(Amount in ₹ Lakhs)

PARTICULARS	Note No.	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
INCOME			
i) Revenue from Operations	24.1	1,30,517	1,40,111
ii) Other Income	24.2	22,601	19,353
TOTAL INCOME		1,53,118	1,59,464
EXPENSES			
i) Generation Expenses	25	224	331
ii) Employee Benefits Expense	26	16,595	20,390
iii) Finance Costs	27	422	2,647
iv) Depreciation, Amortization and Impairment Expense	28	7,007	5,374
v) Other Expenses	29	26,938	23,375
TOTAL EXPENSES		51,186	52,117
PROFIT BEFORE EXCEPTIONAL ITEMS, REGULATORY DEFERRAL ACCOUNT BALANCES AND TAX		1,01,932	1,07,347
Exceptional items		-	-
PROFIT BEFORE REGULATORY DEFERRAL ACCOUNT BALANCES AND TAX		1,01,932	1,07,347
Tax Expenses	30.1		
i) Current Tax		17,337	18,918
ii) Deferred Tax		(6,826)	18,342
Total Tax Expenses		10,511	37,260
PROFIT FOR THE YEAR BEFORE NET MOVEMENTS IN REGULATORY DEFERRAL ACCOUNT BALANCES		91,421	70,087
Movement in Regulatory Deferral Account Balances (Net of Tax)	31	2,151	13,609
PROFIT FOR THE YEAR (A)		93,572	83,696
OTHER COMPREHENSIVE INCOME (B)	30.2		
(i) Items that will not be reclassified to profit or loss (Net of Tax)			
(a) Remeasurement of the post employment defined benefit obligations		(125)	(199)
Less:-Movement in Regulatory Deferral Account Balances (Net of Tax)		42	107
Sub total (a)		(167)	(306)
(b) Changes in the fair value of equity investments at FVTOCI		-	-
Sub total (b)		-	-
Total (i)=(a)+(b)		(167)	(306)
(ii) Items that will be reclassified to profit or loss (Net of Tax)			
(a) Changes in the fair value of debt investments at FVTOCI		-	-
(b) Cost of Hedge Reserve		-	-
Total (ii)		-	-
Other Comprehensive Income for the year (Net of Tax) (B)=(i+ii)		(167)	(306)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (A+B) (COMPRISING OF PROFIT AND OTHER COMPREHENSIVE INCOME FOR THE YEAR)		93,405	83,390
Earning per share (Basic and Diluted) (Equity shares, face value of ₹ 1000/- each)	34 (13)		
Excluding movements in Regulatory Deferral Account Balances		465.82	357.11
Including movements in Regulatory Deferral Account Balances		476.78	426.46
Material accounting policies	1		
The accompanying notes form an integral part to the Financial Statements	1-34		
As per our report of even date attached			

For B.C.P. Jain & Co.
Chartered Accountants
(Firm Regn.No. 000802C)

Dhanraj Jain

CA VINAMRA JAIN
Partner
M.No. 478899
UDIN: 26478899QZEGZB4699



For and on behalf of Board of Directors

Om Prakash
OM PRAKASH
Managing Director
DIN: 11460399

Anuj Kapoor
ANUJ KAPOOR
Director
DIN: 10137420

V.K. Tripathi
V. K. TRIPATHI
Co. Secretary

Deepak Ahuja
DEEPAK AHUJA
General Manager (Fin) &
Chief Financial Officer

Place: Bhopal
Date: 04-05-2026



NHDC LIMITED

STATEMENT OF CASH FLOW FOR THE YEAR ENDED ON 31ST MARCH, 2026

(Amount in ₹ Lakhs)

	For the Year ended 31st March, 2026		For the Year ended 31st March, 2025	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax for the year including movements in Regulatory Deferral Account Balance		1,04,083		1,20,956
Less: Movement in Regulatory Deferral Account Balances		2,151		13,609
Profit before Tax		1,01,932		1,07,347
ADD :				
Depreciation and Amortization	7,007		5,374	
Finance Cost (Net of EDC)	422		2,647	
Provisions (Net loss)	987		3	
Tariff Adjustment (loss)	7,781		1,962	
Loss/(Profit) on sale of Assets/Claims written off	36		57	
		16,233		10,043
		1,18,165		1,17,390
LESS :				
Advance against Depreciation written back	434		434	
Provisions (Net gain)	2,933		2	
Net Gain/Loss on sale of Investments	-		-	
Dividend Income	-		-	
Interest Income	14,619		14,603	
Exchange rate variation (Gain)	-		-	
Fair Value Adjustments	439		272	
Amortisation of Government Grants	3,940		3,902	
		22,365		19,213
Cash flow from Operating Activities before Operating Assets & Liabilities adjustments		95,800		98,177
Changes in Operating Assets and Liabilities:				
Inventories	(173)		(86)	
Trade Receivables	14,092		11,002	
Other Financial Assets, Loans and Advances	2,398		2,253	
Other Financial Liabilities and Provisions	7,416		(12,616)	
		23,733		553
Cash flow from operating activities before taxes		1,19,533		98,730
Less : Taxes		19,983		20,054
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		99,550		78,676
B. CASH FLOW FROM INVESTING ACTIVITIES				
Property, Plant and Equipment, Investment Property, Other Intangible Assets, Right Of Use Assets, Capital Work-in-progress & Intangible Assets under development		(430)		(31,028)
Receipt of Grant		765		755
Net Investment in Term Deposits		(16,557)		25,521
Dividend Income		-		-
Interest Income (including Late Payment Surcharge)		15,876		18,930
NET CASH FLOW FROM INVESTING ACTIVITIES (B)		(346)		14,178
C. CASH FLOW FROM FINANCING ACTIVITIES				
Dividend Paid		(89,101)		(82,036)
Proceeds from Borrowings		-		-
- Long Term		-		-
- Short Term		-		-
Repayment of Borrowings		-		(4,300)
Interest & Finance Charges		(23)		(2,444)
Repayment of Lease Liability		(572)		(187)
- Principal	(194)		(25)	
- Interest	(378)		(162)	
NET CASH FLOW FROM FINANCING ACTIVITIES (C)		(89,696)		(88,967)
D. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		9,508		3,887
Cash & Cash Equivalents at the beginning of the year		4,627		740
Cash & Cash Equivalents at the close of the year		14,135		4,627



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EXPLANATORY NOTES TO CASH FLOW STATEMENT

Bank Balances other than Cash & Cash Equivalents include an amount of ₹ 7 Lakhs (As on 31.03.2025 ₹ 8 Lakhs) representing deposit by Oustees towards Land for Land in respect of Omkareshwar Project, which is not freely available for the business of the Company (refer note no. 9).

Bank Balances other than Cash & Cash Equivalents include an amount of ₹ 830 Lakhs (As on 31.03.2025 ₹ 762 Lakhs) under lien with banks as per orders of Hon'ble Court of Law which is not available for use as on 31.03.2026 (refer note no. 9).

Company has incurred ₹ 2596 Lakhs in cash on account of Corporate Social Responsibility (CSR) expenditure during FY 2025-26 (Previous year FY 2024-25 ₹ 1873 Lakhs).

Figures for the previous periods have been re-grouped/ re-arranged /re-classified, wherever necessary.

Net Debt Reconciliation

(Amount in ₹ Lakhs)

	31st March, 2026	31st March, 2025
Borrowings (Current & Non-Current)	-	-
Lease Liability	5,019	5,213
Net Debt	5,019	5,213

(Amount in ₹ Lakhs)

Particulars	For the Year ended 31st March, 2026			For the Year ended 31st March, 2025		
	*Borrowings (Current & Non- Current)	Lease Liability	Total	*Borrowings (Current & Non- Current)	Lease Liability	Total
Opening Net Debt as on 1st April	-	5,213	5,213	4,301	71	4,372
Proceeds from Borrowings	-	-	-	-	-	-
Repayment of Borrowings/Lease Liability	-	(194)	(194)	(4,300)	(25)	(4,325)
Interest paid	-	(378)	(378)	(8)	(162)	(170)
Other Non-Cash Movements :		-				
-Increase in Lease Liability	-	-	-	-	5,167	5,167
-Foreign exchange adjustments	-	-	-	-	-	-
-Interest and Finance Charges	-	378	378	7	162	169
-Fair value adjustments	-	-	-	-	-	-
Closing Net Debt as on 31st March	-	5,019	5,019	-	5,213	5,213

*For Borrowings refer Note No.16.1, 20.1 and 20.4 (Extracts)

For and on behalf of Board of Directors

For BCP Jain & Company

Chartered Accountants
(Firm Regn.No. 000802C)



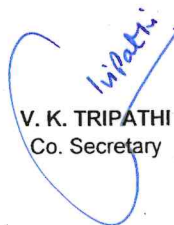
CA VINAMRA JAIN
Partner
M.No. 478899
UDIN: 26478899QZEGZB4699




OM PRAKASH
Managing Director
DIN: 11460399



ANUJ KAPOOR
Director
DIN: 10137420



V. K. TRIPATHI
Co. Secretary



DEEPAK AHUJA
General Manager (Fin) &
Chief Financial Officer

Place: Bhopal
Date: 04-05-2026

STATEMENT OF CHANGES IN EQUITY AS AT 31ST MARCH 2026

A. EQUITY SHARE CAPITAL

Particulars	Note No.	(Amount in ₹ Lakhs)
As at 1st April 2025	15.1	1,96,258
Changes in Equity Share Capital due to prior period errors		
Restated balances as at 1st April 2025	15.1	1,96,258
Change in Equity Share Capital during the year		
As at 31st March 2026	15.1	1,96,258

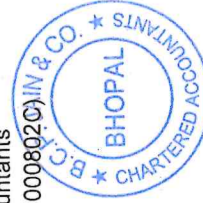
B. OTHER EQUITY

Particulars	Reserve and Surplus		Other Comprehensive Income		Total
	General Reserve	Retained Earnings	Debt Instruments through OCI	Equity Instruments through OCI	
Balance as at 1st April, 2025	3,56,350	15,614	-	-	3,71,964
Profit for the year	-	93,572	-	-	93,572
Other Comprehensive Income	-	(167)	-	-	(167)
Total Comprehensive Income for the year	-	93,405	-	-	93,405
Amount transferred from Bond Redemption Reserve					
Dividend		(89,101)			(89,101)
Amount transferred from Power Stations and Projects to CO					
Balance as at 31st March 2026	3,56,350	19,918	-	-	3,76,268

(Amount in ₹ Lakhs)

For and on behalf of Board of Directors

For B.C.P. Jain & Co.
Chartered Accountants
(Firm Regn.No. 000802C)



B.C.P. Jain

CA VINAMIRA JAIN

Partner

M.No. 478899

UDIN: 26478899QZEGZB4699

Om Prakash

OM PRAKASH
Managing Director
DIN: 11460399

Anuj Kapoor

ANUJ KAPOOR
Director
DIN: 19137420

V.K. Tripathi

V. K. TRIPATHI
Co. Secretary

Deepak Ahuja

DEEPAK AHUJA
General Manager (Fin) &
Chief Financial Officer

Place: Bhopal

Date: 04-05-2026

STATEMENT OF CHANGES IN EQUITY AS AT 31ST MARCH 2025

A. EQUITY SHARE CAPITAL

Particulars	Note No.	Amount
As at 1st April 2024	15.1	1,96,258
Changes in Equity Share Capital due to prior period errors		-
Restated balances as at 1st April 2024	15.1	1,96,258
Change in Equity Share Capital		-
As at 31st March 2025	15.1	1,96,258

B. OTHER EQUITY

Particulars	Reserve and Surplus		Other Comprehensive Income		Total
	General Reserve	Surplus/ Retained Earnings	Debt Instruments through OCI	Equity Instruments through OCI	
Balance as at 1st April, 2024	3,56,350	14,260	-	-	3,70,610
Profit for the year	-	83,696	-	-	83,696
Other Comprehensive Income	-	(306)	-	-	(306)
Total Comprehensive Income for the year	-	83,390	-	-	83,390
Transfer to Retained Earning					-
Amount transferred from Bond Redemption Reserve		-			-
Tax on Dividend - Write back		-			-
Amount written back from Research & Development Fund		-			-
Amount Transferred from General Reserve					-
Transfer from Retained Earning					-
Dividend					-
Amount transferred from Power Stations and Projects to CO		(82,036)			(82,036)
Transfer to Bond Redemption Reserve		-			-
Balance as at 31st March 2025	3,56,350	15,614	-	-	3,71,964

For BCP Jain & Company
Chartered Accountants
(Firm Regn.No. 000802C)



CA VINAMRA JAIN

Partner

M.No. 478899

UDIN: 26478899QZEGZB4699

For and on behalf of Board of Directors

Om Prakash

OM PRAKASH

Managing Director

DIN: 11460399

Anuj Kapoor

ANUJ KAPOOR

Director

DIN: 10137420

V. K. TRIPATHI

Co. Secretary

DEEPAK AHUJA

General Manager (Fin) &

Chief Financial Officer

Place: Bhopal

Date: 04-05-2026

NOTE NO. 1: COMPANY INFORMATION AND MATERIAL ACCOUNTING POLICIES

(I) Reporting entity

NHDC Limited (the "Company") is a Company domiciled in India and limited by shares (CIN U31200MP2000GOI014337). The address of the Company's registered office is NHDC LTD., NHDC Office Complex, Shyamla Hills, Bhopal, MP-462002. The Company is primarily involved in the generation and sale of power to State Power Utility of state of Madhya Pradesh.

(II) Basis of preparation

(A) Statement of Compliance

These standalone financial statements are prepared on going concern basis following accrual system of accounting and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent notified and applicable), applicable provisions of the Companies Act, 1956, and the provisions of the Electricity Act, 2003 to the extent applicable.

These financial statements were authorised for issue by the Board of Directors.

(B) Basis of Measurement

The financial statements have been prepared on historical cost basis, except for:

- Certain financial assets and liabilities measured at fair value
- Plan assets of defined employee benefit plans measured at fair value
- right of use assets – measured at present value of future cash outflows at initial recognition
- assets held for sale - measured at fair value less cost to sell

The methods used to measure fair values are discussed in Note 33.

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business. 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.

(C) Application of new and revised standards

The Ministry of Corporate Affairs vide notification dated 7th May 2025 and 13th August, 2025 notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which amended/ notified certain Indian Accounting Standards and are effective for annual reporting periods beginning on or after 1 April 2025:

- a) Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants Amendments to Ind AS 1;
- b) Supplier Finance Arrangements Amendments to Ind AS 7 and Ind AS 107;
- c) International Tax Reform – Pillar Two Model Rules Amendments to Ind AS 12;
- d) Lack of Exchangeability – Amendments to Ind AS 21.

The Company has evaluated the amendment and there is no impact on the Company's financial statements.



(D) Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest lakhs except where indicated otherwise.

(E) Use of estimates and management judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures including contingent assets and contingent liabilities at the Balance Sheet date. The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that may have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

Critical judgments and estimates

a) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116-*Leases*. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Identification of a lease requires significant judgment.

The Company also uses significant judgment in assessing the lease term (including anticipated renewals) and the applicable discount rate.

b) Useful life of Property, Plant and Equipment and Intangible Assets

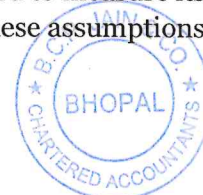
The estimated useful life of property, plant and equipment and intangible assets are based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

c) Recoverable amount of Property, Plant and Equipment, Capital Work in Progress and Intangible Assets

The recoverable amount of property, plant and equipment, capital work in progress and intangible assets are based on estimates and assumptions, in particular the expected market outlook and future cash flows associated with the power plants. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount resulting in impairment.

d) Post-retirement benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions in respect of future developments in discount rates, the rate of salary increase, inflation rate and expected rate of return on plan assets. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have an impact on the resulting calculations.



e) Revenue

The Company records revenue from sale of power based on tariff approved by the CERC, as per the principles of Ind AS 115- *Revenue from Contracts with Customers*. However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC Tariff Regulations. Further, where revision in tariff due to revision in cost estimates are pending, tariff is computed based on the parameters and methods prescribed under the CERC Tariff Regulations and an estimated amount of revenue is recognised when an application is made to the CERC after obtaining necessary approvals to the extent it is highly probable that there will be no downward adjustment to the revenue recognised.

Where tariff is not subject to approved by CERC or tariff rates have been agreed directly with beneficiary, revenue from sale of electricity is accounted for on the basis of tariff agreed in the Power Purchase Agreements/Contracts in accordance with Ind AS 115- *Revenue from Contracts with Customers*.

f) Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has been made on the basis of best judgment by management regarding probable outflow of economic resources. These estimates can change due to unforeseeable developments.

g) Recoverable Amount of Rate Regulated Assets

The operating activities of the Company are subject to cost-of-service regulations whereby tariff charged for electricity generated is based on allowable costs like interest costs, depreciation, operation and maintenance including a stipulated return. Guidance Note on Rate Regulated Activities issued by the ICAI (previous GAAP) and Ind AS 114- 'Regulatory Deferral Accounts' permits an entity to include in the rate base, as part of the cost of self-constructed (tangible) PPE or internally generated intangible assets, amounts that would otherwise be recognised as an expense in the Statement of Profit and Loss in accordance with Ind AS. The Company estimates that items of regulatory deferral accounts recognised in the financial statements are recoverable as per the current CERC Tariff Regulations 2024-29. However, changes in CERC tariff regulations beyond the current tariff period may affect the recoverability of such balances.

h) Impairment of Trade Receivables

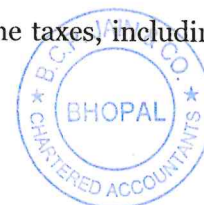
Considering the historical credit loss experience for trade receivables, the Company does not envisage either impairment in the value of receivables from beneficiaries or loss due to time value of money owing to delay in realization of trade receivables, except to the extent already provided for. CERC Tariff Regulations provide for recovery of Late Payment Surcharge for delayed payments which compensates for loss due to time value of money, except to the extent already provided for.

i) Insurance Claim Recoverable

The recoverable amount of insurance claims in respect of damages to Property, Plant and Equipment and Capital Work in Progress is based on estimates and assumptions as per terms and conditions of insurance policies and management estimate of amount recoverable from the Insurance Company based on past experience.

j) Income taxes

Significant estimates are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.



k) Cost of Carbon Credits / Certified Emission Reductions (CERs)/ Verified Carbon Units (VCUs)

The cost of Carbon Credits / Certified Emission Reductions (CERs)/ Verified Carbon Units (VCUs) are measured as per Management estimate.

l) Assets classified as held for sale :

Management judgment is required to apply the accounting of non-current assets held for sale under Ind AS 105 - 'Non-current assets held for sale and discontinued operations'. In assessing the applicability, management exercises judgment to evaluate availability of the asset for immediate sale, management's commitment for the sale and probability of sale within one year to conclude if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

m) Capital Spares designated as part of Property, Plant and Equipment:

Management evaluates whether an item of inventory qualifies as a capital spare forming part of Property, Plant & Equipment on the basis of various factors, including cost of the item, period over which benefits from the item is expected to accrue and allowability of the item in Tariff. On the basis of such evaluation and in line with the provisions of the CERC Tariff Regulations for the period 2024-29, items of inventory costing more than Rs 10 Lakh, benefits from which are expected to be received over more than one accounting year are designated as Property, Plant & Equipment.

n) Contract Assets:

Receivables arising out of the Company's right to consideration in exchange for goods and services that the Company has transferred/ provided to customers when that right is conditioned upon matters other than passage of time, like filing of tariff petitions, receiving of true up orders of the CERC, etc. are recognized as Contract Assets.

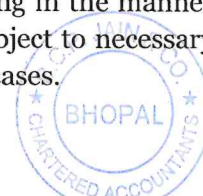
(III) MATERIAL ACCOUNTING POLICIES:

Summary of the material accounting policies for preparation of financial statements as given below have been applied consistently to all periods presented in the financial statements. These accounting policies are formulated in a manner that results in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. These policies need not be applied when the effect of applying them is immaterial.

Up to March 31, 2015, Property, Plant and Equipment, Capital Work in Progress, Intangible Assets and Investment Property were carried in the Balance Sheet in accordance with Indian GAAP. The Company had elected to avail the exemption granted by IND AS 101, "First time adoption of IND AS" to regard those amounts as the deemed cost at the date of transition to IND AS (i.e., as on April 1, 2015). Therefore, the carrying amount of Property, Plant and Equipment, Capital Work in Progress, Intangible Assets and Investment Property as per the previous GAAP as at April 1, 2015, were maintained on transition to Ind AS.

1.0 Property, Plant and Equipment (PPE)

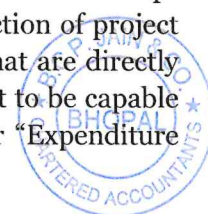
- a) An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.
- b) PPE are initially measured at cost of acquisition/construction including decommissioning or restoration cost wherever required. The cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. In cases where final settlement of bills with contractors is pending, but the asset is complete and available for operating in the manner intended by the management, capitalisation is done on estimated basis subject to necessary adjustments, including those arising out of settlement of arbitration/court cases.



- c) Subsequent costs is recognized in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.
- d) Expenditure incurred on renovation and modernization of power station on completion of the originally estimated useful life of the power station is added to the cost of the related asset when it meets the recognition criteria. PPE acquired as replacement of the existing assets are capitalized and its corresponding replaced assets removed/ retired from active use are derecognized.
- e) After initial recognition, Property, Plant and Equipment is carried at cost less accumulated depreciation/amortisation and accumulated impairment losses, if any.
- f) Deposits, payments made/ liabilities created provisionally towards compensation (including interest on enhanced compensation till the date of award by the Court), rehabilitation & resettlement and other expenses including expenditure on environment management plansrelatable to land in possession are treated as cost of land.
- g) Assets over which the Company has control, though created on land not belonging to the Company, are included under Property, Plant and Equipment.
- h) Standby equipment and servicing equipment which meet the recognition criteria of Property, Plant and Equipment are capitalized.
- i) Spares parts (procured along with the Plant and Machinery or subsequently) which meet the recognition criteria are capitalized. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other spare parts are treated as "stores and spares" forming part of inventory.
- j) Expenditure on major inspection and overhauls of generating unit is capitalized, when it meets the asset recognition criteria. Any remaining carrying amount of the cost of the previous inspection and overhaul is derecognized.
- k) The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized regardless of whether the replaced part has been depreciated separately. If it is not practicable to determine the carrying amount of the replaced part, the Company uses the cost of the replacement as an indication of what the cost of replaced part was at the time it was acquired or constructed. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of profit and loss as and when incurred.
- l) An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition/ disposal of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

2.0 Capital work in Progress (CWIP)

- a) Expenditure incurred on assets under construction (including a project) is carried at cost under CWIP. Such costs comprise purchase price of assets including import duties and non-refundable taxes (after deducting trade discounts and rebates), expenditure in relation to survey and investigation activities of projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, etc.
- b) Costs including employee benefits, professional fees, expenditure on maintenance and up-gradation of common public facilities, depreciation on assets used in construction of project including Right-of-Use assets, interest during construction and other costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management are accumulated under "Expenditure



Attributable to Construction (EAC)” and subsequently allocated on systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects. Net pre-commissioning income/expenditure is adjusted directly in the cost of related assets. Income on account of liquidated damages / interest on advances to contractors during construction period is adjusted in the cost of related assets.

- c) Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential principally for construction of the project is accumulated under “Expenditure Attributable to Construction” and carried under “Capital Work in Progress” and subsequently allocated on a systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects, keeping in view the “attributability” and the “Unit of Measure” concepts in Ind AS 16- “Property, Plant and Equipment”. Expenditure of such nature incurred after completion of the project, is charged to the Statement of Profit and Loss.

3.0 Investment Property

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at cost less accumulated depreciation and accumulated impairment loss, if any.

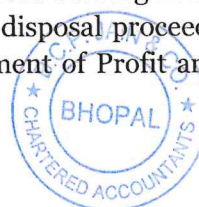
The Company measures investment property using cost based measurement and fair value of investment property is disclosed in the notes.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss in the period of derecognition. Any gain or loss arising on derecognition/ disposal of the asset is included in the Statement of Profit and Loss.

Transfers to or from investment property is made when and only when there is a change in use supported by evidence.

4.0 Intangible Assets and Intangible Assets under Development

- a) Expenditure on research is charged to expenditure as and when incurred. Expenditure on development is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to & has sufficient resources to complete development and to use or sell the asset.
- b) Intangible assets that are acquired by the Company and which have finite useful lives, are measured on initial recognition at cost. Cost includes any directly attributable expenses necessary to make the assets ready for its intended use. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.
- c) Intangible assets under development represent expenditure incurred on intangible assets which are in the development phase and are carried at cost less accumulated impairment loss, if any.
- d) Subsequent costs are recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the Company and the cost of the item can be measured reliably.
- e) An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

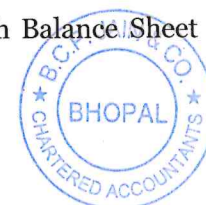


5.0 Foreign Currency Transactions

- a) Transactions in foreign currency are initially recorded at the functional currency spot rate at the date the transaction first qualifies for recognition. At each reporting date, monetary items denominated in foreign currency are translated at the functional currency exchange rates prevailing on that date.
- b) Exchange differences relating to PPE/capital work-in-progress arising out of transaction entered into prior to April 1, 2004 are adjusted to the carrying cost of respective PPE/capital work-in-progress.
- c) Exchange differences arising from translation of foreign currency borrowings entered into prior to March 31, 2016 recoverable from or payable to beneficiaries in subsequent periods as per CERC Tariff regulations are recognised as "Deferred Foreign Currency Fluctuation Recoverable/ Payable Account" and adjusted from the year in which the same is recovered/ paid.
- d) Exchange differences arising from settlement/ translation of monetary items denominated in foreign currency entered into on or after April 1, 2016 to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are recognized as 'Regulatory Deferral Account Balances' during construction period and adjusted from the year in which the same become recoverable from or payable to the beneficiaries.
- e) Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Where the Company has paid or received advance consideration in a foreign currency, the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it), is the date when the Company initially recognizes the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

6.0 Regulatory Deferral Accounts

- a) The Company recognizes "Regulatory Deferral Account Balances" in respect of its regulated operations in accordance with Ind AS 114 - 'Regulatory Deferral Accounts', read with the ICAI Guidance Note on Rate Regulated Activities based on reasonable certainty regarding allowability through tariff by the Electricity Regulator in accordance with the applicable regulatory framework."
- b) Where an item of expenditure incurred during the period of construction of a project is recognised as expense in the Statement of Profit and Loss i.e., not allowed to be capitalized as part of cost of relevant PPE in accordance with Ind AS, but is nevertheless permitted by CERC to be recovered from the beneficiaries in future through tariff, the right to recover the same is recognized as "Regulatory Deferral Account balances."
- c) Expense/ income recognised in the Statement of Profit and Loss to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are recognised as "Regulatory Deferral Account balances."
- d) These Regulatory Deferral Account balances are adjusted from the year in which the same become recoverable from or payable to the beneficiaries.
- e) Regulatory Deferral Account balances are evaluated at each Balance Sheet date to ensure that the underlying activities meet the recognition criteria and it is probable that future economic benefits associated with such balances will flow to the entity. If these criteria are not met, the Regulatory Deferral Account balances are derecognised.
- f) Regulatory Deferral Account balances are tested for impairment at each Balance Sheet date.



7.0 Fair value measurement

At initial recognition, transaction price is the best evidence of fair value. However, when the Company determines that transaction price does not represent the fair value, it uses inter-alia valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

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

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

8.0 Investments in subsidiaries and joint ventures/Associates

Investments in equity shares of subsidiaries and joint ventures/associates are carried at cost less impairment losses, if any in the value of the investments. Where an indication of impairment exists, considering entities with common line of activities as a single cash generating unit, the carrying amounts of investments are assessed and written down to its recoverable amount at the end of reporting period. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

9.0 Financial assets other than investment in subsidiaries and joint ventures/associates

A financial asset includes inter-alia any asset that is cash, equity instrument of another entity or contractual right to receive cash or another financial asset or to exchange financial asset or financial liability under conditions that are potentially favourable to the Company. A financial asset is recognized when and only when the Company becomes party to the contractual provisions of the instrument.

Financial assets of the Company comprise Cash and Cash Equivalents, Bank Balances, Investments in equity shares of companies, Trade Receivables, Loan to employees, security deposit, claims recoverable, Contract assets etc.

a) Classification

The Company classifies its financial assets in the following categories:

- At amortised cost,
- At fair value through other comprehensive income (FVTOCI), and
- At fair value through profit and loss

The classification depends on the following:

- (a) The entity's business model for managing the financial assets and
- (b) The contractual cash flow characteristics of the financial asset.

For assets measured at fair value, gains and losses are either recorded in the Statement of Profit and Loss or under Other Comprehensive Income. For investments in debt



instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income.

b) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or Loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

The Company measures trade receivables at their transaction price, if the trade receivables do not contain a significant financing component.

c) Subsequent measurement

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- ii) Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss. Losses arising from impairment are recognised in the Statement of Profit and Loss.

Debt instrument at Fair Value through Other Comprehensive Income (FVTOCI)

A 'debt instrument' is classified as at FVTOCI if both the following criteria are met:

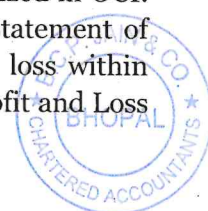
- i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- ii) The asset's contractual cash flows represent Solely Payments of Principal and Interest (SPPI).

Debt instruments at fair value through Other Comprehensive Income are measured at each reporting date at fair value. Fair value movements are recognized in Other Comprehensive Income (OCI). However, the Company recognizes 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 profit and loss. Interest income from these financial assets is included in other income using the EIR method.

Equity investments:

All equity investments in entities other than subsidiaries and joint ventures/associates are measured at fair value. Equity instruments which are held for trading, if any, are classified at Fair Value through Profit or Loss (FVTPL). The Company classifies all other equity instruments at FVTOCI. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

All fair value changes of an equity instrument classified at FVTOCI, are recognized in OCI. There is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. Dividends from such investments are recognised in the Statement of Profit and Loss.



as “other income” when the company’s right to receive payments is established.

Equity instruments included within the FVTPL category, if any, are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Trade Receivables:

Trade receivables containing a significant financing component are subsequently measured at amortised cost using the effective interest method.

d) Derecognition

A financial asset is derecognised only when:

- i) The Company has transferred the rights to receive cash flows from the financial asset, or
- ii) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

On de-recognition, the difference between the carrying amount and the amount of consideration received / receivable is recognized in the Statement of Profit and Loss.

e) Impairment of financial assets

In accordance with IndAS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:

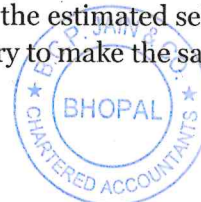
- i) Financial assets that are debt instruments, and are measured at amortised cost.
- ii) Financial assets that are debt instruments and are measured as at FVTOCI
- iii) Contract Assets and Trade Receivables under Ind AS 115-*Revenue from Contracts with Customers*
- iv) Lease Receivables under Ind AS 116-*Leases*.

The Company follows the ‘simplified approach’ permitted under Ind AS 109, “Financial Instruments” for recognition of impairment loss allowance based on life time expected credit loss from initial recognition on contract assets, lease receivables and trade receivables resulting from transactions within the scope of Ind AS 116 and Ind AS 115.

For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition, in which case those financial assets are measured at lifetime ECL. Any increase or reversal of loss allowance computed using ECL model, is recognized as an impairment gain or loss in the Statement of Profit and Loss.

10.0 Inventories

Inventories mainly comprise stores and spare parts to be used for maintenance of Property, Plant and Equipment and are valued at cost or net realizable value (NRV) whichever is lower. The cost is determined using weighted average cost formula and NRV is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.



Spares which do not meet the recognition criteria as Property, Plant and Equipment, including spare parts individually costing up to Rs 10 Lakh are recognized as inventories.

Carbon Credits / Certified Emission Reductions (CERs)/ Verified Carbon Units (VCUs) are valued at lower of cost and net realizable value.

The amount of any write-down of inventories to net realisable value and all losses of inventories is recognized as an expense in the period in which write-down or loss occurs.

11.0 Dividends

Final dividends and interim dividends payable to the Company's shareholders are recognised as change in equity in the period in which they are approved by the Company's shareholders and the Board of Directors respectively.

12.0 Financial liabilities

The Company's financial liabilities include loans and borrowings, trade and other payables. A financial liability is recognized when and only when the Company becomes party to the contractual provisions of the instrument.

a) Classification, initial recognition and measurement

Financial liabilities are recognised initially at fair value less transaction costs that are directly attributable and subsequently measured at amortised cost. Financial liabilities are classified as subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised in the Statement of Profit and Loss or in the carrying amount of an asset if another standard permits such inclusion, over the period of the borrowings using the effective rate of interest.

b) Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss or in the carrying amount of an asset if another standard permits such inclusion, when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance cost in the Statement of Profit and Loss.

c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

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.

e) Derivative financial instruments

(i) Derivative Financial Instruments not designated as Hedge

Derivative financial instruments that are held by the Company to hedge the foreign currency and interest rate risk exposures and are not designated as hedges are accounted for at fair value through profit or loss. Changes in fair value are recognised in the Statement of Profit and Loss.



(ii) Derivative Financial Instruments designated as Hedge:

The Company uses derivative financial instruments, such as call spread options, to manage foreign exchange rate risks related to foreign currency loans. These derivatives are designated as fair value hedges under hedge accounting rules, provided the following criteria are met:

- i) **Economic Relationship:** There must be an economic relationship between the hedged item and the hedging instrument.
- ii) **Credit Risk:** Credit risk should not be the predominant factor influencing changes in value from this economic relationship.
- iii) **Hedge Ratio:** The hedge ratio must match the ratio derived from the actual quantities of the hedged item and the hedging instrument used by the Company

Derivatives are initially recognized at fair value on the contract date and subsequently remeasured to fair value at the end of each reporting period. Any gain or loss resulting from changes in the fair value of derivatives designated as an effective hedging instrument and the gain or loss on the hedged item attributable to the hedged risk is recognized in profit or loss, offsetting the impact of the hedging instrument.

At the inception of each hedge, the Company undertakes a formal documentation process to clearly define the hedged item and the hedging instrument. This documentation outlines the specific risk or risks being hedged and establishes the hedge ratio, which reflects the proportionate relationship between the hedged item and the hedging instrument. Additionally, the documentation includes a detailed explanation of how the hedging relationship meets the effectiveness requirements as per the Company's risk management strategy.

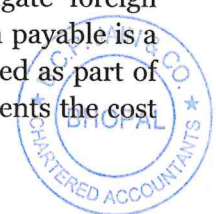
For derivatives qualifying as fair value hedges:

- i) **Hedged Item Adjustment:** The carrying amount of the hedged item is adjusted for the gain or loss attributable to the hedged risk. This adjustment is recognized in the Statement of Profit and Loss, providing a natural offset to the changes in the fair value of the hedging instrument.
- ii) **Effective Portion:** The effective portion of the hedge, which is the extent to which the hedging instrument offsets changes in fair value of the hedged item, is recognized in the Statement of Profit and Loss.
- iii) **Ineffective Portion:** Any ineffective portion of the hedge is also recognized immediately in the Statement of Profit and Loss under Other Income or Other Expenses.
- iv) **Intrinsic and Time Value:** Changes in the intrinsic value of options used in fair value hedges are recognized in the Statement of Profit and Loss. Changes in the time value component are initially recorded in Other Comprehensive Income (OCI) and accumulated in a separate component of equity. Over the life of the hedging relationship, this time value component is gradually amortized, aligning with the expiration of the hedge.

Hedge accounting is discontinued when the hedging instrument expires, is terminated, or exercised, or when the hedging relationship no longer qualifies for hedge accounting due to failing to meet the necessary criteria.

Option Premium Payable:

The Company utilizes call spread options as hedging instruments to mitigate foreign exchange rate risks associated with foreign currency loans. The option premium payable is a critical component of the derivative's fair value measurement, initially recognized as part of the derivative instrument's fair value at the contract date. This premium represents the cost



incurred to acquire the options. The derivative's fair valuation at each reporting date includes an unamortized component of the option premium payable. This component is carried forward in the Cost of Hedge Reserve within Other Comprehensive Income. Throughout the duration of hedging relationship, the option premium is systematically amortized, aligning with the expiration of the hedge. For hedged items relating to capital expenditure projects, the amortized portion of the option premium is capitalized as Capital Work in Progress (CWIP), ensuring that the premium cost is appropriately allocated to the asset being constructed or developed, thereby matching the expenditure with the asset's future economic benefits

f) Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the lender for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 - 'Financial Instruments' and the amount recognized less the cumulative amount of income recognized in accordance with the principles of Ind AS 115 'Revenue from Contracts with Customers.

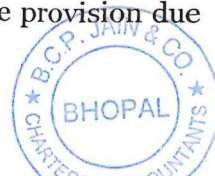
13.0 Government Grants

- a) The benefits of a government loan at a below market rate of interest is treated as a Government Grant. The loan is initially recognised and measured at fair value and the grant is measured as the difference between the initially recognized amount of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities and the grant is recognized initially as Government Grant and subsequently amortised in the Statement of Profit and Loss on a systematic basis over the useful life of the asset.
- b) Monetary grants from the government for creation of assets are initially recognised when there is reasonable assurance that the grant will be received and the company will comply with the conditions associated with the grant. The Grant so recognised is subsequently amortised in the Statement of Profit and Loss over the useful life of the related assets.
- c) Government grant related to income is recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

14.0 Provisions, Contingent Liabilities and Contingent Assets

- a) Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the Balance Sheet date. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the 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. The expense relating to a provision net of any reimbursement is presented in the Statement of Profit and Loss or in the carrying amount of an asset if another standard permits such inclusion.

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



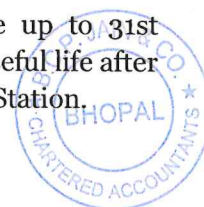
- b) Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of management/independent experts. These are reviewed at each Balance Sheet date and are adjusted to reflect the current management estimate.
- c) Contingent assets are possible assets that arise 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 Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

15.0 Revenue Recognition and Other Income

Company's revenues arise from sale and trading of energy, project management / construction contracts/ consultancy assignment services and other income. Revenue from other income comprise of interest from banks, employees, contractors etc., dividend from investments in joint ventures/associates and subsidiary companies, dividend from investments in equity in other bodies corporate, interest from investment in bonds, surcharge received from beneficiaries for delayed payments, sale of scrap, other miscellaneous income, etc.

a) Revenue from sale of power

- i) Revenue is measured based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the products or services and excludes amounts collected on behalf of third parties. The Company recognises revenue from contracts for sale of power over time as the customers simultaneously receive and consume the benefits provided by the Company.
- ii) Revenue from sale of power (except minimum lease receipts in respect of power stations considered as Finance Lease/Operating Lease) is accounted for as per tariff notified by the Central Electricity Regulatory Commission (CERC) under the CERC (Terms & Conditions of Tariff) Regulations as modified by the orders of Appellate Tribunal for Electricity to the extent applicable. In the case of Power Stations where provisional/ final tariff is yet to be notified or where incentives/disincentives are chargeable/payable as per CERC (Terms & Conditions of Tariff) Regulations, revenue is recognised to the extent it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Rebates given to beneficiaries as early payments incentives are deducted from the amount of revenue.
- iii) Customers are billed on a periodic and regular basis. As at each reporting date, revenue from sale of power includes an accrual for sales delivered to customers but not yet billed (unbilled revenue).
- iv) Recovery/ refund towards foreign currency variation in respect of foreign currency loans and recovery towards Income Tax are recognised on year to year basis based on regulatory norms. Recovery towards deferred tax items recognized till March 31, 2009 are accounted for when the same materialises.
- v) Adjustments arising out of finalisation of Regional Energy Account (REA), though not material, are effected in the year of respective finalisation.
- vi) Advance Against Depreciation (AAD) considered as deferred income up to 31st March 2009 is included in sales on straight line basis over the balance useful life after a period of 12 years from the date of commercial operation of the Power Station.



b) Revenue from Project Management / Construction Contracts/ Consultancy assignments

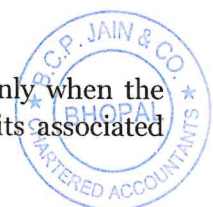
- i) Revenue from Project Management / Construction Contracts/ Consultancy assignments is measured based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the services and excludes amounts collected on behalf of third parties. The Company recognises revenue on the basis of input method. Input method recognises revenue on the basis of the costs incurred towards the satisfaction of a performance obligation relative to the total expected costs to the satisfaction of that performance obligation.
- ii) Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are transferred to trade receivables revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. The contract liabilities primarily relate to the advance consideration received from the customers.
- iii) Contract modifications, if any, are accounted for when there is a change in the scope or price (or both) of a contract that is approved by the parties to the contract and when the parties to a contract approve a modification that either creates new or changes existing enforceable rights and obligations of the parties to the contract. Accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Contract modifications are recorded on standalone basis when the scope of the contract increases because of the addition of promised goods or services or the price of the contract increases by an amount of consideration that reflects the Company's standalone selling prices of the additional promised goods or services and any appropriate adjustments to that price to reflect the circumstances of the particular contract. Services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

c) Revenue from trading of power

- i) Accounting for revenue from trading of power involves assessment of the contract conditions to determine whether the Company is required to act in the capacity of a principal or as an agent. The Company acts in the nature of a principal in case it obtains control of the electricity before transferring it to the customer. Indicators of control includes assessment of whether the company is primarily responsible for fulfilling the promise to provide the electricity, it has the discretion to establish the price or whether it bears the inventory risk. Where the Company does not obtain control of the electricity before transferring it to the customer and its performance obligation is to arrange for the supply of electricity by another party, it acts in the nature of an agent.
- ii) Where the Company acts as a principal in a contract for trading of power, the amount of the transaction price allocated to the performance obligation that is satisfied is recognised as revenue.
- iii) Where the Company acts as an agent in a contract for trading of power, the net consideration retained after paying the supplier for the electricity provided to the customer is recognised as revenue from operations. Financial assets and liabilities arising out of these transactions are not set off.

d) Other income

- i) Dividend income is recognized in the Statement of Profit and Loss only when the right to receive is established, it is probable that the economic benefits associated



with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

- ii) For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.
- iii) Interest/Surcharge recoverable from customers including those arising out of contracts for trading of power and liquidated damages /interest on advances to contractors is recognised when it is highly probable that a significant reversal in the amount of revenue recognised will not occur in the future.

e) Revenue from sale of carbon credits/ CERs/VERs

Revenue is recognized on transfer/ sale of Carbon Credits/ Certified Emission Reductions (CERs)/ Verified Carbon Units (VCUs) to the extent it is highly probable that a significant reversal in the amount of revenue recognized will not occur in the future.

16.0 Employee Benefits

i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed or included in the carrying amount of an asset if another standard permits such inclusion as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term performance related cash bonus if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

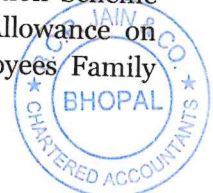
ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate trusts and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Statement of Profit and Loss or included in the carrying amount of an asset if another standard permits such inclusion in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction from future payments is available. Contributions to a defined contribution plan that is due more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

Employees Defined Contribution Superannuation Scheme (EDCSS) for providing pension benefits and Social Security Scheme administered through separate trusts are accounted for as defined contribution plans.

iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's Gratuity Scheme, Retired Employees Health Scheme (REHS), Provident Fund Scheme, Allowance on Retirement/Death, Memento on Superannuation to employees and Employees Family Economic Rehabilitation Scheme are in the nature of defined benefit plans. All these plans, other than Allowance on Retirement/Death, Memento on Superannuation to employees and Employees Family Economic Rehabilitation Scheme are administered through separate trusts.



The liability or asset recognised in the Balance Sheet in respect of Gratuity and Retired Employees Health Scheme is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

In respect of Provident Fund Scheme, a liability is recognised in the Balance Sheet where the present value of the defined benefit obligation at the end of the reporting period is higher than the fair value of plan assets. Any surplus of fair value of plan assets over the present value of the defined benefit obligation at the end of the reporting period is not recognised as an asset since the Company does not have any right to the benefits either in the form of refunds from the Plan or by way of lower contribution to the Plan.

The defined benefit obligation is calculated annually by the actuary using the Projected Unit Credit Method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss or included in the carrying amount of an asset if another standard permits such inclusion.

Remeasurement gains (except in the case of Provident Fund Scheme) and losses arising from experience adjustments and changes in actuarial assumptions are recognised directly in Other Comprehensive Income in the period in which they occur and are included in retained earnings in the Statement of Changes in Equity.

iv) Other long-term employee benefits

Benefits under the Company's leave encashment scheme constitute other long term employee benefits.

The Company's net obligation in respect of long-term employee benefits is the amount of future benefits that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations. The calculation is performed using the Projected Unit Credit Method. Contributions to the scheme and actuarial gains or losses are recognised in the Statement of Profit and Loss or included in the carrying amount of an asset if another standard permits such inclusion in the period in which they arise.

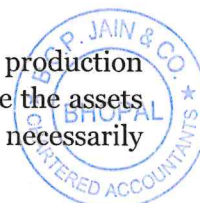
v) Termination benefits

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

17.0 Borrowing costs

Borrowing costs consist of (a) interest expense calculated using the effective interest method as described in Ind AS 109 – 'Financial Instruments' (b) finance charges in respect of finance leases recognized in accordance with Ind AS 116– 'Leases' (c) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs and (d) guarantee fee on loan paid to third parties.

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which necessarily



take substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they occur.

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalised. When the Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalisation of the borrowing costs is computed based on the weighted average cost of all borrowings that are outstanding during the period and used for the acquisition, construction/exploration or erection of the qualifying asset. However, borrowing costs applicable to borrowings made specifically for the purpose of obtaining a qualifying asset are excluded from this calculation, until substantially all the activities necessary to prepare that asset for its intended use or sale are complete.

The Company can incur borrowing costs during an extended period in which construction activities necessary to prepare an asset for its intended use or sale remain suspended due to any reason. Such borrowing costs are incurred for holding partially completed assets and is not eligible for capitalization except for the suspension period during which substantial technical and administrative works are being carried out or when there is a temporary delay, which is a necessary part of the process of getting an asset ready for its intended use or sale.

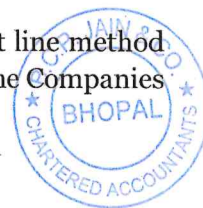
Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Capitalisation of borrowing cost ceases when substantially all the activities necessary to prepare the qualifying assets for their intended use are complete.

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

18.o Depreciation and amortization

- a) Depreciation on additions to /deductions from Property, Plant & Equipment (PPE) during the year is charged on pro-rata basis from / up to the date on which the asset is available for use / disposal.
- b) (i) Depreciation on Property, Plant and Equipment of Operating Units of the Company capitalized till five years before the end of the useful life of the Power Station is charged to the Statement of Profit & Loss on straight-line method following the rates and methodology notified by CERC for the fixation of tariff except for assets specified in Policy No. 18.o(d).
(ii) Depreciation on Property, Plant and Equipment capitalized during the last five years of the useful life of a Power Station is charged on straight-line method for the remaining operational life/ period of extended life as per CERC Tariff Regulations/Orders, from the date on which such asset becomes available for use.
(iii) Where the life and / or efficiency of a Power Station is increased due to renovation and modernization, the expenditure thereon along with its unamortized depreciable amount is charged prospectively on straight-line method over the revised/ remaining useful life.
- c) i) Depreciation on Property, Plant and Equipment (except old and used) of other than Operating Units of the Company is charged to the extent of 90% of the cost of the asset following the rates notified by CERC for the fixation of tariff except for assets specified in Policy No. 18.o(d).
ii) Depreciation on old and used items of PPE of other than Operating Units is charged on straight-line method to the extent of 90% of the cost of the asset over estimated useful life determined on the basis of technical assessment.
- d) i) Depreciation in respect of following items of PPE is provided on straight line method based on the useful life and residual value (5%) given in the Schedule II of the Companies Act, 2013:



- Construction Plant and Machinery

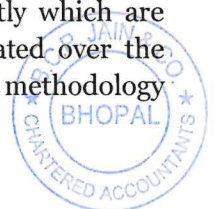
- Computer and Peripherals

ii) Based on technical assessment, depreciation on Mobile Phones is provided on straight line basis over a period of three years with residual value of Re 1.

iii) Based on technical assessment, depreciation on Roof Top Solar Power System / Equipment is provided on straight line basis over a period of twenty five years with residual value of 10%.

(iv) Based on technical assessment, depreciation on furniture & other equipment provided at residential office of employees is charged on straight line basis over a period of five years with residual value of 10%.

- e) Temporary erections are depreciated fully (100%) in the year of acquisition / capitalization by retaining Re. 1/- as WDV.
- f) All assets valuing Rs. 5000/- or less but more than Rs. 750/- are fully depreciated/amortised during the year in which the asset becomes available for use with WDV of Re. 1/- for tangible assets and NIL for Intangible Assets.
- g) Low value items, which are in the nature of assets (excluding immovable assets) and valuing upto Rs. 750/- are not capitalized and charged off to expenditure in the year of use.
- h) Leasehold Land of operating units is amortized over the period of lease or over the life of the Power Plant (40 years in case of Hydro Projects and 25 years in case of Solar & Wind Projects) whichever is lower, following the rates and methodology notified vide CERC tariff regulations.
- i) Leasehold Land and buildings of units other than operating units, is amortized over the period of lease or over the life of the Power Plant (40 years in case of Hydro Projects and 25 years in case of Solar & Wind Projects), whichever is lower.
- j) PPE created on leasehold land are depreciated to the extent of 90% of original cost over the balance available lease period of respective land from the date such asset is available for use or at the applicable depreciation rates & methodology notified by CERC tariff regulations for such assets, whichever is higher.
- k) Land-Right of Use in case of Hydro Projects is amortized over a period of **40 years** from the date of commercial operation of the project following the rates and methodology notified vide CERC tariff regulations.
- l) Cost of software recognized as 'Intangible Assets' is amortized on straight line method over a period of legal right to use or three years, whichever is earlier, starting from the date when the asset becomes available for use. Other intangible assets are amortized on straightline method over the period of legal right to use or life of the related plant, whichever is less. The period and method of amortization of intangible assets with finite useful life is reviewed at each financial year end and adjusted prospectively, wherever required.
- m) Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, settlement of arbitration/court cases, change in duties or similar factors, the unamortized balance of such assets is depreciated prospectively over the residual life of such assets at the rate of depreciation and methodology notified by CERC tariff regulations.
- n) Spare parts procured along with the Plant and Machinery or subsequently which are capitalized and added in the carrying amount of such item are depreciated over the residual useful life of the related plant and machinery at the rates and methodology notified by CERC.



- o) Useful life, method of depreciation and residual value of assets where depreciation is charged as per management assessment are reviewed at the end of each financial year and adjusted prospectively over the balance useful life of the asset, wherever required.

19.0 Impairment of non-financial assets other than inventories

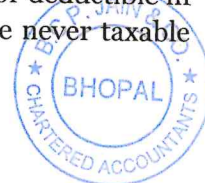
- a) The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Company. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit and Loss.
- b) 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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. Fair value less costs of disposal is determined only in case carrying amount of an asset or cash-generating unit (CGU) exceeds the value in use.
- c) In case of expenditure on survey & investigation of projects, if it is decided to abandon such a project, expenditure incurred thereon is charged to the Statement of Profit and Loss in the year in which such decision is taken.
- d) In case a project under survey and Investigation remains in abeyance by the order of appropriate authority/ by injunction of court order, any expenditure incurred on such projects from the date of order/ injunction of court is provided in the books from the date of such order till the period project is kept in abeyance by such order/ injunction. Provision so made is however reversed on the revocation of aforesaid order/ injunction.
- e) Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

20.0 Income Taxes

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

a) Current tax

Current tax is the expected tax payable on the taxable income for the year on the basis of the tax laws applicable at the reporting date and any adjustments to tax payable in previous years. Taxable profit differs from profit as reported in the Statement of Profit and Loss because it excludes items of income or expense that are taxable or deductible in other years (temporary differences) and it further excludes items that are never taxable or deductible (permanent differences).



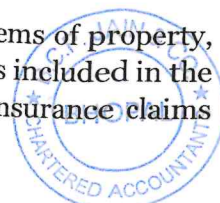
b) Deferred tax

- i) Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the Balance Sheet method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits (including MAT Credit entitlements) to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unused tax losses and unused tax credits (including MAT Credit entitlements) can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of an asset or liability in a transaction that at the time of the transaction affects neither the taxable profit or loss nor the accounting profit or loss. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.
- ii) Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would flow in the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.
- iii) Deferred tax is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in Other Comprehensive Income or Equity.
- iv) Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.
- v) Deferred tax recovery adjustment account is credited/ debited to the extent the deferred tax for the current period forms part of current tax in the subsequent periods and affects the computation of return on equity (ROE), a component of tariff.
- vi) When there is uncertainty regarding income tax treatments, the Company assesses whether a tax authority is likely to accept an uncertain tax treatment. If it concludes that the tax authority is unlikely to accept an uncertain tax treatment, the effect of the uncertainty on taxable income, tax bases and unused tax losses and unused tax credits is recognised. The effect of the uncertainty is recognised using the method that, in each case, best reflects the outcome of the uncertainty: the most likely outcome or the expected value. For each case, the Company evaluates whether to consider each uncertain tax treatment separately, or in conjunction with another or several other uncertain tax treatments, based on the approach that best prefixes the resolution of uncertainty.

21.0 Compensation from third parties

Impairments or losses of items, related claims for payments of compensation from third parties including insurance companies and any subsequent purchase or construction of assets/inventory are separate economic events and are accounted for separately.

Compensation from third parties including from insurance companies for items of property, plant and equipment or for other items that were impaired, lost or given up is included in the Statement of Profit and Loss when the compensation becomes receivable. Insurance claims for loss of profit are accounted for based on certainty of realisation.



22.0 Segment Reporting

- a) In accordance with Ind AS 108 – Operating Segment, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's "Chief Operating Decision Maker" or "CODM" within the meaning of Ind AS 108.
- b) Electricity generation is the principal business activity of the Company. Other operations viz., Contracts, Project Management, Consultancy works and Trading of Power do not form a reportable segment as per the Ind AS -108.

23.0 Leases

The Company assesses whether a contract is or contains a lease at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether the contract involves the use of an identified asset, whether the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of lease and whether the Company has the right to direct the use of the asset. If the supplier has a substantive substitution right, then the asset is not identified. Where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if it has the right to operate the asset, or the Company designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

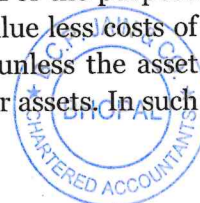
i. Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Land taken for use from State Government (without transfer of title) and expenses on relief and rehabilitation as also on creation of alternate facilities for land evacuees or in lieu of existing facilities coming under submergence and where construction of such alternate facilities is a specific pre-condition for the acquisition of the land for the purpose of the project, are accounted for as Right of Use Assets.

Right-of-use assets are depreciated/amortized from the commencement date to the end of the useful life of the underlying asset, if the lease transfers ownership of the underlying asset by the end of lease term or if the cost of right-of-use assets reflects that the purchase option will be exercised. Otherwise, Right-of-use assets are depreciated/ amortized from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.

Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less costs of disposal and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such



cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at the present value of the future lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate. Future lease payments comprise of the fixed payments, including in-substance fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise or the penalty for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or when a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the Statement of Profit and Loss if the carrying amount of the right-of-use asset has been reduced to zero.

Right-of-use assets are presented as a separate line item on the face of the Balance Sheet.

The Company has elected not to recognise right-of-use assets and lease liabilities in respect of short-term leases that have a lease term of 12 months or less and leases where the underlying asset is of low-value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

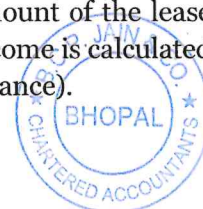
ii. Company as a lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

Where the Company determines a long term Power Purchase Agreement (PPA) to be or to contain a lease and where the off taker has the principal risk and rewards of ownership of the power plant through its contractual arrangements with the Company, the arrangement is considered a finance lease. For embedded leases in the nature of a Finance Lease, the investment in the power station is recognised as a Lease Receivable. The minimum lease receipts are identified by segregating the embedded lease receipts from the contract amounts (including Advance Against Depreciation (AAD) recognised in accordance with CERC Tariff regulations 2004-09 up to 31st March 2009 and considered as deferred income). Each lease receipt is allocated between the receivable and finance lease income (forming part of revenue from operations) so as to achieve a constant rate of return on the Lease Receivable outstanding.

Subsequent to initial recognition, the Company regularly reviews the estimated unguaranteed residual value and applies the impairment requirements of Ind AS 109- Financial Instruments for 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 credit-impaired financial assets for which interest income is calculated with reference to their amortised cost (i.e. after a deduction of the loss allowance).



If an arrangement contains lease and non-lease components, the Company applies Ind AS 115- *Revenue from Contracts with Customers* to allocate the consideration in the contract.

In the case of Operating Leases or embedded operating leases, the lease income from the operating lease is recognised in revenue over the lease term to reflect the pattern of use benefit derived from the leased asset. The respective leased assets are included in the Balance Sheet based on their nature and depreciated over its economic life.

24.0 Business combinations

(i) Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Company. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognized at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed. Where the fair value of net identifiable assets acquired and liabilities assumed exceed the consideration transferred, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognized as capital reserve. Acquisition related costs are expensed as incurred.

(ii) Business combinations involving entities that are controlled by the Company are accounted for using the pooling of interests method wherein the assets and liabilities of the combining entities are reflected at their carrying amounts and no adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.

The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.

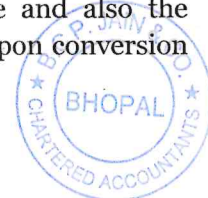
The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

25.0 Material prior period errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated unless it is impracticable, in which case, the comparative information is adjusted to apply the new accounting policy prospectively from the earliest date practicable.

26.0 Earnings per share

- a) Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.
- b) Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.



- c) Basic and diluted earnings per equity share are also presented using the earnings amounts excluding the movements in regulatory deferral account balances.

27.0 Statement of Cash Flows

a) Cash and Cash Equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. However, for Balance Sheet presentation, Bank overdrafts are shown within "Borrowings" under Current Liabilities.

- b) Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS 7- 'Statement of Cash Flows'.

28.0 Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

a) An asset is current when it is:

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

All other assets are classified as non-current.

b) A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- The entity does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

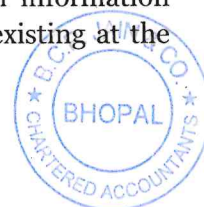
- c) Deferred tax assets /liabilities are classified as non-current assets / liabilities.

29.0 Non -Current Assets Classified as Held for Sale

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and a sale is considered highly probable. Indicators in this regard include whether management is committed to the sale, whether such sale is expected to be completed within one year from the date of classification as held for sale and whether the actions required to complete the plan of sale indicates that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. Non-Current Assets held for sale and disposal groups are measured at the lower of their carrying amount and their fair value. Cost of disposal is deducted from the recognized value, if significant. Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

30.0 Events Occurring After Balance Sheet Date:

Impact of events occurring after Balance Sheet date that provide additional information materially affecting the determination of the amounts relating to conditions existing at the Balance Sheet date are adjusted to the respective assets and liabilities.



The Company does not adjust the amounts recognized in its Financial Statements to reflect the impact of events or conditions that arises after the reporting year.

Significant events arising after the Balance Sheet date are disclosed in the Financial Statements.

31.0 Miscellaneous

- a) Each material class of similar items is presented separately in the financial statements. Items of a dissimilar nature or function are presented separately unless they are immaterial.
- b) Liabilities for Goods in transit/Capital works executed but not certified are not provided for, pending transfer of ownership, inspection and acceptance by the Company.



NOTE NO. 2.1 Property, Plant and Equipment as on 31.03.2026

(Amount in ₹ Lakhs)

Sl. No.	PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION AND IMPAIRMENT					NET CARRYING AMOUNT	
		As at 01-Apr-2025	Additions		Deductions		As at 01-Apr-2025	For the year	Adjustments	As at 31st March, 2026	As at 31st March, 2026	As at 31st March, 2025
			IUT	Others	IUT	Others						
i)	Land – Freehold	-	-	-	-	-	-	-	-	-	-	-
ii)	Roads and Bridges	-	-	-	-	-	-	-	-	-	-	-
iii)	Buildings	-	-	-	-	-	-	-	-	-	-	-
iv)	Railway sidings	-	-	-	-	-	-	-	-	-	-	-
v)	Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels)	23,468	-	-	-	-	10,988	620	-	11,608	11,860	12,480
vi)	Generating Plant and machinery	61,564	-	-	-	113	1,384	2,874	-	4,258	57,193	60,180
vii)	Plant and machinery	-	-	-	-	-	-	-	-	-	-	-
viii)	Sub station	-	-	-	-	-	-	-	-	-	-	-
ix)	Plant and machinery	-	-	-	-	-	-	-	-	-	-	-
x)	Transmission lines	-	-	-	-	-	-	-	-	-	-	-
xi)	Plant and machinery Others	-	-	-	-	-	-	-	-	-	-	-
xii)	Construction Equipment	-	-	-	-	-	-	-	-	-	-	-
xiii)	Water Supply System/Drainage and Sewerage	-	-	-	-	-	-	-	-	-	-	-
xiv)	Electrical installations	-	-	-	-	-	-	-	-	-	-	-
xv)	Vehicles	-	-	-	-	-	-	-	-	-	-	-
xvi)	Aircraft/ Boats	-	-	-	-	-	-	-	-	-	-	-
xvii)	Furniture and fixture	-	-	-	-	-	-	-	-	-	-	-
xviii)	Computer and Peripherals	-	-	-	-	-	-	-	-	-	-	-
xix)	Communication Equipment	-	-	-	-	-	-	-	-	-	-	-
xx)	Office Equipments	-	-	-	-	-	-	-	-	-	-	-
Total		85,032	-	-	-	113	12,372	3,494	-	15,866	69,053	72,660
Previous year		28,107	-	56,925	-	-	10,369	2,003	-	12,372	72,660	17,738

Note: -

2.1.1 Title deeds of immovable Properties not held in name of the Company as on 31st March 2026:-

Relevant Line item in the Balance Sheet	Description of item of Property	Gross Carrying Value	Title Deeds held in the name of	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
Property, Plant and Equipment	Land	-	-	-	-	-
	Building	-	-	-	-	-
	Others	-	-	-	-	-

2.1.2 Pursuant to application of Ind AS 116- "Leases", both the hydro power stations i.e. ISPS (including Corporate Office assets) & OSPS have been classified as finance Lease and a component of PPE of both the power station excluding government grant have been derecognised from balance sheet and presented as value of underlying Asset.

2.1.3 Additional disclosure of Property Plant and Equipment (PPE) as per gross block of assets and accumulated depreciation under previous GAAP has been provided as Annexure-I to this Note.



Sl. No.	PARTICULARS	GROSS BLOCK								DEPRECIATION AND IMPAIRMENT				NET BLOCK	
		As at 01-Apr-2025	Additions		Deductions		Other Adjustments	As at 31st March, 2026	As at 01-Apr-2025	For the year	Adjustments	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	
			IUT	Others	IUT	Others									
i)	Land – Freehold	-	-	-	-	-	-	-	-	-	-	-	-		
ii)	Roads and Bridges	-	-	-	-	-	-	-	-	-	-	-	-		
iii)	Buildings	-	-	-	-	-	-	-	-	-	-	-	-		
iv)	Railway sidings	-	-	-	-	-	-	-	-	-	-	-	-		
v)	Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels)	37,532	-	-	-	-	-	37,532	25,052	620	-	11,860	12,480		
vi)	Generating Plant and machinery	61,564	-	-	-	113	-	61,451	1,384	2,874	-	57,193	60,180		
vii)	Plant and machinery Sub station	-	-	-	-	-	-	-	-	-	-	-	-		
viii)	Plant and machinery Transmission lines	-	-	-	-	-	-	-	-	-	-	-	-		
ix)	Plant and machinery Others	-	-	-	-	-	-	-	-	-	-	-	-		
x)	Construction Equipment	-	-	-	-	-	-	-	-	-	-	-	-		
xi)	Water Supply System/Drainage and Sewerage	-	-	-	-	-	-	-	-	-	-	-	-		
xii)	Electrical installations	-	-	-	-	-	-	-	-	-	-	-	-		
xiii)	Vehicles	-	-	-	-	-	-	-	-	-	-	-	-		
xiv)	Aircraft/ Boats	-	-	-	-	-	-	-	-	-	-	-	-		
xv)	Furniture and fixture	-	-	-	-	-	-	-	-	-	-	-	-		
xvi)	Computer and Peripherals	-	-	-	-	-	-	-	-	-	-	-	-		
xvii)	Communication Equipment	-	-	-	-	-	-	-	-	-	-	-	-		
xviii)	Office Equipments	-	-	-	-	-	-	-	-	-	-	-	-		
	Total	99,096	-	-	-	113	-	98,983	26,436	3,494	-	69,053	72,660		
	Previous year	42,171	-	56,925	-	-	-	99,096	24,433	2,003	-	72,660	17,738		



NOTE NO. 2.1 Property, Plant and Equipment as on 31.03.2025

(Amount in ₹ Lakhs)

Sl. No.	PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
		As at 01-Apr-2024	Additions		Deductions		As at 01-Apr-2024	For the year	Adjustments	As at 31st March, 2025	As at 31st March, 2024
			IUT	Others	IUT	Others					
i)	Land – Freehold	-	-	-	-	-	-	-	-	-	-
ii)	Roads and Bridges	-	-	-	-	-	-	-	-	-	-
iii)	Buildings	-	-	-	-	-	-	-	-	-	-
iv)	Railway sidings	-	-	-	-	-	-	-	-	-	-
v)	Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels)	23,454	-	14	-	-	10,367	621	-	10,988	13,087
vi)	Generating Plant and machinery	4,653	-	56,911	-	-	2	1,382	-	1,384	4,651
vii)	Plant and machinery Sub station	-	-	-	-	-	-	-	-	-	-
viii)	Plant and machinery Transmission lines	-	-	-	-	-	-	-	-	-	-
ix)	Plant and machinery Others	-	-	-	-	-	-	-	-	-	-
x)	Construction Equipment	-	-	-	-	-	-	-	-	-	-
xi)	Water Supply System/Drainage and Sewerage	-	-	-	-	-	-	-	-	-	-
xii)	Electrical installations	-	-	-	-	-	-	-	-	-	-
xiii)	Vehicles	-	-	-	-	-	-	-	-	-	-
xiv)	Aircraft/ Boats	-	-	-	-	-	-	-	-	-	-
xv)	Furniture and fixture	-	-	-	-	-	-	-	-	-	-
xvi)	Computers	-	-	-	-	-	-	-	-	-	-
xvii)	Communication Equipment	-	-	-	-	-	-	-	-	-	-
xviii)	Office Equipments	-	-	-	-	-	-	-	-	-	-
	Total	28,107	-	56,925	-	-	10,369	2,003	-	12,372	17,738
	Previous year	23,454	-	4,653	-	-	9,748	622	-	10,369	13,706

Note: -

2.1.1 Title deeds of immovable Properties not held in name of the Company as on 31st March 2025:-

Relevant Line Item in the Balance Sheet	Description of Item of Property	Gross Carrying Value	Title Deeds held in the name of	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
Property, Plant and Equipment	Land	-	-	-	-	-
	Building	-	-	-	-	-
	Others	-	-	-	-	-

2.1.2 Pursuant to application of Ind AS 116- "Leases", both the hydro power stations i.e. ISPS (including Corporate Office assets) & OSPS have been classified as finance Lease and a component of PPE of both the power station excluding government grant have been derecognised from balance sheet and presented as value of underlying Asset.

2.1.3 During the year additions in Generating Plant and Machinery includes Rs. 56648 Lakhs on account of capitalization of 88 MW Omkareshwar Floating Solar Project, which includes amount of Rs. 1755 Lakhs paid to M/s RUMSL towards Pre-COD Comprehensive Charges.

2.1.4 Additional disclosure of Property Plant and Equipment (PPE) as per gross block of assets and accumulated depreciation under previous GAAP has been provided as Annexure-I to this Note.



Sl. No.	PARTICULARS	GROSS BLOCK						DEPRECIATION		NET BLOCK			
		As at 01-Apr-2024	Additions		Deductions		As at 31st March, 2025	As at 01-Apr-2024	For the year	Adjustments	As at 31st March, 2025	As at 31st March, 2025	As at 31st March, 2024
			IUT	Others	IUT	Others							
i)	Land – Freehold	-	-	-	-	-	-	-	-	-	-	-	-
ii)	Roads and Bridges	-	-	-	-	-	-	-	-	-	-	-	-
iii)	Buildings	-	-	-	-	-	-	-	-	-	-	-	-
iv)	Railway sidings	-	-	-	-	-	-	-	-	-	-	-	-
v)	Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels)	37,518	-	14	-	-	37,532	24,431	621	-	25,052	12,480	13,087
vi)	Generating Plant and machinery	4,653	-	56,911	-	-	61,564	2	1,382	-	1,384	60,180	4,651
vii)	Plant and machinery Sub station	-	-	-	-	-	-	-	-	-	-	-	-
viii)	Plant and machinery Transmission lines	-	-	-	-	-	-	-	-	-	-	-	-
ix)	Plant and machinery Others	-	-	-	-	-	-	-	-	-	-	-	-
x)	Construction Equipment	-	-	-	-	-	-	-	-	-	-	-	-
xi)	Water Supply System/Drainage and Sewerage	-	-	-	-	-	-	-	-	-	-	-	-
xii)	Electrical installations	-	-	-	-	-	-	-	-	-	-	-	-
xiii)	Vehicles	-	-	-	-	-	-	-	-	-	-	-	-
xiv)	Aircraft/ Boats	-	-	-	-	-	-	-	-	-	-	-	-
xv)	Furniture and fixture	-	-	-	-	-	-	-	-	-	-	-	-
xvi)	Computers	-	-	-	-	-	-	-	-	-	-	-	-
xvii)	Communication Equipment	-	-	-	-	-	-	-	-	-	-	-	-
xviii)	Office Equipments	-	-	-	-	-	-	-	-	-	-	-	-
	Total	42,171	-	56,925	-	-	99,096	24,433	2,003	-	26,436	72,660	17,738
	Previous year	37,518	-	4,653	-	-	42,171	23,812	622	-	24,433	17,738	13,706



2.2.1 (a) CWIP aging schedule as on 31st March 2026

(b) CWIP Projects, whose completion is overdue or has exceeded its cost compared to its original plan as on 31st March 2026, completion schedules are as follows:-

2.2.2 CWIP Capitalised during the year in respect of ISPS (including Corporate Office assets) & OSPS, to the extent Grant Receivable, is transferred to Property, Plant & Equipments and balance appropriated towards Lease Rent Receivable.

2.2.3 Figures in parenthesis represent deductions.

(Amount in ₹ Lakhs)					
S.No	Particulars	As at 01-Apr-2024	Addition	Adjustment	Capitalised As at 31st March, 2025
i)	Roads and Bridges	-	-	-	-
ii)	Buildings	1064	1029	-	274
iii)	Building-Under Lease	-	-	-	-
iv)	Railway sidings	-	-	-	-
v)	Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels)	283	599	877	5
vi)	Generating Plant and Machinery	250	31557	26005	683
vii)	Plant and Machinery - Sub station	-	-	-	-
viii)	Plant and Machinery - Transmission lines	4	7	11	-
ix)	Plant and Machinery - Others	-	-	-	-
x)	Construction Equipment	-	1	-	1
xi)	Water Supply System/Drainage and Sewerage	-	-	-	-
xii)	Computers	167	3	170	-
xiii)	Communication Equipment	-	-	-	-
xiv)	Office Equipments	-	25	-	25
xv)	Assets awaiting installation	1	568	492	77
xvi)	CWIP - Assets Under 5 KM Scheme Of the GOI	-	-	-	-
xvii)	Survey, investigation, consultancy and supervision charges	27162	490	(26481)	1171
xviii)	Expenditure on compensatory Afforestation	-	-	-	-
xix)	Expenditure attributable to construction (Refer Note-32)	-	(476)	476	-
	Less: Capital Work in Progress Provided	-	-	-	-
	Sub total (a)	28931	33803	-	60498
	Construction Stores	-	-	-	-
	Less : Provisions for construction stores	-	-	-	-
	Sub total (b)	-	-	-	-
	TOTAL	28931	33803	-	2236
	Previous year	2124	34980	-	28931

2.2.1 (a) CWIP aging schedule as on 31st March 2025

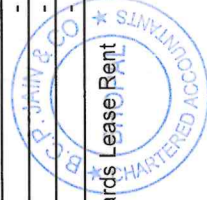
CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	1,529	702	5	-	2,236
Projects temporarily Suspended	-	-	-	-	-
Total	1,529	702	5	-	2,236

(b) CWIP Completion Schedule as on 31st March 2025 for delayed projects

CWIP	To be Completed in			Total
	Less than 1 Year	1-2 Years	More than 3 Years	
-	-	-	-	-
Total	-	-	-	-

2.2.2 CWIP Capitalised during the year in respect of ISPS & OSPS, to the extent Grant Receivable, is transferred to Property, Plant & Equipments and balance appropriated towards Lease Rent Receivable.

2.2.3 Figures in parenthesis represent deductions.



Sl. No.	PARTICULARS	GROSS CARRYING AMOUNT					DEPRECIATION					NET CARRYING AMOUNT	
		As at 01-Apr-2025	Additions		Deductions		As at 31st March, 2026	Other Adjustments	For the year	Adjustments	As at 31st March, 2026	As at 31st March, 2026	As at 31st March, 2025
			IUT	Others	IUT	Others							
i)	Land -Leasehold	77	-	-	-	-	77	-	11	3	14	63	66
ii)	Building	-	-	-	-	-	-	-	-	-	-	-	-
iii)	Construction Equipment	-	-	-	-	-	-	-	-	-	-	-	-
iv)	Vehicles	-	-	-	-	-	-	-	-	-	-	-	-
v)	Solar Park	5,167	-	-	-	-	5,167	-	87	207	294	4,873	5,080
vi)	Land-Right to Use ,	1,24,116	-	464	-	-	1,24,580	-	54,310	3,303	57,613	66,967	69,806
	Total	1,29,360	-	464	-	-	1,29,824	-	54,408	3,513	57,921	71,903	74,952
	Previous year	1,23,452	-	5,908	-	-	1,29,360	-	51,037	3,371	54,408	74,952	72,415

Note:-

2.3.1 (a) Title deed/Lease deed/Mutation in respect of leasehold land not held in name of the Company as on 31st March 2026:-

Relevant Line item in the Balance Sheet	Description of Item of Property	Gross Carrying Value	Title Deeds held in the name of	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
Right of Use Assets-Land Leasehold	Land (116758.01 Acres)	1,24,580	Land owned by Govt of Madhya Pradesh	No		Right to use granted by Govt. of MP

2.3.2 Pursuant to application of Ind AS 116, the power station(s) have been classified under finance Lease. After application of finance Lease, a component of Land-Right to Use of ISPS & OSPs excluding government grant have been derecognised from balance sheet and presented as value of Underlying Asset. Accordingly, the carrying value of Land Right to Use shown as Rs. 124580 Lakhs against Rs. 374743 Lakhs.

2.3.3 Additional disclosure of Right of use Assets as per gross block of assets and accumulated depreciation under previous GAAP has been provided as Annexure-1 to this Note.



Sl. No.	PARTICULARS	GROSS BLOCK						DEPRECIATION				NET BLOCK	
		As at 01-Apr-2025	Additions		Deductions		Other Adjustments	As at 01-Apr-2025	For the year	Adjustments	As at 31st March, 2026	As at 31st March, 2026	As at 31st March, 2025
			IUT	Others	IUT	Others							
i)	Land Leasehold	77	-	-	-	-	-	11	3	-	14	63	66
ii)	Building	-	-	-	-	-	-	-	-	-	-	-	-
iii)	Construction Equipment	-	-	-	-	-	-	-	-	-	-	-	-
iv)	Vehicles	-	-	-	-	-	-	-	-	-	-	-	-
v)	Solar Park	5,167	-	-	-	-	-	87	207	-	294	4,873	5,080
vi)	Land-Right to Use	1,56,473	-	464	-	-	-	86,667	3,303	-	89,970	66,967	69,806
	Total	1,61,717	-	464	-	-	-	86,765	3,513	-	90,278	71,903	74,952
	Previous year	1,55,809	-	5,908	-	-	-	83,394	3,371	-	86,765	74,952	72,415



Sl. No.	PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
		As at 01-Apr-2024	Additions		Deductions		As at 01-Apr-2024	For the year	Adjustments	As at 31st March, 2025	As at 31st March, 2024
			IUT	Others	IUT	Others					
i)	Land -Leasehold	77	-	-	-	-	77	8	3	11	66
ii)	Building	-	-	-	-	-	-	-	-	-	-
iii)	Construction Equipment	-	-	-	-	-	-	-	-	-	-
iv)	Vehicles	-	-	-	-	-	-	-	-	-	-
v)	Solar Park	-	-	-	-	-	-	-	-	-	-
vi)	Land-Right to Use	1,23,375	-	-	-	-	1,24,116	51,029	87	54,310	69,806
	Total	1,23,452	-	741	-	-	1,29,360	51,037	3,371	54,408	74,952
	Previous year	1,21,942	-	1,509	-	-	1,23,452	45,084	5,953	51,037	72,415
											76,858

Note:-

2.3.1 Title deed/Lease deed/Mutation in respect of leasehold land not held in name of the Company as on 31st March 2025:-

Relevant Line item in the Balance Sheet	Description of item of Property	Gross Carrying Value	Title Deeds held in the name of	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
Right of Use Assets-Land Leasehold	Land (116758.01 Acres)	1,24,116	Land owned by Govt of Madhya Pradesh	No		Right to use granted by Govt. of MP

2.3.2 Pursuant to application of Ind AS 116, the power station(s) have been classified under finance Lease. After application of finance Lease, a component of Land-Right to Use of ISPS & OSPs excluding government grant have been derecognised from balance sheet and presented as value of Underlying Asset. Accordingly, the carrying value of Land Right to Use shown as Rs. 124116 Lakhs against Rs. 374016 Lakhs.

2.3.3 Additional disclosure of Right of use Assets as per gross block of assets and accumulated depreciation under previous GAAP has been provided as Annexure-1 to this Note.



Sl. No.	PARTICULARS	GROSS BLOCK						DEPRECIATION				NET BLOCK	
		As at 01-Apr-2024	Additions		Deductions		As at 31st March, 2025	As at 01-Apr-2024	For the year	Adjustments	As at 31st March, 2025	As at 31st March, 2025	As at 31st March, 2024
			IUT	Others	IUT	Others							
i)	Land Leasehold	77	-	-	-	-	77	8	3	-	11	66	69
ii)	Building	-	-	-	-	-	-	-	-	-	-	-	-
iii)	Construction Equipment	-	-	-	-	-	-	-	-	-	-	-	-
iv)	Vehicles	-	-	-	-	-	-	-	-	-	-	-	-
v)	Solar Park	-	-	5,167	-	-	5,167	-	87	-	87	5,080	-
vi)	Land-Right to Use	1,55,732	-	741	-	-	1,56,473	83,386	3,281	-	86,667	69,806	72,346
	Total	1,55,809	-	5,908	-	-	1,61,717	83,394	3,371	-	86,765	74,952	72,415
	Previous year	1,54,300	-	1,509	-	-	1,55,809	77,442	5,953	-	83,394	72,415	76,858



NOTE NO. 2.4 INVESTMENT PROPERTY as on 31.03.2026

(Amount in ₹ Lakhs)

Sl. No.	PARTICULARS	GROSS BLOCK						AMORTISATION				NET BLOCK	
		As at 01-Apr-2025	Additions		Deductions		As at 31st March, 2026	As at 01-Apr-2025	For the Period	Adjustments	As at 31st March, 2026	As at 31st March, 2026	As at 31st March, 2025
			IUT	Others	IUT	Others							
i)	Land Freehold	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-	-
	Previous year	-	-	-	-	-	-	-	-	-	-	-	-

Note: -

2.4.1 Additional disclosure of Investment Property as per gross block of assets and accumulated depreciation under previous GAAP has been provided as Annexure-I to this Note.

NOTE NO. 2.5 Intangible Assets as on 31.03.2026

(Amount in ₹ Lakhs)

Sl. No.	PARTICULARS	GROSS CARRYING AMOUNT						AMORTISATION				NET CARRYING AMOUNT	
		As at 01-Apr-2025	Additions		Deductions		As at 31st March, 2026	As at 01-Apr-2025	For the year	Adjustments	As at 31st March, 2026	As at 31st March, 2026	As at 31st March, 2025
			IUT	Others	IUT	Others							
i)	Upfront Fees	-	-	-	-	-	-	-	-	-	-	-	-
ii)	Computer Software	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-	-
	Previous year	-	-	-	-	-	-	-	-	-	-	-	-

Note: -

2.5.1 Additional disclosure of Intangible Assets as per gross block of assets and accumulated depreciation under previous GAAP has been provided as Annexure-I to this Note.

2.5.2 Pursuant to application of Ind AS 116- "Leases", both the hydro power stations have been classified as finance Lease and a component of PPE of both the power station excluding government grant have been derecognised from balance sheet and presented as value of underlying Asset.



Sl. No.	PARTICULARS	GROSS BLOCK						AMORTISATION				NET BLOCK	
		As at 01-Apr-2025	Additions		Deductions		As at 31st March, 2026	Other Adjustments	For the year	Adjustments	As at 31st March, 2026	As at 31st March, 2026	As at 31st March, 2025
			IUT	Others	IUT	Others							
i)	Land Freehold	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-	-
	Previous year	-	-	-	-	-	-	-	-	-	-	-	-

Annexure-I to NOTE NO. 2.5 Intangible Assets as on 31.03.2026

Sl. No.	PARTICULARS	GROSS BLOCK						AMORTISATION				NET BLOCK	
		As at 01-Apr-2025	Additions		Deductions		As at 31st March, 2026	Other Adjustments	For the year	Adjustments	As at 31st March, 2026	As at 31st March, 2026	As at 31st March, 2025
			IUT	Others	IUT	Others							
i)	Upfront Fees	-	-	-	-	-	-	-	-	-	-	-	-
ii)	Computer Software	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-	-
	Previous year	-	-	-	-	-	-	-	-	-	-	-	-



NOTE NO. 2.4 INVESTMENT PROPERTY as on 31.03.2025

Sl. No.	PARTICULARS	GROSS BLOCK						AMORTISATION				NET BLOCK	
		As at 01-Apr-2024	Additions		Deductions		Other Adjustments	As at 01-Apr-2024	For the Period	Adjustments	As at 31st March, 2025	As at 31st March, 2025	As at 31st March, 2024
			IUT	Others	IUT	Others							
i)	Land Freehold	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-	-
	Previous year	-	-	-	-	-	-	-	-	-	-	-	-

Note: -

2.4.1 Additional disclosure of Investment Property as per gross block of assets and accumulated depreciation under previous GAAP has been provided as Annexure-I to this Note.

NOTE NO. 2.5 Intangible Assets as on 31.03.2025

Sl. No.	PARTICULARS	GROSS CARRYING AMOUNT						AMORTISATION				NET CARRYING AMOUNT	
		As at 01-Apr-2024	Additions		Deductions		Other Adjustments	As at 01-Apr-2024	For the year	Adjustments	As at 31st March, 2025	As at 31st March, 2025	As at 31st March, 2024
			IUT	Others	IUT	Others							
i)	Upfront Fees	-	-	-	-	-	-	-	-	-	-	-	-
ii)	Computer Software	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-	-
	Previous year	-	-	-	-	-	-	-	-	-	-	-	-

Note: -

2.5.1 Additional disclosure of Intangible Assets as per gross block of assets and accumulated depreciation under previous GAAP has been provided as Annexure-I to this Note.

2.5.2 Pursuant to application of Ind AS 116- "Leases", both the hydro power stations have been derecognised from balance sheet and presented as value of underlying Asset.



Sl. No.	PARTICULARS	GROSS BLOCK						AMORTISATION				NET BLOCK	
		As at 01-Apr-2024	Additions		Deductions		As at 01-Apr-2024	For the year	Adjustments	As at 31st March, 2025	As at 31st March, 2025	As at 31st March, 2025	As at 31st March, 2024
			IUT	Others	IUT	Others							
i)	Land Freehold	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-	-
	Previous year	-	-	-	-	-	-	-	-	-	-	-	-

Annexure-I to NOTE NO. 2.5 Intangible Assets as on 31.03.2025

Sl. No.	PARTICULARS	GROSS BLOCK						AMORTISATION				NET BLOCK	
		As at 01-Apr-2024	Additions		Deductions		As at 01-Apr-2024	For the year	Adjustments	As at 31st March, 2025	As at 31st March, 2025	As at 31st March, 2025	As at 31st March, 2024
			IUT	Others	IUT	Others							
i)	Upfront Fees	-	-	-	-	-	-	-	-	-	-	-	-
ii)	Computer Software	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-	-
	Previous year	-	-	-	-	-	-	-	-	-	-	-	-



Note no. 2.6 Intangible Assets Under Development as on 31.03.2026

(Amount in ₹ Lakhs)

S.No	Particulars	As at 01-Apr-2025	Addition	Adjustment	Capitalised	As at 31st March, 2026
(i)	Computer Software Under Development	-	-	-	-	-
(ii)	Upfront Fees/ Premium	-	-	-	-	-
	TOTAL	-	-	-	-	-
	Previous year	-	-	-	-	-

2.6.1 Intangible Assets under Development aging schedule as on 31st March 2026.

	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Intangible Assets under Development					
Projects in Progress					-
Projects temporarily Suspended					-
Total	-	-	-	-	-

2.6.2 Intangible Assets under Development Projects, whose completion is overdue or has exceeded its cost compared to its original plan as on 31st March 2026, completion schedules are as follows:-

	To be Completed in			Total
	Less than 1 Year	1-2 Years	2-3 Years	
Intangible Assets under Development				
				-
				-
Total	-	-	-	-



Note no. 2.6 Intangible Assets Under Development as on 31.03.2025

(Amount in ₹ Lakhs)

S.No	Particulars	As at 01-Apr-2024	Addition	Adjustment	Capitalised	As at 31st March, 2025
(i)	Computer Software Under Development	-	-	-	-	-
(ii)	Upfront Fees	-	-	-	-	-
	TOTAL	-	-	-	-	-
	Previous year	518	445	-	963	-

2.6.1 Intangible Assets under Development aging schedule as on 31st March 2025.

	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Intangible Assets under Development					
Projects in Progress					-
Projects temporarily Suspended					-
Total	-	-	-	-	-

2.6.2 Intangible Assets under Development Completion Schedule as on 31st March 2025 for delayed projects.

	To be Completed in			Total
	Less than 1 Year	1-2 Years	More than 3 Years	
Intangible Assets under Development				
				-
				-
Total	-	-	-	-



NOTE NO. 3.1 NON-CURRENT - FINANCIAL ASSETS - INVESTMENTS

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Investments	-	-
Total	-	-

NOTE NO. 3.2 NON-CURRENT - FINANCIAL ASSETS - TRADE RECEIVABLES

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Trade Receivables - Considered Good- Unsecured	-	-
Total	-	-

NOTE NO. 3.3 NON-CURRENT - FINANCIAL ASSETS - LOANS

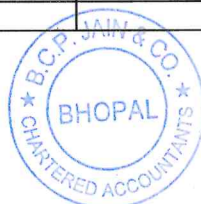
(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
At Amortised Cost		
A Loan to Related Party - Credit Impaired- Unsecured	-	-
Less: Loss Allowances for doubtful loan to Related Party	-	-
Sub-total	-	-
B Loans to Employees (including accrued interest) (Refer Note 3.3.1 & 3.3.2)		
- Considered good- Secured	2,581	2,685
- Considered good- Unsecured	161	241
- Credit Impaired- Unsecured	-	-
Less : Loss Allowances for doubtful Employees loans	-	-
Sub-total	2,742	2,926
C Contractor / supplier		
- Considered good- Secured	-	-
- Considered good- Unsecured	-	-
- Against bank guarantee	-	-
- Others	-	-
- Credit Impaired- Unsecured	-	-
Less : Loss Allowances for doubtful advances to Contractor/ Supplier	-	-
Sub-total	-	-
TOTAL	2,742	2,926
3.3.1 Due from directors or other officers of the company.	9	9
3.3.2 Loans are non-derivative financial assets which generate a fixed or variable interest income for the company. The Carrying value may be affected by the changes in the credit risk of the counterparties.		

NOTE NO. 3.4 NON-CURRENT - FINANCIAL ASSETS - OTHERS

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
A Security Deposits		
- Considered good- Unsecured	186	183
- Credit Impaired- Unsecured	-	-
Less : Loss Allowances for Doubtful Deposits	-	-
Sub-total	186	183
B Bank Deposits with more than 12 Months Maturity	38,009	1,450
C Lease Rent receivable (Refer Note 34)	3,58,274	3,59,352
D Interest receivable on lease	-	-
E Interest accrued on:		
- Bank Deposits with more than 12 Months Maturity	731	81
F Receivable on account of Late payment Surcharge	-	-
G Amount Recoverable	-	-
TOTAL	3,97,200	3,61,066



NOTE NO. 4 OTHER NON-CURRENT ASSETS

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
A. CAPITAL ADVANCES		
- Considered good- Secured	-	-
- Considered good- Unsecured	-	-
- Against bank guarantee	-	-
- Others	-	14
	-	14
B. ADVANCES OTHER THAN CAPITAL ADVANCES		
i) DEPOSITS		
- Considered good- Unsecured	-	-
- Considered doubtful - Unsecured	-	-
Less : Allowances for Doubtful Deposits	-	-
Sub-total	-	-
C Others		
i) Advance against arbitration awards/ court cases towards capital works (Unsecured)		
Released to Contractors - Against Bank Guarantee	-	-
Released to Contractors - Others	-	-
Deposited with Court	93	93
Sub-total	93	93
Less: Provided for	-	-
Sub-total	93	93
ii) Prepaid Expenditure	-	-
iii) Non Current Tax Assets (Net)		
Advance Income Tax including Tax Deducted at Source	-	-
Less: Provision for Current Tax	-	-
Sub-total	-	-
iv) Deferred Cost on Employees Advances	1,175	1,342
TOTAL	1,268	1,449
4.1 Advances due from Directors or other officers.	-	-
4.2 Advances due by Firms or Private Companies in which any director of the Company is a director or member.	-	-

NOTE NO. 5 INVENTORIES

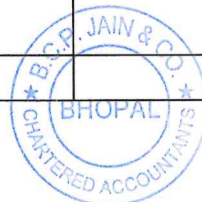
(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
(Valued at lower of Cost or Net Realisable Value)		
Stores and spares	1,573	1,404
Stores and spares-Stores in transit/ pending inspection	-	-
Loose tools	-	-
Material at site	-	-
Total	1,573	1,404
Less: Allowances for Obsolescence and Diminution in Value (Refer Note 5.1)	11	14
TOTAL	1,562	1,390
5.1 Allowances for Obsolescence and Diminution in Value		
Opening Balance	14	11
Addition during the year (Refer Note 5.1.1)	-	3
Used during the year	-	-
Reversed during the year (Refer Note 5.1.2)	3	-
Closing balance	11	14
5.1.1 Inventories written down to net realisable value (NRV) and recognised as an expense in the Statement of Profit and Loss during the year.	-	3
5.1.2 Allowances for obsolescence and diminution in value of inventory booked in earlier years and reversed during the year.	3	-

NOTE NO. 6 CURRENT - FINANCIAL ASSETS - INVESTMENTS

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Quoted Debt Instruments - At Fair Value through Other Comprehensive Income (OCI)		
Government Securities	-	-
TOTAL	-	-



Annexure-I to Note No-7-Ageing of Current Trade Receivables
As at 31st March 2026

As at 31st March 2026										(Amount in ₹ Lakhs)
Particulars	Unbilled	Not Due	Trade Receivable due and outstanding for following period from due date of payment					Total		
			Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 Years			
(i) Undisputed Trade receivables-Considered Good	13,018	-	577	-	-	-	-	13,595		
(ii) Undisputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-	-		
(iii) Undisputed Trade receivables-Credit Impaired	-	-	-	-	-	-	-	-		
(iv) Disputed Trade receivables-Considered Good	-	8,961	-	-	465	-	-	9,426		
(v) Disputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-	-		
(vi) Disputed Trade receivables-Credit Impaired	-	-	-	-	-	50	937	987		
Total	13,018	8,961	577	-	465	50	937	24,008		

As at 31st March 2025

As at 31st March 2025									
Particulars	Unbilled	Not Due	Trade Receivable due and outstanding for following period from due date of payment					(Amount in ₹ Lakhs)	
			Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 Years	Total	
(i) Undisputed Trade receivables-Considered Good	11,268	16,065	9,732	-	-	-	-	-	37,065
(ii) Undisputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables-Credit Impaired	-	-	-	-	-	-	-	-	-
(iv) Disputed Trade receivables-Considered Good	-	-	-	-	50	937	-	-	987
(v) Disputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-	-	-
(vi) Disputed Trade receivables-Credit Impaired	-	-	-	-	-	-	-	-	-
Total	11,268	16,065	9,732	-	50	937	-	-	38,052

NOTE NO. 7 CURRENT - FINANCIAL ASSETS - TRADE RECEIVABLES

(Amount in ₹ Lakhs)

PARTICULARS		As at 31st March, 2026	As at 31st March, 2025
- Trade Receivables- Considered Good- Unsecured (Refer Note 7.2, 7.4, 7.5 and 7.6)		10,003	26,784
- Trade Receivables- Unbilled- Considered Good- Unsecured (Refer Note 7.3 and 7.4)		13,018	11,268
- Trade Receivables- Credit Impaired		987	-
Less: Loss allowances for Trade Receivables (Refer Note 7.1)		987	-
TOTAL		23,021	38,052
7.1	Loss allowances for Trade Receivables		
	Opening Balance	-	-
	Addition during the year	987	-
	Used during the year	-	-
	Reversed during the year	-	-
	Closing balance	987	-
7.2	Debt due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director of the Company is a partner or a director or a member.	-	-
7.3	Represents receivable on account of :		
	Unbilled sale for the month of March	11,210	9,610
	Deferred Tax Materialized	1,808	1,658
	Others	-	-
	Total	13,018	11,268
7.4	Refer Annexure-I to Note No-7 for Ageing schedule of Trade Receivables.		
7.5	Trade Receivables Considered Good- Unsecured includes amortized value of amount recoverable in monthly instalments from MPPMCL against Sale of Power.		
7.6	Trade Receivables includes an amount of Rs. 465 lakhs on account of energy supplied from 88 MW Omkareshwar Floating Solar Project bills for the period from June 2024 to October 2024 (upto 14-10-2024), bills are resubmitted and yet to be settled by the beneficiary.		
7.7	Due to the short-term nature of the current receivables, their carrying amount is assumed to be the same as their fair value.		
7.8	During the reporting year, the company has not recognised any impairment loss in respect of unbilled debtors.		
7.9	Refer Note 34 of the Financial Statements with regard to confirmation of balances.		

NOTE NO. 8 CURRENT - FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

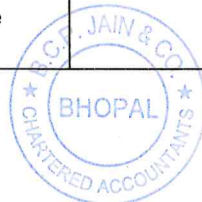
(Amount in ₹ Lakhs)

PARTICULARS		As at 31st March, 2026	As at 31st March, 2025
A	Balances with banks		
	With scheduled banks		
i)	- In Current Account	935	1,127
ii)	- In deposits account		
	(Deposits with original maturity of three months or less)	13,200	3,500
B	Cheques, drafts on hand	-	-
TOTAL		14,135	4,627

NOTE 9 : CURRENT - FINANCIAL ASSETS - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(Amount in ₹ Lakhs)

PARTICULARS		As at 31st March, 2026	As at 31st March, 2025
A	Bank Deposits for original maturity more than 3 months upto 12 months (Refer Note 9.1 & 9.2)	1,44,672	1,64,674
B	Earmarked Balances with Banks		
	- Unpaid Dividend	-	-
	- Unpaid Principal/ Interest	-	-
	- Other	-	-
TOTAL		1,44,672	1,64,674
9.1	Bank Deposits include an amount representing deposit by Oustees towards Land for Land in respect of Omkareshwar Project, which is not freely available for the business of the Company.	7	8
9.2	Bank Deposits include an amount under lien with banks as per orders of Hon'ble Court of Law, which is not freely available for the business of the Company included in stated amount.	830	762



NOTE NO. 10 CURRENT - FINANCIAL ASSETS - LOANS

(Amount in ₹ Lakhs)

PARTICULARS		As at 31st March, 2026	As at 31st March, 2025
A	Loans (including interest thereon) to Related Parties - Unsecured (Refer Note 10.1)		
	Loan Receivable - (Considered Good)	-	-
	Loan Receivable-Credit Impaired	-	-
	Sub-total	-	-
B	Loans to Employees (including accrued interest) (Refer Note 10.2, 10.3 and 10.4)		
	- Considered good- Secured	407	415
	- Considered good- Unsecured	274	302
	Less : Loss Allowances for doubtful Employees loans	-	-
	Sub-total	681	717
TOTAL		681	717
10.1	Advance due by firms or private companies in which any Director of the Company is a Director or member .	-	-
10.2	Due from directors or other officers of the company.	5	8
10.3	Loans are non-derivative financial assets which generate a fixed or variable interest income for the company. The Carrying value may be affected by changes in the credit risk of the counterparties.		
10.4	Particulars of Loans as required in terms of Section 186 (4) of the Companies Act, 2013 have been disclosed under Note 10 above.		

NOTE NO. 11 CURRENT - FINANCIAL ASSETS - OTHERS

(Amount in ₹ Lakhs)

PARTICULARS		As at 31st March, 2026	As at 31st March, 2025
A	Security Deposits		
	- Considered good- Unsecured	-	-
	- Credit Impaired- Unsecured	-	-
	Less : Loss Allowances for Doubtful Deposits	-	-
	Sub-total	-	-
B	Amount recoverable from		
	- Employee Benefits Trust	364	-
	- Others (Refer Note 11.1)	2,424	2,279
	Sub-total	2,788	2,279
	Less: Loss Allowances for Doubtful Recoverables (Refer Note 11.3)	3	3
	Sub-total	2,785	2,276
C	Receivable on account of Late Payment Surcharge (Refer Note 11.2)	240	32
	Less: Loss allowances for Receivable on account of Late Payment Surcharge	-	-
	Sub-total	240	32
D	Lease Rent receivable (Finance Lease) (Refer Note 34)	4,900	6,713
E	Interest Income accrued on Bank Deposits	4,568	6,556
F	Interest recoverable from beneficiary	-	-
G	Contract Assets (Refer Note 11.4)	2,513	1,468
H	Claim recoverable from parent company - NHPC LTD.	-	-
TOTAL		15,006	17,045
11.1	Amount recoverable from others (at Sr. No. B) mainly includes: (a) An amount of ₹ 1973 Lakhs (As on 31.03.2025 ₹ 2202 Lakhs) due from Govt. of Madhya Pradesh. (b) An amount of ₹ 53 Lakhs (As on 31.03.2025 ₹ Nil) recoverable towards VGF for feeder level solarization under KUSUM-C Scheme for Sanchi Solar Power Project. (c) Duplicate payments recoverable from oustees of ₹ 3 Lakhs (As on 31.03.2025 ₹ 3 Lakhs) already provided for. (d) An amount of ₹ 25 Lakhs (As on 31.03.2025 ₹ 25 Lakhs) towards PRP recoverable from ex-employees for the period 2017-18 to 2020-21.		
11.2	Receivable on account of Late payment Surcharge includes amortized value of amount recoverable in monthly instalments from MPPMCL.		
11.3	Loss Allowances for Doubtful Recoverables		
	Opening Balance	3	3
	Addition during the year	-	-
	Used during the year	-	-
	Closing balance	3	3
11.4	Contract Assets on account of :		
	Additional O&M (due to pay anomaly)	278	278
	Interest On Arbitration/ Court Cases	1,190	1,190
	Others	1,045	-
	Total	2,513	1,468
11.5	Refer Note 34 of the Financial Statements with regard to confirmation of balances.		

NOTE NO. 12 CURRENT TAX ASSETS (NET)

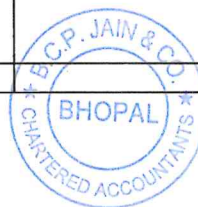
(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Current Tax Assets		
A Advance Income Tax including Tax Deducted at Source	-	-
B Less: Provision for Current Tax	-	-
Net Current Tax Assets (A-B)	-	-
Current Tax (Refer Note No-23)	3,643	997
Income Tax Refundable	-	-
Total	3,643	997

NOTE NO. 13.1 OTHER CURRENT ASSETS

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
A. Advances other than Capital Advances		
a) Deposits		
- Considered good- Unsecured	48	447
- Considered doubtful- Unsecured	-	-
Less : Allowances for Doubtful Deposits	-	-
Sub-total	48	447
b) Advance to contractors and suppliers (Refer Note 13.1.1)		
- Considered good- Secured	-	-
- Considered good- Unsecured		
- Against bank guarantee	-	-
- Others	136	120
Less : Expenditure booked pending utilisation certificate	-	-
- Considered doubtful- Unsecured	-	-
Less : Allowances for doubtful advances	-	-
Sub-total	136	120
c) Other advances - Employees		
- Considered good- Unsecured (Refer Note 13.1.2)	2	3
Sub-total	2	3
B. Others		
a) Expenditure awaiting adjustment	-	-
Less: Allowances for project expenses awaiting write off sanction	-	-
Sub-total	-	-
b) Losses/Assets awaiting write off sanction/pending investigation	-	-
Less: Allowances for losses/Assets pending investigation/awaiting write off / sanction (Refer Note 13.1.3)	-	-
Sub-total	-	-
c) Work In Progress		
Construction work in progress(on behalf of client)	-	-
Consultancy work in progress(on behalf of client)	-	-
d) Pre-Spent Corporate Social Responsibility (CSR) Expenses (Refer Note 34)	-	-
e) Prepaid Expenditure	1,807	1,828
f) Deferred Cost on Employees Advances	200	187
g) Deferred Foreign Currency Fluctuation		
Deferred Foreign Currency Fluctuation Assets	-	-
Deferred Expenditure on Foreign Currency Fluctuation	-	-
h) Goods and Services Tax Input Receivable	-	-
i) Others	30	40
TOTAL	2,223	2,625
13.1.1 Advance due by Firms or Private Companies in which any Director of the Company is a Director or member.	-	-
13.1.2 Loans and Advances due from Directors or other officers at the end of the year.	-	-
13.1.3 Allowances for losses pending investigation/ awaiting write off / sanction		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year	-	-
Closing balance	-	-



NOTE NO. 13.2 ASSETS CLASSIFIED AS HELD FOR SALE

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Property, Plant and Equipment (Refer Note 13.2.1)	59	2
TOTAL	59	2
13.2.1 Property, Plant and Equipment includes Plant and equipment and Other assets (Office equipment, vehicles, furniture and fixtures, etc.) identified for disposal due to replacement/ obsolescence of assets in the normal course of operations.		

NOTE NO. 14.1 REGULATORY DEFERRAL ACCOUNT DEBIT BALANCES

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
A Adjustment against Deferred Tax Recoverable for tariff period upto 2009		
Opening Balance	24,118	25,197
Addition during the year (Refer Note 31)	-	-
Used during the year	1,177	1,079
Reversed during the year	6,418	-
Closing balance	16,523	24,118
B Adjustment against Deferred Tax Liabilities for tariff period 2014-2019 and onwards		
Opening Balance	16,925	15,600
Addition during the year (Refer Note 31)	1,596	1,325
Used during the year	-	-
Reversed during the year	5,181	-
Closing balance	13,340	16,925
Closing Balance (A+B)	29,863	41,043
Less: Deferred Tax on Regulatory Deferral Account Balances	-	-
Add: Deferred Tax recoverable from Beneficiaries	-	-
Total (B)	-	-
Regulatory Deferral Account Balances net of Deferred Tax.	29,863	41,043
14.1.1	Refer Note 34 of Financial Statements for further disclosures regarding Impairment and Regulatory Deferral Account (Debit) Balances respectively.	
14.1.2	Refer Note 31 of Financial Statements for movement in Regulatory Deferral Account Balances.	

NOTE NO. 14.2 REGULATORY DEFERRAL ACCOUNT CREDIT BALANCES

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
MAT Credit to be passed on to beneficiaries		
Opening Balance	29114	42477
Addition during the year (Refer Note 31)	-	2718
Used during the year (Refer Note 31)	13331	16081
Reversed during the year (Refer Note 31)	-	-
Closing balance	15,783	29,114
14.2.1	Refer Note 34 of Financial Statements for further disclosure regarding Regulatory Deferral (Credit) Account Balances.	



NOTE : 15.1 EQUITY SHARE CAPITAL

(Amount in ₹ Lakhs)

PARTICULARS		As at 31st March, 2026		As at 31st March, 2025	
		Nos	Amount	Nos	Amount
	Authorized Share Capital (Par value per share Rs. 1000)	30000000	300000	30000000	300000
	Equity shares issued, subscribed and fully paid (Par value per share Rs. 1000)	19625800	196258	19625800	196258

15.1.1 Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year/period:-

Opening Balance	19625800	1,96,258	19625800	1,96,258
Less:-Buyback of shares during the year	-	-	-	-
Closing Balance	19625800	1,96,258	19625800	1,96,258

15.1.2 The Company has issued only one kind of equity shares with voting rights proportionate to the share holding of the shareholders. These voting rights are exercisable at meeting of shareholders. The holders of the equity shares are also entitled to receive dividend as declared from time to time. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

15.1.3 Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate: 10024200 No. of Shares (Previous Year- 10024200 No. of Shares).

15.1.4 Shares in the company held by each shareholder holding more than 5 percent specifying the number of shares held :-

Shareholders	As at 31st March, 2026		As at 31st March, 2025	
	Number	In (%)	Number	In (%)
- NHPC	100,24,200	51.08%	100,24,200	51.08%
- Govt. of Madhya Pradesh	51,02,708	26.00%	51,02,708	26.00%
- Narmada Basin Projects Company Limited (Wholly owned by GoMP)	44,98,892	22.92%	44,98,892	22.92%

15.1.5 In preceding five financial years immediately preceding 31.03.2026, Company has not allotted any equity share as fully paid up pursuant to contract(s) without payment being received in cash/ not allotted any equity share as fully paid up by way of bonus share(s).

15.1.6 Shareholding of Promoters as at 31st March 2026 :-

S.No	Promoter Name	No. of Shares	% of Total Shares	% Change during the year
1	NHPC Limited	100,24,200	51.08%	0.00%
2	Govt. of Madhya Pradesh	51,02,708	26.00%	0.00%

15.1.7 Shareholding of Promoters as at 31st March 2025 :-

S.No	Promoter Name	No. of Shares	% of Total Shares	% Change during the year
1	NHPC Limited	100,24,200	51.08%	0.00%
2	Govt. of Madhya Pradesh	51,02,708	26.00%	0.00%



NOTE NO. 15.2 OTHER EQUITY

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
(i) General Reserve		
As per last Balance Sheet	3,56,350	3,56,350
Add: Transfer from Surplus/Retained Earnings	-	-
Less: Write back during the year	-	-
Add: Transfer from Self Insurance Fund	-	-
Less: Transfer to Capital Redemption Reserve	-	-
As at Balance Sheet date	3,56,350	3,56,350
(ii) Retained Earnings/ Surplus		
As per last Balance Sheet	15,614	14,260
Add:- Prior Period errors (Net)	-	-
Add: Profit during the year	93,572	83,696
Add: Transferred from OCI	(167)	(306)
Add: Amount written back from Bond Redemption Reserve	-	-
Add: Amount written back from Corporate Social Responsibility Fund	-	-
Add: Tax on Dividend - Write back	-	-
Less: Dividend and CDT	89,101	82,036
Less: Transfer to Bond Redemption Reserve	-	-
Less: Transfer to Self Insurance Fund	-	-
Less: Transfer to Research & Development Fund	-	-
Less: Transfer to General Reserve	-	-
Less: Transfer to Corporate Office	-	-
Add: Transfer from Power Stations and Projects	-	-
As at Balance Sheet date	19,918	15,614
(iii) FVTOCI-Equity Instruments		
As per last Balance Sheet	-	-
Add:-Change in Fair value of FVTOCI	-	-
Less:-Deferred Tax	-	-
As at Balance Sheet date	-	-
(iv) FVTOCI-Debt Instruments		
As per last Balance Sheet	-	-
Add:-Change in Fair value of FVTOCI	-	-
Less:-Deferred Tax on change in Fair Value	-	-
Less:-Reclassification to P&L	-	-
As at Balance Sheet date	-	-
TOTAL	3,76,268	3,71,964



NOTE NO. 16.1 NON CURRENT - FINANCIAL LIABILITIES - BORROWINGS

(Amount in ₹ Lakhs)

PARTICULARS		As at 31st March, 2026	As at 31st March, 2025
A	At Amortised Cost		
	- Secured Loans		
	-Term Loan		
	- from Banks	-	-
	- from Other (Financial Institutions)	-	-
B	- Unsecured Loans		
	-Term Loan		
	- from Bank	-	-
	- from Other (in Foreign Currency)	-	-
TOTAL		-	-

NOTE NO. 16.2 NON CURRENT - FINANCIAL LIABILITIES - LEASE LIABILITIES

(Amount in ₹ Lakhs)

PARTICULARS		As at 31st March, 2026	As at 31st March, 2025
Lease Liabilities (Refer Note 34)		4,835	5,019
TOTAL		4,835	5,019
16.2.1	Maturity Analysis of Lease Liability The table below summarises the maturity profile of the company's borrowings and lease liability based on contractual payments (Undiscounted Cash Flows) :		
	Particulars	As at 31st March, 2026	As at 31st March, 2025
	More than 1 Year & Less than 3 Years	1,057	1,083
	More than 3 Year & Less than 5 Years	1,007	1,028
	More than 5 Years	6,864	7,363
	TOTAL	8,928	9,474
16.2.2	Movement in Lease Liability Opening Balance Addition in lease liabilities Finance Cost accrued during the year Less: Payment of lease liabilities Closing Balance Current maturities of lease obligations (Refer Note 20.2) Long term maturities of lease obligations		
		As at 31st March, 2026	As at 31st March, 2025
	Opening Balance	5,213	71
	Addition in lease liabilities	-	5,167
	Finance Cost accrued during the year	378	162
	Less: Payment of lease liabilities	572	187
	Closing Balance	5,019	5,213
	Current maturities of lease obligations (Refer Note 20.2)	184	194
	Long term maturities of lease obligations	4,835	5,019

NOTE NO. 16.3 NON CURRENT - FINANCIAL LIABILITIES - OTHERS

(Amount in ₹ Lakhs)

PARTICULARS		As at 31st March, 2026	As at 31st March, 2025
Retention Money (Refer Note 16.3.1)		146	105
Liability against works/supplies (Refer Note 16.3.2)		-	-
Payable to Beneficiaries (Refer Note 16.3.3)		3,562	-
TOTAL		3,708	105
16.3.1	Maturity Analysis of Note No-16.3 The table below summarises the maturity profile of the deposits/retention money based on contractual payments (Undiscounted Cash Flows) :		
	Particulars	As at 31st March, 2026	As at 31st March, 2025
	More than 1 Year & Less than 3 Years	4,052	107
	More than 3 Year & Less than 5 Years	13	13
	More than 5 Years	-	-
	TOTAL	4,065	120
16.3.2	Disclosure regarding Micro, Small and Medium Enterprise :- Outstanding Liabilities towards Micro, Small and Medium Enterprise Disclosure of amount payable to Micro and Small Enterprises is based on the information available with the Company regarding the status of suppliers as defined under the Micro, Small and Medium Enterprise Development Act, 2006 (the Act). Additional disclosure as required under Section 22 of the Act is given under Note 34 of Financial Statements.		
16.3.3	Payable to beneficiary MPPMCL in 12 interest free monthly instalments pursuant to order dated 30.03.2026 issued by Hon'ble CERC for revision in Design Energy for the period with effect from FY 2010-11 to FY 2018-19 in respect of ISPS and OSPS.		

NOTE NO. 17 PROVISIONS - NON CURRENT

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
A. PROVISION FOR EMPLOYEE BENEFITS		
i) Provision for Long term Benefits (Provided for on the basis of actuarial valuation)		
Opening Balance	822	732
Additions during the year	51	90
Amount used during the year	-	-
Amount reversed during the year	-	-
Closing Balance	873	822
B. OTHERS		
i) Provision For Committed Capital Expenditure		
Opening Balance	-	-
Additions during the year	-	-
Amount used during the year	-	-
Amount reversed during the year	-	-
Unwinding of discount	-	-
Closing Balance	-	-
ii) Provision-Others		
Opening Balance	-	-
Additions during the year	-	-
Amount used during the year	-	-
Amount reversed during the year	-	-
Closing Balance	-	-
TOTAL	873	822

17.1 Information about nature and purpose of Provisions is given in Note 34 of Financial Statements.

NOTE NO. 18 NON CURRENT - DEFERRED TAX LIABILITIES (NET)

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Deferred Tax Liability On:-		
a) Property, Plant and Equipment, Right of Use Assets, Investment Property and Intangible Assets.	9,606	6,588
b) Financial Assets at FVTOCI	-	-
c) Other Items	59,848	81,762
Deferred Tax Liability	69,454	88,350
Less:-Set off of Deferred Tax Assets pursuant to set off provisions		
a) Provision for employee benefit scheme, doubtful debts, inventory and others	268	636
b) Other Items	-	-
c) MAT credit entitlement (Refer Note 18.3)	32,826	44,529
Deferred Tax Assets	33,094	45,165
Deferred Tax Liability (Net)	36,360	43,185

18.1 Movement in Deferred Tax Liability/ (Assets) is given as Annexure to Note 18

18.2 Deferred Tax Assets and Deferred Tax Liability have been offset as they relate to the same governing laws.

18.3 Detail of MAT Credit Entitlement :-

(Amount in ₹ Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Opening Balance	44529	54958
Add: Recognised during the year	-	2718
Less: Utilised during the year	11,703	13147
Closing Balance	32,826	44,529

18.4 Pursuant to the provisions of Section 206(3) read with Section 200(1) of the Income Tax Act 2025 applicable with effect from 1st April 2026, Domestic Companies have options to pay Income Tax at concessional rates by foregoing certain exemptions/ deductions (the new tax regime) and can carry forward and set-off available MAT Credit as specified in the said section. The Company has Minimum Alternate Tax (MAT) credit of ₹ 32826 Lakhs as on 31st March 2026 [Previous year ₹ 44529 Lakhs]. In view of the same, it has been decided that to carry forward and set-off available MAT Credit the option under section 200(5) will be exercised within specified time limit. Accordingly, Deferred Tax as on 31st March 2026 is recognised based on concessional rates specified under Section 200(1) of the Income Tax Act 2025.

18.5 Refer Note 14.1 of Financial Statements for RDA (Debit) balances created against Deferred Tax Liability.

18.6 During the year, MAT credit entitlement has been increased by ₹ Nil (Previous Year ₹ 2718 Lakhs) in accordance with order giving effect to ITAT's order passed by Assessing Officer to comply with decision of ITAT in the appeal Filed by Company for AY 2015-16.

18.7 The above MAT credit entitlement of ₹ 32826 Lakhs includes a sum of ₹ 3807 Lakhs for which Income Tax Department has filed appeals in the Hon'ble High Court of M.P. against decision of ITAT in the appeals filed by Income Tax Department for AY 2013-14, AY 2014-15 & AY 2015-16.

18.8 Refer Note 14.2 of Financial Statements for RDA (Credit) balances created against MAT Credit recognised.



Annexure to Note No. 18

Movement in Deferred Tax Liability (FY 2025-26)

(Amount in ₹ Lakhs)

Particulars	Property, Plant and Equipment, Right of Use Assets, Investment Property and Intangible Assets.	Financial Assets at FVTOCI	Other Items	Total
At 1st April 2025	6,588	-	81,762	88,350
Charge/(Credit)				
-to Statement of Profit and Loss	3,018	-	(21,872)	(18,854)
-to Other Comprehensive Income			(42)	(42)
At 31st March 2026	9,606	-	59,848	69,454

Movement in Deferred Tax Assets

(Amount in ₹ Lakhs)

Particulars	Provision for employee benefit scheme, doubtful debts, inventory and others	Other Items	MAT credit entitlement	Total
At 1st April 2025	636	-	44,529	45,165
(Charge)/Credit				
-to Statement of Profit and Loss	(326)	-	(11,703)	(12,029)
-to Other Comprehensive Income	(42)			(42)
At 31st March 2026	268	-	32,826	33,094

Movement in Deferred Tax Liability (FY 2024-25)

(Amount in ₹ Lakhs)

Particulars	Property, Plant and Equipments, Right of Use, Investment Property and Intangible Assets.	Financial Assets at FVTOCI	Other Items	Total
At 1st April 2024	487	-	80,079	80,566
Charge/(Credit)				
-to Statement of Profit and Loss	6,101	-	1,790	7,891
-to Other Comprehensive Income			(107)	(107)
At 31st March 2025	6,588	-	81,762	88,350

Movement in Deferred Tax Assets

(Amount in ₹ Lakhs)

Particulars	Provision for employee benefit scheme, doubtful debts, inventory and others	Other Items	MAT credit entitlement	Total
At 1st April 2024	748	17	54,958	55,723
(Charge)/Credit				
-to Statement of Profit and Loss	(5)	(17)	(10,429)	(10,451)
-to Other Comprehensive Income	(107)			(107)
At 31st March 2025	636	-	44,529	45,165



NOTE NO. 19 OTHER NON CURRENT LIABILITIES

(Amount in ₹ Lakhs)

PARTICULARS		As at 31st March, 2026	As at 31st March, 2025
	Income received in advance-Advance Against Depreciation	8,146	8,581
	Deferred Foreign Currency Fluctuation Liabilities	-	-
	Grants in aid from Government (Refer Note 19.1)	75,225	78,385
	TOTAL	83,371	86,966
19.1	GRANTS IN AID FROM GOVERNMENT		
	Opening Balance (Current and Non Current)	82,286	85,433
	Add: Received during the year	818	755
	Less: Transferred to Statement of Profit and Loss (Refer Note 24.2)	3,940	3,902
	Closing Balance (Current and Non Current) (Refer Note 19.1.1)	79,165	82,286
	Grants in Aid from Government-(Current)- (Refer Note No-21)	3,940	3,902
	Grants in Aid from Government-(Non-Current)	75,225	78,385
19.2	Grant in Aid from Government includes-		
	(i) By GoMP towards Indira Sagar Project	53,305	55,752
	(ii) By GoMP towards Omkareshwar Project.	25,522	26,535
	(iii) By Gol towards feeder level solarization under KUSUM-C Scheme for Sanchi Solar Power Project. (Gross CFA Rs. 354 Lakhs)	337	-

NOTE NO. 20.1 BORROWINGS - CURRENT

(Amount in ₹ Lakhs)

PARTICULARS		As at 31st March, 2026	As at 31st March, 2025
A	Loan Repayable on Demand		
	From Banks-Secured	-	-
	From Banks-Unsecured	-	-
B	Other Loans		
	From Bank-Secured	-	-
C	Current maturities of long term debt		
	- Term Loan -Banks-Secured	-	-
	- Term Loan -Financial Institutions-Secured	-	-
	- Term Loan -Banks-Unsecured	-	-
	Sub Total (C)	-	-
	TOTAL	-	-

NOTE NO. 20.2 CURRENT - FINANCIAL LIABILITIES - LEASE LIABILITIES

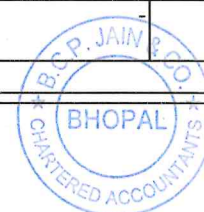
(Amount in ₹ Lakhs)

PARTICULARS		As at 31st March, 2026	As at 31st March, 2025
	Lease Liabilities (Refer Note 34)	184	194
	TOTAL	184	194

NOTE NO. 20.3 TRADE PAYABLE - CURRENT

(Amount in ₹ Lakhs)

PARTICULARS		As at 31st March, 2026	As at 31st March, 2025
	Total outstanding dues of micro and small enterprises (Refer Note 20.3.1)	1,162	855
	Total outstanding dues of medium scale enterprise(s) (Refer Note 20.3.1)	1	-
	Total outstanding dues of Creditors other than micro enterprises, small enterprise and medium enterprise(s) (Refer Note 20.3.2)	787	743
	TOTAL	1,950	1,598
20.3.1	Disclosure regarding Micro, Small and Medium Enterprise :-		
	Outstanding Liabilities towards Micro, Small and Medium Enterprise	1,162	855
	Disclosure of amount payable to Micro and Small Enterprises is based on the information available with the Company regarding the status of suppliers as defined under the Micro, Small and Medium Enterprise Development Act, 2006 (the Act). Additional disclosure as required under Section 22 of the Act is given under Note No.34(15) of Financial Statements.		
20.3.2	Refer Annexure-I to Note No-20.3 for Ageing schedule of Trade Payables.		
20.3.3	Total outstanding dues of Creditors other than micro enterprises and small enterprises includes amount due to Parent Company.	-	-
20.3.4	Refer Note 34 of the Financial Statements with regard to confirmation of balances.		



Annexure-I to Note No-20.3 - Ageing of Trade Payables

As at 31st March 2026		(Amount in ₹ Lakhs)				
Particulars	Unbilled	Not Due	Trade Payable due and outstanding for following period from due date of payment			
			Less than 1 year	1-2 years	2-3 years	More than 3 Years
(i) MSME	1,091	35	36	-	-	-
(ii) Others	667	23	98	-	-	-
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-
Total	1,758	58	134	-	-	1,950
As at 31st March 2025		(Amount in ₹ Lakhs)				
Particulars	Unbilled	Not Due	Trade Payable due and outstanding for following period from due date of payment			
			Less than 1 year	1-2 years	2-3 years	More than 3 Years
(i) MSME	825	29	1	-	-	-
(ii) Others	531	21	190	-	-	1
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-
Total	1,356	50	191	-	-	1
						1,598



NOTE NO. 20.4 CURRENT - OTHER FINANCIAL LIABILITIES

(Amount in ₹ Lakhs)

PARTICULARS		As at 31st March, 2026	As at 31st March, 2025
	Liability against capital works/supplies other than Micro and Small Enterprises (Refer Note 20.4.1, 20.4.2 and 20.4.3)	4,561	11,303
	Liability against capital works/supplies-Micro and Small Enterprises (Refer Note 20.4.3)	916	511
	Liability against Corporate Social Responsibility	125	140
	Interest accrued but not due on borrowings	-	-
	Interest accrued and due on borrowings	-	-
	Earnest Money Deposit/ Retention Money	456	356
	Due to Holding Company- NHPC limited	684	197
	Payable for Late Payment Surcharge	-	-
	Payable to Employees	18	84
	Payable to Ex-Employees	3	-
	Payable to Others (Refer Note 20.4.4)	11,857	6
	TOTAL	18,620	12,597
20.4.1	Total outstanding dues of Liability against capital works/supplies other than Micro and Small Enterprise includes amount payable to Parent Company (NHPC Limited).	67	56
20.4.2	The above includes an amount of ₹1044 Lakhs withheld for levy of liquidated damages on account of time extension in respect of the 88 MW Omkareshwar Floating Solar Project. Pursuant to provisions issued by MOP, the Company has executed a supplementary agreement with M/s TPREL (erstwhile M/s TPSSL) for incorporating a clause w.r.t. dispute resolution mechanism. Accordingly, case has been referred to the Conciliation Committee of Independent Experts (CCIE).		
20.4.3	Disclosure regarding Micro, Small and Medium Enterprise :-		
	Outstanding Liabilities towards Micro, Small and Medium Enterprise	1,051	567
	Outstanding Interest towards Micro, Small and Medium Enterprise	-	-
	Disclosure of amount payable to Micro and Small Enterprises is based on the information available with the Company regarding the status of suppliers as defined under the Micro, Small and Medium Enterprise Development Act, 2006 (the Act). Additional disclosure as required under Section 22 of The Act is given under Note No.34 of Financial Statements.		
20.4.4	Above includes Rs. 11709 Lakhs payable to beneficiary MPPMCL in 12 interest free monthly instalments pursuant to order dated 30.03.2026 issued by Hon'ble CERC for revision in Design Energy for the period with effect from FY 2010-11 to FY 2018-19 in respect of ISPS and OSPs.		
20.4.5	Refer Note 34 of the Financial Statements with regard to confirmation of balances.		

NOTE NO. 21 OTHER CURRENT LIABILITIES

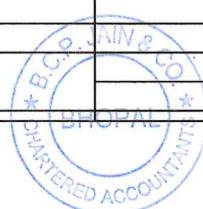
(Amount in ₹ Lakhs)

PARTICULARS		As at 31st March, 2026	As at 31st March, 2025
	Income received in advance (Advance against depreciation)	434	434
	Unspent amount of deposit/agency basis works	-	-
	Statutory dues payables	2,054	1,917
	Advance from Customers and Others	1	-
	Grants in aid-from Government (Refer Note No-19.1)	3,940	3,902
	TOTAL	6,429	6,253

NOTE NO. 22 PROVISIONS - CURRENT

(Amount in ₹ Lakhs)

PARTICULARS		As at 31st March, 2026	As at 31st March, 2025
A.	PROVISION FOR EMPLOYEE BENEFITS		
i)	Provision for Long term Benefits (Provided for on the basis of actuarial valuation)		
	Opening Balance	27	16
	Additions during the year	-	11
	Amount used during the year	-	-
	Amount reversed during the year	-	-
	Closing Balance	27	27
ii)	Provision for Wage Revision		
	Opening Balance	1	10
	Additions during the year	2	-
	Amount used during the year	-	2
	Amount reversed during the year	2	7
	Closing Balance	1	1
	Less: Advance paid	-	-
	Closing Balance Net of Advance	1	1



NOTE NO. 22 PROVISIONS - CURRENT

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
iii) Provision for Performance Related Pay/Incentive		
Opening Balance	3,466	4,934
Additions during the year	1,781	2,157
Amount used during the year	1,476	3,179
Amount reversed during the year	-	446
Closing Balance	3,771	3,466
Less:-Advance Paid	1,044	-
Closing Balance Net of Advance	2,727	3,466
iv) Provision For Employee Remuneration-Pay Anomaly		
Opening Balance	893	-
Additions during the year	34	893
Amount used during the year	911	-
Amount reversed during the year	-	-
Closing Balance	16	893
B. OTHERS		
i) Provision For Tariff Adjustment		
Opening Balance	16,190	17,129
Additions during the year	7,781	3,198
Amount used during the year	-	4,137
Amount reversed during the year	2,925	-
Closing Balance	21,046	16,190
ii) Provision For Committed Capital Expenditure		
Opening Balance	3,501	3,642
Additions during the year	-	-
Amount used during the year	9	141
Amount reversed during the year	-	-
Unwinding of discount	-	-
Closing Balance	3,492	3,501
iii) Provision in respect of arbitration award/ court cases		
Opening Balance	2,738	2,672
Additions during the year	352	1,007
Amount used during the year	1,223	934
Amount reversed during the year	-	7
Closing Balance	1,867	2,738
iv) Provision - Others		
Opening Balance	5,570	5,489
Additions during the year	99	199
Amount used during the year	111	118
Amount reversed during the year	63	-
Closing Balance	5,495	5,570
TOTAL	34,671	32,386

22.1 Information about nature and purpose of Provisions is given in Note 34 of Financial Statements.

NOTE NO. 23 CURRENT TAX LIABILITIES (NET)

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Opening Balance	18,946	18,769
Additions during the year	17,337	18,946
Amount adjusted during the year	(18,946)	(18,769)
Amount used during the year	-	-
Amount reversed during the year	-	-
Closing Balance (A)	17,337	18,946
Less: Current Advance Tax including Tax Deducted at Source (B)	20,980	19,943
Net Current Tax Liabilities (A-B)	(3,643)	(997)
(Disclosed under Note No-12 above)	3,643	997
TOTAL	-	-



NOTE NO. 24.1 REVENUE FROM OPERATIONS

(Amount in ₹ Lakhs)

PARTICULARS		For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
I	Operating Revenue		
A	SALES (Refer Note 24.1.1, 24.1.2, 24.1.4 & 24.1.5)		
	Sale of Power	33,239	43,980
	Revenue recognised out of advance against depreciation	434	434
	Performance based Incentive	53,813	47,999
	Sub-total (i)	87,486	92,413
	Less :		
	Sales adjustment on account of Foreign Exchange Rate Variation	-	-
	Tariff Adjustments (Refer Note 24.1.3)	7,781	1,961
	Regulated Power Adjustment	-	-
	Income from generation of electricity – precommissioning	-	-
	(Transferred to Expenditure Attributable to Construction) (Refer Note 32)	-	476
	Rebate to customers	604	224
	Sub-total (ii)	8,385	2,661
	Sub - Total (A) = (i-ii)	79,101	89,752
B	Income from Finance Lease (Refer Note 34)	50,371	50,359
C	Income from Operating Lease	-	-
D	Revenue From Contracts, Project Management and Consultancy Works		
	Contract Income	-	-
	Revenue from Project management/ Consultancy works	-	-
	Sub - Total (D)	-	-
E	Revenue from Power Trading		
	Sale of Power	-	-
	Less:-Rebate to customers	-	-
	Sub - Total (E)	-	-
	Sub-Total-I (A+B+C+D+E)	1,29,472	1,40,111
II	OTHER OPERATING REVENUE		
	Income on account of generation based incentive (GBI)	-	-
	Interest from Beneficiary States -Revision of Tariff	1,045	-
	Sub-Total-II	1,045	-
	TOTAL (I+II)	1,30,517	1,40,111
24.1.1 Power Purchase Agreement entered into by NHDC with single beneficiary for Hydro Power Projects has the substance of an embedded lease arrangement pursuant to IND AS 116 in respect of ISP & OSP. The revenue from these power stations has been divided into 2 parts in the Profit & Loss Account, i.e. towards Lease Rental and balance towards Sale of Power. Further a portion of the Lease Rental is recognized as "Income from Finance Lease" and booked under "Operating Income", while the balance amount of Lease Rental is deducted from the value of "Lease Receivable" created in the Balance Sheet.			
24.1.2 Sales (net of unbilled) includes:			
(i) Sales on account of earlier year sales.		-	-
(ii) Petition Fee.		-	67
24.1.3 Tariff Regulation notified by CERC vide notification dated 15/03/2024 inter-alia provides that capital cost considered for fixation of tariff for current tariff period shall be subject to truing up at the end of tariff period. Further, Hon'ble CERC vide order dated 30.03.2026, has revised the Design Energy and the corresponding energy beyond design energy based on the value of 'Q' MAFT for the period with effect from FY 2010-11 in respect of ISPS & OSPs. The differential amount pertaining to the period w.e.f. 2019-20 in case of ISPS & OSPs shall be considered in the truing-up petitions for the period 2019-24, which are presently under consideration of the Hon'ble CERC. Accordingly, stated amount has been provided in books.		7,781	1,961



24.1.4 Amount of unbilled revenue includes:

- (i) Consequent upon issue of corrigendum by Central Electricity Authority (CEA) on 29.3.2022 stating that 'BM³' (billion cubic meter) may be read as 'MAFt' (million acre feet), two petitions were filed with Hon'ble CERC (Petition No.378/MP/2022 & Petition No. 220/MP/2022) by the beneficiary i.e. MPPMCL for revision and re-computation of Design Energy of ISPS and OSPS. Hon'ble CERC vide order dated 30.03.2026, has revised the Design Energy and the corresponding energy beyond design energy based on the value of 'Q' MAFt for the period with effect from FY 2010-11 to FY 2018-19 in respect of ISPS and OSPS. As a result, the differential amount Rs. 156,12,63,660/- (ISPS Rs.109,58,00,310/- & OSPS Rs.46,54,63,350/- due to change in Design Energy from FY 2010-11 to FY 2018-19 is to be refunded to beneficiary MPPMCL after reconciliation with them within 3 months from the date of said CERC Order in 12 interest free monthly instalments. Accordingly, stated amount has been booked on account of Earlier Year Sales-unbilled.
- (ii) Amount recovered/recoverable directly from beneficiary towards deferred tax liability pertaining to the period upto 2009 and materialised during the period.
- (iii) Interest recoverable from beneficiary (settlement of arbitration award under vivad se vishwas scheme)
- (iv) On account of additional O&M (due to pay anomaly)

24.1.5 The Electricity Duty & Energy Development Cess is recoverable from beneficiary and included in Sale of Power as below:

- Electricity Duty
- Energy Development Cess

(15,613)

1,808

123
8,997

1,658

1,190

278

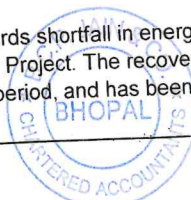
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8,172

(Amount in ₹ Lakhs)

NOTE NO. 24.2 OTHER INCOME

PARTICULARS		For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
A	Interest Income	-	-
(i)	Financial Assets measured at FVTOCI	-	-
	- Investments carried at FVTOCI- Non Taxable	-	-
	- Investments carried at FVTOCI- Taxable	14,200	14,404
(ii)	Financial Assets at Amortised Cost	382	367
	- Deposit Account	-	-
	- Employee's Loans and Advances (Net of Rebate)	49	271
	- Advance to contractors	-	-
	- Unwinding of Fair Value Loss on Financial Assets	-	-
	- Others	-	-
B)	Other Non Operating Income (Net of Expenses directly attributable to such income)	240	-
	Late payment surcharge	-	-
	Profit on sale of Assets (Net)	2,933	2
	Liabilities/ Impairment Allowances/ Provisions not required written back (Refer Note 24.2.1)	3,940	3,902
	Amortization of Grant in Aid (Refer Note 19.1)	857	407
	Others (Refer Note 24.2.3)	22,601	19,353
	Sub-total	-	-
	Sub-total	22,601	19,353
	Add/(Less): C.O. Income Allocation	-	-
	Sub-total	22,601	19,353
	Less: Transferred to Expenditure Attributable to Construction	22,601	19,353
	Total		
24.2.1 Detail of Liabilities/Impairment Allowances/Provisions not required written back			
	a) Allowances for trade receivables	2,925	-
	b) Provision for tariff adjustment/ Interest to Beneficiary (Refer Note 24.2.2)	8	2
	c) Others	2,933	2
	TOTAL		
24.2.2 CERC regulation 2019-24 inter alia provides that, the notified tariff is subject to truing up at end of tariff period and difference in final tariff shall be recoverable/payable, as the case may be. Thus, in anticipation interest on account of changes in Design Energy and shortfall in projected capital expenditure was provided. Hon'ble CERC in order dated 30.03.2026 has stated that no interest shall be payable on the amount to be refunded by NHDC as changes in Design Energy pursuant to CEA's corrigendum dated 29.03.2022, which is not attributable to NHDC. Accordingly, stated amount has been written back.			
24.2.3 Others includes:			
	(a) Fair Value gain of Rs. 340 Lakhs towards amount payable to beneficiary i.e. MPPMCL in 12 interest free monthly instalments pursuant to order dated 30.03.2026 issued by Hon'ble CERC for revision in Design Energy for the period with effect from FY 2010-11 to FY 2018-19 in respect of ISPS and OSPS.		
	(b) Amount of Rs. 193 Lakhs towards recovery from the contractor, M/s TPREL (erstwhile TPSSL), towards shortfall in energy exported as compared to the target generation during the O&M period of the 88 MW Omkareshwar Floating Solar Project. The recovery has been determined based on the actual shortfall in generation; computed upon completion of a 12-month period, and has been recognised in FY 2025-26.		



NOTE NO. 25 GENERATION EXPENSES

(Amount in ₹ Lakhs)

PARTICULARS	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
Consumption of stores	224	331
Sub-total	224	331
Less: Transferred to Expenditure Attributable to Construction	-	-
Total	224	331

NOTE NO. 26 EMPLOYEE BENEFITS EXPENSE

(Amount in ₹ Lakhs)

PARTICULARS	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
Salaries and Wages (Refer Note 26.1, 26.2 & 26.3)	12,762	17,111
Contribution to provident and other funds (Refer Note 26.4 & 26.5)	2,184	1,965
Staff welfare expenses	1,649	1,438
Leave Salary & Pension Contribution	-	-
Sub-total	16,595	20,514
Add/(Less): C.O. Expenses Allocation	-	-
Sub-total	16,595	20,514
Less: Transferred to Expenditure Attributable to Construction	-	-
Less: Transferred to Property, Plant and Equipment	-	124
Total	16,595	20,390
26.1 Salary and wages includes expenditure on short term leases as per IND AS-116 " Leases".	-	-
26.2 Employee benefit expenditure includes an amount of ₹ 118 Lakhs (Previous period ₹ 115 Lakhs) in respect of employees engaged in R&D Activities of the Company.		
26.3 Salary & Wages includes expenses on account of Performance related Pay for the FY 2017-18 to FY 2020-21 amount to ₹ Nil (Previous year ₹ 2860 Lakhs) paid in pursuant to DPE order.		
26.4 Contribution to provident and other funds include contributions:	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
i) towards Employees Provident Fund	858	812
ii) towards Employees Defined Contribution Superannuation/New Pension Scheme	337	727
26.5 "The Employees' Provident Funds and Miscellaneous Provisions Act, 1952" requires the Company to reimburse the Provident Fund Trust in case of any loss to the Trust. During FY 2025-26 an amount of ₹ 142 Lakhs (Previous year ₹ Nil) is being payable to EPF Trust on account of shortfall of interest income earned during the year by trust as compared to interest payable to employees/ members of EPF Trust for FY 2025-26.		



NOTE NO. 27 FINANCE COSTS

(Amount in ₹ Lakhs)

PARTICULARS		For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
A	Interest on Financial Liabilities at Amortized Cost		
	Term Loans	-	-
	Short Term Loans	-	7
	Cash credit facilities /WCDL	-	-
	Other interest charges	-	-
	Unwinding of interest :-		
	Provision & Financial Liabilities	21	14
	Lease Liabilities	378	162
	Sub-total	399	183
B	Other Borrowing Cost		
	Commitment fee	-	-
	Guarantee fee on loan	-	-
	Other finance charges	-	-
	Sub-total	-	-
C	Applicable net (gain)/ loss on Foreign currency transactions and translation		
	Exchange differences regarded as adjustment to interest cost	-	-
	Less: Transferred to Deferred Foreign Currency Fluctuation Assets	-	-
	Sub-total	-	-
D	Others		
	Interest on Arbitration/ Court Cases (Refer Note 27.1)	23	1,200
	Interest to beneficiary (Refer Note 27.2)	-	1,236
	Sub-total	23	2,436
E	Interest on Income Tax		
	Sub-total	-	28
	Total (A + B + C + D + E)	422	2,647
	Add/(Less): C.O. Expenses Allocation	-	-
	Add/(Less): Regional Office Expenses Allocation	-	-
	TOTAL	422	2,647
	Less: Transferred to Expenditure Attributable to Construction	-	-
	Less: Recoverable from Deposit Works	-	-
	Total	422	2,647
27.1	Interest on Arbitration/ Court Cases includes Rs. Nil/- (previous period Rs. 1190 Lakhs) on account of Interest on settlement of arbitration award under vivad se vishwas scheme.		
27.2	Particulars	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
	Stated amount has been provided in the books during the year towards Interest to beneficiary which may have to be paid in case of trueing up of tariff order. Trueing up application has been filed by the company under CERC regulations.	-	1,236

NOTE NO. 28 DEPRECIATION, AMORTIZATION AND IMPAIRMENT EXPENSES

(Amount in ₹ Lakhs)

PARTICULARS		For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
	Depreciation and Impairment -Property, Plant and Equipment	3,494	2,003
	Depreciation-Right of use Assets	3,513	3,371
	Amortization -Intangible Assets	-	-
	Add/(Less): C.O. Expenses Allocation	-	-
	Add/(Less): Regional Office Expenses Allocation	-	-
	Add/(Less): Depreciation allocated to/from other units	-	-
	Sub-total	7,007	5,374
	Less: Transferred to Expenditure Attributable to Construction	-	-
	Less: Recoverable from Deposit Works	-	-
	Total	7,007	5,374



NOTE NO. 29 OTHER EXPENSES

(Amount in ₹ Lakhs)

PARTICULARS	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
Direct Expenditure on Contract, Project Management and Consultancy Works	-	-
REPAIRS AND MAINTENANCE		
- Building	1,481	1,327
- Machinery	2,032	1,741
- Others	1,937	2,450
Rent (Refer Note 29.3)	30	31
Hire Charges	629	637
Rates and taxes	9,405	8,497
Insurance	2,344	1,802
Security expenses	2,218	2,212
Electricity Charges	1,009	761
Travelling and Conveyance	131	184
Expenses on vehicles	32	28
Telephone, telex and Postage	222	197
Advertisement and publicity	36	20
Entertainment and hospitality expenses	21	36
Printing and stationery	56	59
Legal Expenses	125	87
Consultancy charges - Indigenous	8	7
Consultancy charges - Foreign	-	-
Audit expenses (Refer Note 29.2)	21	25
Expenses on compensatory afforestation/ catchment area treatment/ environmental expenses	-	-
Expenses downstream protection works	-	-
Expenditure on land not belonging to company (Refer Note 29.4)	317	-
Loss on disposal/write-off of assets (Net)	36	57
Loss on Sale of Investment	-	-
Losses out of insurance claims	-	-
Donation	-	-
Corporate social responsibility (Refer Note 34)	2,568	1,926
Community Development Expenses	4	3
Directors' Sitting Fees	2	2
Compensation on Arbitration/ Court Cases	-	-
Training Expenses	87	88
Petition Fee /Registration Fee /Other Fee – To CERC/RLDC/RPC/IEX/PXIL	153	140
Operational/Running Expenses of Kendriya Vidyalay	90	93
Operational/Running Expenses of Other Schools	-	-
Operational/Running Expenses of Guest House/Transit Hostel	259	250
Operating Expenses of DG Set-Other than Residential	43	14
Fair Value Loss on Financial Assets	-	-
Change in Fair Value of Derivatives	-	-
Network Access/ Transmission Charges	-	-
Other general expenses (Refer Note 29.5)	655	698
Sub-total	25,951	23,372
Add/(Less): C.O. Expenses Allocation	-	-
Add/(Less): Regional Office Expenses Allocation	-	-
Sub-total	25,951	23,372
Less: Transferred to Expenditure Attributable to Construction	-	-
Sub-total (i)	25,951	23,372
PROVISIONS/ IMPAIRMENT ALLOWANCE		
A) Impairment on Financial Assets (Net of Reversal) :		
Trade receivables	987	-
Amount Recoverables	-	-
Sub Total	987	-
Less: Transferred to Expenditure Attributable to Construction	-	-
Sub-total (A)	987	-
B) Impairment on Other than Financial Assets :		
Allowance for stores and spares/ Construction stores	-	3
Allowance for Shortage in store & spares provided	-	-
Allowance for losses pending investigation awaiting write off sanction	-	-
Others	-	-
Sub-total	-	3
Add/(Less): C.O. Expenses Allocation	-	-
Sub-total	-	3
Less: Transferred to Expenditure Attributable to Construction	-	-
Less: Recoverable from Deposit Works	-	-
Sub-total (B)	-	3
Sub-total (ii) (A+B)	987	3
Total (i+ii)	26,938	23,375

29.1 Disclosure about leases are given in Note 34 of Financial Statements.

(Amount in ₹ Lakhs)

29.2	Detail of audit expenses are as under: -	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
	i) Statutory auditors		
	As Auditor		
	- Audit Fees	10	10
	- Tax Audit Fees	3	3
	In other Capacity		
	- Taxation Matters	-	-
	- Limited Review	5	7
	- Company Law Matters	-	-
	- Management Services	-	-
	- Other Matters/services	1	2
	- Reimbursement of expenses	-	-
	ii) Cost Auditors		
	- Audit Fees	3	3
	- Reimbursement of expenses	-	-
	iii) Goods and Service Tax (GST) Auditors		
	- Audit Fees	-	-
	- Reimbursement of expenses	-	-
	Total Audit Expenses	22	25
29.3	Rent includes the following expenditure as per IND AS-116 " Leases".		
(i)	Expenditure on short-term leases other than lease term of one month or less	30	31
(ii)	Expenditure on long term lease of low-value assets	-	-
(iii)	Variable lease payments not included in the measurement of lease liabilities	-	-
29.4	Expenditure on land not belonging to company includes an amount of ₹ 279 Lakhs (Previous year ₹ Nil) towards repair and recarpeting of Barawaha Siddhwarkut Road and ₹ 38 Lakhs (Previous year ₹ Nil) towards repair of culvert at Padali river on Barwaha- Siddhwarkut Road.		
29.5	Other general Expenses includes an amount of ₹ 9 Lakhs (Previous year ₹ Nil) incurred on Research & Development activities of the Company.		

NOTE NO. 30.1 TAX EXPENSES

(Amount in ₹ Lakhs)

PARTICULARS	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
Current Tax		
Current Tax on Profits for the year	17,337	18,918
Adjustment Relating To Earlier years	-	-
Total Current Tax expenses	17,337	18,918
Deferred Tax		
Decrease /(increase) in Deferred Tax Assets		
- Relating to origination and reversal of temporary differences	55	22
- Relating to change in tax rate	270	-
- Adjustments in respect of deferred tax of earlier years	-	(13)
- Adjustments on account of MAT credit entitlement utilized	11,703	13,161
- Adjustments on account of MAT credit entitlement recognised	-	(2,718)
- Adjustments on account of Business Losses entitlement	-	-
Increase/ (decrease) in Deferred Tax Liabilities		
- Relating to origination and reversal of temporary differences	8,290	7,890
- Relating to change in tax rate	(27,144)	-
- Adjustments in respect of deferred tax of earlier years	-	-
Net Deferred Tax	(6,826)	18,342
Total	10,511	37,260

(Amount in ₹ Lakhs)

30.1.1	Reconciliation of Tax Expense and the accounting profit multiplied by India's statutory Income Tax rate.	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
	Accounting profit/loss before income tax including movement in Regulatory Deferral Account Balance	90,752	1,07,593
	Applicable tax rate (%)	34.944%	34.944%
	Computed tax expense	31,712	37,597
	Tax effects of amounts which are not deductible (Taxable) in calculating taxable income.		
	Non Deductible Tax Expenses	5,672	(337)
	Adjustment for current tax of earlier years	-	-
	Minimum Alternate Tax Adjustments	-	-
	Change in rate of tax (refer Note 30.1.2)	(26,874)	-
	Tax expense reported in Statement of Profit and Loss	10,511	37,260



30.1.2	Pursuant to the provisions of Section 206(3) read with Section 200(1) of the Income Tax Act 2025 applicable with effect from 1st April 2026, Domestic Companies have options to pay Income Tax at concessional rates by foregoing certain exemptions/ deductions (the new tax regime) and can carry forward and set-off available MAT Credit as specified in the said section. In view of the same, it has been decided that to carry forward and set-off available MAT Credit (refer Note 18) the option under section 200(5) will be exercised within specified time limit. Accordingly, Deferred Tax as on 31st March 2026 is recognised based on concessional rates specified under Section 200(1) of the Income Tax Act 2025 and the implication of change in rate of tax from existing tax rate @ 34.944% to future applicable tax rate @ 25.168% is stated above.
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NOTE NO. 30.2 OTHER COMPREHENSIVE INCOME

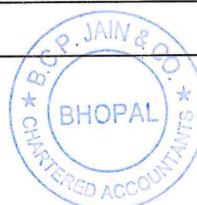
(Amount in ₹ Lakhs)

PARTICULARS	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
(i) Items that will not be reclassified to profit or loss		
(a) Remeasurement of the post employment defined benefit obligations	(167)	(306)
Less: Income Tax on remeasurement of the post employment defined benefit obligations	(42)	(107)
Remeasurement of the post employment defined benefit obligations (net of Tax)	(125)	(199)
Less:-Movement in Regulatory Deferral Account Balances in respect of tax on defined benefit obligations	42	107
-Movement in Regulatory Deferral Account Balances-Remeasurement of post employment defined benefit obligations	-	-
Less: Impact of Tax on Regulatory Deferral Accounts	-	-
Sub total (a)	(167)	(306)
(b) Changes in the fair value of equity investments at FVTOCI	-	-
Less: Income Tax on above item	-	-
Sub total (b)	-	-
Total (i)=(a)+(b)	(167)	(306)
(ii) Items that will be reclassified to profit or loss		
(a) Changes in the fair value of debt investments at FVTOCI	-	-
Less: Income Tax on above item	-	-
Sub total (a)	-	-
(b) Cost of Hedge Reserve	-	-
Less: Income Tax on above item	-	-
Sub total (b)	-	-
Total (ii)=(a)+(b)	-	-
Total = (i+ii)	(167)	(306)

NOTE NO. 31 Movement in Regulatory Deferral Account Balances

(Amount in ₹ Lakhs)

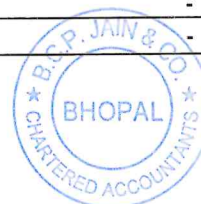
PARTICULARS	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
(i) Adjustment against Deferred Tax Recoverable for tariff period upto 2009 (Refer Note 31.1)	(7,595)	(1,079)
(ii) Adjustment against Deferred Tax Liabilities for tariff period 2014-2019 and onwards (Refer Note 31.1)	(3,585)	1,325
(iii) Regulatory Liability on account of recognition of MAT Credit	13,331	13,363
TOTAL (i)+(ii)+(iii)	2,151	13,609
Impact of Tax on Regulatory Deferral Accounts		
Less: Deferred Tax on Regulatory Deferral Account Balances	-	-
Add: Deferred Tax recoverable from Beneficiaries	-	-
TOTAL (B)	-	-
Total	2,151	13,609
31.1	Consequent to remeasurement of Deferred Tax as on 31st March 2026 based on concessional rates specified under Section 200(1) of the Income Tax Act 2025, the implication of such change in rate of tax from existing tax rate @ 34.944% to future applicable tax rate @ 25.168% is included in above (i) & (ii) amounting to Rs. (6418 Lakhs) & Rs. (5181 Lakhs) respectively.	
31.2	Refer Note 14.1 and 14.2 of Financial Statements.	



NOTE NO. 32 EXPENDITURE ATTRIBUTABLE TO CONSTRUCTION (EAC) FORMING PART OF CAPITAL WORK IN PROGRESS FOR THE YEAR

(Amount in ₹ Lakhs)

PARTICULARS		For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
A. GENERATION EXPENSE			
Water Usage Charges		-	-
Consumption of stores		-	-
Sub-total		-	-
B. EMPLOYEE BENEFITS EXPENSE			
Salaries and Wages		-	-
Contribution to provident and other funds		-	-
Staff welfare expenses		-	-
Leave Salary and Pension Contribution		-	-
Sub-total		-	-
C. FINANCE COST			
Interest on : (Refer Note 2.2.3)			
Loans by Government of India		-	-
Bonds		-	-
Foreign loan		-	-
Term loan		-	-
Cash credit facilities /WCDL		-	-
Sub-total		-	-
D. DEPRECIATION AND AMORTISATION EXPENSES			
Sub-total		-	-
E. OTHER EXPENSES			
Repairs And Maintenance :			
-Building		-	-
-Machinery		-	-
-Others		-	-
Rent and Hire Charges		-	-
Rates and taxes		-	-
Insurance		-	-
Security expenses		-	-
Electricity Charges		-	-
Travelling and Conveyance		-	-
Expenses on vehicles		-	-
Telephone, telex and Postage		-	-
Advertisement and publicity		-	-
Entertainment and hospitality expenses		-	-
Printing and stationery		-	-
Other general expenses		-	-
Sub-total		-	-
F. PROVISIONS			
Sub-total		-	-
PRIOR PERIOD EXPENSES			
Prior Period Expenses		-	-
Less: Prior Period Income		-	-
Sub-total		-	-
G. CORPORATE OFFICE/REGIONAL OFFICE EXPENSES			
Other Income		-	-
Other Expenses		-	-
Employee Benefits Expense		-	-
Depreciation and Amortisation Expenses		-	-
Finance Cost		-	-
Provisions		-	-
Prior Period Adjustment (Net)		-	-
Sub-total		-	-
H. LESS: RECEIPTS AND RECOVERIES			
Income from generation of electricity – precommissioning		-	476
Interest on loans and advances		-	-
Profit on sale of assets		-	-
Provision/Liability not required written back		-	-
Others		-	-
Sub-total		-	476
TOTAL (A+B+C+D+E+F+G-H) (Refer Note 2.2)		-	(476)



Note-33: Disclosure on Financial Instruments and Risk Management
(1) Fair Value Measurement
A) Financial Instruments by category

(Amount in ₹ Lakhs)

Financial assets	Notes	As at 31st March, 2026			As at 31st March, 2025		
		Fair value through Profit or Loss	Fair value through Other Comprehensive Income	Amortised Cost	Fair value through Profit or Loss	Fair value through Other Comprehensive Income	Amortised Cost
Non-current Financial assets							
(i) Non-current investments							
a) In Equity Instrument (Quoted)	3.1						
b) In Debt Instruments (Government/ Public Sector Undertaking)- Quoted	3.1						
Sub-total			-	-		-	-
(ii) Trade Receivables	3.2			-			-
(iii) Loans							
a) Loans to Related Party	3.3			-			-
b) Employees	3.3			2,742			2,926
c) Others	3.3			-			-
(iv) Others							
-Security Deposits	3.4			186			183
-Lease Receivables including interest	3.4			3,58,274			3,59,352
-Receiveable on account of Late payment	3.4			-			-
-Receiveable on account of Guarantee Fee	3.4			-			-
-Amount Recoverable	3.4			-			-
-Bank Deposits with more than 12 Months Maturity (Including interest accrued)	3.4			38,740			1,531
Total Non-current Financial assets		-	-	3,99,942	-	-	3,63,992
Current Financial assets							
(i) Current Investments	6		-			-	
(ii) Trade Receivables	7			23,021			38,052
(iii) Cash and cash equivalents	8			14,135			4,627
(iv) Bank balances other than Cash and Cash Equivalents	9			1,44,672			1,64,674
(v) Loans	10						
-Employee Loans				681			717
-Loans to Related Party				-			-
-Others				-			-
(vi) others (Excluding Lease Receivables, Contract assets, Derivative MTM Asset & Derivative Asset Under Hedged Contract)	11			7,593			8,864
(vii) others (Contract assets)	11			2,513			1,468
(viii) others (Lease Receivables including interest)	11			4,900			6,713
Total Current Financial Assets		-	-	1,97,515	-	-	2,25,115
Total Financial Assets		-	-	5,97,457	-	-	5,89,107
Financial Liabilities	Notes	As at 31st March, 2026			As at 31st March, 2025		
		Fair value through Profit or Loss	Fair value through Other Comprehensive Income	Amortised Cost	Fair value through Profit or Loss	Fair value through Other Comprehensive Income	Amortised Cost
Non-current Financial Liabilities							
(i) Long-term borrowings	16.1			-			-
(ii) Long term maturities of lease liabilities	16.2			4,835			5,019
(iii) Other Financial Liabilities	16.3			3,708			105
Total Non-current Financial Liabilities		-	-	8,543	-	-	5,124
Current Financial Liabilities							
(i) Borrowing -Short Term including current maturities of long term borrowings	20.1			-			-
(ii) Current maturities of lease obligations	20.2			184			194
(iii) Trade Payables including Micro, Small and Medium Enterprises	20.3			1,950			1,598
(iv) Other Current financial liabilities							
a) Interest Accrued but not due on borrowings	20.4			-			-
b) Other Current Liabilities	20.4			18,620			12,597
Total Current Financial Liabilities		-	-	20,754	-	-	14,389
Total Financial Liabilities		-	-	29,297	-	-	19,513



B) FAIR VALUATION MEASUREMENT**(i) 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 value 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 the following three levels prescribed under Ind AS-113 "Fair Value Measurements"

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and traded bonds that have quoted price. The fair value of all equity instruments including bonds which are traded in the recognised Stock Exchange and money markets are valued using the closing prices as at the reporting date

Level 2: The fair value of financial instruments that are not traded in an active market, is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. This includes derivative Mark To Market assets/liabilities, Term Loans etc.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The fair value of financial assets and liabilities included in level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis. This includes derivative security deposits/retention money and loans at lower than market rates of interest.

(a) Financial Assets/Liabilities Measured at Fair Value-Recurring Fair Value Measurement:

(Amount in ₹)

Particulars	Note No.	As at 31st March, 2026			As at 31st March, 2025		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets at FVTOCI							
(i) Investments:-							
- In Equity Instrument (Quoted)	3.1	-	-	-	-	-	-
- In Debt Instruments (Government/ Public Sector Undertaking)- Quoted *	3.1 and 6	-	-	-	-	-	-
Financial Assets at FVTPL :							
(i) Derivative MTM Asset (Call spread option and Coupon only swap)	3.4 and 11	-	-	-	-	-	-
(ii) Derivative Asset Under Hedged Contract	3.4 and 11	-	-	-	-	-	-
Total Financial Assets		-	-	-	-	-	-
Financial Liabilities at FVTPL :							
(i) Derivative MTM Liability (Call spread option)	16.3 and 20.4	-	-	-	-	-	-
(ii) Derivative Liability under Hedged Contract	16.3 and 20.4	-	-	-	-	-	-
Total Financial Liabilities		-	-	-	-	-	-

Note:-

* In the absence of latest quoted market rates in respect of these instruments, rates have been derived as per Fixed Income Money Market and Derivatives Association of India (FIMMDA).

All other financial assets and financial liabilities have been measured at amortised cost at balance sheet date and classified as non-recurring fair value measurement.

(Amount in ₹ Lakhs)

(b) Financial Assets/Liabilities measured at amortised cost for which Fair Value are disclosed:

Particulars	Note No.	As at 31st March, 2026			As at 31st March, 2025		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets							
(i) Trade Receivables	3.2	-	-	-	-	-	-
(ii) Loans							
a) Employees (including current loans)	3.3 and 10	-	3,423	-	-	3,644	-
b) Loans to Related Party	3.3	-	-	-	-	-	-
c) Others	3.3	-	-	-	-	-	-
(iii) Others							
Security Deposits	3.4	-	186	-	-	183	-
-Bank Deposits with more than 12 Months Maturity (Including Interest accrued)	3.4	-	38,740	-	-	1,531	-
-Receivable on account of Late payment Surcharge	3.4	-	-	-	-	-	-
-Receivable on account of Guarantee Fee	3.4	-	-	-	-	-	-
-Amount Recoverable	3.4	-	-	-	-	-	-
Total Financial Assets		-	42,349	-	-	5,358	-
Financial Liabilities							
(i) Long Term Borrowings including Current maturities and accrued interest	16.1, 20.1 and 20.4	-	-	-	-	-	-
(ii) Other Long Term Financial Liabilities	16.3	-	-	3,736	-	-	105
Total Financial Liabilities		-	-	3,736	-	-	105

(Amount in ₹ Lakhs)

(c) Fair value of Financial Assets and liabilities measured at Amortised Cost

Particulars	Note No.	As at 31st March, 2026		As at 31st March, 2025	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets					
(i) Trade Receivables	3.2	-	-	-	-
(ii) Loans					
a) Employees (including current loans)	3.3 and 10	3,423	3,423	3,644	3,644
b) Loans to Related Party	3.3	-	-	-	-
c) Others	3.3	-	-	-	-
(iii) Others					
Security Deposits	3.4	186	186	183	183
-Bank Deposits with more than 12 Months Maturity (Including Interest accrued)	3.4	38,740	38,740	1,531	1,531
-Receivable on account of Late payment Surcharge	3.4	-	-	-	-
-Receivable on account of Guarantee Fee	3.4	-	-	-	-
-Amount Recoverable	3.4	-	-	-	-
Total Financial Assets		42,349	42,349	5,358	5,358
Financial Liabilities					
(i) Long Term Borrowings including Current maturities and accrued interest	16.1, 20.1 and 20.4	-	-	-	-
(ii) Other Long Term Financial Liabilities	16.3	3,708	3,736	105	105
Total Financial Liabilities		3,708	3,736	105	105

Note:-

1. The Carrying amounts of current investments, Trade and other receivables (Current), Cash and cash equivalents, Short-term loans and advances, Short Term Borrowings, Trade payables and other current financial liabilities are considered to be the same as their fair values, due to their short term nature.

-For financial assets and financial liabilities measured at fair value, the carrying amounts are equal to the fair value.

(d) Valuation techniques and process used to determine fair values

(1) The Company values financial assets or financial liabilities using the best and most relevant data available. Specific valuation techniques used to determine fair value of financial instruments includes:

- Use of Quoted market price or dealer quotes for similar instruments.

- Fair value of remaining financial instruments is determined using discounted cash flow analysis.

(2) Level-2 : Fair value of derivatives has been arrived on the basis of mark to market value provided by bank. Fair value of other financial assets and liabilities have been arrived using discounted cash flow and appropriate market rates.

(3) The discount rate used to fair value financial instruments classified at Level -3 is based on the Weighted Average Rate of company's outstanding borrowings except subordinate debts and foreign currency borrowings.

(4) Financial liabilities that are subsequently measured at amortised cost are recognised initially at fair value minus transaction costs using the effective interest method where such transaction costs incurred on long term borrowings are material.

There have been no transfers from Level 1 and Level 2.



(2) Financial Risk Management

(A) Financial risk factors

The Company's activities expose it to a variety of financial risks. These are summarized as below:-

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash & Cash equivalents, Other Bank Balances, Trade receivables and financial assets measured at amortised cost, Lease Receivable.	Ageing analysis, credit rating.	Diversification of bank deposits, letter of credit for selected customers.
Liquidity Risk	Borrowings and other facilities.	Rolling cash flow forecasts & Budgets	Availability of committed credit lines and borrowing facilities.
Market Risk- Interest rate	Long term borrowings at variable rates	Sensitivity Analysis	1. Diversification of fixed rate and floating rates 2. Refinancing 3. Actual Interest is recovered through tariff as per CERC Regulation
Market Risk- security prices	Investment in equity and debt securities	Sensitivity Analysis	Portfolio diversification
Market Risk- foreign exchange	Recognised financial liabilities not denominated in INR.	Sensitivity Analysis	Foreign exchange rate variation is recovered through tariff as per CERC Regulation. Call spread option and coupon only swap

Risk management framework

The Company's activities make it susceptible to various risks. The Company has taken adequate measures to address such concerns by developing adequate systems and practices. Company has a well-defined risk management policy to provide overall framework for risk management in the Company. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

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

i) Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables/leased assets) and from its financing activities including deposits with banks and financial institutions.

ii) Liquidity risk.

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

iii) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise of three types of risk: currency rate risk, interest rate risk and other price risks, such as equity and debt price risk. Financial instruments affected by market risk include loans and borrowings, deposits and investments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The company operates in a regulated environment. Tariff of the company is fixed by the Central Electricity Regulatory Commission (CERC) through Annual Fixed Charges (AFC) comprising of the following five components:

1. Return on Equity (RoE), 2. Depreciation, 3. Interest on Loans, 4. Operation & Maintenance Expenses and 5. Interest on Working Capital Loans. In addition to the above, Foreign Exchange rate variations and Taxes are also recoverable from Beneficiaries in terms of the Tariff Regulations. Hence variation in interest rate, currency exchange rate variations and other price risk variations are recoverable from tariff and do not impact the profitability of the company. Further, the company also hedges its medium term foreign currency borrowings by way of interest rate hedge and currency swaps.

(B) Credit Risk

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

Trade Receivables, Unbilled Debtors, Contract assets and lease receivables :-

The Company extends credit to customers in normal course of business. The Company monitors the payment track record of the customers. Outstanding receivables are regularly monitored. In the case of the Company, the concentration of risk with respect to trade receivables is low, as its customers are mainly state government companies/DISCOMS and operate in largely independent markets. Unbilled Debtors/Contract assets primarily relates to the Company's right to consideration for work completed but not billed at the reporting date and have substantially the same risk characteristics as trade receivables for the same type of contracts.

Lease receivables of the company are with regard to Power Purchase Agreements classified as finance lease as per Ind AS 116- 'Leases' as referred to in Note No. 34. The power purchase agreements are for sale of power to single beneficiary and recoverability of interest income and principal on leased assets i.e. PPE of the power stations are assessed on the same basis as applied for trade receivables.

Financial assets at amortised cost :-

Employee Loans: The Company has given loans to employees at concessional rates as per the Company's policy which have been measured at amortised cost at Balance Sheet date. The recovery of the loan is on fixed instalment basis from the monthly salary of the employees. Long term loans for acquisition of assets are secured by way of mortgage/hypothecation of the assets for which such loans are given. Management has assessed the past data and does not envisage any probability of default on these loans.

Financial instruments and cash deposits :-

The Company considers factors such as track record, size of the bank, market reputation and service standards to select banks with which balances and deposits are maintained. Generally, the balances are maintained with banks with which the Company has also availed borrowings. The Company invests surplus cash in short term deposits with scheduled banks. The company has balances and deposits with banks which are well diversified across private and public sector banks with limited exposure to any single bank.

(i) Exposure to credit risk

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

(Amount in ₹ Lakhs)		
Particulars	As at 31st March, 2026	As at 31st March, 2025
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-current investments (Other than Subsidiaries and Joint Ventures)	-	-
Loans -Non Current (including interest)	2,742	2,926
Other Non Current Financial Assets (Excluding Lease Receivables and Share Application Money Pending Allotment)	38,926	1,714
Current Investments	-	-
Cash and cash equivalents	14,135	4,627
Bank balances other than Cash and Cash Equivalents	1,44,672	1,64,674
Loans -Current	681	717
Other Financial Assets (Excluding Lease Receivables and Contract assets)	7,593	8,864
Total (A)	2,08,749	1,83,522
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade Receivables	23,021	38,052
Contract Assets	2,513	1,468
Lease Receivables (Including Interest)	3,63,174	3,66,065
Total (B)	3,88,708	4,05,585
TOTAL (A+B)	5,97,457	5,89,107



(ii) Provision for expected credit losses :-

(a) Financial assets for which loss allowance is measured using 12 month expected credit losses

The Company assesses outstanding receivables on an ongoing basis considering changes in payment behaviour and provides for expected credit loss on case-to-case basis.

(b) Financial assets for which loss allowance is measured using life time expected credit losses

A default in recovery of financial assets occurs when there is no significant possibility of recovery of receivables after considering all available options for recovery as per assessment of the management. As the power stations and beneficiaries of the company are spread over various states of India, geographically there is no concentration of credit risk.

CERC Tariff Regulations 2024-29 allow the Company to raise bills on beneficiaries for late-payment surcharge, which adequately compensates the Company for time value of money due to delay in payment. Further, the fact that beneficiaries are primarily State Governments/ State Discoms and considering the historical credit loss experience for trade receivables, the Company does not envisage either impairment in the value of receivables from beneficiaries or loss due to time value of money due to delay in realization of trade receivables. However, the Company assesses outstanding trade receivables on an ongoing basis considering changes in operating results and payment behaviour and provides for expected credit loss on case-to-case basis. As at the reporting date company does not envisage any default risk on account of non-realization of trade receivables.

(iii) Reconciliation of impairment loss provisions

The movement in the allowance for impairment in respect of financial assets during the year was as follows:

(Amount in ₹ Lakhs)

Particulars	Trade Receivables	Investments	Amount Recoverable	Loans	Total
Balance as at 1.4.2024	-	-	3	-	3
Changes in Loss Allowances	-	-	-	-	-
Balance as at 1.4.2025	-	-	3	-	3
Changes in Loss Allowances	987	-	-	-	987
Balance as at 31.3.2026	987	-	3	-	990

Based on historical default rates, the company believes that no impairment allowance is necessary in respect of any other financial assets as the amounts of such allowances are not significant.

(C) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

i) The Company's objective is to maintain optimum levels of liquidity at all times to meet its cash and collateral requirements. The Company relies on a mix of borrowings and excess operating cash flows to meet its need for funds. The current committed lines of credit and internal accruals are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet capital expenditure and operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the borrowing limits or covenants (where applicable) are not breached on any of its borrowing facilities.

The company had access to the following undrawn borrowing facilities at the end of the reporting year:

(Amount in ₹ Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Floating rate borrowing :-		
(a) Term Loan-Secured		
(b) Term Loan-Unsecured		
(c) cash Credit		
Fixed rate borrowing		
(a) Term Loan-Secured		
(b) Term Loan-Unsecured		
(c) cash Credit		
Total	-	-

Terms of undrawn borrowing facilities

ii) Maturities of Financial Liabilities:

The amounts disclosed in the table below are the contractual undiscounted cash flows. Balances due within 1 year is equal to their carrying balances as the impact of discounting is not significant.

As at 31st March, 2026

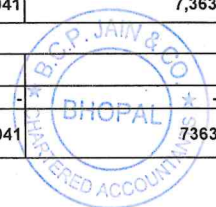
(Amount in ₹ Lakhs)

Contractual maturities of financial liabilities	Note No.	Outstanding Debt as on 31.3.2026	Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Year & Less than 5 Years	More than 5 Year
(i) Non Derivative Financial Liabilities						
Borrowings	16.1 and 20.1	-	-	-	-	-
Lease Liabilities	16.2 & 20.2	9,112	184	1,057	1,007	6,864
Other financial Liabilities	16.3 & 20.4	22,698	18,633	4,052	13	-
Trade Payables	20.3	1,950	1,950	-	-	-
Sub Total (i)		33,760	20,767	5,109	1,020	6,864
(ii) Derivative Financial Liability						
Currency Option Premium	16.3 & 20.4	-	-	-	-	-
Sub Total (ii)		-	-	-	-	-
Total Financial Liabilities (i+ii)		33760	20767	5109	1020	6864

As at 31st March, 2025

(Amount in ₹ Lakhs)

(i) Non Derivative Financial Liabilities						
Contractual maturities of financial liabilities	Note No.	Outstanding Debt as on 31.03.2025	Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Year & Less than 5 Years	More than 5 Year
Borrowings	16.1 and 20.1	-	-	-	-	-
Lease Liabilities	16.2 & 20.2	9,668	194	1,083	1,028	7,363
Other financial Liabilities	16.3 & 20.4	12,724	12,604	107	13	-
Trade Payables	20.3	1,598	1,598	-	-	-
Sub Total (i)		23,990	14,396	1,190	1,041	7,363
(ii) Derivative Financial Liability						
Currency Option Premium	16.3 & 20.4	-	-	-	-	-
Sub Total (ii)		-	-	-	-	-
Total Financial Liabilities (i+ii)		23990	14396	1190	1041	7363



(D) Market Risk:

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligation provisions and on the non-financial assets and liabilities. The sensitivity of the relevant item of the Statement of Profit and Loss is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including the effects of changes in interest rates.

(i) Interest rate risk and sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. Company's policy is to maintain most of its borrowings at fixed rate. Company's fixed rate borrowings are carried at amortised cost and are not subject to interest rate risk. Further the company refinances these debts as and when favourable terms are available. The company is also compensated for variability in floating rate through recovery by way of tariff adjustments under CERC tariff regulations.

The exposure of the company's borrowing to interest rate changes at the end of the reporting year are as follows:

(Amount in ₹ Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2025
	weighted average interest rate (%)		weighted average interest rate (%)	
Floating Rate Borrowings (INR)	-	-	-	-
Floating Rate Borrowings (FC)	-	-	-	-
Fixed Rate Borrowings (INR)	-	-	-	-
Fixed Rate Borrowings (INR) - Subordinate Debt from GOI	-	-	-	-
Fixed Rate Borrowings (FC)	-	-	-	-
Total	-	-	-	-

Interest Rate Sensitivity Analysis

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. The majority of the borrowings of the company are at fixed interest rate. In case of floating rate borrowings there is no impact on Statement of Profit and Loss of the company due to increase/decrease in interest rates, as the same is recoverable from beneficiaries through tariff.

(ii) Price Risk:**(a) Exposure**

The company's exposure to price risk arises from investment in equity shares and debt instruments classified in the financial statements as Fair Value Through OCI. Company's investment in equity shares are listed in recognised stock exchange and are publicly traded in the stock exchanges. Company's investment in debt instruments comprise quoted Government Securities and Public Sector Bonds and are publicly traded in the market. The investment has been classified under current / non-current investment in Balance Sheet.

At a reporting date, the exposure to equity and debt instruments are as under:-

(Amount in ₹ Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Equity Instruments	-	-
Debt Instruments	-	-

(b) Price Risk Sensitivity**For Investment in Equity Instruments**

The table below summarises the impact of increase/decrease in the market price of investment in equity instruments on the company's equity for the year:

(Amount in ₹ Lakhs)

Particulars	As at 31st March, 2026		As at 31st March, 2025	
Investment in Equity shares of :	% change	Impact on other components of equity	% change	Impact on other components of equity
-Nil-				

For Investment in Debt Instruments (Investments in Government and Public Sector Undertaking Bonds)

The table below summarises the impact of increase/decrease of the market value of the debt instruments on company's equity for the year:

(Amount in ₹ Lakhs)

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	% change	Impact on other components of equity	% change	Impact on other components of equity
Government Securities				
Public Sector Undertaking Tax Free Bonds				

(iii) Foreign Currency Risk

The company is compensated for variability in foreign currency exchange rate through recovery by way of tariff adjustments under the CERC Tariff Regulations.

(a) Foreign Currency Exposure:

The company's exposure to foreign currency risk at the end of the reporting year expressed in INR are as follows :

(Amount in ₹ Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Financial Liabilities:		
Foreign Currency Loans		
Other Financial Liabilities	-	-
Net Exposure to foreign currency (liabilities)	-	-

(b) Sensitivity Analysis

There is no impact of foreign currency fluctuations on the profit of the company as these are either adjusted to the carrying cost of respective fixed asset/Capital Work-in-Progress or recovered through tariff as per CERC Tariff Regulation. Accordingly, sensitivity analysis for currency risk is not disclosed.



(3) Capital Management

(a) Capital Risk Management

The primary objective of the Company's capital management is to maximize the shareholder value. Company's objective by managing capital is to safeguard its ability to continue as going concern, so that it continues to provide returns for shareholders and benefits for other stakeholders. CERC Tariff Regulations prescribe Debt : Equity ratio of 70:30 for the purpose of fixation of tariff of Power Projects. Accordingly, the company manages its capital structure to maintain the normative capital structure prescribed by the CERC.

The Company monitors capital using gearing ratio, which is Net debt divided by total capital. The gearing ratio are as follows:

(Amount in ₹ Lakhs)

Statement of Gearing Ratio		
Particulars	As at 31st March, 2026	As at 31st March, 2025
(a) Net Debt	(9,116)	586
(b) Total Capital	5,72,526	5,68,222
Gearing Ratio (a/b)	(0.02)	0.01

Note: For the purpose of the Company's capital management, capital includes issued capital and reserves. Net debt includes Long term debts and Lease Liabilities including current maturities thereof, Short term Borrowings and Payable towards Bonds fully serviced by Government of India Less Cash and Cash Equivalents excluding earmarked balances.

(b) Loan Covenants:

As on 31/03/2026 Company is a debt-free Company.

(c) Dividends: (Refer Note 15.2)

Particulars	As at 31st March, 2026	As at 31st March, 2025
(i) Equity Shares		
4th Interim dividend for the year ended 31st March 2025 of Rs. 72/- per fully paid up Shares (3rd Interim dividend of Rs. 72/- per fully paid up Share for year ended 31 st March 2024)	14131	14131
(ii) Dividend declared and paid in current period		
The 1st, 2nd & 3rd Interim dividend of Rs. 40/-, Rs. 200/- and Rs. 142/- respectively per fully paid up Shares for the year ended 31st March 2026 (1st, 2nd & 3rd Interim dividend of Rs. 67/-, Rs. 165/- & Rs. 114/- respectively per fully paid up Shares for the year ended 31st March 2025)	74970	67905
(ii) Dividend not recognised at the end of the reporting year		
The directors have declared the payment of 4th Interim dividend of Rs. 101/- per fully paid up Shares for year ended 31st March 2026 (4th Interim dividend of Rs. 72/- per fully paid up Shares for year ended 31st March 2025)	19,822	14131

As per our report of even date attached

For and on behalf of Board of Directors

For B.C.P. Jain & Co.

Chartered Accountants
(Firm Regn.No. 000802C)

CA VINAMRA JAIN
Partner

M.No. 478899

UDIN: 26478899QZEGZB4699

OM PRAKASH
Managing Director
DIN: 11460399

V. K. TRIPATHI
Co. Secretary

ANUJ KAPOOR
Director
DIN: 10137420

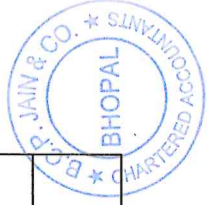
DEEPAK AHUJA
General Manager (Fin) &
Chief Financial Officer

Place: Bhopal
Date: 04-05-2026

Note No-33(4) :-Financial Ratios of NHDC Limited

The following are analytical ratios for the year ended March 31, 2026 and March 31, 2025.

S.No	Particulars	Numerator	Denominator	31st March 2026	31st March 2025	% Variance	Reason for variance
(a)	Current Ratio	Current Assets	Current Liabilities	3.31	4.34	-23.63	
(b)	Debt-Equity Ratio	Total Debts	Shareholder's Equity	0.01	0.01	-	
(c)	Debt Service Coverage Ratio	Earning Available for debt service	Debt Service	NA	NA	-	
(d)	Return on Equity Ratio (in %)	Profit After Tax	Average Shareholder's Equity	16.41	14.75	11.25	
(e)	Inventory turnover Ratio	Revenue From Operation	Average Inventory	88.42	103.90	-14.90	
(f)	Trade Receivable turnover ratio	Revenue From Operation	Average Debtors	4.27	3.17	34.69	Increase in Trade Receivable turnover ratio due to decrease in Average Debtors.
(g)	Trade Payables turnover ratio	Purchases	Average Trade Payables	6.40	7.14	-10.40	
(h)	Net Capital turnover ration	Revenue From Operation	Average Working Capital	0.82	0.76	7.66	
(i)	Net Profit ratio (In %)	Net Profit	Revenue from operations	71.69	59.74	20.02	
(j)	Return on Capital Employed (In %)	Earning Before Interest and Taxes	Capital Employed (Tangible Net Worth + Total Debts + Deferred Tax)	17.16	20.22	-15.10	
(k)	Return on investment (In %)	Income generated from investments	Time weighted average investments	NA	NA	-	



Note No. – 34: Other Explanatory Notes to Accounts**1. Disclosures relating to Contingent Liabilities:
Contingent Liabilities to the extent not provided for -****a) Claims against the Company not acknowledged as debts in respect of:****(i) Capital works**

Contractors have lodged claims aggregating to ₹ 25086 Lakhs (Previous year ₹23132 Lakhs) against the Company on account of rate and quantity deviation, cost relating to extension of time, idling charges due to stoppage of work/delays in handing over the site etc. These claims are being contested by the company as being not admissible in terms of provisions of the respective contracts or are lying at arbitration tribunal/other forums/under examination with the Company. These include ₹ 25086 Lakhs (Previous year ₹23132 Lakhs) towards arbitration awards including updated interest thereon, against the Company, which have been challenged/decided to be challenged in the Court of Law.

Management has assessed the above claims and recognized a provision of ₹ NIL (Previous year ₹ NIL) based on probability of outflow of resources embodying economic benefits and estimated ₹ 25086 Lakhs (Previous year ₹23132 Lakhs) as the amount of contingent liability i.e. amounts for which Company may be held contingently liable. In respect of such estimated contingent claims either the outflow of resources embodying economic benefits is not probable or a reliable estimate of the amount required for settling the obligation cannot be made. In respect of the rest of the claims/obligations, possibility of any outflow in settlement is considered as remote.

(ii) Land Compensation cases

In respect of land acquired for the projects, some of the erstwhile land owners have filed claims for higher compensation amounting to ₹ 33020 Lakhs (Previous year ₹ 24515 Lakhs) Before various authorities/courts. Pending settlement, the Company has assessed and provided an amount of ₹ 1754 Lakhs (Previous year ₹2106 Lakhs) based on probability of outflow of resources embodying economic benefits and estimated ₹31266 Lakhs (Previous year ₹22409 Lakhs) as the amount of contingent liability as outflow of resources is considered as not probable.

Further, there are about 5345 applications submitted before Dist. Collector, Khandwa U/s 28(A) of the Land Acquisition Act, 1894 (demanding higher compensation based on court's award under the same notification). As on date, based on possibility of acceptance of these applications, possibility of any outflow in settlement is considered as remote.

(iii) Disputed Tax Demands

Disputed Income Tax/GST other taxes/duties matters pending before various appellate authorities amounting to ₹ NIL (Previous year ₹ NIL). Pending settlement, the Company has assessed and provided an amount of ₹ NIL (Previous year ₹ NIL) based on probability of outflow of resources embodying economic benefits and ₹ NIL (Previous year ₹ NIL) are being disclosed as contingent liability as outflow of resources is considered not probable. In respect of the rest of the claims/obligations, possibility of any outflow in settlement is considered as remote.



(iv) Others

Claims on account of other miscellaneous matters amount to ₹ 53992 Lakhs (Previous year ₹ 58043 Lakhs). These claims are pending before various forums. Pending settlement, the Company has assessed and provided an amount of ₹ NIL (Previous year ₹ NIL) based on probability of outflow of resources embodying economic benefits and estimated ₹ 53992 Lakhs (Previous year ₹ 58043 Lakhs) as the amount of contingent liability as outflow of resources is considered as not probable. In respect of the rest of the claims/obligations, possibility of any outflow in settlement is considered as remote.

The above is summarized as below:

(Amount in ₹ Lakhs)

Sl. No.	Particulars	Claims as on 31.03.2026	up to date Provision against the claims	Contingent liability as on 31.03.2026	Contingent liability as on 31.03.2025	Addition/ (deduction) from contingent liability during the year	Decrease of contingent liability from Opening Balance as on 01.04.2025
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)=(v)-(vi)	(viii)
1.	Capital Works	25086	-	25086	23132	1954	-
2.	Land Compensation cases	33020	1754	31266	22409	8857	2416
3.	Disputed tax matters	-	-	-	-	-	-
4.	Others	53992	-	53992	58043	(4051)	28986
	Total	112098	1754	110344	103584	6760	31402

- (b) The above do not include contingent liabilities on account of pending cases in respect of service matters and others where the amount cannot be quantified.
- (c) It is not practicable to ascertain and disclose the uncertainties relating to outflow in respect of contingent liabilities.
- (d) There is possibility of reimbursement to the company of ₹ NIL (Previous year ₹ NIL) towards above Contingent Liabilities.
- (e) The Management does not expect that the above claims/obligations (including under litigation), when ultimately concluded and determined, will have a material and adverse effect on the company's results of operations or financial condition.
- (f) During the year Contingent liabilities of ₹NIL (Previous year ₹4510 Lakhs) against claims of contractors has been reduced under Vivad se Vishwas II Scheme (Contractual Disputes) notified by the Government of India vide Office Memorandum dated 29.05.2023.
- (g) An amount of ₹93 Lakhs (Previous year ₹93 Lakhs) stands paid /deposited with courts/paid as per Court Order towards above contingent liabilities to contest the cases and has been shown under Other Non-Current/ Current Assets/ adjusted against other liabilities of the claimants.



2. Contingent Assets: Contingent assets in respect of the Company are on account of the following:

a) Counter Claims lodged by the company on other entities:

The company has lodged counter claims aggregating to ₹ NIL (Previous year ₹ NIL) against claims of other entities. These claims have been lodged on the basis of contractual provisions and are being contested at arbitration tribunal/other forums/under examination with the counterparty. It includes counter claims of ₹ NIL (Previous year ₹ NIL) towards arbitration awards including updated interest thereon.

Based on Management assessment, a favourable outcome is probable in respect of the claims aggregating ₹ NIL (Previous year ₹ NIL) and for rest of the claims, the possibility of any inflow is remote. Accordingly, these claims have not been recognised.

b) Late Payment Surcharge:

CERC (Terms and Conditions of Tariff) Regulations 2024-29 provide for levy of Late Payment Surcharge by generating company in case of delay in payment by beneficiaries beyond specified days from the date of presentation of bill. In view of significant uncertainties in the ultimate collection from the beneficiaries, an amount of ₹ NIL (Previous year ₹ NIL) as estimated by the management has not been recognised.

c) Revenue to the extent not recognised in respect of power stations:

Tariff orders for 2019-24/2024-29 are pending in respect of all Hydro Power stations. Management has assessed that additional revenue of ₹ NIL (Previous year ₹ NIL) is likely to accrue on account of tariff revision which has not been recognised due to significant uncertainty for the approval thereof.

d) Business Interruption Losses

Insurance Claims due to Business Interruption Losses in respect of Power Stations are recognised when no significant uncertainty of ultimate collection exists. Management has assessed the claim of ₹ NIL (Previous Year ₹ NIL) in this respect which has not been recognised.

e) Other Cases

Particulars	(Amount in ₹ Lakhs)	
	31.03.2026	31.03.2025
Claims estimated by Management but not been recognized on account of other miscellaneous matters comprising of:	-	-
Non-payment/short payment of interest at agreed rate on FDR from Bank of India	5915	5013

3. Commitments (to the extent not provided for):

Estimated amount of contracts remaining to be executed on capital account are as under:

(Amount in ₹ Lakhs)

Sl. No.	Particulars	As at 31.03.2026	As at 31.03.2025
(i)	(ii)	(iii)	(iv)
1.	Property Plant and Equipment (including Capital Work in Progress)	3212	2397
2.	Intangible Assets	1527	1561
	Total	4,739	3,958

4. **Other Commitments (if any)** : NIL/- (previous year ₹13 Lakhs), work done pending approval are included in Capital Work-in-Progress/Property, Plant and Equipment.

5. **Disclosures as per IND AS 115 'Revenue from contracts with customers':**

(A) Nature of goods and services

Majority of Revenue: The revenue of the Company comprises of income from electricity sales. Sale of electricity is the only principal activity of the Company.

(a) Revenue from sale of electricity

The major revenue of the Company comes from sales of electricity. The Company sells electricity to electricity utilities owned by M.P. State Government. Sale of electricity is generally made pursuant to long-term Power Purchase Agreements (PPAs) entered into with the beneficiary.

The details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for electricity sales are as under:

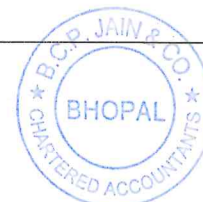
Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Sale of electricity	The Company recognises revenue from contracts for electricity sale on the basis of long-term Power Purchase Agreements entered into with the beneficiaries, which is for substantially the entire life of the Power Stations, i.e. 40 years in case of Hydro Power Stations and 25 years in case of Solar Power Stations. In case of hydro power station, Revenue from sale of electricity is accounted for based on tariff rates approved by the CERC for tariff periods of 5 years as modified by the orders of Appellate Tribunal for Electricity to the extent applicable. In case of power stations where the tariff rates are yet to be approved/approved provisionally by the CERC in their orders, provisional rates are adopted considering the applicable CERC Tariff Regulations. In case of Solar Power Stations, the revenue from sale of electricity is billed based as per the terms of Power Purchase Agreements (PPA) and are payable as per Terms of PPA i.e. ₹ 3.22 per unit. Revenue from sale of electricity is recognised once the electricity has been delivered to the beneficiary The amounts are billed as per the terms of Power Purchase Agreements (PPA) and are payable as per the terms of PPA. (Refer Point 17(B) of this note)

(B) Disaggregation of Revenue

In the following table, revenue is disaggregated by type of product and services, geographical market and timing of revenue recognition:

(Amount in ₹ Lakhs)

Particulars	Generation of electricity For the period ended (including revenue classified under Finance Leases)	Others for the period ended	Total for the period ended



NHDC LIMITED

Geographical markets	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
India	130517	140111	-	-	130517	140111
Outside India	-	-	-	-	-	-
Total	130517	140111	-	-	130517	140111
Timing of revenue recognition						
Products and services transferred over time	130517	140111	-	-	130517	140111
Units Sold in Million Kilowatt Hours (MUs)	6114.37	5,544.33			6114.37	5,544.33

(C) Contract Balances

Details of trade receivables, unbilled revenue and 'advances from customers / clients for Deposit Works and Contract Liabilities-Project Management/Consultancy Work are as under:

(Amount in ₹ Lakhs)

Particulars	31.03.2026		31.03.2025	
	Current	Non-Current	Current	Non-Current
Trade Receivables –Non-Current				
Trade Receivables – Current	23021	-	38052	-
Contract Assets- Current	2513	-	1468	-
Contract Liabilities- Deposit Works--Current	-	-	-	-
Contract Liabilities- Project Management/Consultancy Work--Current	-	-	-	-
Advance from Customers and Others-- Current	-	-	-	-

The Company has recognised revenue of ₹ NIL (Previous Year ₹ NIL) from opening contract liabilities.

(D) Transaction price allocated to the remaining performance obligations is either not applicable or not material to the Company's operations.

(E) Practical expedients applied as per Ind AS 115 'Revenue from Contracts with Customers':

- (i) The company has not disclosed information about remaining performance obligations that have original expected duration of one year or less and where the revenue recognised



corresponds directly with the value to the customer of the entity's performance completed to date.

- (ii) Company does not have any contracts in the normal course of business where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. Accordingly, transaction price has been adjusted for the time value of money only where such time value of money is significant.
- (F) The Company has not incurred any incremental costs of obtaining contracts with a customer and has therefore, not recognised any asset for such costs.

(G) Revenue from Sale of Carbon Credit

The Company has obtained registration for the 88MW Floating Solar Project under the applicable carbon credit framework in respect of eligible renewable energy operations. Further the company is in process to assess the eligibility of its other projects for Carbon Credits benefits under recognised mechanism.

As at the year end, the company is in the process of ascertaining the quantity and value of carbon credits, if any, receivable or issuable pending completion of verification, certification, and related procedural requirements. Accordingly, no asset, inventory, or revenue in respect of carbon credits has been recognized in these financial statements.

6. Government of Madhya Pradesh (GoMP), being a joint venture partner, contributed on various accounts through Narmada Valley Development Authority (NVDA) after setting off other expenses incurred on behalf of NHDC as details given below: -

Indira Sagar Project: -

(Amount in ₹ Lakhs)

(A) Amount received in Cash or in kind	Cumulative up to 31.03.2025	During Apr-2025 to March-2026	Cumulative up to 31.03.2026
i. Expenditure by NVDA on account of Project	138568	184	138752
ii. Cash Received	67283	500	67783
iii. Amount transferred from OSP A/c	856	0	856
Total of (A)	206707	684	207391
(B) Due/Adjusted on account of	0	0	0
i. Equity Capital	66000	0	66000
ii. Irrigation Component	40956	31	40987
iii. SSP Component	52334	40	52374
iv. Sub-vention towards excess R&R Expenses	44375	228	44603
v. Electricity charges & water supply maintenance charges	504	0	504
vi. Equity of OSP	3308	0	3308
Total of (B)	207477	299	207776
(C) Amount recoverable from NVDA i.e. (B-A)	770	(385)	385



Omkareshwar Project: -

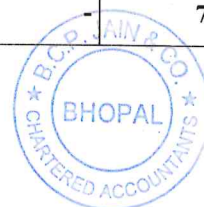
(Amount in ₹ Lakhs)

(D) Amount received in Cash or in kind	Cumulative up to 31.03.2025	During Apr to March-2026	Cumulative up to 31.03.2026
i. Expenditure by NVDA on account of Project	13930	10	13939
ii. Cash Received	68541	0	68541
iii. Amount transferred from ISP A/C	3308	0	3308
Total of (D)	85779	10	85788
(E) Due/Adjusted on account of			
i. Equity Capital	30016	0	30016
ii. Irrigation Component	24379	23	24402
iii. Sub-vention towards excess R&R Expenses	8698	142	8840
iv. Amount Transferred to ISP A/C	856	0	856
v. Additional Special R&R Package	23262	0	23262
Total of (E)	87211	165	87376
(F) Amount recoverable from NVDA i.e. (E-D)	1432	155	1588
(G) Total Amount recoverable i.e (C+F)	2202	(230)	1973

Movement of Grant in Reserve during Apr -2025 to March-2026 is as under:-

(Amount in ₹ Lakhs)

Sl. No.	Particulars	As on 01.04.2025	Additions	Deductions	Adjust - ments	As on 31.03.2026
1.	Proportionate contribution by Govt. of Madhya Pradesh towards Irrigation Component in ISPS as a Grant-in-Aid	15766	31	773	-	15024
2.	Proportionate Sub-vention towards Sardar Sarovar project transferred from NVDA Account for ISPS.	20151	40	989	-	19202
3.	Contribution by Govt of Madhya Pradesh towards R&R of ISPS.	19835	228	983	-	19080
4.	Proportionate contribution by Govt. of Madhya Pradesh towards Irrigation Component in OSPS as Grant-in-Aid	9448	23	418	-	9053
5.	Contribution by Govt of Madhya Pradesh towards R&R of OSPS.	17086	142	760	-	16468
	Total	82286	464	3923	-	78827



7. The effect of foreign exchange rate variation (FERV) during the year are as under:
(Amount in ₹ Lakhs)

Sl. No.	Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
(i)	Amount charged to Statement of Profit and Loss as FERV	NIL	NIL
(ii)	Amount charged to Statement of Profit and Loss as Borrowing Cost	NIL	NIL
(iii)	Amount charged to Capital work-in-progress as FERV	NIL	NIL
(iv)	Amount adjusted in the carrying amount of PPE / Lease Receivables	NIL	3

8. Operating Segment:

- Electricity generation (including income from embedded Finance/ Operating leases) is the principal business activity of the Company. Other operations viz., Contracts, Project Management, Consultancy works do not form a reportable segment as per the Ind AS – 108 on 'Operating Segment'.
- The Company has a single geographical segment as all its Power Stations are located within the Country.
- NHDC has single beneficiary /Customer, MP Power Management Co. Ltd. The revenue from operations is ₹ 130517 Lakhs (Previous period ₹ 140111 Lakhs).
- The Company is domiciled in India. Revenue from External Customers is Nil (Previous Year Nil).

9. Disclosures under Ind AS-24 "Related Party Disclosures":

(A) List of Related parties:

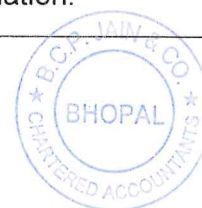
(i) Parent Company:

Name of Company	Principle place of operation
NHPC Limited	India

(ii) Joint Ventures:- NIL

(iii) Key Managerial Personnel:

Sl. No.	Name	Position Held	Remarks
1.	Sh. Bhupender Gupta	Chairman	Appointed on 04.09.2025
2	Sh. Raj Kumar Chaudhary	Chairman	Ceased on 30.06.2025 due to superannuation.



NHDC LIMITED

3	Sh. Rajendra Prasad Goyal	Chairman	Consequent upon holding additional charge of CMD NHPC w.e.f. 01/07/2025, Sh. R.P.Goyal, Director NHDC has also been appointed as Chairman of NHDC w.e.f 01.07.2025. He has been superannuated on 31.08.2025.
4	Sh. Om Prakash	Managing Director (KMP)	Appointed on 01.01.2026
5	Sh. Rajeev Jain	Managing Director (KMP)	Ceased on 31.12.2025 due to superannuation
6	Dr. Rajesh Rajora	Director	Continue
7	Sh. Hirdaram Chouhan	Director	Ceased on 30.09.2025 due to superannuation.
8	Sh.Arun Paliwal	Director	Appointed on 01.12.2025
9	CA. Arun Daga	Director	Continue
10	Smt. Madhusmita Pany	Director	Continue
11	Sh. Anuj Kapoor	Director	Appointed on 18.07.2025
12	Sh. Deepak Ahuja	CFO (KMP)	Continue
13	Sh. Vinay Kumar Tripathi	Company Secretary (KMP)	Continue

(iv) Post-Employment Benefit Plans of NHDC:

Name of Related Parties	Principal place of operation
NHDC Ltd. Employees Provident Fund Trust	India
NHDC Ltd. Employees Group Gratuity Assurance Fund	India
NHDC Ltd. Retired Employees Health Scheme Fund	India
NHDC Employees Social Security Scheme Trust	India
NHDC Ltd. Employees Defined Contribution Superannuation Scheme	India
NHDC Ltd. Employees Leave Encashment Trust	India

(v) Other entities with joint-control or significant influence over the Company:

The Company is a Central Public Sector Undertaking (CPSU) controlled by Central Government by holding majority of shares. The Company has applied the exemption available for government related entities and has made limited disclosures in the Financial Statements in accordance with Ind AS 24. Accordingly, Party-wise details of material/significant transaction carried out with the Central Public Sector Enterprises/Govt. Agencies only have been disclosed. Transactions with these related parties are carried out in the ordinary course of business at normal commercial terms.



(a) Interest of Holding Co.:

Name of Companies	Principle place of operation	Principal activities	Proportion of Ownership interest as at	
			31.03.2026	31.03.2025
NHPC LTD	India	Power Generation	51.08%	51.08%

(b) Name and nature of relationship with Government:

Sl. No.	Name of the Government	Nature of Relationship with NHDC
1	Government of India	Shareholder having control over Parent Company (NHPC)
2	NHPC	Holding Company (51.08%)
3	Govt. of Madhya Pradesh	Shareholder (26%) having significant influence over the Company
4	Narmada Basin Projects Company Limited (Wholly owned Company of Govt. of Madhya Pradesh)	Shareholder (22.92%) having significant influence over the Company
5	Central/State controlled PSU	Entities controlled by the same Government (Central/State Govt.) that has control over NHDC

(B) Transactions and Balances with related parties are as follows:

(i) Transactions and Balances with Parent (NHPC Limited)

(Amount in ₹ Lakhs)

Particulars	For the period ended 31.03.2026	For the period ended 31.03.2025
(i)	(ii)	(iii)
Services received by the Company from Parent	268	383
Services provided by the Company to Parent	-	-
Dividend Paid to Parent	45510	41901
Equity contributions by the Parent	-	-
Reimbursement of cost of employee on deputation /posted	(77)	247
Loans & Advances given by the Company to:	-	-
Loans & Advances received by the Company from:	-	-



NHDC LIMITED

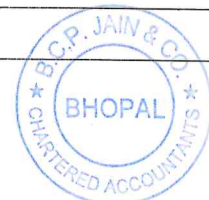
Balances with Parent (NHPC)	As at 31.03.2026	As at 31.03.2025
(i)	(ii)	(iii)
Receivable (unsecured)	-	-
Payable (unsecured)	751	252
Investment in Equity	100242	100242
Loans & Advances Receivable	-	-
Loans & Advances Payable	-	-

(ii) Transactions and Balances with Govt. of Madhya Pradesh

(Amount in ₹ Lakhs)

Transactions with Govt. of Madhya Pradesh	For the year ended 31.03.2026	For the year ended 31.03.2025
(i)	(ii)	(iii)
Purchase of property/Other assets	-	-
Purchase of goods/Inventory	-	-
Services Received by the Company	255	372
Services Provided by the Company	-	-
Sale of goods/Inventory made by the company	130517	140111
Grant during the Year	464	755
Dividend Paid During The Year	23167	21329
Equity contributions (including share application money) received by the company		
Loan given by the company		
Loan received by the company		

Balances with Govt. of Madhya Pradesh	As at 31.03.2026	As at 31.03.2025
(i)	(ii)	(iii)
Receivable (unsecured)	26221	41755
Payable (unsecured)	15613	-
Investment in Equity	51027	51027
Loans & Advances Receivable	-	-
Loans & Advances Payable	-	-



(iii) Transactions and Balances with Narmada Basin Projects Company Limited

(Amount in ₹ Lakhs)

Transactions with Narmada Basin Projects Company Limited	For the period ended 31.03.2026	For the period ended 31.03.2025
(i)	(ii)	(iii)
Purchase of property/Other assets	-	-
Purchase of goods/Inventory	-	-
Services Received by the Company	-	-
Services Provided by the Company	-	-
Sale of goods/Inventory made by the company	-	-
Dividend Paid During The Year	20425	18805
Equity contributions (including share application money) received by the company		
Loan given by the company		
Loan received by the company		

(Amount in ₹ Lakhs)

Balances with Narmada Basin Projects Company Limited	As at 31.03.2026	As at 31.03.2025
(i)	(ii)	(iii)
Receivable (unsecured)	-	-
Payable (unsecured)	-	-
Investment in Equity	44989	44989
Loans & Advances Receivable	-	-
Loans & Advances Payable	-	-



(iv) Transactions and Balances with Key Management Personnel:

(Amount in ₹ Lakhs)

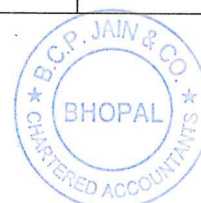
Particulars	Transactions for the year ended 31.03.2026 and Balances as at 31.03.2026						
Key management Personnel (KMP)	Compensation to Key Management Personnel				Other transactions & Balances		
Name	Short Term Employee Benefits	Post-Employment Benefits	Other Long Term Benefits	Termination Benefits	Interest received on outstanding loans	Sitting Fee	Outstanding Loans receivable
1. Whole Time Directors/Functional Directors:							
Sh. Om Prakash	27	3	-	-	-	-	-
Sh. Rajeev Jain	91	10	-	-	-	-	-
2. Nominee Directors:							
A. Madhya Pradesh Government							
CA Arun Daga	-	-	-	-	-	2	-
Dr. Rajesh Rajora	-	-	-	-	-	-	-
Sh. Hirdaram Chouhan	-	-	-	-	-	-	-
Sh, Arun Paliwal	-	-	-	-	-	-	-
2. Nominee Directors							
B. Holding Company (NHPC LTD)							
Sh. Bhupender Gupta	-	-	-	-	-	-	-
Sh. Rajkumar Chaudhary	-	-	-	-	-	-	-
Sh. Rajendra Prasad Goval	-	-	-	-	-	-	-
Smt. Madhusmita Pany	-	-	-	-	-	-	-
Shri Anuj Kapoor	-	-	-	-	-	-	-
3. Company Secretary/CFO							
Sh. Vinay Kumar Tripathi	71	11	-	-	-	-	-
Sh. Deepak Ahuja	61	9	-	-	1	-	7



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(Amount in ₹ Lakhs)

Particulars	Transactions for the year ended 31.03.2025 and Balances as at 31.03.2025						
Key management Personnel (KMP)	Compensation to Key Management Personnel				Other transactions & Balances		
Name	Short Term Employee Benefits	Post-Employment Benefits	Other Long Term Benefits	Termination Benefits	Interest received on outstanding loans	Sitting Fee	Outstanding Loans receivable
1. Whole Time Directors/Functional Directors:							
Sh. Rajeev Jain	59	9	-		-		2
Sh. Vijay Kumar Sinha	49	4	20		-		-
2. Nominee Directors:							
A. Madhya Pradesh Government							
CA Arun Daga	-	-	-	-	-	2	-
Dr. Rajesh Rajora	-	-	-	-	-	-	-
Sh. Hirdaram Chouhan	-	-	-	-	-	-	-
Sh. SN Mishra	-	-	-	-	-	-	-
Sh. P.K. Sharma	-	-	-	-	-	-	-
2. Nominee Directors							
B. Holding Company (NHPC LTD)							
Sh. Rajeev Kumar Vishnoi	-	-	-	-	-	-	-
Sh. Rajendra Prasad Goyal	-	-	-	-	-	-	-
Sh. Rajat Gupta	-	-	-	-	-	-	-
Smt. Madhusmita Pany	-	-	-	-	-	-	-
3. Company Secretary/CFO							
Sh. Vinay Kumar Tripathi	82	10	-	-	-	-	5
Sh. Deepak Ahuja	49	8	-	-	1	-	9



(v) Transactions & Balances with Post –Employment Benefit Plans

(Amount in ₹ Lakhs)

Post –Employment Benefit Plans	Contribution by the company (Net of Refund from Post –Employment Benefit Plans)		Balances with Post – Employment Benefit Plans Payable/(Receivable)	
	for the year ended 31.03.2026	for the year ended 31.03.2025	As at 31.03.2026	As at 31.03.2025
NHDC Limited Employees Provident Fund Trust	751	708	207	61
NHDC Limited Employees Group Gratuity Assurance Fund	427	89	427	89
NHDC Limited Retired Employees Health Scheme Fund	491	381	550	416
NHDC Employees Social Security Scheme Trust	23	23	2	2
NHDC Limited Employees Defined Contribution Superannuation Scheme Trust	41	539	1	72
NHDC Limited Employee Leave Encashment Trust	(364)	442	(364)	476

(vi) Significant Transactions with Government that has control over the Parent Company (i.e., Central Government)

(Amount in ₹ Lakhs)

Name of Entity/ Govt. Agency	Nature of Transaction	Detail of Transaction	For the period ended 31.03.2026	For the period ended 31.03.2025
Central Industrial Security Force (CISF)	Services Received by the Company	Security Services	1922	1898
Kendriya Vidyalaya Sangathan(KVS)	Services Received by the Company	Education Facilities	345	307
Central Water and Power Research Station (CWPRS)	Services Received by the Company	Research/ Model Studies	0	30
Western Region Power Committee (WRPC)	Services Received by the Company	Research/ Model Studies	86	70
Central Water Commission(CWC)	Services Received by the Company	Research/ Model Studies	22	0



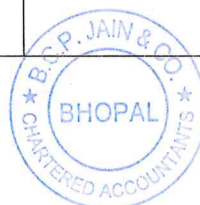
NHDC LIMITED

National Informatics Centre Services Inc. (NIC)	Services Received by the Company	E-Office Services	76	62
Indian Institute Of Management	Services Received by the Company	Training Services	0	3
Indian Institute Of Technology	Services Received by the Company	Training Services	0	1
Maulana Azad National Institute of Technology (MANIT) , Bhopal	Services Received by the Company	Testing Services	9	2
National Power Training Institute	Services Received by the Company	Sponsorship Services	0	2
National Productivity Council	Services Received by the Company	Training Services	0	40
IIT (Indian School Of Mines), Dhanbad, Jharkhand	Services Received by the Company	Research/ Model Studies	9	2
Central Power Research Institute (CPRI)	Services Received by the Company	Research/ Model Studies	5	5
Central Board Of Irrigation & Power	Services Received by the Company	Training Services	0	4
National Institute of Rock Mechanics (NIRM)	Services Received by the Company	Research/ Model Studies	35	0
Electronics Test and Development Centre	Services Received by the Company	Onsite Calibration of Powerhouse equipment	2	0

(vii) Outstanding balances and guarantees with Central Government:

(Amount in ₹ Lakhs)

Name of Entity/ Govt. Agency	Nature of Transaction	For the period ended 31.03.2026	For the period ended 31.03.2025
Central Industrial Security Force (CISF)	Payable (unsecured)	208	195
	Receivable (unsecured)	82	82
Kendriya Vidyalaya Sangathan (KVS)	Payable (unsecured)	1	1
	Receivable (unsecured)	11	40
Central Water and Power Research Station (CWPRS)	Payable (unsecured)	0	0
	Receivable (unsecured)	53	3
Sr. Divisional Finance Manager W.Rly. Ratlam	Payable (unsecured)	0	0
	Receivable (unsecured)	0	0



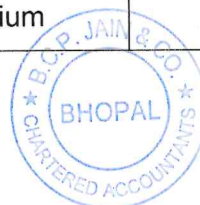
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Central Board Of Irrigation & Power	Payable (unsecured)	0	1
	Receivable (unsecured)	0	0
National Informatics Centre Services Inc.	Payable-Unsecured	33	0
	Receivable -Unsecured	0	37
Indian Institute Of Management	Payable-Unsecured	0	3
	Receivable -Unsecured	0	0
Indian Institute Of Technology	Payable-Unsecured	0	1
	Receivable -Unsecured	0	14
National Power Training Institute	Payable-Unsecured	0	1
	Receivable -Unsecured	0	0
National Productivity Council	Payable-Unsecured	0	26
	Receivable -Unsecured	0	0
Western Central Railway	Payable-Unsecured	0	1851
National Institute of Rock Mechanics (NIRM)	Payable (unsecured)	35	0
Central Water Commission(CWC)	Receivable -Unsecured	19	0

(viii) Transactions with entities controlled by the Government that has control over the Parent Company (i.e., CPSUs)

(Amount in ₹ Lakhs)

Name of Entity/ Govt. Agency	Nature of Transaction	Detail of Transaction	For the period ended 31.03.2026	For the period ended 31.03.2025
Bharat Heavy Electricals Limited (BHEL)	Purchase of Assets	Purchase of Equipments & Erection	0	0
	Purchase of Spares	Purchase of Spares	0	0
	Services Received by the Company	Maintenance Services	56	87
Bharat Sanchar Nigam Limited (BSNL)	Services Received by the Company	OTC charges , Cloud Service & MPLS	156	155
	Purchase of Goods	Satellite Phone	0	9
Indian Oil Corporation LTD. (IOCL)	Purchase of goods/ inventory	Purchase of HSD Oil	28	11
The New India Assurance Company Limited	Services Received by the Company	Insurance Premium	2312	1888
United Insurance Company Limited	Services Received by the Company	Insurance Premium	3	1



NHDC LIMITED

Power Grid Corporation of India Limited (PGCIL)	Services Received by the Company	Insurance Premium	5	4
Central Warehousing Corporation	Services Received by the Company	Pest Control	10	13
Railtel Corporation of India Ltd.	Services Received by the Company	Services	16	17
Security Printing and Minting Corporation of India Limited	Purchase of Goods	Purchase of Silver Coins	0	36
Indian Institute Of Technology, Roorkee	Services Received by the Company	Seismic Study	14	0
Hindustan Petroleum Corporation Limited (HPCL)	Purchase of Goods	Purchase of HSD Oil	0	0
Life Insurance Corporation	Services Received by the Company	Insurance Premium	0	0
The Oriental Insurance Company Limited	Services Received by the Company	Insurance Premium	3	0

(viii) Outstanding balances and guarantees with Entities Controlled that has control over the Parent Company (NHPC) i.e. (CPSU):

(Amount in ₹ Lakhs)

Name of Related Party	Nature of Balance	As at 31.03.2026	As at 31.03.2025
Bharat Sanchar Nigam Limited (BSNL)	Payable (unsecured)	40	38
	Receivable (unsecured)	3	4
The New India Assurance Company Limited	Payable (unsecured)	0	0
	Receivable (unsecured)	1689	1705
Central Warehousing Corporation	Payable (unsecured)	2	3
	Receivable (unsecured)	0	0
Indian Oil Corporation Limited (IOCL)	Payable (unsecured)	0	0
	Receivable (unsecured)	0	0
Railtel Corporation of India Ltd.	Payable (unsecured)	0	0
	Receivable (unsecured)	6	6



NHDC LIMITED

BHEL	Payable (unsecured)	0	0
	Receivable (unsecured)	13	0
Oriental Insurance Company	Payable (unsecured)	0	0
	Receivable (unsecured)	3	0

C) Other notes to related party transactions:

(i) Terms and conditions of transactions with the related parties:

- (a) Transactions with the state governments and entities controlled by the Government of India are carried out at market terms on arms- length basis through a transparent price discovery process against open tenders, except in a few cases of procurement of spares/services from Original Equipment Manufacturers (OEMs) for proprietary items on single tender basis due to urgency, compatibility or other reasons. Such single tender procurements are also done through a process of negotiation with prices benchmarked against available price data of same/similar items.
- (b) Consultancy services received by the Company from Parent Company are generally on nomination basis at the terms, conditions and principles applicable for consultancy services provided to other parties.
- (c) Outstanding balances of Parent company as at 31.03.2026 are unsecured and settlement occurs through banking transactions. These balances other than loans are interest free. No impairment of receivables relating to amounts owed by related parties has been recognised. Assessment of impairment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.
- (d) Contributions to post-employment benefit plans are net of refunds from trusts.

10. Particulars of Security: The carrying amount of assets mortgaged/ hypothecated as security for borrowings are as under.

(Amount in ₹ Lakhs)

S. No	Particulars	As on 31.03.2026		As on 31.03.2025	
		Specific Assets mortgaged/ hypothecated against Borrowings	Common Assets mortgaged/ hypothecated against Borrowings #	Specific Assets mortgaged/ hypothecated against Borrowings	Common Assets mortgaged/ hypothecated against Borrowings #
1	Property, Plant & Equipment	-	-	-	-
2	Capital work in progress	-	-	-	-
3	Financial Assets- Others	-	-	-	-
	Total	-	-	-	-
# The actual value of security pledged against common pool of assets is ₹ NIL as on 31.03.2026 (Previous Year ₹ NIL)					



11. Disclosures Under Ind AS-19 "Employee Benefits":

(A) Defined Contribution Plans-

- (i) **Social Security Scheme:** The Company has a Social Security Scheme in lieu of the erstwhile scheme of compassionate appointment. The Company also makes a matching contribution per month per employee and such contribution was in operation i.e. 01.04.2009. The scheme has been created to take care of and helping bereaved families in the event of death or permanent total disability of its employee. The expenses recognised during the year towards social security scheme are ₹ 23 Lakhs. (Previous year ₹ 23 Lakhs).
- (ii) **Employees Defined Contribution Superannuation Scheme (EDCSS):** The Company has an employee defined contribution superannuation scheme for providing pension benefits to employees. As per the scheme, each employee contributes @ 5% of Basic Pay and Dearness Allowance. The company contributes to the extent of balance available after deducting employers' contribution to Provident Fund, contribution to Gratuity Trust and REHS Trust, from the amount worked out @ 30% of the Basic Pay and DA. The Scheme is managed by Life Insurance Corporation of India/NPS. The expenses recognised during the year towards Employees Defined Contribution Superannuation Scheme (EDCSS) are ₹41 Lakhs (Previous year ₹ 539 Lakhs).

(B) Defined Benefit Plans- Company has following defined post-employment benefit obligations:

(a) Description of Plans:

- (i) **Provident Fund:** The Company pays fixed contribution to Provident Fund at predetermined rates to a separate Trust, which invests the funds in permitted securities. The contribution to the fund for the year is recognised as expense and is charged to the Statement of Profit and Loss/Expenditure Attributable to Construction. The obligation of the Company is to make fixed contribution and to ensure a minimum rate of return to the members as specified by Government of India (GoI).
- (ii) **Gratuity:** The Company has a defined benefit gratuity plan. The ceiling limit of gratuity is fixed as per the Payment of Gratuity Act, 1972, whereby every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 X last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of ₹ 25 Lakhs on superannuation, resignation, termination, disablement or death. The plan is being managed by a separate Trust created for the purpose and obligation of the company is to make contribution to the Trust based on actuarial valuation.
- (iii) **Retired Employees Health Scheme (REHS):** The Company has a Retired Employee Health Scheme, under which retired employee and/or spouse of retiree and eligible dependent children of deceased/retired employees are provided medical facilities in the Company hospitals / empanelled hospitals. They can also avail treatment as Out-Patient subject to a ceiling fixed by the Company. The liability for the same is recognised on the basis of actuarial valuation. The Scheme is being managed by a separate Trust created for the purpose and obligation of the company is to make contribution to the Trust based on such actuarial valuation.



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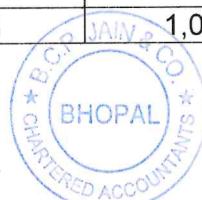
- (iv) **Allowances on Retirement/Death:** Actual cost of shifting from place of duty at which employee is posted at the time of retirement to any other place where he / she may like to settle after retirement is paid as per the rules of the Company. In case of death, family of deceased employee can also avail this facility. The liability for the same is recognised on the basis of actuarial valuation.
- (v) **Memento to employees on attaining the age of superannuation:** The Company has a policy of providing Memento valuing ₹ 0.10 Lakhs to employee on superannuation. The liability for the same is recognised on the basis of actuarial valuation
- (vi) **Employees Family Economic Rehabilitation Scheme:** Company has introduced "Employees Family Economic Rehabilitation Scheme" w.e.f. 01.04.2021. The objective of this scheme is to provide monetary assistance and support to an employee in case of permanent total disablement of the employee and to his family in case of death of the employee, provided the permanent total disablement / death as the case may be, takes place while the employee is in service of the Company. On the separation of an employee from the service of the Company on account of death / permanent total disablement, the beneficiary is entitled to monthly payment equivalent to 50% of one-month Basic Pay & DA last drawn by the employee and other benefits including HRA, Children's Education Allowance, etc. provided the beneficiary surrenders with the Company the death/ disablement benefits received under Social Security Scheme. Liability for the Scheme is recognised on the basis of actuarial valuation.

(b) Disclosure of Balance Sheet amounts and sensitivity analysis of Plans:

- (i) **Provident Fund:** Movements in the net defined benefit obligation during the years 2025-26 and 2024-25 are as follows:

(Amount in ₹ Lakhs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount Obligation/ (Asset)
	(i)	(ii)	iii=(i)-(ii)
	2025-26		
Opening Balance as at 01.04.2025	22,369	22,426	(58)
Difference in Opening	-	(6)	6
Current Service Cost	751		751
Past Service Cost	-	-	-
Interest Expenses/ (Income)	1,830	1,830	-
Total	2,581	1,824	756
Re-measurements			
Return on Plan Asset, excluding amount included in interest expenses /(Income)	-	(284)	284
(Gain)/Loss from change in demographic assumptions	-	-	-
(Gain)/Loss from change in financial assumptions	(3)	-	(3)
Experience (Gains)/Losses	(120)	-	(120)
Total	(123)	(284)	161
Contributions:-			
-Employer	-	751	(751)
-Additional Contribution for last year due to loss in EPF trust for FY 2025-26	142	142	-
-Plan participants	1,053	1,053	-



NHDC LIMITED

Benefit payments	(1,873)	(1,873)	-
Closing Balance as at 31.03.2026	24,149	24,040	109

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount Obligation/ (Asset)
	(i)	(ii)	iii=(i)-(ii)
	2024-25		
Opening Balance as at 01.04.2024	20,050	20,176	(126)
Difference in Opening	-	2	(2)
Current Service Cost	708		708
Past Service Cost	-	-	-
Interest Expenses/ (Income)	1,670	1,670	-
Total	2,378	1,672	706
Re-measurements			
Return on Plan Asset, excluding amount included in interest expenses /(Income)	-	(58)	58
(Gain)/Loss from change in demographic assumptions	-	-	-
(Gain)/Loss from change in financial assumptions	2	-	2
Experience (Gains)/Losses	10	-	10
Total	12	(58)	70
Contributions:-			
-Employer	-	708	(708)
-Additional Contribution Employee for last year Bank Charges for FY 2023-24 (Withdrawal from fund)	0	0	-
-Plan participants	971	971	-
Benefit payments	(1,042)	(1,042)	-
Closing Balance as at 31.03.2025	22,369	22,427	(58)

The net liability disclosed above related to funded and unfunded plans are as follows:
(Amount in ₹ Lakhs)

Particulars	31st March 2026	31st March 2025
Present Value of funded obligations	24,149	22,369
Fair value of Plan Assets	24,040	22,427
Deficit/(Surplus) of funded plans	109	(58)
Unfunded Plans	-	-
Deficit/(Surplus) before asset ceiling	109	(58)

As per the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Company has no right to the benefits either in the form of refund from the plan or lower future contribution to the plan towards the net surplus of ₹NIL/- determined through actuarial valuation. Accordingly, Company has not recognised the surplus as an asset, and the actuarial gains in Other Comprehensive Income, as these pertain to the Provident Fund Trust and not to the company. In Current Year Company has provided for additional contribution of Rs. 142 Lakhs towards losses occurred on account of shortfall in earning of EPF trust during FY2025 -26.



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Sensitivity Analysis – The sensitivity of the defined benefit obligations to changes in the weighted principal assumptions is:

Particulars	Change in Assumptions		Impact on Defined Benefits Obligation					
			Increase in Assumption			Decrease in Assumptions		
	31.03.26	31.03.25		31.03.26	31.03.25		31.03.26	31.03.25
Discount Rate	0.50%	0.50%	Decrease by	0.01%	0.01%	Increase by	0.02%	0.01%

- (ii) **Gratuity:** The amount recognised in the Balance Sheet as at 31.03.2026 and 31.03.2025 along with the movements in the net defined benefit obligation during the years 2025-26 and 2024-25 are as follows:

(Amount in ₹ Lakhs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount Obligation/(Asset)
	(i)	(ii)	iii=(i)-(ii)
2025-26			
Opening Balance as at 01.04.2025	3,762	3,673	89
Adjustments	-		-
Current Service Cost	746		746
Past Service Cost	-	-	-
Interest Expenses/ (Income)	252	246	6
Total Amount recognised in Profit or Loss	997	246	752
Re-measurements			
Return on Plan Asset, excluding amount included in interest expenses/(Income)	-	37	(37)
(Gain)/Loss from change in demographic assumptions	19	-	19
(Gain)/Loss from change in financial assumptions	(142)	-	(142)
Experience (Gains)/Losses	10	-	10
Total Amount recognised in Other Comprehensive Income	(114)	37	(151)
Contributions:-			
-Employer	-	89	(89)
-Plan participants	-	-	-
-Withdrawal from Fund		-	-
Benefit payments	(174)		(174)
Closing Balance as at 31.03.2026	4,472	4,045	427



NHDC LIMITED

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount Obligation/(Asset)
	(i)	(ii)	iii=(i)-(ii)
2024-25			
Opening Balance as at 01.04.2024	3,413	3,447	(34)
Adjustments	-		-
Current Service Cost	124		124
Past Service Cost	-	-	-
Interest Expenses/ (Income)	243	245	(2)
Total Amount recognised in Profit or Loss	367	245	122
Re-measurements			
Return on Plan Asset, excluding amount included in interest expenses/(Income)	-	15	(15)
(Gain)/Loss from change in demographic assumptions	(9)	-	(9)
(Gain)/Loss from change in financial assumptions	139	-	139
Experience (Gains)/Losses	(73)	-	(73)
Total Amount recognised in Other Comprehensive Income	57	15	42
Contributions:-			
-Employer	-	-	-
-Plan participants	-	-	-
-Withdrawal from Fund		(34)	34
Benefit payments	(75)		(75)
Closing Balance as at 31.03.2025	3,762	3,673	89

Total amount recognised in the Statement of Profit and Loss/ Expenditure attributable to Constructions and total amount recognised under Other Comprehensive Income disclosed above are based on the actuarial valuation report. This includes an amount of ₹ 7 Lakhs (Previous year ₹ 9 Lakhs) accounted as receivable/(payable) from/to Parent in respect of employees of NHDC posted in the Parent of the Company.

The net liability disclosed above related to funded and unfunded plans are as follows:
(Amount in ₹ Lakhs)

Particulars	31st March 2026	31st March 2025
Present Value of funded obligations	4,472	3,762
Fair value of Plan Assets	4,045	3,673
Deficit/(Surplus) of funded plans	427	89
Unfunded Plans	-	-
Deficit/(Surplus) before asset ceiling	427	89



Sensitivity Analysis – The sensitivity of the defined benefit obligations to changes in the weighted principal assumptions is:

Particulars	Change in assumptions		Impact on Defined Benefits Obligation					
			Increase in assumptions			Decrease in assumptions		
	31.03.26	31.03.25		31.03.26	31.03.25		31.03.26	31.03.25
Discount Rate	0.50%	0.50%	Decrease by	4.07%	4.42%	Increase by	4.32%	4.71%
Salary growth rate	0.50%	0.50%	Increase by	1.63%	1.28%	Decrease by	1.68%	1.46%

- (iii) **Retired Employees Health Scheme (REHS):** The amount recognised in the Balance Sheet as at 31.03.2026 and 31.03.2025 along with the movements in the net defined benefit obligation during the years 2025-26 and 2024-25 are as follows:

(Amount in ₹ Lakhs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount Obligation/(Asset)
	(i)	(ii)	iii=(i)-(ii)
2025-26			
Opening Balance as at 01.04.2025	3,301	2,885	416
Current Service Cost	178		178
Past Service Cost	-		-
Interest Expenses/ (Income)	221	193	28
Total Amount recognised in Profit or Loss	399	193	206
Remeasurements			
Return on Plan Asset, excluding amount included in interest expenses/(Income)	-	79	(79)
(Gain)/Loss from change in demographic assumptions	11	-	11
(Gain)/Loss from change in financial assumptions	(70)	-	(70)
Experience (Gains)/Losses	484	-	484
Total Amount recognised in Other Comprehensive Income	425	79	345
Contributions:-	-	416	(416)
-Employers	-	-	-
-Plan Participants	-	-	-
-Withdrawal from fund		(59)	59
Benefit payments	(60)	-	(60)
Closing Balance as at 31.03.2026	4,064	3,514	550

NHDC LIMITED

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount Obligation/(Asset)
	(i)	(ii)	iii=(i)-(ii)
	2024-25		
Opening Balance as at 01.04.2024	2699	2,375	324
Current Service Cost	150		150
Past Service Cost	-	-	-
Interest Expenses/ (Income)	192	169	23
Total Amount recognised in Profit or Loss	342	169	173
Remeasurements			
Return on Plan Asset, excluding amount included in interest expenses/(Income)	-	51	(51)
(Gain)/Loss from change in demographic assumptions	(4)	-	(4)
(Gain)/Loss from change in financial assumptions	62	-	62
Experience (Gains)/Losses	236	-	236
Total Amount recognised in Other Comprehensive Income	294	51	243
Contributions:-			
-Employers	-	324	(324)
-Plan Participants	-	-	-
-Withdrawal from fund		(34)	34
Benefit payments	(35)	-	(35)
Closing Balance as at 31.03.2025	3,300	2,885	415

Total amount recognised in the Statement of Profit and Loss/ Expenditure attributable to Construction and total amount recognised under Other Comprehensive Income disclosed above are based on the actuarial valuation report. This includes an amount of ₹14 Lakhs (Previous year ₹ 30 Lakhs accounted as receivable/(payable) from/to Parent in respect of employees of NHDC posted in the Parent of the Company.

The net liability disclosed above related to funded and unfunded plans are as follows:

(Amount in ₹ Lakhs)

Particulars	31st March 2026	31st March 2025
Present Value of funded obligations	4,064	3,300
Fair value of Plan Assets	3,514	2,885
Deficit/(Surplus) of funded plans	550	415
Unfunded Plans	-	-
Deficit/(Surplus) before asset ceiling	550	415



NHDC LIMITED

Sensitivity Analysis – The sensitivity of the defined benefit obligations to changes in the weighted principal assumptions is:

Particulars	Change in assumptions		Impact on Defined Benefits Obligation					
			Increase in assumptions			Decrease in assumptions		
	31.03.26	31.03.25		31.03.26	31.03.25		31.03.26	31.03.25
Discount Rate	0.50%	0.50%	Decrease by	8.38%	9.12%	Increase by	8.72%	9.76%
Medical Cost Rate	0.50%	0.50%	Increase by	8.15%	9.49%	Decrease by	7.89%	9.09%

- (iv) **Allowances on Retirement/Death:** The amount recognised in the Balance Sheet as at 31.03.2026 and 31.03.2025 along with the movements in the net defined benefit obligation during the years 2025-26 and 2024-25 are as follows:

(Amount in ₹ Lakhs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
	2025-26		
Opening Balance as at 01.04.2025	178	-	178
Current Service Cost	9		9
Past Service Cost	-	-	-
Interest Expenses/ (Income)	12	-	12
Total Amount recognised in Profit or Loss	21	-	21
Remeasurements			
Return on Plan Asset, excluding amount included in interest expenses/(Income)			
(Gain)/Loss from change in demographic assumptions	0	-	0
(Gain)/Loss from change in financial assumptions	(6)	-	(6)
Experience (gains)/Losses	(8)	-	(8)
Total Amount recognised in Other Comprehensive Income	(13)	-	(13)
Contributions:-			
-Employers			
-Plan participants	-	-	-
Benefit payments	(5)	-	(5)
Closing Balance as at 31.03.2026	181	-	181



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Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
	2024-25		
Opening Balance as at 01.04.2024	150	-	150
Current Service Cost	9		9
Past Service Cost	-	-	-
Interest Expenses/ (Income)	11	-	11
Total Amount recognised in Profit or Loss	20	-	20
Remeasurements			
Return on Plan Asset, excluding amount included in interest expenses/(Income)	-	-	-
(Gain)/Loss from change in demographic assumptions	(3)	-	(3)
(Gain)/Loss from change in financial assumptions	6	-	6
Experience (gains)/Losses	8	-	8
Total Amount recognised in Other Comprehensive Income	11	-	11
Contributions:-			
-Employers	-	-	-
-Plan participants	-	-	-
Benefit payments	(3)	-	(3)
Closing Balance as at 31.03.2025	178	-	178

Total amount recognised in the Statement of Profit and Loss/ Expenditure attributable to Constructions and total amount recognised under Other Comprehensive Income disclosed above are based on the actuarial valuation report. This includes an amount of ₹ NIL (Previous year ₹ 1 Lakh) accounted as receivable/(payable) from/to Parent in respect of employees of NHDC posted in the Parent of the Company.

The net liability disclosed above related to unfunded plans.

Sensitivity Analysis – The sensitivity of the defined benefit obligations to changes in the weighted principal assumptions is:

Particulars	Change in assumptions		Impact on Defined Benefits Obligation					
			Increase in assumptions			Decrease in assumptions		
	31.03.26	31.03.25		31.03.26	31.03.25		31.03.26	31.03.25
Discount Rate	0.50%	0.50%	Decrease by	3.29%	4.90%	Increase by	3.30%	4.92%
Cost Increase	0.50%	0.50%	Increase by	3.32%	4.99%	Decrease by	3.13%	4.87%



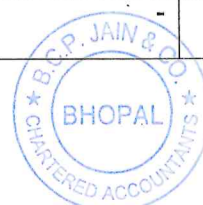
NHDC LIMITED

- (v) **Memento to employees on attaining the age of superannuation:** The amount recognised in the Balance Sheet as at 31.03.2026 and 31.03.2025 along with the movements in the net defined benefit obligation during the years 2025-26 and 2024-25 are as follows:

(Amount in ₹ Lakhs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount Obligation/ (Asset)
	(i)	(ii)	iii=(i)-(ii)
2025-26			
Opening Balance as at 01.04.2025	12	-	12
Current Service Cost	1		1
Past Service Cost	-	-	-
Interest Expenses/ (Income)	1	-	1
Total Amount recognised in Profit or Loss	1	-	1
Remeasurements			
Return on Plan Asset, excluding amount included in interest expenses/(Income)	-	-	-
(Gain)/Loss from change in demographic assumptions	-	-	-
(Gain)/Loss from change in financial assumptions	(1)	-	(1)
Experience (Gains)/Losses	-	-	-
Total Amount recognised in Other Comprehensive Income	-	-	-
Contributions:-			
-Employers	-	-	-
-Plan Participants	-	-	-
Benefit payments	(1)	-	(1)
Closing Balance as at 31.03.2026	13	-	13

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount Obligation/ (Asset)
	(i)	(ii)	iii=(i)-(ii)
2024-25			
Opening Balance as at 01.04.2024	11	-	11
Current Service Cost	-		-
Past Service Cost	-	-	-
Interest Expenses/ (Income)	1	-	1
Total Amount recognised in Profit or Loss	1	-	1



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Remeasurements			
Return on Plan Asset, excluding amount included in interest expenses/(Income)	-	-	-
(Gain)/Loss from change in demographic assumptions	-	-	-
(Gain)/Loss from change in financial assumptions	0	-	0
Experience (Gains)/Losses	0	-	0
Total Amount recognised in Other Comprehensive Income	0	-	0
Contributions:-			
-Employers	-	-	-
-Plan Participants	-	-	-
Benefit payments	(0)	-	(0)
Closing Balance as at 31.03.2025	12	-	12

Total amount recognised in the Statement of Profit and Loss/ Expenditure attributable to Constructions and total amount recognised under Other Comprehensive Income disclosed above are based on the actuarial valuation report. This includes an amount of ₹ NIL (Previous year ₹NIL) accounted as receivable/(payable) from/to Parent in respect of employees of NHDC posted in the Parent of the Company.

The net liability disclosed above related to unfunded plans.

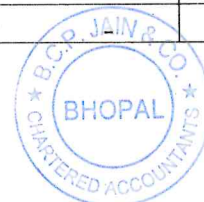
Sensitivity Analysis – The sensitivity of the defined benefit obligations to changes in the weighted principal assumptions is:

Particulars	Change in assumptions		Impact on Defined Benefits Obligation					
			Increase in assumptions			Decrease in assumptions		
	31.03.26	31.03.25		31.03.26	31.03.25		31.03.26	31.03.25
Discount Rate	0.50%	0.50%	Decrease by	5.28%	5.35%	Increase by	5.41%	5.54%

- (vi) **NHDC Employees Family Economic Rehabilitation Scheme:** The amount recognised in the Balance Sheet as at 31.03.2026 and 31.03.2025 along with the movements in the net defined benefit obligation during the years 2025-26 and 2024-25 are as follows:

(Amount in ₹ Lakhs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount Obligation/ (Asset)
	(i)	(ii)	iii=(i)-(ii)
	2025-26		
Opening Balance as at 01.04.2025	659	-	659
Current Service Cost	35		35
Past Service Cost	-	-	-
Interest Expenses/ (Income)	44		44



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Total Amount recognised in Profit or Loss	79	-	79
Remeasurements			
Return on Plan Asset, excluding amount included in interest expenses/(Income)	-	-	-
(Gain)/Loss from change in demographic assumptions	-	-	-
(Gain)/Loss from change in financial assumptions	(18)	-	(18)
Experience (Gains)/Losses	5	-	5
Total Amount recognised in Other Comprehensive Income	(13)	-	(13)
Contributions:-			
-Employers	-	-	-
-Plan participants	-	-	-
Benefit payments	(18)	-	(18)
Closing Balance as at 31.03.2026	707	-	707

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount Obligation/ (Asset)
	(i)	(ii)	iii=(i)-(ii)
	2024-25		
Opening Balance as at 01.04.2024	587	-	587
Current Service Cost	35	-	35
Past Service Cost	-	-	-
Interest Expenses/ (Income)	42	-	42
Total Amount recognised in Profit or Loss	77	-	77
Remeasurements			
Return on Plan Asset, excluding amount included in interest expenses/(Income)	-	-	-
(Gain)/Loss from change in demographic assumptions	-	-	-
(Gain)/Loss from change in financial assumptions	17	-	17
Experience (Gains)/Losses	(9)	-	(9)
Total Amount recognised in Other Comprehensive Income	8	-	8
Contributions:-			
-Employers	-	-	-
-Plan participants	-	-	-
Benefit payments	(13)	-	(13)
Closing Balance as at 31.03.2025	659	-	659



NHDC LIMITED

Total amount recognised in the Statement of Profit and Loss/ Expenditure attributable to Constructions and total amount recognised under Other Comprehensive Income disclosed above are based on the actuarial valuation report. This includes an amount of ₹ NIL (Previous year ₹ NIL) accounted as receivable/(payable) from/to Parent in respect of employees of NHDC posted in the Parent of the Company.

The net liability disclosed above related to unfunded plans.

Sensitivity Analysis – The sensitivity of the defined benefit obligations to changes in the weighted principal assumptions is:

Particulars	Change in assumptions		Impact on Defined Benefits Obligation					
			Increase in assumptions			Decrease in assumptions		
	31.03.26	31.03.25		31.03.26	31.03.25		31.03.26	31.03.25
Discount Rate	0.50%	0.50%	Decrease by	3.31%	3.31%	Increase by	3.48%	3.51%

(c) Defined Benefit Plans: Significant estimates: Actuarial assumptions:

Particulars	31st March 2026	31st March 2025
Discount Rate	7.06%	6.69%
Salary growth rate	6.50%	6.50%

(d) The major categories of Plan Assets are as follows:

(i) Provident Fund:

(Amount in ₹ Lakhs)

Particulars	31st March 2026			
	Quoted	Unquoted	Total	In %
Debt Instruments				
Government Bonds	12,592	-	12,592	52.38%
Corporate Bonds	8,053	-	8,053	33.50%
Investment Funds				
Mutual Funds	2,503	-	2,503	10.41%
Cash & Cash Equivalents	-	418	418	1.74%
Accrued Interest	474	-	474	1.97%
Total	23,622	418	24,040	100%

Particulars	31st March 2025			
	Quoted	Unquoted	Total	In %
Debt Instruments				
Government Bonds	12227	-	12227	54.52%
Corporate Bonds	7381	-	7381	32.91%
Investment Funds				
Mutual Funds	2137	-	2137	9.53%



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Cash & Cash Equivalents	-	238	238	1.06%
Accrued Interest	444	-	444	1.98%
Total	22189	238	22427	100%

(ii) Gratuity

(Amount in ₹ Lakhs)

Particulars	31st March 2026			
	Quoted	Unquoted	Total	In %
Investment Funds				
LIC Scheme		4,045	4,045	100.00 %
Cash & Cash Equivalents		-	-	0.00%
Total		4,045	4,045	100.00%

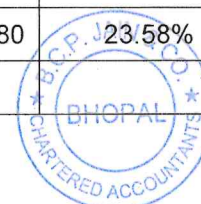
Particulars	31st March 2025			
	Quoted	Unquoted	Total	In %
Investment Funds				
LIC Scheme	-	3,673	3,673	100.00%
Cash & Cash Equivalents	-	-	-	0.00%
Total	-	3,673	3,673	100.00%

(iii) Retired Employees Health Scheme (REHS):

(Amount in ₹ Lakhs)

Particulars	31st March 2026			
	Quoted	Unquoted	Total	In %
Debt Instruments				
Government Bonds	978	-	978	27.82%
Corporate Bonds	657	-	657	18.70%
Investment Funds				
Fixed Deposit	-	1,745	1,745	49.66%
Accrued Interest	-	119	119	3.39%
Cash & Cash Equivalents	-	15	15	0.43%
Total	1,635	1,879	3,514	100.00%

Particulars	31st March 2025			
	Quoted	Unquoted	Total	In %
Debt Instruments				
Government Bonds	981	-	981	34.00%
Corporate Bonds	680	-	680	23.58%
Investment Funds				



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Fixed Deposit	-	1,133	1,133	39.29%
Accrued Interest	-	83	83	2.87%
Cash & Cash Equivalents	-	8	8	0.26%
Total	1,661	1,224	2,885	100%

- (e) **Risk Exposure:** Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such, the company is exposed to various risks as follows:

- A) Salary Increase- Actual salary increase will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- B) Investment Risk – If Plan is funded then assets-liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- C) Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.
- D) Mortality and disability – Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

- (f) **Defined benefit liability and employer contributions:** Funding levels are monitored on an annual basis and the current contribution rate is 30% of basic salary and dearness allowance. The Company considers that the contribution rates set at the last valuation date are sufficient to eliminate the deficit over the agreed period and that regular contributions, which are based on service costs, will not increase significantly.

Expected contributions to defined-benefit plans for the year ending March 31, 2027 are ₹1,393 Lakhs (March 31, 2026 ₹1,258 Lakhs).

The weighted average duration of the defined benefit obligations is 11.32 Years (11.40 Years 2024-2025).

The expected maturity analysis of undiscounted defined benefit plans is as follows:

The expected maturity analysis of Provident Fund (NHDC Ltd. Employees Provident Fund)

(Amount in ₹ Lakhs)

Particulars	Between 0-1 years	Between 1-5 years	Between 5-10 years	Over 10 years	Total
31.03.2026	495	2,769	9,039	11,846	24,149
31.03.2025	1,294	2,891	7,993	10,191	22,369



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The expected maturity analysis of Gratuity (NHDC Ltd. Employees Group Gratuity Assurance Fund), Post employment Medical Benefits (NHDC Ltd. Retired Employees Health Scheme Trust), Allowances on Retirement/Death, Memento and NHDC Employees Family Economic Rehabilitation Scheme.

(Amount in ₹ Lakhs)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31.03.2026					
Gratuity	97	186	639	3550	4472
Post-employment Medical Benefits (REHS)	53	64	246	3,700	4063
Allowances on Retirement/Death	4	6	20	151	181
Memento to employees on attaining the age of superannuation	0	1	2	10	13
Employees Family Economic Rehabilitation Scheme.	23	25	81	578	707
TOTAL	177	282	988	7,989	9,436
31.03.2025					
Gratuity	125	83	415	3,139	3,762
Post-employment Medical Benefits (REHS)	47	52	200	3,002	3,301
Allowances on Retirement/Death	3	3	15	156	178
Memento to employees on attaining the age of superannuation	0	0	1	11	12
Employees Family Economic Rehabilitation Scheme.	23	25	79	532	659
TOTAL	198	163	710	6,840	7,911

(C) Other long-term employee benefits (Leave Benefit): The Company provides for earned leave and half-pay leave to the employees which accrue annually @ 30 days and 20 days respectively. Earned Leave (EL) is also encashable while in service. The maximum ceiling of encashment of earned leave is limited to 300 days. However, any shortfall in the maximum limit of 300 days in earned leave on superannuation shall be fulfilled by half pay leave to that extent. The liability for the same is recognised on the basis of actuarial valuation. The expenses recognised during the year on the basis of actuarial valuation are ₹-318 Lakhs (Previous year ₹415 Lakhs).



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12. Particulars of income and expenditure in foreign currency and consumption of spares are as under: -

(Amount in ₹ Lakhs)

Sl. No	Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
a)	Expenditure in Foreign Currency		
	i) Interest		-
	ii) Other Misc. Matters		-
b)	Consumption of stores in operating units:		
	i) Imported	-	-
	ii) Indigenous	224	331
c)	Income in Foreign Currency (Specify Nature)		
	i) Interest		-
	ii) Other Misc. Matters		-

13. Earnings Per Share:

- a) The Earnings Per Share (Basic and Diluted) are as under:

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Earnings per Share before movement in Regulatory Deferrals Account Balances (₹) – Basic and Diluted	465.82	357.11
Earnings per Share after movement in Regulatory Deferrals Account Balances (₹) – Basic and Diluted	476.78	426.46
Par value per share (₹)	1000	1000

- b) Reconciliation of Earning used in calculating Earnings Per Share:

(Amount in ₹ Lakhs)

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Net Profit after Tax but before movements in Regulatory Deferral Account Balances used as numerator	91421	70087
Net Profit after Tax and movements in Regulatory Account Balances used as numerator	93572	83696

- c) Reconciliation of weighted average number of shares used as denominator:

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Weighted Average number of equity shares used as denominator	1,96,25,800	1,96,25,800



14. Disclosure related to Confirmation of Balances is as under:

- (a) The Company has a system of obtaining periodic confirmation of balances from banks and other parties. There are no unconfirmed balances in respect of bank accounts and borrowings from banks & financial institutions. With regard to receivables for energy sales, the Company sends demand intimations to the beneficiaries with details of amount paid and balance outstanding which can be said to be automatically confirmed on receipt of subsequent payment from such beneficiaries. In addition, reconciliation with beneficiaries and other customers is generally done on quarterly basis.
- (b) The confirmation in respect of Trade Receivables, Trade Payables, loans, Advances to Contractors/ Suppliers/ Service Providers/ Others including for capital expenditure have been sought for outstanding balances of ₹ 5 Lakhs or above in respect of each party as at 31st December, 2025. Status of confirmation of balances against total outstanding as at December 31, 2025 as well as total outstanding as on 31.03.2026 is as under:

(Amount in ₹ Lakhs)

Particulars	Total outstanding amount as on 31.12.2025	Amount confirmed	Total outstanding amount as on 31.03.2026
Trade receivable (Including interest, late payment surcharge receivable from beneficiaries and excluding Unbilled sales)	11143	*459	11230
Loans and Advances to contractors/ suppliers/service providers/ others including for capital expenditure	1023	52	249
Trade/Other payables	6946	4779	7556
Security Deposit/Retention Money payable	557	232	534

* Confirmation available for 31.03.2026 only is being shown excluding unbilled receivables.

- (c) In the opinion of the management, unconfirmed balances will not require any adjustment having any material impact on the Financial Statements of the Company.

15. Disclosure related to Corporate Social Responsibility (CSR) (Refer Note 29)

- i. As per Section 135 of the Companies Act, 2013 read with guidelines issued by Department of Public Enterprises, GOI, the Company is required to spend, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy. The details of CSR expenses for the year are as under:



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(Amount in ₹ Lakhs)

S. No	Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
A	Amount required to be spent during the year Gross amount (2% of average net profit as per Section 135 of Companies Act, 2013)	2066	1850
B	Amount spent during the year	2568	1926
C	Shortfall at the end of the year	0	0
D	Amount approved by the Board to be spent during the year	3099	2775

Disclosure under Section 135(5) of Companies Act, 2013 regarding excess amount spent on CSR:

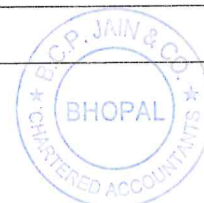
(Amount in ₹ Lakhs)

S. No	Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
A	Opening Balance	NIL	NIL
B	Amount Required to be spent during the Year	2066	1850
C	Amount spent during the year	2568	1926
D	Set off available for succeeding years (C- B-A)	502	76
E	Excess amount spent and carried forward for succeeding years	NIL	NIL

(ii) The breakup of CSR expenditure under various heads of expenses incurred is as below:

(Amount in ₹ Lakhs)

Sl. No.	Heads of Expenses constituting CSR expenses	For the year ended 31.03.2026	For the year ended 31.03.2025
1	Health Care and Sanitation	1228	1121
2	Education and Skill Development	742	692
3	Women Empowerment /Senior Citizen		-
4	Environment	55	9
5	Art and Culture		-
6	Ex- Armed Forces		-
7	Sports		-



NHDC LIMITED

8	Rural Development	421	10
9	Swachh Vidyalaya Abhiyan		-
10	Swachh Bharat Abhiyan		-
11	Disaster Management		-
12	Technology and Research		
13	Contribution to Central Government Fund (including Contribution to PM CARES Fund)		-
14	Administrative Overhead	122	91
15	CSR Impact assessment	-	3
	Total amount	2568	1926

(iii) Other disclosures: -

- (a) Details of expenditure incurred during the year paid and yet to be paid along with the nature of expenditure (capital or revenue nature) is as under: -

(Amount in ₹ Lakhs)

	Particulars	For the period ended on 31.03.2026			For the period ended on 31.03.2025		
		Paid (a)	Yet to be paid (b)	Total (a+b)	Paid (a)	Yet to be paid (b)	Total (a+b)
(i)	Construction/ Acquisition of any asset	1600	125	1725	1102	142	1244
(ii)	For purpose other than (i) above	840	3	843	681	1	682
	Total	2440	128	2568	1783	143	1926

- (b) As stated above, a gross sum of ₹128 Lakhs out of the total expenditure of ₹2568 Lakhs is yet to be paid to concerned parties which are included in the relevant head of accounts pertaining to liabilities.

16. Disclosures as required under Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 read with notification of Ministry of Corporate Affairs dated 11th October, 2018 to the extent information available with management are as under:

(Amount in ₹ Lakhs)

Sl. No.	Particulars	As at 31.03.2026	As at 31.03.2025
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier on Balance Sheet date:		
	a) Trade Payables:		
	-Principal (Refer Note 20.3)	1162	855
	-Interest	-	-
	b) Others:		
	-Principal (Refer Note 20.4)	1051	567
	-Interest	-	-



(ii)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
(iii)	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(iv)	The amount of interest accrued and remaining unpaid as on Balance Sheet date.	-	-
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

17. Disclosures regarding leases as per IND AS -116 "Leases":

A) Company as Lessee:

(i) Treatment of Leases as per Ind AS 116:

The Company assesses whether a contract is or contains a lease, at the 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 Company has applied the following practical expedients on initial application of Ind AS 116:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- Excluded the initial direct costs, if any from the measurement of the right-of-use asset at the date of recognition of right-of-use asset.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.



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The weighted average incremental borrowing rate applied to leases recognised during FY 2025-26 is 7.15%.

(ii) **Nature of lease:** The Company's significant leasing arrangements are in respect of the following assets:

- (a) Premises under cancellable lease arrangements for residential use of employees ranging from 3-4 months to three years.
- (b) Premises for offices, guest houses and transit camps on lease which are not non-cancellable and are usually renewable on mutually agreeable terms.
- (c) Land obtained on lease for construction of projects and / or administrative offices.
- (d) Vehicles on operating leases generally for a period of 1 to 2 years and such leases are not non-cancellable.

Amount recognised in the Statement of Profit and Loss / Expenditure Attributable to Construction in respect of short term, low value and variable lease are as under:

(Amount in ₹ Lakhs)

S. No	Description	31.03.2026	31.03.2025
1	Expenditure on short-term leases	30	31
2	Expenditure on lease of low-value assets	-	-
3	Variable lease payments not included in the measurement of lease liabilities	-	-

(iii) Commitment for Short Term Leases as on 31.03.2026 is ₹ NIL. (Previous Year ₹ NIL.).

(iv) Movement in lease liabilities during the year:

(Amount in ₹ Lakhs)

Particulars	31.03.2026	31.03.2025
Opening Balance	5213	71
Additions in lease liabilities	-	5167
Finance cost accrued during the year	378	162
Less: Payment of lease liabilities	572	187
Closing Balance	5019	5213
Lease Liabilities-Current	184	194
Lease Liabilities-Non-Current	4835	5019

B) Finance Lease – Company as Lessor

The Company has entered into an arrangement with a single beneficiary, M P Power Management Company for sale of the entire power generated by two power stations, namely Indira Sagar and Omkareshwar Power Stations for the substantial period of the stipulated life of these Power Stations. Under the agreements, the customer is obliged to purchase the entire output at prices determined by the Central Electricity Regulatory Commission (CERC).



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The Company has classified the Power Station as embedded Finance Lease as per Appendix-C to Ind AS 17- Leases. The Company has elected to use the practical expedient not to apply this Standard to contracts that were not previously identified as containing a lease applying Ind AS 17. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17. Other financial assets (Current and Non-Current) include lease receivables representing the present value of future lease rentals receivable on the embedded finance lease arrangements entered into by the company.

The stipulated duration of the original PPA is 35 years as specifically mentioned in the clause 13 of the PPA. The company has reconsidered the lease arrangement and has assessed the life at 40 years (based on CERC Regulations), considering continuation of the PPA with same beneficiary as per clause 13 of the PPA..

The Company has earned "Income from Finance Lease" of ₹ 50371 Lakhs during the year (previous year ₹ 50359 Lakhs)

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the end of the financial year as at 31.03.2026:

(Amount in ₹ Lakhs)

Particulars	31.03.2026	31.03.2025
undiscounted lease payments receivable:		
Less than one year	56358	56564
One to two years	55246	55459
Two to three years	54135	54354
Three to four years	53216	53248
Four to five years	52658	52363
More than five years	833303	823253
Total undiscounted lease payments receivable	1104916	1095241
Add: unguaranteed residual value	44005	43723
Less: Unearned finance income	785747	772899
Net investment in the lease	363174	366065
Discounted unguaranteed residual value included in the Net investment in lease	2471	2381



Significant changes in the carrying amount of the net investment in finance leases

(Amount in ₹ Lakhs)

Particulars	31.03.2026	31.03.2025
Opening Balances	366064	366124
Additions during the year	3403	6707
Income from Finance Lease for the year	50371	50359
Less: Amount received during the year	56665	57126
Closing Balances	363174	366064

18. Disclosures under Ind AS-27 'Separate Financial Statements':**(a) Interest of Parent:**

Name of Companies	Principal place of operation	Principal activities	Proportion of Ownership interest as at	
			31.03.2026	31.03.2025
NHPC Limited	India	Power Generation	51.08%	51.08%

19. Ind AS 36- *Impairment of Assets* requires an entity to assess on each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the entity is required to estimate the recoverable amount of the asset. If there is no indication of a potential impairment loss, the Standard does not require an enterprise to make a formal estimate of the recoverable amount.

Management has determined that each of the Project / Power Station of the Company is the smallest identifiable group of assets that generate cash inflows from continuing use that is largely independent of the cash inflows from other assets or groups of assets and accordingly qualifies to be designated as a Cash Generating Unit (CGU). Impairment indicators applicable to these CGUs have been assessed and based on such assessment, Management is of the opinion that no significant change with an adverse effect on the Company has taken place during the year, or is expected to take place in the near future, in the technological, economic or legal environment in which the Company operate. Based on the assessment, there exists no significant indicator that would suggest an impairment of the carrying amounts of the CGUs of the company during 2025-26.

20. Nature and details of provisions (refer Note No. 17 and 22)**(i) General**

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the company expects some or all of a provision to be

reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

(ii) Provision for employee benefits (Other than provisions for defined contribution and defined benefit plans which have been disclosed as per Ind AS-19 at S. No. 11 of Note No. 34):

Provision for Performance Related Pay/Incentive:

Short-term Provision has been recognised in the accounts towards Performance Related Pay/ incentive to employees on the basis of Management estimates as per company's rules in this regard which are based on the guidelines of the Department of Public Enterprises, Government of India.

(iii) Other Provisions:

a) Provision For Tariff Adjustment:

Provision for tariff adjustment is made on estimated basis against probable refund to beneficiaries on reassessment of tariff billed, pending approval of Tariff/truing up for the Year 2014-19/2019-24 by Central Electricity Regulatory Commission (CERC).

b) Provision for Committed Capital Expenditure:

Provision has been recognised at discounted value in case of non- current amount for Capital Expenditure to be incurred towards environment, compensatory afforestation, local area development, etc. which was a pre-condition for granting approval for construction of the project and expenditure towards which had not been completed till commissioning of the project. Such provisions are adjusted against the incurrence of actual expenditure as per demand raised by the concerned State Government Authorities.

c) Provision for restoration expenses of insured assets:

Provision has been recognised in the accounts based on Management Estimates for restoration of damaged assets insured under Mega and Construction Plant and Machinery Policy. Utilization of the provision is to be made against incurrence of actual expenditure towards restoration of the assets.

d) Provisions for expenditure in respect of Arbitration Award/Court cases:

This includes provisions created on the basis of management assessment as to probable outflow in respect of contractors claims against which arbitration award/Court decision have been received and which have been further challenged in a Court of Law. Utilization/outflow of the provision is to be made on the outcome of the case.

e) Provisions- Others: This includes provisions towards: -

- (i) Contractor claims, Land compensation cases, disputed tax demands and other cases created on the basis of management assessment towards probable outflow. Utilization/outflow of the provision is to be made on the outcome of the case.
- (ii) Wage revision of Central Government Employees whose services are utilised by the company.
- (iii) Provision for interest to beneficiaries on excess tariff recovered in terms of Tariff Regulations for the Year 2019-24 where the capital cost considered for fixation of tariff by the CERC on the basis of projected capital cost as on Commercial Operation Date or the projected additional capital expenditure exceeds the actual capital cost incurred.



- (iv) Upfront provision for rebate towards interest on House Building Advance provided to employees based on the historical trend of rebate allowed.
- (v) Upfront provision for rebate to customers for sale of power based on the historical trend of rebate allowed.

21. Disclosures relating to creation of Regulatory Deferral Account (RDA) balances as per Ind AS 114:

The Company is principally engaged in the construction and operation of hydroelectric power projects. The price (tariff) to be charged by the company for electricity sold to its customers is determined by Central Electricity Regulatory Commission (CERC) under applicable CERC (terms and conditions of tariff) Regulations. The said price (tariff) is based on allowable costs like interest costs, depreciation, operation and maintenance charges plus a stipulated return. This form of rate regulation is known as cost-of-service regulations. The basic objective of such regulations is to give the entity the opportunity to recover its costs of providing the goods or services plus a fair return.

For the purpose, the Company is required to make an application to CERC based on capital expenditure incurred duly certified by the Auditors or already admitted by CERC or projected to be incurred up to the date of commercial operation and additional capital expenditure duly certified by the Auditor or projected to be incurred during tariff year. The tariff determined by CERC is recovered from the customers (beneficiaries) on whom the same is binding.

The above rate regulation results in creation of right (asset) or an obligation (liability) as envisaged in the accounting framework which is not the case in other industries. Guidance Note on Accounting for Rate Regulated Activities (Previous GAAP) issued by the ICAI is applicable to entities that provide goods or services whose prices are subject to cost-of-service regulations and the tariff determined by the regulator is binding on the customers (beneficiaries). As per guidance note, a regulatory asset is recognized when it is probable (a reasonable assurance) that the future economic benefits associated with it will flow to the entity as a result of the actual or expected actions of the regulator under applicable regulatory framework and the amount can be measured reliably.

The guidance note also provides that in some cases, a regulator permits an entity to include in the rate base, as part of the cost of self-constructed (tangible) fixed assets or internally generated intangible assets, amounts that would otherwise be recognized as expense in the statement of profit and loss in accordance with Accounting Standards.

With effect from 01.04.2016, such rate regulated items are to be accounted for as per Ind AS 114 'Regulatory Deferral Accounts.' Ind AS 114 allows an entity to continue to apply previous GAAP accounting policies for the recognition, measurement and impairment and derecognition of regulatory deferral account balances. For this purpose, Guidance Note of the ICAI on 'Accounting for Rate Regulated Activities' shall be considered to be the Previous GAAP.

Regulatory Deferral Account balances on account of deferred tax recoverable from beneficiaries:

As per CERC Tariff Regulations, deferred tax arising out of generating income for the tariff period 2004-09 is recoverable from beneficiaries in the year the same materializes as current tax. For the tariff period 2014-19, deferred tax is recoverable by way of grossing up the Return on Equity by the effective tax rate based on actual tax paid. Till 31st March, 2018 the deferred tax recoverable from beneficiaries in future years was presented as an adjustment to deferred tax liability and was not recognised as RDA.



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The practice was reviewed based on an opinion of the Expert Advisory Committee of the Institute of Chartered Accountants of India (EAC of the ICAI) obtained during FY 2019-20. Such deferral account balance which as per EAC of ICAI is not a deductible temporary difference resulting into deferred tax asset under Ind AS 12, rather fulfils the definition of regulatory deferral account balance in terms of Ind AS 114.

Accordingly, the Company had reclassified the deferred tax recoverable upto 2009 and deferred tax adjustment against deferred tax liabilities pertaining to tariff period 2014-19 earlier presented as an adjustment to Deferred Tax Liability, as a Regulatory Deferral Account balance.

As per Tariff Regulations 2019-24 and 2024-29 notified by the CERC, there is no change in mode of recovery of current tax and deferred tax as provided in the earlier Tariff Regulations 2014-19.

The regulated assets (+)/liability (-) recognized in the books to be recovered from or payable to beneficiaries in future periods are as follows:

In respect of deferred tax recoverable for tariff period upto 2009:

(Amount in ₹ Lakhs)

Sl.No.	Particulars	Regulatory Deferral Account Balances
A	Opening balance as on 01.04.2025	24118
B	Addition during the year (assets (+)/ liability (-))	-
C	Amount collected (-)/refunded (+)/Reversed (-) during the year	7595
D	Regulatory income/(expense) recognized in the Statement of Profit and Loss (B-C)	(7595)
E	Closing balance as on 31.03.2026 (A+D)	16523

In respect of deferred tax adjustment against deferred tax liabilities (pertaining to tariff period 2014-19 and onwards):

(Amount in ₹ Lakhs)

Sl.No.	Particulars	Regulatory Deferral Account Balances
A	Opening balance as on 01.04.2025	16925
B	Addition during the year (assets (+)/ liability (-))	1596
C	Amount collected (-)/refunded (+)/Reversed (-) during the year	5181
D	Regulatory income/(expense) recognized in the Statement of Profit and Loss (B-C)	(3585)
E	Closing balance as on 31.03.2026 (A+D)	13,340



Regulatory Deferral Account Credit balances on account of Minimum Alternative Tax (MAT) Credit:

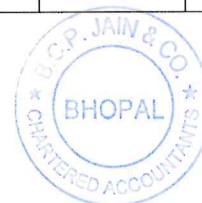
The Movement in Regulatory Deferral Account Credit Balances recognized in respect of MAT Credit payable to beneficiaries (other than solar power) in future periods are as follows:

		(Amount in ₹ Lakhs)
	Particulars	Regulatory Deferral Account Balances
A	Opening balance as on 01.04.2025	29114
B	Addition during the year (assets (+)/ liability (-))	-
C	Amount collected (-)/refunded (+) during the year	13331
D	Regulatory income/(expense) recognized in the Statement of Profit and Loss (B-C)	-
E	Closing balance as on 31.03.2026 (A+D)	15783

Recoverability of Regulatory Deferral Account balance recognised on account of deferred tax recoverable/ payable upto tariff period 2004-2009, deferred tax adjustment against deferred tax liabilities pertaining to tariff period 2014-19 onwards and discharge of Regulatory Deferral Account (Credit) balance created on MAT Credit are dependent upon the future operating performance of the Company. Further, since these Regulatory Deferral Account balances relate to past tariff periods, recoverability is also subject to the regulatory risk of CERC allowing recovery of such balances in future tariff regulations.

22. Disclosure regarding Relationship with Struck off Companies: Following is the disclosure regarding balances with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 as per requirement of Schedule-III of the Companies Act, 2013:

Name of the struck off company	Nature of transactions with struck off company	Balance Outstanding as at 31.03.2026	Relationship with the struck off company, if any, to be disclosed	Balance Outstanding as at 31.03.2025	Relationship with the struck off company, if any, to be disclosed
-	Investment in securities	-	-	-	-
-	Receivables	-	-	-	-
-	Payables	-	-	-	-
-	Shares held by struck off company	-	-	-	-
-	Other outstanding balances (to be specified)	-	-	-	-



- 23. Disclosure regarding Registration of charges or satisfaction with Registrar of Companies (ROC):** Following is the disclosure as per requirement of Schedule-III of the Companies Act, 2013, where any charges or satisfaction yet to be registered with ROC beyond the statutory period:

Brief description of the charges or satisfaction	Location of the Registrar	Period (in days or months) by which such charge had to be registered	Reason for delay in registration
NIL	NIL	NIL	NIL

24. Disclosure regarding impact of New Labour Codes during FY 2025-26:

Pursuant to the notification issued by the Ministry of Labour and Employment, the Code on Wages, 2019, the Code on Social Security, 2020, the Industrial Relations Code, 2020 and the Occupational, Safety, Health and Working Conditions Code, 2020 (Collectively referred to as the "New Labour Codes") became effective from November 21, 2025. The Ministry of Labour & Employment has published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations.

The impact of these changes as assessed by the Company on the basis of the information available is NIL and has been recognised in the Financial Statements of the Company for the FY 2025-26. The Company continues to monitor the finalization of Central/ State Rules and clarifications from the Government on other aspects of the Labour Codes and would provide appropriate accounting effect as and when such clarifications are issued/rules are notified.

25. Other Disclosure required under Schedule-III of the Companies Act, 2013:

- (i) 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 person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (iv) There was no scheme of Arrangements approved by the competent authority during the year in terms of sections 230 to 237 of the Companies Act, 2013.



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- (v) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (vi) The provisions of clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 are not applicable to the company as per Section 2(45) of the Companies Act, 2013
- (vii) No proceedings have been initiated or are pending against the company under the Benami Transactions (Prohibition) Act, 1988.
- (viii) The quarterly returns / statement of current assets filed by the company with banks / financial institutions are in agreement with the books of accounts.
- (ix) The Company does not have any 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.
- (x) During the financial year, there is no delay by the company in the registration of charges or satisfaction with Registrar of Companies beyond statutory period.

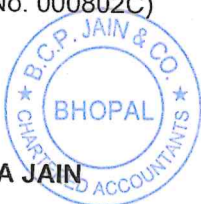
26. Figures for the previous year have been regrouped/restated wherever necessary.

For and on behalf of Board of Directors

For B.C.P. Jain & Co.
Chartered Accountants
(Firm Regn.No. 000802C)

Vinamra Jain

CA VINAMRA JAIN
Partner
M.No. 478899
UDIN:- 26478899QZEGZB4699



Om Prakash

OM PRAKASH
Managing Director
DIN: 11460399

V.K. Tripathi

V. K. TRIPATHI
Co. Secretary

Anuj Kapoor

ANUJ KAPOOR
Director
DIN: 10137420

Deepak Ahuja

DEEPAK AHUJA
General Manager (Fin) &
(Chief Financial Officer)

Place:-Bhopal

Date:-04-05-2026