

INDEPENDENT AUDITOR'S REPORT

To The Members of JSW Energy Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of JSW Energy Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 the Rules made 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 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 matter described below to be the key audit matter to be communicated in our report.

Description of key audit matter

Disputed trade receivables:

The Company has certain disputes with customers regarding determination of tariff under power supply arrangements, which involve significant judgement to determine the possible outcome.

[Refer note 3(B)ii to the standalone financial statements for the critical accounting judgement involved, note 12(d) to trade receivables and note 28(A)(1)(b) to the standalone financial statements for contingent liability disclosures]

Principle audit procedures:

- Evaluating the design and implementation, and testing the operating effectiveness of the relevant controls over recognition of revenue as per the terms of power supply arrangements and ongoing assessment of possible outcome in case of disputes.
- Evaluating the Management's assessment about possible outcome of disputes with customers with regard to determination of tariff by inquiry of the management including in-house legal counsel, reviewing minutes of the meetings of those charged with governance and reading legal advices/opinions obtained by the Company from the external experts, and independent confirmations from the external legal counsels on a test check basis.
- Assessing adequacy and appropriateness of the disclosures in the standalone financial statements.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report, Management Discussion and Analysis, Corporate Governance Report, Business Responsibility Report, and other reports in the Annual Report but does not include the consolidated financial statements, standalone financial statements and our auditor's reports thereon.
- 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 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.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone 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 the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal

financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility 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 evaluating 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 are 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 consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

INDEPENDENT AUDITOR'S REPORT

- e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- f) 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Samir R. Shah
Partner

Place : Mumbai
Date : 20 May, 2020

(Membership No.101708)
(UDIN: 20101708AAAABT9329)

ANNEXURE "A"

To The Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 JSW Energy Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("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 Companies Act, 2013.

Auditor's 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 issued by the ICAI 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 31 March 2020, 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 issued by the ICAI.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Samir R. Shah
Partner

Place : Mumbai
Date : 20 May, 2020

(Membership No.101708)
(UDIN: 20101708AAAABT9329)

ANNEXURE "B"**To The Independent Auditor's Report****(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/ transfer deed/ conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and acquired buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land that have been taken on lease and disclosed as right of use assets in the financial statements, the lease agreements are in the name of the Company, where the Company is lessee in the agreement. There are no buildings that have been taken on lease and disclosed as Property, plant and equipment in the standalone financial statements.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals, except for inventories lying with third parties where confirmations have been received by the management, and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has granted unsecured loans, to companies covered in the register maintained under section 189 of the Companies Act, 2013 in respect of which :
- (a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the interest of the Company.
- (b) The schedule of repayment of principal and payment of interest has been stipulated and receipts of interest has been regular as per stipulations. There were no principal amount due for repayment during the year.
- (c) There is no overdue amount remaining outstanding as at the balance sheet date.
- (iv) The Company has been legally advised that provisions of Section 185 of the Act are not applicable to grant of loan of ₹ 9 crore during the year (cumulative outstanding balance as at 31 March 2020 is ₹ 84 crore) to a company in which a director is interested. Having regard to the aforesaid, in our opinion and according to the information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities during the year as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit and hence reporting under paragraph 3(v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods & Services Tax, Customs Duty, cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Goods & Services Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Sales Tax, Service Tax and Customs Duty which have not been deposited as on 31 March 2020 on account of disputes are given below:

Name of statute	Nature of dues	Forum where dispute is pending	Period(s) to which the amount relates	Amount unpaid* (₹ in crore)	Amount paid under protest (₹ in crore)
The Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	A.Y. 2013-14	50.97	-
The Income Tax Act, 1961	Income Tax	High Court	F.Y. 1995-96 to F.Y. 1997-98	4.62	-

Name of statute	Nature of dues	Forum where dispute is pending	Period(s) to which the amount relates	Amount unpaid* (₹in crore)	Amount paid under protest (₹in crore)
Finance Act, 1994	Service Tax	Appellate Tribunal	F.Y. 2011-12 to F.Y. 2013-14, F.Y. 2016-17, and F.Y. 2017-18	18.51	0.58
The Custom Act, 1962	Customs Duty	Supreme Court	F.Y. 2011-12 and F.Y. 2012-13	213.35	27.30
Sales tax and VAT laws	VAT	Joint Commissioner of Commercial Taxes (Appeals)	F.Y. 2013-14	0.71	0.32
Goods & Service Act, 2017	GST	High Court	F.Y. 2019-20	**2.26	16.53
The Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	A.Y. 2015-16	216.58	-

* excludes interest and penalty.

** paid on 5 May 2020.

There are no dues of Excise Duty as on 31 March 2020 on account of disputes.

- (viii) In our opinion and according to the information and explanations given to us, and having regard to the moratorium for repayment of loans and interest thereon opted by the Company as per package announced by Reserve Bank of India due to COVID 19 pandemic, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks, and dues to debenture holders. The Company has not taken any loans or borrowings from the Government.
- (ix) In our opinion and according to the information and explanations given to us, money raised by way of the term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds. The Company has neither raised any moneys by way of initial public offer/ further public offer (including debt instruments) nor were such proceeds pending to be applied, during the current year.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable.

- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Deloitte Haskins & Sells LLP

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Samir R. Shah

Partner

(Membership No.101708)

(UDIN: 20101708AAAABT9329)

Place : Mumbai

Date : 20 May, 2020

BALANCE SHEETas at 31st March, 2020

₹ crore

Particulars	Notes	As at 31 st March, 2020	As at 31 st March, 2019
A. ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	4A	4,507.17	4,852.07
(b) Capital work-in-progress	4B	108.85	376.78
(c) Other intangible assets	5	0.76	0.60
(d) Investments in subsidiaries and an associate	6	4,024.11	4,063.14
(e) Financial assets			
(i) Investments	6A	1,058.59	2,449.26
(ii) Loans	7	205.13	881.12
(iii) Other financial assets	8	1,002.50	942.66
(f) Income tax assets (net)	9A	61.19	7.97
(g) Other non-current assets	10	96.75	433.04
Total non - current assets		11,065.05	14,006.64
2 Current assets			
(a) Inventories	11	540.77	348.46
(b) Financial assets			
(i) Investments	6A	334.10	190.19
(ii) Trade receivables	12	797.12	554.70
(iii) Cash and cash equivalents	13A	140.47	69.58
(iv) Bank balances other than (iii) above	13B	17.13	42.92
(v) Loans	7	250.83	182.51
(vi) Other financial assets	8	337.22	78.92
(c) Other current assets	10	72.75	36.29
Total current assets		2,490.39	1,503.57
Total assets		13,555.44	15,510.21
B. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14A	1,641.90	1,640.87
(b) Other equity	14B	7,758.30	8,526.61
Total equity		9,400.20	10,167.48
Liabilities			
1 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	1,333.08	2,054.04
(ii) Other financial liabilities	16	0.30	0.26
(b) Provisions	18	19.90	15.80
(c) Deferred tax liabilities (net)	9B	325.90	408.74
(d) Other non-current liabilities	17	6.21	6.37
Total non - current liabilities		1,685.39	2,485.21
2 Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
a) Total outstanding dues of micro and small enterprises	19	1.17	0.69
b) Total Outstanding dues of creditors other than micro and small enterprises	19	1,264.74	1,558.22
(ii) Other financial liabilities	16	1,035.29	1,111.55
(b) Other current liabilities	17	127.74	143.63
(c) Provisions	18	4.21	4.40
(d) Income tax liabilities (net)	9C	36.70	39.03
Total current liabilities		2,469.85	2,857.52
Total liabilities		4,155.24	5,342.73
Total equity and liabilities		13,555.44	15,510.21

See accompanying notes to the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Samir R. Shah
Partner

For and on behalf of Board of Directors

Prashant Jain
Jt. Managing Director & CEO
[DIN: 01281621]

Sajjan Jindal
Chairman and Managing Director
[DIN: 00017762]

Monica Chopra
Company Secretary

Jyoti Kumar Agarwal
Director Finance
[DIN: 01911652]

Place: Mumbai
Date: 20th May, 2020

Place: Mumbai
Date: 20th May, 2020

STATEMENT OF PROFIT AND LOSS

for the year ended 31st March, 2020

SECTION 1: MAPPING THE COURSE
SECTION 2: DELIVERING OUR PROMISE
SECTION 3: STRATEGY & STRUCTURE
SECTION 4: FINANCIAL STATEMENTS
SECTION 5: SUPPLEMENTARY INFORMATION

₹ crore except share data and as stated otherwise

Particulars	Notes	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
1 Revenue from operations	20	4,313.99	5,118.33
2 Other income	21	197.90	362.78
3 Total income (1+2)		4,511.89	5,481.11
4 Expenses			
(a) Fuel cost		3,074.40	3,959.67
(b) Purchase of power		-	14.07
(c) Employee benefits expense	22	118.71	130.84
(d) Finance costs	23	321.95	411.79
(e) Depreciation and amortisation expense	24	369.27	365.02
(f) Other expenses	25	226.71	209.44
Total expenses		4,111.04	5,090.83
5 Profit before exceptional items and tax (3-4)		400.85	390.28
6 Exceptional items (net)	26	(23.02)	-
7 Profit before tax (5-6)		423.87	390.28
8 Tax expense	27		
- Current tax		5.50	70.37
- Deferred tax		(79.44)	68.46
9 Profit for the year (7-8)		497.81	251.45
10 Other comprehensive income			
A i) Items that will not be reclassified to profit or loss			
a) Re-measurements of the net defined benefit plans		(1.09)	(0.58)
b) Equity instruments through other comprehensive income		(1,068.62)	34.30
ii) Income tax relating to items that will not be reclassified to profit or loss		0.19	0.13
Total (A)		(1,069.52)	33.85
B i) Items that will be reclassified to profit or loss			
a) Foreign currency monetary items translation difference account (FCMITDA)		-	(4.96)
b) Effective portion of cash flow hedge		(9.73)	2.58
ii) Income tax relating to items that will be reclassified to profit or loss		3.40	-
Total (B)		(6.33)	(2.38)
Other comprehensive (loss) / income for the year (A+B)		(1,075.85)	31.47
11 Total comprehensive (loss) / income for the year (9+10)		(578.04)	282.92
12 Earnings per equity share of ₹ 10 each	34		
- Basic ₹		3.03	1.53
- Diluted ₹		3.03	1.53

See accompanying notes to the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Samir R. Shah
Partner

For and on behalf of Board of Directors

Prashant Jain
Jt. Managing Director & CEO
[DIN: 01281621]

Sajjan Jindal
Chairman and Managing Director
[DIN: 00017762]

Monica Chopra
Company Secretary

Jyoti Kumar Agarwal
Director Finance
[DIN: 01911652]

Place: Mumbai
Date: 20th May, 2020

Place: Mumbai
Date: 20th May, 2020

STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March, 2020

A. Equity share capital

	₹ crore
Balance as at 01st April, 2018	1,640.05
Changes in equity share capital during the year (net of treasury shares)	0.82
Balance as at 31st March, 2019	1,640.87
Issue of shares during the year (net of treasury shares)	1.03
Balance as at 31st March, 2020	1,641.90

B. Other equity

Particulars	Reserves and surplus						Items of other comprehensive income (OCI)				Total
	Capital reserve	Securities premium	Debenture redemption reserve	Equity-settled employee benefits reserve	General reserve	Retained earnings	Equity instrument through other comprehensive income	Effective portion of cash flow hedge	Foreign currency monetary items translation difference account		
Balance as at 1st April, 2018	516.12	2,380.80	155.83	12.96	213.95	3,572.16	1,383.22	(2.58)	4.96	8,237.42	
Profit for the year	-	-	-	-	-	251.45	-	-	-	251.45	
Other comprehensive income for the year	-	-	-	-	-	(0.45)	34.30	2.58	(4.96)	31.47	
Total comprehensive income for the year	-	-	-	-	-	251.00	34.30	2.58	(4.96)	282.92	
Issue of equity shares under employee share option plan	-	4.16	-	-	-	-	-	-	-	4.16	
Share based payments	-	-	-	2.94	-	-	-	-	-	2.94	
Consolidation of ESOP Trust	-	-	-	-	-	(0.83)	-	-	-	(0.83)	
Transfers to / from retained earnings	-	-	10.84	-	-	(10.84)	-	-	-	-	
Balance as at 31st March, 2019	516.12	2,384.96	166.67	15.90	213.95	3,811.49	1,417.52	-	-	8,526.61	

STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March, 2020

Particulars	Reserves and surplus						Items of other comprehensive income (OCI)				Total
	Capital reserve	Securities premium	Debt redemption reserve	Equity-settled employee benefits reserve	General reserve	Retained earnings	Equity instrument through other comprehensive income	Effective portion of cash flow hedge	Foreign currency monetary items translation difference account		
Balance as at 31st March, 2019	516.12	2,384.96	166.67	15.90	213.95	3,811.49	1,417.52	-	-	8,526.61	
Profit for the year	-	-	-	-	-	497.81	-	-	-	497.81	
Other comprehensive income for the year	-	-	-	-	-	(0.90)	(1,068.62)	(6.33)	-	(1,075.85)	
Total comprehensive income for the year	-	-	-	-	-	496.91	(1,068.62)	(6.33)	-	(578.04)	
Dividends	-	-	-	-	-	(164.12)	-	-	-	(164.12)	
Tax on dividends	-	-	-	-	-	(33.74)	-	-	-	(33.74)	
Issue of equity shares under employee share option plan	-	5.63	-	-	-	-	-	-	-	5.63	
Share based payments	-	-	-	3.24	-	-	-	-	-	3.24	
Consolidation of ESOP Trust	-	-	-	-	-	(1.28)	-	-	-	(1.28)	
Balance as at 31st March, 2020	516.12	2,390.59	166.67	19.14	213.95	4,109.26	348.90	(6.33)	-	7,758.30	

₹ crore

See accompanying notes to the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
 Chartered Accountants

Samir R. Shah
 Partner

For and on behalf of Board of Directors

Prashant Jain
 Jt. Managing Director & CEO
 [DIN: 01281621]

Monica Chopra
 Company Secretary

Sajjan Jindal
 Chairman and Managing Director
 [DIN: 00017762]

Jyoti Kumar Agarwal
 Director Finance
 [DIN: 01911652]

Place: Mumbai
 Date: 20th May, 2020

SECTION 1: MAPPING THE COURSE
 SECTION 2: DELIVERING OUR PROMISE
 SECTION 3: STRATEGY & STRUCTURE
SECTION 4: FINANCIAL STATEMENTS
 SECTION 5: SUPPLEMENTARY INFORMATION

STATEMENT OF CASH FLOWS

for the year ended 31st March, 2020

₹ crore

Particulars	For the year ended 31 st March, 2020		For the year ended 31 st March, 2019	
A Cash Flow from Operating Activities				
Profit before Tax		423.87		390.28
Adjusted for:				
Depreciation and amortisation expense	369.27		365.07	
Interest income earned on financial assets that are not designated as at FVTPL	(143.04)		(232.43)	
Interest income earned on other assets	-		(41.78)	
Finance costs	321.95		411.79	
Share based payments	3.22		2.94	
Dividend income	(28.72)		(32.59)	
(Gain) / Loss on sale / discard of property, plant and equipment	(2.91)		1.85	
Loss on sale of Investments	2.67		-	
Impairment loss allowance for investment in subsidiaries	11.70		-	
Allowance for doubtful loans / trade receivables / interest receivables	53.76		14.72	
Contingent Consideration / liabilities no longer payable written back	(177.48)		-	
Loans written off	116.02		-	
Allowance for non moving inventories	0.29		-	
Unrealised foreign exchange gain (net)	(23.96)		(4.11)	
		502.77		485.46
Operating profit before working capital changes		926.64		875.74
Adjustment for movement in working capital :				
Increase in trade receivables	(242.66)		(66.18)	
(Increase) / Decrease in inventories	(192.61)		101.50	
(Increase) / Decrease in current and non current assets	(65.15)		28.82	
Decrease in trade payables and other liabilities	(335.61)		(471.09)	
		(836.03)		(406.95)
Cash flow from operations		90.61		468.79
Income Taxes Paid (net)		(60.86)		(71.84)
Net Cash Generated from Operating Activities (A)		29.76		396.95
B Cash Flow from Investing Activities				
Purchase of property, plant and equipment (including CWIP and capital advances)		(64.99)		(193.16)
Proceed from sale of property, plant and equipment		46.44		0.59
Interest received		129.36		270.69
Dividend Income		28.72		32.59
Loans given		(1,162.56)		(2,730.89)
Loans repaid		1,896.93		2,588.66
Advance repaid		-		50.00
Investment in equity share capital of subsidiaries		(1.69)		-
Proceed from sale investment in equity shares of a subsidiary		26.35		-
Proceed from redemption of investment in debentures of a subsidiary		384.50		415.50
Bank balances other than cash and cash equivalents		22.19		10.74
Net Cash Generated from Investing Activities (B)		1,305.25		444.72

STATEMENT OF CASH FLOWS

for the year ended 31st March, 2020

SECTION 1: MAPPING THE COURSE
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SECTION 5: SUPPLEMENTARY INFORMATION

₹ crore

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
C Cash Flow from Financing Activities		
Proceed from transfer of treasury shares under ESOP plan	(1.57)	(0.01)
Proceed from issue of equity shares under ESOP Plan	6.96	5.15
Proceed from borrowings	300.00	200.00
Repayment of borrowings	(857.90)	(536.81)
Interest paid	(369.84)	(401.41)
Dividend paid (including corporate dividend tax)	(197.86)	-
Net Cash Used in Financing Activities (C)	(1,120.21)	(733.08)
Net Increase in Cash and Cash Equivalents (A+B+C)	214.80	108.59
Cash and Cash Equivalents - at the beginning of the year	259.77	151.18
Cash and Cash Equivalents - at the end of the year	474.57	259.77
Cash and Cash Equivalents comprise of:		
a) Balances with banks [Refer note 13A]		
In current accounts	119.02	16.17
In deposit accounts maturity less than 3 months at inception	21.41	52.07
b) Cheques on hand [Refer note 13A]	-	1.32
c) Cash on hand [Refer note 13A]	0.04	0.02
d) Investment in mutual funds [Refer note 6A]	334.10	190.19
Total	474.57	259.77

See accompanying notes to the standalone financial statements

Note :

- The statement of cash flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of cashflows.
- Non cash transactions:
 - During the year, the Company has entered into a debt resolution agreement with Jaiprakash Power Ventures Limited ("JPVL") on 2nd January 2020 to restructure the principal outstanding amount of ₹ 751.77 crore owed by them, wherein an amount of ₹ 351.77 crore were converted into equity shares of JPVL at par value of ₹ 10 each.(Refer note 7)
 - The plan for acquisition of the 1000 MW (4 x 250 MW) thermal power plant located at village Tamnar, District Raigarh in the state of Chhattisgarh from Jindal Steel & Power Limited stands terminated on elapsing of the long stop date without completion of the stiputed conditions precedent. Accordingly, interest- bearing advance paid and outstanding as at 31st March, 2019 of ₹ 331.13 crore has been converted into interest-bearing loan. [Refer note 28(B)(ii)(a)]

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Samir R. Shah
Partner

For and on behalf of Board of Directors

Prashant Jain
Jt. Managing Director & CEO
[DIN: 01281621]

Sajjan Jindal
Chairman and Managing Director
[DIN: 00017762]

Monica Chopra
Company Secretary

Jyoti Kumar Agarwal
Director Finance
[DIN: 01911652]

Place: Mumbai
Date: 20th May, 2020

Place: Mumbai
Date: 20th May, 2020

NOTES

to the Standalone Financial Statements for the year ended 31st March, 2020

Note No. 1 - General information:

JSW Energy Limited ("the Company") is a public company incorporated on 10th March 1994 under the Companies Act, 1956 and listed on Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is located at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra. The Company is primarily engaged in the business of generation of power with principal places located at Vijayanagar (Karnataka), Ratnagiri (Maharashtra), Nandyal (Andhra Pradesh) and Salboni (West Bengal).

Note No. 2.1 - Applicability of new and revised Indian Accounting Standards (Ind AS)

The Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following major amendments and new accounting standards, which became applicable with effect from 1st April 2019.

2.1.1 Ind AS 116 – Leases

Ind AS 116 Leases replaced Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, using the modified retrospective approach. (refer note no. 29 and 30)

2.1.2 Appendix C to Ind AS 12 (Income Taxes) – Uncertainty over income tax treatment

The amendment requires an entity to assess whether it is probable that the relevant tax authority will accept an uncertain tax treatment used or proposed to be used, by the entity in its tax filings. The Company has currently carried out an assessment using the most likely amount or the expected value method, as applicable, for estimating the resolution of uncertain tax positions.

Ind AS / Amendments to existing Ind AS issued but not effective:

The Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

Note No. 2.2 - Statement of compliance:

The Standalone Financial Statements of the Company which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended 31st March, 2020, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements") have been prepared in accordance with Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time and guidelines issued by the Securities and Exchange

Board of India (SEBI). The Standalone Financial Statements have been approved by the Board of Directors in its meeting held on 20th May 2020.

Note No. 2.3 - Basis of preparation and presentation

The Standalone Financial Statements are prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies given below. Presentation requirements of Division II of Schedule III to the Companies Act, 2013, as applicable to the Standalone Financial Statements have been followed. The Standalone Financial Statements are presented in Indian Rupees ('INR') which is functional currency of the Company and all values are rounded to the nearest crore, except otherwise indicated.

Note No. 2.4 - Significant accounting policies:**I. Revenue recognition:**

Revenue from contracts with customers is recognised when control of the goods (power) or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services having regard to the terms of the Power Purchase Agreements, relevant tariff regulations and the tariff orders by the regulator, as applicable, and contracts for services.

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated having regard to various relevant factors including historical trend and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Delayed payment charges and compensation towards shortfall in offtake are recognised on collection or earlier when there is reasonable certainty to expect ultimate collection.

II. Leases :

The Company has applied Ind AS 116 using the Retrospective Modified Approach and therefore comparative information has not been restated and is presented as per Ind AS 17. Details of accounting policies under both Ind AS 17 and Ind AS 116 are presented separately below.

Policy applicable from April 1, 2019:**The Company as lessor:**

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

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to the Standalone Financial Statements for the year ended 31st March, 2020

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Lease classification is made at the inception date and is reassessed only if there is a lease modification. Changes in estimates (for example, changes in estimates of the economic life or of the residual value of the underlying asset), or changes in circumstances (for example, default by the lessee), do not give rise to a new classification of a lease for accounting purposes. For a modification to a finance lease, if the lease would have been classified as an operating lease had the modification been in effect at the inception date, lease modification is accounted as a new lease from the effective date of modification and carrying amount of underlying asset is measured as the net investment in the lease immediately before the effective date of the lease modification.

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

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

The Company as lessee:

The Company assesses whether a contract is or contains a lease, at inception of the 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 : (i) the contract involves the use of an identified asset; (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease, and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, 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 (i.e. leases with a lease term of 12 months or less) and leases of low value assets (i.e. below Rupees five lac). For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

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

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the

lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever 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.

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

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

Policy applicable prior to April 1, 2019:

Arrangements in the nature of lease:

An arrangement comprising a transaction or series of related transactions that does not take legal form of a lease but conveys the right to use the asset in return for a payment or series of payments is evaluated at its inception to assess whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and whether it also conveys the right to use such asset or assets. In case of the arrangement which is identified to be in the nature of lease, the payments and other consideration under the arrangement are separated at inception of the arrangement into those for lease and those for other elements.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as a lessor:

Amount due from the lessee under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Lease receipts are apportioned between finance income and reduction of the revenue so as to achieve a constant rate of interest on the remaining balance of the finance lease receivable. Finance lease income is allocated to the accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

The Company as a lessee:

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the

to the Standalone Financial Statements for the year ended 31st March, 2020

inception of the lease or, if lower, at the present value of minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments under an operating lease shall be recognised as an expense on a straight-line basis over the term of the relevant lease. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

III. Foreign currencies

The Company's Standalone Financial Statements are presented in Indian Rupee.

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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

- exchange differences on transactions entered into in order to hedge certain foreign currency risks (see below the policy on hedge accounting in 2.4 (XV) (f)); and
- exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognised in the Standalone Financial Statements for the year ended 31st March, 2016 prepared under previous GAAP, are capitalized as a part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / upto the date of settlement of such monetary item, whichever is earlier and charged to the statement of profit and loss. The un-amortised exchange difference is carried under other equity as "Foreign Currency Monetary Item Translation Difference Account" net of tax effect thereon, where applicable.

IV. Borrowing costs

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

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

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

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

V. Employee benefits:

a) Short term employee benefits:

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

b) Long term employee benefits:

Compensated absences which are not expected to be availed or encashed within twelve months after the end of the period in which the employee renders the related service are recognised as a liability as at the Balance Sheet date on the basis of actuarial valuation using projected unit credit method.

c) Retirement benefit costs and termination benefits:

Defined contribution plans:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans:

For defined benefit retirement benefits plans, the cost of providing benefits is determined using the projected unit credit method and spread over the period during which the benefit is expected to be derived from employees' services. Re-measurement of defined benefit plans in respect of post-employment and other long term benefits are charged to the Other Comprehensive Income. Actuarial valuations being carried out at the end of each annual reporting period for defined benefit plans.

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

NOTES

to the Standalone Financial Statements for the year ended 31st March, 2020

The Company makes monthly contributions to provident fund managed by trust for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits and the Company is obliged to meet interest shortfall, if any.

d) **Share-based payment arrangements:**

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

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

The Company has created an Employee Welfare Trust for providing share-based payment to its employees. The Company uses the Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Parent Company from the market, for giving shares to employees. The Company treats Trust as its extension and shares held by the Trust are treated as treasury shares.

VI. **Taxation:**

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

Current tax:

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Standalone Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those

deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

A deferred tax asset arising from unused tax losses or tax credits (credit on account of Minimum Alternative Tax) is recognised only to the extent that the Company has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the Company.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For operations carried out under tax holiday period (80IA benefits of Income Tax Act, 1961), deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Current tax and deferred tax for the year :

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

VII. **Property, plant and equipment:**

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

Cost of major inspection/overhauling is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection/overhauling (as distinct from physical parts) is de-recognised.

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

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

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

VIII. Other intangible assets:

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

An intangible asset is derecognised on disposal, or when no further economic benefits are expected from use or disposal. Gain/loss on de-recognition are recognised in statement of profit and loss.

IX. Depreciation and amortisation:

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful lives and residual value prescribed in Schedule II to the Act except in case of the following class of assets wherein useful lives are determined based on technical assessment made by a technical expert engaged by the management taking into account the nature of assets, the estimated usage of assets, the operating conditions of the assets, anticipated technological changes, in order to reflect the actual usage.

Estimated useful lives of the assets are as follows:

Class of Property, plant and equipment	Useful life in Years
Buildings	12-35
Plant and equipment	12-35
Furniture and fixtures	10
Vehicles	10
Office equipment	5

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

Freehold land is not depreciated. Leasehold land is amortized over the period of the lease, except where Leasehold land is acquired by the Company, with an option in the lease deed, entitling the Company to purchase on outright basis after a certain period at no additional cost is not amortized.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the statement of profit and loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

Computer software is amortised over an estimated useful life of 3 years.

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

X. Impairment of tangible and intangible assets

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

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

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

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

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

XI. Inventories:

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

Cost of inventories includes cost of purchase price, cost of conversion and other cost incurred in bringing the inventories to their present location and condition.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. However, when a decline in the price of materials indicates that the cost of the finished products exceeds net realisable value, the materials are written down to net realisable value.

XII. Earnings per share:

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

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

XIII. Provisions , contingencies and commitments:

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

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

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

A disclosure for contingent liabilities is made where there is:

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

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

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

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting period.

Provisions for onerous contracts are recognised when the expected economic benefits to be received from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

XIV. Financial guarantee contracts:

The Company provides certain guarantees in respect of the indebtedness of other undertakings, claims under the contract or other arrangements in the ordinary course of business. The Company evaluates each guarantee arrangement and elects to account it as an insurance contract or a financial guarantee contract.

Financial guarantee contract liabilities are measured initially at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of the amount of the obligation under the contract and the amount initially recognised less cumulative amortisation over the period of guarantee.

For the guarantee arrangements designated as insurance contracts, at the end of each reporting period, the Company performs a liability adequacy test, (i.e. it assesses the likelihood of a pay-out based on current undiscounted estimates of future cash flows), and any deficiency is recognized in Statement of Profit and Loss.

XV. Financial instruments:

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

(a) Investment in subsidiaries, associate and joint venture:

The Company has accounted for its investments in subsidiaries, associate and joint venture at cost.

(b) Financial assets:

(i) Initial recognition and measurement:

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

(ii) Subsequent measurement:

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

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

Financial assets at fair value through profit and loss (FVTPL) - A financial asset which is not classified in any of the above categories are fair valued through profit and loss.

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit and loss on the basis of both:

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

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria, may be designated as at FVTPL as at initial recognition if such designation reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Equity Investments:

All equity investments are measured at fair value, with value changes recognised in statement of profit and loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

(iii) Impairment:

The Company recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVTOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable information including that which is forward-looking.

The Company's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Company does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables.

The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Company recognises 12-month expected credit losses for all originated or acquired financial assets

if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL.

The impairment losses and reversals are recognised in statement of profit and loss. For equity instruments and financial assets measured at FVTPL, there is no requirement for impairment testing.

(iv) Derecognition:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in statement of profit and loss if such gain or loss would have otherwise been recognised in statement of profit and loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in statement of profit and loss if such gain or loss would have otherwise been recognised in statement of profit and loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(v) Income from Financial Assets

Dividend and interest income:

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(c) Financial liabilities and equity instruments:

(i) Classification as debt or equity:

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

(ii) Equity instruments:

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

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

(iii) Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and in case of loans net of directly attributable cost. Fees of recurring nature are directly recognised in statement of profit and loss as finance cost.

(iv) Subsequent measurement:

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

(v) Derecognition:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification

of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in statement of profit and loss.

Derivative financial instruments:

The Company uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value, with changes in fair value recognised in statement of profit and loss.

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

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

(d) Offsetting of financial instruments:

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

(e) Fair Value measurement:

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

(f) Hedge accounting:

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

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

(i) Fair value hedges:

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in statement of profit and loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to hedged risk are recognised in statement of profit and loss in the line item relating to the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit and loss from that date.

(ii) Cash flow hedges:

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

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

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

Note No. 3 - Key sources of estimation uncertainty and critical accounting judgements

The preparation of Standalone Financial Statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of these Standalone

Financial Statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

A) Key sources of estimation uncertainty**i) Useful lives of property, plant and equipment:**

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency, the estimated usage of the asset, the operating condition of the asset, anticipated technological changes, historical trend of plant load factor, historical planned and scheduled maintenance etc. It is possible that the estimates made based on existing experience are different to the actual outcomes within the next financial periods and could cause a material adjustment to the carrying amount of property, plant and equipment.

ii) Provisions and contingent liabilities:

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

iii) Fair value measurements:

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

iv) Income Taxes:

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

to the Standalone Financial Statements for the year ended 31st March, 2020

v) Contingent consideration:

Contingent consideration is recognised based on the Management's best estimates about fructification of certain future events (e.g. approval of plant project cost by the regulator and timing thereof, recoverability of dues from government authorities/customers, etc.) pertaining to past acquisition of Hydro Power business. The amount of contingent consideration may vary in future depending on outcome of uncertain events and timing thereof.

vi) Defined benefit plans:

The present value of defined benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations and mortality rates etc. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

vii) Impairment of investment:

Determining whether impairment in the value of investment in JSW Hydro Energy Limited (Formerly known as Himachal Baspa Power Company Limited) requires an estimation of the value in use of its underlying business. In considering the value in use, the Management has made assumption relating to plant availability, plant load factor, useful life of the assets, additional capacity and capital cost approval from the regulators, input cost escalations, operational margins etc. for arriving at the future cash flows expected to arise from the cash-generating units, and discount rates in order to calculate the present value of such cash flows. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of the investment.

viii) Loss allowance assessment for a loan/guarantee given to subsidiary and a related party:

a) Assessment for loss allowance for a loan given to subsidiary involves assumptions relating to the valuation of its underlying business. In considering the value in use, the Management has made assumption relating to timing of resumption of commercial operations of mining operations, mineable reserves / resources, annual production, yield, future prices of coal, renewal of mining licenses, operational margins, and discount rate. Any subsequent changes in the assumptions could materially impact the carrying value of the assets.

b) Recoverability of loans given to and non-devolvement of financial guarantee given on behalf of, a related party serving as a mine development operator for lignite mine of a joint venture entity is assessed on the basis of its net worth as on 31st March, 2020 and projected cash flows derived on the presumption that it will continue as the operator having regard to it being selected as the preferred bidder even in the fresh competitive bidding process carried out as per the regulator's direction.

ix) Expected credit loss:

The policy for expected credit loss allowances for financial assets is based on the evaluation of collectability and the management's judgement considering external and internal sources of information. A considerable amount of judgement is required in assessing the ultimate realization of the loans having regard to, the past collection history of each party, ongoing dealings with these parties, and assessment of their ability to pay the debt on designated dates.

x) Onerous contract:

While ascertaining the unavoidable costs of meeting the obligations under a power purchase contract, the Company has exercised its significant judgement in terms of anticipating the future coal prices, plant load factor, components of unavoidable cost and its escalations.

B) Critical accounting judgements in applying accounting policy

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

In respect of Company's power plant unit at Ratnagiri, Maharashtra, while assessing the applicability of the principles relating to arrangements in the nature of lease prescribed under Ind AS 116 Leases, the management has exercised judgements in evaluating the customer's right to use the underlying asset, pricing terms of the arrangement to reach a conclusion that the arrangement for supply of power through aforesaid power plant unit is in the nature of lease.

ii) Revenue recognition:

The Company has exercised significant judgements in determination of tariff entitlement as per relevant contractual terms/governing tariff regulations due to ongoing disputes with customers having regard to legal advice, judicial precedence and possible interpretation of the contracts. The final outcome of such disputes may have impact on the revenue recognised by the Company.

NOTES

to the Standalone Financial Statements for the year ended 31st March, 2020

Note No. 4A - Property, plant and equipment

Particulars	Land - freehold ^a	Land - leasehold ^b	Buildings ^c	Plant and equipment ^{b,d,e}	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvements	Right-of-use assets ^g	Total
At cost / deemed cost										
I. Gross carrying value										
Balance as at 1 st April, 2018	111.98	14.32	928.23	5,006.78	43.25	60.55	13.69	0.01	-	6,178.81
Additions	-	-	1.04	119.59	1.09	0.32	1.34	-	-	123.38
Disposals / discard	-	(14.32)	(0.06)	(5.28)	(0.80)	(0.22)	(1.21)	-	-	(21.89)
Balance as at 31 st March, 2019	111.98	-	929.21	5,121.09	43.54	60.65	13.82	0.01	-	6,280.30
Additions	0.19	-	0.83	19.74	2.33	0.39	0.45	-	25.71	49.64
Disposals / discard	(3.46)	-	-	(27.48)	(0.59)	(0.80)	(0.22)	-	-	(32.55)
Balance as at 31 st March, 2020	108.71	-	930.04	5,113.35	45.28	60.24	14.05	0.01	25.71	6,297.39
II. Accumulated depreciation and impairment										
Balance as at 1 st April, 2018	-	-	95.67	932.52	22.05	15.29	3.13	-	-	1,068.66
Depreciation expense for the year	-	-	31.30	315.46	8.64	6.97	1.89	-	-	364.26
Eliminated on disposal / discard	-	-	(0.02)	(2.58)	(0.77)	(0.19)	(1.13)	-	-	(4.69)
Balance as at 31 st March, 2019	-	-	126.95	1,245.40	29.92	22.07	3.89	-	-	1,428.23
Depreciation expense for the year	-	-	31.36	317.42	7.80	6.77	1.84	-	3.67	368.86
Eliminated on disposal / discard	-	-	-	(5.36)	(0.76)	(0.59)	(0.16)	-	-	(6.87)
Balance as at 31 st March, 2020	-	-	158.31	1,557.46	36.96	28.25	5.57	-	3.67	1,790.22
III. Net carrying value as at 31st March, 2019	111.98	-	802.26	3,875.69	13.62	38.58	9.93	0.01	-	4,852.07
IV. Net carrying value as at 31st March, 2020	108.71	-	771.73	3,555.89	8.32	31.99	8.48	0.01	22.04	4,507.17

a) The Company has leased under operating lease arrangements certain land admeasuring to 122.86 acres (As at 31st March, 2019 : 122.86 acres) with carrying value aggregating to ₹ 7.08 crore (As at 31st March, 2019 : ₹ 7.08 crore) to certain related parties for a period ranging from 25 to 99 years.

b) Includes net carrying value ₹ 100 (As at 31st March, 2019 : ₹ 100) towards Company's share of water supply system constructed on land not owned by the Company. The same is jointly owned (50%) with a related party.

c) Includes net carrying value ₹ 429.89 crore (As at 31st March, 2019 : ₹ 446.74 crore) being cost of office premises located at Mumbai, jointly owned (50%) with a related party.

d) Includes net carrying value ₹ 213.03 crore (As at 31st March, 2019 : ₹ 221.28 crore) being cost of pooling station and transmission line constructed on land not owned by the Company.

e) Refer Note 15 for the details in respect of certain property, plant and equipment hypothecated/mortgaged as security against borrowings.

f) Reclassified to prepayments upon lapse of the option to purchase the leasehold land on an outright basis after 10 years from the date of the lease deed (refer note 10)

g) The right-of-use assets relates to land, office premises and residential flats. Refer note 2.1, note 16 and note 29 for the details of transition to Ind AS 116 under the modified retrospective approach.

NOTES

to the Standalone Financial Statements for the year ended 31st March, 2020**Note No. 4B - Capital work in progress :**

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

₹ crore

At cost / deemed cost	
Balance as at 31st March, 2020	108.85
Balance as at 31st March, 2019	376.78

Footnotes:

- Includes ₹ Nil (As at 31st March, 2019 : ₹ 237.77 crore) expenses incurred for Kutehr hydro project. The Company has transferred ₹ 237.77 crore to JSW Energy (Kutehr) Limited business by transfer of business on going concern basis. (Refer note 33)
- Amount transferred to property, plant and equipment during the year ₹ 49.64 crore (for the year ended 31st March, 2019 : ₹ 123.38 crore)
- Amount transferred to Statement of Profit and Loss during the year ₹ 0.53 (for the year ended 31st March, 2019 : ₹ Nil crore)
- Refer Note 15 for the details in respect of certain property, plant and equipment hypothecated/mortgaged as security against borrowings.

Note No. 5 - Other intangible assets

₹ crore

Particulars	Computer Software
At cost / deemed cost	
I. Gross carrying value	
Balance as at 1st April, 2018	10.44
Additions	0.42
Balance as at 31st March, 2019	10.86
Additions	0.57
Balance as at 31st March, 2020	11.43
II. Accumulated amortisation and impairment	
Balance as at 1st April, 2018	9.45
Amortisation expense for the year	0.81
Balance as at 31st March, 2019	10.26
Amortisation expense for the year	0.41
Balance as at 31st March, 2020	10.67
III. Net carrying value as at 31st March, 2019	0.60
IV. Net carrying value as at 31st March, 2020	0.76

Refer Note 15 for the details in respect of certain intangible assets hypothecated/mortgaged as security against borrowings.

Note No. 6 - Investments

₹ crore

Particulars	Face value per share (fully paid)	Number of shares	As at 31 st March, 2020		Number of shares	As at 31 st March, 2019	
			Current	Non current		Current	Non current
A. Unquoted Investments							
I. Investment at cost							
a) Investments in equity instruments							
Investment in subsidiary companies							
i) JSW Energy (Barmer) Limited (Formerly known as Raj WestPower Limited)	₹ 10	1,72,60,50,000	-	1,726.05	1,72,60,50,000	-	1,726.05

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₹ crore

Particulars	Face value per share (fully paid)	Number of shares	As at 31 st March, 2020		Number of shares	As at 31 st March, 2019	
			Current	Non current		Current	Non current
{of which 51,78,15,000 (As at 31 st March, 2019 : 51,78,15,000) shares pledged as security in favour of banks and financial institutions for loans granted to JSW Energy (Barmer) Limited} [Refer note 28 (3)(a)]							
ii) Jaigad PowerTransco Limited	₹ 10	10,17,50,000	-	101.75	10,17,50,000	-	101.75
iii) JSW Energy (Raigarh) Limited	₹ 10	11,51,62,300	-	115.16	11,38,32,300	-	113.83
iv) JSW Power Trading Company Limited (Formerly known as JSW Green Energy Limited)	₹ 10	7,00,50,000	-	70.05	7,00,50,000	-	70.05
v) JSW Energy (Kutehr) Limited (Refer note 33)	₹ 10	-	-	-	2,90,15,000	-	29.02
vi) JSW Hydro Energy Limited (Formerly known as Himachal Baspa Power Company Limited)	₹ 10	1,25,00,50,000	-	2,046.01	1,25,00,50,000	-	2,046.01
vii) JSW Solar Limited	₹ 10	1,20,000	-	0.12	10,000	-	0.01
viii) JSW Electric Vehicles Private Limited	₹ 10	2,60,000	-	0.26	10,000	-	0.01
ix) JSW Energy Natural Resources Mauritius Limited (Written off USD 59,99,999 in earlier years)	USD 10	6,00,000	-	★	6,00,000	-	★
Investment in an associate company							
i) Toshiba JSW Power Systems Private Limited	₹ 10	9,98,77,405	-	100.23	9,98,77,405	-	100.23
Total			-	4,159.63		-	4,186.96
Less: Aggregate amount of allowance for impairment in the value of investments			-	135.52		-	123.82
Total investments			-	4,024.11		-	4,063.14

★ Less than ₹ 50,000

Note No. 6A - Investments

₹ crore

Particulars	Face value per share (fully paid)	Number of shares	As at 31 st March, 2020		Number of shares	As at 31 st March, 2019	
			Current	Non current		Current	Non current
A. UNQUOTED INVESTMENTS							
I. Investment at amortised cost							
a) Investments in debentures							
Investment in subsidiary							
i) JSW Hydro Energy Limited (Formerly known as Himachal Baspa Power Company Limited) (13% Unsecured Redeemable Non-Convertible Debenture)	₹ 100	-	-	-	3,84,50,000	-	384.50
b) Investments in Government security							
i) 6-Year National Savings Certificate (Pledged with Commercial Tax Department)		-	-	★	-	-	★

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₹ crore

Particulars	Face value per share (fully paid)	Number of shares	As at 31 st March, 2020		Number of shares	As at 31 st March, 2019	
			Current	Non current		Current	Non current
II. Investments at fair value through profit or loss							
a) Investment in other equity shares							
i) Power Exchange India Limited	₹ 10	12,50,000	-	1.25	12,50,000	-	1.25
ii) MJSJ Coal Limited	₹ 10	1,04,61,000	-	6.52	1,04,61,000	-	6.52
b) Investments in preference shares							
Investment in subsidiary companies							
i) JSW Power Trading Company Limited ^{1(a)}	₹ 10	1,32,00,000	-	2.87	1,32,00,000	-	2.24
Investment in other entities							
i) JSW Realty & Infrastructure Private Limited ^{1(b)}	₹ 100	5,03,000	-	2.54	5,03,000	-	2.29
c) Investments in mutual funds							
1) Birla Sun Life Mutual Fund			99.73	-		29.03	-
2) Franklin India Mutual Fund			-	-		18.02	-
3) HDFC Mutual Fund			140.49	-		95.10	-
4) Kotak Mutual Fund			93.88	-		48.04	-
B. QUOTED INVESTMENTS							
I. Investments at fair value through other comprehensive income							
a) Investments in equity instruments							
i) JSW Steel Limited	₹ 1	7,00,38,350	-	1,024.31	7,00,38,350	-	2,052.46
ii) Jaiprakash Power Ventures Limited [Refer note 7]	₹ 10	35,17,69,546	-	21.10	-	-	-
Total investments			334.10	1,058.59		190.19	2,449.26

★ Less than ₹ 50,000

1. Terms of preference shares are as follows:

- 10% Redeemable Non Cumulative Preference Shares of ₹ 10 each fully paid up invested in JSW Power Trading Company Limited are redeemable on 30th April, 2035
- 10% Redeemable Non Cumulative Preference Shares of ₹ 10 each fully paid up invested in JSW Realty & Infrastructure Private Limited are redeemable after 15th year from the date of allotment in 5 annual installments from financial year 2022-23 to 2033-34.

2. Refer note 15 for current investments hypothecated as security against borrowings.

Note No. 6B - Investments

₹ crore

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Quoted investments		
Aggregate book value	1045.41	2,052.46
Aggregate market value	1045.41	2,052.46
Unquoted investments		
Aggregate carrying value	4,371.39	4,650.13
Investment at cost	4,024.11	4,447.64
Investment at fair value through other comprehensive income	1,045.41	2,052.46
Investment at fair value through profit or loss	347.28	202.49

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Allowance for impairment in value of Investments

₹ crore

Particulars	As at	
	31 st March, 2020	31 st March, 2019
JSW Electric Vehicles Private Limited	0.26	0.01
JSW Energy (Raigarh) Limited	35.03	23.58
Toshiba JSW Power Systems Private Limited	100.23	100.23
Total	135.52	123.82

Note No. 7 - Loans

₹ crore

Particulars	As at 31 st March, 2020		As at 31 st March, 2019	
	Current	Non current	Current	Non current
(1) Unsecured, considered good				
(i) Loans to subsidiaries (Refer note 39)	-	107.81	4.08	728.18
(ii) Loans to related parties (Refer note 39)	250.83	97.32	0.84	152.94
(iii) Loans to others	-	-	177.59	-
	250.83	205.13	182.51	881.12
(2) Unsecured, Credit impaired				
(i) Loans to subsidiaries (Refer note 39)	-	226.15	-	163.37
Less : Loss allowance for doubtful loans (Refer note 39)	-	226.15	-	163.37
	-	-	-	-
(ii) Loans to others	120.00	-	574.19	-
Less : Loss allowance for doubtful loans	120.00	-	574.19	-
	-	-	-	-
	250.83	205.13	182.51	881.12

₹ crore

Name of parties	As at 31 st March, 2020		As at 31 st March, 2019	
	Current	Non current	Current	Non current
1) Subsidiaries				
a) JSW Energy (Barmer) Limited	-	-	-	567.64
	-	(594.47)	-	(743.53)
b) JSW Energy Mineral Mauritius Limited	-	-	-	-
	-	-	-	(344.07)
c) JSW Power Trading Company Limited	-	-	4.08	-
	(4.08)	-	(4.08)	-
d) JSW Energy (Raigarh) Limited	-	-	-	0.60
	-	(1.30)	-	(0.60)
e) JSW Solar Limited	-	-	-	-
	-	-	-	(12.13)
f) JSW Electric Vehicles Private Limited	-	-	-	0.17
	-	(0.17)	-	(0.17)
g) JSW Energy (Kutehr) Limited	-	-	-	0.80
	-	(2.30)	-	(0.80)
h) JSW Energy Natural Resources Mauritius Limited	-	333.96	-	322.34
	-	(334.40)	-	(344.81)

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₹ crore

Name of parties	As at 31 st March, 2020		As at 31 st March, 2019	
	Current	Non current	Current	Non current
2) Related parties				
a) South West Mining Limited	-	84.00	-	150.00
	-	(150.00)	-	(150.00)
b) JSW Global Business Solutions Limited	0.84	2.19	0.84	2.93
	(0.84)	(2.93)	(0.84)	(3.96)
c) Jindal Steel & Power Limited	250.00	11.13	-	-
	(320.00)	(11.13)	-	-

- Figures in brackets relate to maximum amount outstanding during the year
- The Company has entered into a debt resolution agreement with Jaiprakash Power Ventures Limited ("JPVL") on January 2, 2020 to restructure the principal outstanding amount of ₹ 751.77 crore owed by JPVL. The key terms of the agreement are as follows:
 - An amount of ₹ 351.77 crore to be converted into equity shares of JPVL at par value of ₹ 10 each.
 - Out of the balance outstanding principal amount of ₹ 400 crore, claim of ₹ 280 crore has been waived and relinquished by the Company and balance ₹ 120 crore to continue as debt to be paid by JPVL to the Company, on priority basis, out of the available cash flows after JPVL has paid 10% of the re-structured sustainable debt to its secured lenders.
Accordingly, a net amount of ₹ 116.02 crore was written off during the year and considered as exceptional items [Refer note 26]
Further, JPVL and the Company have agreed to waive their respective rights to receive any payments from each other and unconditionally release each other from all liabilities in relation to the Securities Purchase Agreement dated 16th November, 2014 for transfer of Karcham and Baspa hydro assets from JPVL to the Company. This will result in reversal of an amount of ₹ 177.48 crore of liabilities payable to JPVL towards purchase of shares of JSW Hydro Energy Limited (earlier known as Himachal Baspa Power Company Limited) in the Company's financial statements.
- All the above loans have been given for business purpose only.

Investment by JSW Energy Natural Resources Mauritius Limited in subsidiaries:

Particulars	As at	As at
	31 st March, 2020 No. of shares	31 st March, 2019 No. of shares
JSW Energy Natural Resources South Africa (Pty) Limited	4,35,00,100	4,35,00,100

Movement in loss allowance - loans

₹ crore

Particulars	For the year ended	For the year ended
	31 st March, 2020	31 st March, 2019
Opening loss allowance	737.56	755.30
Loss allowance reversed during the year	(454.36)	(181.11)
Loss allowance recognised during the year	62.95	163.37
Closing loss allowance	346.15	737.56

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Note No. 8 - Other financial assets

₹ crore

Particulars	As at 31 st March, 2020		As at 31 st March, 2019	
	Current	Non current	Current	Non current
(1) Derivative designated as hedges - Foreign currency forward contracts	35.26	-	-	-
(2) Finance lease receivable [Refer note 30]	41.05	960.58	37.19	906.18
(3) Security deposits				
(i) Government/Semi-Government authorities	0.01	-	0.01	-
(ii) Related parties [Refer note 39]	8.75	34.81	8.02	32.62
(iii) Others	30.06	0.10	30.05	0.46
(4) Interest receivables				
(i) Interest accrued on loans to related parties [Refer note 39]	17.56	-	12.52	-
Less: Loss allowance for interest receivable	(16.80)	-	(9.44)	-
(ii) Interest accrued on deposits	1.33	-	0.57	-
(5) Other bank balances				
(i) Margin money for security against the guarantees	-	7.01	-	3.40
(6) Consideration receivable from a subsidiary on transfer of business [Refer note 33 and note 39]	220.00	-	-	-
	337.22	1,002.50	78.92	942.66

Note No. 9A - Income tax assets (net)

₹ crore

Particulars	As at 31 st March, 2020		As at 31 st March, 2019	
	Current	Non current	Current	Non current
(1) Advance tax and tax deducted at source [(Net of provision ₹ 893.62 crore (As at 31 st March, 2019 : ₹ 818.14 crore)]	-	61.19	-	7.97
	-	61.19	-	7.97

Note No. 9B - Deferred tax liabilities (net)

₹ crore

Particulars	As at 31 st March, 2020		As at 31 st March, 2019	
	Current	Non current	Current	Non current
(1) Deferred tax [Refer Note 27]	-	685.58	-	768.42
(2) Minimum Alternate Tax credit entitlement [Refer note 27]	-	(359.68)	-	(359.68)
	-	325.90	-	408.74

Note No. 9C - Income tax liabilities (net)

₹ crore

Particulars	As at 31 st March, 2020		As at 31 st March, 2019	
	Current	Non current	Current	Non current
(1) Provision for income tax [Net of advance tax and tax deducted at source ₹ 620.92 crore (As at 31 st March, 2019 : ₹ 688.84 crore)]	36.70	-	39.03	-
	36.70	-	39.03	-

NOTES

to the Standalone Financial Statements for the year ended 31st March, 2020**Note No. 10 - Other assets**

₹ crore

Particulars	As at 31 st March, 2020		As at 31 st March, 2019	
	Current	Non current	Current	Non current
(1) Capital advances	-	11.80	-	14.48
(2) Advance to a related party [Refer note 28(B)(ii)(a)]	-	-	-	331.13
(3) Prepayments	23.23	-	12.25	22.46
(4) Advances to vendors	35.65	-	4.23	-
(5) Balances with government authorities [Refer note 28(A)(1)(a)]	13.87	84.95	19.81	64.97
	72.75	96.75	36.29	433.04

Note No. 11 - Inventories

₹ crore

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
(1) Raw materials - Stock of fuel	450.10	257.10
(2) Stores and spares	90.67	91.36
Total	540.77	348.46

Footnotes:

a) Cost of inventory recognised as an expense

₹ crore

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
(1) Raw materials - Stock of fuel	3,074.40	3,959.67
(2) Stores and spares	25.39	26.20
Total	3,099.79	3,985.87

b) Details of Stock in transit included above

₹ crore

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
(1) Raw materials - Stock of fuel	203.50	67.63
(2) Stores and spares	0.31	0.22
Total	203.81	67.85

c) Refer note 2.4(XI) for basis of valuation

d) Refer note 15 for Inventories hypothecated as security against certain bank borrowings.

Note No. 12 - Trade receivables

₹ crore

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Unsecured, considered good	797.12	554.70
	797.12	554.70
Unsecured, Credit impaired	2.79	2.55
Less: Loss allowance for doubtful receivables	2.79	2.55
	-	-
	797.12	554.70

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a) Ageing of trade receivables

₹ crore

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Within Credit Period	314.46	391.65
Past due		
1 - 30 days	264.71	37.63
31 - 60 days	33.33	13.82
61 - 90 days	13.78	6.99
91 - 180 days	37.92	10.27
> 181 days	132.92	94.34
Total	797.12	554.70

- b) The average credit period allowed to customers is in the range of 30-45 days and interest on overdue receivables is generally levied at 8.15% to 15% per annum as per the terms of the agreement.
- c) The Company does not have history of defaults in trade receivables. Loss allowance is estimated for disputed receivables based on assessment of each case by obtaining legal advice, where considered necessary.
- d) Trade receivables include ₹ 81.49 crore (previous year : ₹ 98.04 crore) withheld / unpaid by the customers because of tariff related disputes which are pending adjudication by the appropriate authority [Refer note 28(A)(1)(b)]. The Company has, based on legal advice, and subsequent actions by the regulators in certain cases, assessed that there is a reasonable certainty about recoverability of these receivables and no provision is required. These matters are at advanced stage of hearing with the regulators/courts and the management is expecting to realise the amounts within a year.
- e) Refer note 15 for trade receivables hypothecated as security against borrowings.
- f) Movement in loss allowance for doubtful receivables

₹ crore

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Opening loss allowance	2.55	1.86
Loss allowance reversed during the year	-	-
Loss allowance recognised during the year	0.24	0.69
Closing loss allowance	2.79	2.55

Note No. 13A - Cash and cash equivalents

₹ crore

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
(1) Balances with banks		
(i) In current accounts	119.02	16.17
(ii) In deposit accounts (maturity less than 3 months at inception)	21.41	52.07
(2) Cheques on hand	-	1.32
(3) Cash on hand	0.04	0.02
	140.47	69.58

Note No. 13B - Bank balances other than cash and cash equivalents

₹ crore

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
(1) Balances with banks		
(i) In deposit accounts (maturity more than 3 months at inception)	0.12	30.00
(2) Earmarked balances with banks		
(i) Unpaid dividends	1.06	1.11
(ii) Margin money for security against guarantees	15.95	11.81
	17.13	42.92

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to the Standalone Financial Statements for the year ended 31st March, 2020

Note No. - 14A - Equity share capital

Particulars	As at 31 st March, 2020		As at 31 st March, 2019	
	No. of shares	₹ crore	No. of shares	₹ crore
Authorised:				
Equity shares of ₹ 10 each with voting rights	5,00,00,00,000	5,000.00	5,00,00,00,000	5,000.00
Issued, Subscribed and Fully paid: (A)				
Equity shares of ₹ 10 each with voting rights	1,64,23,59,965	1,642.36	1,64,10,37,587	1,641.04
Treasury shares held through ESOP Trust: (B)				
Equity shares of ₹ 10 each with voting rights	(4,57,649)	(0.46)	(1,70,075)	(0.17)
Equity shares (net of treasury shares) - (A+B)	1,64,19,02,316	1,641.90	1,64,08,67,512	1,640.87

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

Particulars	For the year ended 31 st March, 2020 No. of Shares	For the year ended 31 st March, 2019 No. of Shares
Balance as at the beginning of the year	1,64,10,37,587	1,64,00,54,795
Shares issued during the year	13,22,378	9,82,792
Balance as at the end of the year	1,64,23,59,965	1,64,10,37,587

b) Reconciliation of the number of treasury shares outstanding at the beginning and end of the year:

Particulars	For the year ended 31 st March, 2020 No. of Shares	For the year ended 31 st March, 2019 No. of Shares
Balance as at the beginning of the year	1,70,075	-
Shares issued during the year	13,22,378	9,82,792
Shares Transferred upon exercise of options under employee share option plan	(10,34,804)	(8,12,717)
Balance as at the end of the year	4,57,649	1,70,075

c) Rights, preferences and restrictions attached to equity shares :

- (i) The Company has only one class of equity shares having a par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to approval of the Shareholders in the ensuing Annual General Meeting.
- (ii) In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to the shareholding.

d) Details of shareholders holding more than 5% shares in the Company are set out below:

Particulars	As at 31 st March, 2020		As at 31 st March, 2019	
	No of shares	%	No of shares	%
JSW Investments Private Limited	33,24,92,694	20.24%	33,24,92,694	20.26%
Indusglobe Multiventures Private Limited	25,59,86,044	15.59%	25,67,86,044	15.65%
JSL Limited	14,53,32,820	8.85%	14,53,32,820	8.86%
Glebe Trading Private Limited	14,53,32,820	8.85%	14,53,32,820	8.86%
JSW Steel Limited	8,53,63,090	5.20%	8,53,63,090	5.20%
Danta Enterprises Private Limited	8,55,99,613	5.21%	8,55,99,613	5.22%
Virtuous Tradecorp Private Limited	8,55,99,613	5.21%	8,55,99,613	5.22%

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e) Dividend :

- (i) The Board of Directors in its meeting held on 16th May, 2019 has recommended dividend of 10% (₹ 1 per equity share of ₹ 10 each) for the year ended 31st March, 2019 and the same was approved by the shareholders at the Annual General Meeting held on 13th August 2019, which resulted in a cash outflow of ₹ 197.86 crore, including corporate dividend tax of ₹ 33.74 crore.
- (ii) The Board of Directors in its meeting held on 20th May, 2020 has recommended dividend of 10% (₹ 1 per equity share of ₹ 10 each) for the year ended 31st March, 2020, subject to the approval of shareholders at the ensuing Annual General Meeting.

Note No. - 14B - Other equity

₹ crore

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
A. Reserves and surplus		
(1) General reserve	213.95	213.95
(2) Retained earnings	4,109.26	3,811.49
B. Other reserves		
(1) Capital reserve	516.12	516.12
(2) Securities premium account	2,390.59	2,384.96
(3) Equity-settled employee benefits reserve	19.14	15.90
(4) Debenture redemption reserve	166.67	166.67
C. Other comprehensive income		
(1) Equity instrument through other comprehensive income	348.90	1,417.52
(2) Effective portion of cash flow hedge	(6.33)	-
	7,758.30	8,526.61

(1) General reserve

The Company created a general reserve in earlier years pursuant to the provisions of the Companies Act, wherein certain percentage of profits were required to be transferred to general reserve before declaring dividend. As per Companies Act 2013, the requirement to transfer profits to general reserve is not mandatory. General reserve is a free reserve available for distribution subject to compliance with the Companies (Declaration and Payment of Dividend) Rules, 2014.

(2) Retained earnings

Retained earnings comprise balances of accumulated (undistributed) profit and loss at each year end and balances of remeasurement of net defined benefit plans, less any transfers to general reserve.

(3) Capital reserve

Reserve is primarily created on amalgamation as per statutory requirement.

(4) Securities premium account

Securities premium comprises premium received on issue of shares.

(5) Equity-settled employee benefits reserve

The Company offers ESOP under which options to subscribe for the Company's share have been granted to certain employees and senior management. The share based payment reserve is used to recognise the value of equity settled share based payments provided as part of the ESOP scheme.

(6) Debenture redemption reserve

The Indian Companies Act requires companies that issue debentures to create a debenture redemption reserve from annual profits until such debentures are redeemed. The Companies are required to maintain 25% as a reserve of outstanding redeemable debentures. The amounts credited to the debenture redemption reserve may not be utilised except to redeem debentures. However, during the year the requirement to create the debenture redemption reserve has been withdrawn.

(7) Equity instrument through other comprehensive income

The fair value change of the equity instruments measured at fair value through other comprehensive income is recognised in Equity instruments through Other Comprehensive Income.

(8) Effective portion of cash flow hedge

Effective portion of cash flow hedge represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which shall be reclassified to profit or loss only when the hedged transaction affects the profit or loss.

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Note No. 15 - Borrowings

₹ crore

Particulars	As at 31 st March, 2020		As at 31 st March, 2019	
	Current	Non current	Current	Non current
Measured at amortised cost				
(1) Non current borrowings (Secured):				
(i) Debentures				
- Non convertible debentures	700.00	700.00	200.00	1,100.00
(ii) Term loans				
- From banks [§]	214.10	634.36	565.50	956.49
	914.10	1,334.36	765.50	2,056.49
Less: unamortised borrowing cost	0.86	1.28	1.17	2.45
Less: Current maturities of long term debt (included in note no 16)	913.24	-	764.33	-
	-	1,333.08	-	2,054.04

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

₹ crore

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Balance as at the beginning of the year (including current maturities)	2,818.37	3,140.18
Cash flows (repayment)/ proceeds	(557.90)	(336.81)
Non cash changes		
1. Foreign exchange movement	(15.62)	13.62
2. Amortised borrowing cost	1.47	1.38
Balance as at the end of the year (including current maturities)	2,246.32	2,818.37

§ The Company has opted to avail moratorium on payment of all installments (principal and interest component) falling due between 01st March 2020 to 31st May 2020, from respective banks on account of Covid 19 under the RBI guidelines and accordingly, principal and accrued interest as on 31st March 2020 is payable on completion of moratorium period.

₹ crore

As at 31 st March, 2020		As at 31 st March, 2019		Terms of repayment	Security
Current	Non current	Current	Non current		
A. Debentures (secured)					
100.00	400.00	-	500.00	5,000 nos @ 8.65% p.a. Secured Redeemable Non-Convertible Debentures of ₹ 10 lakh each are redeemable at par in 3 yearly installments, first installment ₹ 100 crore, second and third installment ₹ 200 crore each, starting from 30 th December, 2020 till 30 th December, 2022.	Pari passu first ranking charge by way of legal mortgage on the freehold land of the Company situated at village Chafer, Ratnagiri, Maharashtra and first ranking charge by way of hypothecation of moveable fixed assets of the Company (SBU1 & SBU2) situated at Vijayanagar Works, Karnataka

NOTES

to the Standalone Financial Statements for the year ended 31st March, 2020

₹ crore

As at 31 st March, 2020		As at 31 st March, 2019		Terms of repayment	Security
Current	Non current	Current	Non current		
500.00	-	-	500.00	5,000 nos @ 8.40% p.a. Secured Redeemable Non Convertible Debentures of ₹ 10 lakh each are redeemable at par in bullet repayment of ₹ 500 crore on 18 th September, 2020	Pari passu first ranking charge by way of legal mortgage on the freehold land of the Company situated at village Chafer, Ratnagiri, Maharashtra and first ranking charge by way of hypothecation of moveable fixed assets of the Company (SBU3) situated at Ratnagiri Works, Maharashtra
100.00	-	200.00	100.00	10,000 nos @ 9.75% p.a. Secured Redeemable Non-Convertible Debentures of ₹ 1 lakh each are redeemable on 20 th July, 2020 ₹ 20 crore, on 30 th July, 2020 ₹ 60 crore & on 17 th August, 2020 ₹ 20 crore.	Pari passu first ranking charge by way of legal mortgage on the freehold land of the Company situated at village Mouje Maharajpura, Mehsana, Gujarat and first ranking charge by way of mortgage on immovable assets of the Company (SBU1 & SBU2) and first ranking charge by way of hypothecation of moveable fixed assets of the Company (SBU1 & SBU2) situated at Vijayanagar Works, Karnataka
-	300.00	-	-	3,000 nos @ (12M T-Bill + 3.30%) currently 8.55% p.a. Secured Redeemable Non Convertible Debentures of ₹ 10 lakh each are redeemable at par in bullet repayment of ₹ 300 crore on 28 th January, 2022	Pari passu first ranking charge by way of legal mortgage on the freehold land parcels of the Company situated at Vijayanagar, Karnataka and first ranking pari-passu charge by way of legal mortgage on a flat situated at Mumbai, Maharashtra and first ranking pari-passu charge by way of hypothecation of moveable fixed assets of the Company (SBU1 & SBU2) situated at Vijayanagar Works, Karnataka
700.00	700.00	200.00	1,100.00	Total debentures	

B. Term Loans

Rupee term loan from banks (secured)

22.28	-	99.11	-	Repayable on 30 th June, 2020	Pari passu first ranking charge by way of legal mortgage on a flat situated at Mumbai, Maharashtra, first charge by way of legal mortgage of Company (SBU3) immovable property both present and future and first ranking charge by way of hypothecation of moveable fixed assets of the Company (SBU3) situated at Ratnagiri Works, Maharashtra and second ranking charge on current assets of Company (SBU3) situated at Ratnagiri Works, Maharashtra
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NOTES

to the Standalone Financial Statements for the year ended 31st March, 2020

₹ crore

As at 31 st March, 2020		As at 31 st March, 2019		Terms of repayment	Security
Current	Non current	Current	Non current		
181.82	454.36	181.87	590.87	Repayable in 14 equal quarterly installments from June 2020 to September 2023	Pari passu first ranking charge by way of legal mortgage on a flat situated at Mumbai, Maharashtra and first charge by way of legal mortgage of Company (SBU3) immovable property both present and future, and first ranking charge by way of hypothecation of moveable fixed assets of the Company (SBU3) situated at Ratnagiri Works, Maharashtra and second ranking charge on current assets of Company (SBU3) situated in Ratnagiri Works, Maharashtra
-	-	47.50	178.12	Prepaid on 21 st January, 2020	Pari passu first ranking charge by way of legal mortgage on a flat situated at Mumbai, Maharashtra and first charge by way of legal mortgage of Company (SBU3) immovable property both present and future and first ranking charge by way of hypothecation of moveable fixed assets of the Company (SBU3) situated at Ratnagiri Works, Maharashtra and second ranking charge on current assets of Company (SBU3) situated in Ratnagiri Works, Maharashtra
10.00	180.00	8.75	187.50	Repayable in 21 structured quarterly installments from June 2020 to June 2025	Pari passu first ranking charge by way of equitable mortgage of immovable assets and first ranking charge by way of hypothecation of moveable fixed assets of the Company (SBU1 & SBU2) situated at Vijayanagar Works, Karnataka
214.10	634.36	337.23	956.49	Total rupee term loans	
Facility from a foreign currency non resident bank (secured)					
-	-	228.27	-	Repaid on 16 th March 2020	First charge by way of pledge of JSW Steel Limited shares held by the Company and second charge by way of hypothecation of moveable fixed assets of the Company (SBU3)
-	-	228.27	-	Total Facility from a foreign currency non resident bank	
214.10	634.36	565.50	956.49	Total term loans	
914.10	1,334.36	765.50	2,056.49	Total secured borrowings	
(0.86)	(1.28)	(1.17)	(2.45)	Unamortised upfront fees on borrowings	
(913.24)	-	(764.33)	-	Grouped under "Current maturities of long-term debt" (Refer note 16)	
-	1,333.08	-	2,054.04	Total secured borrowings measured at amortised cost (non current)	

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Note No. 16 - Other financial liabilities

₹ crore

Particulars	As at 31 st March, 2020		As at 31 st March, 2019	
	Current	Non current	Current	Non current
(1) Derivative Instruments [Refer note 37(a)(ii)]				
a) Interest rate swap	-	-	0.36	-
b) Foreign currency forward contracts / options	-	-	27.13	-
c) Commodity exchange forward contracts	9.73	-	-	-
(2) Contingent consideration payable on business combination [Refer note 7]	-	-	177.48	-
(3) Current maturities of long-term debt [Refer note 15]	913.24	-	764.33	-
(4) Interest accrued but not due on borrowings [Refer note 15]	49.19	-	60.63	-
(5) Unclaimed dividends #	1.06	-	1.11	-
(6) Lease deposits	0.48	0.28	0.48	0.26
(7) Lease liabilities § [Refer note 29]	0.42	0.02	-	-
(8) Other liabilities				
- Payable for capital supplies/services	61.17	-	80.03	-
	1,035.29	0.30	1,111.55	0.26

§ Reconciliation of the lease liabilities:

₹ crore

Particulars	For the year ended 31 st March, 2020
Opening lease commitments as on 1st April 2019	0.91
Effect of discounting of lease	(0.09)
Lease Liabilities as on 1st April 2019 recognised pursuant to adoption of Ind AS 116 - Leases (as per retrospective modified approach)	0.83
Interest expense on lease liabilities	0.05
Cash outflow	(0.44)
Balance as at the end of the year	0.44

No amount due to be credited to Investor Education and Protection Fund

Note No. 17 - Other liabilities

₹ crore

Particulars	As at 31 st March, 2020		As at 31 st March, 2019	
	Current	Non current	Current	Non current
(1) Advances received from customers				
(i) From a related party [Refer note 39]	110.71	-	118.36	-
(ii) From others	0.10	-	0.04	-
(2) Statutory dues	13.76	-	21.75	-
(3) Others	3.17	6.21	3.48	6.37
	127.74	6.21	143.63	6.37

NOTES

to the Standalone Financial Statements for the year ended 31st March, 2020

Note No. 18 - Provisions

₹ crore

Particulars	As at 31 st March, 2020		As at 31 st March, 2019	
	Current	Non current	Current	Non current
(1) Provision for gratuity (Refer note 32)	2.94	10.83	3.16	7.49
(2) Provision for compensated absences (Refer note 32)	1.27	9.07	1.24	8.31
	4.21	19.90	4.40	15.80

Note No. 19 - Trade payables

₹ crore

Particulars	As at 31 st March, 2020		As at 31 st March, 2019	
	Current	Non current	Current	Non current
(1) Trade payables #				
a) Outstanding dues of micro and small enterprises	1.17	-	0.69	-
b) Outstanding dues of creditors other than micro and small enterprises	352.14	-	190.64	-
(2) Acceptances *	912.60	-	1,367.58	-
	1,265.91	-	1,558.91	-

Disclosure relating to micro and small enterprises

₹ crore

Particulars	As at 31 st March, 2020		As at 31 st March, 2019	
	Current	Non current	Current	Non current
(1) Principal amount outstanding	1.17	-	0.69	-
(2) Principal amount due and remaining unpaid	-	-	-	-
(3) Interest due on (2) above and the unpaid interest	-	-	-	-
(4) Interest paid on all delayed payments under the MSMED Act.	-	-	-	-
(5) Payment made beyond the appointed day during the year	-	-	-	-
(6) Interest due and payable for the period of delay other than (4) above	-	-	-	-
(7) Interest accrued and remaining unpaid	-	-	-	-
(8) Amount of further interest remaining due and payable in succeeding years	-	-	-	-
	1.17	-	0.69	-

Trade payables are normally settled within 30 days.

* Acceptances represents credit availed by the Company from banks for payment to suppliers for raw materials purchased by the Company. The arrangements are interest-bearing and are payable within six months to one year.

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to the Standalone Financial Statements for the year ended 31st March, 2020

Note No - 20 - Revenue from operations

₹ crore

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
A. Disaggregation of revenue from contract with customers:		
(1) Sale of power	4,044.00	4,884.38
(2) Sale of services:		
(i) Operator fees	185.18	169.06
(ii) Other services	0.09	0.52
(3) Other operating revenue	15.99	3.05
Total revenue from contract with customers	4,245.26	5,057.01
B. Interest income on asset under finance lease (Refer note 30)	68.73	61.32
Total (A + B)	4,313.99	5,118.33

(a) Revenue from Contract with Customers:

The Company primarily generates revenue from contracts with customers for supply of power generated from power plants (including from allocating the capacity of the plant under the long / medium term power purchase agreements), from sale of power on short term contracts / merchant basis and from providing operations and maintenance services of third party power plants.

Revenue from capacity charges (other than from contracts classified as lease) under the long and medium term power supply agreements is recognised over a period of time as the capacity of the plant is made available under the terms of the contracts. Incentives and penalties for variation in availability of the capacity are recognised based on the annual capacity expected to be made available under the agreements. Electricity charges are recognised on supply of power under such power supply agreements.

Revenue from sale of power on merchant basis and under short term contracts is recognised when power is supplied to the customers.

Revenue from third party power plant operations and maintenance activity is recognised when services under the contracts are rendered.

(b) Significant changes in the contract liability balance during the year are as follows:

₹ crore

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Opening Balance	118.40	119.05
Less: Revenue recognised during the year from balance at the beginning of the year	(118.40)	(119.05)
Add: Advance received during the year not recognized as revenue	110.81	118.40
Closing Balance	110.81	118.40

(c) Details of Revenue from Contract with Customers:

₹ crore

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Total revenue from contracts with customers as above	4,245.26	5,057.01
Add: Rebate on prompt payment	11.80	13.07
Less: Incentives	-	3.73
Total revenue from contracts with customers as per contracted price	4,257.06	5,066.35

(d) Credit terms:

Customers are given average credit period of 30 to 45 days for payment. No delayed payment charges ('DPC') are charged for the initial 30 days from the date of receipt of invoice by customers. Thereafter, DPC is recoverable from the customers at the rates prescribed under the respective Power Purchase Agreement/Tariff regulations on the outstanding balance.

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to the Standalone Financial Statements for the year ended 31st March, 2020

Note No - 21 - Other income

₹ crore

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
(1) Interest income earned on financial assets that are not designated as at FVTPL		
(i) On loans	91.49	74.61
(ii) Bank deposits	4.48	2.63
(iii) Other financial assets	47.07	155.19
	143.04	232.43
(2) Interest income earned on other assets	-	41.78
(3) Dividend income from		
(i) Investment in a subsidiary	-	10.18
(ii) Investments designated as at FVTOCI	28.72	22.41
(4) Other non operating income		
(i) Operating lease rental income	0.23	0.19
(ii) Net gain on sale of investments	7.46	4.48
(iii) Net gain on investments designated as at FVTPL	0.01	0.08
(iv) Net gain on foreign currency transactions	11.93	15.20
(v) Provision no longer required written back	-	30.38
(vi) Gain on disposal of property, plant and equipment	2.91	-
(vii) Miscellaneous income	3.60	5.65
	54.86	130.35
	197.90	362.78

Note No. - 22 - Employee benefits expense

₹ crore

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
(1) Salaries and wages	102.74	112.35
(2) Contribution to provident and other funds [Refer note 32]	7.74	7.99
(3) Share based payments [Refer note 32]	3.90	4.74
(4) Staff welfare expenses	4.33	5.76
	118.71	130.84

Note No. - 23 - Finance costs

₹ crore

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
(1) Finance cost for financial liabilities not designated as at FVTPL		
- Interest expense	264.51	314.25
(2) Other borrowing costs	57.44	97.54
	321.95	411.79

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Note No. - 24 - Depreciation and amortisation expense

₹ crore

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
(1) Depreciation on property, plant and equipment	368.86	364.21
(2) Amortisation on Intangible assets	0.41	0.81
	369.27	365.02

Note No. - 25 - Other expenses

₹ crore

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
(1) Stores and spares consumed	25.39	26.20
(2) Power and water	19.02	22.27
(3) Rent including lease rentals	1.08	4.75
(4) Repairs and maintenance	52.04	53.86
(5) Rates and taxes	6.04	7.64
(6) Insurance	10.89	7.45
(7) Legal and professional charges	12.60	16.09
(8) Travelling expenses	8.42	10.00
(9) Loss on disposal of property, plant and equipment	-	1.85
(10) Donation*	5.01	0.16
(11) Corporate social responsibility expenses (Refer note 31)	6.57	13.25
(12) Loss allowance on loans / trade receivables / interest receivable	15.32	14.72
(13) Write off of non moving - stores and spares	2.01	-
Less: Provision for non moving - stores and spares recognised in earlier years	(1.72)	-
(14) Loss allowance for impairment of investment in subsidiaries (Refer note 6)	11.70	-
(15) Safety & Security Expenses	7.54	7.66
(16) Branding Expenses	12.09	6.43
(17) Miscellaneous expenses	9.14	10.35
(18) Open Access Charges	17.82	1.60
(19) Shared Service Charges	3.08	3.03
(20) Net loss on sale of investments	2.67	-
(21) Write off of investment, loan & advances	-	74.48
Less: Provision for impairment/loss allowances recognised in earlier years	-	(72.35)
	226.71	209.44

* Includes ₹ 5.00 crore (As at 31st March, 2019 : Nil) paid to Jankalyan Electoral Trust.

Note No. - 26 - Exceptional items (net)

₹ crore

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
(1) Contingent consideration payable written back [Refer note 16]	(177.48)	-
(2) Loss allowance towards doubtful loan	38.44	-
(3) Write off of doubtful loan [Refer note 7]	570.21	-
Less: Reversal of loss allowance recognised earlier on doubtful loan	(454.19)	-
	(23.02)	-

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to the Standalone Financial Statements for the year ended 31st March, 2020

Note No. - 27 - Tax expense

₹ crore

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
(1) Current tax	5.50	70.37
(2) Deferred tax	85.74	78.60
(3) Remeasurement of deferred tax #	(165.18)	-
(4) Minimum Alternate Tax (MAT) credit availed	58.31	(10.14)
(5) MAT pertaining to earlier year's (recognized) / reversed (net)	(58.31)	-
	(73.94)	138.83

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

₹ crore

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Profit before tax	423.87	390.28
Enacted tax rate (%)	34.944%	34.944%
Expected tax expense at statutory tax rate	148.12	136.38
Tax effect due to exempt / non taxable income	(72.05)	(11.40)
Effect due to non deductible expenses	69.54	13.85
Effect of remeasurement of deferred tax #	(165.18)	-
MAT pertaining to earlier period	(58.31)	-
Deferred tax pertaining to earlier period	3.94	-
Tax expense for the year	(73.94)	138.83

Pursuant to the Taxation Law (Amendment) Ordinance, 2019 ('Ordinance') subsequently amended in Finance Act issued by Ministry of Law and Justice (Legislative Department) on 20th September 2019 which is effective 1st April 2019, domestic companies have the option to pay corporate income tax rate at 22% plus applicable surcharge and cess ('New tax rate') subject to certain conditions. During the year ended 31st March 2020, Company had made an assessment of the impact of the Ordinance and decided to continue with the existing tax structure until utilisation of accumulated minimum alternative tax (MAT) credit. Based on the detailed assessment carried out by the management, deferred tax liabilities on temporary differences expected to reverse during the period in which the Company would be under the new tax regime and accordingly applied the new rate for measuring the said deferred tax liabilities in accordance with the requirements of IND AS 12 - 'Income Taxes'. This has resulted in reversal of deferred tax liabilities amounting to ₹ 165.18 crore.

Deferred tax assets / (liabilities)

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

₹ crore

Particulars	As at 1 st April, 2019	Recognised / (reversed) through profit or loss / OCI	As at 31 st March, 2020
Property, plant and equipment	(753.11)	72.52	(680.59)
Investment	(18.25)	-	(18.25)
Others	2.94	10.32	13.26
MAT credit	359.68	-	359.68
Total	(408.74)	82.84	(325.90)

₹ crore

Particulars	As at 1 st April, 2018	Recognised / (reversed) through profit or loss / OCI	As at 31 st March, 2019
Property, plant and equipment	(672.53)	(80.58)	(753.11)
Investment	(18.25)	-	(18.25)
Others	0.96	1.98	2.94
MAT credit	349.54	10.14	359.68
Total	(340.28)	(68.46)	(408.74)

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to the Standalone Financial Statements for the year ended 31st March, 2020

Expiry schedule of deferred tax assets not recognised as at 31st March 2020 is as under:

MAT Credit entitlement:

₹ crore	
Expiry of losses (as per local tax laws)	Amount
< 1 year	-
1 to 5 years	31.97
> 5 years to 10 years	352.53
> 10 years	186.98
	571.48

Note No. 28 - Contingent liabilities and commitments:

A) Contingent liabilities (to the extent not provided for):

1] Claims against the Company not acknowledged as debt:

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

₹ crore		
Particulars	As at 31 st March, 2020	As at 31 st March, 2019
(i) Custom duty [₹ 27.30 crore paid under protest (as at 31 st March, 2019 ₹ 27.30 crore) #	240.65	240.65
(ii) Electricity tax [recoverable from customers as per agreements in case of unfavourable outcome]	122.76	122.76
(iii) Income tax	55.59	55.59
(iv) Entry tax	0.84	0.84
(v) Service tax [₹ 14.02 crore paid under protest (as at 31 st March, 2019 ₹ 14.80 crore)] #	32.53	33.34
(vi) Goods and Service Tax [₹ 17.16 crore paid under protest (as at 31 st March 2019 ₹ NIL) #	18.79	-
(vii) Others [₹ 1.22 crore paid under protest (as at 31 st March 2019 ₹ 0.90) #	14.32	18.37
	485.48	471.55

Amount paid under protest is included in balances with government authorities, refer note 10

b) Disputes with customers regarding determination of tariff under power supply arrangements aggregating to ₹ 234.53 crore (as at 31st March, 2019 ₹ 251.08 crore), refer note 12

2] Guarantees:

The Company has issued financial guarantees to banks on behalf of and in respect of loan facilities availed by related parties. The following are the loan amount outstanding against such guarantees:

₹ crore		
Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Related parties	455.04	405.79

In respect of financial guarantee contracts, no amounts are recognised based on the results of the liability adequacy test for likely deficiency / defaults by the entities on whose behalf the Company has given guarantees.

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3] Others :**a)** Pledge of shares:

51,78,15,000 (as at 31st March, 2019: 51,78,15,000) number of shares held as investments in JSW Energy (Barmer) Limited (Formerly known as Raj WestPower Limited) with carrying amount of ₹ 517.82 crore (as at 31st March, 2019 ₹ 517.82 crore) have been pledged with the lenders towards its borrowings.

b) In respect of land parcels admeasuring 35.88 hectares (as at 31st March, 2019: 47.21 hectares), acquired by the Company, the claim by certain parties towards title disputes is not currently ascertainable.**Notes:**

- (i) Future cash flows in respect of the above matters are determinable only on receipt of judgements / decisions pending at various forums/authorities.
- (ii) Third party claims where the possibility of outflow of resources embodying economic benefits is remote, and includes show cause notices, if any which have not yet converted to regulatory demands, have not been disclosed as contingent liabilities.

B) Commitments

₹ crore

Particulars	As at	As at
	31 st March, 2020	31 st March, 2019
i] Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	25.70	37.07

ii] Other commitments:

- a) The company had entered into a definitive agreement to acquire 1000 MW (4 x 250 MW) thermal power plant located at village Tamnar, District Raigarh in the state of Chhattisgarh from Jindal Steel & Power Limited with the revised Long Stop Date of 30th June 2019. With the elapsing of the Long Stop Date without completion of the stipulated conditions precedent, the proposed acquisition of the said power plant stands terminated. Accordingly, the interest-bearing advance paid for the said transaction has been converted into interest-bearing loan and the amount outstanding as at 31st March, 2020 is ₹ 261.13 crore (as at 31st March, 2019 ₹ 331.13 crore).
- b) The Company has signed a Share Purchase Agreement with GMR Energy Limited for acquiring 100% shares of its subsidiary GMR Kamalanga Energy Limited ("GKEL") which owns and operates a 1050 MW (3 X 350 MW) thermal power plant in Odisha. The transaction contemplates a payout of consideration of ₹ 5,321 Crore for acquisition of 100% stake of the GKEL (subject to working capital and other adjustments). The transaction has been put on hold given the ongoing uncertainty of COVID 19 and will be revisited once the situation normalizes.
- c) The Company has received Letter of Intent pursuant to the approval of its Resolution Plan from Committee of Creditors of Ind Barath Energy (Utkal) Limited. The Resolution Plan is under approval with National Company Law Tribunal, Hyderabad Bench.
- d) The Company from time to time provides need based support to it's subsidiaries and a joint venture entity towards capital and other requirements.

Note No. 29 - Operating Lease:**a) As lessor:**

The Company has leased land admeasuring to 122.86 acres with carrying amount of ₹ 7.08 crore (31st March, 2019: 122.86 acres with carrying amount of ₹ 7.08 crore) to related parties for the period ranging from 25 to 99 years. The agreements are renewable with mutual consent.

The Company has constructed solar plants of 8.91MW with a carrying amount of ₹ 39.67 crore (31st March, 2019 : ₹ 40.87 crore) considered as an operating lease as per the provisions of Ind AS 116 - Leases. The lease rentals on the plants are variable in nature.

b) As lessee :

- i) The company leases several assets including land, office premises and residential flats. The amount recognised in the Standalone statement of profit and loss in respect of right of use asset and lease obligation are as under:

₹ crore

Particulars	For the year ended	For the year ended
	31 st March, 2020	31 st March, 2019
Depreciation	3.67	-
Interest expense on lease liabilities	0.05	-

- ii) The agreements are executed on non-cancellable basis for a period of 3-50 years, which are renewable on expiry with mutual consent.

NOTES

to the Standalone Financial Statements for the year ended 31st March, 2020

Note No. 30 - Finance leases:

As lessor:

The Company has identified an arrangement for power supply from one of its power unit which is in the nature of finance lease as per the provisions of Ind AS 116- Leases. After separating lease payments from other elements in the arrangement, the Company has recognized finance lease receivable for the said power unit given under finance lease.

The minimum lease payments receivable and the present value of minimum lease receivable as at 31st March, 2020 in respect of the aforesaid power unit are as under:

Amounts receivable under finance leases

₹ crore

Particulars	Minimum lease payments		Present value of minimum lease payments	
	As at 31 st March, 2020	As at 31 st March, 2019	As at 31 st March, 2020	As at 31 st March, 2019
Not later than one year	109.72	97.59	41.05	37.19
Later than one year and not later than five years	433.05	362.99	187.72	145.33
Later than five years	1,165.81	1,101.54	772.86	760.85
Total	1,708.58	1,562.12	1,001.63	943.37
Less: unearned finance income	706.95	618.75	-	-
Lease Receivable (Refer note 8)	1,001.63	943.37	1,001.63	943.37

Unguaranteed residual value of assets leased under finance leases at the end of the reporting period is estimated at ₹ 295.11 crore (as at 31st March, 2019: ₹ 270.33 crore).

Note No. 31 - Details of Corporate Social Responsibility (CSR) Expenditure:

₹ crore

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Amount required to be spent as per Section 135 of the Act	6.57	13.25
Amount spent during the year on:		
(i) Construction / acquisition of an asset	1.25	3.69
(ii) On purpose other than (i) above	5.32	9.56
Total	6.57	13.25

Note No. 32 - Employee benefits expense:

Defined contribution plan:

Company's contribution to National Pension Scheme (NPS) recognized in statement of profit and loss of ₹ 1.04 crore (for the year ended 31st March, 2019 : ₹ 1.07 crore) (included in note no 22)

Defined benefits plans:

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

The Company makes monthly contributions to provident fund managed by trust for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

Under the compensated absences plan, leave encashment upto a maximum accumulation of 180 days is payable to all eligible employees on separation of the Company due to death, retirement, superannuation or resignation, at the rate of daily salary.

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These plans typically expose the Company to the following actuarial risks:

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
Interest risk	A fall in the discount rate, which is linked, to the G-Sec rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.
Asset Liability matching risk	The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.
Mortality risk	Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.
Concentration risk	Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31st March, 2020 by M/S K. A. Pandit Consultants & Actuaries. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

A. Gratuity

Changes in the defined benefit obligation and fair value of plan assets as at 31st March, 2020:

₹ crore

Particulars		Defined benefit obligation	Fair value of plan assets	Benefit liability
Opening balance as on 1st April, 2019		14.25	3.60	10.65
Gratuity cost charged to the statement of profit and loss	Service cost	1.42	-	1.42
	Net interest expense	1.11	0.28	0.83
	Sub-total included in profit and loss	2.53	0.28	2.25
Net Asset/Liability Transferred In/(Out)		(0.23)	-	(0.23)
Benefits paid		(1.08)	(1.08)	-
Remeasurement gains in other comprehensive income	Return on plan assets (excluding amounts included in net interest expense)	-	(0.06)	0.06
	Actuarial changes arising from changes in demographic assumptions	0.21	-	0.21
	Actuarial changes arising from changes in financial assumptions	1.21	-	1.21
	Experience adjustments	(0.39)	-	(0.39)
	Sub-total included in OCI	1.03	(0.06)	1.09
Contributions by employer		-	-	-
Closing balance as on 31st March, 2020 (Refer note 18)		16.51	2.74	13.77

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Changes in the defined benefit obligation and fair value of plan assets as at 31st March, 2019:

₹ crore

Particulars		Defined benefit obligation	Fair value of plan assets	Benefit liability
Opening balance as on 1st April, 2018		11.73	3.71	8.02
Gratuity cost charged to the statement of profit and loss	Service cost	1.21	-	1.21
	Net interest expense	0.92	0.29	0.63
	Sub-total included in profit and loss	2.13	0.29	1.84
Net Asset/Liability Transferred In/(Out)		0.22	-	0.22
Benefits paid		(0.40)	(0.40)	-
Remeasurement gains/(losses) in other comprehensive income	Return on plan assets (excluding amounts included in net interest expense)	-	★	★
	Actuarial changes arising from changes in demographic assumptions	-	-	-
	Actuarial changes arising from changes in financial assumptions	0.09	-	0.09
	Experience adjustments	0.48	-	0.48
	Sub-total included in OCI	0.57	★	0.58
Contributions by employer		-	-	-
Closing balance as on 31st March, 2019 (Refer note 18)		14.25	3.60	10.65

*less than ₹ 50,000

The actual return on plan assets (including interest income) was ₹0.34 crore (previous year ₹ 0.29 crore).

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

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Insurer managed funds	100%	100%

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

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

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Discount rate	6.89%	7.79%
Future salary increases	6.00%	6.00%
Rate of employee turnover	3.00%	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

Sensitivity analysis:

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

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The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:

₹ crore

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Delta Effect of +1% Change in Rate of Discounting	(1.34)	(1.25)
Delta Effect of -1% Change in Rate of Discounting	1.56	1.46
Delta Effect of +1% Change in Rate of Salary Increase	1.56	1.47
Delta Effect of -1% Change in Rate of Salary Increase	(1.36)	(1.28)
Delta Effect of +1% Change in Rate of Employee Turnover	0.10	0.21
Delta Effect of -1% Change in Rate of Employee Turnover	(0.11)	(0.24)

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

The following are the maturity analysis of projected benefit obligations:

₹ crore

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Projected benefits payable in future years		
Within the next 12 months (next annual reporting period)	1.04	0.80
From 2 to 5 years	5.89	5.22
From 6 to 10 years	4.83	4.03
Above 10 years	23.32	26.44
Total expected payments	35.08	36.49

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

The Company expects to contribute ₹ 2.94 crore (previous year ₹ 3.16 crore) to its gratuity plan for the next year. The weighted average duration of the plan is 10 years (previous year 11 years).

B. Provident fund

As per Ind AS 19 on "Employee Benefits", employer established provident fund trusts are treated as defined benefit plans. The members of the Provident Fund Trust are entitled to the interest rate declared by the central government under the Employees Provident Funds and Miscellaneous Act, 1952. The shortfall, if any, is made good by the Company in the year in which it arises. According to the defined benefit obligation of interest rate guarantee on exempted provident fund in respect of employees of the Company as at 31st March, 2020 is 8.50% as against the rate of return of plan assets 8.49%. Considering the interest shortfall is not material no provision is made in the books of accounts.

Company's contribution to provident fund, labour welfare fund recognised in the statement of profit and loss of ₹ 4.45 crore (for the year ended 31st March, 2019: ₹ 4.88 crore) (included in note no. 22)

Actuarial assumptions made to determine interest rate guarantee on exempt provident fund liabilities are as follows:

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Discount rate	6.84%	7.79%
Rate of return on assets	8.49%	8.64%
Guaranteed rate of return	8.50%	8.65%

C. Compensated absences

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

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D. Employee share based payment plan:

Employees Stock Ownership Plan – 2016 (ESOP 2016)

The Company has offered equity options under ESOP 2016 to the permanent employees of the Company and its subsidiary company who has been working in India or outside India, including whole-time director, in the identified grades of L16 and above except any employee who is a promoter or belongs to the promoter Company or a director who either by himself or through his relatives or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company and Independent directors, Nominee Directors and Non-Executive Directors.

The grant is determined after having regard to various factors and criteria specified in ESOP 2016. The exercise price is at a discount of 20% to the closing market price on the previous trading day of the grant date at the Exchange having highest trading volume or any other price as may be determined by the Compensation Committee but at least equal to the face value of the shares. The option shall not be transferable and can be exercised only by the employees of the Company.

Vesting of the options granted under the ESOP 2016 shall be at least one year from the date of Grant. 50% of the granted options would vest on the date following 3 years from the date of respective grant and the remaining 50% on the date following 4 years from the date of respective grant.

The following table illustrates the details of share options during the year:

ESOP 2016 (Grant Date : 3rd May, 2016)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Outstanding at 1 st April	7,79,321	11,31,290
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	4,38,227	2,68,854
Expired during the year	-	83,115
Outstanding at 31 st March	3,41,094	7,79,321
Exercisable at 31 st March	3,41,094	7,79,321

ESOP 2016 (Grant Date : 20th May, 2017)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Outstanding at 1 st April	11,75,899	18,24,074
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	3,56,398	5,43,863
Expired during the year	-	1,04,312
Outstanding at 31 st March	8,19,501	11,75,899
Exercisable at 31 st March	8,19,501	11,75,899

ESOP 2016 (Grant Date : 1st Nov, 2018)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Outstanding at 1 st April	16,96,805	-
Granted during the year	-	16,96,805
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	3,68,077	-
Outstanding at 31 st March	13,28,728	16,96,805
Exercisable at 31 st March	13,28,728	16,96,805

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The method of settlement for above grants are as below:

Particulars	Grant Date		
	3 rd May, 2016	20 th May, 2017	1 st Nov, 2018
Vesting period	3/4 Years	3/4 Years	3/4 Years
Method of settlement	Equity	Equity	Equity
Exercise price (₹)	53.68	51.80	51.96
Fair value (₹)	30.78	28.88	37.99
Dividend yield (%)	20.00%	20.00%	20.00%
Expected volatility (%)	46.32%/44.03%	44.50%/45.16%	42.57%/43.53%
Risk-free interest rate (%)	7.40%/7.47%	6.90%/6.98%	7.78%/7.84%
Expected life of share options	5/6 years	5/6 years	5/6 years
Weighted average exercise price (₹)	53.68	51.80	51.96
Pricing formula	Exercise Price determined at ₹ 53.68 per share, was at a discount of 20% to the closing market price of Parent Company's share i.e. ₹ 67.10/- at the close of 2 nd May, 2016 at Exchange having highest trading volume.	Exercise Price determined at ₹ 51.80 per share, was at a discount of 20% to the closing market price of Parent Company's share i.e. ₹ 64.75/- at the close of 19 th May, 2017 at Exchange having highest trading volume.	Exercise Price determined at ₹ 51.96 per share, was at a discount of 20% to the closing market price of Parent Company's share i.e. ₹ 64.95/- at the close of 31 st October, 2018 at Exchange having highest trading volume.
Expected option Life	The expected option life is assumed to be mid-way between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The Expected option life is calculated as (Year to Vesting + Contractual Option term) /2.		
Expected volatility	Volatility was calculated using standard deviation of daily change in stock price. The historical period considered for volatility match the expected life of the option.		
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	<p>The following factors have been considered:</p> <p>(a) Share price (b) Exercise prices (c) Historical volatility (d) Expected option life (e) Dividend Yield</p>		
Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.			
Model used	Black-Scholes Method		

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

Note No. 33 - Project status:

i. Kutehr Project

The existing undertaking of Kutehr Project, consisting of capital work in progress, land, other PPE etc. with relevant liabilities has been sold for a lump sum consideration to JSW Energy (Kutehr) Limited (Refer Note 39). The investment in equity shares of JSW Energy (Kutehr) Limited has been sold to JSW Hydro Energy Limited, another subsidiary. Construction / developmental activities of this 240 MW hydropower project has been commenced and all the Major Works have been awarded/LOI issued.

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ii. Raigarh Project:

Having regard to pending completion of the underlying power project, tying up of long-term power supply agreements and securing the fuel linkages, the Company has assessed the carrying amount of investment in equity shares of JSW Energy (Raigarh) Limited, based on the estimate regarding value by sale of freehold land, recoverability of advances for additional land acquisition on leasehold basis and deposits relating to the project and accordingly an impairment loss of ₹ 11.45 Crore (Previous Year : ₹ NIL crore) was recognised towards the carrying amount of investment in equity shares.

Note No. 34 - Earnings per share [Basic and Diluted]:

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Profit attributable to equity holders of the Company [₹ crore] [A]	497.81	251.45
Weighted average number of equity shares for basic EPS [B]	1,64,17,03,697	1,64,06,17,153
Effect of dilution:		
Weighted average number of equity shares held through ESOP trust	1,97,050	35,413
Weighted average number of equity shares adjusted for the effect of dilution [C]	1,64,19,00,747	1,64,06,52,566
Basic Earnings Per Share [₹] - [A/B]	3.03	1.53
Diluted Earnings Per Share [₹] - [A/C]	3.03	1.53
Nominal value of an equity share [₹]	10.00	10.00

Note No. 35 - Impact of Covid 19

The Company has continued its operations during lockdown due to outbreak of COVID-19 as the electricity generation is considered as one of the essential services by the Government. The Company's substantial generation capacities are tied up under medium to long term power purchase agreements, which insulates revenue of the Company under such contracts. The notices of applying force majeure clause under the power supply agreements from some of the customers have been appropriately responded under legal advice that the prevailing situation is outside the ambit of force majeure clause. This position is further supported by clarification from Ministry of Power that the DISCOMs will have to comply with obligation to pay fixed capacity charges as per the power purchase agreement. Based on initial assessment, the management does not expect any medium to long-term impact on the business of the Company. The Company has evaluated the possible effects on the carrying amounts of property, plant and equipment, inventory, loans, receivables and debt covenants basis the internal and external sources of information and determined, exercising reasonable estimates and judgements, that the carrying amounts of these assets are recoverable. Having regard to above, and the Company's liquidity position, there is no uncertainty in meeting financial obligations over the foreseeable future.

Note No. 36 - Remuneration to auditors (excluding GST):

₹ crore

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Services as statutory auditors (including quarterly limited reviews)	1.03	0.96
Other services	0.21	0.37
Reimbursement of out-of pocket Expenses	0.04	0.02
Total	1.28	1.35

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to the Standalone Financial Statements for the year ended 31st March, 2020**Note No. 37 -Financial Instruments:****(a) Financial Instruments:****i) Financial instruments by category:**

₹ crore

Particulars	As at 31 st March, 2020				As at 31 st March, 2019			
	FVTPL	FVTOCI	Amortised cost	Total	FVTPL	FVTOCI	Amortised cost	Total
Financial assets								
Investment in debentures	-	-	-	-	-	-	384.50	384.50
Investments in government security	-	-	★	★	-	-	★	★
Investments in equity shares	7.77	1,045.41	-	1,053.18	7.77	2,052.46	-	2,060.23
Investment in preference shares	5.41	-	-	5.41	4.53	-	-	4.53
Investment in mutual funds	334.10	-	-	334.10	190.19	-	-	190.19
Loans**	-	-	455.96	455.96	-	-	1,063.63	1,063.63
Finance lease receivable	-	-	1,001.63	1,001.63	-	-	943.37	943.37
Security deposits	-	-	73.73	73.73	-	-	71.16	71.16
Interest receivable**	-	-	2.09	2.09	-	-	3.65	3.65
Trade receivables**	-	-	797.12	797.12	-	-	554.70	554.70
Cash and cash equivalents (CCE)	-	-	140.47	140.47	-	-	69.58	69.58
Bank balances other than CCE	-	-	24.14	24.14	-	-	46.32	46.32
Consideration receivable on transfer of business	-	-	220.00	220.00	-	-	-	-
Foreign currency forward contracts / options	35.26	-	-	35.26	-	-	-	-
Total	382.54	1,045.41	2,715.14	4,143.09	202.49	2,052.46	3,136.92	5,391.87
Financial liabilities								
Borrowings	-	-	2,246.32	2,246.32	-	-	2,818.37	2,818.37
Interest rate swaps	-	-	-	-	0.36	-	-	0.36
Foreign currency options/ forward contracts	-	-	-	-	27.13	-	-	27.13
Commodity exchange forward contracts	-	9.73	-	9.73	-	-	-	-
Contingent consideration payable	-	-	-	-	177.48	-	-	177.48
Interest accrued but not due on borrowings	-	-	49.19	49.19	-	-	60.63	60.63
Unpaid dividends	-	-	1.06	1.06	-	-	1.11	1.11
Lease deposits	-	-	0.76	0.76	-	-	0.74	0.74
Lease liabilities	-	-	0.44	0.44	-	-	-	-
Payable for capital supplies/ services	-	-	61.17	61.17	-	-	80.03	80.03
Trade payables	-	-	353.31	353.31	-	-	191.33	191.33
Acceptances	-	-	912.60	912.60	-	-	1,367.58	1,367.58
Total	-	9.73	3,624.85	3,634.58	204.97	-	4,519.79	4,724.76

★ less than ₹ 50,000

** net of provisions

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ii) Fair Value Hierarchy:

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

- (a) Recognised and measured at fair value.
- (b) Measured at amortised cost for which fair values are disclosed in the Standalone Financial Statements.

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

Financial assets & liabilities measured at fair value

The carrying amount of investment in unquoted equity instrument measured at fair value (which are not disclosed below) is considered to be the same as its fair values

₹ crore

Particulars	As at 31 st March, 2020	As at 31 st March, 2019	Level	Valuation techniques and key inputs
Financial assets				
Investment in equity shares	1,045.41	2,052.46	1	Quoted bid price in an active market
Investment in equity shares	7.77	7.77	3	Net Asset value of share arrived has been considered as fair value
Investment in Mutual Funds	334.10	190.19	2	The mutual funds are valued using the closing NAV
Investment in preference shares	5.41	4.53	3	Discounted cash flow method- Future cash flows are based on terms of preference shares discounted at a rate that reflects market risk
Currency options/ Forward contracts	35.26	-	2	The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
	1,427.95	2,254.95		
Financial liabilities				
Interest rate swaps	-	0.36	2	The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows earned on observable yield curves.
Commodity exchange forward contracts	9.73	-	2	The fair value of commodity exchange forward contract is determined using forward commodity exchange rates at the balance sheet date.
Currency options/ Forward contracts	-	27.13	2	The fair value of forward foreign exchange contracts and currency options is determined using forward exchange rates at the balance sheet date.
Contingent Consideration payable on business combination	-	177.48	3	Estimated based on the expected cash outflows arising from the fructification of related events
	9.73	204.97		

Valuation techniques and key inputs:

The above fair values were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable input including counter party credit risk.

Particulars	Valuation technique	Significant unobservable inputs	Change	Sensitivity of the input to fair value
Investment in preference shares	DCF method	Discounting rate	0.50%	0.50% increase / decrease in the discount rate would decrease / increase the fair value by ₹ 0.27 crore / ₹ 0.27 crore / (₹ 0.23 crore / ₹ 0.24 crore).

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₹ crore

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Opening balance	4.53	4.64
Gain recognised in statement of profit and loss	0.88	(0.11)
Closing balance	5.41	4.53

ii) Contingent Consideration payable

₹ crore

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Opening balance	177.48	177.48
Write back	177.48	-
Closing balance	-	177.48

Financial assets and liabilities, measured at amortised cost:

The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, other financial assets and other financial liabilities (which are not disclosed below) are considered to be the same as their fair values, due to their short term nature.

₹ crore

Particulars	As at 31 st March, 2020		As at 31 st March, 2019		Level
	Carrying value	Fair value	Carrying value	Fair value	
Financial assets					
Investment in debentures	-	-	384.50	466.85	3
Loans	205.13	207.25	881.12	907.24	3
Finance lease receivable*	1,001.63	968.55	943.37	940.32	3
Security deposits	34.91	36.96	33.08	36.71	3
Total	1,241.67	1,212.76	2,242.07	2,351.12	
Financial liabilities					
Borrowings *	2,246.32	2,249.57	2,818.37	2,818.71	3
Lease deposits	0.28	0.35	0.26	0.33	3
Total	2,246.60	2,249.92	2,818.63	2,819.04	

* including current and non-current balances

There are no transfers between Level 1, Level 2 and Level 3 during the year.

b) Risk Management Strategies**Financial risk management objectives**

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

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

I. Foreign currency risk management

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

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The carrying amounts of the Company's monetary assets and monetary liabilities at the end of the reporting period are as follows:

₹ crore				
As at 31 st March, 2020:	USD	EURO	INR	Total
Financial assets				
Investment in equity shares	-	-	1,053.18	1,053.18
Investment in mutual funds	-	-	334.10	334.10
Investment in preference shares	-	-	5.41	5.41
Investment in government securities	-	-	★	★
Trade receivables [^]	-	-	797.12	797.12
Cash and cash equivalents (CCE)	-	-	140.47	140.47
Bank balances other than CCE	-	-	24.14	24.14
Loans [^]	107.81	-	348.15	455.96
Security deposits	-	-	73.73	73.73
Finance lease receivable	-	-	1,001.63	1,001.63
Interest receivable [^]	-	-	2.09	2.09
Consideration receivable on transfer of business	-	-	220.00	220.00
Foreign currency forward contracts / options	35.26	-	-	35.26
Total	143.07	-	4,000.02	4,143.09
Financial liabilities				
Commodity exchange forward contracts	9.73	-	-	9.73
Acceptances	912.60	-	-	912.60
Trade payables	213.50	0.04	139.77	353.31
Payable for capital supplies	-	-	61.17	61.17
Interest accrued	3.61	-	45.58	49.19
Borrowings	-	-	2,246.32	2,246.32
Lease deposits	-	-	0.76	0.76
Lease liabilities	-	-	0.44	0.44
Unpaid dividend	-	-	1.06	1.06
Total	1,139.44	0.04	2,495.10	3,634.58

[^]Net of provisions

*less than ₹ 50,000

₹ crore					
As at 31 st March, 2019:	USD	EURO	YEN	INR	Total
Financial assets					
Investment in equity shares	-	-	-	2,060.24	2,060.24
Investment in mutual funds	-	-	-	190.19	190.19
Investment in preference shares	-	-	-	4.53	4.53
Investment in government securities	-	-	-	★	★
Investment in debentures	-	-	-	384.50	384.50
Trade receivables [^]	-	-	-	554.70	554.70
Cash and cash equivalents (CCE)	-	-	-	69.58	69.58
Bank balances other than CCE	-	-	-	46.32	46.32
Loans [^]	159.14	-	-	904.49	1,063.63
Security deposits	-	-	-	71.16	71.16
Finance lease receivable	-	-	-	943.37	943.37
Interest receivable [^]	-	-	-	3.65	3.65
Total	159.14	-	-	5,232.73	5,391.87

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₹ crore

As at 31 st March, 2019:	USD	EURO	YEN	INR	Total
Financial liabilities					
Interest rate swaps	0.36	-	-	-	0.36
Foreign currency forward/ options contracts	27.13	-	-	-	27.13
Acceptances	1,367.58	-	-	-	1,367.58
Trade payables	75.77	1.41	0.01	114.14	191.33
Payable for capital supplies	-	-	-	80.03	80.03
Interest accrued	15.62	-	-	45.01	60.63
Borrowings	228.27	-	-	2,590.10	2,818.37
Lease deposits	-	-	-	0.74	0.74
Unpaid dividend	-	-	-	1.11	1.11
Contingent consideration payable on business combination	-	-	-	177.48	177.48
Total	1,714.73	1.41	0.01	3,008.61	4,724.76

^Net of provisions

★Less than ₹ 50,000

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

The forward exchange contracts entered into by the company and outstanding are as under:

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
No. of contracts	23	45
Type of contracts	Buy	Buy
Equivalent to USD in millions	147.11	202.28
Average exchange rate (1 USD = ₹)	73.55	71.68
Nominal value (₹ crore)	1,081.99	1,449.94
Fair value MTM - asset / (liability) (₹ crore)	35.26	(39.82)

The foreign exchange options contracts for loan entered into by the Company and outstanding are as under:

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
No. of contracts	-	1
Type of contracts	-	Buy
Equivalent to USD in millions	-	33.00
Average exchange rate (1 USD = ₹)	-	69.16
Nominal value (₹ crore)	-	228.21
Fair value MTM - asset (₹ crore)	-	12.69

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Unhedged Currency Risk position

The foreign currency exposure that have not been hedged by a derivative instrument or otherwise as at Balance sheet date are given below:

Particulars	Foreign Currency	Foreign currency equivalent		₹ crore	
		As at 31 st March, 2020	As at 31 st March, 2019	As at 31 st March, 2020	As at 31 st March, 2019
1. Receivables in foreign currency					
Loan to foreign subsidiary [^]	USD	1,43,00,963	2,30,06,250	107.81	159.14
2. Payables in foreign currency					
Trade payable	USD	28,41,695	94,27,702	21.42	65.21
Trade payable	EURO	4,664	1,81,410	0.04	1.41
Trade payable	YEN	-	1,24,594	-	0.01
Interest accrued but not due on secured loan	USD	-	99,362	-	0.69

[^]Net of provisions

Foreign Currency risk Sensitivity

The following table details the Company's sensitivity to a 5% increase and decrease in the INR against the relevant foreign currencies net of hedge accounting impact. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 5% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where INR strengthens 5% against the relevant currency. For a 5% weakening of INR against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

Particulars	₹ crore			
	For the year ended 31 st March, 2020		For the year ended 31 st March, 2019	
	5% increase	5% decrease	5% increase	5% decrease
Receivables				
USD / INR	5.39	(5.39)	7.96	(7.96)
Payables				
USD / INR	1.07	(1.07)	3.29	(3.29)
EURO/ INR	0.01	(0.01)	0.07	(0.07)
YEN / INR*	-	-	★	★

★ Less than ₹ 50000

II. Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The risk is managed by the company by maintaining an appropriate mix between fixed and floating rate borrowing and through re-financing of the various term debts at regular intervals to optimise on interest cost.

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

Interest rate sensitivity analysis

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

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

₹ crore

As at 31 st March, 2020	Net Balance	Unamortised transaction cost	Gross Balance
Fixed rate borrowings	1,146.91	0.59	1,147.50
Floating rate borrowings	1,099.41	1.55	1,100.96
Total borrowings	2,246.32	2.14	2,248.46

₹ crore

As at 31 st March, 2019	Net Balance	Unamortised transaction cost	Gross Balance
Fixed rate borrowings	1,298.82	1.17	1,299.99
Floating rate borrowings	1,519.55	2.45	1,522.00
Total borrowings	2,818.37	3.62	2,821.99

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's profit before tax for the year ended 31st March, 2020 would decrease/increase by ₹ 5.50 crore (for the year ended 31st March, 2019: decrease/increase by ₹ 6.46 crore). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

The following table detail the nominal amounts and remaining terms of interest rate swap contracts outstanding at the year-end.

Particulars	No. of contracts	Average contracted fixed interest rate (%)	Maturity date	Nominal value (₹ crore)	Fair value asset / (liabilities) (₹ crore)
As at 31 st March, 2020	-	-	-	-	-
As at 31 st March, 2019	1	4.12	16 th March 2020	228.27	(0.36)

III. Credit risk management

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

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

Revenue from operations includes revenue aggregating to ₹ 3466.44 crore, (previous year ₹ 3,726.40 crore) from three (previous year : two)major customers having more than 10% of total revenue from operations of the Company.

Loans and investment in debt securities:

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

Cash and cash equivalents, derivatives and financial guarantees:

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

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks provided by the Company. The Company's maximum exposure in this respect is the maximum amount the Company could have to pay if the guarantee is called on. No amount has been recognised in the financial position as financial liabilities. (Refer note 39)

IV. Liquidity risk management

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

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

₹ crore

As at 31 st March, 2020	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Investment in equity shares	-	-	1,053.18	1,053.18
Investment in mutual fund	334.10	-	-	334.10
Investment in preference shares	-	-	5.41	5.41
Investment in government securities	-	-	★	★
Trade receivables	797.12	-	-	797.12
Cash and cash equivalents (CCE)	140.47	-	-	140.47
Bank balances other than CCE	24.14	-	-	24.14
Loans	396.52	117.90	333.96	848.38
Security deposits	38.81	22.70	12.22	73.73
Finance lease receivable	109.72	433.05	1,165.81	1,708.58
Consideration receivable on transfer of business	220.00	-	-	220.00
Foreign currency forward contracts / options	35.26	-	-	35.26
Interest receivable	2.09	-	-	2.09
Total assets	2,098.23	573.65	2,570.58	5,242.46
Financial liabilities				
Commodity exchange forward contracts	9.73	-	-	9.73
Acceptances	912.60	-	-	912.60
Trade payables	353.31	-	-	353.31
Payable for capital supplies	61.17	-	-	61.17
Interest accrued	49.19	-	-	49.19
Borrowings	913.24	1,333.08	-	2,246.32
Lease deposits	0.76	-	-	0.76
Lease liabilities	0.44	-	-	0.44
Unpaid dividend	1.06	-	-	1.06
Interest payout liability	186.15	167.99	0.40	354.54
Total liabilities	2,487.65	1,501.07	0.40	3,989.12

★Less than ₹ 50,000

₹ crore

As at 31 st March, 2019	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Investment in equity shares	-	-	2,060.24	2,060.24
Investment in mutual fund	190.19	-	-	190.19
Investment in preference shares	-	-	4.53	4.53
Investment in government securities	-	-	★	★
Investment in debentures	-	-	384.50	384.50
Trade receivables	554.70	-	-	554.70
Cash and cash equivalents (CCE)	69.58	-	-	69.58
Bank balances other than CCE	42.92	3.40	-	46.32
Loans	257.71	416.91	1,523.47	2,198.09
Security deposits	38.08	29.30	3.78	71.16
Finance lease receivable	97.59	362.99	1,101.54	1,562.12
Interest receivable	3.65	-	-	3.65
Total assets	1,254.42	812.60	5,078.06	7,145.08

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₹ crore

As at 31 st March, 2019	< 1 year	1-5 years	> 5 years	Total
Financial liabilities				
Interest rate swaps	0.36	-	-	0.36
Foreign currency forward options/contracts	27.13	-	-	27.13
Acceptances	1,367.58	-	-	1,367.58
Trade payables	191.33	-	-	191.33
Payable for capital supplies	80.03	-	-	80.03
Interest accrued	60.63	-	-	60.63
Borrowings	764.33	1,994.08	59.96	2,818.37
Lease deposits	0.48	-	0.26	0.74
Unpaid dividend	1.11	-	-	1.11
Contingent consideration payable on business combination	177.48	-	-	177.48
Interest payout liability	230.96	318.04	3.21	552.21
Total liabilities	2,901.42	2,312.12	63.43	5,276.97

*Less than ₹ 50,000

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

The amount of guarantees given on behalf of other parties included in Note 28 represents the maximum amount the Company could be forced to settle for the full guaranteed amount. Based on the expectation at the end of the reporting period, the Company considers that it is more likely that such an amount will not be payable under the arrangement.

V. Price Risk

The Company's exposure to equity price risk arises from investments held by the Company and classified in the balance sheet at fair value through OCI.

The table below summarizes the impact of increases / decreases in market price of the Company's quoted equity investments for the corresponding period. The analysis is based on the assumption that the share price in market will on an average increase or decrease by 15% (Previous year 15%) with all other variables held constant.

Impact on other comprehensive income

₹ crore

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Increase in quoted market price by 15% (Previous year 15%)	156.81	307.87
Decrease in quoted market price by 15% (Previous year 15%)	(156.81)	(307.87)

VI. Fuel price risk management

The Company is currently using imported coal from countries like Indonesia, South Africa, and Australia, among others. The interruption in the supply of coal due to regulatory changes, weather conditions in the sourcing country, strike by mine workers and closure of mines due to force majeure may impact the availability and/or cost of coal.

The Company regularly broadens the sources (countries/ vendors) and maintains optimum fuel mix and stock level. The Company further applies prudent hedging strategies to mitigate the risk of foreign exchange and coal price fluctuations.

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The commodity exchange forward contracts entered into by the Company and outstanding are as under:

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
No. of contracts	1	-
Type of contracts	Buy	-
Coal Quantity in Metric Tonnes (MT)	1,35,000	-
Average forward rate (USD/MT)	80.00	-
Nominal value (₹ crore)	81.42	-
Fair value MTM - liability (₹ crore)	(9.73)	-

Note No. 38 - Capital management:

Capital management

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

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

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

Gearing ratio

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

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Debt ¹	2,246.32	2,818.37
Cash and bank balances (including current investment in liquid mutual fund) ²	474.69	289.77
Net debt ⁽¹⁻²⁾	1,771.63	2,528.60
Total equity ³	9,400.20	10,167.48
Net debt to equity ratio	0.19	0.25

1 Debt includes long-term and current maturities of long term debt (Refer note 15)

2 Includes cash and cash equivalents, balances in bank deposits (other than earmarked deposits) and investments in mutual fund.

3 Includes equity share capital and other equity

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Note No. 39 Related party disclosure:

List of Related Parties

i. Subsidiaries

- 1 JSW Power Trading Company Limited (Formerly Known as JSW Green Energy Limited)
- 2 JSW Energy (Barmer) Limited (Formerly known as Raj WestPower Limited)
- 3 Jaigad PowerTransco Limited
- 4 JSW Energy (Raigarh) Limited
- 5 JSW Energy (Kutehr) Limited
- 6 JSW Hydro Energy Limited (Formerly known as Himachal Baspa Power Company Limited)
- 7 JSW Solar Limited
- 8 JSW Electric Vehicles Private Limited
- 9 JSW Renewable Energy (Vijayanagar) Limited (w.e.f 14th January, 2020)
- 10 JSW Renew Energy Limited (w.e.f 5th March, 2020)
- 11 JSW Energy Minerals Mauritius Limited (upto 18th June 2018)
- 12 JSW Energy Natural Resources Mauritius Limited
- 13 JSW Energy Natural Resources South Africa (Pty) Limited
- 14 South African Coal Mining Holdings Limited
- 15 Royal Bafokeng Capital (Pty) Limited
- 16 Jigmining Operations No.1 Proprietary Limited
- 17 Mainsail Trading 55 (Pty) Limited
- 18 SACM (Breyten) Proprietary Limited
- 19 South African Coal Mining Equipment Company Proprietary Limited (upto 10th September, 2018)
- 20 Umlabu Colliery Proprietary Limited
- 21 Yomhlaba Coal Proprietary Limited
- 22 South African Coal Mining Operations Proprietary Limited
- 23 Minerals & Energy Swaziland Proprietary Limited (upto 30th November, 2018)

ii. Joint Venture / Associate

- 1 Barmer Lignite Mining Company Limited (Joint Venture)
- 2 Toshiba JSW Power Systems Private Limited (Associate)

iii. Key Managerial Personnel

- 1 Mr. Sajjan Jindal – Chairman & Managing Director
- 2 Mr. Prashant Jain – Jt. Managing Director & CEO
- 3 Mr. Jyoti Kumar Agarwal - Director Finance
- 4 Mr. Sharad Mahendra - Whole Time Director & COO (w.e.f 16th May, 2019)
- 5 Ms. Monica Chopra – Company Secretary
- 6 Mr. Nirmal Kumar Jain – Non Executive Non Independent Director
- 7 Mr. Chandan Bhattacharya - Independent Director
- 8 Ms. Sheila Sangwan - Independent Director (upto 30th September,2019)
- 9 Ms. Shailaja Chandra - Independent Director (upto 17th June, 2019)
- 10 Mr. Rakesh Nath - Independent Director
- 11 Mr. Sattiraju Seshagiri Rao - Independent Director
- 12 Mr. Sunil Goyal - Independent Director (w.e.f 17th June,2019)
- 13 Ms. Tanvi Shete - Non Executive Non Independent Director (upto 19th July, 2018)
- 14 Mr. Uday Chitale - Independent Director (upto 23rd April,2018)
- 15 Ms. Rupa Devi Singh - Independent Director (w.e.f 17th June,2019)

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iv Other related parties with whom the Company has entered into transactions during the year:

- 1 JSW Steel Limited
- 2 JSW Cement Limited
- 3 JSW Realty & Infrastructure Private Limited
- 4 JSW Jaigarh Port Limited
- 5 JSW Infrastructure Limited
- 6 South West Port Limited
- 7 South West Mining Limited
- 8 JSW Green Private Limited
- 9 JSW Foundation
- 10 Jindal Vidya Mandir
- 11 Amba River Coke Limited
- 12 JSW International Trade Corp Pte Limited
- 13 JSW Steel Coated Products Limited
- 14 JSW Global Business Solutions Limited
- 15 Jindal Steel & Power Limited
- 16 JSW IP Holdings Private Limited
- 17 Jankalyan Electoral Trust
- 18 Gagan Trading Company Limited
- 19 JSW Paints Private Limited

A) Transactions during the year

₹ crore

Particulars	Relationship	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
1 Sale of power/ material to:			
JSW Steel Limited	Others	1,871.90	2,263.21
JSW Power Trading Company Limited	Subsidiary	248.71	934.58
JSW Cement Limited	Others	119.39	76.23
JSW Steel Coated Products Limited	Others	171.17	185.06
Amba River Coke Limited	Others	142.17	149.01
JSW Energy (Barmer) Limited	Subsidiary	(0.01)	2.97
South West Mining Limited	Others	-	7.68
JSW Paints Private Limited	Others	1.57	-
2 Service rendered:			
i) Operator fee from:			
JSW Steel Limited	Others	185.15	168.94
ii) Other services:			
Toshiba JSW Power Systems Private Limited	Associate	-	0.44
South West Mining Limited	Others	1.88	2.54
3 Purchase of fuel / goods/ assets:			
JSW Steel Limited	Others	400.31	524.47
JSW Cement Limited	Others	0.78	1.99
Jindal Steel & Power Limited	Others	0.31	1.22
JSW International Trade Corp Pte Limited	Others	2,164.91	2,446.43
JSW Steel Coated Products Limited	Others	0.33	6.66
South West Mining Limited	Others	0.09	0.09
JSW Solar Limited	Subsidiary	-	11.43
JSW Energy (Raigarh) Limited	Subsidiary	0.01	-

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₹ crore

Particulars	Relationship	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
4 Rebate on sale of power:			
JSW Power Trading Company Limited	Subsidiary	0.33	3.53
5 Service received from:			
South West Port Limited	Others	-	5.72
JSW Jaigarh Port Limited	Others	167.97	162.29
JSW Green Private Limited	Others	0.88	0.91
JSW Global Business Solutions Limited	Others	3.08	3.02
Jindal Vidya Mandir	Others	0.65	0.94
JSW Infrastructure Limited	Others	8.35	11.48
6 Interest received on overdue receivables:			
JSW Power Trading Company Limited	Subsidiary	-	2.82
Amba River Coke Limited	Others	0.77	-
JSW Cement Limited	Others	-	0.19
7 Interest received on loan / debentures:			
JSW Energy (Barmer) Limited	Subsidiary	33.29	45.82
South West Mining Limited	Others	15.74	4.68
JSW Global Business Solutions Limited	Others	0.38	0.46
JSW Hydro Energy Limited	Subsidiary	23.18	72.18
JSW Energy (Raigarh) Limited	Subsidiary	0.06	0.05
Jindal Steel & Power Limited	Others	35.78	41.79
JSW Energy Natural Resources Mauritius Limited	Subsidiary	6.14	7.44
JSW Energy (Kutehr) Limited	Subsidiary	0.08	0.03
JSW Solar Limited	Subsidiary	★	0.54
JSW Electric Vehicles Private Limited	Subsidiary	0.01	0.01
8 Rent paid / (received) (net):			
JSW Realty & Infrastructure Private Limited	Others	0.26	0.57
JSW Steel Limited	Others	★	★
JSW Jaigarh Port Limited	Others	★	★
Jaigad PowerTransco Limited	Subsidiary	★	★
Gagan Trading Company Limited	Others	1.52	1.48
9 Donation / CSR expenses:			
JSW Foundation	Others	3.61	5.02
Jankalyan Electoral Trust	Others	5.00	-
10 Sale of Asset:			
JSW Steel Limited	Others	22.37	-
JSW Energy (Kutehr) Limited	Subsidiary	241.79	-
11 Reimbursement received from / (paid to):			
JSW Energy (Barmer) Limited	Subsidiary	8.53	8.52
Jaigad PowerTransco Limited	Subsidiary	(0.01)	0.15
JSW Power Trading Company Limited	Subsidiary	(0.07)	(0.14)
JSW Steel Limited	Others	21.58	23.58
JSW Cement Limited	Others	(0.19)	(1.08)
South West Mining Limited	Others	-	(0.01)
JSW Infrastructure Limited	Others	0.52	0.69
JSW Steel Coated Products Limited	Others	(0.19)	0.47
JSW Hydro Energy Limited	Subsidiary	3.83	3.56
JSW Solar Limited	Subsidiary	-	0.96
Amba River Coke Limited	Others	0.25	-
JSW Electric Vehicles Private Ltd	Subsidiary	★	-
JSW Energy (Raigarh) Limited	Subsidiary	(0.01)	-
JSW Energy (Kutehr) Limited	Subsidiary	0.02	-

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₹ crore

Particulars	Relationship	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
12 Security deposit paid / (refund):			
JSW Jaigarh Port Limited	Others	-	(10.00)
Gagan Trading Company Limited	Others	-	(0.45)
13 Loan given to:			
JSW Energy (Kutehr) Limited	Subsidiary	2.85	0.80
JSW Energy (Barmer) Limited	Subsidiary	1,149.91	2,567.29
South West Mining Limited	Others	9.00	150.00
JSW Energy (Raigarh) Limited	Subsidiary	0.60	0.25
JSW Solar Limited	Subsidiary	0.10	13.72
JSW Electric Vehicles Private Limited	Subsidiary	-	0.17
14 Loan repaid:			
JSW Energy (Barmer) Limited	Subsidiary	1,725.45	2,567.29
South West Mining Limited	Others	75.00	-
JSW Energy (Raigarh) Limited	Subsidiary	1.20	-
JSW Electric Vehicles Private Limited	Subsidiary	0.17	-
JSW Power Trading Company Limited	Subsidiary	4.08	-
JSW Energy (Kutehr) Limited	Subsidiary	3.65	-
JSW Global Business Solutions Limited	Others	0.74	0.74
Jindal Steel & Power Limited	Others	70.00	50.00
JSW Energy Natural Resources Mauritius Limited	Subsidiary	16.44	6.99
JSW Solar Limited	Subsidiary	0.10	13.72
15 Investment in equity share capital:			
JSW Energy (Raigarh) Limited	Subsidiary	1.33	-
JSW Electric Vehicles Private Ltd	Subsidiary	0.25	-
JSW Solar Limited	Subsidiary	0.11	-
16 Sale of Investment:			
JSW Hydro Energy Limited	Subsidiary	26.35	-
17 Redemption of debentures:			
JSW Hydro Energy Limited	Subsidiary	384.50	415.50
18 Security & collateral provided to/(released):			
JSW Energy (Barmer) Limited	Subsidiary	-	29.22
JSW Hydro Energy Limited	Subsidiary	-	(97.30)
South West Mining Limited	Others	49.25	(58.00)
19 Loan written off:			
JSW Energy Natural Resources Mauritius Limited	Subsidiary	-	44.44
20 Advertisement / branding expenses:			
JSW IP Holdings Private Limited	Others	12.09	6.43
21 Dividend received:			
Jaigad PowerTransco Limited	Subsidiary	-	10.18
JSW Steel Limited	Others	28.72	22.41

★ less than ₹ 50,000

B) The remuneration to key managerial personnel during the year was as follows:

₹ crore

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
1 Short-term benefits	19.52	16.32
2 Post-employment benefits	0.90	0.83
3 Sitting Fees	0.48	0.48
4 Commission to Directors	1.05	1.20

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

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to the Standalone Financial Statements for the year ended 31st March, 2020

- 2 The Company has accrued ₹ 1.52 crore (previous year ₹ 2.13 crore) in respect of employee stock options granted to Joint Managing Director & CEO and Director (Finance) by the company and a related party, and to the whole time director & COO and Company Secretary by the Company. The same has not been considered as managerial remuneration of the current year as defined under section 2 (78) of the Companies act 2013 as the options have not been exercised.

C) Closing Balances

₹ crore			
Particulars	Relationship	As at 31 st March, 2020	As at 31 st March, 2019
1 Trade payables:			
JSW Jaigarh Port Limited	Others	5.53	29.80
JSL Lifestyle Limited	Others	★	★
JSW Techno Projects Management Limited	Others	0.09	0.09
JSoft Solutions Limited	Others	-	1.40
JSW Infrastructure Limited	Others	-	0.44
JSW International Trade Corp Pte Limited	Others	-	1.88
JSW Realty & Infrastructure Private Limited	Others	0.09	0.65
JSW Global Business Solutions Limited	Others	-	0.43
JSW Green Private Limited	Others	-	0.10
JSW Investments Private Limited	Others	0.03	-
Gagan Trading Company Limited	Others	-	0.22
JSW Foundation	Others	-	1.03
South West Port Limited	Others	-	1.17
Jindal Vidya Mandir	Others	★	★
JSW Solar Limited	Subsidiary	-	0.55
JSW Steel Limited	Others	0.07	0.21
JSW Steel Coated Products Limited	Others	0.04	0.46
2 Trade receivables:			
JSW Steel Limited	Others	305.12	219.15
JSW Cement Limited	Others	91.14	44.18
JSW Steel Coated Products Limited	Others	48.06	16.44
Amba River Coke Limited	Others	23.68	13.91
South West Mining Limited	Others	★	-
JSW Paints Private Limited	Others	0.86	-
3 Other Financial Assets			
JSW Projects Limited	Others	0.01	0.01
JSW Energy (Barmer) Limited	Subsidiary	3.65	3.85
JSW Hydro Energy Limited	Subsidiary	1.70	5.13
JSW Power Trading Company Limited	Subsidiary	0.02	-
JSW IP Holdings Private Limited	Others	5.59	0.72
Jindal Steel & Power Limited	Others	0.03	0.06
Jindal Stainless Limited	Others	0.01	0.01
Jaigad PowerTransco Limited	Subsidiary	★	★
MJSJ Coal Limited	Others	0.02	0.02
JSW International Trade Corp Pte Limited	Others	24.48	-
JSW Cement Limited	Others	0.65	-
JSW Energy (Kutehr) Limited	Subsidiary	220.00	-
4 Advance from customers			
JSW Power Trading Company Limited	Subsidiary	110.71	118.36
5 Security deposit placed with:			
JSW Steel Limited	Others	2.46	2.29
JSW Realty & Infrastructure Private Limited	Others	8.75	8.02
JSW Jaigarh Port Limited	Others	22.85	21.18
JSW IP Holdings Private Limited	Others	0.90	0.90
Gagan Trading Company Limited	Others	8.60	8.26

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to the Standalone Financial Statements for the year ended 31st March, 2020

SECTION 1: MAPPING THE COURSE
SECTION 2: DELIVERING OUR PROMISE
SECTION 3: STRATEGY & STRUCTURE
SECTION 4: FINANCIAL STATEMENTS
SECTION 5: SUPPLEMENTARY INFORMATION

₹ crore

Particulars	Relationship	As at 31 st March, 2020	As at 31 st March, 2019
6 Lease deposit from:			
JSW Steel Limited	Others	0.07	0.06
Jaigad PowerTransco Limited	Subsidiary	0.26	0.09
JSW Jaigarh Port Limited	Others	0.08	0.22
JSW Infrastructure Limited	Others	0.35	0.35
Jindal Vidya Mandir	Others	★	★
7 Investment in equity share capital:			
JSW Steel Limited	Others	1,024.31	2,052.46
JSW Hydro Energy Limited	Subsidiary	2,046.01	2,046.01
JSW Energy (Barmer) Limited	Subsidiary	1,726.05	1,726.05
Jaigad PowerTransco Limited	Subsidiary	101.75	101.75
JSW Energy (Raigarh) Limited	Subsidiary	115.16	113.83
JSW Energy (Kutehr) Limited	Subsidiary	-	29.02
JSW Power Trading Company Limited	Subsidiary	70.05	70.05
Toshiba JSW Power Systems Private Limited	Associate	100.23	100.23
MJSJ Coal Limited	Others	6.52	6.52
JSW Solar Limited	Subsidiary	0.12	0.01
JSW Electric Vehicles Private Limited	Subsidiary	0.26	0.01
JSW Energy Natural Resources Mauritius Limited	Subsidiary	★	★
8 Investment in preference share capital:			
JSW Power Trading Company Limited	Subsidiary	2.87	2.24
JSW Realty & Infrastructure Private Limited	Others	2.54	2.29
9 Investment in debenture:			
JSW Hydro Energy Limited	Subsidiary	-	384.50
10 Security & collateral provided to:			
JSW Energy (Barmer) Limited	Subsidiary	29.22	29.22
JSW Hydro Energy Limited	Subsidiary	176.07	176.07
South West Mining Limited	Others	249.75	200.50
11 Loans / advances to:			
JSW Energy Natural Resources Mauritius Limited	Subsidiary	333.96	322.34
JSW Energy (Barmer) Limited	Subsidiary	-	567.64
JSW Power Trading Company Limited	Subsidiary	-	4.08
South West Mining Limited	Others	84.00	150.00
JSW Global Business Solutions Limited	Others	3.03	3.77
Jindal Steel & Power Limited (Refer Note 28 (B) (ii) (a))	Others	261.12	331.13
JSW Energy (Raigarh) Limited	Subsidiary	-	0.60
JSW Energy (Kutehr) Limited	Subsidiary	-	0.80
JSW Electric Vehicles Private Limited	Subsidiary	-	0.17
12 Interest receivable on loan:			
JSW Energy (Barmer) Limited	Subsidiary	-	1.93
Jindal Steel & Power Limited	Others	0.76	1.05
JSW Electric Vehicles Private Limited	Subsidiary	-	0.01
JSW Energy (Kutehr) Limited	Subsidiary	-	0.02
JSW Energy (Raigarh) Limited	Subsidiary	-	0.06
JSW Energy Natural Resources Mauritius Limited	Subsidiary	16.80	9.43
13 Provision for diminution in value of Investments			
JSW Energy (Raigarh) Limited	Subsidiary	35.03	23.58
Toshiba JSW Power Systems Private Limited	Associate	100.23	100.23
JSW Electric Vehicles Private Limited	Subsidiary	0.26	0.01

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to the Standalone Financial Statements for the year ended 31st March, 2020

₹ crore

Particulars	Relationship	As at 31 st March, 2020	As at 31 st March, 2019
14 Loss allowances provision- loan			
JSW Electric Vehicles Private Limited	Subsidiary	-	0.16
JSW Energy Natural Resources Mauritius Limited	Subsidiary	226.15	163.20
15 Loss allowances provision- interest receivables			
JSW Electric Vehicles Private Limited	Subsidiary	-	0.01
JSW Energy Natural Resources Mauritius Limited	Subsidiary	16.80	9.43

★ less than ₹ 50,000

Note:

- Terms and conditions of outstanding balances: all outstanding balances are unsecured and payable in cash.
- For outstanding commitment with related party - refer note 28 (B) (ii)

Note No. 40 - Operating segment

The Company is in the business of generation of power and related activities having similar economic characteristics primarily operated within India, which is regularly reviewed by Chief Operating Decision Maker for assessment of Company's performance and resource allocation. Accordingly, the Company has only one business segment.

The information relating to revenue from external customers of its single reportable segment has been disclosed as below:

a) Revenue from operations

₹ crore

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Within India	4,313.99	5,118.33
Outside India	-	-
Total	4,313.99	5,118.33

b) Non-current operating assets

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

For and on behalf of Board of Directors**Prashant Jain**

Jt. Managing Director & CEO
[DIN: 01281621]

Sajjan Jindal

Chairman and Managing Director
[DIN: 00017762]

Monica Chopra

Company Secretary

Jyoti Kumar Agarwal

Director Finance
[DIN: 01911652]

Place: Mumbai
Date: 20th May, 2020