

# 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<sup>st</sup> March, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements" or "SFS").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid SFS 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<sup>st</sup> March, 2023, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the SFS in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the SFS 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 SFS 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 SFS.

#### Key Audit Matters

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the SFS of the current period. This matter was addressed in the context of our audit of the SFS as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	Auditor's Response
<p><u>Tariff related disputes with customers:</u> The Company has certain tariff related disputes with its customers, which involve significant judgement to determine the possible outcome. [Refer note 3 (B) (ii) on the critical accounting judgements, note 12(d) on trade receivables and note 29(A)(1) (b) on contingent liability disclosures in SFS.]</p>	<p><u>Principle audit procedures:</u></p> <ul style="list-style-type: none"> <li>- Evaluating design and implementation and testing operating effectiveness of the controls relating to estimation of possible outcome of disputes.</li> <li>- Evaluating the Management's assessment of possible outcome of the disputes by inquiry of the management including in-house legal counsel, reviewing minutes of the meetings of those charged with governance and perusing opinions / advices obtained by the Management from the external legal counsels, and obtaining and evaluating independent confirmations obtained from the external legal counsels on a test check basis.</li> <li>- Assessing appropriateness of accounting including provision   reversal of revenue and adequacy of disclosures in the financial statements, based on the aforesaid assessment.</li> </ul>

### 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 Director's Report, Management Discussion and Analysis, Corporate Governance Report and Business Responsibility Report in the Annual Report but does not include the consolidated financial statements, SFS and our auditor's reports thereon.

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

In connection with our audit of the SFS, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the SFS 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.

### Responsibilities of Management and Those Charged with Governance for the SFS

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 SFS that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the SFS, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of

accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### Auditor's Responsibility for the Audit of the SFS

Our objectives are to obtain reasonable assurance about whether the SFS 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 SFS.

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 SFS, 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 with reference to SFS 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 SFS 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 SFS, including the disclosures, and whether the SFS represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the SFS.

Materiality is the magnitude of misstatements in the SFS that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the SFS 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 SFS.

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 SFS 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, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 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 with reference to SFS 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 with reference to SFS.
  - 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 SFS;
- 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;
- iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in Note 41 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in Note 41 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.  
  
As stated in Note 14(A)(f)(ii) to the SFS, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. 1<sup>st</sup> April 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31<sup>st</sup> March, 2023.
- 2. As required by the Companies (Auditor's Report) Order, 2020 ("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)

**Mehul Parekh**  
Partner

Place: Mumbai (Membership No. 121513)  
Date: 23<sup>rd</sup> May, 2023 (UDIN: 23121513BGXZYP4156)

# 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 to the members of JSW Energy Limited of even date)**

**Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to standalone financial statements ("SFS") of JSW Energy Limited ("the Company") as of 31<sup>st</sup> March, 2023 in conjunction with our audit of the SFS 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 with reference to SFS based on the internal control with reference to SFS 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 with reference to SFS 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 with reference to SFS. 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 with reference to SFS 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 with reference to SFS and their operating effectiveness. Our audit of internal financial controls with reference to SFS included obtaining an understanding of internal financial controls with reference to SFS, 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 with reference to SFS

### **Meaning of Internal Financial Controls with reference to SFS**

A company's internal financial control with reference to SFS 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 with reference to SFS 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 with reference to SFS**

Because of the inherent limitations of internal financial controls with reference to SFS, 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 with reference to SFS to future periods are subject to the risk that the internal financial control with reference to SFS may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal

financial controls with reference to SFS and such internal financial controls with reference to SFS were operating effectively as at 31<sup>st</sup> March, 2023, based on the criteria for internal financial control with reference to SFS 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)

**Mehul Parekh**  
 Partner

Place: Mumbai (Membership No. 121513)  
 Date: 23<sup>rd</sup> May, 2023 (UDIN: 23121513BGXZYP4156)

# 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 to the members of JSW Energy Limited of even date)

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress and right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of verification of property, plant and equipment, capital work-in-progress and right-of-use assets so 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 property, plant and equipment were due for verification during the year and 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) Based on our examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee, and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in (property, plant and equipment and capital work-in progress) are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for borrowings are held in the name of the Company based on the examination of relevant documents by us.
- (d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as of 31<sup>st</sup> March, 2023, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories except for goods in transit were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. In respect of goods in transit, the goods have been received after the yearend or confirmations have been obtained from the parties. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories, when compared with the books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns and statements comprising stock statements & book debt statements filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters. The Company has not been sanctioned any working capital facility from financial institutions.



- (iii) (a) The Company has made investments, provided/ stood guarantee and granted loans, secured or unsecured and the details of which are given below:

₹ crore			
Particulars	Investments	Loans	Guarantees
A. Aggregate amount granted / provided during the year:			
- Subsidiaries	8,398.26	140.76	3,261.57
- Related party	-	-	-
B. Balance outstanding as at balance sheet date in respect of above cases:			
- Subsidiaries	8,398.26	37.51	3,055.53
- Related party	-	-	-

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

- (b) The investments made, guarantees provided, security given and the terms and conditions of the grant of all the above-mentioned loans and advances in the nature of loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) The Company has granted loans aggregating ₹140.76 crore to its subsidiaries that are interest free and payable on demand. These loans have been serviced by these subsidiaries as and when demanded by the Company during the year. For the outstanding loan of ₹37.51 crore to its subsidiary, the Company has not demanded any repayment during the year. Having regard to the same, in our opinion, the repayments of principal amounts are regular. For other loans, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation. (Refer reporting under clause (iii)(f) below). There are no advances in the nature of loan.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

- (f) The Company has granted loans to its subsidiaries which are repayable on demand, details of which are given below:

Particulars	₹ crore
Aggregate of loans	140.76
Percentage of loans to the total loans	100%

- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (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 books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) In respect of statutory dues:
- (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Income-tax, duty of Custom, duty of Excise, Value Added Tax, cess, and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities in all cases during the year. We have been informed that the



provisions of the Employees' State Insurance Act, 1948 are not applicable to the Company.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, Sales Tax,

Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess, and other material statutory dues in arrears as of 31<sup>st</sup> March, 2023, for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31<sup>st</sup> March, 2023, 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	Commissioner of Income Tax (Appeals)	F.Y. 2015-16	216.58	-
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	17.66	14.87
The Custom Act, 1962	Customs Duty	Supreme Court	F.Y. 2011-12 and F.Y. 2012-13	213.37	30.68
Sales tax and VAT laws	VAT	Joint Commissioner of Commercial Taxes (Appeals)	F.Y. 2013-14	0.71	0.32
The Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	F.Y. 2016-17	21.52	-
The Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	F.Y. 2017-18	13.53	-
Karnataka Electricity (Taxation on Consumption) Act, 1959	Electricity Tax	Supreme Court	F.Y. 2009-10 and F.Y. 2010-11	45.83	-
Karnataka Electricity (Taxation on Consumption) Act, 1959	Electricity Tax	High Court of Karnataka	F.Y. 2012-13 to F.Y. 2018-19	76.93	-
Karnataka Tax on Entry of Goods Act, 1979	Entry Tax	High Court of Karnataka	F.Y. 2005-06 and 2006-07	0.84	-
Goa Rural Improvement and Welfare Cess Act, 2000	CESS- improvement of public roads	Bombay High Court at Goa	FY 2021-22	12.66	-

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associate or joint venture.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.
- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the

- Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period up to March 2023.
- (xv) In our opinion during the year the Company has not entered any non-cash transactions with any of its directors or directors of its subsidiaries, an associate company and a joint venture or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (b) The Group has more than one Core Investment Company (CIC) as part of the group. There are 4 CIC forming part of the group.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.
- (b) In respect of ongoing projects, the Company does not have any unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year and at the end of the current financial year. Hence, reporting under this clause is not applicable for the year.

**For DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/ W-100018)

**Mehul Parekh**  
Partner

Place: Mumbai (Membership No. 121513)  
Date: 23<sup>rd</sup> May, 2023 (UDIN: 23121513BGXZYP4156)

FINANCIAL STATEMENTS STANDALONE

# BALANCE SHEET

as at 31<sup>st</sup> March, 2023

₹ crore

Particulars	Notes	As at	
		31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>A ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	4A	3,706.42	3,954.46
(b) Capital work-in-progress	4B	15.53	23.44
(c) Other intangible assets	5	2.21	2.20
(d) Investments in subsidiaries and an associate	6	9,733.68	1,509.45
(e) Financial assets			
(i) Investments	6	4,921.00	5,144.59
(ii) Trade receivables	12	59.19	59.19
(iii) Loans	7	79.85	73.62
(iv) Other financial assets	8	1,014.24	997.35
(f) Income tax assets (net)	9A	109.41	56.05
(g) Other non-current assets	10	72.43	100.78
		<b>19,713.96</b>	<b>11,921.13</b>
<b>2 Current assets</b>			
(a) Inventories	11	781.86	776.09
(b) Financial assets			
(i) Investments	6	75.82	212.60
(ii) Trade receivables	12	336.92	300.51
(iii) Unbilled revenue		307.81	220.05
(iv) Cash and cash equivalents	13A	263.62	40.20
(v) Bank balances other than (iv) above	13B	171.46	162.81
(vi) Loans	7	118.41	869.99
(vii) Other financial assets	8	114.03	2,093.56
(c) Other current assets	10	65.57	75.50
		<b>2,235.50</b>	<b>4,751.31</b>
<b>Total assets</b>		<b>21,949.46</b>	<b>16,672.44</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	14A	1,640.54	1,639.67
(b) Other equity	14B	11,968.87	11,848.04
<b>Total equity</b>		<b>13,609.41</b>	<b>13,487.71</b>
<b>Liabilities</b>			
<b>1 Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	15	3,136.36	674.94
(ii) Lease liabilities		15.39	0.45
(iii) Other financial liabilities	16	3.53	3.51
(b) Provisions	18	22.22	29.80
(c) Deferred tax liabilities (net)	9B	967.50	841.95
(d) Other non-current liabilities	17	5.75	5.90
		<b>4,150.75</b>	<b>1,556.55</b>
<b>2. Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	15	3,137.26	596.74
(ii) Lease liabilities		3.78	0.41
(iii) Trade payables	19		
a) Total outstanding dues of micro and small enterprises		2.06	1.29
b) Total outstanding dues of creditors other than micro and small enterprises		898.45	882.70
(iv) Other financial liabilities	16	68.09	71.54
(b) Other current liabilities	17	34.07	32.42
(c) Provisions	18	8.89	6.38
(d) Current tax liabilities (net)	9C	36.70	36.70
		<b>4,189.30</b>	<b>1,628.18</b>
<b>Total liabilities</b>		<b>8,340.05</b>	<b>3,184.73</b>
<b>Total equity and liabilities</b>		<b>21,949.46</b>	<b>16,672.44</b>

See accompanying notes to the standalone financial statements

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

**Mehul Parekh**  
Partner

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

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

**Sajjan Jindal**  
Chairman & Managing Director  
[DIN: 00017762]

**Monica Chopra**  
Company Secretary

**Pritesh Vinay**  
Director (Finance)  
[DIN: 08868022]

Place: Mumbai  
Date: 23<sup>rd</sup> May, 2023

Place: Mumbai  
Date: 23<sup>rd</sup> May, 2023

FINANCIAL STATEMENTS STANDALONE

# STATEMENT OF PROFIT AND LOSS

for the year ended 31<sup>st</sup> March, 2023

₹ in crore, except per share data and as stated otherwise

Particulars	Notes	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
1 Revenue from operations	20	5,739.23	3,642.74
2 Other income	21	279.85	228.26
<b>3 Total income (1+2)</b>		<b>6,019.08</b>	<b>3,871.00</b>
<b>4 Expenses</b>			
(a) Fuel cost		3,643.63	2,041.09
(b) Purchase of stock-in-trade		354.45	26.11
(c) Employee benefits expense	22	134.73	124.10
(d) Finance costs	23	259.80	127.00
(e) Depreciation and amortisation expense	24	317.42	327.69
(f) Other expenses	25	399.44	406.93
<b>Total expenses</b>		<b>5,109.47</b>	<b>3,052.92</b>
<b>5 Profit before exceptional items and tax (3-4)</b>		<b>909.61</b>	<b>818.08</b>
<b>6 Exceptional items</b>	26	120.00	-
<b>7 Profit before tax (5+6)</b>		<b>1,029.61</b>	<b>818.08</b>
<b>8 Tax expense</b>	27		
- Current tax		156.70	174.87
- Deferred tax		161.89	73.39
<b>9 Profit for the year (7-8)</b>		<b>711.02</b>	<b>569.82</b>
<b>10 Other comprehensive income</b>			
<b>A</b> (i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the net defined benefit plans		(0.54)	(3.12)
(b) Equity instruments through other comprehensive income		(312.02)	1,903.07
(ii) Income tax relating to items that will not be reclassified to profit or loss		36.44	(208.85)
<b>Total (A)</b>		<b>(276.12)</b>	<b>1,691.10</b>
<b>B</b> (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total (B)</b>		<b>-</b>	<b>-</b>
<b>Other comprehensive income for the year (A+B)</b>		<b>(276.12)</b>	<b>1,691.10</b>
<b>11 Total comprehensive income for the year (9+10)</b>		<b>434.90</b>	<b>2,260.92</b>
<b>12 Earnings per equity share of ₹10 each</b>	35		
<b>Basic (₹)</b>		4.33	3.47
<b>Diluted (₹)</b>		4.32	3.46

See accompanying notes to the standalone financial statements

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

**Mehul Parekh**  
 Partner

Place: Mumbai  
 Date: 23<sup>rd</sup> May, 2023

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

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

**Monica Chopra**  
 Company Secretary

**Sajjan Jindal**  
 Chairman & Managing Director  
 [DIN: 00017762]

**Pritesh Vinay**  
 Director (Finance)  
 [DIN: 08868022]

Place: Mumbai  
 Date: 23<sup>rd</sup> May, 2023

# STATEMENT OF CHANGES IN EQUITY

 for the year ended 31<sup>st</sup> March, 2023

## A. Equity share capital

Particulars	No. of Shares	Total
<b>Balance as at 01<sup>st</sup> April, 2021</b>	<b>1,64,23,29,255</b>	<b>1,642.33</b>
Changes in equity share capital during the year (net of treasury shares)	(26,58,345)	(2.66)
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>1,63,96,70,910</b>	<b>1,639.67</b>
Changes in equity share capital during the year (net of treasury shares)	8,65,328	0.87
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>1,64,05,36,238</b>	<b>1,640.54</b>

## B. Other equity

Particulars	Reserves and surplus						Items of other comprehensive income	Total
	Capital reserve	Securities premium	Debenture redemption reserve	Equity settled employee benefits reserve	General reserve	Retained earnings		
<b>Balance as at 1<sup>st</sup> April, 2021</b>	<b>516.12</b>	<b>2,392.37</b>	<b>66.67</b>	<b>20.41</b>	<b>213.95</b>	<b>4,230.20</b>	<b>2,550.29</b>	<b>9,990.01</b>
Profit for the year	-	-	-	-	-	569.82	-	569.82
Other comprehensive income for the year	-	-	-	-	-	(2.58)	1,693.68	1,691.10
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>567.24</b>	<b>1,693.68</b>	<b>2,260.92</b>
Dividends	-	-	-	-	-	(328.66)	-	(328.66)
Issue of equity shares under employee share option plan (ESOP)	-	5.22	-	-	-	-	-	5.22
Share based payments	-	-	-	7.54	-	-	-	7.54
Consolidation of ESOP Trust	-	-	-	-	-	(86.99)	-	(86.99)
Transfers to retained earnings	-	-	(16.67)	-	-	16.67	-	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>516.12</b>	<b>2,397.59</b>	<b>50.00</b>	<b>27.95</b>	<b>213.95</b>	<b>4,398.46</b>	<b>4,243.97</b>	<b>11,848.04</b>

# STATEMENT OF CHANGES IN EQUITY

for the year ended 31<sup>st</sup> March, 2023

₹ crore

Particulars	Reserves and surplus						Items of other comprehensive income	Total
	Capital reserve	Securities premium	Debenture redemption reserve	Equity settled employee benefits reserve	General reserve	Retained earnings		
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>516.12</b>	<b>2,397.59</b>	<b>50.00</b>	<b>27.95</b>	<b>213.95</b>	<b>4,398.46</b>	<b>4,243.97</b>	<b>11,848.04</b>
Profit for the year	-	-	-	-	-	711.02	-	711.02
Other comprehensive income for the year	-	-	-	-	-	(0.44)	(275.68)	(276.12)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>710.58</b>	<b>(275.68)</b>	<b>434.90</b>
Dividends	-	-	-	-	-	(328.81)	-	(328.81)
Issue of equity shares under employee share option plan (ESOP)	-	2.71	-	-	-	-	-	2.71
Share based payments	-	-	-	11.34	-	-	-	11.34
Consolidation of ESOP Trust	-	-	-	-	-	0.69	-	0.69
Transfers to retained earnings	-	-	(50.00)	-	-	50.00	-	-
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>516.12</b>	<b>2,400.30</b>	<b>-</b>	<b>39.29</b>	<b>213.95</b>	<b>4,830.92</b>	<b>3,968.29</b>	<b>11,968.87</b>

See accompanying notes to the standalone financial statements

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

**Mehul Parekh**  
Partner

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

**Sajjan Jindal**  
Chairman & Managing Director  
[DIN: 00017762]

**Monica Chopra**  
Company Secretary

**Pritesh Vinay**  
Director (Finance)  
[DIN: 08868022]

Place: Mumbai  
Date: 23<sup>rd</sup> May, 2023

Place: Mumbai  
Date: 23<sup>rd</sup> May, 2023

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

SUPPORTING  
INFORMATION

**STANDALONE**

BUILT ON  
GOVERNANCE

STRATEGIES  
FOR GROWTH

CAPITALS AND  
MD&A

SERVING  
STAKEHOLDERS

FINANCIAL  
STATEMENTS

## FINANCIAL STATEMENTS STANDALONE

# STATEMENT OF CASH FLOWS

 for the year ended 31<sup>st</sup> March, 2023

₹ crore

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>A CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	1,029.61	818.08
<b>Adjusted for:</b>		
Depreciation and amortisation expense	317.42	327.69
Interest income earned on financial assets that are not designated as fair value through profit or loss	(48.69)	(148.47)
Finance costs	259.80	127.00
Share based payments	11.34	7.54
Dividend income from investments designated as fair value through other comprehensive income	(121.52)	(45.52)
Loss / (gain) on sale / discard of property, plant and equipment (net)	0.09	1.60
Provision no longer required written back	(39.66)	(0.70)
Impairment loss allowance for investment in subsidiaries	10.00	10.00
Loss allowance on loans / trade receivables / interest receivables	12.63	30.96
Loss allowance of earlier years reversed	(120.00)	-
Loss allowance for lease receivables	-	36.16
Lease receivables written off	-	36.56
Loss allowance for non moving inventories	0.79	-
Unrealised foreign exchange gain (net)	(3.73)	(2.86)
	<b>278.47</b>	<b>379.96</b>
<b>Operating profit before working capital changes</b>	<b>1,308.08</b>	<b>1,198.04</b>
<b>Adjustment for movement in working capital:</b>		
(Increase) in trade receivables and unbilled revenue	(123.71)	(321.38)
(Increase) in inventories	(6.55)	(539.74)
(Increase) in current and non-current assets	(61.43)	(61.77)
Decrease in trade payables and other liabilities	68.29	143.97
	<b>(123.40)</b>	<b>(778.92)</b>
<b>Cash generated from operations</b>	<b>1,184.68</b>	<b>419.12</b>
Income taxes paid (net)	(209.97)	(166.81)
<b>Net Cash Generated from Operating Activities (A)</b>	<b>974.71</b>	<b>252.31</b>
<b>B CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment (including capital work-in progress and capital advances)	(52.57)	(71.79)
Proceeds from sale of property, plant and equipment (including capital work-in-progress)	0.05	80.36
Interest received	31.46	130.39
Dividend income from investments designated as fair value through other comprehensive income	121.52	45.52
Loans given	(140.76)	(1,075.84)
Loans repaid	1,012.34	273.14
Proceeds from investment in equity shares of a subsidiary (buy back)	-	1,000.00
Proceeds from a subsidiary on transfer of investment in equity shares / business	2,046.01	-
Investment in equity share capital of subsidiaries	(1,947.11)	(179.49)
(Investment) / Proceeds from investment in unsecured perpetual securities of a subsidiary	(6,287.13)	425.00
Proceeds from sale of investment in equity shares	-	166.98
Investment in debentures of a subsidiary	(164.03)	-
Bank deposits not considered as cash & cash equivalents (net)	(3.95)	(83.95)
<b>Net cash (used in) / generated from investing activities (B)</b>	<b>(5,384.17)</b>	<b>710.32</b>



# STATEMENT OF CASH FLOWS

for the year ended 31<sup>st</sup> March, 2023

₹ crore

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payment for lease liabilities	(2.04)	(0.45)
Proceeds / (Payment) for treasury shares under ESOP plan	0.92	(90.89)
Proceeds from issue of equity shares under ESOP plan	3.35	6.47
Proceeds from non-current borrowings	3,267.00	500.00
Repayment of non-current borrowings	(200.00)	(1,029.36)
Proceeds from current borrowings (net)	1,950.23	197.45
Interest paid	(194.55)	(135.14)
Dividend paid	(328.81)	(328.66)
<b>Net cash generated / (used in) financing activities (C)</b>	<b>4,496.10</b>	<b>(880.58)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>86.64</b>	<b>82.05</b>
<b>Cash and Cash Equivalents - at the beginning of the year</b>	<b>252.80</b>	<b>170.75</b>
<b>Cash and Cash Equivalents - at the end of the year</b>	<b>339.44</b>	<b>252.80</b>
<b>Cash and Cash Equivalents comprise of:</b>		
a) Balances with banks [Refer note 13A]		
In current accounts	62.78	35.17
In deposit accounts maturity less than 3 months at inception	200.00	5.00
b) Cheques on hand [Refer note 13A]	0.81	-
c) Cash on hand [Refer note 13A]	0.03	0.03
d) Investment in mutual funds [Refer note 6]	75.82	212.60
<b>Total</b>	<b>339.44</b>	<b>252.80</b>

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 cash flows.
- Non cash transaction:
  - During the year ended 31<sup>st</sup> March, 2022, JSW Energy (Barmer) Limited, a wholly owned subsidiary of the Company had allotted 1,26,57,69,998 Equity Shares of ₹10 each as bonus shares. (Refer note 6)
  - During the year ended 31<sup>st</sup> March, 2023, JSW Energy (Barmer) Limited, a wholly owned subsidiary of the Company had allotted 97,59,91,454 Equity Shares of ₹10 each as bonus shares. (Refer note 6)
  - During the year ended 31<sup>st</sup> March, 2023, Ind-Barath Energy (Utkal) Limited, a wholly owned subsidiary of the Company had allotted 10,000 Equity Shares of ₹10 each. (Refer note 6)

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

**Mehul Parekh**  
Partner

Place: Mumbai  
Date: 23<sup>rd</sup> May, 2023

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

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

**Monica Chopra**  
Company Secretary

**Sajjan Jindal**  
Chairman & Managing Director  
[DIN: 00017762]

**Pritesh Vinay**  
Director (Finance)  
[DIN: 08868022]

Place: Mumbai  
Date: 23<sup>rd</sup> May, 2023

## FINANCIAL STATEMENTS STANDALONE

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

## 1 General information

JSW Energy Limited ("the Company") is a public company incorporated on 10<sup>th</sup> March, 1994 under the Companies Act, 1956 and has its primary listings on BSE Limited and National Stock Exchange of India Limited. 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).

### 2.1 Recent accounting pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31<sup>st</sup> March, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1<sup>st</sup> April, 2023, as below:

- (a) Ind AS 1 – Presentation of Financial Statements – The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements
- (b) Ind AS 12 – Income Taxes – The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the initial recognition exemption of Ind AS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. Accordingly, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on transactions such

as initial recognition of a lease and a decommissioning provision.

- (c) Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors – The definition of a "change in accounting estimates" has been replaced with a definition of "accounting estimates". Accounting estimates are defined as "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The Company is in the process of evaluating the impact of these amendments.

### 2.2 Statement of compliance

The Standalone Financial Statements of the Company which comprise the Balance Sheet as at 31<sup>st</sup> March, 2023, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended 31<sup>st</sup> March, 2023, 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 Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, the provisions of the Companies Act, 2013 ("the Act") to the extent notified, guidelines issued by the Securities and Exchange Board of India (SEBI) and other accounting principles generally accepted in India. The Standalone Financial Statements have been approved by the Board of Directors in its meeting held on 23<sup>rd</sup> May, 2023.

### 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

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

below which are consistently followed except where a new accounting standard or amendment to the existing accounting standards requires a change in the policy hitherto applied. Presentation requirements of Division II of Schedule III to the Companies Act, 2013, "as amended," as applicable to the Standalone Financial Statements have been followed. The Standalone Financial Statements are presented in Indian Rupees ("INR") in crore rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013.

**Current and non-current classification:**

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

An asset is classified as current when it satisfies any of the following criteria:

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

All other assets are classified as non-current.

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

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the

counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

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

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

## 2.4 Significant accounting policies

### I. Revenue recognition:

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

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

Compensation towards shortfall in offtake are recognised on collection or earlier when there is reasonable certainty to expect ultimate collection.

### II. Leases:

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

The Company assesses whether a contract is or contains a lease, at inception of the

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

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

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

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

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

the underlying asset. The depreciation starts at the commencement date of the lease.

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

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

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

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

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

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

Finance lease income is calculated with reference to the gross carrying amount of the lease receivables, except for credit-impaired financial assets for which interest

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income is calculated with reference to their amortised cost (i.e. after a deduction of the loss allowance).

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

### 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:

- I exchange differences on transactions entered into in order to hedge certain foreign currency risks (see below the policy on hedge accounting in 2.4 (XVI) (G); and
- II exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

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

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

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

### V. Employee benefits:

#### a) Short term employee benefits:

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

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**b) Long term employee benefits:**

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

**c) Retirement benefit costs and termination benefits:**

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

**Defined contribution plans:**

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

**Defined benefit plans:**

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method,

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

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

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

**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

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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 or directly from the Parent Company, for giving shares to employees. The Company treats Trust as its extension and shares held by the Trust are treated as treasury shares. Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from Equity. No gain or loss is recognised in profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in other equity.

## VI. Taxation:

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

### Current tax:

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

### 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.

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



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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 recognised.

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

### **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 recognized 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.

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# NOTES

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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	5-10
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 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.

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

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 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.

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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.

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

A disclosure for contingent liabilities is made 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 recognized because:
  - (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - (ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-

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occurrence of one or more uncertain future events not wholly within the control of the entity.

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

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

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

#### XIV. Non-current assets held for sale:

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell, except for financial assets which are measured as per Ind AS 109 "Financial Instruments". Non-current assets are not depreciated or amortised.

#### XV. 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.

#### XVI. Financial instruments:

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

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

##### A. 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:

###### (a) Recognition and initial measurement:

All financial assets are recognized initially at fair value. In case of financial assets not recorded at fair value through profit or loss (FVTPL), financial assets are recognized at transaction costs that are attributable to the acquisition of financial assets. However, trade receivables that do not contain

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a significant financing component are measured at transaction price. Purchases and sales of financial assets are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

**(b) Classification of financial assets:**

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

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of

Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the effective interest rate (EIR) method.

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

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

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

All other financial assets are classified as measured at FVTPL.

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

Financial assets at FVTPL are measured at fair value at the end of each reporting

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

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

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

**(c) Derecognition of financial assets:**

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

**(d) Impairment:**

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost. Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights.

Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

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

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

**(e) Income from financial assets:**

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

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected

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life of the financial asset to that asset's net carrying amount on initial recognition.

Delayed payment charges are recognised on collection or earlier when there is reasonable certainty to expect ultimate collection.

**(f) Effective interest method:**

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

**C. Financial liabilities and equity instruments:**

**(a) Classification as debt or equity:**

Debt and equity instruments issued by the 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.

**(b) 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 the Company are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

**(c) Financial liabilities:**

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

**Financial liabilities at FVTPL:**

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

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument. A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:
  - such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
  - the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
  - it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.



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 to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

**(d) Derecognition of financial liabilities:**

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

**D. Derivative financial instruments:**

The Company uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting 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.

**E. 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.

**F. 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

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

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.

## G. 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 recognized 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 recognized 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 recognized in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in 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

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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.

## XVII. Statement of cash flows:

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

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

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

## XVIII. Segment reporting:

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

## XIX. Exceptional items:

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

## 3 Key sources of estimation uncertainty and critical accounting judgements:

In applying the Company's accounting policies, which are described in note 2.4, the directors are required to make judgements that have a significant impact on the amounts recognized and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### A) Key sources of estimation uncertainty:

#### i) Useful lives of property, plant and equipment:

The useful lives of property, plant and equipment are reviewed at least once a year. Such lives are dependent upon

## FINANCIAL STATEMENTS STANDALONE

# NOTES

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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 operating conditions of the asset, anticipated technological changes, historical trend of plant load factor, historical planned and scheduled maintenance. It is possible that the estimates made based on existing experience are different from the actual outcomes and could cause a material adjustment to the carrying amount of property, plant and equipment.

### ii) Provisions and Contingencies:

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

### iii) Fair value measurements:

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

### 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 change if estimates of future taxable income changes in the future.

### v) 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.

### vi) 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 it's underlying business. In considering the value in use, the Management has made assumption relating to timing of resumption of commercial operations of mining activity, 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.

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

b) Recoverability of loans given to and fair value 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 projected cash flows derived on the presumption that it will continue as the operator having regard to it being selected as the preferred bidder in the fresh competitive bidding process carried out as per the regulator's direction, its net worth and other external and internal sources of information.

**vii) Expected credit loss:**

The measurement of expected credit loss on 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 and ongoing dealings with these parties, and assessment of their ability to pay the debt on designated dates.

**viii) Onerous contract:**

While ascertaining the unavoidable costs of meeting the obligations under a power purchase contract, the Management has exercised significant judgement in arriving at cost of fuel, plant load factor, components of incremental unavoidable cost of executing the contract and its escalations.

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

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

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

In respect of 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 with regard to use the underlying asset and 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 a lease.

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

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

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Note No. 4A - Property, plant and equipment

Particulars	Land - freehold <sup>a</sup>	Buildings <sup>b</sup>	Plant and equipment <sup>c</sup>	Office equipment	Furniture and fixtures	Vehicles	Right-of-use assets	Total
<b>At cost / deemed cost</b>								
<b>I. Gross carrying value</b>								
Balance as at 1 <sup>st</sup> April, 2021	108.71	930.37	5,131.90	45.09	60.19	14.04	27.69	6,317.99
Additions	-	7.57	89.07	1.78	0.02	0.57	5.52	104.53
Disposals / discard	-	-	(31.65)	(1.86)	(1.01)	(1.02)	-	(35.54)
Balance as at 31 <sup>st</sup> March, 2022	108.71	937.94	5,189.32	45.01	59.20	13.59	33.21	6,386.98
Additions	-	0.80	40.30	3.67	0.19	0.62	22.76	68.34
Disposals / discard	-	-	(0.20)	-	-	-	-	(0.20)
Balance as at 31 <sup>st</sup> March, 2023	108.71	938.74	5,229.42	48.68	59.39	14.21	55.97	6,455.12
<b>II. Accumulated depreciation and impairment</b>								
Balance as at 1 <sup>st</sup> April, 2021	-	189.64	1,864.64	38.67	34.48	6.90	4.76	2,139.09
Depreciation expense for the year	-	31.42	282.46	1.37	6.23	1.63	3.91	327.02
Eliminated on disposals / discard	-	-	(30.11)	(1.75)	(0.97)	(0.76)	-	(33.59)
Balance as at 31 <sup>st</sup> March, 2022	-	221.06	2,116.99	38.29	39.74	7.77	8.67	2,432.52
Depreciation expense for the year	-	31.39	267.74	1.65	5.52	1.57	8.42	316.29
Eliminated on disposals / discard	-	-	(0.11)	-	-	-	-	(0.11)
Balance as at 31 <sup>st</sup> March, 2023	-	252.45	2,384.62	39.94	45.26	9.34	17.09	2,748.70
III. Net carrying value as at 31 <sup>st</sup> March, 2022	108.71	716.88	3,072.33	6.72	19.46	5.82	24.54	3,954.46
IV. Net carrying value as at 31 <sup>st</sup> March, 2023	108.71	686.29	2,844.80	8.74	14.13	4.87	38.88	3,706.42

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# NOTES

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

	₹ crore		
Description	Leasehold Land	Buildings	Total
<b>At cost</b>			
<b>I. Gross carrying value</b>			
<b>Balance as at 1<sup>st</sup> April, 2021</b>	<b>26.57</b>	<b>1.12</b>	<b>27.69</b>
Additions	-	5.52	5.52
Disposals / discards	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>26.57</b>	<b>6.64</b>	<b>33.21</b>
Additions	-	22.76	22.76
Disposals / discards	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>26.57</b>	<b>29.40</b>	<b>55.97</b>
<b>II. Accumulated depreciation and impairment</b>			
<b>Balance as at 1<sup>st</sup> April, 2021</b>	<b>2.17</b>	<b>2.59</b>	<b>4.76</b>
Depreciation expense for the year	2.37	1.54	3.91
Eliminated on disposals / discards	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>4.54</b>	<b>4.13</b>	<b>8.67</b>
Depreciation expense for the year	2.37	6.05	8.42
Eliminated on disposals / discards	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>6.91</b>	<b>10.18</b>	<b>17.09</b>
<b>III. Net carrying value As at 31<sup>st</sup> March, 2022</b>	<b>22.03</b>	<b>2.51</b>	<b>24.54</b>
<b>IV. Net carrying value As at 31<sup>st</sup> March, 2023</b>	<b>19.66</b>	<b>19.22</b>	<b>38.88</b>

**Notes:**

- The Company has leased under operating lease arrangements certain land admeasuring to 122.86 acres (As at 31<sup>st</sup> March, 2022: 122.86 acres) with carrying value aggregating to ₹7.08 crore (As at 31<sup>st</sup> March, 2022: ₹7.08 crore) to certain related parties for a period ranging from 25 to 99 years.
- Includes net carrying value ₹385.60 crore (As at 31<sup>st</sup> March, 2022: ₹402.74 crore) being cost of office premises located at Mumbai, jointly owned (50%) with a related party.
- Includes net carrying value ₹188.29 crore (As at 31<sup>st</sup> March, 2022: ₹196.53 crore) being cost of pooling station and transmission line constructed on land not owned by the Company.
- Refer Note 15 for the details in respect of certain property, plant and equipment hypothecated / mortgaged as security against borrowings.



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# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

### 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:

Capital-work-in progress ageing schedule

Particulars	As at 31 <sup>st</sup> March, 2023			As at 31 <sup>st</sup> March, 2022			Total
	< 1 year	1-2 years	2-3 years > 3 years	< 1 year	1-2 years	2-3 years > 3 years	
<b>At cost / deemed cost</b>							
Projects in progress							
Fly Ash Silo	-	-	-	10.66	0.10	-	10.76
Transmission Line	-	-	-	1.50	2.00	-	3.50
Others	6.89	8.64	-	9.18	-	-	9.18
<b>Total</b>	<b>6.89</b>	<b>8.64</b>	<b>-</b>	<b>21.34</b>	<b>2.10</b>	<b>-</b>	<b>23.44</b>

Capital work-in-progress: Projects with cost overrun / timeline delayed

Particulars	As at 31 <sup>st</sup> March, 2023			As at 31 <sup>st</sup> March, 2022			Total
	< 1 year	1-2 years	2-3 years > 3 years	< 1 year	1-2 years	2-3 years > 3 years	
<b>At cost / deemed cost</b>							
Projects in progress							
Fly Ash Silo	-	-	-	10.76	-	-	10.76
Transmission Line	-	-	-	3.50	-	-	3.50
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14.26</b>	<b>-</b>	<b>-</b>	<b>14.26</b>

Footnotes:

- 1) Amount transferred to property, plant and equipment during the year ₹47.29 crore (for the year ended 31<sup>st</sup> March, 2022: ₹99.01 crore).
- 2) Refer Note 15 for the details in respect of certain property, plant and equipment hypothecated / mortgaged as security against borrowings.

FINANCIAL STATEMENTS STANDALONE

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Note No. 5 - Other intangible assets

Particulars	₹ crore	
		Computer Software
<b>At cost / deemed cost</b>		
<b>I. Gross carrying value</b>		
Balance as at 1 <sup>st</sup> April, 2021		6.74
Additions		1.65
Disposals / discard		(0.03)
<b>Balance as at 31<sup>st</sup> March, 2022</b>		<b>8.36</b>
Additions		1.14
Disposals / discard		-
<b>Balance as at 31<sup>st</sup> March, 2023</b>		<b>9.50</b>
<b>II. Accumulated amortisation and impairment</b>		
Balance as at 1 <sup>st</sup> April, 2021		5.52
Amortisation expense for the year		0.67
Eliminated on disposal / discard of assets		(0.03)
<b>Balance as at 31<sup>st</sup> March, 2022</b>		<b>6.16</b>
Amortisation expense for the year		1.13
Eliminated on disposal / discard of assets		-
<b>Balance as at 31<sup>st</sup> March, 2023</b>		<b>7.29</b>
<b>III. Net carrying value as at 31<sup>st</sup> March, 2022</b>		<b>2.20</b>
<b>IV. Net carrying value as at 31<sup>st</sup> March, 2023</b>		<b>2.21</b>

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

## Note No. 6 - Investments in subsidiaries and an associate

Particulars	Face value per share (fully paid)	Number of shares	As at 31 <sup>st</sup> March, 2023		Number of shares	As at 31 <sup>st</sup> March, 2022	
			₹ crore			₹ crore	
			Current	Non-current		Current	Non-current
<b>A. Unquoted Investments</b>							
<b>I. Investment at cost</b>							
<b>a) Investment in equity instruments</b>							
<b>Investment in subsidiary companies</b>							
i) JSW Energy (Barmer) Limited	₹10	2,96,78,11,452	-	726.05	1,99,18,19,998	-	726.05
97,59,91,454 Equity Shares of ₹10 each allotted as bonus shares during the year ended 31 <sup>st</sup> March, 2023 & 1,26,57,69,998 Equity Shares of ₹10 each allotted as bonus shares during the previous year ended 31 <sup>st</sup> March, 2022 and buyback of 1,00,00,00,000 Equity Shares of ₹10/- each at par aggregating to ₹1,000 crore during the previous year ended 31 <sup>st</sup> March, 2022							

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# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

₹ crore

Particulars	Face value per share (fully paid)	Number of shares	As at 31 <sup>st</sup> March, 2023		Number of shares	As at 31 <sup>st</sup> March, 2022	
			Current	Non-current		Current	Non-current
As at 31 <sup>st</sup> March, 2023 Nil (As at 31 <sup>st</sup> March, 2022: 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 29 (3)(a)]							
ii) Jaigad PowerTransco Limited	₹10	10,17,50,000	-	101.75	10,17,50,000	-	101.75
iii) JSW Energy (Raigarh) Limited (Written off ₹35.03 crore in earlier years) [Refer note 34]	₹10	11,53,72,300	-	80.34	11,52,82,300	-	80.25
iv) JSW Power Trading Company Limited	₹10	7,00,50,000	-	70.05	7,00,50,000	-	70.05
v) JSW Neo Energy Limited <sup>1</sup> (36,48,52,180 Equity shares of ₹10 each has been allotted, pursuant to implementation of Scheme of amalgamation of JSW Future Energy Limited with JSW Neo Energy Limited, during the year ended 31 <sup>st</sup> March, 2023)	₹10	2,36,18,52,180	-	2,328.68	38,16,83,800	-	381.68
vi) JSW Energy Natural Resources Mauritius Limited (Written off USD 59,99,999 in earlier years)	USD 10	6,00,000	-	*	6,00,000	-	*
vii) Ind-Barath Energy (Utkal) Limited (Equity Share of ₹10 each fully paid up) [Refer note 36]	₹10	10,000	-	0.01	-	-	-
<b>Investment in an associate company</b>							
i) Toshiba JSW Power Systems Private Limited (Written off ₹85 crore in earlier years)	₹10	9,98,77,405	-	15.23	9,98,77,405	-	15.23
<b>Total</b>			-	<b>3,322.11</b>		-	<b>1,375.01</b>
Less: Aggregate amount of allowance for impairment in the value of investments			-	45.56		-	35.56
<b>Total investments in equity instruments</b>			-	<b>3,276.55</b>		-	<b>1,339.45</b>
<b>b) Investment in unsecured perpetual securities</b>							
JSW Neo Energy Limited <sup>2</sup>			-	6,457.13		-	170.00
<b>Total investment in unsecured perpetual securities</b>			-	<b>6,457.13</b>		-	<b>170.00</b>
<b>Total investments</b>			-	<b>9,733.68</b>		-	<b>1,509.45</b>

\* Less than ₹50,000

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

1. Re-organisation of the Company's Green and Grey Businesses:

The Board at its meeting held on 25<sup>th</sup> November, 2021, had approved the re-organisation of the Company's Green (Renewable) Business and Grey (Thermal) Business for streamlining the renewable portfolio and setting up a holding structure to unlock and enhance shareholders' value. Pursuant to the same, the following actions had effectuated during the year ended 31<sup>st</sup> March, 2022:

- a) 100% of the equity investment held by JSW Future Energy Limited (JSWFEL), a wholly owned subsidiary company, in the following companies were transferred to JSW Neo Energy Limited (JSWNEL), another wholly owned subsidiary of the Company, at cost
  - JSW Renew Energy (Kar) Limited (JSWREKL), a wholly owned subsidiary of JSWFEL of ₹0.01 crore
  - JSW Renewable Energy (Dolvi) Limited (JSWREDL), a wholly owned subsidiary of JSWFEL of ₹22.10 crore
- b) 100% of the equity investment held by JSW Hydro Energy Limited (JSWHEL), a wholly owned subsidiary of the Company in JSW Energy (Kutehr) Limited (JSWEKL), a wholly owned subsidiary of JSWHEL amounting to ₹789.33 crore was transferred to JSWNEL at cost.
- c) 100% of the equity investment held by the Company in JSWHEL, a wholly owned subsidiary of the Company amounting to ₹2,046.01 crore was transferred to JSWNEL at cost.

During the year ended 31<sup>st</sup> March, 2023, the petition filed with National Company Law Tribunal (NCLT) Mumbai bench for scheme of amalgamation of JSW Future Energy Limited with JSW Neo Energy Limited (both wholly owned subsidiaries of the company) with appointed date of 1<sup>st</sup> April, 2022, has been approved by the NCLT vide its order delivered on 25<sup>th</sup> August, 2022. On 26<sup>th</sup> March, 2023, the Scheme has become effective upon receipt of relevant regulatory approvals and, necessary filings.

Post consummation of the aforesaid Scheme of Amalgamation, JSWNEL would house the renewable businesses.

2. Terms of conversion of unsecured perpetual securities:

These Securities are perpetual in nature with no maturity or redemption and are callable only at the option of the issuer. The distributions on these Securities are non-cumulative and at the rate at which dividend has been declared by the issuer on its equity shares for the respective financial year. As these securities are perpetual in nature and repayment shall rank senior to the issuers obligations to make payments / distribution in relation to its preference and equity share capital and any other securities at par with preference and equity share capital of the issuer Company and does not have any redemption obligation, these are considered to be in the nature of investment in equity instruments.

3. Barmer Lignite Mining Company Limited (BLMCL), is a 51:49 joint venture between Rajasthan State Mines and Minerals Limited (RSMML), a government company and JSW Energy (Barmer) Limited (JSWEBL), a wholly owned subsidiary of the Company. RSMML, transferred leases for Kapurdi and Jalipa lignite mines in favour of BLMCL and BLMCL supplies lignite to JSWEBL for its power plant at Barmer.

In 2014, the Ministry of Coal, Government of India (GoI) granted a post facto prior approval to Government of Rajasthan (GoR) for the aforesaid transfer of mining leases to BLMCL. However, in 2016, GoI wrote to the GoR that the transfer of mining leases from RSMML to BLMCL is without previous approval of the GoI and advised GoR to make a fresh proposal for transfer of mining leases to BLMCL. Thereafter, GoR made several representations to GoI to reconsider its decision, whilst its decision was awaited, in April 2022, JSWEBL received a notice from BLMCL intimating that it has been directed by RSMML (which is based on the directions by the GoR to RSMML) to stop mining operations at the mines within 15 days. GoR had also directed RSMML to ensure uninterrupted lignite supply to JSWEBL's power plant.

During the year ended 31<sup>st</sup> March, 2023, the Government of Rajasthan (GoR) has received ex-post facto previous approval from the Central Government for the transfer of the mining leases for Kapurdi and Jalipa lignite mines by RSMML, to BLMCL, with effect from the date of transfers and accordingly, the previous communications issued by the GoR directing RSMML to stop mining operations at the aforesaid lignite mines stand withdrawn.

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

## FINANCIAL STATEMENTS STANDALONE

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

### Note No. 6 - Investments

₹ crore

Particulars	Face value per share (fully paid)	Number of shares	As at 31 <sup>st</sup> March, 2023		Number of shares	As at 31 <sup>st</sup> March, 2022	
			Current	Non-current		Current	Non-current
<b>A. Unquoted Investments</b>							
<b>I. Investments at amortised cost</b>							
<b>a) Investments in Government security</b>							
i) 6-Year National Savings Certificate (Pledged with Commercial Tax Department)			-	*		-	*
<b>II. Investments at fair value through profit or loss</b>							
<b>a) Investments in debentures of a subsidiary</b>							
i) Optionally convertible debenture - Ind-Barath Energy (Utkal) Limited <sup>2</sup>		-	-	88.93	-	-	-
<b>b) Investment in other equity shares</b>							
i) Power Exchange India Limited (Written off ₹1.25 crore in earlier years)	₹10	12,50,000	-	-	12,50,000	-	-
ii) MJSJ Coal Limited (Written off ₹3.94 crore in earlier years)	₹10	1,04,61,000	-	6.52	1,04,61,000	-	6.52
<b>c) Investments in preference shares</b>							
<b>Investment in subsidiary company</b>							
i) JSW Power Trading Company Limited <sup>1(a)</sup>	₹10	1,32,00,000	-	3.50	1,32,00,000	-	3.59
<b>Investment in other entity</b>							
i) JSW Realty & Infrastructure Private Limited <sup>1(b)</sup>	₹100	5,03,000	-	2.71	5,03,000	-	3.12
<b>d) Investments in mutual funds</b>							
i) Birla Sun Life Mutual Fund			-	-	75.02	-	-
ii) Kotak Mutual Fund			-	-	52.50	-	-
iii) Nippon India Mutual Fund			-	-	10.06	-	-
iv) SBI Mutual Fund			75.82	-	-	-	-
v) ICICI Prudential Mutual Fund			-	-	75.02	-	-
<b>B. Quoted Investments</b>							
<b>I. Investments at fair value through other comprehensive income</b>							
<b>a) Investments in equity instruments</b>							
i) JSW Steel Limited	₹10	7,00,38,350	-	4,819.34	7,00,38,350	-	5,131.36
<b>Total investments</b>			<b>75.82</b>	<b>4,921.00</b>	<b>212.60</b>	<b>5,144.59</b>	

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

2. The terms of interest free Unsecured Optionally Convertible Debentures @ ₹10 each are as below:

- Each debenture shall be convertible into one (1) Equity share of the Ind-Barath Energy (Utkal) Limited at any time, at the option of the company,
- In the event the company chooses not to exercise the conversion option within a period of 7 years, then the same can be redeemed at the end of 7 years.

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

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Note No. 6 - Investments

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Quoted investments</b>		
Aggregate book value	4,819.34	5,131.36
Aggregate market value	4,819.34	5,131.36
<b>Unquoted investments</b>		
Aggregate carrying value	9,911.16	1,735.28
<b>Investment at cost</b>	<b>9,733.68</b>	<b>1,509.45</b>
<b>Investment at fair value through other comprehensive income</b>	<b>4,819.34</b>	<b>5,131.36</b>
<b>Investment at fair value through profit or loss</b>	<b>177.48</b>	<b>225.83</b>

## Allowance for impairment in value of Investments

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
JSW Energy (Raigarh) Limited	30.33	20.33
Toshiba JSW Power Systems Private Limited	15.23	15.23
<b>Total</b>	<b>45.56</b>	<b>35.56</b>

## Note No. 7 - Loans

Particulars	₹ crore			
	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-current	Current	Non-current
<b>(1) Unsecured, considered good</b>				
(i) Loans to subsidiaries (Refer note 40)	37.51	79.85	789.09	73.62
(ii) Loans to related parties (Refer note 40)	80.90	-	80.90	-
	<b>118.41</b>	<b>79.85</b>	<b>869.99</b>	<b>73.62</b>
<b>(2) Unsecured, credit impaired</b>				
(i) Loans to subsidiaries (Refer note 40)	-	279.85	-	258.04
Less: Loss allowance for doubtful loans (Refer note 40)	-	279.85	-	258.04
	-	-	-	-
(ii) Loans to others	-	-	120.00	-
Less: Loss allowance for doubtful loans	-	-	120.00	-
	-	-	-	-
	<b>118.41</b>	<b>79.85</b>	<b>869.99</b>	<b>73.62</b>

## FINANCIAL STATEMENTS STANDALONE

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

₹ crore

Name of the parties	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-current	Current	Non-current
<b>1) Subsidiaries</b>				
a) JSW Energy (Kutehr) Limited	-	-	146.32	-
	(198.51)	-	(146.32)	-
b) JSW Neo Energy Limited	-	-	642.77	-
	(642.77)	-	(642.77)	-
c) JSW Energy Natural Resources Mauritius Limited	-	359.70	-	331.66
	-	(359.70)	-	(331.66)
d) JSW Renewable Energy (Vijayanagar) Limited	-	-	-	-
	-	-	(189.41)	-
e) JSW Renew Energy Two Limited	-	-	-	-
	-	-	(63.00)	-
f) JSW Renewable Energy (Dolvi) Limited	-	-	-	-
	-	-	(1.66)	-
g) JSW Renew Energy Three Limited	-	-	-	-
	-	-	(8.28)	-
h) JSW Renew Energy Limited	-	-	-	-
	-	-	(5.50)	-
i) Ind-Barath Energy (Utkal) Limited	37.51	-	-	-
	(37.51)	-	-	-
<b>2) Related parties</b>				
a) South West Mining Limited	80.90	-	80.90	-
	(80.90)	-	(80.90)	-
b) JSW Global Business Solutions Limited	-	-	-	-
	-	-	(0.84)	(1.45)

- Figures in brackets relate to maximum amount outstanding during the year.
- All the above loans have been given for business purpose only.

### Details of loans repayable on demand

₹ crore

Type of Borrower	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Loan outstanding	% to the total loans	Loan outstanding	% to the total loans
Subsidiaries	37.51	18.92%	789.09	83.62%
<b>Total</b>	<b>37.51</b>	<b>18.92%</b>	<b>789.09</b>	<b>83.62%</b>

### Investment by JSW Energy Natural Resources Mauritius Limited in subsidiaries

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
	No. of shares	No. of shares
a) JSW Energy Natural Resources South Africa (Pty) Limited	4,35,00,100	4,35,00,100



FINANCIAL STATEMENTS STANDALONE

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Movement in loss allowance - loans

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>Opening loss allowance</b>	<b>378.04</b>	<b>340.50</b>
Loss allowance reversed during the year	(120.00)	-
Loss allowance recognised during the year	21.81	37.54
<b>Closing loss allowance</b>	<b>279.85</b>	<b>378.04</b>

## Note No. 8 - Other financial assets

Particulars	₹ crore			
	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-current	Current	Non-current
(1) Finance lease receivable [Refer note 31]	40.16	840.96	4.33	880.45
(2) Security deposits				
(i) Government / Semi-Government authorities	-	62.00	-	11.37
(ii) Related parties [Refer note 40]	28.63	89.84	-	79.52
(iii) Others	20.88	0.44	25.05	0.33
(3) Interest receivables				
(i) Interest accrued on loans to related parties [Refer note 40]	37.45	-	19.77	-
Less: Loss allowance for interest receivable	(30.99)	-	(17.89)	-
(ii) Interest accrued on deposits	6.21	-	4.62	-
(iii) Others	11.69	-	11.67	-
(4) Other bank balances				
(i) Margin money for security against the guarantees	-	18.00	-	22.66
(ii) In deposit accounts (maturity more than 12 months)	-	3.00	-	3.02
(5) Consideration receivable from a subsidiary on transfer of investment in equity shares / business [Refer note 40]	-	-	2,046.01	-
	<b>114.03</b>	<b>1,014.24</b>	<b>2,093.56</b>	<b>997.35</b>

FINANCIAL STATEMENTS STANDALONE

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

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

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-current	Current	Non-current
Advance tax and tax deducted at source	-	109.41	-	56.05
[(Net of provision ₹1,265.75 crore (As at 31 <sup>st</sup> March, 2022: ₹1,109.48 crore)]				
	-	109.41	-	56.05

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

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-current	Current	Non-current
(1) Deferred tax [Refer Note 27]	-	1,286.33	-	1,215.21
(2) Minimum Alternate Tax credit entitlement [Refer note 27]	-	(318.83)	-	(373.26)
	-	967.50	-	841.95

## Note No. 9C - Current tax liabilities (net)

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-current	Current	Non-current
(1) Provision for current tax	36.70	-	36.70	-
[Net of advance tax and tax deducted at source ₹620.92 crore (As at 31 <sup>st</sup> March, 2022: ₹620.92 crore)]				
	36.70	-	36.70	-

## Note No. 10 - Other assets

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-current	Current	Non-current
(1) Capital advances	-	13.56	-	8.65
(2) Prepayments	16.45	3.24	17.72	1.46
(3) Advances to vendors	28.64	-	33.62	-
(4) Balances with government authorities [Refer note 29(A)(1)(a)]	18.93	55.63	24.16	90.67
(5) Others	1.55	-	-	-
	65.57	72.43	75.50	100.78

FINANCIAL STATEMENTS STANDALONE

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Note No. 11 - Inventories

₹ crore

Particulars	As at	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
(1) Raw materials - Stock of fuel	686.27	682.49
(2) Stores and spares	95.59	93.60
<b>Total</b>	<b>781.86</b>	<b>776.09</b>

Footnotes:

a) Cost of inventory recognised as an expense

₹ crore

Particulars	For the year ended	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
(1) Raw materials - Stock of fuel	3,643.63	2,041.09
(2) Stores and spares	24.38	21.87
<b>Total</b>	<b>3,668.01</b>	<b>2,062.96</b>

b) Details of stock-in-transit included above

₹ crore

Particulars	As at	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
(1) Raw materials - Stock of fuel	334.75	553.29
(2) Stores and spares	-	0.22
<b>Total</b>	<b>334.75</b>	<b>553.51</b>

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 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-current	Current	Non-current
Unsecured, considered good	336.92	59.19	300.51	59.19
	<b>336.92</b>	<b>59.19</b>	<b>300.51</b>	<b>59.19</b>
Unsecured, credit impaired	2.77	-	3.25	-
Less: Loss allowance for doubtful receivables	2.77	-	3.25	-
	-	-	-	-
	<b>336.92</b>	<b>59.19</b>	<b>300.51</b>	<b>59.19</b>

## FINANCIAL STATEMENTS STANDALONE

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

- a) Ageing of trade receivables  
i) Undisputed trade receivables

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Considered Good	Considered Doubtful	Considered Good	Considered Doubtful
Outstanding for following periods from due date of receipts				
Less than 6 months	20.34	-	17.35	-
6 months - 1 year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
> 3 years	-	-	-	-
Within credit period	294.67	-	262.12	-
<b>Total</b>	<b>315.01</b>	<b>-</b>	<b>279.47</b>	<b>-</b>

- ii) Disputed trade receivables

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Considered Good	Considered Doubtful	Considered Good	Considered Doubtful
Outstanding for following periods from due date of receipts				
Less than 6 months	0.88	-	0.57	-
6 months - 1 year	0.19	-	0.90	-
1-2 years	1.28	-	3.84	-
2-3 years	6.60	-	3.62	0.48
> 3 years	72.16	2.77	71.30	2.77
<b>Total</b>	<b>81.11</b>	<b>2.77</b>	<b>80.23</b>	<b>3.25</b>

- b) The average credit period allowed to customers is in the range of 7-45 days and interest on overdue receivables is generally levied at 10.60% to 16.80% 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 ₹81.11 crore (as at 31<sup>st</sup> March, 2022 ₹80.23 crore) withheld / unpaid by the customers because of tariff related disputes which are pending adjudication [Refer note 29(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. Having regard to the said assessment and based on the expected timing of realisation of these balances, the Company has classified the receivables into current and non-current.
- e) Refer note 15 for trade receivables hypothecated as security against borrowings.
- f) Movement in loss allowance for doubtful receivables

₹ crore

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>Opening loss allowance</b>	<b>3.25</b>	<b>3.27</b>
Loss allowance reversed during the year	0.48	0.02
<b>Closing loss allowance</b>	<b>2.77</b>	<b>3.25</b>

# NOTES

 to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Note No. 13A - Cash and cash equivalents

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(1) Balances with banks		
(i) In current accounts	62.78	35.17
(ii) In deposit accounts (maturity less than 3 months at inception)	200.00	5.00
(2) Cheques on hand	0.81	-
(3) Cash on hand	0.03	0.03
	<b>263.62</b>	<b>40.20</b>

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

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(1) Balances with banks		
(i) In deposit accounts (maturity more than 3 months at inception)	5.73	4.29
(2) Earmarked balances with banks		
(i) Unpaid dividends	0.58	0.70
(ii) Margin money for security against guarantees	165.15	157.82
	<b>171.46</b>	<b>162.81</b>

## Note No. 14A - Equity share capital

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	No. of shares	₹ crore	No. of shares	₹ crore
<b>Authorised:</b>				
Equity shares of ₹10 each with voting rights	5,00,00,00,000	5,000.00	5,00,00,00,000	5,000.00
<b>Issued, subscribed and fully paid (A)</b>				
Equity shares of ₹10 each with voting rights	1,64,46,75,668	1,644.68	1,64,40,31,656	1,644.03
<b>Treasury shares held through ESOP trust (B)</b>				
Equity shares of ₹10 each with voting rights	(41,39,430)	(4.14)	(43,60,746)	(4.36)
<b>Equity shares [net of treasury shares] [A + B]</b>	<b>1,64,05,36,238</b>	<b>1,640.54</b>	<b>1,63,96,70,910</b>	<b>1,639.67</b>

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

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
	No. of shares	No. of shares
<b>Balance as at the beginning of the year</b>	1,64,40,31,656	1,64,27,86,469
Shares issued during the year	6,44,012	12,45,187
<b>Balance as at the end of the year</b>	<b>1,64,46,75,668</b>	<b>1,64,40,31,656</b>

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to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

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

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
	No. of shares	No. of shares
<b>Balance as at the beginning of the year</b>	<b>43,60,746</b>	<b>4,57,214</b>
Shares issued during the year	6,44,012	12,45,187
Shares acquired from secondary market	-	36,15,000
Shares transferred upon exercise of options under employee share option plan	(8,65,328)	(9,56,655)
<b>Balance as at the end of the year</b>	<b>41,39,430</b>	<b>43,60,746</b>

### 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

Name of Companies	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	No. of shares	% of shares	No. of shares	% of shares
JSW Investments Private Limited	33,24,92,694	20.22%	33,24,92,694	20.22%
Indusglobe Multiventures Private Limited	25,59,86,044	15.57%	25,59,86,044	15.57%
Siddeshwari Tradex Private Limited	23,09,32,433	14.05%	23,09,32,433	14.05%
JSL Limited	14,53,32,820	8.84%	14,53,32,820	8.84%
Life Insurance Corporation of India	16,31,66,477	9.92%	16,37,65,348	9.96%
Virtuous Tradecorp Private Limited	8,55,99,613	5.21%	8,55,99,613	5.21%
JSW Steel Limited	8,53,63,090	5.19%	8,53,63,090	5.19%

### e) Shares held by promoters and promoter group at the end of the year

S. No.	Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022		% change during the year
		No. of shares	% of total shares	No. of shares	% of total shares	
<b>Promoters</b>						
1	Sajjan Jindal	100	0.00%	100	0.00%	0.00%
2	Sangita Jindal	100	0.00%	100	0.00%	0.00%
3	Prithavi Raj Jindal	-	-	370	0.00%	0.00%
4	JSW Investment Private Limited	33,24,92,694	20.22%	33,24,92,694	20.22%	0.00%
<b>Total</b>		<b>33,24,92,894</b>	<b>20.22%</b>	<b>33,24,93,264</b>	<b>20.22%</b>	<b>(0.00)%</b>
<b>Promoter group</b>						
1	Indusglobe Multiventures Private Limited	25,59,86,044	15.57%	25,59,86,044	15.57%	0.00%
2	Siddeshwari Tradex Private Limited	23,09,32,433	14.05%	23,09,32,433	14.05%	0.00%
3	JSL Limited	14,53,32,820	8.84%	14,53,32,820	8.84%	0.00%
4	Virtuous Tradecorp Private Limited	8,55,99,613	5.21%	8,55,99,613	5.21%	0.00%
5	JSW Steel Limited	8,53,63,090	5.19%	8,53,63,090	5.19%	0.00%

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to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

S. No.	Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022		% change during the year
		No. of shares	% of total shares	No. of shares	% of total shares	
6	Tarini Jindal Handa	2,50,52,225	1.52%	2,50,52,225	1.52%	0.00%
7	Tanvi Shete	2,50,52,225	1.52%	2,50,52,225	1.52%	0.00%
8	Arti Jindal	370	0.00%	-	-	0.00%
9	Parth Jindal	1,76,27,225	1.07%	1,76,27,225	1.07%	0.00%
10	JSW Steel Coated Products Limited	87,80,520	0.53%	87,80,520	0.53%	0.00%
11	Amba River Coke Limited	71,38,640	0.44%	72,10,640	0.44%	0.00%
12	Seema Jajodia	43,29,902	0.26%	43,47,184	0.26%	0.00%
13	JSW Cement Limited	26,29,610	0.16%	26,29,610	0.16%	0.00%
14	Asian Colour Coated Ispat Limited	2,51,250	0.02%	2,51,250	0.02%	0.00%
15	Urmila Bhuwarka	1,62,000	0.01%	1,50,000	0.01%	0.00%
16	Saroj Bhartia	1,50,000	0.01%	1,50,000	0.01%	0.00%
17	Nirmala Goel	1,10,000	0.01%	1,10,000	0.01%	0.00%
18	JSW Holdings Limited	445	0.00%	445	0.00%	0.00%
19	Nalwa Sons Investments Limited	370	0.00%	370	0.00%	0.00%
20	Tarini Jindal Family Trust (Trustees Sajjan Jindal, Sangita Jindal, Tarini Jindal Handa)	100	0.00%	100	0.00%	0.00%
21	Tanvi Jindal Family Trust (Trustees Sajjan Jindal, Sangita Jindal, Tanvi Shete)	100	0.00%	100	0.00%	0.00%
22	Sangita Jindal Family Trust (Trustees Sajjan Jindal, Sangita Jindal)	100	0.00%	100	0.00%	0.00%
23	Sajjan Jindal Lineage Trust (Trustees Sajjan Jindal, Sangita Jindal)	100	0.00%	100	0.00%	0.00%
24	Sajjan Jindal Family Trust (Trustees Sajjan Jindal, Sangita Jindal)	100	0.00%	100	0.00%	0.00%
25	Sahyog Holdings Private Limited	100	0.00%	100	0.00%	0.00%
26	Parth Jindal Family Trust (Trustees Sajjan Jindal, Sangita Jindal, Parth Jindal)	100	0.00%	100	0.00%	0.00%
27	Sarika Jhunjhnuwala	2,50,000	0.02%	2,50,000	0.02%	0.00%
28	Epsilon Carbon Private Limited	66,670	0.00%	66,670	0.00%	0.00%
29	Urmila Kailashkumar Kanoria	45,000	0.00%	30,000	0.00%	0.00%
30	Neotrex Steel Private Limited	72,000	0.00%	-	-	0.00%
31	Jsw Jaigarh Port Limited	1,05,000	0.01%	20,000	0.00%	0.01%
32	Narmada Fintrade Private Limited	19,990	0.00%	19,990	0.00%	0.00%
33	JSW Severfield Structures Limited	5,000	0.00%	5,000	0.00%	0.00%
34	JSW Paints Private Limited	5,000	0.00%	5,000	0.00%	0.00%
35	Abhyuday Jindal	370	0.00%	370	0.00%	0.00%
36	South West Mining Limited	314,000	0.02%	-	-	0.02%
	<b>Total</b>	<b>89,53,82,512</b>	<b>54.44%</b>	<b>89,49,73,424</b>	<b>54.44%</b>	<b>(0.00)%</b>
	<b>Grand Total</b>	<b>1,22,78,75,406</b>	<b>74.66%</b>	<b>1,22,74,66,688</b>	<b>74.66%</b>	<b>(0.00)%</b>



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to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

### f) Dividend:

- (i) The Board of Directors in its meeting held on 03<sup>rd</sup> May, 2022 has recommended dividend of 20% (₹2 per equity share of ₹10 each) for the year ended 31<sup>st</sup> March, 2022 and the same was approved by the shareholders at the Annual General Meeting held on 14<sup>th</sup> June, 2022, which resulted in a cash outflow of ₹328.81 crore.
- (ii) The Board of Directors in its meeting held on 23<sup>rd</sup> May, 2023 has recommended dividend of 20% (₹2 per equity share of ₹10 each) for the year ended 31<sup>st</sup> March, 2023, subject to the approval of shareholders at the ensuing Annual General Meeting.

### Note No. 14B - Other equity

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>A. Reserves and surplus</b>		
(1) General reserve	213.95	213.95
(2) Retained earnings	4,830.92	4,398.46
<b>B. Other reserves</b>		
(1) Capital reserve	516.12	516.12
(2) Securities premium	2,400.30	2,397.59
(3) Equity-settled employee benefits reserve	39.29	27.95
(4) Debenture redemption reserve	-	50.00
<b>C. Other comprehensive income</b>		
(1) Equity instrument through other comprehensive income	3,968.29	4,243.97
	<b>11,968.87</b>	<b>11,848.04</b>

#### (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

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 eligible employees. The share based payment reserve is used to recognise the value of equity settled share based payments provided as part of the ESOP scheme.

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

## (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, from the financial year ended 31<sup>st</sup> March, 2020 onwards 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.

## Note No. 15 - Borrowings

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-current	Current	Non-current
<b>Measured at amortised cost</b>				
<b>(1) Non-current borrowings</b>				
<b>(A) Secured</b>				
(i) Debentures				
- Non-convertible debentures	175.00	250.00	200.00	175.00
(ii) Term loans				
- From banks	619.00	1,859.00	-	500.00
<b>(B) Unsecured</b>				
(i) Debentures				
- Non-convertible debentures	-	250.00	-	-
<b>(2) Current borrowings (Unsecured)</b>				
(i) Commercial paper	49.06	-	296.81	-
(ii) Working capital demand loan from a bank	628.03	-	100.00	-
(iii) Ondemand loan from a subsidiary	1,670.00	-	-	-
(iv) Loan from a subsidiary	-	789.00	-	-
	<b>3,141.09</b>	<b>3,148.00</b>	<b>596.81</b>	<b>675.00</b>
Less: Unamortised borrowing cost	3.83	11.64	0.07	0.06
	<b>3,137.26</b>	<b>3,136.36</b>	<b>596.74</b>	<b>674.94</b>

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

₹ crore

Particulars	For the year ended	For the year ended
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>I. Non-current borrowings (including current maturities)</b>		
<b>Balance as at the beginning of the year</b>	<b>874.87</b>	<b>1,402.48</b>
Cash flows proceeds / (repayment) (net)	3,067.00	(529.36)
<b>Non-cash changes</b>		
Amortised borrowing cost	(15.34)	1.75
<b>Balance as at the end of the year</b>	<b>3,926.53</b>	<b>874.87</b>
<b>II. Current borrowings</b>		
<b>Balance as at the beginning of the year</b>	<b>396.81</b>	<b>199.35</b>
Cash flows proceeds (net)	1,950.28	197.46
<b>Balance as at the end of the year</b>	<b>2,347.09</b>	<b>396.81</b>

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to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

Terms of repayment	Security	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
		Current	Non-current	Current	Non-current
<b>A. Debentures (secured)</b>					
<b>(i) Secured</b>					
1,750 nos @ (12M T-Bill + 3.25%) currently 10.48% p.a. Secured Redeemable Non Convertible Debentures of ₹10 lakh each are redeemable at par in bullet repayment of ₹175 crore on 16 <sup>th</sup> February, 2024	Pari passu first ranking charge by way of legal mortgage on a flat situated at Mumbai, Maharashtra and first ranking pari passu charge by way of legal mortgage of Company's (SBU 3) immovable property and first ranking pari passu charge by way of hypothecation of moveable fixed assets of the Company (SBU 3) situated at Ratnagiri Works, Maharashtra.	175.00	-	-	175.00
5,000 nos @ 8.90% p.a. Secured Redeemable Non-Convertible Debentures of ₹4 lakh each are redeemable at par on 30 <sup>th</sup> December, 2022	Pari passu first ranking charge by way of legal mortgage on the freehold land of the Company situated at village Chaferi, Ratnagiri, Maharashtra and first ranking charge by way of hypothecation of moveable fixed assets of the Company (SBU1 & SBU2) situated at Vijayanagar Works, Karnataka	-	-	200	-
2,500 nos @ (SBI 1 Year MCLR + 0.05%) currently 7.75% p.a. Secured Redeemable Non Convertible Debentures of ₹10 lakh each are redeemable at par in bullet repayment of ₹250 crore on 30 <sup>th</sup> September, 2025	First ranking pari passu charge over the moveable fixed assets of the Company (SBU 1 & SBU 2) at Vijayanagar, Karnataka, including its movable plant and machinery, spares, other equipment including its spares, tools and accessories, furniture, fixtures, vehicles, electrical systems, wiring, pipelines, electronics spares, movable civil works, tools, meters, and all other movable fixed assets.	-	250.00	-	-
<b>Total secured convertible debentures</b>		<b>175.00</b>	<b>250.00</b>	<b>200.00</b>	<b>175.00</b>
<b>(ii) Unsecured</b>					
25,000 nos @ 8.45% p.a. Unsecured Redeemable Non Convertible Debentures of ₹1 lakh each are redeemable at par in bullet repayment of ₹250 crore on 13 <sup>th</sup> March, 2026	Not applicable	-	250.00	-	-
<b>Total unsecured convertible debentures</b>		<b>-</b>	<b>250.00</b>	<b>-</b>	<b>-</b>
<b>Total debentures</b>		<b>175.00</b>	<b>500.00</b>	<b>200.00</b>	<b>175.00</b>
<b>B. Term Loans</b>					
<b>Rupee term loan from banks (secured)</b>					
Bullet repayment on 31 <sup>st</sup> December, 2023	First ranking pari passu charge over the moveable fixed assets of the Company (SBU 3) at Ratnagiri, Maharashtra, including its movable plant and machinery, spares, other equipment including its spares, tools and accessories, furniture, fixtures, vehicles, electrical systems, wiring, pipelines, electronics spares, movable civil works, tools, meters, and all other movable fixed assets.	500.00	-	-	500.00

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to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

Terms of repayment	Security	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
		Current	Non-current	Current	Non-current
Repayable in structured twenty quarterly installments from June 2022 to March 2027	First ranking pari passu charge over the moveable fixed assets of the Company (SBU 3) at Ratnagiri, Maharashtra, including its movable plant and machinery, spares, other equipment including its spares, tools and accessories, furniture, fixtures, vehicles, electrical systems, wiring, pipelines, electronics spares, movable civil works, tools, meters, and all other movable fixed assets.	70.00	595.00	-	-
Repayable in structured twenty eight quarterly installments from March 2023 to September 2029	First ranking pari passu charge by way of legal mortgage of Company's (SBU 1, SBU 2 and SBU 3) immovable property and first ranking pari passu charge by way of hypothecation of moveable fixed assets of the Company (SBU 1, SBU 2 and SBU 3)	49.00	1,264.00	-	-
<b>Loan from a subsidiary (Unsecured)</b>					
Bullet repayment on or before 20 <sup>th</sup> March, 2026	Not applicable	-	789.00	-	-
<b>Total loans</b>		<b>619.00</b>	<b>2,648.00</b>	<b>-</b>	<b>500.00</b>
<b>Total borrowings</b>		<b>794.00</b>	<b>3,148.00</b>	<b>200.00</b>	<b>675.00</b>
Unamortised upfront fees on borrowings		(3.83)	(11.64)	(0.07)	(0.06)
<b>Total borrowings measured at amortised cost</b>		<b>790.17</b>	<b>3,136.36</b>	<b>199.93</b>	<b>674.94</b>

Note: The rate of interest for term loans from banks and financial institutions ranges from 7.35% to 10.50% p.a ( 31<sup>st</sup> March, 2022 5.70% to 8.90%)

### Note No. 16 - Other financial liabilities

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-current	Current	Non-current
(1) Derivative Instruments [Refer note 38(A)(ii)]				
a) Foreign currency forward contracts	1.66	-	3.89	-
(2) Interest accrued but not due on borrowings	14.30	-	6.57	-
(3) Unclaimed dividends #	0.58	-	0.70	-
(4) Lease deposits	-	0.49	*	0.46
(5) Other liabilities				
- Payable for capital supplies / services	51.55	-	60.38	-
- Other payables	-	3.04	-	3.05
	<b>68.09</b>	<b>3.53</b>	<b>71.54</b>	<b>3.51</b>

\* Less than ₹50,000

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

### Note No. 17 - Other liabilities

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-current	Current	Non-current
(1) Advances received from customers	0.97	-	0.97	-
(2) Statutory dues	28.58	-	27.36	-
(3) Others	4.52	5.75	4.09	5.90
	<b>34.07</b>	<b>5.75</b>	<b>32.42</b>	<b>5.90</b>

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to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Note No. 18 - Provisions

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-current	Current	Non-current
(1) Provision for gratuity (Refer note 33)	3.32	19.05	2.91	17.69
(2) Provision for compensated absences (Refer note 33)	5.57	3.17	3.47	12.11
	<b>8.89</b>	<b>22.22</b>	<b>6.38</b>	<b>29.80</b>

## Note No. 19 - Trade payables

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-current	Current	Non-current
(1) Trade payables #				
a) Outstanding dues of micro and small enterprises	2.06	-	1.29	-
b) Outstanding dues of creditors other than micro and small enterprises	638.45	-	762.97	-
(2) Acceptances *	260.00	-	119.73	-
	<b>900.51</b>	<b>-</b>	<b>883.99</b>	<b>-</b>

### a) Ageing of trade payables

#### i) Undisputed trade payables

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	MSME	Others	MSME	Others
Outstanding for following periods from due date of payment				
Less than 1 year	-	30.32	-	28.95
1-2 years	-	1.45	-	0.11
2-3 years	-	0.29	-	0.13
> 3 years	-	0.63	-	2.46
Not Due	2.06	700.63	1.29	750.76
Unbilled	-	165.13	-	100.29
<b>Total</b>	<b>2.06</b>	<b>898.45</b>	<b>1.29</b>	<b>882.70</b>

#### ii) Disputed trade payables

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	MSME	Others	MSME	Others
Outstanding for following periods from due date of payment				
Less than 1 year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
> 3 years	-	-	-	-
Unbilled	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

FINANCIAL STATEMENTS STANDALONE

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to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

**b) Disclosure relating to micro and small enterprises**

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-current	Current	Non-current
(1) Principal amount outstanding	2.06	-	1.29	-
(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	-	-	-	-
	<b>2.06</b>	<b>-</b>	<b>1.29</b>	<b>-</b>

# 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 6 months to 1 year.

**Note No. 20 - Revenue from operations**

₹ crore

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>A. Disaggregation of revenue from contract with customers</b>		
(1) Sale of power	4,343.86	2,624.72
(2) Sale of goods	363.24	26.11
(3) Sale of services:		
(i) Power generation (job work)	628.55	610.45
(ii) Operator fees	217.43	208.26
(iii) Mining income	156.23	116.17
(4) Other operating revenue	10.30	8.45
<b>Total revenue from contracts with customers</b>	<b>5,719.61</b>	<b>3,594.16</b>
<b>B. Interest income on asset under finance lease (Refer note 31)</b>	<b>19.62</b>	<b>48.58</b>
<b>Total (A + B)</b>	<b>5,739.23</b>	<b>3,642.74</b>

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# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

### (a) Revenue from contract with customers

The Company primarily generates revenue from contracts with customers for supply of power generated from power plants (from allocating the capacity of the plant under the long / medium term power purchase agreements including job work arrangements), 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 finance 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 at point of time when power is supplied to the customers, at contracted rate.

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

Revenue from mining activity is recognised when services under the contracts are rendered.

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

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Opening Balance	0.97	39.00
Less: Revenue recognised during the year from balance at the beginning of the year	(0.97)	(39.00)
Add: Advance received during the year not recognized as revenue	0.97	0.97
<b>Closing Balance</b>	<b>0.97</b>	<b>0.97</b>

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

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>Total revenue from contracts with customers as above</b>	<b>5,719.61</b>	<b>3,594.16</b>
Add: Rebate / Commission	2.05	2.47
<b>Total revenue from contracts with customers as per contracted price</b>	<b>5,721.66</b>	<b>3,596.63</b>

### (d) Credit terms

Customers are given average credit period of 7 to 45 days for payment. No delayed payment charges ('DPC') are charged during the allowed credit period. 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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# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Note No. 21 - Other income

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>(1) Interest income earned on financial assets that are not designated as at FVTPL</b>		
(1) On loans	21.12	9.67
(2) Bank deposits	16.05	5.83
(3) Other financial assets	11.52	132.97
	<b>48.69</b>	<b>148.47</b>
<b>(2) Dividend income from</b>		
(i) Investments designated as at FVTOCI	121.52	45.52
<b>(3) Other non-operating income</b>		
(i) Operating lease rental income	1.65	0.16
(ii) Net gain on sale of investments	44.38	9.82
(iii) Net gain on investments designated as at FVTPL	*	*
(iv) Net gain on foreign currency transactions	1.61	3.25
(v) Provision no longer required written back	39.66	0.70
(vi) Miscellaneous income	22.34	20.34
	<b>231.16</b>	<b>79.79</b>
	<b>279.85</b>	<b>228.26</b>

\* Less than ₹50,000

## Note No. 22 - Employee benefits expense

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
(1) Salaries and wages	107.47	104.63
(2) Contribution to provident and other funds (Refer note 33)	9.36	7.75
(3) Share-based payments (Refer note 33)	11.20	7.14
(4) Staff welfare expenses	6.70	4.58
	<b>134.73</b>	<b>124.10</b>

## Note No. 23 - Finance costs

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
(1) Interest expense	156.17	102.29
(2) Interest on lease liabilities [Refer note 30(B)(i)]	1.64	0.07
(3) Exchange differences regarded as an adjustment to borrowing costs	17.27	15.24
(4) Other borrowing costs	9.62	9.40
(5) Movement in fair value of investments designated as at FVTPL	75.10	-
	<b>259.80</b>	<b>127.00</b>

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to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Note No. 24 - Depreciation and amortisation expense

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
(1) Depreciation on property, plant and equipment	316.29	327.02
(2) Amortisation on Intangible assets	1.13	0.67
	<b>317.42</b>	<b>327.69</b>

## Note No. 25 - Other expenses

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
(1) Stores and spares consumed	24.38	21.87
(2) Power and water	28.29	28.78
(3) Rent including lease rentals	1.51	1.06
(4) Repairs and maintenance	78.61	67.82
(5) Rates and taxes	8.14	8.45
(6) Insurance	18.32	18.03
(7) Legal and professional expenses	42.15	25.39
(8) Travelling expenses	19.22	10.10
(9) Loss on disposal of property, plant and equipment	0.09	1.60
(10) Donation	0.03	-
(11) Corporate social responsibility expenses (Refer note 32)	9.58	6.82
(12) Loss allowance on loans / trade receivables / interest receivables	12.63	30.96
(13) Loss allowance on non moving - stores and spares	0.79	-
(14) Loss allowance for impairment of investment in subsidiaries (Refer note 6)	10.00	10.00
(15) Loss allowance for impairment of assets	-	36.16
(16) Safety & security expenses	6.57	5.09
(17) Branding expenses	10.37	6.63
(18) Mining Expenses	107.23	76.07
(19) Miscellaneous expenses	18.05	12.28
(20) Open access charges	1.06	1.00
(21) Shared service charges	2.42	2.26
(22) Lease receivables written off	-	36.56
(23) Write off of investments	-	0.22
Less: Provision for impairment / (loss) allowances recognised in earlier years	-	(0.22)
	<b>399.44</b>	<b>406.93</b>

## Note No. - 26 - Exceptional items (net)

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
(1) Reversal of loss allowance recognised earlier on doubtful loan	120.00	-
	<b>120.00</b>	<b>-</b>

FINANCIAL STATEMENTS STANDALONE

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Note No. 27 - Tax expense

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
(1) Current tax	156.70	174.87
(2) Deferred tax	161.89	73.39
	<b>318.59</b>	<b>248.26</b>

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:

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>Profit before tax</b>	<b>1,029.61</b>	<b>818.08</b>
Enacted tax rate (%)	34.944%	34.944%
Expected tax expense at statutory tax rate	359.79	285.87
Tax effect due to exempt / non taxable income	(84.40)	-
Effect due to non deductible expenses	42.92	20.94
Others (OCI Tax)	(0.09)	0.54
Deferred tax pertaining to earlier period	0.37	(59.09)
	<b>318.59</b>	<b>248.26</b>

### Deferred tax assets / (liabilities)

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

Particulars	₹ crore		
	As at 1 <sup>st</sup> April, 2022	Recognised / (reversed) through profit or loss or OCI	As at 31 <sup>st</sup> March, 2023
Property, plant & equipment	(862.20)	(114.40)	(976.60)
Investment	(357.85)	36.34	(321.51)
Others	4.84	6.94	11.78
MAT credit	373.26	(54.43)	318.83
<b>Total</b>	<b>(841.95)</b>	<b>(125.55)</b>	<b>(967.50)</b>

Particulars	₹ crore		
	As at 1 <sup>st</sup> April, 2021	Recognised / (reversed) through profit or loss or OCI	As at 31 <sup>st</sup> March, 2022
Property, plant & equipment	(788.71)	(73.49)	(862.20)
Investment	(148.46)	(209.39)	(357.85)
Others	4.74	0.10	4.84
MAT credit	373.26	-	373.26
<b>Total</b>	<b>(559.17)</b>	<b>(282.78)</b>	<b>(841.95)</b>

## FINANCIAL STATEMENTS STANDALONE

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023**Expiry schedule of deferred tax assets not recognised as at 31<sup>st</sup> March, 2023 is as under:**

MAT Credit entitlement:

	₹ crore
<b>Expiry period (as per local tax laws)</b>	<b>Amount</b>
< 1 year	-
1 year to 5 years	155.56
5 years to 10 years	342.22
> 10 years	45.97
<b>Total</b>	<b>543.75</b>

FINANCIAL STATEMENTS STANDALONE

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Note No. 28 - Financial Ratios

Sr. No.	Particulars	Numerator	Denominator	Ratios		Variance (%)	Change in ratio in excess of 25% compared to preceding year.
				For the year ended 31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022		
1	Current Ratio (in times)	Current Assets	Current Liabilities	0.53	2.92	-82%	Decrease was primarily on account of increase in current liabilities (mainly increase in current borrowings) & decrease in current assets (mainly decrease in other financial assets)
2	Debt-Equity Ratio (in times)	Total Borrowings (i.e. Non-current borrowings + Current borrowings)	Total Equity	0.46	0.09	389%	Increase was primarily on account of increase in borrowings
3	Debt Service Coverage Ratio (in times)	Profit before tax + Depreciation and amortisation expenses + Interest on term loans and debenture	Interest on debentures + Interest on term loans + Scheduled principal repayments of term loans and debentures (i.e. excluding prepayments and refinancing of debts) during the year	3.76	4.59	-18%	-
4	Return on Equity Ratio (%)	Net profit after tax	Average Net Worth	5.46%	4.73%	15%	-
5	Inventory Turnover (no. of days)	Average Inventory* No of days in the reporting year	Fuel Cost + Stores & Spares Consumed + Purchase of stock in trade	71	88	-19%	-
6	Debtors Turnover (no. of days)	(Average Trade Receivables + Average unbilled revenue)* No of days in the reporting year	Revenue from operations	41	42	-2%	-
7	Payables Turnover (no. of days)	Average Trade payables including acceptances* No of days in the reporting year	Cost of goods sold	81	140	-42%	Decrease was primarily on account of increase in cost of goods sold
8	Net Capital Turnover (in times)	Revenue from operations	Working capital	(4.93)	1.10	-548%	Decrease was primarily on account of increase in Current Borrowings
9	Net Profit Margin (%)	Net profit for the year	Total Income	11.81%	14.72%	-20%	-
10	Return on Capital Employed (%)	Profit before tax plus Interest on long term loans and debentures	Net worth + Total borrowings + Deferred Tax	5.64%	6.02%	-6%	-
11	Return on Investment (%)	Profit generated on sale of investment	Cost of investment	5.53%	3.20%	73%	Increase was primarily on account of increase in profit on sale of investments

## FINANCIAL STATEMENTS STANDALONE

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

### Note No. 29 - 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:

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(i) Custom duty [₹30.68 crore paid under protest (as at 31 <sup>st</sup> March, 2022 ₹30.68 crore)] #	244.05	244.05
(ii) Electricity tax [recoverable from customers as per agreement in case of unfavourable outcome]	122.76	122.76
(iii) Income tax	4.62	55.59
(iv) Entry tax	0.84	0.84
(v) Service tax [₹14.87 crore paid under protest (as at 31 <sup>st</sup> March, 2022 ₹14.87 crore)] #	32.53	32.53
(vi) Goods & Service Tax [₹ Nil paid under protest (as at 31 <sup>st</sup> March, 2022 ₹36.47 crore)]* #	-	37.74
(vii) Others [₹1.22 crore paid under protest (as at 31 <sup>st</sup> March, 2022 ₹1.22 crore)]#⊙	11.87	121.87
	<b>416.67</b>	<b>615.38</b>

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

\* Amount of ₹ Nil crore (previous year ₹26.01 crore) is recoverable from customers as per agreement in case of unfavourable outcome.

⊙ Figures for the year ended 31<sup>st</sup> March, 2022 includes a performance bank guarantee of ₹100 crore and bank guarantee towards Earnest Money Deposit (EMD) of ₹10 crore given by the Company under the resolution plan submitted by the Company to the Committee of Creditors ('CoC') for the Corporate Insolvency Resolution of Ind-Barath Energy (Utkal) Limited ('IBEUL') on 3<sup>rd</sup> October, 2019. The resolution plan was approved by the CoC on 14<sup>th</sup> October, 2019. The said resolution plan was approved by Hon'ble National Company Law Tribunal (NCLT) on 25<sup>th</sup> July, 2022. During the year ended 31<sup>st</sup> March, 2023, the Company has implemented the resolution plan and acquired Ind-Barath Energy (Utkal) Limited. Accordingly the said guarantees are extinguished.

b) Disputes with customers regarding determination of tariff under power supply arrangements aggregating to ₹318.60 crore (as at 31<sup>st</sup> March, 2022 ₹233.27 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:

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Related parties (Refer note 40)	3,280.65	2,093.59

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.

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

## 3] Others:

### a) Pledge of shares:

Nil (as at 31<sup>st</sup> March, 2022: 51,78,15,000) number of shares held as investments in JSW Energy (Barmer) Limited with carrying amount of ₹ Nil (as at 31<sup>st</sup> March, 2022: ₹517.82 crore) have been pledged with the lenders towards its borrowings.

b) In respect of land parcels admeasuring 35.88 hectares (as at 31<sup>st</sup> March, 2022: 35.88 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

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
i] Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	9.36	11.73

ii] Other commitments:

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. 30 - Operating Lease

### A) As lessor

The Company has leased certain land admeasuring to 122.86 acres with carrying amount of ₹7.08 crore (31<sup>st</sup> March, 2022: 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 (Refer note 4A).

### 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:

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Depreciation	8.42	3.91
Interest expense on lease liabilities	1.64	0.07

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# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

Reconciliation of the lease liabilities:

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>Balance as at the beginning of the year</b>	<b>0.86</b>	<b>1.23</b>
Lease liabilities recognised during the year	18.71	-
Interest expense on lease liabilities	1.64	0.07
Cash outflow	(2.04)	(0.44)
<b>Balance as at the end of the year</b>	<b>19.17</b>	<b>0.86</b>

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

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

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
A) Not later than 1 year	5.56	0.45
B) Later than 1 year and not later than 5 years	16.91	0.46
C) Later than 5 years	0.01	*
<b>Total</b>	<b>22.49</b>	<b>0.91</b>

\* Less than ₹50,000

### Note No. 31 - Finance leases

#### As lessor

The Company has identified an arrangement for power supply from its power units which are 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 units given under finance lease.

The minimum lease payments receivable and the present value of minimum lease receivables as at 31<sup>st</sup> March, 2023 in respect of the aforesaid power unit are as under:

Particulars	₹ crore			
	Minimum lease payments		Present value of minimum lease payments	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Not later than 1 year	100.47	14.17	40.16	4.33
Later than 1 year and not later than 5 years	472.83	456.52	273.50	239.99
Later than 5 years	820.57	934.97	567.46	640.46
<b>Total</b>	<b>1,393.87</b>	<b>1,405.66</b>	<b>881.12</b>	<b>884.78</b>
Less: unearned finance income	512.75	520.88	-	-
<b>Lease Receivable (Refer note 8)</b>	<b>881.12</b>	<b>884.78</b>	<b>881.12</b>	<b>884.78</b>

Unguaranteed residual value of assets leased under finance leases at the end of the reporting period is estimated at ₹296.37 crore (as at 31<sup>st</sup> March, 2022: ₹295.35 crore).



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to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Note No. 32 - Details of Corporate Social Responsibility (CSR) Expenditure

₹ crore

Sr. No.	Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
1	Amount required to be spent by the company during the year	9.58	6.82
2	Amount of expenditure incurred	9.58	6.82
3	Shortfall at the end of the year	-	-
4	Total of previous years shortfall	-	-
5	Reason for shortfall	NA	NA
6	Nature of CSR activities	1. Educational infrastructure & systems strengthening 2. General community infrastructure support & welfare initiatives 3. Public health infrastructure, capacity building & support programs 4. Nurturing aquatic & terrestrial ecosystems for better environment & reduced emissions 5. Enhance Skills & rural livelihoods through nurturing of supportive ecosystems & innovations 6. Integrated water resources management 7. Sports promotion & institution building 8. COVID 19 Support & rehabilitation program 9. Waste management & sanitation initiatives 10. Project Management Cost	
7	Amount unspent, if any;	-	-
8	Details of related party transactions (Refer note 40)	Donation paid to JSW Foundation, a related party in relation to CSR expenditure	
9	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	-	-

## Note No. 33 - Employee benefits expense

### 1] Defined contribution plans

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

#### A] Provident fund:

The Company's contribution to provident fund recognized in standalone statement of profit and loss of ₹4.85 crore (Previous year ₹4.34 crore) (Included in note 22).

#### B] National pension scheme:

The Company's contribution to National Pension Scheme (NPS) recognized in standalone statement of profit and loss of ₹1.58 crore (Previous year: ₹1.25 crore) (Included in note 22).

### 2] Defined benefits plans

The Company provides for gratuity to its employees as per the Payment of Gratuity Act, 1972. The amount of gratuity shall be payable to an employee on the termination of employment after rendering continuous service for not less than five years, or on their superannuation or resignation. However, in case of death of an

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to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

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.

During the year ended 31<sup>st</sup> March, 2023, the compensated absence plans were revised as detailed below:

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

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 31<sup>st</sup> March, 2023 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.

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

## A] Gratuity:

Changes in the defined benefit obligation and fair value of plan assets as at 31<sup>st</sup> March, 2023:

		₹ crore		
Particulars		Defined benefit obligation	Fair value of plan assets	Benefit liability
<b>Opening balance as on 1<sup>st</sup> April, 2022</b>		<b>20.89</b>	<b>0.29</b>	<b>20.60</b>
<b>Gratuity cost charged to the statement of profit and loss</b>	Service cost	1.44	-	1.44
	Net interest expense	1.51	0.02	1.49
<b>Sub-total included in profit or loss</b>		<b>2.95</b>	<b>0.02</b>	<b>2.93</b>
<b>Net Asset / Liability Transferred In/(Out)</b>		<b>0.40</b>	<b>-</b>	<b>0.40</b>
<b>Benefits paid</b>		<b>(0.72)</b>	<b>(0.72)</b>	<b>-</b>
<b>Remeasurement gains / (losses) in other comprehensive income</b>	Return on plan assets (excluding amounts included in net interest expense)	-	0.08	(0.08)
	Actuarial changes arising from changes in demographic assumptions	-	-	-
	Actuarial changes arising from changes in financial assumptions	(0.54)	-	(0.54)
	Experience adjustments	1.16	-	1.16
<b>Sub-total included in OCI</b>		<b>0.62</b>	<b>0.08</b>	<b>0.54</b>
<b>Contributions by employer</b>		<b>-</b>	<b>2.10</b>	<b>(2.10)</b>
<b>Closing balance as on 31<sup>st</sup> March, 2023 (Refer note 18)</b>		<b>24.14</b>	<b>1.77</b>	<b>22.37</b>

Changes in the defined benefit obligation and fair value of plan assets as at 31<sup>st</sup> March, 2022:

		₹ crore		
Particulars		Defined benefit obligation	Fair value of plan assets	Benefit liability
<b>Opening balance as on 1<sup>st</sup> April, 2021</b>		<b>16.30</b>	<b>0.77</b>	<b>15.53</b>
<b>Gratuity cost charged to the statement of profit and loss</b>	Service cost	1.10	-	1.10
	Net interest expense	1.11	0.05	1.06
<b>Sub-total included in profit or loss</b>		<b>2.21</b>	<b>0.05</b>	<b>2.16</b>
<b>Net Asset / Liability Transferred In/(Out)</b>		<b>(0.21)</b>	<b>-</b>	<b>(0.21)</b>
<b>Benefits paid</b>		<b>(0.51)</b>	<b>(0.51)</b>	<b>-</b>
<b>Remeasurement gains / (losses) in other comprehensive income</b>	Return on plan assets (excluding amounts included in net interest expense)	-	(0.02)	0.02
	Actuarial changes arising from changes in demographic assumptions	0.09	-	0.09
	Actuarial changes arising from changes in financial assumptions	2.41	-	2.41
	Experience adjustments	0.60	-	0.60
<b>Sub-total included in OCI</b>		<b>3.10</b>	<b>(0.02)</b>	<b>3.12</b>
<b>Contributions by employer</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Closing balance as on 31<sup>st</sup> March, 2022 (Refer note 18)</b>		<b>20.89</b>	<b>0.29</b>	<b>20.60</b>

The actual return on plan assets (including interest income) was ₹0.06 crore (previous year ₹0.07 crore).

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

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
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.

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

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Discount rate	7.50%	7.23%
Future salary increases	8.00%	8.00%
Rate of employee turnover	4.40%	4.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

### Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are 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.

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

Particulars	For the	For the
	year ended	year ended
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Delta Effect of +1% Change in Rate of Discounting	(1.66)	(1.56)
Delta Effect of -1% Change in Rate of Discounting	1.90	1.81
Delta Effect of +1% Change in Rate of Salary Increase	1.87	1.78
Delta Effect of -1% Change in Rate of Salary Increase	(1.67)	(1.57)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.07)	(0.10)
Delta Effect of -1% Change in Rate of Employee Turnover	0.08	0.11

₹ crore

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

**The following are the maturity analysis of projected benefit obligations:**

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>Projected benefits payable in future years</b>		
Within the next 12 months (next annual reporting period)	4.77	4.23
Between 2 and 5 years	5.03	3.92
Between 5 and 10 years	10.22	6.85
Above 10 years	28.48	28.44
<b>Total expected payments</b>	<b>48.50</b>	<b>43.44</b>

₹ crore

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 ₹3.32 crore (previous year ₹2.91 crore) to its gratuity plan for the next year. The weighted average duration of the plan is 9 years (previous year 10 years).

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to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

**B. Compensated absences:**

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

**C. 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 who have 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 group 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.

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

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

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

Vesting of the options granted under the ESOP 2021 shall be at least one year from the date of Grant. 25% of the granted options would vest on the date following 1 year from the date of respective grant, 25% of the granted options would vest on the date following 2 years from the date of respective grant and the remaining 50% on the date following 3 years from the date of respective grant.

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

The Company has offered equity options under ESOP Samruddhi 2021 to the permanent employees, including whole-time director, of the Company who have been working in India or outside India, in the grades of L-1 to L-15 (excluding the employees granted options under ESOP 2021), except any employee who is a promoter or belongs to the promoter group or a director who either by himself or through his relatives or through any body

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to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company and Independent directors, Nominee Directors and Non-Executive Directors.

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

Vesting of the options granted under the ESOP Samruddhi 2021 shall be at least one year from the date of Grant. 25% of the granted options would vest on the date following 2 years from the date of respective grant, 25% of the granted options would vest on the date following 3 years from the date of respective grant and the remaining 50% on the date following 4 years from the date of respective grant.

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

Particulars	ESOP 2016			ESOP 2021		ESOP Samruddhi 2021
	3 <sup>rd</sup> May, 2016	20 <sup>th</sup> May, 2017	1 <sup>st</sup> Nov, 2018	7 <sup>th</sup> Aug, 2021	7 <sup>th</sup> Aug, 2022	7 <sup>th</sup> Aug, 2021
Grant Date	3 <sup>rd</sup> May, 2016	20 <sup>th</sup> May, 2017	1 <sup>st</sup> Nov, 2018	7 <sup>th</sup> Aug, 2021	7 <sup>th</sup> Aug, 2022	7 <sup>th</sup> Aug, 2021
Vesting period	3/4 years	3/4 years	3/4 years	1/2/3 years	1/2/3 years	2/3/4 years
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity
Exercise price (₹)	53.68	51.80	51.96	10.00	10.00	10.00
Fair value (₹)	30.78	28.88	37.99	229.88	250.50	228.50
Dividend yield (%)	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Expected volatility (%)	46.32% / 44.03%	44.50% / 45.16%	42.57% / 43.53%	42.53% / 42.22% / 40.85%	47.51% / 44.43% / 43.44%	42.22% / 40.85% / 42.45%
Risk-free interest rate (%)	7.40% / 7.47%	6.90% / 6.98%	7.78% / 7.84%	5.02% / 5.44% / 5.78%	6.73% / 6.90% / 7.01%	5.44% / 5.78% / 6.06%
Expected life of share options	5/6 years	5/6 years	5/6 years	3/4/5 years	3/4/5 years	4/5/6 years
Weighted average exercise price (₹)	53.68	51.80	51.96	10.00	10.00	10.00
Pricing formula:						
Book close date	2 <sup>nd</sup> May, 2016	19 <sup>th</sup> May, 2017	31 <sup>st</sup> Oct, 2018	6 <sup>th</sup> Aug, 2021	6 <sup>th</sup> Aug, 2022	6 <sup>th</sup> Aug, 2021
Closing market Price (₹)	67.10	64.75	64.95	246.17	266.35	246.17
Exercise price (₹)	53.68	51.80	51.96	10.00	10.00	10.00
Discount (%)	20%	20%	20%	-	-	-
Share options outstanding:						
<b>As on 1<sup>st</sup> April, 2021</b>	<b>2,11,946</b>	<b>5,62,562</b>	<b>9,82,498</b>	-	-	-
Granted	-	-	-	2,38,305	-	10,55,000
Exercised	(2,11,946)	(4,33,824)	(78,864)	-	-	-
Lapsed	-	-	-	-	-	(53,300)
<b>As on 31<sup>st</sup> March, 2022</b>	<b>-</b>	<b>1,28,738</b>	<b>9,03,634</b>	<b>2,38,305</b>	<b>-</b>	<b>10,01,700</b>
Granted	-	-	-	-	2,10,300	-
Exercised	-	(54,789)	(6,05,921)	(18,125)	-	(2,800)
Lapsed	-	-	-	-	-	(34,600)
<b>As on 31<sup>st</sup> March, 2023</b>	<b>-</b>	<b>73,949</b>	<b>2,97,713</b>	<b>2,20,180</b>	<b>2,10,300</b>	<b>9,64,300</b>

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

Particulars	ESOP 2016	ESOP 2021	ESOP Samruddhi 2021
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 matches the expected life of the option.		
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	The following factors have been considered: (a) Share price (b) Exercise prices (c) Historical volatility (d) Expected option life (e) Dividend Yield		
Whether and how any other features of the option grant were incorporated 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.

### 3] Code on Social Security, 2020

The Code on Social Security, 2020 ("the Code") received presidential assent on 28<sup>th</sup> September, 2020. However, the date on which the Code will come into effect has not yet been notified. The Company will record any related financial impact of the Code in the books of account, in the period(s) in which the Code becomes effective.

### Note No. 34 - Project status

#### Raigarh Project

Having regard to pending completion of the power project at Raigarh, Chhattisgarh, tying up of long-term power supply agreements and securing the fuel linkages, the Company has assessed the recoverable value of the underlying assets based on the estimate regarding value by sale of freehold land, recoverability of leasehold advances and deposits from authorities and accordingly, loss allowance for impairment amounting to ₹10 crore (Previous Year: ₹10.00 crore) was recognised towards the carrying amount of investment in equity shares.

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### Note No. 35 - Earnings per share ["EPS"] [Basic and Diluted]

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Profit attributable to equity holders of the Company [₹ crore] [A]	711.02	569.82
Weighted average number of equity shares for basic EPS [B]	1,64,08,29,131	1,64,32,11,927
<b>Effect of dilution:</b>		
Weighted average number of equity shares held through ESOP trust	34,95,418	26,99,504
Weighted average number of equity shares adjusted for the effect of dilution [C]	1,64,43,24,549	1,64,59,11,431
Basic Earnings Per Share [₹] - [A/B]	4.33	3.47
Diluted Earnings Per Share [₹] - [A/C]	4.32	3.46
Nominal value of an equity share [₹]	10.00	10.00

### Note No. 36 - Acquisition of Ind-Barath Energy (Utkal) Limited

Pursuant to Corporate Insolvency Resolution Process under the Insolvency Bankruptcy Code, 2016, the Resolution Plan submitted by the Company for Ind-Barath Energy (Utkal) Limited ("IBEUL") was approved by the Hon'ble National Company Law Tribunal, Hyderabad on 25<sup>th</sup> July, 2022. The Company has completed acquisition of 95% equity shares of IBEUL (balance 5% held by secured creditors) through its wholly owned subsidiary JSW Energy (Jharsuguda) Limited on 28<sup>th</sup> December, 2022 for a consideration of ₹1,048.84 crore (including additional interim management cost of ₹1.24 crore) as per the approved resolution plan and allocated the same to the identified assets and liabilities acquired on the basis of their relative fair values. IBEUL owns a 700 MW (350 MW x 2 units) thermal power plant located at Jharsuguda district of Odisha of which Unit-I had been commissioned in 2016 but remained non-operational since then due to various reasons while Unit-II is yet to be completed and commissioned.

### Note No. 37 - Remuneration to auditors (excluding GST)

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Services as statutory auditors (including quarterly limited reviews)	1.43	1.28
Other services	0.29	0.30
Reimbursement of out-of-pocket expenses	0.01	0.01
<b>Total</b>	<b>1.73</b>	<b>1.59</b>

₹ crore



## FINANCIAL STATEMENTS STANDALONE

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to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

### Note No. 38 - Financial instruments

#### A. Financial instruments

##### i) Financial instruments by category:

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023				As at 31 <sup>st</sup> March, 2022			
	FVTPL	FVTOCI	Amortised cost	Total	FVTPL	FVTOCI	Amortised cost	Total
<b>Financial assets</b>								
Investments in government security	-	-	*	*	-	-	*	*
Investments in equity shares	6.52	4,819.34	-	4,825.86	6.52	5,131.36	-	5,137.88
Investment in preference shares	6.21	-	-	6.21	6.71	-	-	6.71
Investment in mutual funds	75.82	-	-	75.82	212.60	-	-	212.60
Investment in optionally convertible debentures	88.93	-	-	88.93	-	-	-	-
Loans	-	-	198.26	198.26	-	-	943.61	943.61
Finance lease receivable	-	-	881.12	881.12	-	-	884.78	884.78
Security deposits	-	-	201.79	201.79	-	-	116.27	116.27
Interest receivable	-	-	24.36	24.36	-	-	18.17	18.17
Trade receivables	-	-	396.11	396.11	-	-	359.70	359.70
Unbilled Revenue	-	-	307.81	307.81	-	-	220.05	220.05
Cash and cash equivalents (CCE)	-	-	263.62	263.62	-	-	40.20	40.20
Bank balances other than CCE	-	-	192.46	192.46	-	-	188.49	188.49
Consideration receivable from a subsidiary on transfer of investment in equity shares / business	-	-	-	-	-	-	2,046.01	2,046.01
<b>Total</b>	<b>177.48</b>	<b>4,819.34</b>	<b>2,465.53</b>	<b>7,462.35</b>	<b>225.83</b>	<b>5,131.36</b>	<b>4,817.28</b>	<b>10,174.47</b>
<b>Financial liabilities</b>								
Borrowings	-	-	6,273.62	6,273.62	-	-	1,271.68	1,271.68
Foreign currency forward contracts	1.66	-	-	1.66	3.89	-	-	3.89
Interest accrued but not due on borrowings	-	-	14.30	14.30	-	-	6.57	6.57
Unclaimed dividends	-	-	0.58	0.58	-	-	0.70	0.70
Lease deposits	-	-	0.49	0.49	-	-	0.46	0.46
Lease liabilities	-	-	19.17	19.17	-	-	0.86	0.86
Payable for capital supplies / services	-	-	51.55	51.55	-	-	60.38	60.38
Trade payables	-	-	640.51	640.51	-	-	764.26	764.26
Acceptances	-	-	260.00	260.00	-	-	119.73	119.73
Others	-	-	3.04	3.04	-	-	3.05	3.05
<b>Total</b>	<b>1.66</b>	<b>-</b>	<b>7,263.26</b>	<b>7,264.92</b>	<b>3.89</b>	<b>-</b>	<b>2,227.69</b>	<b>2,231.58</b>

\* less than ₹50,000

##### ii) Fair value hierarchy:

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

- Recognised and measured at fair value.
- 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 STATEMENTS STANDALONE

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

### Financial assets and 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 it's fair value.

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022	Level	Valuation techniques and key inputs
<b>Financial assets</b>				
Investment in equity shares	4,819.34	5,131.36	1	Quoted bid price in an active market
Investment in equity shares	6.52	6.52	3	Net Asset value of shares has been considered as its fair value
Investment in Mutual Funds	75.82	212.60	2	The mutual funds are valued using the closing NAV
Investment in preference shares	6.21	6.71	3	Discounted cash flow method - Future cash flows are based on terms of preference shares discounted at a rate that reflects market risk
Investment in optionally convertible debentures	88.93	-	3	The fair value has been determined based on discounted cash flows
<b>Total</b>	<b>4,996.82</b>	<b>5,357.19</b>		
<b>Financial liabilities</b>				
Foreign currency forward contracts	1.66	3.89	2	The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
<b>Total</b>	<b>1.66</b>	<b>3.89</b>		

### 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	Discount rate	0.50%	0.50% increase / decrease in the discount rate would decrease / increase the fair value by ₹0.23 crore / ₹0.24 crore (Previous year ₹0.27 crore / ₹0.28 crore).
Investment in optionally convertible debentures	DCF method	Discount rate	0.50%	0.50% increase / decrease in the discount rate would decrease / increase the fair value by ₹11.46 crore / ₹12.87 crore (Previous year ₹ Nil / ₹ Nil).

### Reconciliation of Level 3 fair value measurement:

#### i) Investment in preference shares

₹ crore

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>Opening balance</b>	<b>6.71</b>	<b>6.10</b>
Gain / (loss) recognised in statement of profit and loss	(0.50)	0.61
<b>Closing balance</b>	<b>6.21</b>	<b>6.71</b>

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

## ii) Investment in optionally convertible debentures

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>Opening balance</b>	-	-
Investment made during the year	164.03	-
Gain / (loss) recognised in statement of profit and loss	(75.10)	-
<b>Closing balance</b>	<b>88.93</b>	-

### Financial assets and liabilities measured at amortised cost:

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

Particulars	₹ crore				
	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022		Level
	Carrying value	Fair value	Carrying value	Fair value	
<b>Financial assets</b>					
Loans	79.85	79.85	73.62	73.62	3
Finance lease receivable*	881.12	863.67	884.78	868.16	3
Security deposits	152.28	151.97	91.22	91.41	3
<b>Total</b>	<b>1,113.25</b>	<b>1,095.49</b>	<b>1,049.62</b>	<b>1,033.19</b>	
<b>Financial liabilities</b>					
Borrowings *	3,942.00	3,942.00	874.87	874.87	3
Lease deposits	0.49	0.63	0.45	0.56	3
<b>Total</b>	<b>3,942.49</b>	<b>3,942.63</b>	<b>875.32</b>	<b>875.43</b>	

\* 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.

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### 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 as suitable.

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

	₹ crore
<b>As at 31<sup>st</sup> March, 2023</b>	<b>USD</b>
<b>Financial assets</b>	
Loans	79.85
<b>Total</b>	<b>79.85</b>
<b>Financial liabilities</b>	
Foreign currency forward contracts	1.66
Acceptances	260.00
Trade payables	432.46
Interest accrued	0.61
<b>Total</b>	<b>694.73</b>

	₹ crore
<b>As at 31<sup>st</sup> March, 2022</b>	<b>USD</b>
<b>Financial assets</b>	
Loans	73.62
<b>Total</b>	<b>73.62</b>
<b>Financial liabilities</b>	
Foreign currency forward contracts	3.89
Acceptances	119.73
Trade payables	480.85
Interest accrued	0.17
<b>Total</b>	<b>604.64</b>

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	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
No. of contracts	10	10
Type of contracts	Buy	Buy
Equivalent to USD in millions	87.48	74.22
Average exchange rate (1 USD = ₹)	82.56	76.53
Nominal value (₹ crore)	722.20	568.03
Fair value MTM - asset / (liability) (₹ crore)	(1.66)	(3.89)

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

## 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 as under:

Particulars	Currency	Foreign currency equivalent		₹ crore	
		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>1. Receivables in foreign currency</b>					
Loan to foreign subsidiary	USD	97,12,124	97,12,124	79.85	73.62
<b>2. Payables in foreign currency</b>					
Trade payable	USD	1,57,939	50,39,658	1.30	38.20

## Foreign currency risk sensitivity

The following table details the Company's sensitivity to a 5% appreciation and depreciation 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 <sup>st</sup> March, 2023		For the year ended 31 <sup>st</sup> March, 2022	
	5% appreciation	5% depreciation	5% appreciation	5% depreciation
<b>Receivables</b>				
USD / INR	3.99	(3.99)	3.68	(3.68)
<b>Payables</b>				
USD / INR	0.06	(0.06)	1.91	(1.91)

## 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.

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

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

₹ crore			
As at 31 <sup>st</sup> March, 2023	Net balance	Unamortised transaction cost	Gross balance
Fixed rate borrowings	2,758.02	0.04	2,758.06
Floating rate borrowings	3,515.60	15.43	3,531.03
<b>Total borrowings</b>	<b>6,273.62</b>	<b>15.47</b>	<b>6,289.09</b>

₹ crore			
As at 31 <sup>st</sup> March, 2022	Net balance	Unamortised transaction cost	Gross balance
Fixed rate borrowings	199.93	0.07	200.00
Floating rate borrowings	1,071.75	0.06	1,071.81
<b>Total borrowings</b>	<b>1,271.68</b>	<b>0.13</b>	<b>1,271.81</b>

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 31<sup>st</sup> March, 2023 would decrease / increase by ₹17.58 crore (for the year ended 31<sup>st</sup> March, 2022: decrease / increase by ₹5.36 crore). This is mainly attributable to the Company's exposure to interest rates on its floating rate borrowings.

### 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 ₹4,734.15 crore (previous year ₹2,674.28 crore) from two (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 40)

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

## 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, 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 liabilities.

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

₹ crore				
As at 31 <sup>st</sup> March, 2023	< 1 year	1-5 years	> 5 years	Total
<b>Financial liabilities</b>				
Acceptances	260.00	-	-	260.00
Trade payables	640.51	-	-	640.51
Payable for capital supplies / services	51.55	-	-	51.55
Interest accrued	14.30	-	-	14.30
Borrowings	3,137.26	2,741.26	395.10	6,273.62
Foreign currency forward contracts	1.66	-	-	1.66
Lease deposits	-	-	0.49	0.49
Lease liabilities	3.78	15.38	0.01	19.17
Unclaimed dividend	0.58	-	-	0.58
Other payables	-	-	3.04	3.04
<b>Total liabilities</b>	<b>4,109.64</b>	<b>2,756.64</b>	<b>398.64</b>	<b>7,264.92</b>
<b>Future interest on borrowings</b>	<b>253.86</b>	<b>495.08</b>	<b>27.45</b>	<b>776.39</b>

₹ crore				
As at 31 <sup>st</sup> March, 2022	< 1 year	1-5 years	> 5 years	Total
<b>Financial liabilities</b>				
Acceptances	119.73	-	-	119.73
Trade payables	764.26	-	-	764.26
Payable for capital supplies / services	60.38	-	-	60.38
Interest accrued	6.57	-	-	6.57
Borrowings	596.74	674.94	-	1,271.68
Foreign currency forward contracts	3.89	-	-	3.89
Lease deposits	-	-	0.46	0.46
Lease liabilities	0.41	0.45	-	0.85
Unclaimed dividend	0.70	-	-	0.70
Other payables	-	-	3.05	3.05
<b>Total liabilities</b>	<b>1,552.67</b>	<b>675.39</b>	<b>3.52</b>	<b>2,231.58</b>
<b>Future interest on borrowings</b>	<b>55.57</b>	<b>33.48</b>	<b>-</b>	<b>89.05</b>

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

The amount of guarantees given on behalf of other parties included in Note 29 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.

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to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

### 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:

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Increase in quoted market price by 15% (Previous year 15%)	722.90	769.70
Decrease in quoted market price by 15% (Previous year 15%)	(722.90)	(769.70)

### VI. Fuel supply risk management

The Company is currently using imported coal from countries like Indonesia, South Africa, Russia 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.

### Note No. 39 - 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:

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Debt <sup>1</sup>	6,273.62	1,271.68
Cash and bank balances <sup>2</sup>	345.17	257.09
Net debt <sup>(1-2)</sup>	5,928.45	1,014.59
Total equity <sup>3</sup>	13,609.41	13,487.71
<b>Net debt to equity ratio</b>	<b>0.44</b>	<b>0.08</b>

1 Debt includes long-term debt including (current & non current) and short term debt as described in note 15.

2 Includes cash and cash equivalents, balances in bank deposits (other than earmarked deposits) and investments in mutual funds as described in note 13A, note 13B and note 6.

3 Includes equity share capital and other equity as described in note 14A and note 14B.



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to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Note No. 40 Related party disclosure

### List of Related Parties

#### I. Subsidiaries

1. JSW Power Trading Company Limited
2. JSW Energy (Barmer) Limited
3. Jaigad PowerTransco Limited
4. JSW Hydro Energy Limited
5. JSW Energy (Raigarh) Limited
6. JSW Energy (Kutehr) Limited
7. JSW Renew Energy (Raj) Limited (w.e.f. 20<sup>th</sup> May, 2021)
8. JSW Renew Energy (Kar) Limited (w.e.f. 22<sup>nd</sup> May, 2021)
9. JSW Future Energy Limited (Formerly Known as JSW Solar Limited) (Amalgamated with JSW Neo Energy Limited w.e.f. 26<sup>th</sup> March, 2023) (Refer note 6)
10. JSW Neo Energy Limited (w.e.f. 6<sup>th</sup> July, 2021)
11. JSW Electric Vehicles Private Limited (Upto 29<sup>th</sup> March, 2022)
12. JSW Renewable Energy (Vijayanagar) Limited
13. JSW Renewable Energy (Dolvi) Limited
14. JSW Renew Energy Limited
15. JSW Renew Energy Two Limited
16. JSW Renew Energy Three Limited (w.e.f. 8<sup>th</sup> October, 2021)
17. JSW Energy Natural Resources Mauritius Limited
18. JSW Energy Natural Resources South Africa (Pty) Limited
19. South African Coal Mining Holdings Limited
20. Royal Bafokeng Capital (Pty) Limited
21. Mainsail Trading 55 (Pty) Limited
22. SACM (Breyten) Proprietary Limited
23. Umlabul Colliery Proprietary Limited
24. South African Coal Mining Operations Proprietary Limited
25. JSW Energy PSP One Limited (w.e.f. 8<sup>th</sup> October, 2021)
26. JSW Energy PSP Two Limited (w.e.f. 7<sup>th</sup> September, 2021)
27. JSW Energy PSP Three Limited (w.e.f. 21<sup>st</sup> October, 2021)
28. JSW Renew Energy Four Limited (w.e.f. 8<sup>th</sup> October, 2021) (Formerly known as JSW Energy PSP Four Limited)
29. JSW Renew Energy Five Limited (w.e.f. 10<sup>th</sup> March, 2022)
30. JSW Renew Energy Six Limited (w.e.f. 11<sup>th</sup> March, 2022)
31. JSW Renew Energy Seven Limited (w.e.f. 14<sup>th</sup> March, 2022)
32. JSW Green Hydrogen Limited (w.e.f. 7<sup>th</sup> September, 2021) (Formerly known as JSW Energy PSP Five Limited)
33. JSW Energy (Jharsuguda) Limited (Amalgamated with Ind-Barath Energy (Utkal) Limited w.e.f. 28<sup>th</sup> December, 2022) (Refer note 36)
34. Ind-Barath Energy (Utkal) Limited (w.e.f. 28<sup>th</sup> December, 2022)
35. JSW Renewable Energy (Cement) Limited (w.e.f. 24<sup>th</sup> June 2022)
36. JSW Renewable Energy (Coated) Limited (w.e.f. 23<sup>rd</sup> May, 2022)
37. JSW Renewable Energy (Amba River) Limited (w.e.f. 5<sup>th</sup> August, 2022)
38. JSW Renewable Technologies Limited (w.e.f. 8<sup>th</sup> September, 2022)
39. Mytrah Aakash Power Private Limited (w.e.f. 29<sup>th</sup> March, 2023)

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to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

40. Mytrah Abhinav Power Private Limited (w.e.f. 29<sup>th</sup> March, 2023)
41. Mytrah Adarsh Power Private Limited (w.e.f. 29<sup>th</sup> March, 2023)
42. Mytrah Advait Power Private Limited (w.e.f. 29<sup>th</sup> March, 2023)
43. Mytrah Agriya Power Private Limited (w.e.f. 29<sup>th</sup> March, 2023)
44. Mytrah Akshaya Energy Private Limited (w.e.f. 29<sup>th</sup> March, 2023)
45. Mytrah Tejas Power Private Limited (w.e.f. 29<sup>th</sup> March, 2023)
46. Mytrah Aadhya Power Private Limited (w.e.f. 29<sup>th</sup> March, 2023)
47. Mytrah Ainesh Power Private Limited (w.e.f. 29<sup>th</sup> March, 2023)
48. Nidhi Wind Farms Private Limited (w.e.f. 29<sup>th</sup> March, 2023)
49. Bindu Vayu Urja Private Limited (w.e.f. 29<sup>th</sup> March, 2023)
50. Mytrah Vayu (Godavari) Private Limited (w.e.f. 29<sup>th</sup> March, 2023)
51. Mytrah Vayu (Krishna) Private Limited (w.e.f. 29<sup>th</sup> March, 2023)
52. Mytrah Vayu (Manjira) Private Limited (w.e.f. 29<sup>th</sup> March, 2023)
53. Mytrah Vayu (Pennar) Private Limited (w.e.f. 29<sup>th</sup> March, 2023)
54. Mytrah Vayu (Sabarmati) Private Limited (w.e.f. 29<sup>th</sup> March, 2023)
55. Mytrah Vayu (Som) Private Limited (w.e.f. 29<sup>th</sup> March, 2023)
56. Mytrah Vayu Urja Private Limited (w.e.f. 29<sup>th</sup> March, 2023)
57. Mytrah Vayu (Bhavani) Private Limited (w.e.f. 29<sup>th</sup> March, 2023)
58. Mytrah Vayu (Chitravati) Private Limited (w.e.f. 29<sup>th</sup> March, 2023)
59. Mytrah Vayu (Hemavati) Private Limited (w.e.f. 29<sup>th</sup> March, 2023)
60. Mytrah Vayu (Kaveri) Private Limited (w.e.f. 29<sup>th</sup> March, 2023)
61. Mytrah Vayu (Maansi) Private Limited (w.e.f. 29<sup>th</sup> March, 2023)
62. Mytrah Vayu (Palar) Private Limited (w.e.f. 29<sup>th</sup> March, 2023)
63. Mytrah Vayu (Parbati) Private Limited (w.e.f. 29<sup>th</sup> March, 2023)
64. Mytrah Vayu (Sharavati) Private Limited (w.e.f. 29<sup>th</sup> March, 2023)
65. Mytrah Vayu (Tapti) Private Limited (w.e.f. 29<sup>th</sup> March, 2023)
66. Mytrah Vayu (Adyar) Private Limited (w.e.f. 29<sup>th</sup> March, 2023)

### 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. Parth Jindal - Non Executive Director (w.e.f. 28<sup>th</sup> October, 2022)
- 3 Mr. Prashant Jain – Jt. Managing Director & CEO
- 4 Mr. Pritesh Vinay - Chief Financial Officer (From 16<sup>th</sup> September, 2020 upto 23<sup>rd</sup> March, 2022)  
- Director Finance (w.e.f 24<sup>th</sup> March, 2022)
- 5 Ms. Monica Chopra – Company Secretary
- 6 Ms. Rupa Devi Singh - Independent Director
- 7 Mr. Sunil Goyal - Independent Director
- 8 Mr. Munesh Khanna - Independent Director
- 9 Mr. Rajeev Sharma - Independent Director (w.e.f. 24<sup>th</sup> March, 2022)
- 10 Mr. Desh Deepak Verma - Independent Director (w.e.f. 21<sup>st</sup> July, 2022)
- 11 Mr. Sattiraju Seshagiri Rao - Independent Director (upto 3<sup>rd</sup> May, 2021)
- 12 Mr. Chandan Bhattacharya - Independent Director (upto 31<sup>st</sup> March, 2022)

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to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

### IV. Other related parties with whom the Company has entered into transactions

- 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 Gagan Trading Company Limited
- 18 JSW Paints Private Limited
- 19 Everbest Consultancy Services Private Limited
- 20 Mangalore Coal Terminal Private Limited
- 21 Epsilon Carbon Private Limited
- 22 Asian Colour Coated Ispat Limited
- 23 JSW Severfield Structures Limited
- 24 Sapphire Airlines Private Limited
- 25 JSW Projects Limited
- 26 Ennore Coal Terminal Private Limited
- 27 JSL Lifestyle Limited
- 28 Jindal Stainless Limited
- 29 Neotrex Steel Private Limited
- 30 MJSJ Coal Limited
- 31 Epsilon Graphite Private Limited
- 32 IOTA Finance Private Limited
- 33 Bhushan Power & Steel Limited
- 34 B M M Ispat Limited
- 35 JSW Minerals Trading Private Limited
- 36 Gopal Traders Private Limited

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to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

## A) Transactions during the year

Particulars	Relationship	₹ crore	
		For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>1 Sale of power / material / asset to:</b>			
JSW Steel Limited	Others	2,089.96	1,365.87
JSW Power Trading Company Limited	Subsidiary	1,744.10	832.34
JSW Cement Limited	Others	147.92	117.41
JSW Steel Coated Products Limited	Others	1.61	-
Amba River Coke Limited	Others	0.86	-
JSW Paints Private Limited	Others	4.11	2.96
JSW Severfield Structures Limited	Others	9.50	6.54
Epsilon Carbon Private Limited	Others	47.93	24.24
Asian Colour Coated Ispat Limited	Others	54.31	38.75
JSW Energy (Barmer) Limited	Subsidiary	0.05	0.09
JSW Renewable Energy (Vijayanagar) Limited	Subsidiary	0.08	-
Epsilon Graphite Private Limited	Others	0.36	-
IOTA Finance Private Limited	Others	0.11	-
JSW Jaigarh Port Limited	Others	6.30	-
Neotrex Steel Private Limited	Others	6.43	-
Bhushan Power & Steel Limited	Others	214.38	-
B M M Ispat Limited	Others	6.39	-
JSW Renewable Energy (Cement) Limited	Subsidiary	0.45	-
<b>2 Service rendered:</b>			
<b>i) Operator fee from:</b>			
JSW Steel Limited	Others	205.34	198.38
JSW Cement Limited	Others	5.26	5.07
<b>ii) Job Work Services:</b>			
JSW Steel Limited	Others	497.24	483.92
Amba River Coke Limited	Others	44.96	45.91
JSW Steel Coated Products Limited	Others	79.95	80.61
JSW Cement Limited	Others	27.13	19.80
<b>iii) Other services:</b>			
South West Mining Limited	Others	1.50	3.44
<b>3 Purchase of fuel / goods/ assets:</b>			
JSW Steel Limited	Others	406.85	649.21
JSW Cement Limited	Others	0.08	1.92
Jindal Steel & Power Limited	Others	-	0.87
JSW International Trade Corp Pte Limited	Others	617.24	659.56
JSW Steel Coated Products Limited	Others	0.76	0.96
South West Mining Limited	Others	0.13	0.09
Amba River Coke Limited	Others	0.43	0.29
JSW Paints Private Limited	Others	2.41	0.09
JSW Minerals Trading Private limited	Others	117.99	-
JSW Energy (Barmer) Limited	Subsidiary	0.50	-

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# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

₹ crore

Particulars	Relationship	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>4 Service received from:</b>			
South West Port Limited	Others	16.48	2.89
JSW Jaigarh Port Limited	Others	47.88	58.40
JSW Green Private Limited	Others	0.83	0.77
JSW Global Business Solutions Limited	Others	2.42	2.26
Jindal Vidya Mandir	Others	0.67	0.68
JSW Infrastructure Limited	Others	9.56	4.82
Mangalore Coal Terminal Private Limited	Others	7.67	9.58
Everbest Consultancy Services Private Limited	Others	0.03	0.03
<b>5 Interest income on overdue receivables:</b>			
JSW Power Trading Company Limited	Subsidiary	-	10.94
Amba River Coke Limited	Others	0.22	(0.21)
JSW Cement Limited	Others	-	2.34
JSW Steel Coated Products Limited	Others	-	0.65
JSW Steel Limited	Others	2.57	3.32
JSW Paints Private Limited	Others	-	0.02
Epsilon Carbon Private Limited	Others	-	0.05
Asian Colour Coated Ispat Limited	Others	-	*
<b>6 Interest income on financial assets:</b>			
South West Mining Limited	Others	9.71	8.96
JSW Global Business Solutions Limited	Others	-	0.22
JSW Energy Natural Resources Mauritius Limited	Subsidiary	11.55	0.45
JSW Neo Energy Limited	Subsidiary	-	0.05
Sapphire Airlines Private Limited	Others	4.57	1.88
<b>7 Rent paid / (received) (net):</b>			
JSW Realty & Infrastructure Private Limited	Others	0.61	0.47
JSW Steel Limited	Others	*	*
JSW Jaigarh Port Limited	Others	*	*
Jaigad PowerTransco Limited	Subsidiary	*	*
Gagan Trading Company Limited	Others	1.60	1.61
JSW Renewable Energy (Vijayanagar) Limited	Subsidiary	1.48	-
Gopal Traders Private Limited	Others	4.86	-
<b>8 Donation for CSR expenses:</b>			
JSW Foundation	Others	9.58	6.82
<b>9 Reimbursement received from / (paid to):</b>			
JSW Energy (Barmer) Limited	Subsidiary	10.91	9.68
Jaigad PowerTransco Limited	Subsidiary	0.06	0.11
JSW Power Trading Company Limited	Subsidiary	(0.01)	(0.03)
JSW Steel Limited	Others	8.21	23.27
JSW Cement Limited	Others	0.56	0.92
JSW Infrastructure Limited	Others	0.25	0.38
JSW Steel Coated Products Limited	Others	0.12	0.51
JSW Hydro Energy Limited	Subsidiary	8.77	6.26
Toshiba JSW Power Systems Private Limited	Associate	*	*
JSW Neo Energy Limited	Subsidiary	0.70	0.14
Amba River Coke Limited	Others	-	0.07
JSW Energy (Raigarh) Limited	Subsidiary	-	*
JSW Renewable Energy (Vijayanagar) Limited	Subsidiary	2.03	2.17
JSW Renew Energy Limited	Subsidiary	0.47	*
Ennore Coal Terminal Private Limited	Others	-	(2.08)
Ind-Barath Energy (Utkal) Limited	Subsidiary	0.10	-

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# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

₹ crore

Particulars	Relationship	For the year ended	
		31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>10 Security deposit paid / (received):</b>			
JSW Jaigarh Port Limited	Others	-	7.69
Neotrex Steel Private Limited	Others	-	(3.00)
Sapphire Airlines Private Limited	Others	34.47	30.75
Gopal Traders Private Limited	Others	2.43	-
<b>11 Loan given to:</b>			
JSW Energy (Kutehr) Limited	Subsidiary	52.19	146.32
JSW Renewable Energy (Dolvi) Limited	Subsidiary	-	1.66
South West Mining Limited	Others	-	15.90
JSW Renewable Energy (Vijayanagar) Limited	Subsidiary	-	189.41
JSW Renew Energy Limited	Subsidiary	-	5.50
JSW Neo Energy Limited	Subsidiary	51.06	645.77
JSW Renew Energy Two Limited	Subsidiary	-	63.00
JSW Renew Energy Three Limited	Subsidiary	-	8.28
Ind-Barath Energy (Utkal) Limited	Subsidiary	37.51	-
<b>12 Loan repaid by:</b>			
JSW Neo Energy Limited	Subsidiary	693.83	3.00
JSW Renewable Energy (Dolvi) Limited	Subsidiary	-	1.66
JSW Renewable Energy (Vijayanagar) Limited	Subsidiary	-	189.41
JSW Renew Energy Limited	Subsidiary	-	5.50
JSW Global Business Solutions Limited	Others	-	2.29
JSW Renew Energy Two Limited	Subsidiary	-	63.00
JSW Renew Energy Three Limited	Subsidiary	-	8.28
JSW Energy (Kutehr) Limited	Subsidiary	198.51	-
<b>13 Investment in equity share capital:</b>			
JSW Energy (Raigarh) Limited	Subsidiary	0.09	0.05
JSW Neo Energy Limited	Subsidiary	1,947.00	184.64
Ind-Barath Energy (Utkal) Limited	Subsidiary	0.01	-
<b>14 Investment in equity share capital written off:</b>			
JSW Electric Vehicles Private Limited	Subsidiary	-	0.26
<b>15 Sale of Investment:</b>			
JSW Neo Energy Limited	Subsidiary	-	2,046.01
JSW Energy (Barmer) Limited (buyback of shares)	Subsidiary	-	1,000.00
<b>16 Investment in unsecured perpetual securities:</b>			
JSW Neo Energy Limited	Subsidiary	6,287.13	(425.00)
<b>17 Equity Share application money pending allotment</b>			
JSW Neo Energy Limited	Subsidiary	-	(5.20)
<b>18 Security &amp; collateral provided to/(released):</b>			
JSW Hydro Energy Limited	Subsidiary	-	(161.60)
South West Mining Limited	Others	(47.80)	(44.84)
JSW Renew Energy Two Limited	Subsidiary	(531.32)	1,015.69
JSW Renewable Energy (Vijayanagar) Limited	Subsidiary	(601.12)	729.01
JSW Neo Energy Limited	Subsidiary	560.29	21.37
JSW Energy (Kutehr) Limited	Subsidiary	772.53	12.78
JSW Renew Energy Limited	Subsidiary	(4.13)	117.20
JSW Energy (Barmer) Limited	Subsidiary	(29.22)	-
JSW Renew Energy Six Limited	Subsidiary	39.78	-
JSW Renew Energy Three Limited	Subsidiary	69.18	-
Ind-Barath Energy (Utkal) Limited	Subsidiary	910.00	-
JSW Renewable Energy (Cement) Limited	Subsidiary	48.87	-

FINANCIAL STATEMENTS STANDALONE

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

₹ crore

Particulars	Relationship	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>19 Branding expenses:</b>			
JSW IP Holdings Private Limited	Others	10.37	6.63
<b>20 Dividend income:</b>			
JSW Steel Limited	Others	121.52	45.52
<b>21 Charter Hire Charges:</b>			
Sapphire Airlines Private Limited	Others	6.10	-
<b>22 Investment in optionally convertible debentures:</b>			
Ind-Barath Energy (Utkal) Limited	Subsidiary	164.03	-
<b>23 Loan Taken:</b>			
JSW Energy (Barmer) Limited	Subsidiary	1,695.00	-
JSW Hydro Energy Limited	Subsidiary	789.00	-
<b>24 Loan Repaid to:</b>			
JSW Energy (Barmer) Limited	Subsidiary	25.00	-
<b>25 Interest Paid on Loan</b>			
JSW Hydro Energy Limited	Subsidiary	2.08	-
Neotrex Steel Private Limited	Others	0.10	-

\* Less than ₹50,000

## B) The remuneration to key managerial personnel during the year

₹ crore

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
1. Short-term benefits*	18.52	17.64
2. Post-employment benefits	0.82	0.85
3. Sitting Fees	0.40	0.40
4. Commission to Directors	0.74	0.82
<b>Total</b>	<b>20.48</b>	<b>19.71</b>

\* Excluding amount for ESOPs exercised during the year amounting to ₹10.20 crore.

- The above figures does not include provisions for gratuity, group mediclaim, group personal accident and compensated absences as the same is determined at the company level and is not possible to determine for select individuals.
- The Company has accrued ₹1.54 crore (previous year ₹0.98 crore) in respect of employee stock options granted to Joint Managing Director & CEO, Director (Finance) and Chief Financial Officer by a related party, and to the Joint Managing Director & CEO, Director (Finance), Chief Financial Officer 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.

FINANCIAL STATEMENTS STANDALONE

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

## C) Closing Balances

Particulars	Relationship	₹ crore	
		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>1 Trade payables:</b>			
JSW Jaigarh Port Limited	Others	0.67	19.79
JSL Lifestyle Limited	Others	-	*
JSW Infrastructure Limited	Others	0.93	5.59
JSW Realty & Infrastructure Private Limited	Others	0.21	0.18
JSW Global Business Solutions Limited	Others	0.17	-
JSW Green Private Limited	Others	0.06	0.06
JSW Power Trading Company Limited	Subsidiary	0.02	0.01
JSW Hydro Energy Limited	Subsidiary	1.13	1.19
Everbest Consultancy Services Private Limited	Others	-	0.01
Jindal Vidya Mandir	Others	0.01	0.09
JSW Steel Limited	Others	18.52	8.57
South West Mining Limited	Others	-	0.01
JSW Paints Private Limited	Others	1.03	0.01
Mangalore Coal Terminal Private Limited	Others	0.21	-
JSW Energy (Barmer) Limited	Subsidiary	0.60	-
<b>2 Trade receivables (including unbilled revenue):</b>			
JSW Steel Limited	Others	154.63	375.05
JSW Cement Limited	Others	16.56	28.43
JSW Steel Coated Products Limited	Others	5.55	7.05
Amba River Coke Limited	Others	2.76	3.19
JSW Power Trading Company Limited	Subsidiary	46.17	7.79
JSW Paints Private Limited	Others	0.28	0.60
Asian Colour Coated Ispat Limited	Others	-	4.99
JSW Severfield Structures Limited	Others	1.09	0.86
Jaigad PowerTransco Limited	Subsidiary	*	*
Epsilon Carbon Private Limited	Others	3.49	3.72
JSW Energy (Barmer) Limited	Subsidiary	*	-
South West Mining Limited	Others	-	0.07
Neotrex Steel Private Limited	Others	0.35	-
JSW Jaigarh Port Limited	Others	0.98	-
<b>3 Financial Assets</b>			
JSW Projects Limited	Others	0.01	0.01
JSW Energy (Barmer) Limited	Subsidiary	-	2.14
JSW Neo Energy Limited	Subsidiary	0.13	2,046.15
Jindal Steel & Power Limited	Others	0.03	0.03
JSW Steel Coated Products Limited	Others	0.65	0.52
Jindal Stainless Limited	Others	0.01	0.01
Jaigad PowerTransco Limited	Subsidiary	0.01	0.01
MJSJ Coal Limited	Others	0.02	0.02
JSW International Trade Corp Pte Limited	Others	4.63	6.40
JSW Cement Limited	Others	0.98	0.85
Everbest Consultancy Services Private Limited	Others	*	-
Gagan Trading Company Limited	Others	0.03	0.01
Amba River Coke Limited	Others	*	*
JSW Renewable Energy (Vijayanagar) Limited	Subsidiary	1.51	*
JSW Global Business Solutions Limited	Others	-	0.21
JSW Renew Energy Limited	Subsidiary	0.11	-
Sapphire Airlines Private Limited	Others	0.01	-



FINANCIAL STATEMENTS STANDALONE

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

₹ crore

Particulars	Relationship	As at	As at
		31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>4 Security deposit placed with:</b>			
JSW Steel Limited	Others	3.10	2.88
JSW Realty & Infrastructure Private Limited	Others	8.75	8.14
JSW Jaigarh Port Limited	Others	31.15	28.90
JSW IP Holdings Private Limited	Others	0.90	0.90
Gagan Trading Company Limited	Others	7.55	7.95
Sapphire Airlines Private Limited	Others	65.22	30.75
Gopal Traders Private Limited	Others	1.80	-
<b>5 Security deposit / Lease deposit from:</b>			
JSW Steel Limited	Others	0.08	0.08
Jaigad PowerTransco Limited	Subsidiary	0.14	0.13
JSW Jaigarh Port Limited	Others	0.26	0.25
Jindal Vidya Mandir	Others	*	*
Neotrex Steel Private Limited	Others	3.00	3.00
<b>6 Investment in equity share capital:</b>			
JSW Steel Limited	Others	4,819.34	5,131.36
JSW Energy (Barmer) Limited	Subsidiary	726.05	726.05
Jaigad PowerTransco Limited	Subsidiary	101.75	101.75
JSW Energy (Raigarh) Limited	Subsidiary	80.34	80.25
JSW Power Trading Company Limited	Subsidiary	70.05	70.05
Toshiba JSW Power Systems Private Limited	Associate	15.23	15.23
MJSJ Coal Limited	Others	6.52	6.52
JSW Energy Natural Resources Mauritius Limited	Subsidiary	-	*
JSW Neo Energy Limited	Subsidiary	2,328.68	381.68
Ind-Barath Energy (Utkal) Limited	Subsidiary	0.01	-
<b>7 Investment in preference share capital:</b>			
JSW Power Trading Company Limited	Subsidiary	3.50	3.59
JSW Realty & Infrastructure Private Limited	Others	3.46	3.12
<b>8 Investment in unsecured perpetual securities:</b>			
JSW Neo Energy Limited	Subsidiary	6,457.13	170.00
<b>9 Investment in optionally convertible debentures:</b>			
Ind-Barath Energy (Utkal) Limited	Subsidiary	164.03	-
<b>10 Security &amp; collateral provided to:</b>			
JSW Energy (Barmer) Limited	Subsidiary	-	29.22
South West Mining Limited	Others	120.52	168.32
JSW Renew Energy Two Limited	Subsidiary	484.37	1,015.69
JSW Renewable Energy (Vijayanagar) Limited	Subsidiary	127.89	729.01
JSW Neo Energy Limited	Subsidiary	581.66	21.37
JSW Energy (Kutehr) Limited	Subsidiary	785.31	12.78
JSW Renew Energy Limited	Subsidiary	113.07	117.20
JSW Renew Energy Six Limited	Subsidiary	39.78	-
JSW Renew Energy Three Limited	Subsidiary	69.18	-
Ind-Barath Energy (Utkal) Limited	Subsidiary	910.00	-
JSW Renewable Energy (Cement) Limited	Subsidiary	48.87	-

FINANCIAL STATEMENTS STANDALONE

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

₹ crore

Particulars	Relationship	As at	
		31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>11 Loans / advances to:</b>			
JSW Energy Natural Resources Mauritius Limited	Subsidiary	359.70	331.66
South West Mining Limited	Others	80.90	80.90
JSW Energy (Kutehr) Limited	Subsidiary	-	146.32
JSW Neo Energy Limited	Subsidiary	-	642.77
Ind-Barath Energy (Utkal) Limited	Subsidiary	37.51	-
<b>12 Interest receivable on financial assets:</b>			
JSW Energy Natural Resources Mauritius Limited	Subsidiary	30.99	17.89
Sapphire Airlines Private Limited	Others	6.46	1.88
<b>13 Provision for diminution in value of Investments:</b>			
JSW Energy (Raigarh) Limited	Subsidiary	30.33	20.33
Toshiba JSW Power Systems Private Limited	Associate	15.23	15.23
<b>14 Loss allowances provision-loan:</b>			
JSW Energy Natural Resources Mauritius Limited	Subsidiary	279.85	258.04
<b>15 Loss allowances provision-interest receivables:</b>			
JSW Energy Natural Resources Mauritius Limited	Subsidiary	30.99	17.89
<b>16 Loan Taken:</b>			
JSW Energy (Barmer) Limited	Subsidiary	1,670.00	-
JSW Hydro Energy Limited	Subsidiary	789.00	-

\* Less than ₹50,000

Note:

Terms and conditions of outstanding balances: all outstanding balances are unsecured and payable in cash.

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Note no. 41 - Other statutory information:

- i) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- iv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- v) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- vi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- vii) The Company is not declared wilful defaulter by any bank or financials institution or lender during the year.
- viii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- ix) Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
- x) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- xi) The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.
- xii) The Company does not have any transactions with companies which are struck off except the following:

SN	Name of the struck off company	Nature of transactions	Balance outstanding (₹ crore)		Relationship with the struck off company, if any, to be disclosed
			As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022	
1	Spandan Home Care Limited	Shares held by struck off company	*	*	Shareholder
2	Century Finvest Private Limited	Shares held by struck off company	*	*	Shareholder
3	Unicon Fincap Private Limited	Shares held by struck off company	*	*	Shareholder

\* Less than ₹50,000

FINANCIAL STATEMENTS STANDALONE

# NOTES

to the Standalone Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Note No. 42 - Operating segment

The Company publishes the standalone financial statements along with the consolidated financial statements. In accordance with the Ind AS 108, 'Operating Segments' the company has disclosed the segment information in the consolidated financial statements and therefore no separate disclosure on segment information is given in the standalone financial statements for the year ended 31<sup>st</sup> March, 2023.

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

### a) Revenue from operations

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Within India	5,739.23	3,642.74
Outside India	-	-
<b>Total</b>	<b>5,739.23</b>	<b>3,642.74</b>

### b) Non-current operating assets

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

## Note No. 43

Previous year's figures have been regrouped / reclassified wherever necessary.

### For and on behalf of Board of Directors

**Prashant Jain**

Jt. Managing Director & CEO  
[DIN: 01281621]

**Sajjan Jindal**

Chairman & Managing Director  
[DIN: 00017762]

Place: Mumbai

Date: 23<sup>rd</sup> May, 2023

**Monica Chopra**

Company Secretary

**Pritesh Vinay**

Director (Finance)  
[DIN: 08868022]

## FINANCIAL STATEMENTS CONSOLIDATED

# INDEPENDENT AUDITOR'S REPORT

## To The Members of JSW Energy Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of JSW Energy Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which includes the Group's share of profit in its associate and a joint venture, which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements" or "CFS").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below, the aforesaid CFS 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 consolidated state of affairs of the Group as at 31<sup>st</sup> March, 2023, and their consolidated profit,

their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the CFS in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the CFS section of our report. We are independent of the Group, its associate and joint venture 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 CFS 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the CFS.

#### Key Audit Matter

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the CFS of the current period. This matter was addressed in the context of our audit of the CFS as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	Auditor's Response
<p><u>Tariff related disputes with customers:</u> The Group has certain tariff related disputes with its customers, which involve significant judgement to determine the possible outcome. [Refer note 3 on the critical accounting judgements, note 8 (4) on trade receivables and note 34(A)(1)(b) on contingent liability disclosures in CFS.]</p>	<p><u>Principle audit procedures:</u></p> <ul style="list-style-type: none"> <li>- Evaluating design and implementation and testing operating effectiveness of the controls relating to estimation of possible outcome of disputes.</li> <li>- Evaluating the Management's assessment of possible outcome of the disputes by inquiry of the management including in-house legal counsel, reviewing minutes of the meetings of those charged with governance and perusing opinions / advices obtained by the Management from the external legal counsels, and obtaining and evaluating independent confirmations obtained from the external legal counsels on a test check basis.</li> <li>- Assessing appropriateness of accounting including provision   reversal of revenue and adequacy of disclosures in the financial statements, based on the aforesaid assessment.</li> </ul>

Key Audit Matter	Auditor's Response
<p data-bbox="149 233 492 282"><u>Acquisition of Ind-Barath Energy (Utkal) Limited ("IBEUL")</u></p> <p data-bbox="149 298 492 682">Pursuant to Corporate Insolvency Resolution Process under the Insolvency Bankruptcy Code, 2016, the Resolution Plan submitted by the Company for IBEUL was approved by the Hon'ble National Company Law Tribunal, Hyderabad on 25<sup>th</sup> July 2022. The Company has completed acquisition of 95% equity shares of IBEUL (balance 5% held by secured creditors) through its wholly owned subsidiary JSW Energy (Jharsuguda) Limited on 28<sup>th</sup> December 2022, for a consideration of ₹1,048.84 crore as per the approved Resolution Plan.</p> <p data-bbox="149 699 492 874">The Group accounted above acquisition as Asset Acquisition wherein the consideration paid has been allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase.</p> <p data-bbox="149 891 492 968">Accounting for Asset Acquisition involves significant judgement and estimates relating to,</p> <ul data-bbox="149 985 492 1222" style="list-style-type: none"> <li>• determine whether the acquisition constitutes a business;</li> <li>• identify and measure the fair value of the identifiable assets acquired and liabilities assumed; and</li> <li>• allocate the purchase consideration between identifiable assets and liabilities</li> </ul> <p data-bbox="149 1238 376 1259">[Refer note 46 to the CFS]</p>	<p data-bbox="511 233 749 253"><u>Principle audit procedures:</u></p> <ul data-bbox="511 269 1278 915" style="list-style-type: none"> <li>- Evaluating design and implementation and testing operating effectiveness of the controls relating to identification of assets acquired and liabilities assumed, assessment of whether it constitutes business and allocation of consideration to assets and liabilities basis their relative fair values.</li> <li>- Peruse the NCLT Order to understand the terms and conditions precedent to implementation of Resolution Plan and date of acquisition of control over IBEUL.</li> <li>- Reading the Resolution Plan and other related documents to obtain understanding of transaction, underlying assets acquired and liabilities assumed by the Group.</li> <li>- Assessing the control assessment made by the management, commercial prospects of the assets acquired and Asset Acquisition accounting treatment applied to the transaction.</li> <li>- Obtaining understanding of the valuation methodologies used by the management and external valuation expert in determining the fair values of assets acquired and liabilities assumed.</li> <li>- Engaging internal valuation specialist and assessing valuation methodology, assumptions relating to determination of weighted average cost of capital and mathematical accuracy of the calculation in the valuation report.</li> <li>- Assessing competence, capabilities and relevant experience of external expert engaged by the management to determine the fair value of the assets and liabilities.</li> <li>- Verify the allocation of purchase consideration to the identified assets acquired and liabilities assumed basis their relative fair values.</li> <li>- Evaluating appropriateness of adequate disclosures in the CFS in accordance with the applicable Indian Accounting Standards.</li> </ul>

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

The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, Management Discussion and Analysis, Corporate Governance Report and Business Responsibility Report in the Annual Report, but does not include the CFS, standalone financial statements and our auditor's reports thereon.

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

In connection with our audit of the CFS, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities

and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the CFS or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the CFS

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these CFS that give a true and fair view of the consolidated financial position,

consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associate and joint venture in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associate and joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the CFS by the Directors of the Parent, as aforesaid.

In preparing the CFS, the respective Management of the companies included in the Group and of its associate and joint venture are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate and joint venture are also responsible for overseeing the financial reporting process of the Group and of its associate and joint venture.

### **Auditor's Responsibility for the Audit of the CFS**

Our objectives are to obtain reasonable assurance about whether the CFS 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 CFS.

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 CFS, 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 Parent and the subsidiary companies incorporated in India has adequate internal financial controls with reference to CFS 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 ability of the Group and its associate and joint venture 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 CFS 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 Group and its associate and joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the CFS, including the disclosures, and whether the CFS represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities

or business activities within the Group and its associate and joint venture to express an opinion on the CFS. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the CFS of which we are the independent auditors. For the other entities or business activities included in the CFS, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the CFS that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the CFS 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 CFS.

We communicate with those charged with governance of the Parent and such other entities included in the CFS of which we are the independent auditors 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 CFS 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.

## Other Matters

- (a) We did not audit the financial statements / financial information of 53 subsidiaries, whose financial statements / financial information reflect total assets of ₹ 34,547.83 crores as at 31<sup>st</sup> March, 2023, total revenues of ₹4,789.17 crores and net cash inflows amounting to ₹295.52 crores for the year ended on that date, as considered in the CFS. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the CFS, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.
- (b) We did not audit the financial statements / financial information of 8 subsidiaries, whose financial statements / financial information reflect total assets of ₹158.67 crores as at 31<sup>st</sup> March, 2023, total revenues of ₹58.13 crores and net cash inflows amounting to ₹29.09 crores for the year ended on that date, as considered in the CFS. The CFS also include the Group's share of net profit of ₹19.29 crores for the year ended 31<sup>st</sup> March, 2023, as considered in the CFS, in respect of an associate and a joint venture, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the CFS, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associate and joint venture, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

Our opinion on the CFS above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.



## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements/ financial information of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable 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 of the aforesaid CFS.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid CFS have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the CFS.
  - d) In our opinion, the aforesaid CFS comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Parent as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31<sup>st</sup> March, 2023 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 with reference to CFS and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to CFS of those companies.
  - 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 and based on the auditor's reports of subsidiary companies incorporated in India, the remuneration paid by the Parent to its directors and such subsidiary companies to their respective 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 CFS disclose the impact of pending litigations on the consolidated financial position of the Group, its associate and joint venture;
    - ii) Provision has been made in the CFS, 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 Parent and its subsidiary companies incorporated in India.
    - iv) (a) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in note 50 to CFS, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of

the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in note 50 to CFS, no funds have been received by the Parent or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies

incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v) The final dividend proposed in the previous year, declared and paid by the Parent, during the year is in accordance with section 123 of the Act, as applicable.

As stated in Note 17(A)(f)(ii) to the CFS, the Board of Directors of the Parent have proposed final dividend for the year which is subject to the approval of the members of the Parent at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. 1<sup>st</sup> April 2023 to the Parent and its subsidiaries, associate and joint venture which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31<sup>st</sup> March, 2023.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of the respective companies included in the CFS to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the CFS except following:

Name of the Component	CIN	Nature of relationship	Clause number of CARO report	Remarks
JSW Energy (Barmer) Limited	U14109RJ2007SGC023687	Wholly owned subsidiary	(iii)(c); (iii)(d)	Delays in receipt of interest aggregating to ₹197.27 crore ranging from 1 to 3.5 years
JSW Hydro Energy Limited (JSWHEL)	U40101HP2014PLC000681	Wholly owned subsidiary	(i) (c)	Title deed of land not in the name of the JSWHEL - ₹22.28 crore

In respect of the following companies included in the CFS of the Parent, whose audits under section 143 of the Act has not yet been completed, the CARO report as applicable in respect of those entities are not available and consequently have not been provided to us as on the date of this audit report:

Name of the Component	CIN	Nature of relationship
Toshiba JSW Power Systems Private Limited	U31100TN2008FTC069121	Associate
Barmer Lignite Mining Company Limited	U14109RJ2007SGC023687	Joint Venture

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Mehul Parekh**  
Partner

(Membership No. 121513)  
(UDIN: 23121513BGXZYQ5757)

Place: Mumbai  
Date: 23<sup>rd</sup> May, 2023

# 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 to the members of JSW Energy Limited of even date)**

**Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements ("CFS") of the Company as of and for the year ended 31<sup>st</sup> March, 2023, we have audited the internal financial controls with reference to CFS of JSW Energy Limited (hereinafter referred to as "the Parent") and its subsidiary companies, which are companies incorporated in India, as of that date.

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

The respective Board of Directors of the Parent and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to CFS based on the internal control with reference to CFS criteria established by the respective Companies 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 the respective 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 internal financial controls with reference to CFS of the Parent and its subsidiary companies, which are companies incorporated in India, 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 with reference to CFS. 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 with reference to CFS 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 with reference to CFS and their operating effectiveness. Our audit of internal financial controls with reference to CFS included obtaining an understanding of internal financial controls with reference to CFS, 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 and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to CFS of the Parent and its subsidiary companies, which are companies incorporated in India.

### **Meaning of Internal Financial Controls with reference to CFS**

A company's internal financial control with reference to CFS 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 with reference to CFS 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 with reference to CFS**

Because of the inherent limitations of internal financial controls with reference to CFS, 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 with reference to CFS to future periods are subject to the risk that the internal financial control with reference to CFS 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 and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies, which are

companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to CFS and such internal financial controls with reference to CFS were operating effectively as at 31<sup>st</sup> March, 2023, based on the criteria for internal financial control with reference to CFS established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### **Other Matter**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to CFS insofar as it relates to 55 subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

**For DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

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

**Mehul Parekh**

Partner

Place: Mumbai

(Membership No. 121513)

Date: 23<sup>rd</sup> May, 2023

(UDIN: 23121513BGXZYQ5757)

FINANCIAL STATEMENTS CONSOLIDATED

# CONSOLIDATED BALANCE SHEET

as at 31<sup>st</sup> March, 2023

₹ crore

Particulars	Notes	As at	
		31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>A ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	4A	23,065.01	13,422.82
(b) Capital work-in-progress	4B	4,779.50	2,090.60
(c) Goodwill	5	639.82	639.82
(d) Other intangible assets	6A	1,315.66	768.00
(e) Intangible assets under development	6B	8.69	-
(f) Investments in an associate and a joint venture	7A	55.51	36.22
(g) Financial assets			
(i) Investments	7B	4,906.11	5,194.60
(ii) Trade receivables	8	99.46	99.46
(iii) Loans	9	567.64	567.64
(iv) Other financial assets	10	2,092.07	1,312.97
(h) Income tax assets (net)	11A	192.55	130.26
(i) Deferred tax assets (net)	12A	324.44	418.20
(j) Other non-current assets	13	1,071.13	1,051.45
		<b>39,117.59</b>	<b>25,732.04</b>
<b>2 Current assets</b>			
(a) Inventories	14	987.08	901.02
(b) Financial assets			
(i) Investments	7B	1,071.15	1,392.35
(ii) Trade receivables	8	1,531.92	670.22
(iii) Unbilled revenue		776.03	544.43
(iv) Cash and cash equivalents	15A	3,422.29	585.16
(v) Bank balances other than (iv) above	15B	591.59	548.95
(vi) Loans	9	180.90	150.90
(vii) Other financial assets	10	675.91	252.78
(c) Other current assets	13	285.60	154.61
		<b>9,522.47</b>	<b>5,200.42</b>
<b>3 Assets classified as held for sale</b>	16	<b>101.64</b>	<b>-</b>
<b>Total assets</b>		<b>48,741.70</b>	<b>30,932.46</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	17A	1,640.54	1,639.67
(b) Other equity	17B	16,988.27	15,775.23
<b>Equity attributable to owners of the parent</b>		<b>18,628.81</b>	<b>17,414.90</b>
Non-controlling interests	31	105.37	2.06
<b>Total equity</b>		<b>18,734.18</b>	<b>17,416.96</b>
<b>Liabilities</b>			
<b>1 Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	19,207.90	6,876.37
(ii) Lease liabilities	36	221.47	45.29
(iii) Other financial liabilities	19	101.82	73.45
(b) Provisions	20	62.41	111.56
(c) Deferred tax liabilities (net)	12B	1,078.41	892.26
(d) Other non-current liabilities	21	329.89	423.81
		<b>21,001.90</b>	<b>8,422.74</b>
<b>2 Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	5,609.32	2,016.17
(ii) Lease liabilities	36	12.38	4.74
(iii) Trade payables	22	1,274.06	1,075.93
(iv) Other financial liabilities	19	1,917.48	1,893.11
(b) Other current liabilities	21	59.46	53.49
(c) Provisions	20	20.19	12.53
(d) Current tax liabilities (net)	11B	44.82	36.79
		<b>8,937.71</b>	<b>5,092.76</b>
<b>3 Liabilities classified as held for sale</b>	16	<b>67.91</b>	<b>-</b>
<b>Total liabilities</b>		<b>30,007.52</b>	<b>13,515.50</b>
<b>Total equity and liabilities</b>		<b>48,741.70</b>	<b>30,932.46</b>

See accompanying notes to the consolidated financial statements

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

**Mehul Parekh**  
Partner

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

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

**Sajjan Jindal**  
Chairman & Managing Director  
[DIN: 00017762]

**Monica Chopra**  
Company Secretary

**Pritesh Vinay**  
Director (Finance)  
[DIN: 08868022]

Place: Mumbai  
Date: 23<sup>rd</sup> May, 2023

Place: Mumbai  
Date: 23<sup>rd</sup> May, 2023

FINANCIAL STATEMENTS CONSOLIDATED

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31<sup>st</sup> March, 2023

₹ crore, except share data and as stated otherwise

Particulars	Notes	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>1 Income</b>			
(a) Revenue from operations	23	10,331.81	8,167.15
(b) Other income	24	535.24	568.69
<b>Total income</b>		<b>10,867.05</b>	<b>8,735.84</b>
<b>2 Expenses</b>			
(a) Fuel cost		5,569.70	3,493.95
(b) Purchase of stock-in-trade		367.60	80.21
(c) Employee benefits expense	25	307.60	264.15
(d) Finance costs	26	844.30	776.91
(e) Depreciation and amortisation expense	27	1,169.23	1,131.05
(f) Other expenses	28	805.07	759.84
<b>Total expenses</b>		<b>9,063.50</b>	<b>6,506.11</b>
3 Share of profit of joint venture and an associate		19.29	8.54
<b>4 Profit before exceptional items, tax and deferred tax adjustable in future tariff</b>		<b>1,822.84</b>	<b>2,238.27</b>
5 Exceptional items (net)	9	120.00	-
<b>6 Profit before tax and deferred tax adjustable in future tariff</b>		<b>1,942.84</b>	<b>2,238.27</b>
<b>7 Tax expense</b>	29		
(a) Current tax		298.30	421.92
(b) Deferred tax		178.31	(83.29)
8 Deferred tax adjustable in future tariff		(13.89)	156.16
<b>9 Profit for the year</b>		<b>1,480.12</b>	<b>1,743.48</b>
<b>Attributable to:</b>			
Owners of the parent		1,477.76	1,728.62
Non controlling interests		2.36	14.86
<b>10 Other comprehensive income</b>			
<b>a</b> (i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the net defined benefit plans		(1.16)	(6.57)
(b) Equity instruments through other comprehensive income		(312.02)	1,903.07
(ii) Income tax relating to items that will not be reclassified to profit or loss		36.55	(208.24)
<b>Total (a)</b>		<b>(276.63)</b>	<b>1,688.26</b>
<b>b</b> (i) Items that will be reclassified to profit or loss			
(a) Exchange differences in translating the financial statements of foreign operations		4.08	8.48
(b) Effective portion of cash flow hedge		312.95	(123.83)
(ii) Income tax relating to items that will be reclassified to profit or loss		(78.76)	31.17
(iii) Deferred tax adjustable in future tariff		78.61	(31.17)
<b>Total (b)</b>		<b>316.88</b>	<b>(115.35)</b>
<b>Total other comprehensive income (a + b)</b>		<b>40.25</b>	<b>1,572.91</b>
<b>Attributable to:</b>			
Owners of the parent		31.78	1,576.99
Non controlling interests		8.47	(4.08)
<b>11 Total comprehensive income for the year</b>		<b>1,520.37</b>	<b>3,316.39</b>
<b>Attributable to:</b>			
Owners of the parent		1,509.54	3,305.61
Non controlling interests		10.83	10.78
<b>12 Earnings per equity share of ₹10 each</b>	41		
Basic (₹)		9.01	10.52
Diluted (₹)		8.99	10.50

See accompanying notes to the consolidated financial statements

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

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

**Mehul Parekh**  
Partner

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

**Sajjan Jindal**  
Chairman & Managing Director  
[DIN: 00017762]

**Monica Chopra**  
Company Secretary

**Pritesh Vinay**  
Director (Finance)  
[DIN: 08868022]

Place: Mumbai  
Date: 23<sup>rd</sup> May, 2023

Place: Mumbai  
Date: 23<sup>rd</sup> May, 2023

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

 for the year ended 31<sup>st</sup> March, 2023

## A. Equity share capital

Particulars	No of shares	₹ crore
<b>Balance as at 01<sup>st</sup> April, 2021</b>	1,64,23,29,255	1,642.33
Changes in equity share capital during the year (net of treasury shares)	(26,58,345)	(2.66)
<b>Balance as at 31<sup>st</sup> March, 2022</b>	1,63,96,70,910	1,639.67
Changes in equity share capital during the year (net of treasury shares)	8,65,328	0.87
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>1,64,05,36,238</b>	<b>1,640.54</b>

## B. Other equity

Particulars	Reserves and surplus					Items of other comprehensive income				Non-controlling interests	Total		
	Securities premium	Equity settled employee benefits reserve	Debt redemption reserve	Contingency reserve	Capital reserve	General reserve	Retained earnings	Equity instrument through other comprehensive income	Effective portion of cash flow hedge			Foreign currency translation reserve	Attributable to owners of parent
<b>Balance as at 1<sup>st</sup> April, 2021</b>	<b>2,392.37</b>	<b>24.98</b>	<b>66.67</b>	<b>14.32</b>	<b>-</b>	<b>214.06</b>	<b>7,127.82</b>	<b>3,033.51</b>	<b>-</b>	<b>(9.06)</b>	<b>12,864.67</b>	<b>(8.72)</b>	<b>12,855.95</b>
Profit for the year	-	-	-	-	-	-	1,728.62	-	-	-	1,728.62	14.86	1,743.48
Other comprehensive income / (loss) for the year	-	-	-	-	-	-	(5.42)	1,693.68	(123.83)	12.56	1,576.99	(4.08)	1,572.91
<b>Total comprehensive income / (loss) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,723.20</b>	<b>1,693.68</b>	<b>(123.83)</b>	<b>12.56</b>	<b>3,305.61</b>	<b>10.78</b>	<b>3,316.39</b>
Dividends	-	-	-	-	-	-	(328.66)	-	-	-	(328.66)	-	(328.66)
Issue of equity shares under employee share option plan [ESOP]	5.22	-	-	-	-	-	-	-	-	-	5.22	-	5.22
Consolidation of ESOP trust	-	-	-	-	-	-	(86.99)	-	-	-	(86.99)	-	(86.99)
Transfers to / from retained earnings	-	-	(16.67)	1.38	-	-	15.29	-	-	-	-	-	-
Share based payments	-	15.38	-	-	-	-	-	-	-	-	15.38	-	15.38
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>2,397.59</b>	<b>40.36</b>	<b>50.00</b>	<b>15.70</b>	<b>-</b>	<b>214.06</b>	<b>8,450.66</b>	<b>4,727.19</b>	<b>(123.83)</b>	<b>3.50</b>	<b>15,775.23</b>	<b>2.06</b>	<b>15,777.30</b>
Profit for the year	-	-	-	-	-	-	1,477.76	(275.68)	-	(4.39)	1,477.76	2.36	1,480.12
Other comprehensive income / (loss) for the year	-	-	-	-	-	-	(0.95)	-	-	-	31.78	8.47	40.25
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,476.81</b>	<b>(275.68)</b>	<b>312.80</b>	<b>(4.39)</b>	<b>1,509.54</b>	<b>10.83</b>	<b>1,520.37</b>



FINANCIAL STATEMENTS CONSOLIDATED

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31<sup>st</sup> March, 2023

Particulars	Reserves and surplus				Items of other comprehensive income			Attributable to owners of parent	Non-controlling interests	Total
	Securities premium	Equity settled employee benefits reserve	Debt redemption reserve	Contingency reserve	Capital reserve	General reserve	Retained earnings			
Dividends	-	-	-	-	-	-	(328.81)	(328.81)	-	(328.81)
Non-controlling interests in asset acquisition	-	-	-	-	-	-	-	-	(0.91)	(0.91)
Equity infusion by minority	-	-	-	-	-	-	-	-	77.00	77.00
Additions through business combination	-	-	-	-	4.17	-	-	4.17	16.39	20.56
Issue of equity shares under employee share option plan [ESOP]	2.71	-	-	-	-	-	-	2.71	-	2.71
Consolidation of ESOP trust	-	-	-	-	-	0.70	-	0.70	-	0.70
Transfers to / from retained earnings	-	(50.00)	1.38	-	-	48.62	-	-	-	-
Share based payments	-	24.73	-	-	-	-	-	24.73	-	24.73
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>2,400.30</b>	<b>65.09</b>	<b>17.08</b>	<b>4.17</b>	<b>214.06</b>	<b>9,647.98</b>	<b>4,451.51</b>	<b>188.97</b>	<b>(0.89)</b>	<b>16,988.27</b>
										<b>105.37</b>
										<b>17,093.65</b>

See accompanying notes to the consolidated financial statements

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

**Mehul Parekh**  
Partner

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

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

**Sajjan Jindal**  
Chairman & Managing Director  
[DIN: 00017762]

**Monica Chopra**  
Company Secretary

**Pritesh Vinay**  
Director (Finance)  
[DIN: 08868022]

Place: Mumbai  
Date: 23<sup>rd</sup> May, 2023

SUPPORTING  
INFORMATION

BUILT ON  
GOVERNANCE

STRATEGIES  
FOR GROWTH

CAPITALS AND  
MD&A

SERVING  
STAKEHOLDERS

FINANCIAL  
STATEMENTS

**CONSOLIDATED**

## FINANCIAL STATEMENTS CONSOLIDATED

# CONSOLIDATED STATEMENT OF CASH FLOWS

 for the year ended 31<sup>st</sup> March, 2023

₹ crore

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit before tax and deferred tax adjustable in future tariff</b>	<b>1,942.84</b>	<b>2,238.27</b>
<b>Adjusted for:</b>		
Depreciation and amortisation expense	1,169.23	1,131.05
Finance costs	844.30	776.91
Interest income earned on financial assets that are not designated as at fair value through profit or loss	(144.98)	(351.22)
Dividend income from investments designated as fair value through other comprehensive income	(121.52)	(45.52)
Share of profit of a joint venture	(19.29)	(8.54)
Net (gain) / loss arising on financial instruments designated as fair value through profit or loss	(1.72)	(4.99)
Writeback of liabilities no longer required	(41.59)	(43.52)
Share based payments	24.73	15.38
Loss on disposal of property, plant and equipment (net)	0.15	2.63
Inventory written off	0.79	-
Impairment loss recognised on loans / trade receivables	8.83	0.83
Unrealised foreign exchange loss (net)	13.38	0.22
Allowance for impairment of assets	-	70.27
Allowance for impairment of advances	10.00	10.00
Lease receivables written off	-	36.56
Exceptional items	(120.00)	-
	<b>1,622.31</b>	<b>1,590.06</b>
<b>Operating profit before working capital changes</b>	<b>3,565.15</b>	<b>3,828.33</b>
<b>Adjustments for movement in working capital:</b>		
Increase in trade receivables and unbilled revenue	(501.63)	(6.65)
Increase in inventories	(59.94)	(505.94)
Increase in current and non current assets	(163.54)	(45.73)
(Decrease) / Increase in trade payables and other liabilities	(408.47)	120.78
	<b>(1,133.58)</b>	<b>(437.54)</b>
<b>Cash flows from operations</b>	<b>2,431.57</b>	<b>3,390.79</b>
Income taxes paid (net)	(347.30)	(438.76)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>2,084.27</b>	<b>2,952.03</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipments (including capital work-in-progress and capital advances)	(4,236.31)	(2,294.07)
Proceeds from sale of property, plant and equipments	(0.27)	0.49
Loans given	(30.00)	(15.90)
Loans repaid	120.00	997.29
Advances given	(19.63)	-
Advances repaid	-	0.14
Interest received	234.21	316.62
Dividend received on investments designated as fair value through other comprehensive income	121.52	45.52
Proceeds from sale of investments in Subsidiary	76.09	-
Proceeds from sale of investments designated as FVTOCI	-	166.98
Purchase of investments designated as FVTPL	(61.00)	-
Investment in earmarked mutual funds and other financial instruments	116.32	(143.81)
Payments towards business acquisition	(2,196.58)	-
Payments towards asset acquisition	(1,048.84)	-
Bank deposits not considered as cash & cash equivalents (net)	(84.99)	(465.49)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(7,009.48)</b>	<b>(1,392.23)</b>

## FINANCIAL STATEMENTS CONSOLIDATED

# CONSOLIDATED STATEMENT OF CASH FLOWS

 for the year ended 31<sup>st</sup> March, 2023

₹ crore

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from fresh issue of equity shares under ESOP Plan	3.35	6.47
Proceeds / (payment) for treasury shares under ESOP Plan	0.92	(90.89)
Proceeds from non-current borrowings	9,354.38	5,662.87
Repayment of non-current borrowings	(970.08)	(6,036.30)
Proceeds from current borrowings (net)	353.44	765.82
Payment of lease liabilities	(9.91)	(3.20)
Interest paid	(1,075.81)	(757.42)
Dividend paid	(328.81)	(328.66)
<b>NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES</b>	<b>7,327.48</b>	<b>(781.31)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (I+II+III)</b>	<b>2,402.27</b>	<b>778.49</b>
<b>CASH AND CASH EQUIVALENTS - AT THE BEGINNING OF THE YEAR</b>	<b>1,835.12</b>	<b>1,051.07</b>
Add: Cash and cash equivalent pursuant to business combination	224.94	-
Add: Fair value gain on liquid investments	7.17	4.50
Add: Effect of exchange rate changes on cash and cash equivalents	(0.76)	1.06
<b>CASH AND CASH EQUIVALENTS - AT THE END OF THE YEAR</b>	<b>4,468.74</b>	<b>1,835.12</b>
<b>Cash and cash equivalents comprise of:</b>		
a) Balances with banks (Refer note 15A)		
In current accounts	2,771.57	320.54
In deposit accounts maturity less than 3 months at inception	649.83	256.99
b) Cheques on hand (Refer note 15A)	0.81	7.54
c) Cash on hand (Refer note 15A)	0.08	0.09
d) Investment in liquid mutual funds (Refer note 7B)	1,046.45	1,249.96
<b>Total</b>	<b>4,468.74</b>	<b>1,835.12</b>

Note :

- a. The consolidated statement of cash flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cashflows.

See accompanying notes to the consolidated financial statements

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

**Mehul Parekh**  
 Partner

Place: Mumbai  
 Date: 23<sup>rd</sup> May, 2023

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

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

**Monica Chopra**  
 Company Secretary

**Sajjan Jindal**  
 Chairman & Managing Director  
 [DIN: 00017762]

**Pritesh Vinay**  
 Director (Finance)  
 [DIN: 08868022]

Place: Mumbai  
 Date: 23<sup>rd</sup> May, 2023

# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Note No. 1 - General information:

JSW Energy Limited ("the Company" or "the Parent") is a public company incorporated on 10<sup>th</sup> March, 1994 under the Companies Act, 1956 and has its primary listings on Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The registered office of the Company is located at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra. The Company and its subsidiaries (together referred to as "the Group") are primarily engaged in the business of generation of power with principal places located across all states in India. Further, the Group is having a joint venture company engaged in the mining activity and an associate engaged in the manufacturing of turbines.

## Note No. 2.1 - Recent accounting pronouncements:

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31<sup>st</sup> March, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1<sup>st</sup> April, 2023, as below:

- (a) **Ind AS 1] Presentation of Financial Statements** - The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.
- (b) **Ind AS 12 | Income Taxes** - The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the Initial recognition exemption of Ind AS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. Accordingly, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on

transactions such as initial recognition of a lease and a decommissioning provision.

- (c) **Ind AS 8 | Accounting Policies, Changes in Accounting Estimates and Errors** - The definition of a "change in accounting estimates" has been replaced with a definition of "accounting estimates". Accounting estimates are defined as "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The Group is in the process of evaluating the impact of these amendments.

## 2.2 - Statement of compliance:

The Consolidated Financial Statements of the Group which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2023, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended 31<sup>st</sup> March, 2023, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Consolidated Financial Statements") have been prepared in accordance with Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, the provisions of the Companies Act, 2013 ("the Act") to the extent notified, guidelines issued by the Securities and Exchange Board of India (SEBI) and other accounting principles generally accepted in India. The Consolidated Financial Statements have been approved by the Board of Directors in its meeting held on 23<sup>rd</sup> May, 2023.

## 2.3 - Basis of preparation and presentation of consolidated financial statements:

The Consolidated 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 below which are consistently followed except

## FINANCIAL STATEMENTS CONSOLIDATED

# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

where a new accounting standard or amendment to the existing accounting standards requires a change in the policy hitherto applied. Presentation requirements of Division II of Schedule III to the Companies Act, 2013, as applicable to the Consolidated Financial Statements have been followed. The Consolidated Financial Statements are presented in Indian Rupees ('INR') in crore rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013.

### Current and non-current classification

The Group presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

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

All other assets are classified as non-current.

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

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

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

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

### 2.4 - Basis of consolidation

The Consolidated Financial Statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31<sup>st</sup> March every year. Control is achieved where the Company:

- has power over the investee;
- is exposed to, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than majority of the voting rights of an investee, it has power over the investee if the voting rights and other contractual terms are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including;

- i. the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- ii. potential voting rights held by the Company, other vote holders or other parties;
- iii. rights arising from other contractual arrangements; and
- iv. any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of a subsidiary. Specifically, income and expenses of a subsidiary acquired or

## FINANCIAL STATEMENTS CONSOLIDATED

# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

disposed off during the year are included in the Consolidated Statement of Profit and Loss and Other Comprehensive Income from the date the Company gains control until the date when the control ceases.

Adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

### Consolidation procedure:

- a. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- b. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- c. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets.

Profit and loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to

the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required / permitted by applicable Ind ASs).

### 2.5 - Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in Consolidated Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- I deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
- II liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date; and

## FINANCIAL STATEMENTS CONSOLIDATED

# NOTES

 to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

III assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any), over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess, after reassessment, is recognised in capital reserve through other comprehensive income or directly depending on whether there exists clear evidence of the underlying reason for classifying the business combination as a bargain purchase.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against Goodwill / capital reserve. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity.

Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in the Consolidated Statement of Profit and Loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method.

## 2.6 - Goodwill

Goodwill is initially recognised and measured as set out above.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in the Consolidated Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.



# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

The Group's policy for goodwill arising on the acquisition of an associate and a joint venture is described in the note below.

## 2.7 - Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not a control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these Consolidated Financial Statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105 – Non-current Assets Held for Sale and Discontinued Operations.

Under the equity method, an investment in an associate or a joint venture is initially recognised in the Consolidated Financial Statement at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an

associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in Consolidated Statement of Profit and Loss in the period in which the investment is acquired.

The requirements of Ind AS 36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in



## FINANCIAL STATEMENTS CONSOLIDATED

# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a Group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's Consolidated Financial Statements only to the extent of interests in the associate or joint venture that are not related to the Group.

The Group applies Ind AS 109, including the impairment requirements, to long-term interests in an associate or joint venture to which the equity method is not applied and which form part of the net investment in the investee. Furthermore, in applying Ind AS 109 to long-term interests, the Group does not take into account adjustments to their carrying amounts required by Ind AS 28 (i.e., adjustments to the carrying amount of long-term interests arising from the allocation of losses of the investee or assessment of impairment in accordance with Ind AS 28).

### Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a Group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenue and expenses relating to its interest in a joint operation in accordance with the Ind ASs applicable to the particular assets, liabilities, revenue and expenses.

## 2.8 - Significant accounting policies

### I. Revenue recognition:

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

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by the regulator, revenue is recognised based on the provisional rates as provided by the regulator adjusted by the truing up adjustments under the relevant tariff regulations and presented as 'truing up revenue adjustments' in the Consolidated Balance Sheet. Any surplus or deficit is recognised when the final order is passed by the regulator.

## II. Leases:

### (a) The Group as lessee:

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

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

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

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

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group 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 Group 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.

### (b) The Group as lessor:

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

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

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group'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 Group's net investment outstanding in respect of the leases.

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

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

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

### III. Service concession arrangements:

The Group recognises intangible assets and / or financial assets in accordance with the terms of concession arrangements.

#### Intangible asset:

The right to charge users of the services under the arrangement is recognised and classified as intangible asset. The intangible asset, so recognised, is amortised over the period of service concession arrangement.

#### Financial assets:

The Group's unconditional right to receive specified determinable amounts under the agreement are recognised and classified as financial assets.

Finance income is recognised using effective interest rate method.

### IV. Foreign currency transactions and foreign operations:

The Group's Consolidated Financial Statements are presented in Indian Rupee, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

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 Consolidated Statement of Profit and Loss in the period in which they arise except for:

- I exchange differences on transactions entered into in order to hedge certain foreign currency risks (see below the policy on hedge accounting in 2 (XVII) (F); and
- II exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- III. exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

### V. 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.

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All other borrowing costs are recognised in Consolidated Statement of Profit and Loss in the period in which they are incurred.

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

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

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

### VI. Employee benefits:

#### a) Short term employee benefits:

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

#### b) Long term employee benefits:

Liabilities recognised in respect of long-term employee benefits are measured at the present value of the estimated future

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

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

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

#### Defined contribution plans:

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

#### Defined benefit plans:

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurements comprising actuarial gains and losses, the effect of the asset ceiling (if applicable) and the return on plan assets (excluding interest) are recognised immediately in the balance sheet with a charge or credit to other comprehensive income in the

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period in which they occur. Remeasurements recognised in other comprehensive income are not reclassified. Actuarial valuations are being carried out at the end of each annual reporting period for defined benefit plans.

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

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

**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 Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group 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 Consolidated 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 Group has created an Employee Welfare Trust for providing share-based payment to its employees. The Group uses the Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Parent Company from the market

or directly from the Parent Company, for giving shares to employees. The Group treats Trust as its extension and shares held by the Trust are treated as treasury shares. Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from Equity. No gain or loss is recognised in profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in other equity.

**VII. Taxation:**

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

**Current tax:**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

**Deferred tax:**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Consolidated 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

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liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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 Group 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 Group.

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 Group 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 profit or 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.

In respect of regulated businesses where tariff is determined on cost plus return on equity and the income tax is a pass through, deferred tax recoverable from / adjustable against future tariff, when and to the extent such deferred tax becomes current tax in future periods, is presented separately, and is not offset against deferred tax.

### **VIII. 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



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categories of property, plant and equipment and the depreciation commences.

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

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

## IX. Intangible assets (other than goodwill and service concession):

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 Consolidated Statement of Profit and Loss.

## X. 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.

### Regulatory business:

Depreciation on Property, plant and equipment in respect of electricity business of the Group covered under Part B of Schedule II of the Companies Act,

2013, has been provided on the straight line method at the rates using the methodology as notified by the respective regulators.

### Non-Regulatory business:

Depreciation is recognized 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:

Class of Property, plant and equipment	Useful life in Years
Buildings (factory buildings and civil structure)	12-60
Plant and equipment	2-35
Furniture and fixtures	5-15
Vehicles	5-10
Office equipment	3-15

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

Freehold land is not depreciated. Leasehold land acquired by the Group, with an option in the lease deed, entitling the Group 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 Consolidated Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

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Mineral rights are amortised on a Unit of Production basis over the economically recoverable reserves of the mine concerned.

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

Contractual rights are amortised over the period of the respective contracts.

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

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.

### **XI. Impairment of tangible and intangible assets other than goodwill:**

At the end of each reporting period, the Group 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). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where 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 group 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 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 the Consolidated 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.

### **XII. Inventories:**

Inventories are stated at the lower of cost or net realizable 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 cost of completion and cost 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.



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### XIII. 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.

### XIV. Provisions, contingencies and commitments:

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

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

cash flows (when the effect of the time value of money is material).

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

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

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 recognized because:
  - (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - (ii) the amount of the obligation cannot be measured with sufficient reliability.

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

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

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

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

### XV. Non-current assets held for sale:

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell, except for financial assets which are measured as per Ind AS 109 "Financial Instruments". Non-current assets are not depreciated or amortised.

### XVI. Financial guarantee contracts:

The Group 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 Group 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 Group 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 Consolidated Statement of Profit and Loss.

### XVII. Financial instruments:

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

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

#### A. Financial assets:

##### (a) Recognition and initial measurement:

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

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**(b) Classification of financial assets:**

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

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

is reported as interest income using the effective interest rate (EIR) method.

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

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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Consolidated Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL.

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

Financial assets at FVTPL are measured at fair value at the end of each reporting year, with any gains and losses arising on remeasurement recognised in consolidated statement of profit and loss. The net gain or loss recognised in consolidated statement of profit and loss incorporates any dividend

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to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognised when:

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

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

**(c) Derecognition of financial assets:**

The Group 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.

**(d) Impairment:**

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

purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

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

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

**(e) Income from financial assets:**

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

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

Delayed payment charges are recognised on collection or earlier when there is reasonable certainty to expect ultimate collection.

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to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

**(f) Effective interest method:**

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

**B. Financial liabilities and equity instruments:**

**(a) Classification as debt or equity:**

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

**(b) 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 the Group are recognised at the proceeds received, net of direct issue costs. Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

**(c) Financial liabilities:**

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

Financial liabilities:

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

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument. A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:
  - o such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
  - o the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
  - o it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

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to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

**(d) Derecognition of financial liabilities:**

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

**C. Derivative financial instruments:**

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

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Consolidated 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 Consolidated 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

Consolidated Balance Sheet if there is a currently enforceable legal right to offset the recognized 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 Group 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 Group.

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 Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy,

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 to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

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 Group 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 Group 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 Group entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group 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 recognized in Consolidated 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 recognized in Consolidated 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 Consolidated Statement of 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 recognized in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in Consolidated 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 Consolidated Statement of Profit and Loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains or losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the 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



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when the forecast transaction is ultimately recognised in Consolidated 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 Consolidated Statement of Profit and Loss.

## XVIII. Statement of cash flows:

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

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

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

## XIX. Segment reporting:

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

## XX. Exceptional items:

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

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

In applying the Group's accounting policies, which are described in note 2.8, the directors are required to make judgements that have a significant impact on the amounts recognized and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### Key sources of estimation uncertainties

#### Useful lives and residual value of property, plant and equipment:

The useful lives of property, plant and equipment are reviewed 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 operating conditions of the asset, anticipated technological changes, historical trend of plant load factor, historical planned and scheduled maintenance. It is possible that the estimates made based on existing experience are different from the actual outcomes and could cause a material adjustment to the carrying amount of property, plant and equipment.

#### Provisions and Contingencies:

In the normal course of business, contingent liabilities arise from litigations and claims. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such contingent liabilities are disclosed in the notes but are not recognised. Potential liabilities that are remote are neither recognized nor disclosed as contingent liability. The management decides whether



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the matters needs to be classified as 'remote,' 'possible' or 'probable' based on expert advice, past judgements, terms of the contract, regulatory provisions etc.

### Fair value measurements:

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

### Income Taxes:

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

### 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.

### Impairment testing:

#### (a) Goodwill:

Determining whether goodwill is impaired requires an estimation of the 'value in use' of the cash-generating units to which goodwill has been

allocated. In considering the value in use, the management has made assumptions relating to useful lives of the cash generating units, plant availability, plant load factor, useful life of the assets, additional capacity and capital cost approval from the regulators, expected renewals / extension of power purchase agreement / implementation agreement, input cost escalations operational margins and discount rates. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of the goodwill.

#### (b) Mining rights:

Impairment assessment of mining rights for coal mines at South Africa involves assumptions relating to timing of resumption of commercial 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 impact the carrying value of the assets.

### Loss allowance assessment for a loan / guarantee given to a related party:

Recoverability of loans given to and fair value 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 projected cash flows derived on the presumption that it will continue as the operator having regard to it being selected as the preferred bidder in the fresh competitive bidding process carried out as per the regulator's direction, its net worth and other external and internal sources of information.

### Expected credit loss:

The measurement of expected credit loss on 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 and ongoing dealings with these parties, and assessment of their ability to pay the debt on designated dates.

# NOTES

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**Onerous contract:**

While ascertaining the unavoidable costs of meeting the obligations under a power purchase contract, the Management has exercised significant judgement in arriving at cost of fuel, plant load factor, components of incremental unavoidable cost of executing the contract and its escalations.

**Critical judgements in applying accounting policies:**

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

**Evaluation of contracts to determine whether it contains lease arrangements:**

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

**Service concession arrangements:**

The management has exercised significant judgment in evaluating the terms of agreements / license arrangements, regulatory provisions and concluded that power purchase agreement for hydro plant at Baspa, Himachal Pradesh, is in nature of service concession.

**Classification of Barmer Lignite Mining Company Limited ("BLMCL") as joint venture:**

BLMCL is a limited liability company where the Group holds 49% of equity share capital and balance equity capital is held by a state-owned entity. The management has evaluated the terms of the joint venture agreement including requirement of unanimous consent of both the shareholders for relevant activities, and concluded that BLMCL is a joint venture.

**Tariff related disputes with customers:**

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

**Asset Acquisition:**

Accounting for acquisition of asset or group of assets involves significant judgement in determining whether they collectively constitute Business. In cases where such group of assets does not constitute Business, the management estimates the fair values of the underlying identified assets acquired and liabilities assumed with the help of an independent expert and allocates the cost of acquisition to such identified assets and liabilities on the basis of their relative fair values at the date of purchase.

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## Note No. 4A - Property, plant and equipment

Particulars	Land - freehold <sup>a,f</sup>	Land - leasehold <sup>f</sup>	Buildings <sup>b,d</sup>	Plant and equipment <sup>c,e</sup>	Office equipment	Furniture and fixtures	Vehicles	Right-of-use assets	Total
	₹ crore								
<b>I. Gross carrying value</b>									
<b>Balance as at 1<sup>st</sup> April, 2021</b>	<b>301.61</b>	<b>2.29</b>	<b>1,801.01</b>	<b>17,908.76</b>	<b>55.57</b>	<b>69.78</b>	<b>19.45</b>	<b>64.72</b>	<b>20,223.19</b>
Additions	166.07	-	25.94	125.14	4.23	0.45	1.60	30.97	354.40
Disposals / discards	-	-	-	(31.65)	(1.87)	(1.01)	(1.10)	-	(35.63)
Effect of foreign currency exchange differences	0.39	-	1.57	0.33	-	0.05	0.01	-	2.35
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>468.07</b>	<b>2.29</b>	<b>1,828.52</b>	<b>18,002.58</b>	<b>57.93</b>	<b>69.27</b>	<b>19.96</b>	<b>95.69</b>	<b>20,544.31</b>
Additions	103.26	-	9.80	1,509.23	7.06	1.27	2.98	110.85	1,744.45
Disposals / discards	638.61	-	-	7,348.10	0.08	0.02	0.27	162.55	8,149.63
Effect of foreign currency exchange differences	-	-	-	-	-	-	-	-	-
Effect of foreign currency exchange differences	108.38	-	254.41	545.44	0.04	0.03	-	-	908.30
Disposals / discards	-	-	-	(0.55)	(0.28)	(0.30)	(0.19)	-	(1.32)
Effect of foreign currency exchange differences	(0.81)	-	(3.21)	(0.80)	-	(0.09)	(0.03)	-	(4.94)
Classified as held for sale (Refer note 16)	(6.00)	-	(38.89)	(32.89)	(0.02)	(1.34)	(0.53)	-	(79.67)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>1,311.51</b>	<b>2.29</b>	<b>2,050.63</b>	<b>27,371.11</b>	<b>64.81</b>	<b>68.86</b>	<b>22.46</b>	<b>369.09</b>	<b>31,260.76</b>
<b>II. Accumulated depreciation and impairment</b>									
<b>Balance as at 1<sup>st</sup> April, 2021</b>	-	<b>2.29</b>	<b>384.93</b>	<b>5,567.70</b>	<b>44.01</b>	<b>38.36</b>	<b>9.42</b>	<b>10.22</b>	<b>6,056.93</b>
Depreciation expense for the year	-	-	64.75	1,013.42	2.20	7.27	2.12	7.07	1,096.83
Eliminated on disposals / discards	-	-	-	(30.11)	(1.75)	(0.97)	(0.76)	-	(33.59)
Effect of foreign currency exchange differences	-	-	0.97	0.29	-	0.05	0.01	-	1.32
<b>Balance as at 31<sup>st</sup> March, 2022</b>	-	<b>2.29</b>	<b>450.65</b>	<b>6,551.30</b>	<b>44.46</b>	<b>44.71</b>	<b>10.79</b>	<b>17.29</b>	<b>7,121.49</b>
Depreciation expense for the year	-	-	66.94	1,042.31	2.94	6.51	2.22	13.20	1,134.12
Eliminated on disposals / discards	-	-	-	(0.74)	(0.24)	(0.27)	(0.07)	-	(1.32)
Classified as held for sale (Refer Note 16)	-	-	(31.13)	(24.17)	(0.02)	(1.34)	(0.53)	-	(57.19)
Effect of foreign currency exchange differences	-	-	(0.51)	(0.71)	-	(0.09)	(0.03)	-	(1.34)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	-	<b>2.29</b>	<b>485.95</b>	<b>7,567.99</b>	<b>47.14</b>	<b>49.52</b>	<b>12.38</b>	<b>30.49</b>	<b>8,195.75</b>
<b>III. Net carrying value as at 31<sup>st</sup> March, 2022</b>	<b>468.07</b>	-	<b>1,377.87</b>	<b>11,451.28</b>	<b>13.47</b>	<b>24.56</b>	<b>9.17</b>	<b>78.40</b>	<b>13,422.82</b>
<b>IV. Net carrying value as at 31<sup>st</sup> March, 2023</b>	<b>1,311.51</b>	-	<b>1,564.68</b>	<b>19,803.12</b>	<b>17.67</b>	<b>19.34</b>	<b>10.09</b>	<b>338.60</b>	<b>23,065.01</b>

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The Group presents right-of-use assets that do not meet the definition of investment property in 'Property, Plant and Equipments'

₹ crore					
Particulars	Land	Buildings	Plant and Machinery	Pathway and Aerial rights	Total
<b>At cost</b>					
<b>I. Gross carrying value</b>					
<b>Balance as at 1<sup>st</sup> April, 2021</b>	<b>63.60</b>	<b>1.12</b>	-	-	<b>64.72</b>
Additions	25.45	5.52	-	-	30.97
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>89.05</b>	<b>6.64</b>	-	-	<b>95.69</b>
Additions	50.22	22.76	16.03	21.84	110.85
Additions through business combination (Refer note 45)	86.29	-	76.26	-	162.55
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>225.56</b>	<b>29.40</b>	<b>92.29</b>	<b>21.84</b>	<b>369.09</b>
<b>II. Accumulated depreciation and impairment</b>					
<b>Balance as at 1<sup>st</sup> April, 2021</b>	<b>7.62</b>	<b>2.60</b>	-	-	<b>10.22</b>
Depreciation expense for the year	5.53	1.54	-	-	7.07
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>13.15</b>	<b>4.14</b>	-	-	<b>17.29</b>
Depreciation expense for the year	6.50	6.05	0.65	-	13.20
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>19.65</b>	<b>10.19</b>	<b>0.65</b>	-	<b>30.49</b>
<b>III. Net carrying value as at 31<sup>st</sup> March, 2022</b>	<b>75.90</b>	<b>2.50</b>	-	-	<b>78.40</b>
<b>IV. Net carrying value as at 31<sup>st</sup> March, 2023</b>	<b>205.91</b>	<b>19.21</b>	<b>91.64</b>	<b>21.84</b>	<b>338.60</b>

**Notes:**

- The Group has leased under operating lease arrangements certain land admeasuring to 122.86 acres (As at 31<sup>st</sup> March, 2022: 122.86 acres) with carrying value aggregating to ₹7.08 crore (As at 31<sup>st</sup> March, 2022: ₹7.08 crore) to certain related parties for a period ranging from 25 to 99 years.
- Includes net carrying value ₹385.60 crore (As at 31<sup>st</sup> March, 2022: ₹402.74 crore) being cost of office premises located at Mumbai, jointly owned (50%) with a related party.
- Includes net carrying value ₹188.29 crore (As at 31<sup>st</sup> March, 2022: ₹196.53 crore) being cost of pooling station and transmission line constructed on land not owned by the Group.
- Includes net carrying value ₹0.30 crore (as at 31<sup>st</sup> March, 2022: ₹0.36 crore) towards alternate road laid on land not owned by the Group.
- Includes net carrying value ₹6.46 crore (as at 31<sup>st</sup> March, 2022: ₹9.73 crore) towards transmission line not owned by the Group.
- In some of the subsidiary companies, the transfer of title / deeds of some of the freehold land / leasehold land is in process.
- Refer note 18 for the details in respect of certain property, plant and equipment hypothecated / mortgaged as security against borrowings.

FINANCIAL STATEMENTS CONSOLIDATED

# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

## 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

Particulars	Amount in CWIP as at 31st March, 2023			To be completed in (in case of cost over-runs or timeline delays)				
	< 1 year	1-2 years	2-3 years > 3 years	Total	< 1 year	1-2 years	2-3 years > 3 years	Total
<b>Projects in progress:</b>								
SECI X (810 MW wind projects) <sup>1(a)</sup>	745.55	47.75	14.46	-	-	-	-	-
SECI X (450 MW wind projects) <sup>1(b)</sup>	1,489.58	61.39	-	1,550.97	-	-	-	-
225 MW solar project <sup>1(c)</sup>	18.14	19.65	1.82	-	-	-	-	-
Other renewable projects	849.22	19.03	0.48	868.73	-	-	-	-
Kutehr project <sup>2</sup>	556.31	355.12	110.77	1,289.94	1,289.94	-	-	1,289.94
Others	205.38	16.93	0.12	222.49	-	-	-	-
	<b>3,864.18</b>	<b>519.87</b>	<b>127.65</b>	<b>4,779.50</b>	<b>1,289.94</b>	<b>-</b>	<b>-</b>	<b>1,289.94</b>

₹ crore

Particulars	Amount in CWIP as at 31st March, 2022			To be completed in (in case of cost over-runs or timeline delays)				
	< 1 year	1-2 years	2-3 years > 3 years	Total	< 1 year	1-2 years	2-3 years > 3 years	Total
<b>Projects in progress:</b>								
SECI IX (810 MW wind projects) <sup>1(a)</sup>	47.75	14.46	-	62.21	-	-	-	-
SECI X (450 MW wind projects) <sup>1(b)</sup>	61.39	-	-	61.39	-	-	-	-
225 MW solar project <sup>1(c)</sup>	1,116.69	2.49	-	1,119.18	-	-	-	-
Other renewable projects	56.49	14.54	-	71.03	-	-	-	-
Kutehr project <sup>2</sup>	355.12	110.77	245.96	733.64	-	733.64	-	733.64
Others	41.81	0.97	0.21	43.15	15.81	-	-	15.81
	<b>1,679.25</b>	<b>143.23</b>	<b>246.17</b>	<b>2,090.60</b>	<b>15.81</b>	<b>-</b>	<b>733.64</b>	<b>749.45</b>

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# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

### Notes:

- 1) Major ongoing renewable projects:
  - (a) **SECI IX (810 MW wind projects):**  
JSW Renew Energy Limited, a wholly-owned subsidiary of JSW Neo Energy Limited, has signed a power purchase agreement (PPA) on 1<sup>st</sup> May, 2021 and on 27<sup>th</sup> July, 2021 with the Solar Energy Corporation of India Limited (SECI) for supply of 540 MW power capacity and 270 MW power capacity from blended wind projects respectively in the state of Tamil Nadu.
  - (b) **SECI X (450 MW wind projects):**  
JSW Renew Energy Two Limited, a wholly-owned subsidiary of JSW Neo Energy Limited, has signed a power purchase agreement (PPA) on 15<sup>th</sup> September, 2021 with the Solar Energy Corporation of India Limited (SECI) for supply of 450 MW power capacity from blended wind projects in the state of Tamil Nadu. A part of the capacity (27 MW) has been commissioned on 5<sup>th</sup> December, 2022 and started commercial operations.
  - (c) **225 MW solar project:**  
JSW Renewable Energy (Vijayanagar) Limited, in which JSW Neo Energy Limited holds 74% stake, has signed a power purchase agreement (PPA) on 29<sup>th</sup> July, 2021 with JSW Steel Limited (JSWSL), a related party, for supply of 225 MW power capacity from solar project in the state of Karnataka. The project has been commissioned on 8<sup>th</sup> April, 2022 and started commercial operations.
- 2) **Kutehr Project:**  
The Group has awarded all the major works of 240 MW hydro power project at Kutehr, Himachal Pradesh ("the project") and the work is in progress. The carrying amounts related to the project as at 31<sup>st</sup> March, 2023 comprise property, plant and equipment of ₹23.55 crore, capital work-in-progress of ₹1,289.94 crore and capital advance of ₹237.91 crore.
- 3) Amount transferred to property, plant and equipment during the year ₹1,653.10 crore (Previous year ₹122.04 crore)
- 4) Refer note 18 for the details in respect of capital work-in-progress hypothecated / mortgaged as security against borrowings.

### Note No. 5 - Goodwill

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
I. At cost	644.79	644.79
II. Accumulated impairment	4.97	4.97
<b>Carrying amount (I-II)</b>	<b>639.82</b>	<b>639.82</b>

#### Allocation of goodwill to cash generating units (CGU's)

For the purpose of impairment testing, goodwill is allocated to the Group's operating assets, which represents the lowest level within the Group at which goodwill is monitored for internal management purposes. Carrying amount of goodwill allocated to each CGUs is as follows:

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
I. Hydro power plant at Karcham, Himachal Pradesh, India	526.34	526.34
II. Hydro power plant at Baspas, Himachal Pradesh, India	113.48	113.48
<b>Carrying amount</b>	<b>639.82</b>	<b>639.82</b>

# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Estimates used to measure recoverable amounts of Hydro Power Plants

The recoverable amount of Karcham and Baspa hydro power plants have been determined following 'value-in-use' approach over tenure (including expected renewals) of respective long term power purchase agreements (PPA) / implementation agreement.

The key assumptions used in the value-in-use calculations are as follows:

Key assumptions	Hydro Power Plant at Karcham	Hydro Power Plant at Baspa	Basis
Discount rate	8.44% (11.79%)	8.44% (11.79%)	Pre-tax discount rate has been derived based on current cost of borrowing and equity rate of return in line with the current market expectations.
Plant availability	106.00% (106.70%)	97.22% (97.22%)	Plant availability factor (PAF) is estimated based on past trend of PAF and expected PAF in future years.
Plant load factor	49.16% (47.08%)	50.99% (50.99%)	Plant load factor (PLF) is estimated based on past trend of PLF and expected PLF in future years.
Balance tenure of PPA (including expected renewals)	49 Years (50 Years)	19 Years (20 Years)	Balance useful life basis the plants' useful life assessment of the management / external expert having regard to the terms of the implementation agreement.
Tariff	As per CERC tariff regulation 2019-24	HPERC (Terms & Conditions for Determination of Hydro Generation Supply Tariffs) Regulations, 2011, along with its subsequent amendments, having regard to the tariff entitlement under the PPA	- Tariff basis continuity of existing notified tariff provisions / PPA - Economic benefits basis the expectation of approval of additional capacity of 46 MW in the year 2023-24 by Central Electricity Authority #.

(Figures / Information in brackets relate to previous year)

## Sensitivity to changes in assumptions:

The management has considered that any reasonable possible change in any one of the key assumptions would not result into carrying amount to exceed the recoverable amounts of the afore-mentioned hydro power plants.

# The Central Electricity Authority ("CEA") has approved uprating of Karcham Wangtoo Hydro Electric Power Plant ('the Project') of JSW Hydro Energy Limited on 29<sup>th</sup> April, 2021, from 1,000 MW to 1,045 MW with review of operational parameters and performance for at least two monsoon seasons and then to 1,091 MW subject to concurrence by the CEA.

## FINANCIAL STATEMENTS CONSOLIDATED

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to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

### Note no. 6A - Other intangible assets

₹ crore

Particulars	Computer software	Mineral rights	Rights under service concession arrangement	Contractual rights	Total
<b>At cost</b>					
<b>I. Gross carrying value</b>					
Balance as at 1st April, 2021	10.13	88.99	931.96	-	1,031.08
Additions	2.03	-	1.03	-	3.06
Eliminated on disposals / discards	(0.03)	-	(1.30)	-	(1.33)
Effect of foreign currency exchange differences	-	5.46	-	-	5.46
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>12.13</b>	<b>94.45</b>	<b>931.69</b>	<b>-</b>	<b>1,038.27</b>
Additions	2.65	-	0.85	-	3.50
Additions through business combination (Refer note 45)	0.02	-	-	630.61	630.63
Classified as held for sale (Refer note 16)	-	(83.25)	-	-	(83.25)
Effect of foreign currency exchange differences	-	(11.20)	-	-	(11.20)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>14.80</b>	<b>-</b>	<b>932.54</b>	<b>630.61</b>	<b>1,577.95</b>
<b>II. Accumulated amortisation and impairment</b>					
Balance as at 1 <sup>st</sup> April, 2021	8.02	7.19	185.19	-	200.40
Amortisation expense for the year	0.95	-	33.27	-	34.22
Eliminated on disposals / discards	(0.03)	-	(0.22)	-	(0.25)
Allowance for impairment <sup>#</sup>	-	34.11	-	-	34.11
Effect of foreign currency exchange differences	-	1.79	-	-	1.79
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>8.94</b>	<b>43.09</b>	<b>218.24</b>	<b>-</b>	<b>270.27</b>
Amortisation expense for the year	1.83	-	33.28	-	35.11
Classified as held for sale (Refer note 16)	-	(37.97)	-	-	(37.97)
Effect of foreign currency exchange differences	-	(5.12)	-	-	(5.12)
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>10.77</b>	<b>-</b>	<b>251.52</b>	<b>-</b>	<b>262.29</b>
<b>III. Net carrying value as at 31<sup>st</sup> March, 2022</b>	<b>3.19</b>	<b>51.36</b>	<b>713.45</b>	<b>-</b>	<b>768.00</b>
<b>IV. Net carrying value as at 31<sup>st</sup> March, 2023</b>	<b>4.03</b>	<b>-</b>	<b>681.02</b>	<b>630.61</b>	<b>1,315.66</b>

# Based on the assessment of recoverable amount of the foreign mine reserves in South Africa after considering the fluctuation in foreign exchange rate.

Refer note 18 for the details of certain intangible assets hypothecated / mortgaged as security against borrowings.

### Note no. 6B - Intangible asset under development

Particulars	Amount in CWIP as at 31st March, 2023				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in progress	8.69	-	-	-	8.69
	<b>8.69</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8.69</b>



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# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Note no. 7A - Investments in an associate and a joint venture

₹ crore

Particulars	Face value per share (fully paid)	As at 31 <sup>st</sup> March, 2023			As at 31 <sup>st</sup> March, 2022		
		No of Shares	Current	Non-Current	No of Shares	Current	Non-Current
<b>Unquoted investments</b>							
<b>I. Investments in equity instruments accounted for using equity method</b>							
Associate - Toshiba JSW Power Systems Private Limited (Refer note 32)	₹10	99,877,405	-	15.23	99,877,405	-	15.23
Less: Share of loss of an associate restricted upto the cost of investment			-	15.23		-	15.23
<b>Total</b>			-	-		-	-
Joint venture - Barmer Lignite Mining Company Limited (Refer note 33)	₹10	9,800,000	-	9.80	9,800,000	-	9.80
Add: Share of profit of a joint venture			-	45.71		-	26.42
<b>Total</b>			-	<b>55.51</b>	-	-	<b>36.22</b>
<b>Total Investments</b>			-	<b>55.51</b>		-	<b>36.22</b>
<b>Aggregate amount of unquoted investments</b>			-	<b>55.51</b>		-	<b>36.22</b>

## Note no. 7B - Other investments

₹ crore

Particulars	Face value per share (fully paid)	As at 31 <sup>st</sup> March, 2023			As at 31 <sup>st</sup> March, 2022		
		No of Shares	Current	Non-Current	No of Shares	Current	Non-Current
<b>A-Unquoted investments</b>							
<b>I. Investments at amortised cost</b>							
(a) Investments in Government Securities <sup>a</sup>			-	16.54		-	15.17
<b>Total Investments at amortised cost</b>			-	<b>16.54</b>		-	<b>15.17</b>
<b>II. Investments at fair value through profit or loss</b>							
<b>(a) Investments in equity instruments</b>							
1) MJSJ Coal Limited	₹10	10,461,000	-	6.52	10,461,000	-	6.52
2) Power Exchange India Limited	₹10	1,250,000	-	-	1,250,000	-	-
3) Richard Bay Coal Terminal (Proprietary) Limited (Refer note 16)	Rand 10,100	5,000	-	33.88	5,000	-	38.43
Less: Classified as held for sale			-	(33.88)		-	-
<b>Total</b>			-	<b>6.52</b>		-	<b>44.95</b>
<b>(b) Investments in preference shares</b>							
1) JSW Realty & Infrastructure Private Limited <sup>b</sup>	₹10	503,000	-	2.71	503,000	-	3.12
<b>Total</b>			-	<b>2.71</b>		-	<b>3.12</b>

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to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

₹ crore

Particulars	Face value per share (fully paid)	As at 31 <sup>st</sup> March, 2023			As at 31 <sup>st</sup> March, 2022		
		No of Shares	Current	Non-Current	No of Shares	Current	Non-Current
(c) Investments in mutual funds <sup>o</sup>							
1) Kotak Mutual Fund			30.21	-		322.52	-
2) Nippon Mutual Fund			20.11	-		10.06	-
3) Aditya Birla Mutual Fund			404.33	-		435.06	-
4) SBI Mutual Fund			538.05	-		437.08	-
5) ICICI Mutual Fund			3.36	-		137.45	-
6) Invesco Mutual Fund			-	-		50.18	-
7) Mirae Mutual Fund			50.39	-		-	-
<b>Total</b>			<b>1,046.45</b>	<b>-</b>		<b>1,392.35</b>	<b>-</b>
(d) Investments in commercial papers			24.70	-		-	-
(e) Investments in optionally convertible debentures <sup>d</sup>			-	61.00		-	-
<b>Total investments at fair value through profit or loss</b>			<b>1,071.15</b>	<b>70.23</b>		<b>1,392.35</b>	<b>48.07</b>
<b>B-Quoted Investments</b>							
<b>I. Investments at fair value through other comprehensive income</b>							
(a) Investments in equity instruments							
1) JSW Steel Limited	₹1	70,038,350	-	4,819.34	70,038,350	-	5,131.36
<b>Total investments at fair value through other comprehensive income</b>			<b>-</b>	<b>4,819.34</b>		<b>-</b>	<b>5,131.36</b>
<b>Total investments</b>			<b>1,071.15</b>	<b>4,906.11</b>		<b>1,392.35</b>	<b>5,194.60</b>
<b>Aggregate amount of quoted investments</b>			<b>-</b>	<b>4,819.34</b>		<b>-</b>	<b>5,131.36</b>
<b>Aggregate market value of quoted investments</b>			<b>-</b>	<b>4,819.34</b>		<b>-</b>	<b>5,131.36</b>
<b>Aggregate amount of unquoted investments</b>			<b>1,071.15</b>	<b>86.77</b>		<b>1,392.35</b>	<b>63.24</b>

a) Investment in government securities of ₹16.54 crore (as at 31<sup>st</sup> March, 2022 ₹15.17 crore) is towards contingency reserve created by Jaigad PowerTransco Limited, a subsidiary.

b) Terms of preference shares are as follows:

10% Redeemable Non Cumulative Preference Shares of ₹10 each fully paid up invested in JSW Realty & Infrastructure Private Limited are redeemable after 15<sup>th</sup> year from the date of allotment in 5 annual installments from the financial year 2022-23 to 2033-34.

c) ₹142.39 crore had been earmarked towards a true-up reserve account as at 31<sup>st</sup> March, 2022.

d) Terms of optionally convertible debentures are as follows:

0.01% Optionally Convertible Debentures invested in Mytrah Vayu (Tungabhadra) Private Limited (MVTPL) and Mytrah Vayu (Indravati) Private Limited (MVIPL) redeemable on April 2042.

e) Refer Note 18 for current investments hypothecated as security against borrowings.

### Note no. 8 - Trade receivables

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-Current	Current	Non-Current
(1) Unsecured, considered good	1,531.92	99.46	670.22	99.46
(2) Unsecured, credit impaired	21.66	-	22.14	-
Less: Loss allowance for doubtful receivables	21.66	-	22.14	-
	-	-	-	-
	<b>1,531.92</b>	<b>99.46</b>	<b>670.22</b>	<b>99.46</b>

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to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Movement in loss allowance for doubtful receivables

₹ crore

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Opening loss allowance	22.14	22.16
Reversals / Writeback	(0.48)	(0.02)
Closing loss allowance	21.66	22.14

1] Ageing of trade receivables

₹ crore

As at 31 <sup>st</sup> March, 2023	Undisputed trade receivables		Disputed trade receivables	
	considered good	considered doubtful	considered good	considered doubtful
Within credit period	324.41	-	-	-
Outstanding for following periods from due date of payment				
Less than 6 months	709.50	-	0.88	-
6 months to 1 year	213.93	-	0.19	-
1 to 2 years	134.24	-	1.28	-
2 to 3 years	36.19	-	8.32	-
More than 3 years	14.93	-	187.51	21.66
	<b>1,433.20</b>	<b>-</b>	<b>198.18</b>	<b>21.66</b>

As at 31 <sup>st</sup> March, 2022	Undisputed trade receivables		Disputed trade receivables	
	considered good	considered doubtful	considered good	considered doubtful
Within credit period	398.38	-	-	-
Outstanding for following periods from due date of payment				
Less than 6 months	140.19	-	0.57	-
6 months to 1 year	8.33	-	0.90	-
1 to 2 years	14.86	-	5.75	-
2 to 3 years	-	-	15.23	0.48
More than 3 years	-	-	185.47	21.66
	<b>561.76</b>	<b>-</b>	<b>207.92</b>	<b>22.14</b>

- 2] The average credit period allowed to customers is in the range of 7 - 60 days and interest on overdue receivable is generally levied at 8.50% to 16.80% per annum as per the terms of the agreement.
- 3] The Group does not have history of defaults in trade receivables. Loss allowance is estimated for disputed receivables based on assessment of each case by obtaining independent legal opinion, where considered necessary.

## FINANCIAL STATEMENTS CONSOLIDATED

# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

- 4] Trade receivables include ₹198.18 crore (as at 31<sup>st</sup> March, 2022 ₹207.92 crore) withheld / unpaid by the customers because of tariff related disputes which are pending adjudication [Refer note 34(A)(1)(b)]. The Group has, based on legal advice, and subsequent actions by the regulators in certain cases, assessed that there is a reasonable certainty about recoverability of these receivables and no provision is required. Having regard to the said assessment and based on the expected timing of realisation of these balances, the Group has classified the receivables into current and non-current.
- 5] Refer note 18 for trade receivables hypothecated as security against borrowings.

### Note No. 9 - Loans

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-Current	Current	Non-Current
<b>(1) Unsecured, considered good</b>				
Loans to related parties (Refer note 48)	180.90	567.64	150.90	567.64
	<b>180.90</b>	<b>567.64</b>	<b>150.90</b>	<b>567.64</b>
<b>(2) Unsecured, credit impaired</b>				
Loans (other than related party)	-	-	120.00	-
Less: Loss allowance for doubtful loans	-	-	120.00	-
	-	-	-	-
	<b>180.90</b>	<b>567.64</b>	<b>150.90</b>	<b>567.64</b>

### Movement in loss allowance for doubtful loans

₹ crore

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>Opening loss allowance</b>	<b>120.00</b>	<b>120.00</b>
Reversals / Write back	(120.00)	-
<b>Closing loss allowance</b>	<b>-</b>	<b>120.00</b>

**Disclosure under Regulation 53(f) and 34(3) read together with paragraph A Schedule V of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

₹ crore

Name of parties	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-Current	Current	Non-Current
<b>Related parties</b>				
Barmer Lignite Mining Company Limited	-	567.64	-	567.64
	-	(567.64)	-	(567.64)
South West Mining Limited	180.90	-	150.90	-
	(180.90)	-	(150.90)	-
JSW Global Business Solutions Limited	-	-	-	-
	-	-	(0.84)	(1.45)

Figures in brackets relate to maximum amount outstanding during the year.

All the above loans have been given for business purpose only.

# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Subordinated debt to Barmer Lignite Mining Company Limited and accrued interest thereof:

JSW Energy (Barmer) Limited ("JSWEBL") had given a subordinated loan of ₹567.64 crore (as at 31<sup>st</sup> March, 2022 ₹567.64 crore) to Barmer Lignite Mining Company Limited, a joint venture ("BLMCL") of JSWEBL. The Management has filed the Petition for approval of capital cost of BLMCL mines with Rajasthan Electricity Regulatory Commission ("RERC"). As the determination of transfer price of lignite is based on two-part tariff as per RERC Regulations, approval of capital cost will result in the recovery of sub-ordinate loan as well.

Such subordinated unsecured loan carries an interest rate of 10% p.a. and is re-payable after the repayment of existing secured rupee term loan of BLMCL i.e. in FY 2038-39. There had been certain delays in payment of accrued interest on such subordinated loan. Outstanding interest accrued as at 31<sup>st</sup> March, 2023: ₹197.27 crore (as at 31<sup>st</sup> March, 2022 ₹302.27 crore) by BLMCL. Based on expected timing of recovery of interest due, expected credit loss of ₹32.69 crore being time value of money, is recognised as at 31<sup>st</sup> March, 2023 (Refer note 10).

## Note No. 10 - Other financial assets

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-Current	Current	Non-Current
(1) Finance lease receivable (Refer note 37)	40.16	840.96	4.33	880.45
(2) Service concession receivable (Refer note 38)	61.05	0.36	58.42	61.41
(3) Security deposits				
(i) Government / Semi-government authorities	-	70.52	-	19.66
(ii) Related parties (Refer note 48)	28.63	89.91	-	80.04
(iii) Others	23.96	5.89	25.69	5.95
	<b>52.59</b>	<b>166.32</b>	<b>25.69</b>	<b>105.65</b>
(4) Interest receivable				
(i) Interest accrued on loans to related parties (Refer note 9 and note 48)	26.46	177.27	149.08	155.07
Less: Allowance for expected credit loss	(3.32)	(29.37)	(12.45)	(20.24)
(ii) Interest accrued on deposits	15.61	1.93	9.85	-
(iii) Interest accrued on investments	0.20	-	0.18	-
(iv) Interest accrued on others	15.14	-	11.67	-
	<b>54.09</b>	<b>149.83</b>	<b>158.33</b>	<b>134.83</b>
(5) Derivative designated as hedges (Refer note 42)				
(i) Foreign currency forward contracts	-	-	0.59	-
(ii) Foreign currency options	-	778.60	-	66.13
(6) Other bank balances				
(i) Unrestricted cash and bank balances				
-In deposit accounts (maturity more than 12 months)	-	25.38	-	10.70
(ii) Earmarked cash and bank balances				
- Margin money for security against the guarantees	-	129.16	-	53.80
(7) Advance towards acquisition of equity shares	455.40	-	-	-
(8) Others	12.62	1.46	5.42	-
	<b>675.91</b>	<b>2,092.07</b>	<b>252.78</b>	<b>1,312.97</b>

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to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Note No. 11A - Income tax assets (net)

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-Current	Current	Non-Current
Advance tax and tax deducted at sources [Net of provision for tax as at 31 <sup>st</sup> March, 2023 ₹1,856.73 crore, as at 31 <sup>st</sup> March, 2022 ₹1,852.40 crore]	-	192.55	-	130.26
	-	<b>192.55</b>	-	<b>130.26</b>

## Note No. 11B - Current tax liabilities (net)

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-Current	Current	Non-Current
Income tax liabilities [Net of advance tax as at 31 <sup>st</sup> March, 2023 ₹757.77 crore as at 31 <sup>st</sup> March, 2022 ₹632.94 crore]	44.82	-	36.79	-
	<b>44.82</b>	-	<b>36.79</b>	-

## Note No. 12A - Deferred tax assets (net)

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-Current	Current	Non-Current
Deferred tax assets (net)	-	324.44	-	418.20
	-	<b>324.44</b>	-	<b>418.20</b>

## Note No. 12B - Deferred tax liabilities (net)

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-Current	Current	Non-Current
(1) Deferred tax liabilities (net)	-	2,099.70	-	1,947.19
(2) Minimum alternate tax credit entitlement	-	(1,021.29)	-	(1,054.93)
	-	<b>1,078.41</b>	-	<b>892.26</b>

## Note No. 13 - Other assets

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-Current	Current	Non-Current
(1) Capital advances	-	964.54	-	931.02
(2) Prepayments	115.09	4.22	117.46	1.78
(3) Advance to a related party (Refer note 48)	-	-	0.67	-
(4) Advances to others	19.85	0.45	-	-
(5) Balances with government authorities [Refer note 34(A)(1)(a)]	142.18	101.92	35.99	118.65
(6) Others	8.48	-	0.49	-
	<b>285.60</b>	<b>1,071.13</b>	<b>154.61</b>	<b>1,051.45</b>

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to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Note No. 14 - Inventories

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(1) Raw materials - Stock of fuel	816.08	757.41
(2) Stores and spares	153.13	143.50
(3) Others	17.87	0.11
	<b>987.08</b>	<b>901.02</b>

Footnotes

a) Cost of inventory recognised as an expense

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
(1) Raw materials - Stock of fuel	5,569.70	3,493.95
(2) Stores and spares	65.93	71.26
	<b>5,635.63</b>	<b>3,565.21</b>

b) Details of stock in transit included above

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(1) Raw materials - Stock of fuel	334.75	553.29
(2) Stores and spares	-	0.22
	<b>334.75</b>	<b>553.51</b>

c) Basis of valuation: Refer note 2.8 (XII)

d) Refer note 18 for inventories hypothecated as security against certain term loan borrowings.

## Note No. 15A - Cash and cash equivalents

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(1) Balances with banks		
(i) In current accounts	2,771.57	320.54
(ii) In deposit accounts (maturity less than 3 months at inception)	649.83	256.99
(2) Cheques on hand	0.81	7.54
(3) Cash on hand	0.08	0.09
	<b>3,422.29</b>	<b>585.16</b>

## Note No. 15B - Bank balances other than cash and cash equivalents

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(1) Balances with banks		
(i) In deposit accounts (maturity more than 3 months at inception)	158.20	93.98
(2) Earmarked balances with banks		
(i) Unclaimed dividends	0.58	0.70
(ii) Margin money for security	432.81	454.27
	<b>591.59</b>	<b>548.95</b>

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### Note No. 16 - Asset classified as held for sale

The Board at its meeting dated 15<sup>th</sup> March 2023, accorded their approval for the divestment of 69.44% stake held by the Company in South African Coal Mining Holdings Limited ("SACMH") and its subsidiaries ("disposal group"). The divestment is consistent with the Group's long-term policy to focus its activities on the Group's other businesses. The disposal group is expected to be sold within 12 months, and underlying assets and liabilities have been classified as held for sale. The proceeds of disposal group are expected to exceed the carrying amount of the related net assets and accordingly no impairment losses have been recognised on the classification of the disposal group as held for sale.

The underlying assets and liabilities, of SACMH and its subsidiaries classified as held for sale are as under:

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	
Property, plant and equipment	22.48	
Other Intangible assets	45.28	
Investments	33.88	
<b>Total assets</b>	<b>101.64</b>	
Deferred tax liabilities	27.82	
Provisions	40.09	
<b>Total liabilities</b>	<b>67.91</b>	
	<b>33.73</b>	

### Note No. 17A - Equity share capital

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	No. of shares	₹ crore	No. of shares	₹ crore
<b>Authorised:</b>				
Equity shares of ₹10 each with voting rights	5,00,00,00,000	5,000.00	5,00,00,00,000	5,000.00
<b>Issued, subscribed and fully paid: (A)</b>				
Equity shares of ₹10 each with voting rights	1,64,46,75,668	1,644.68	16,44,031,656	1,644.03
<b>Treasury shares held through ESOP trust (B)</b>				
Equity shares of ₹10 each with voting rights	(41,39,430)	(4.14)	(43,60,746)	(4.36)
<b>Equity shares [net of treasury shares] [A + B]</b>	<b>1,64,05,36,238</b>	<b>1,640.54</b>	<b>1,63,96,70,910</b>	<b>1,639.67</b>

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

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
	No. of shares	No. of shares
<b>Balance as at the beginning of the year</b>	1,64,40,31,656	1,64,27,86,469
Shares issued during the year	6,44,012	12,45,187
<b>Balance as at the end of the year</b>	<b>1,64,46,75,668</b>	<b>1,64,40,31,656</b>



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 to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

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

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
	No. of shares	No. of shares
<b>Balance as at the beginning of the year</b>	<b>43,60,746</b>	<b>4,57,214</b>
Shares issued during the year	6,44,012	12,45,187
Shares acquired from secondary market	-	36,15,000
Shares transferred upon exercise of options under ESOP scheme	(8,65,328)	(9,56,655)
<b>Balance as at the end of the year</b>	<b>41,39,430</b>	<b>43,60,746</b>

**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:**

Name of companies	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	No. of shares	% of shares	No. of shares	% of shares
JSW Investments Private Limited	33,24,92,694	20.22%	33,24,92,694	20.22%
Indusglobe Multiventures Private Limited	25,59,86,044	15.56%	25,59,86,044	15.57%
Siddeshwari Tradex Private Limited	23,09,32,433	14.04%	23,09,32,433	14.05%
JSL Limited	14,53,32,820	8.84%	14,53,32,820	8.84%
Life Insurance Corporation of India	16,31,66,477	9.92%	16,37,65,348	9.96%
Virtuous Tradecorp Private Limited	8,55,99,613	5.20%	8,55,99,613	5.21%
JSW Steel Limited	8,53,63,090	5.19%	8,53,63,090	5.19%

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

S. No.	Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022		% change during the year
		No. of shares	% of shares	No. of shares	% of shares	
<b>Promoters</b>						
1	Sajjan Jindal	100	0.00%	100	0.00%	0.00%
2	Sangita Jindal	100	0.00%	100	0.00%	0.00%
3	Prithavi Raj Jindal	-	0.00%	370	0.00%	0.00%
4	JSW Investments Private Limited	33,24,92,694	20.22%	33,24,92,694	20.22%	-0.01%
<b>Total</b>		<b>33,24,92,894</b>	<b>20.22%</b>	<b>33,24,93,264</b>	<b>20.22%</b>	<b>-0.01%</b>
<b>Promoter group</b>						
1	Indusglobe Multiventures Private Limited	25,59,86,044	15.56%	25,59,86,044	15.57%	-0.01%
2	Siddeshwari Tradex Private Limited	23,09,32,433	14.04%	23,09,32,433	14.05%	-0.01%
3	JSL Limited	14,53,32,820	8.84%	14,53,32,820	8.84%	0.00%
4	Virtuous Tradecorp Private Limited	8,55,99,613	5.20%	8,55,99,613	5.21%	-0.01%

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S. No.	Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022		% change during the year
		No. of shares	% of shares	No. of shares	% of shares	
5	JSW Steel Limited	8,53,63,090	5.19%	8,53,63,090	5.19%	0.00%
6	Tarini Jindal Handa	2,50,52,225	1.52%	2,50,52,225	1.52%	0.00%
7	Tanvi Shete	2,50,52,225	1.52%	2,50,52,225	1.52%	0.00%
8	Parth Jindal	1,76,27,225	1.07%	1,76,27,225	1.07%	0.00%
9	JSW Steel Coated Products Limited	87,80,520	0.53%	87,80,520	0.53%	0.00%
10	Amba River Coke Limited	71,38,640	0.43%	72,10,640	0.44%	0.00%
11	Seema Jajodia	43,29,902	0.26%	43,47,184	0.26%	0.00%
12	JSW Cement Limited	26,29,610	0.16%	26,29,610	0.16%	0.00%
13	Asian Colour Coated Ispat Limited	2,51,250	0.02%	2,51,250	0.02%	0.00%
14	Urmila Bhuwarka	1,62,000	0.01%	1,50,000	0.01%	0.00%
15	Saroj Bhartia	1,50,000	0.01%	1,50,000	0.01%	0.00%
16	Nirmala Goel	1,10,000	0.01%	1,10,000	0.01%	0.00%
17	JSW Holdings Limited	445	0.00%	445	0.00%	0.00%
18	Arti Jindal	370	0.00%	-	0.00%	0.00%
19	Nalwa Sons Investments Limited	370	0.00%	370	0.00%	0.00%
20	Tarini Jindal Family Trust (Trustees Sajjan Jindal, Sangita Jindal, Tarini Jindal Handa)	100	0.00%	100	0.00%	0.00%
21	Tanvi Jindal Family Trust (Trustees Sajjan Jindal, Sangita Jindal, Tanvi Shete)	100	0.00%	100	0.00%	0.00%
22	Sangita Jindal Family Trust (Trustees Sajjan Jindal, Sangita Jindal)	100	0.00%	100	0.00%	0.00%
23	Sajjan Jindal Lineage Trust (Trustees Sajjan Jindal, Sangita Jindal)	100	0.00%	100	0.00%	0.00%
24	Sajjan Jindal Family Trust (Trustees Sajjan Jindal, Sangita Jindal)	100	0.00%	100	0.00%	0.00%
25	Sahyog Holdings Private Limited	100	0.00%	100	0.00%	0.00%
26	Parth Jindal Family Trust (Trustees Sajjan Jindal, Sangita Jindal, Parth Jindal)	100	0.00%	100	0.00%	0.00%
27	Sarika Jhunjhnuwala	2,50,000	0.02%	2,50,000	0.02%	0.00%
28	Epsilon Carbon Private Limited	66,670	0.00%	66,670	0.00%	0.00%
29	Urmila Kailashkumar Kanoria	45,000	0.00%	30,000	0.00%	0.00%
30	JSW Jaigarh Port Limited	1,05,000	0.01%	20,000	0.00%	0.01%
31	Narmada Fintrade Private Limited	19,990	0.00%	19,990	0.00%	0.00%
32	JSW Severfield Structures Limited	5,000	0.00%	5,000	0.00%	0.00%
33	JSW Paints Private Limited	5,000	0.00%	5,000	0.00%	0.00%
34	Abhyuday Jindal	370	0.00%	370	0.00%	0.00%
35	South West Mining Limited	3,14,000	0.02%	-	0.00%	0.02%
36	Neotrex Steel Private Limited	72,000	0.00%	-	0.00%	0.00%
	<b>Total</b>	<b>89,53,82,512</b>	<b>54.44%</b>	<b>89,49,73,424</b>	<b>54.44%</b>	<b>0.00%</b>
	<b>Grand Total</b>	<b>1,22,78,75,406</b>	<b>74.66%</b>	<b>1,22,74,66,688</b>	<b>74.66%</b>	<b>-0.01%</b>

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## f) Dividend:

- (i) The Board of Directors, in its meeting held on 3<sup>rd</sup> May, 2022, recommended dividend of 20% (₹2 per equity share of ₹10 each) for the year ended 31<sup>st</sup> March, 2022 and the same was approved by the shareholders at the annual general meeting held on 14<sup>th</sup> June, 2022, which resulted in a cash outflow of ₹328.81 crore.
- (ii) The Board of Directors, in its meeting held on 23<sup>rd</sup> May, 2023 has recommended dividend of 20% (₹2 per equity share of ₹10 each) for the year ended 31<sup>st</sup> March, 2023 subject to the approval of shareholders at the ensuing annual general meeting.

## Note No. 17B - Other equity

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>I. Reserves and surplus</b>		
(1) General reserve	214.06	214.06
(2) Retained earnings	9,647.98	8,450.66
(3) Securities premium	2,400.30	2,397.59
(4) Equity settled employee benefits reserve	65.09	40.36
(5) Debenture redemption reserve	-	50.00
(6) Capital reserve	4.17	-
(7) Contingency reserve	17.08	15.70
	<b>12,348.68</b>	<b>11,168.37</b>
<b>II. Items of other comprehensive income</b>		
(1) Equity instrument through other comprehensive income	4,451.51	4,727.19
(2) Foreign currency translation reserve	(0.89)	3.50
(3) Effective portion of cash flow hedge	188.97	(123.83)
	<b>4,639.59</b>	<b>4,606.86</b>
<b>Total other equity</b>	<b>16,988.27</b>	<b>15,775.23</b>

- (i) **General reserve:** The Group 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.
- (ii) **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.
- (iii) **Securities premium:** Securities premium comprises premium received on issue of shares.
- (iv) **Equity settled employee benefits reserve:** The Group offers ESOP under which options to subscribe for the Company's share have been granted to its employees. The share based payment reserve is used to recognise the value of equity settled share based payments provided as part of the ESOP scheme.

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- (v) **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, from financial year ended 31<sup>st</sup> March, 2020 onwards, the requirement to create the debenture redemption reserve has been withdrawn.
- (vi) **Capital Reserve:** Reserve is primarily created on business combination. This reserve is utilised as per the applicable provisions of Companies Act, 2013.
- (vii) **Contingency reserve:** The contingency reserve has been created out of profit of Jaigad PowerTransco Limited, a subsidiary company, as per MERC Regulations. The reserve can be utilised by the group for the purpose of future losses, which may arise from uninsured risks.
- (viii) **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.
- (ix) **Foreign currency translation reserve:** This reserve contains the accumulated balance of foreign exchange differences arising on monetary items that, in substance, form part of the Group's net investment in a foreign operation whose functional currency is other than Indian rupees. Exchange differences previously accumulated in this reserve are reclassified to profit or loss on disposal of the foreign operation.
- (x) **Effective portion of cash flow hedge:** Effective portion of cash flow hedges 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.

### Note no. 18 - Borrowings

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-current	Current	Non-current
<b>Measured at amortised cost</b>				
<b>I. Non-current borrowings:</b>				
<b>Secured:</b>				
(1) Debentures				
(i) Non-convertible debentures	175.00	250.00	200.00	175.00
(2) Bonds				
(i) USD Green Bonds <sup>a</sup>	465.02	4,679.25	428.76	4,743.21
(3) Term loans				
(i) From banks	2,911.20	8,567.13	324.97	2,007.50
(ii) From financial institutions	345.19	5,570.61	19.00	14.45
<b>Unsecured:</b>				
(1) Debentures				
(i) Non-convertible debentures	-	250.00	-	-
(2) Compulsorily convertible debentures	-	76.99	-	-
	<b>3,896.41</b>	<b>19,393.98</b>	<b>972.73</b>	<b>6,940.16</b>
Less: unamortised borrowing cost	(17.79)	(186.08)	(12.35)	(63.79)
	<b>3,878.62</b>	<b>19,207.90</b>	<b>960.38</b>	<b>6,876.37</b>

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Particulars	₹ crore			
	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-current	Current	Non-current
<b>II. Current borrowings:</b>				
<b>Secured:</b>				
(1) Loans repayable on demand <sup>b</sup>				
(i) Working capital demand loan	942.08	-	111.93	-
(ii) Cash credit from banks	180.88	-	48.21	-
(2) Acceptance for capital projects <sup>c</sup>	458.68	-	498.85	-
<b>Unsecured:</b>				
(1) Commercial papers	49.06	-	296.80	-
(2) Bills discounted <sup>d</sup>	100.00	-	100.00	-
	<b>1,730.70</b>	<b>-</b>	<b>1,055.79</b>	<b>-</b>
	<b>5,609.32</b>	<b>19,207.90</b>	<b>2,016.17</b>	<b>6,876.37</b>

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

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>I. Non-current borrowings (including current maturities of long-term debt)</b>		
<b>Balance as at the beginning of the year</b>	<b>7,836.75</b>	<b>8,053.51</b>
Cash flows (repayment) / proceeds (net)	8,384.30	(373.43)
Additions through business combinations	6,573.16	-
<b>Non-cash changes:</b>		
Foreign exchange movement	420.04	193.30
Amortised borrowing cost	(127.73)	(36.63)
<b>Balance as at the end of the year</b>	<b>23,086.52</b>	<b>7,836.75</b>
<b>II. Current borrowings</b>		
<b>Balance as at the beginning of the year</b>	<b>1,055.79</b>	<b>289.97</b>
Cash flows (repayment) / proceeds	353.44	765.82
Additions through business combinations and asset acquisition	321.47	-
<b>Balance as at the end of the year</b>	<b>1,730.70</b>	<b>1,055.79</b>

- JSW Hydro Energy Limited, a wholly owned subsidiary of JSW Neo Energy Limited, has raised ₹5,162.87 crore [USD 707 million] on 18<sup>th</sup> May, 2021, by issuing USD denominated senior secured "Green Bonds" (also referred as the notes) pursuant to Rule 144A of the U.S. Securities Act, 1933, as amended, and applicable Indian regulations, for the repayment of its existing green project related rupee-denominated indebtedness. The notes are listed on the Singapore Exchange Securities Trading Limited (SGX-ST).
- Working capital loans and cash credit facilities are secured by way of pari-passu first ranking charge on all moveable and immoveable assets of the respective companies.
- Acceptance for capital projects are secured by way of exclusive charge on respective goods / equipment shipped under the LC agreement.
- Unsecured Bill discounting facility against Non LC bill drawn on Subsidiary Company JSW Energy (Barmer) Limited ("JSWEBL").
- The rate of interest for term loans from banks and financial institutions ranges from 7.35% to 13.15% p.a.

## FINANCIAL STATEMENTS CONSOLIDATED

# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

₹ crore

Terms of repayment	Security	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
		Current	Non-current	Current	Non-current
<b>I. Debentures (secured)</b>					
1,750 nos @ (12M T-Bill + 3.25%) currently 10.48% p.a. Secured Redeemable Non Convertible Debentures of ₹10 lakh each are redeemable at par in bullet repayment of ₹175 crore in February 2024	Pari passu first ranking charge by way of legal mortgage on a flat situated at Mumbai, Maharashtra and first ranking pari passu charge by way of legal mortgage of Company's (SBU3) immovable property and first ranking pari passu charge by way of hypothecation of moveable fixed assets of the Company (SBU3) situated at Ratnagiri Works, Maharashtra.	175.00	-	-	175.00
2,500 nos @ (SBI 1 Year MCLR + 0.05%) currently 7.75% p.a. Secured Redeemable Non Convertible Debentures of ₹10 lakh each are redeemable at par in bullet repayment of ₹250 crore in September 2025	First ranking pari passu charge over the moveable fixed assets of the Company (SBU3) at Ratnagiri, Maharashtra, including its movable plant and machinery, spares, other equipment including its spares, tools and accessories, furniture, fixtures, vehicles, electrical systems, wiring, pipelines, electronics spares, movable civil works, tools, meters, and all other movable fixed assets.	-	250.00	-	-
Redeemed in December 2022	Pari passu first ranking charge by way of legal mortgage on the freehold land of the Company situated at village Chaferi, Ratnagiri, Maharashtra and first ranking charge by way of hypothecation of moveable fixed assets of the Company (SBU1 & SBU2) situated at Vijayanagar Works, Karnataka.	-	-	200.00	-
<b>II. Debentures (Unsecured)</b>					
25,000 nos @ 8.45% p.a. Unsecured Redeemable Non Convertible Debentures of ₹1 lakh each are redeemable at par in bullet repayment of ₹250 crore in March 2026	Not applicable	-	250.00	-	-
Payable at the end of tenor (25 years) or redemption whichever is earlier as mutually agreed between the parties. The CCDs are compulsorily convertible into equity shares within 25 years from the date of allotment.	Not applicable	-	76.99	-	-
<b>Total</b>		<b>175.00</b>	<b>576.99</b>	<b>200.00</b>	<b>175.00</b>
<b>III. USD green bonds</b>					
USD 46.06 million @ 4.125% Senior Secured Notes repayable in half yearly installments till May 2031	First ranking pari passu mortgage over the leasehold and freehold land of the Baspa II Project. First ranking pari passu charge over the Project Accounts, all movable assets (tangible & intangible) and current assets of the Baspa II project, all revenues from the Projects including book debts and operating cash flows, both present and future and the rights, title and interest of the project under the PPAs and clearances pertaining to the Projects of Subsidiary's Baspa II HEP (both present and future) project of the Group situated at Kinnaur Dist., Himachal Pradesh. First ranking pari passu pledge over 51 % of equity shares of the Issuer held by JSW Neo Energy Limited and other shareholders and a negative pledge over the remaining 49 % of equity shares of the Issuer held by JSW Neo Energy Limited and other shareholders.	34.20	344.16	31.54	348.87

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to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

Terms of repayment	Security	₹ crore			
		As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
		Current	Non-current	Current	Non-current
USD 579.60 million @ 4.125% Senior Secured Notes repayable in half yearly installments till May 2031	First ranking pari passu mortgage over the leasehold and freehold land of the Karcham II Project. First ranking pari passu charge over the Project Accounts, all movable assets (tangible & intangible) and current assets of the Karcham II project, all revenues from the Projects including book debts and operating cash flows, both present and future and the rights, title and interest of the project under the PPAs and clearances pertaining to the Projects of Subsidiary's Karcham II HEP (both present and future) project of the Group situated at Kinnaur Dist., Himachal Pradesh. First ranking pari passu pledge over 51 % of equity shares of the Issuer held by JSW Neo Energy Limited and other shareholders and a negative pledge over the remaining 49 % of equity shares of the Issuer held by JSW Neo Energy Limited and other shareholders.	430.82	4,335.09	397.22	4,394.34
<b>Total</b>		<b>465.02</b>	<b>4,679.25</b>	<b>428.76</b>	<b>4,743.21</b>
<b>IV. Term loans</b>					
<b>Rupee term loan from banks (secured)</b>					
Bullet repayment in December 2023	First ranking pari passu charge over the moveable fixed assets of the Company (SBU3) at Ratnagiri, Maharashtra, including its movable plant and machinery, spares, other equipment including its spares, tools and accessories, furniture, fixtures, vehicles, electrical systems, wiring, pipelines, electronics spares, movable civil works, tools, meters, and all other movable fixed assets.	500.00	-	-	500.00
Repayable in structured quarterly installments from June 2022 to March 2027	First ranking pari passu charge over the moveable fixed assets of the Company (SBU3) at Ratnagiri, Maharashtra, including its movable plant and machinery, spares, other equipment including its spares, tools and accessories, furniture, fixtures, vehicles, electrical systems, wiring, pipelines, electronics spares, movable civil works, tools, meters, and all other movable fixed assets.	70.00	595.00	-	-
Repayable in structured quarterly installments from March 2023 to March 2029	First ranking pari passu charge by way of legal mortgage of Company's (SBU 1, 2 and SBU3) immovable property and first ranking pari passu charge by way of hypothecation of moveable fixed assets of the Company (SBU 1, 2 and SBU3)	49.00	1,264.00	-	-
Repayable in 20 equal quarterly installments from June 2023 to March 2028.	First ranking charge by way of hypothecation of moveable assets of Subsidiary's Barmer works (both present and future) situated at Barmer, Rajasthan.	60.00	240.00	-	-
Repayable in 27 structured quarterly installments from June 2023 to December 2029.	First ranking charge by way of legal mortgage on immovable property and first ranking pari passu charge by way of hypothecation of moveable assets of Subsidiary's Barmer works (both present and future) situated at Barmer, Rajasthan, first ranking pari passu charge over all revenue and receivables, rights, title and interest under each of the Project Documents, DSRA and all insurance contracts.	75.39	525.57	-	-
Repayable in 14 structured quarterly installments from June 2023 to September 2027.	Secured by a second ranking charge over all the immovable and movable assets (both present and future) situated at Barmer, Rajasthan.	90.00	340.00	70.00	430.00

## FINANCIAL STATEMENTS CONSOLIDATED

# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

₹ crore

Terms of repayment	Security	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
		Current	Non-current	Current	Non-current
Repayable in 26 structured quarterly installments from June 2023 to September 2029.	Secured by first ranking mortgage and charge over all the tangible, intangible, immovable and movable assets of Subsidiary's Barmer works (both present and future), all revenues and receivables, all the rights, title and interest under each of the Project Documents and all the Insurance Contracts.	66.00	474.00	54.00	540.00
Repayable in 70 structured quarterly installments from June 2023 to September 2041.	First ranking charge by way of legal mortgage on immovable property and first ranking pari passu charge by way of hypothecation of moveable assets of JSW Renew Energy Two Limited (both present and future) situated at Tamil Nadu, first ranking pari passu charge over all revenue and receivables, rights, title, interest under each of the Project Documents, DSRA, all insurance contracts and pledge of 76% of equity shares and 100% of other instruments brought in as promoter's contribution which will drop to 51% on achievement of the project stabilisation.	-	645.00	-	-
Repayable in 70 structured quarterly installments from June 2023 to September 2041.	First ranking charge by way of legal mortgage on immovable property and first ranking pari passu charge by way of hypothecation of moveable assets of JSW Renew Energy Two Limited (both present and future) situated at Tamil Nadu, first ranking pari passu charge over all revenue and receivables, rights, title, interest under each of the Project Documents, DSRA, all insurance contracts and pledge of 76% of equity shares and 100% of other instruments brought in as promoter's contribution which will drop to 51% on achievement of the project stabilisation.	-	709.95	-	-
Repayable in 90 structured quarterly installments from October 2025 to September 2043.	First ranking charge by way of legal mortgage on immovable property and first ranking pari passu charge by way of hypothecation of moveable assets of JSW Energy (Kutehr) Limited (both present and future) situated at Himachal Pradesh, first ranking pari passu charge over all revenue and receivables, rights, title, interest of the Project Documents, DSRA, all insurance contracts and pledge of 100% of equity shares of the promoter's contribution.	-	424.74	-	-
Repayable in 90 structured quarterly installments from October 2025 to September 2043.	First ranking charge by way of legal mortgage on immovable property and first ranking pari passu charge by way of hypothecation of moveable assets of JSW Energy (Kutehr) Limited (both present and future) situated at Himachal Pradesh, first ranking pari passu charge over all revenue and receivables, rights, title, interest of the Project Documents, DSRA, all insurance contracts and pledge of 100% of equity shares of the promoter's contribution.	-	62.72	-	-
Repayable in 90 structured quarterly installments from October 2025 to September 2043.	First ranking charge by way of legal mortgage on immovable property and first ranking pari passu charge by way of hypothecation of moveable assets of JSW Energy (Kutehr) Limited (both present and future) situated at Himachal Pradesh, first ranking pari passu charge over all revenue and receivables, rights, title, interest of the Project Documents, DSRA, all insurance contracts and pledge of 100% of equity shares of the promoter's contribution.	-	180.40	-	-



FINANCIAL STATEMENTS CONSOLIDATED

# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

Terms of repayment	Security	₹ crore			
		As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
		Current	Non-current	Current	Non-current
Repayable in 90 structured quarterly installments from October 2025 to September 2043.	First ranking charge by way of legal mortgage on immovable property and first ranking pari passu charge by way of hypothecation of moveable assets of JSW Energy (Kutehr) Limited (both present and future) situated at Himachal Pradesh, first ranking pari passu charge over all revenue and receivables, rights, title, interest of the Project Documents, DSRA, all insurance contracts and pledge of 100% of equity shares of the promoter's contribution.	-	78.43	-	-
Repayable in 68 structured quarterly installments from September 2023 to June 2040.	First ranking charge by way of legal mortgage on immovable property and first ranking pari passu charge by way of hypothecation of moveable assets of JSW Renewable Energy (Vijayanagar) Limited (both present and future) situated at Vijayanagar, Karnataka, first ranking pari passu charge over all revenue and receivables, rights, title, interest under each of the Project Documents, DSRA, all insurance contracts and pledge of 74% shares/ NCD/CCD/OCR.	20.07	434.93	-	-
Repayable in 68 structured quarterly installments from September 2023 to June 2040.	First ranking charge by way of legal mortgage on immovable property and first ranking pari passu charge by way of hypothecation of moveable assets of JSW Renewable Energy (Vijayanagar) Limited (both present and future) situated at Vijayanagar, Karnataka, first ranking pari passu charge over all revenue and receivables, rights, title, interest under each of the Project Documents, DSRA, all insurance contracts and pledge of 74% shares/ NCD/CCD/OCR.	7.54	163.46	-	-
Repayable in 68 structured quarterly installments from September 2023 to June 2040.	First ranking charge by way of legal mortgage on immovable property and first ranking pari passu charge by way of hypothecation of moveable assets of JSW Renewable Energy (Vijayanagar) Limited (both present and future) situated at Vijayanagar, Karnataka, first ranking pari passu charge over all revenue and receivables, rights, title, interest under each of the Project Documents, DSRA, all insurance contracts and pledge of 74% shares/ NCD/CCD/OCR.	7.50	128.50	-	-
Repayable in 68 structured quarterly installments from September 2023 to June 2040.	First ranking charge by way of legal mortgage on immovable property and first ranking pari passu charge by way of hypothecation of moveable assets of JSW Renewable Energy (Vijayanagar) Limited (both present and future) situated at Vijayanagar, Karnataka, first ranking pari passu charge over all revenue and receivables, rights, title, interest under each of the Project Documents, DSRA, all insurance contracts and pledge of 74% shares/ NCD/CCD/OCR.	4.59	99.41	-	-
Repayable in 65 structured quarterly installments from March 2025 to March 2041.	First ranking charge by way of legal mortgage on immovable property and first ranking pari passu charge by way of hypothecation of moveable assets of JSW Renewable Energy (Vijayanagar) Limited (both present and future) situated at Vijayanagar, Karnataka, first ranking pari passu charge over all revenue and receivables, rights, title, interest under each of the Project Documents, DSRA, all insurance contracts and pledge of 74% shares/ NCD/CCD/OCR.	-	35.12	-	-

## FINANCIAL STATEMENTS CONSOLIDATED

# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

₹ crore

Terms of repayment	Security	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
		Current	Non-current	Current	Non-current
Repaid in October 2022	First ranking charge by way of legal mortgage on immovable property and first ranking pari passu charge by way of hypothecation of moveable assets of Subsidiary's Barmer works (both present and future) situated at Barmer, Rajasthan, first ranking pari passu charge over all revenue and receivables, rights, title and interest under each of the Project Documents, DSRA and all insurance contracts.	-	-	108.47	332.50
Repaid in December 2022	Second ranking charge on movable assets and immovable property (excluding current assets) of Subsidiary's Barmer works and bank account (both present and future) situated at Barmer, Rajasthan.	-	-	92.50	205.00
Repayable in bullet installment in June 2024	First ranking charge by way of legal mortgage on immovable property and first ranking pari passu charge by way of hypothecation of moveable assets of Ind-Barath Energy (Utkal) Limited (both present and future) situated at Odisha. Pledge of 100% of shares held by the Company.	-	900.00	-	-
Repayable in 204 structured monthly instalments from June 2024	First ranking charge by way of legal mortgage on immovable property and first ranking pari passu charge by way of hypothecation of moveable assets of JSW Renew Energy Limited (both present and future) situated at Tamil Nadu, First charge by way of hypothecation of all the Borrower's movable properties, including plant and machinery, machinery spares, equipment's, tools and accessories, furniture, fixtures, vehicles, stocks and all other movable assets, present and future and also first charge by way of hypothecation of all the present and future book debts, bills, receivables, monies including bank accounts, claims of all kinds and stocks including consumables and other general stores. First ranking pari passu charge over all revenue and receivables, rights, title, interest under each of the Project Documents, Pledge of 51 % of the total paid up Equity Shares (with 51 % voting rights) of the Borrower. Pledge of 51 % of hybrid instruments in the Borrower Company.	-	577.07	-	-
Repayable in 204 structured monthly instalments from December 2024	First ranking charge by way of legal mortgage on immovable property and first ranking pari passu charge by way of hypothecation of moveable assets of JSW Renew Energy Limited (both present and future) situated at Tamil Nadu, First charge by way of hypothecation of all the Borrower's movable properties, including plant and machinery, machinery spares, equipment's, tools and accessories, furniture, fixtures, vehicles, stocks and all other movable assets, present and future and also first charge by way of hypothecation of all the present and future book debts, bills, receivables, monies including bank accounts, claims of all kinds and stocks including consumables and other general stores. First ranking pari passu charge over all revenue and receivables, rights, title, interest under each of the Project Documents, Pledge of 51 % of the total paid up Equity Shares (with 51 % voting rights) of the Borrower. Pledge of 51 % of hybrid instruments in the Borrower Company.	-	50.04	-	-

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to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

Terms of repayment	Security	₹ crore			
		As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
		Current	Non-current	Current	Non-current
Repayable in 204 structured monthly instalments from December 2024	First ranking charge by way of legal mortgage on immovable property and first ranking pari passu charge by way of hypothecation of moveable assets of JSW Renew Energy Limited (both present and future) situated at Tamil Nadu, First charge by way of hypothecation of all the Borrower's moveable properties, including plant and machinery, machinery spares, equipment's, tools and accessories, furniture, fixtures, vehicles, stocks and all other movable assets, present and future and also first charge by way of hypothecation of all the present and future book debts, bills, receivables, monies including bank accounts, claims of all kinds and stocks including consumables and other general stores. First ranking pari passu charge over all revenue and receivables, rights, title, interest under each of the Project Documents, Pledge of 51 % of the total paid up Equity Shares (with 51 % voting rights) of the Borrower. Pledge of 51 % of hybrid instruments in the Borrower Company.	-	49.96	-	-
Repayable in 45 quarterly unequal instalments	As per the sanction terms agreed with the lender, the entity has time available for creation of security.	25.94	442.87	-	-
Repayable in 18 quarterly unequal instalments	As per the sanction terms agreed with the lender, the entity has time available for creation of security.	5.50	61.99	-	-
Repayable in 42 quarterly unequal instalments	As per the sanction terms agreed with the lender, the entity has time available for creation of security.	4.38	64.84	-	-
Repayable in 29 quarterly unequal instalments	As per the sanction terms agreed with the lender, the entity has time available for creation of security.	4.88	19.13	-	-
Repayable in 71 quarterly unequal instalments	As per the sanction terms agreed with the lender, the entity has time available for creation of security.	215.77	-	-	-
Repayable in 71 quarterly unequal instalments	As per the sanction terms agreed with the lender, the entity has time available for creation of security.	582.69	-	-	-
Repayable in 71 quarterly unequal instalments	As per the sanction terms agreed with the lender, the entity has time available for creation of security.	532.51	-	-	-
Repayable in 71 quarterly unequal instalments	As per the sanction terms agreed with the lender, the entity has time available for creation of security.	435.87	-	-	-
Repayable in 71 quarterly unequal instalments	As per the sanction terms agreed with the lender, the entity has time available for creation of security.	153.57	-	-	-
<b>Total</b>		<b>2,911.20</b>	<b>8,567.13</b>	<b>324.97</b>	<b>2,007.50</b>
<b>V. Loan from financial institutions</b>					
Repayable in 7 structured quarterly instalments from June 2022 to December 2023	First ranking charge by way of legal mortgage on immovable property of and first ranking charge by way of hypothecation of moveable assets of Subsidiary's Barmer works (both present and future) situated at Barmer Dist., Rajasthan.	14.45	-	19.00	14.45
Repayable in 44 quarterly unequal instalments	As per the sanction terms agreed with the lender, the entity has time available for creation of security.	7.43	86.50	-	-
Repayable in 68 quarterly unequal instalments	As per the sanction terms agreed with the lender, the entity has time available for creation of security.	9.85	269.91	-	-
Repayable in 36 quarterly unequal instalments	As per the sanction terms agreed with the lender, the entity has time available for creation of security.	11.28	114.05	-	-
Repayable in 43 quarterly unequal instalments	As per the sanction terms agreed with the lender, the entity has time available for creation of security.	36.45	412.93	-	-

## FINANCIAL STATEMENTS CONSOLIDATED

# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

₹ crore

Terms of repayment	Security	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
		Current	Non-current	Current	Non-current
Repayable in 42 quaterly unequal instalments	As per the sanction terms agreed with the lender, the entity has time available for creation of security.	4.66	70.58	-	-
Repayable in 42 quaterly unequal instalments	As per the sanction terms agreed with the lender, the entity has time available for creation of security.	4.49	68.05	-	-
Repayable in 42 quaterly unequal instalments	As per the sanction terms agreed with the lender, the entity has time available for creation of security.	13.37	195.76	-	-
Repayable in 48 quaterly unequal instalments	As per the sanction terms agreed with the lender, the entity has time available for creation of security.	3.77	42.56	-	-
Repayable in 43 quaterly unequal instalments	As per the sanction terms agreed with the lender, the entity has time available for creation of security.	14.37	206.65	-	-
Repayable in 43 quaterly unequal instalments	As per the sanction terms agreed with the lender, the entity has time available for creation of security.	62.67	534.21	-	-
Repayable in 49 quaterly unequal instalments	As per the sanction terms agreed with the lender, the entity has time available for creation of security.	32.73	512.72	-	-
Repayable in 53 quaterly unequal instalments	As per the sanction terms agreed with the lender, the entity has time available for creation of security.	4.46	442.00	-	-
Repayable in 39 quaterly unequal instalments	As per the sanction terms agreed with the lender, the entity has time available for creation of security.	16.68	140.65	-	-
Repayable in 60 quaterly unequal instalments	As per the sanction terms agreed with the lender, the entity has time available for creation of security.	31.80	546.42	-	-
Repayable in 31 half yearly unequal instalments	As per the sanction terms agreed with the lender, the entity has time available for creation of security.	35.87	510.90	-	-
Repayable in 69 quaterly unequal instalments	As per the sanction terms agreed with the lender, the entity has time available for creation of security.	40.86	1,416.72	-	-
<b>Total</b>		<b>345.19</b>	<b>5,570.61</b>	<b>19.00</b>	<b>14.45</b>
<b>Total borrowings</b>		<b>3,896.41</b>	<b>19,393.98</b>	<b>972.73</b>	<b>6,940.16</b>
Unamortised upfront fees on borrowings		(17.79)	(186.08)	(12.35)	(63.79)
<b>Total borrowings measured at amortised cost</b>		<b>3,878.62</b>	<b>19,207.90</b>	<b>960.38</b>	<b>6,876.37</b>

FINANCIAL STATEMENTS CONSOLIDATED

# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Note no. 19 - Other financial liabilities

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-current	Current	Non-current
(1) Derivative instruments (Refer note 42)				
(i) Foreign currency forward contracts	0.79	-	3.89	-
(2) Deposits received from dealers	-	0.02	-	-
(3) Lease deposits	-	0.41	-	0.38
(4) Interest accrued but not due on borrowings	143.75	-	87.51	-
(5) Unclaimed dividends #	0.58	-	0.70	-
(6) Security deposits	0.01	-	0.04	-
(7) Truing up revenue adjustments	1,186.96	76.71	1,283.07	70.03
(8) Deferred Revenue	-	21.64	-	-
(9) Consideration Payable on business acquisition	94.36	-	-	-
(10) Payable for capital supplies/services	491.03	-	517.90	-
(11) Other payables	-	3.04	-	3.04
	<b>1,917.48</b>	<b>101.82</b>	<b>1,893.11</b>	<b>73.45</b>

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

## Note No. 20 - Provisions

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-current	Current	Non-current
(1) Provision for gratuity (Refer note 39)	7.50	33.18	5.78	28.47
(2) Provision for compensated absences (Refer note 39)	12.69	7.54	5.22	25.78
(3) Provision for decommissioning and environmental rehabilitation (Refer note 35)	-	21.69	-	57.31
(4) Other provisions (Refer note 35)	-	-	1.53	-
	<b>20.19</b>	<b>62.41</b>	<b>12.53</b>	<b>111.56</b>

## Note No. 21 - Other liabilities

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-current	Current	Non-current
(1) Advances received from customers	2.89	-	3.61	-
(2) Statutory dues	52.39	-	44.09	-
(3) Deferred tax adjustable in future tariff #	-	324.44	-	418.20
(4) Others	4.18	5.45	5.79	5.61
	<b>59.46</b>	<b>329.89</b>	<b>53.49</b>	<b>423.81</b>

# In respect of regulated businesses where tariff is determined on cost plus return on equity and the income tax is a pass through, deferred tax recoverable from / adjustable against future tariff, when and to the extent such deferred tax becomes current tax in future periods, is presented separately, and is not offset against deferred tax in accordance with guidance given by Expert Advisory Committee of the Institute of Chartered Accountants of India in its opinion on a similar matter.

## FINANCIAL STATEMENTS CONSOLIDATED

# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

### Note No. 22 - Trade payables

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Current	Non-current	Current	Non-current
(1) Trade payables #	1,014.06	-	909.91	-
(2) Acceptances *	260.00	-	166.02	-
	<b>1,274.06</b>	<b>-</b>	<b>1,075.93</b>	<b>-</b>

# Payables other than acceptances are normally settled within 30 days

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

#### 1] Ageing of trade payables

₹ crore

As at 31 <sup>st</sup> March, 2023	Undisputed	Disputed	Total
Outstanding for following periods from due date of payment			
Less than 1 year	207.82	-	207.82
1 to 2 years	3.57	-	3.57
2 to 3 years	2.07	-	2.07
More than 3 years	3.49	4.72	8.21
Not due	830.59	-	830.59
Unbilled	221.80	-	221.80
	<b>1,269.34</b>	<b>4.72</b>	<b>1,274.06</b>

₹ crore

As at 31 <sup>st</sup> March, 2022	Undisputed	Disputed	Total
Outstanding for following periods from due date of payment			
Less than 1 year	149.55	-	149.55
1 to 2 years	1.72	-	1.72
2 to 3 years	1.72	-	1.72
More than 3 years	4.34	4.72	9.06
Not due	796.54	-	796.54
Unbilled	117.34	-	117.34
	<b>1,071.21</b>	<b>4.72</b>	<b>1,075.93</b>

### Note No. 23 - Revenue from operations

₹ crore

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>I. Disaggregation of revenue from contracts with customers</b>		
(1) Sale of power:		
Own generation (Refer note 40)	8,823.57	6,976.15
Traded	2.03	1.05
(2) Income from transmission	70.84	71.52
(3) Sale of services:		
Power generation (job work)	628.55	610.45
Operator fees	217.43	208.26
Mining Income	156.23	116.17
(4) Other operating revenue:		
Sale of fly ash	10.30	8.40
Sale of coal	363.46	26.11
Sale of finished goods	11.27	56.33
Sale of carbon credit	16.64	25.25
Others	0.05	0.17
<b>Total revenue from contracts with customers (A)</b>	<b>10,300.37</b>	<b>8,099.86</b>
<b>II. Interest income on assets under finance lease (B) (Refer note 37)</b>	<b>19.62</b>	<b>48.58</b>
<b>III. Income from service concession arrangement (C) (Refer note 38)</b>	<b>11.82</b>	<b>18.71</b>
<b>(A + B + C)</b>	<b>10,331.81</b>	<b>8,167.15</b>

# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

## (a) Revenue from Contract with Customers:

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

Revenue from capacity charges (other than from contracts classified as finance lease and service concession arrangements) under the long and medium term power supply agreements and under long term agreements for transmission lines, is recognised on a monthly / yearly basis as the capacity of the plant or transmission lines, as the case may be, 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. Energy 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, and from power trading activity, is recognised at point of time when power is supplied to the customers, at contracted rate.

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

Revenue from mining activity is recognised when services under the contracts are rendered.

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

Contract liability - Advance from customer	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Opening Balance	3.61	21.04
Less: Revenue recognized during the year from balance at the beginning of the year	(3.61)	(21.04)
Add: Advance received during the year not recognized as revenue	2.89	3.61
<b>Closing Balance</b>	<b>2.89</b>	<b>3.61</b>

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

Unbilled revenue	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Opening Balance	544.43	336.78
Less: Billed during the year	(544.43)	(336.78)
Add: Unbilled during the year	776.03	544.43
<b>Closing Balance</b>	<b>776.03</b>	<b>544.43</b>

## (c) Details of Revenue from Contract with Customers:

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Total revenue from contracts with customers as above	10,300.37	8,099.86
Add: Rebate on prompt payment	27.65	28.15
Less: Incentives	(97.05)	(118.20)
<b>Total revenue from contracts with customers as per contracted price</b>	<b>10,230.97</b>	<b>8,009.81</b>

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# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

### (d) Credit terms:

Customers are given average credit period of 7 to 60 days for payment. No delayed payment charges ('DPC') are charged during the allowed credit period. Thereafter, DPC is recoverable from the customers at the rates prescribed under the respective Power Purchase Agreement / Tariff regulations on the outstanding balance.

### (e) Others:

As per the implementation agreement between Government of Rajasthan and JSW Energy (Barmer) Limited ("JSWEBL"), the sale price of lignite by Barmer Lignite Mining Company Limited ("BLMCL"), a joint venture, to JSWEBL has to be approved by RERC. Pending determination of transfer price of lignite (as the capital cost of lignite mine and mine development operator of BLMCL is yet to be approved by RERC), RERC has allowed only adhoc / interim transfer prices for JSWEBL's tariff. Such adhoc / interim transfer prices (to the extent subsequently modified by APTEL, as the case may be) have been kept as a base for revenue recognition by JSWEBL and subject to adjustment, once the final tariff is determined by RERC.

## Note No. 24 - Other income

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>I. Interest income earned on financial assets that are not designated as at FVTPL</b>		
(1) On loans	74.19	90.17
(2) On bank deposits	40.80	9.92
(3) On other financial assets	29.99	251.13
	<b>144.98</b>	<b>351.22</b>
<b>II. Dividend income from investments designated as at FVTOCI</b>	121.52	45.52
<b>III. Other non-operating income</b>		
(1) Net gain on sale of current investments	113.89	46.54
(2) Net gain on foreign currency transactions	0.02	0.21
(3) Net gain arising on financial instruments designated as at fair value through profit or loss	1.72	4.99
(4) Income from operating lease	59.80	53.24
(5) Writeback of liabilities no longer required (Refer note 40)	41.59	43.52
(6) Miscellaneous income	51.72	23.45
	<b>268.74</b>	<b>171.95</b>
	<b>535.24</b>	<b>568.69</b>

## Note No. 25 - Employee benefits expense

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
(1) Salaries and wages	243.02	219.88
(2) Contribution to provident and other funds (Refer note 39)	23.48	15.45
(3) Share-based payments (Refer note 39)	24.64	14.99
(4) Staff welfare expenses	16.46	13.83
	<b>307.60</b>	<b>264.15</b>



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to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Note No. 26 - Finance costs

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
(1) Interest expense (Refer note 40)	733.86	628.34
(2) Interest on lease liabilities (Refer note 36)	5.22	2.52
(3) Exchange differences regarded as an adjustment to borrowing costs	47.40	15.90
(4) Other borrowing costs	57.82	130.15
	<b>844.30</b>	<b>776.91</b>

## Note No. 27 - Depreciation and amortisation expense

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
(1) Depreciation on property, plant and equipment	1,134.12	1,096.83
(2) Amortisation on intangible assets	35.11	34.22
	<b>1,169.23</b>	<b>1,131.05</b>

## Note No. 28 - Other expenses

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
(1) Stores and spares consumed	65.93	71.26
(2) Power and water	74.35	77.55
(3) Rent including lease rentals	2.09	3.73
(4) Repairs and maintenance	194.98	170.94
(5) Rates and taxes	17.61	25.70
(6) Insurance	53.62	48.20
(7) Net loss on foreign currency transactions	23.21	-
(8) Legal and other professional expenses	74.93	35.71
(9) Travelling expenses	42.51	19.43
(10) Loss on disposal of property, plant and equipment	0.15	2.63
(11) Donation	0.03	-
(12) Corporate social responsibility expenses	29.72	17.17
(13) Safety and security	16.47	9.98
(14) Branding fee	20.47	15.38
(15) Shared service fee	7.45	6.88
(16) Open access charges	1.35	1.13
(17) Impairment loss on loans / trade receivables	8.83	0.83
(18) Allowance for impairment of assets	-	70.27
(19) Allowance for impairment of advances	10.00	10.00
(20) Allowance for slow moving inventory	0.79	-
(21) Lease receivables written off	-	36.56
(22) Mining expenses	107.23	76.07
(23) Miscellaneous expense	53.35	60.42
	<b>805.07</b>	<b>759.84</b>

FINANCIAL STATEMENTS CONSOLIDATED

# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Note No. 29 - Tax expense

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
(1) Current tax	298.30	421.92
(2) Deferred tax	178.14	66.59
(3) Minimum alternative tax (MAT) utilised / (availed)	0.17	(149.88)
	<b>476.61</b>	<b>338.63</b>

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:

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>Profit before tax (excluding share of gain/(loss) of joint venture and an associate)</b>	<b>1,923.55</b>	<b>2,229.73</b>
Enacted tax rate	34.944%	34.944%
Computed expected tax expense	672.17	779.16
Tax effect due to exempt / non taxable income	(77.66)	-
Tax effect due to tax holiday period	(172.70)	(375.13)
Expenses not deductible in determining taxable profits	119.00	35.08
Deferred tax pertaining to earlier period	(1.56)	(58.57)
Tax effect due to lower rate of tax applicable to certain components	41.03	(34.70)
Deferred tax asset not recognised	(103.54)	(6.07)
Others	(0.13)	(1.14)
<b>Tax expense for the year</b>	<b>476.61</b>	<b>338.63</b>

### Deferred tax assets / (liabilities):

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

Particulars	₹ crore		
	As at 1 <sup>st</sup> April, 2022	Recognised / (reversed) through profit or loss / OCI / equity	As at 31 <sup>st</sup> March, 2023
Property, plant & equipment	(1,151.67)	(788.48)	(1,940.15)
Investment	(373.91)	36.34	(337.57)
MAT credit	1,054.93	(33.64)	1,021.29
Unabsorbed depreciation	-	810.94	810.94
Others	(3.41)	(305.07)	(308.48)
	<b>(474.06)</b>	<b>(279.91)</b>	<b>(753.97)</b>

Particulars	₹ crore		
	As at 1 <sup>st</sup> April, 2021	Recognised / (reversed) through profit or loss / OCI / equity	As at 31 <sup>st</sup> March, 2022
Property, plant & equipment	(1,098.37)	(53.30)	(1,151.67)
Investment	(164.52)	(209.39)	(373.91)
MAT credit	905.05	149.88	1,054.93
Others	(20.53)	17.12	(3.41)
	<b>(378.37)</b>	<b>(95.69)</b>	<b>(474.06)</b>

# NOTES

 to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Expiry schedule of deferred tax assets not recognised is as under:

Tax asset:

₹ crore	
Expiry period (as per local tax laws)	Amount
< 1 year	-
> 1 year to 5 years	215.10
> 5 years to 10 years	345.92
> 10 years	627.01
	<b>1,188.03</b>

## Note No. 30 - Composition of the Group

Information about the composition of the Group is as follows:

Particulars	Place of incorporation and operation	Nature of Business	Shareholding either directly or through subsidiaries/associates	
			As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Subsidiaries</b>				
JSW Energy (Barmer) Limited (JSWEBL)	India	Power Generation	100.00%	100.00%
JSW Hydro Energy Limited (JSWHEL)	India	Power Generation	100.00%	100.00%
JSW Power Trading Company Limited (JSWPTC)	India	Power Trading	100.00%	100.00%
Jaigad PowerTransco Limited (JPTL)	India	Power Transmission	74.00%	74.00%
JSW Energy (Raigarh) Limited (JSWRL)	India	Power Generation *	100.00%	100.00%
JSW Energy (Kutehr) Limited (JSWEKL)	India	Power Generation *	100.00%	100.00%
JSW Future Energy Limited (JSWFEL) (Formerly known as JSW Solar Limited) (Amalgamated with JSW Neo Energy Limited Effective 1 <sup>st</sup> April 2022)	India	Power Generation	0.00%	100.00%
JSW Renewable Energy (Vijayanagar) Limited (JSWREVL)	India	Power Generation	74.00%	100.00%
JSW Renew Energy Limited (JSWREL)	India	Power Generation *	100.00%	100.00%
JSW Renewable Energy (Dolvi) Limited (JSWREDL)	India	Power Generation *	100.00%	100.00%
JSW Renew Energy Two Limited (JSWRE2L)	India	Power Generation	100.00%	100.00%
JSW Renew Energy (Raj) Limited (JSWRERL) (Effective 20 <sup>th</sup> May, 2021)	India	Power Generation *	100.00%	100.00%
JSW Renew Energy (Kar) Limited (JSWREKL) (Effective 22 <sup>nd</sup> May, 2021)	India	Power Generation *	100.00%	100.00%
JSW Neo Energy Limited (JSWNEL) (Effective 6 <sup>th</sup> July, 2021)	India	Development of renewable power projects	100.00%	100.00%
JSW Energy PSP Two Limited (JSWEP2L) (Effective 7 <sup>th</sup> September, 2021)	India	Power Generation *	100.00%	100.00%
JSW Green Hydrogen Limited (JSWGHL) (Formerly known as JSW Energy PSP Five Limited) (Effective 7 <sup>th</sup> September, 2021)	India	Green Hydrogen*	100.00%	100.00%
JSW Energy PSP One Limited (JSWEP1L) (Effective 8 <sup>th</sup> October, 2021)	India	Power Generation *	100.00%	100.00%
JSW Renew Energy Three Limited (JSWRE3L) (Effective 8 <sup>th</sup> October, 2021)	India	Power Generation *	100.00%	100.00%
JSW Renew Energy Four Limited (JSWRE4L) (Formerly known as JSW Energy PSP Four Limited) (Effective 8 <sup>th</sup> October, 2021)	India	Power Generation *	100.00%	100.00%
JSW Energy PSP Three Limited (JSWEP3L) (Effective 21 <sup>st</sup> October, 2021)	India	Power Generation *	100.00%	100.00%

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to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

Particulars	Place of incorporation and operation	Nature of Business	Shareholding either directly or through subsidiaries/associates	
			As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
JSW Renew Energy Five Limited (JSWRE5L) (Effective 10 <sup>th</sup> March, 2022)	India	Power Storage *	100.00%	100.00%
JSW Renew Energy Six Limited (JSWRE6L) (Effective 11 <sup>th</sup> March, 2022)	India	Power Generation *	100.00%	100.00%
JSW Renew Energy Seven Limited (JSWRE7L) (Effective 14 <sup>th</sup> March, 2022)	India	Power Generation *	100.00%	100.00%
JSW Renewable Energy (Coated) Limited (JSWRECOL) (Effective 23 <sup>rd</sup> May, 2022)	India	Power Generation *	100.00%	0.00%
JSW Renewable Energy (Cement) Limited (JSWRECML) (Effective 24 <sup>th</sup> June, 2022)	India	Power Generation *	100.00%	0.00%
JSW Renewable Energy (Amba River) Limited (JSWREARL) (Effective 5 <sup>th</sup> August, 2022)	India	Power Generation *	100.00%	0.00%
JSW Renewable Technologies Limited (JSWRTL) (Effective 8 <sup>th</sup> September, 2022)	India	Power Generation *	100.00%	0.00%
JSW Energy (Jharsugda) Limited (Effective 18 <sup>th</sup> August, 2022) (Merged with Ind-Barath Energy (Utkal) Limited effective 28 <sup>th</sup> December, 2022)	India	Power Generation *	0.00%	0.00%
JSW Energy Natural Resources Mauritius Limited (JSWNRML)	Mauritius	Investment Entity	100.00%	100.00%
JSW Energy Natural Resources South Africa (Pty) Limited (JSWENRSAL)	South Africa	Investment Entity	100.00%	100.00%
South African Coal Mining Holdings Limited (SACMH)*	South Africa	Coal mining & ancillary activities	69.44%	69.44%
Royal Bafokeng Capital (Pty) Limited (RBC)	South Africa	Investment Entity	100.00%	100.00%
Mainsail Trading 55 Proprietary Limited. (MTPL)	South Africa	Investment Entity	100.00%	100.00%
SACM (Breyten) Proprietary Limited *	South Africa	Coal mining & ancillary activities	69.44%	69.44%
South African Coal Mining Operations Proprietary Limited *	South Africa	Coal mining & ancillary activities	69.44%	69.44%
Umlabu Colliery Proprietary Limited *	South Africa	Coal mining & ancillary activities	69.44%	69.44%
<b>Subsidiaries acquired through asset acquisition</b>				
Ind-Barath Energy (Utkal) Limited (Effective 28 <sup>th</sup> December, 2022) (Refer note 46)	India	Power Generation *	95.00%	0.00%
<b>Subsidiaries acquired through business combination (Effective 29<sup>th</sup> March, 2023)</b>				
Mytrah Aakash Power Private Limited	India	Power Generation	100.00%	0.00%
Mytrah Abhinav Power Private Limited	India	Power Generation	100.00%	0.00%
Mytrah Adarsh Power Private Limited	India	Power Generation	100.00%	0.00%
Mytrah Advait Power Private Limited	India	Power Generation	100.00%	0.00%
Mytrah Agriya Power Private Limited	India	Power Generation	100.00%	0.00%
Mytrah Akshaya Energy Private Limited	India	Power Generation	100.00%	0.00%
Mytrah Aadhya Power Private Limited	India	Power Generation	100.00%	0.00%
Mytrah Ainesh Power Private Limited	India	Leasing of infrastructure facilities	100.00%	0.00%
Mytrah Tejas Power Private Limited	India	Leasing of infrastructure facilities	100.00%	0.00%
Nidhi Wind Farms Private Limited	India	Leasing of infrastructure facilities	100.00%	0.00%
Mytrah Vayu (Godavari) Private Limited	India	Power Generation	100.00%	0.00%

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Particulars	Place of incorporation and operation	Nature of Business	Shareholding either directly or through subsidiaries/associates	
			As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Mytrah Vayu (Krishna) Private Limited	India	Power Generation	100.00%	0.00%
Mytrah Vayu (Manjira) Private Limited	India	Power Generation	73.23%	0.00%
Mytrah Vayu (Pennar) Private Limited	India	Power Generation	100.00%	0.00%
Mytrah Vayu (Sabarmati) Private Limited	India	Power Generation	100.00%	0.00%
Mytrah Vayu (Som) Private Limited	India	Power Generation	100.00%	0.00%
Mytrah Vayu Urja Private Limited	India	Power Generation	100.00%	0.00%
Bindu Vayu Urja Private Limited	India	Power Generation	100.00%	0.00%
Mytrah Vayu (Bhavani) Private Limited	India	Leasing of infrastructure facilities	100.00%	0.00%
Mytrah Vayu (Chitravati) Private Limited	India	Leasing of infrastructure facilities	100.00%	0.00%
Mytrah Vayu (Hemavati) Private Limited	India	Leasing of infrastructure facilities	100.00%	0.00%
Mytrah Vayu (Kaveri) Private Limited	India	Leasing of infrastructure facilities	100.00%	0.00%
Mytrah Vayu (Maansi) Private Limited	India	Leasing of infrastructure facilities	100.00%	0.00%
Mytrah Vayu (Palar) Private Limited	India	Leasing of infrastructure facilities	100.00%	0.00%
Mytrah Vayu (Parbati) Private Limited	India	Leasing of infrastructure facilities	100.00%	0.00%
Mytrah Vayu (Sharavati) Private Limited	India	Leasing of infrastructure facilities	100.00%	0.00%
Mytrah Vayu (Tapti) Private Limited	India	Leasing of infrastructure facilities	100.00%	0.00%
Mytrah Vayu (Adyar) Private Limited	India	Leasing of infrastructure facilities	100.00%	0.00%
<b>Joint Venture Company</b>				
Barmer Lignite Mining Company Limited (BLMCL)	India	Lignite Mining	49.00%	49.00%
<b>Associate*</b>				
Toshiba JSW Power Systems Private Limited (TJPSPL)	India	Turbine & generator manufacturing	4.75%	5.30%

\* Yet to commence commercial operations

# Classified as held for sale (Refer note 16)

§ Based on representation of the Board of Directors of TJPSPL

## Note No. 31 - Non-controlling interests

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Balance at beginning of the year</b>	<b>2.06</b>	<b>(8.72)</b>
Share of profit/(loss) for the year	2.36	14.86
Non-controlling interests arising on the acquisitions	15.48	-
Equity infusion by minority	77.00	-
Foreign currency translation reserve	8.47	(4.08)
<b>Balance at end of the year</b>	<b>105.37</b>	<b>2.06</b>

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to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

### Details of subsidiaries that have non-controlling interests

The table below shows details of subsidiaries of the Group that have material non-controlling interests:

Name of subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		Profit / (loss) allocated to non-controlling interests		Accumulated non-controlling interests	
		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Jaigad PowerTranSCO Limited	India	26.00%	26.00%	8.53	7.41	78.57	70.00
South African Coal Mining Holdings Limited (Consolidated)	South Africa	30.56%	30.56%	(13.95)	7.45	(73.44)	(67.94)
JSW Renewable Energy (Vijaynagar) Limited	India	26.00%	0.00%	8.24	-	85.24	-
Ind-Barath Energy (Utkal) Limited	India	5.00%	0.00%	(0.46)	-	(1.39)	-
Mytrah Vayu (Manjira) Private Limited	India	26.77%	0.00%	-	-	16.39	-
				<b>2.36</b>	<b>14.86</b>	<b>105.37</b>	<b>2.06</b>

₹ crore

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

### Jaigad PowerTranSCO Limited

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Non-current assets	231.24	256.28
Current assets	83.11	26.36
Non-current liabilities	0.25	0.53
Current liabilities	11.91	12.87
Equity attributable to owners of the Company	223.62	199.24
Non-controlling interests	78.57	70.00

₹ crore

Particulars	For the year ended	For the year ended
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Revenue	76.93	72.84
Expenses	37.18	38.13
Profit attributable to owners of the Company	24.28	21.20
Profit attributable to the non-controlling interests	8.53	7.45
Profit for the year	32.81	28.64
Other comprehensive income / (loss) attributable to owners of the Company	0.01	(0.11)
Other comprehensive income / (loss) attributable to the non-controlling interests	*	*
Other comprehensive income / (loss) for the year	0.01	(0.14)
Total comprehensive income attributable to owners of the Company	24.28	21.09
Total comprehensive income attributable to the non-controlling interests	8.53	7.41
Total comprehensive income for the year	32.81	28.50

₹ crore

\* Less than ₹50,000

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to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

₹ crore

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Cash generated from operating activities	61.98	57.94
Cash (used in) / generated from investing activities	(60.68)	1.12
Cash used in financing activities	(3.31)	(58.78)
Net (used in) / generated from operations	(2.01)	0.27
Cash & cash equivalents - as at the beginning of the year	2.02	1.75
Cash & cash equivalents - as at the end of the year	0.01	2.02

### South Africa Coal Mining Holdings Limited (Consolidated)

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Non-current assets	128.07	136.86
Current assets	51.16	34.40
Non-current liabilities	419.19	392.02
Current liabilities	0.34	1.63
Equity attributable to owners of the Company	(166.86)	(154.45)
Non-controlling interests	(73.44)	(67.94)

₹ crore

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Revenue	58.13	53.24
Expenses	103.76	28.99
(Loss) / Profit attributable to owners of the Company	(31.68)	16.80
(Loss) / Profit attributable to the non-controlling interests	(13.95)	7.45
(Loss) / Profit for the year	(45.63)	24.25
Total comprehensive (loss) / profit attributable to owners of the Company	(31.68)	16.80
Total comprehensive (loss) / profit attributable to the non-controlling interests	(13.95)	7.45
Total comprehensive (loss) / profit for the year	(45.63)	24.25

₹ crore

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Cash (used in) / generated from operating activities	(35.72)	18.53
Cash (used in) / generated from investing activities	(9.04)	2.11
Cash generated from / (used in) from financing activities	76.84	(7.62)
Net cash generated from operations	32.08	13.02
Cash & cash equivalents - as at the beginning of the year	15.94	2.75
Effect of exchange rate changes	(1.89)	0.17
Cash & cash equivalents - as at the end of the year	46.13	15.94

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to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

## JSW Renewable Energy (Vijaynagar) Limited

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Non-current assets	1,660.00	-
Current assets	207.58	-
Non-current liabilities	922.99	-
Current liabilities	149.42	-
Equity attributable to owners of the Company	710.75	-
Non-controlling interests	85.24	-

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Revenue	168.37	-
Expenses	131.51	-
Profit attributable to owners of the Company	23.49	-
Profit attributable to the non-controlling interests	8.25	-
Profit for the year	31.74	-
Other comprehensive loss attributable to owners of the Company	(0.04)	-
Other comprehensive loss attributable to the non-controlling interests	(0.01)	-
Other comprehensive loss for the year	(0.06)	-
Total comprehensive income attributable to owners of the Company	23.44	-
Total comprehensive income attributable to the non-controlling interests	8.24	-
Total comprehensive income for the year	31.68	-

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Cash used in operating activities	(18.32)	-
Cash used in investing activities	(401.50)	-
Cash generated from financing activities	494.70	-
Net cash generated from operations	74.89	-
Cash & cash equivalents - as at the beginning of the year	12.84	-
Cash & cash equivalents - as at the end of the year	87.73	-

## Ind-Barath Energy (Utkal) Limited

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Non-current assets	981.41	-
Current assets	33.70	-
Non-current liabilities	987.48	-
Current liabilities	56.49	-
Equity attributable to owners of the Company	(27.47)	-
Non-controlling interests	(1.39)	-



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# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

₹ crore

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Revenue	0.68	-
Expenses	28.14	-
Loss for the year	(9.50)	-
Loss attributable to owners of the Company	(9.03)	-
Loss attributable to the non-controlling interests	(0.46)	-
Loss for the year	(9.48)	-
Total comprehensive loss attributable to owners of the Company	(9.03)	-
Total comprehensive loss attributable to the non-controlling interests	(0.46)	-
Total comprehensive loss for the year	(9.48)	-

₹ crore

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Cash used in operating activities	(0.04)	-
Cash used in investing activities	(22.56)	-
Cash generated from financing activities	27.43	-
Net cash generated from operations	4.83	-
Cash & cash equivalents - as at the beginning of the year	2.24	-
Cash & cash equivalents - as at the end of the year	7.07	-

## Mytrah Vayu (Manjira) Private Limited

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Non-current assets	620.08	-
Current assets	619.85	-
Non-current liabilities	506.69	-
Current liabilities	672.01	-
Equity attributable to owners of the Company	44.84	-
Non-controlling interests	16.39	-

₹ crore

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Revenue	0.32	-
Expenses	0.32	-
Profit attributable to owners of the Company	*	-
Profit attributable to the non-controlling interests	*	-
Profit for the year	*	-
Total comprehensive income attributable to owners of the Company	*	-
Total comprehensive income attributable to the non-controlling interests	*	-
Total comprehensive income for the year	*	-

\* Less than ₹50,000

## FINANCIAL STATEMENTS CONSOLIDATED

# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

₹ crore

Particulars	For the	For the
	year ended	year ended
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Cash generated from operating activities	445.29	-
Cash used in investing activities	-	-
Cash generated from financing activities	-	-
Net cash generated from operations	445.29	-
Cash & cash equivalents - as at the beginning of the year	12.88	-
Cash & cash equivalents - as at the end of the year	458.17	-

### Note No. 32 - Investment in an associate

Details and financial information of an associate

Name of associate	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest / voting rights held by the Group	
			As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Toshiba JSW Power Systems Private Limited (TJPSPL) <sup>°</sup>	Manufacturer of Turbine and Generator	India	4.75%	5.30%

<sup>°</sup> Based on the representation of the Board of Directors of TJPSPL

The above associate is accounted for using the equity method in these Consolidated Financial Statements.

### Summarised financial information of an associate

The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with Ind AS adjusted by the Group for equity accounting purposes.

₹ crore

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Non-current assets	-	-
Current assets	1,178.20	1,541.78
Non-current liabilities	-	225.00
Current liabilities	1,095.76	1,219.91

₹ crore

Particulars	For the	For the
	year ended	year ended
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Revenue	605.07	519.37
Loss for the year	(223.61)	(212.58)
Total comprehensive loss for the year	(223.61)	(212.58)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Toshiba JSW Power Systems Private Limited recognised in the Consolidated Financial Statements:

₹ crore

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Net assets of the associate *	(1,927.56)	(1,913.13)
Proportion of the Group's ownership interest	4.75%	5.30%
Share of loss of Associate adjusted (restricted to Group's investment)	100.23	100.23
Carrying amount of the Group's interest (Refer note 7A)	-	-

\* Including ₹2,010 crore compulsory convertible non-cumulative preference shares issued to Toshiba Corporation.

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## Note No. 33 - Investment in a joint venture

Details and financial information of Joint Venture Company

Name of joint venture	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest / voting rights held by the Group	
			As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Barmer Lignite Mining Company Limited	Lignite Mining	India	49.00%	49.00%

Note:

- The above joint venture is accounted for using the equity method in these Consolidated Financial Statements.
- Rajasthan State Mines and Minerals Limited ("RSMML"), a government company transferred leases for Kapurdi and Jalipa lignite mines in favour of Barmer Lignite Mining Company Limited ("BLMCL"), which is a 51:49 joint venture between RSMML and JSW Energy (Barmer) Limited ("JSWEBL"), a wholly owned subsidiary of the Company. BLMCL supplies lignite to JSWEBL for its power plant at Barmer.

In 2014, the Ministry of Coal, Government of India ("GoI") granted a post facto prior approval to Government of Rajasthan ("GoR") for the aforesaid transfer of mining leases to BLMCL. However, in 2016, GoI wrote to the GoR that the transfer of mining leases from RSMML to BLMCL is without previous approval of the GoI and advised GoR to make a fresh proposal for transfer of mining leases to BLMCL. Thereafter, GoR made several representations to GoI to reconsider its decision, whilst its decision is awaited, in April 2022, JSWEBL received a notice from BLMCL intimating that it has been directed by RSMML (which is based on the directions by the GoR to RSMML) to stop mining operations at the mines within 15 days. GoR has also directed RSMML to ensure uninterrupted lignite supply to JSWEBL's power plant.

During the year ended 31<sup>st</sup> March, 2023, the Government of Rajasthan ("GoR") has received post facto prior approval from the Central Government for the transfer of the mining leases for Kapurdi and Jalipa lignite mines by RSMML to BLMCL, with effect from the date of transfers and accordingly, the previous communications issued by the GoR directing RSMML to stop mining operations at the aforesaid lignite mines stand withdrawn.

## Summarised financial information of joint venture

The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with Ind AS adjusted by the Group for equity accounting purposes.

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Non-current assets	2,146.17	2,194.70
Current assets	528.07	502.68
Non-current liabilities	1,908.80	1,942.10
Current liabilities	649.17	679.65

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Revenue	1,624.23	1,139.03
Profit for the year	40.65	14.61
Total comprehensive income for the year	40.65	14.61

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to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

Reconciliation of the above summarised financial information to the carrying amount of the interest in Barmer Lignite Mining Company Limited recognised in the Consolidated Financial Statements:

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Net assets of the Joint venture	116.28	75.63
Proportion of the Group's ownership interest	49%	49%
Carrying amount of the Group's interest	55.51	36.22

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Cash generated from operating activities	350.90	326.48
Cash used in investing activities	(19.26)	(64.80)
Cash used in financing activities	(328.27)	(306.14)
Net cash generated from / (used in) operations	3.37	(44.46)
Cash and cash equivalents - as at the beginning of the year	0.10	44.56
Cash and cash equivalents - as at the end of the year	3.47	0.10

### Note No. 34 - Contingent liabilities and commitments

#### A] Contingent liabilities (to the extent not provided for)

##### 1] Claims against the Group not acknowledged as debt:

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

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(i) Custom duty [₹30.68 crore paid under protest (as at 31 <sup>st</sup> March, 2022 ₹30.68 crore)]#	244.05	244.05
(ii) Electricity tax [recoverable from customers as per agreements in case of unfavourable outcome]	122.76	122.76
(iii) Income tax	39.34	90.31
(iv) Entry tax	0.84	0.84
(v) Service tax [₹14.87 crore paid under protest (as at 31 <sup>st</sup> March, 2022 ₹14.87 crore)]#	32.53	32.53
(vi) Survey and investigation work [Paid under protest against these claim of ₹25 crore (as at 31 <sup>st</sup> March, 2022 of ₹25 crore)]	139.83	139.73
(vii) Goods & Service Tax [₹ Nil paid under protest (as at 31 <sup>st</sup> March, 2022 ₹36.47 crore)]#	-	37.74
(viii) Indirect Tax matters under appeal [₹0.22 crore paid under protest (as at 31 <sup>st</sup> March, 2022 ₹ Nil)]	4.74	-
(ix) Stamp Duty Litigation	40.20	-
(x) Water Cess [recoverable from customers as per agreements in case of unfavourable outcome]	6.65	-
(xi) Others [₹1.22 crore paid under protest (as at 31 <sup>st</sup> March, 2022 ₹1.22 crore)]#	35.32	122.37
	<b>666.26</b>	<b>790.33</b>

# Amount paid under protest is included in balances with government authorities, refer note 13.

₹ Amount of ₹ Nil crore (previous year ₹26.01 crore) is recoverable from customers as per agreement in case of unfavourable outcome.

⊙ Figures for the year ended 31<sup>st</sup> March, 2022 includes a performance bank guarantee of ₹100 crore and bank guarantee towards Earnest Money Deposit (EMD) of ₹10 crore given by the Company under the resolution plan submitted by the Company to the Committee of Creditors ('CoC') for the Corporate Insolvency Resolution of Ind-Barath Energy (Utkal) Limited ('IBEUL') on 3<sup>rd</sup> October, 2019. The resolution plan was approved by the CoC on 14<sup>th</sup> October, 2019. The said resolution plan was approved by Hon'ble National Company Law Tribunal (NCLT) on 25<sup>th</sup> July, 2022. During the year ended 31<sup>st</sup> March, 2023, the Company has implemented the resolution plan and acquired Ind-Barath Energy (Utkal) Limited. Accordingly the said guarantees are extinguished.

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- b) For disputes with customers regarding determination of tariff under power supply arrangements aggregating to ₹614.28 crore (as at 31<sup>st</sup> March, 2022 ₹544.08 crore) (refer note 8).

### 2] Guarantees:

The Group has issued financial guarantees to banks on behalf of and in respect of loan facilities availed by a related party. The following are the loan amount against such guarantees.

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Related party (Refer note 4B)	971.20	1,111.03

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 Group has given guarantees.

### 3] Others:

In respect of land parcels admeasuring 35.88 hectares (as at 31<sup>st</sup> March, 2022 35.88 hectares), acquired by the Group, the claim by certain parties towards title disputes is not currently ascertainable.

### 4] The Group's share of the contingent liabilities relating to its joint venture, Barmer Lignite Mining Company Limited (BLMCL) is as follows:

- (i) Claims not acknowledged as debt

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
VAT	0.97	0.97
Income tax	46.71	42.77
Service tax	656.67	620.06
Others	32.58	82.39
<b>Total</b>	<b>736.93</b>	<b>746.19</b>

- (ii) Few land owners have gone to the district / high court for claiming enhanced rate of compensation from Rajasthan State Mines and Minerals Limited ("RSMML"), a co-venturer, through which land for the mine has been acquired. In case, if such enhanced compensation is approved by the court, BLMCL will have to reimburse the same to RSMML. The amount of compensation is undeterminable as on date.
- (iii) As per the implementation agreement between Government of Rajasthan and JSW Energy (Barmer) Limited ("JSWEBL"), the sale price of lignite by BLMCL to JSWEBL has to be approved by Rajasthan Electricity Regulatory Commission ("RERC"). Pending determination of transfer price of lignite, RERC has allowed only adhoc/interim transfer prices. Correspondingly, BLMCL is accruing proportionate reduced lignite extraction cost in terms of its mine development operator ("MDO") arrangement. The accumulated amount as at 31<sup>st</sup> March, 2023 between contracted MDO price for lignite extraction and adhoc / interim lignite transfer price is ₹2,125.51 crore (As at 31<sup>st</sup> March, 2022 ₹2,095.10 crore). Such payment to MDO is contingent upon approval of final transfer price of lignite by RERC, which would also result into corresponding higher revenue for BLMCL. There shall be no additional financial implication to BLMCL on this account.

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- 5] The Group has already recognised its share of losses equivalent to its interest in an associate and hence, the Group has no further exposure. Accordingly, the share in the contingent liability of the associate amounting to ₹1.20 crore (As at 31<sup>st</sup> March, 2022 ₹1.29 crore) is not reckoned with by the Group.

### 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

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
1] Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	7,605.17	6,621.21

### 2] Other commitments:

- (i) In accordance with joint venture agreement, JSW Energy (Barmer) Limited shall make all investments in the joint venture company and Rajasthan State Mines and Minerals Limited (co-venturer) shall have no financial liability.

### 3] The Group's share of the capital commitments made by its joint venture ("BLMCL") is as follows:

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Commitments to contribute funds for the acquisition of property, plant and equipment (net of advances)	0.03	0.08

- 4] The Group's share in the commitments of the associate is amounting to ₹ Nil (As at 31<sup>st</sup> March, 2022 ₹ Nil). The Group has already recognised its share of losses equivalent to its interest in an associate.

## Note No. 35 - Provisions

### 1) Provision for decommissioning and environmental rehabilitation

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>Opening balance</b>	<b>57.31</b>	<b>55.50</b>
Settlement of provisions	(13.36)	-
Reclassification of liabilities held for sale	(38.74)	-
Recognised during the year	21.69	-
Effect of foreign exchange fluctuations	(5.21)	1.81
<b>Closing balance</b>	<b>21.69</b>	<b>57.31</b>

The provision for mine restoration, decommissioning and environmental rehabilitation represents management's best estimate of the future outflow of economic benefits that will be required under the Group's obligations under local legislation. The estimate has been made on the basis of historical trends and may vary as a result of future escalation of labour and overhead costs.

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## 2) Other provisions

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>Opening balance</b>	<b>1.53</b>	<b>2.88</b>
Effect of foreign exchange fluctuations	(0.18)	-
Reclassification of liabilities held for sale	(1.35)	(1.35)
<b>Closing balance</b>	<b>-</b>	<b>1.53</b>

### Note No. 36 - Operating Leases

#### a) As lessor

The Group has leased certain land admeasuring to 122.86 acres with carrying amount of ₹7.08 crore (31<sup>st</sup> March, 2022: 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. (Refer note 4A)

#### b) As lessee

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

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Depreciation	13.20	7.07
Interest expense on lease liabilities	5.22	2.52

#### Reconciliation of the lease liabilities:

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>Balance as at the beginning of the year</b>	<b>50.03</b>	<b>27.76</b>
Lease liabilities recognised during the year	52.22	22.95
Interest expense on lease liabilities	5.22	2.52
Cash outflow	(9.91)	(3.20)
Additions through business combination	136.29	-
<b>Balance as at the end of the year</b>	<b>233.85</b>	<b>50.03</b>

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

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

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
A) Not later than 1 year	29.02	4.75
B) Later than 1 year and not later than 5 years	123.79	20.85
C) Later than 5 years	372.05	88.26
	<b>524.86</b>	<b>113.86</b>

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### Note No. 37 - Finance leases

#### As lessor

The Group has identified an arrangement for power supply from its power units which are 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 Group has recognized finance lease receivable for the said power units given under finance lease.

The minimum lease payments receivable and the present value of minimum lease receivable as at 31<sup>st</sup> March, 2023 in respect of the aforesaid power units are as under:

₹ crore

Particulars	Minimum lease payments		Present value of minimum lease payments	
	As at	As at	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Not later than 1 year	100.47	14.17	40.16	4.33
Later than 1 year and not later than 5 years	472.83	456.52	273.50	239.99
Later than 5 years	820.57	934.97	567.46	640.46
<b>Total</b>	<b>1,393.87</b>	<b>1,405.66</b>	<b>881.12</b>	<b>884.78</b>
Less: unearned finance income	512.75	520.88	-	-
<b>Lease Receivable (Refer note 10)</b>	<b>881.12</b>	<b>884.78</b>	<b>881.12</b>	<b>884.78</b>

Unguaranteed residual value of assets leased under finance leases at the end of the reporting period is estimated at ₹296.37 crore (as at 31<sup>st</sup> March, 2022 ₹295.35 crore).

### Note No. 38 - Service concession arrangement (SCA)

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

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

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

Terms	Particulars
Period of arrangement	40 years from date of commissioning of the power plant and extendable for 20 years at the option of the Government.
Commissioning of the power plant	8 <sup>th</sup> June, 2003
Tariff	Determined by Himachal Pradesh Electricity Regulatory Commission (HPERC) in terms of HPERC (Terms & Conditions for Determination of Hydro Generation Supply Tariffs) Regulations, 2011, along with its subsequent amendments, having regard to the tariff entitlement under the PPA.
Option to purchase	The Government has the option to purchase all the assets and works of the power plant, at mutually agreed terms, upon expiry of the service concession agreement.
Free power	12 % free power of the electricity generated is to be supplied to the Government.



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to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

**(c) Obligation for overhaul**

Under the concession agreement, the Group has to manage, operate, maintain and repair the plant.

**(d) Renewal / Termination options**

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

**(e) Classification of service concession arrangement in the Consolidated Financial Statements**

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Intangible asset - Rights under service concession receivable (refer note 6A)	681.02	713.45
Financial asset - Receivable under service concession arrangement (refer note 10)	61.41	119.83

**Note No. 39 - Employee benefits expense**

**1] Defined contribution plans**

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

**A] Provident fund:**

The Group's contribution to provident fund recognized in Consolidated Statement of Profit and Loss of ₹13.45 crore (Previous year ₹8.81 crore) (Included in note 25)

**B] National pension scheme:**

The Group's contribution to National Pension Scheme (NPS) recognized in consolidated statement of profit and loss of ₹3.66 crore (Previous year: ₹2.20 crore) (included in note 25)

**2] Defined benefits plans**

The Group provides for gratuity to its employees as per the Payment of Gratuity Act, 1972. The amount of gratuity shall be payable to an employee on the termination of employment after rendering 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 Group makes contributions to the insurer (LIC). The Group does not fully fund the liability and maintains a target level of funding to be maintained over period of time based on estimations of expected gratuity payments.

During the year ended 31<sup>st</sup> March, 2023, the compensated absence plans were revised as detailed below:

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

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These plans typically expose the Group 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 31<sup>st</sup> March, 2023 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 31<sup>st</sup> March, 2023:

		₹ crore		
Particulars		Defined benefit obligation	Fair value of plan assets	Benefit liability
<b>Opening balance as on 1<sup>st</sup> April, 2022</b>		<b>39.88</b>	<b>5.63</b>	<b>34.25</b>
<b>Gratuity cost charged to the statement of profit and loss</b>	Service cost	3.26	-	3.26
	Net interest expense	2.86	0.40	2.46
	<b>Sub-total included in profit or loss</b>	<b>6.12</b>	<b>0.40</b>	<b>5.72</b>
Benefits paid from fund		(1.92)	(1.92)	-
Liability Transfer In / (Out)		0.96	-	0.96
<b>Remeasurement gains/ (losses) in other comprehensive income</b>	Return on plan assets (excluding amounts included in net interest expense)	-	0.14	(0.14)
	Actuarial changes arising from changes in demographic assumptions	(0.37)	-	(0.37)
	Actuarial changes arising from changes in financial assumptions	(0.86)	-	(0.86)
	Experience adjustments	2.56	-	2.56
<b>Sub-total included in OCI</b>		<b>1.33</b>	<b>0.14</b>	<b>1.19</b>
Contributions by employer		(0.16)	2.12	(2.28)
Additions through business combination		0.84	-	0.84
<b>Closing balance as on 31<sup>st</sup> March, 2023 (Refer note 20)</b>		<b>47.05</b>	<b>6.37</b>	<b>40.68</b>

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## Changes in the defined benefit obligation and fair value of plan assets as at 31<sup>st</sup> March, 2022:

		₹ crore		
Particulars		Defined benefit obligation	Fair value of plan assets	Benefit liability
<b>Opening balance as on 1<sup>st</sup> April, 2021</b>		<b>30.69</b>	<b>2.28</b>	<b>28.41</b>
<b>Gratuity cost charged to the statement of profit and loss</b>	Service cost	2.52	-	2.52
	Net interest expense	2.07	0.15	1.92
<b>Sub-total included in profit or loss</b>		<b>4.59</b>	<b>0.15</b>	<b>4.44</b>
Benefits paid		(1.57)	(1.57)	-
Liability Transfer In / (Out)		(0.14)	-	(0.14)
<b>Remeasurement gains/ (losses) in other comprehensive income</b>	Return on plan assets (excluding amounts included in net interest expense)	-	(0.06)	0.06
	Actuarial changes arising from changes in demographic assumptions	0.16	-	0.16
	Actuarial changes arising from changes in financial assumptions	4.75	-	4.75
	Experience adjustments	1.40	-	1.40
	<b>Sub-total included in OCI</b>	<b>6.31</b>	<b>(0.06)</b>	<b>6.37</b>
Contributions by employer		-	4.83	(4.83)
<b>Closing balance as on 31<sup>st</sup> March, 2022 (Refer note 20)</b>		<b>39.88</b>	<b>5.63</b>	<b>34.25</b>

The actual return on plan assets (including interest income) was ₹0.54 crore (Previous year ₹0.09 crore).

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

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
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	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Discount rate	7.23%-7.52%	6.96%-7.23%
Future salary increases	8.00%	8.00%
Rate of employee turnover	4.00%- 4.40%	4.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

## Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discounted rate, expected salary increase and employee turnover. The sensitivity analyses 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.

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

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Delta Effect of +1% Change in Rate of Discounting	(4.20)	(3.13)
Delta Effect of -1% Change in Rate of Discounting	4.83	3.61
Delta Effect of +1% Change in Rate of Salary Increase	4.76	3.54
Delta Effect of -1% Change in Rate of Salary Increase	(4.22)	(3.13)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.97)	(0.21)
Delta Effect of -1% Change in Rate of Employee Turnover	1.14	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:**

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Projected benefits payable in future years</b>		
Within the next 12 months (next annual reporting period)	6.14	5.70
From 2 to 5 years	11.39	8.58
From 6 to 10 years	21.56	15.31
Above 10 years	58.88	54.63
<b>Total expected payments</b>	<b>97.97</b>	<b>84.22</b>

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 Group expects to contribute ₹7.27 crore (previous year ₹5.78 crore) to its gratuity plan for the next year. The weighted average duration of the plan is 10 years (previous year 10 years).

## B. Compensated absences:

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

## C. Employee share based payment plan:

### Employees Stock Ownership Plan – 2016 (ESOP 2016)

The Group has offered equity options under ESOP 2016 to the permanent employees of the Company and of its subsidiaries who have 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 group 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.

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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 Group.

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.

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

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

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

Vesting of the options granted under the ESOP 2021 shall be at least one year from the date of Grant. 25% of the granted options would vest on the date following 1 year from the date of respective grant, 25% of the granted options would vest on the date following 2 years from the date of respective grant and the remaining 50% on the date following 3 years from the date of respective grant.

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

The Group has offered equity options under ESOP Samruddhi 2021 to the permanent employees, including whole-time director, of the Company and of its subsidiaries who have been working in India or outside India, in the grades of L-1 to L-15 (excluding employees granted options under ESOP 2021), except any employee who is a promoter or belongs to the promoter group or a director who either by himself or through his relatives or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company and Independent directors, Nominee Directors and Non-Executive Directors.

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

Vesting of the options granted under the ESOP Samruddhi 2021 shall be at least one year from the date of Grant. 25% of the granted options would vest on the date following 2 years from the date of respective grant, 25% of the granted options would vest on the date following 3 years from the date of respective grant and the remaining 50% on the date following 4 years from the date of respective grant.

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

Particulars	ESOP 2016			ESOP 2021		ESOP 2021 Samruddhi
	3 <sup>rd</sup> May, 2016	20 <sup>th</sup> May, 2017	1 <sup>st</sup> Nov, 2018	7 <sup>th</sup> Aug, 2021	7 <sup>th</sup> Aug, 2022	7 <sup>th</sup> Aug, 2021
Vesting period	3/4 years	3/4 years	3/4 years	1/2/3 years	1/2/3 years	2/3/4 years
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity
Exercise price (₹)	53.68	51.80	51.96	10.00	10.00	10.00
Fair value (₹)	30.78	28.88	37.99	229.88	250.50	228.50
Dividend yield (%)	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Expected volatility (%)	46.32% / 44.03%	44.50% / 45.16%	42.57% / 43.53%	42.53% / 42.22% / 40.85%	47.51% / 44.43% / 43.44%	42.22% / 40.85% / 42.45%
Risk-free interest rate (%)	7.40%/7.47%	6.90%/6.98%	7.78%/7.84%	5.02% / 5.44% / 5.78%	6.73% / 6.90% / 7.01%	5.44% / 5.78% / 6.06%
Expected life of share options	5/6 years	5/6 years	5/6 years	3/4/5 years	3/4/5 years	4/5/6 years
Weighted average exercise price (₹)	53.68	51.80	51.96	10.00	10.00	10.00
<b>Pricing formula:</b>						
Book close date	2 <sup>nd</sup> May, 2016	19 <sup>th</sup> May, 2017	31 <sup>st</sup> Oct, 2018	6 <sup>th</sup> Aug, 2021	6 <sup>th</sup> Aug, 2022	6 <sup>th</sup> Aug, 2021
Closing market Price (₹)	67.10	64.75	64.95	246.17	266.35	246.17
Exercise price (₹)	53.68	51.80	51.96	10.00	10.00	10.00
Discount (%)	20%	20%	20%	-	-	-
<b>Share options outstanding:</b>						
<b>As on 1<sup>st</sup> April, 2021</b>	<b>211,946</b>	<b>667,524</b>	<b>1,466,943</b>	-	-	-
Granted	-	-	-	477,090	-	2,239,050
Exercised	(211,946)	(538,786)	(205,923)	-	-	-
Lapsed	-	-	-	(6,900)	-	(110,300)
<b>As on 31<sup>st</sup> March, 2022</b>	<b>-</b>	<b>128,738</b>	<b>1,261,020</b>	<b>470,190</b>	-	<b>2,128,750</b>
Granted	-	-	-	-	491,300	-
Exercised	-	(54,789)	(779,964)	(27,775)	-	(2,800)
Lapsed	-	-	-	-	-	(16,500)
<b>As on 31<sup>st</sup> March, 2023</b>	<b>-</b>	<b>73,949</b>	<b>481,056</b>	<b>442,415</b>	<b>491,300</b>	<b>2,109,450</b>
Expected option Life	The expected option life is assumed to be mid-way between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The Expected option life is calculated as (Year to Vesting + Contractual Option term) /2.					
Expected volatility	Volatility was calculated using standard deviation of daily change in stock price. The historical period considered for volatility match the expected life of the option.					
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	The following factors have been considered: (a) Share price (b) Exercise prices (c) Historical volatility (d) Expected option life (e) Dividend Yield					
Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.						
Model used	Black-Scholes Method					

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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.

### 3] Code on Social Security, 2020

The Code on Social Security, 2020 ("the Code") received presidential assent on 28<sup>th</sup> September, 2020. The Ministry of Labour and Employment, released the draft rules of the Code on 13<sup>th</sup> November, 2020, however, the date on which the Code will come into effect has not yet been notified. The Group will assess and record the financial impact of the Code in the period(s) when it becomes effective.

### Note no. 40 - Karcham Wangtoo hydro plant tariff determination for control period FY2014 to FY2024

The Group has recognised in the year ended 31<sup>st</sup> March, 2022, revenue of ₹553.35 crore, other income of ₹42.73 crore and reversed finance cost (carrying cost) of ₹69.27 crore by writing back truing up payable pursuant to an order of Central Electricity Regulatory Commission for truing up the tariff for the control period FY 2014-19 and for determination of tariff for the control period FY 2019-24 for Karcham Wangtoo hydro plant.

### Note No. 41 - Earnings per share ["EPS"] [Basic and Diluted]

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>Profit from Operations</b>		
Profit attributable to equity holders of the Company [₹ crore] [A]	1,477.76	1,728.62
Weighted average number of equity shares for basic EPS [B]	1,64,08,29,131	1,64,32,11,927
<b>Effect of dilution:</b>		
Weighted average number of equity shares held through ESOP trust	34,95,418	26,99,504
Weighted average number of equity shares adjusted for the effect of dilution [C]	1,64,43,24,549	1,64,59,11,431
Basic Earnings Per Share [₹] - [A/B]	9.01	10.52
Diluted Earnings Per Share [₹] - [A/C]	8.99	10.50
Nominal value of an equity share [₹]	10.00	10.00

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### Note no. 42 - Financial Instruments

#### A. Financial instruments

##### i) Financial instruments by category:

₹ crore

	As at 31 <sup>st</sup> March, 2023				As at 31 <sup>st</sup> March, 2022			
	FVTPL	FVTOCI	Amortised cost	Total	FVTPL	FVTOCI	Amortised cost	Total
<b>Financial assets</b>								
Investment in government securities	-	-	16.54	16.54	-	-	15.17	15.17
Investment in equity shares	6.52	4,819.34	-	4,825.86	44.95	5,131.36	-	5,176.31
Investment in preference shares	2.71	-	-	2.71	3.12	-	-	3.12
Investment in mutual funds	1,046.45	-	-	1,046.45	1,392.35	-	-	1,392.35
Investment in commercial paper	24.70	-	-	24.70	-	-	-	-
Investment in optionally convertible debentures	61.00	-	-	61.00	-	-	-	-
Loans	-	-	748.54	748.54	-	-	718.54	718.54
Trade receivables	-	-	1,631.38	1,631.38	-	-	769.68	769.68
Unbilled revenue	-	-	776.03	776.03	-	-	544.43	544.43
Cash and cash equivalents (CCE)	-	-	3,422.29	3,422.29	-	-	585.16	585.16
Bank balances other than CCE	-	-	746.13	746.13	-	-	613.45	613.45
Finance lease receivable	-	-	881.12	881.12	-	-	884.78	884.78
Service concession receivable	-	-	61.41	61.41	-	-	119.83	119.83
Security deposits	-	-	218.91	218.91	-	-	131.34	131.34
Interest receivable	-	-	203.92	203.92	-	-	293.16	293.16
Foreign currency forward contracts	-	-	-	-	0.59	-	-	0.59
Foreign currency options	778.60	-	-	778.60	66.13	-	-	66.13
Other receivables	-	-	14.08	14.08	-	-	5.42	5.42
Advance towards acquisition of equity shares	-	-	455.40	455.40	-	-	-	-
Asset classified as held for sale	-	-	101.64	101.64	-	-	-	-
	<b>1,919.98</b>	<b>4,819.34</b>	<b>9,277.39</b>	<b>16,016.71</b>	<b>1,507.14</b>	<b>5,131.36</b>	<b>4,680.96</b>	<b>11,319.46</b>
<b>Financial liabilities</b>								
Borrowings	-	-	24,817.22	24,817.22	-	-	8,892.54	8,892.54
Trade payables	-	-	1,014.06	1,014.06	-	-	909.91	909.91
Acceptances	-	-	260.00	260.00	-	-	166.02	166.02
Foreign currency forward contracts	0.79	-	-	0.79	3.89	-	-	3.89
Deposits received from dealers	-	-	0.02	0.02	-	-	-	-
Lease deposits	-	-	0.41	0.41	-	-	0.38	0.38
Interest accrued but not due on borrowings	-	-	143.75	143.75	-	-	87.51	87.51
Unclaimed dividends	-	-	0.58	0.58	-	-	0.70	0.70
Lease liabilities	-	-	233.85	233.85	-	-	50.03	50.03
Security deposits	-	-	0.01	0.01	-	-	0.04	0.04
Payable for capital supplies/services	-	-	491.03	491.03	-	-	517.90	517.90
Deferred Revenue	-	-	21.64	21.64	-	-	-	-
Truing up revenue adjustments	-	-	1,263.67	1,263.67	-	-	1,353.10	1,353.10
Consideration payable for business acquisition	-	-	94.36	94.36	-	-	-	-
Other payables	-	-	3.04	3.04	-	-	3.04	3.04
	<b>0.79</b>	<b>-</b>	<b>28,343.64</b>	<b>28,344.43</b>	<b>3.89</b>	<b>-</b>	<b>11,981.17</b>	<b>11,985.06</b>



# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

## ii) Fair value hierarchy:

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

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

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

### Financial assets and 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 value.

₹ crore

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022	Level	Valuation techniques and key inputs
<b>Financial assets</b>				
Investment in equity shares	4,819.34	5,131.36	1	Quoted bid price in an active market
Investment in equity shares #	33.88	38.43	2	Price derived from sale transaction of the share in an inactive market
Investment in equity shares	6.52	6.52	3	Net asset value of share has been considered as its fair value
Investment in mutual funds	1,046.45	1,392.35	2	The mutual funds are valued using the closing NAV
Investment in preference shares	2.71	3.12	3	Discounted cash flow method- Future cash flows are based on terms of preference shares discounted at a rate that reflects market risk
Investment in optionally convertible debentures	61.00	-	3	Discounted cash flow method- Future cash flows are based on terms of debentures discounted at a rate that reflects market risk
Foreign currency options	778.60	66.13	2	The fair value of derivative assets is determined using forward exchange rates at the balance sheet date.
<b>Financial liabilities</b>				
Foreign currency forward contracts	0.79	3.89	2	The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.

# Classified as held for sale (Refer note 16)

# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

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

The carrying amounts of trade receivables, unbilled revenue, trade payables, payable for capital supplies / services, cash and cash equivalents, loan, other financial assets, current borrowings 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 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022		Level	Valuation techniques and key inputs
	Carrying value	Fair value	Carrying value	Fair value		
<b>Financial assets and liabilities, measured at amortised cost, for which fair value is disclosed:</b>						
<b>Financial assets</b>						
Investment in government securities	16.54	16.68	15.17	15.74	2	Price disclosed by the regulatory near reporting date
Loans	567.64	567.64	567.64	567.64	3	Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable
Finance lease receivable *	881.12	863.67	884.78	868.16		
Service concession receivable *	61.41	66.34	119.83	129.43		
Security deposits	166.32	166.28	105.65	105.87		
	<b>1,693.03</b>	<b>1,680.61</b>	<b>1,693.07</b>	<b>1,686.83</b>		
<b>Financial liabilities</b>						
Borrowings *	23,086.52	23,086.52	7,836.75	7,836.75	3	Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable
Lease and other deposits	0.43	0.31	0.38	0.45		
	<b>23,086.95</b>	<b>23,086.83</b>	<b>7,837.13</b>	<b>7,837.20</b>		

\* including current and non-current balances

### 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.

### Sensitivity Analysis of Level 3 financial instruments measured at fair value:

Particulars	Valuation technique	Significant unobservable inputs	Change	Sensitivity of the input to fair value
Investment in preference shares	DCF method	Discount rate	0.50%	0.50% increase / decrease in the discount rate would decrease / increase the fair value by ₹0.05 crore / ₹0.05 crore (Previous year ₹0.06 crore / ₹0.06 crore).
Investment in Optionally convertible debentures	DCF method	Discount rate	0.50%	0.50% increase / decrease in the discount rate would decrease / increase the fair value by ₹0.04 crore / ₹0.04 crore (Previous year ₹ Nil / ₹ Nil).

# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Reconciliation of Level 3 fair value measurement:

### i) Investment in preference shares

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Opening balance	3.12	2.81
Gain recognised in Consolidated Statement of Profit and Loss	(0.41)	0.31
Closing balance	2.71	3.12

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

### (b) Risk Management Strategies

#### Financial risk management objectives

The Group'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 Group. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group 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 group'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 Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

#### I. Foreign currency risk management

The Group 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.

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

As at 31 <sup>st</sup> March, 2023	₹ crore	
	USD	
<b>Financial assets</b>		
Cash and bank balances	0.11	
Foreign currency options	778.60	
		<b>778.71</b>
<b>Financial liabilities</b>		
Borrowings	5,144.27	
Trade payables	432.53	
Acceptances	260.00	
Foreign currency forward contracts	0.79	
Interest accrued	79.01	
Payable for capital supplies/services	48.95	
<b>Total</b>		<b>5,965.55</b>

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to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

₹ crore	
As at 31 <sup>st</sup> March, 2022	USD
<b>Financial assets</b>	
Cash and bank balances	0.16
Foreign currency forward contracts	0.59
Foreign currency options	66.13
	<b>66.88</b>
<b>Financial liabilities</b>	
Borrowings	5,670.82
Trade payables	480.85
Acceptances	119.73
Foreign currency forward contracts	3.89
Interest accrued	80.15
Payable for capital supplies/services	182.26
<b>Total</b>	<b>6,537.70</b>

The Group uses foreign currency forward and options 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 and options contracts is governed by the Group's strategy approved by the board of directors, which provide principles on the use of such forward contracts consistent with the Group's risk management policy.

**Movement in Cash flow hedge:**

₹ crore		
Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Opening balance</b>	<b>(123.83)</b>	-
FX recognised in other comprehensive income	312.80	(123.83)
<b>Closing balance</b>	<b>188.97</b>	<b>(123.83)</b>

**The outstanding forward exchange contracts towards suppliers credit at the end of the reporting period are as under:**

₹ crore		
Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
No. of contracts	10	10
Type of contracts	Buy	Buy
US \$ equivalent (Million)	87.48	74.22
Average exchange rate (1 USD = ₹)	82.56	76.53
INR equivalent (₹ crore)	722.20	568.03
Fair value MTM - asset / (liability) (₹ crore)	(1.66)	(3.89)

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 to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

**The outstanding forward exchange contracts towards project acceptances at the end of the reporting period are as under:**

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
No. of contracts	-	26
Type of contracts	NA	Buy
US \$ equivalent (Million)	-	22.71
Average exchange rate (1 USD = ₹)	-	75.81
INR equivalent (₹ crore)	-	172.16
Fair value MTM - asset / (liability) (₹ crore)	-	0.59

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

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
No. of contracts	4	4
Type of contracts	Call-Spread	Call-Spread
USD equivalent (Million)	791.18	875.24
Average exchange rate (1 USD = ₹)	82.22	75.81
INR equivalent (₹ crore)	6,504.85	6,634.95
Fair value MTM - asset / (liability) (₹ crore)	201.04	8.98

### 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	Currency	Foreign currency equivalent		₹ crore	
		As at	As at	As at	As at
		31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>Payables in foreign currency</b>					
Borrowings	USD	-	43,094,517	-	326.69
Trade payables	USD	157,939	5,039,658	1.30	38.20
Payable for capital supplies / services	USD	5,954,172	24,042,281	48.95	182.26

### Foreign currency risk sensitivity

The following table details the Group's sensitivity to a 5% appreciation and depreciation 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.

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### Impact on profit / (loss) for the year for a 5% change:

Particulars	₹ crore			
	For the year ended 31 <sup>st</sup> March, 2023		For the year ended 31 <sup>st</sup> March, 2022	
	5% appreciation	5% depreciation	5% appreciation	5% depreciation
USD / INR	2.51	(2.51)	27.36	(27.36)

### 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 Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

#### Interest rate sensitivity analysis

The sensitivity analyses 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.

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

₹ crore			
As at 31 <sup>st</sup> March, 2023	Net balance	Unamortised transaction cost	Gross balance
Fixed rate borrowings	5,585.10	60.30	5,645.40
Floating rate borrowings	19,232.12	143.57	19,375.69
<b>Total borrowings</b>	<b>24,817.22</b>	<b>203.87</b>	<b>25,021.09</b>

₹ crore			
As at 31 <sup>st</sup> March, 2022	Net balance	Unamortised transaction cost	Gross balance
Fixed rate borrowings	5,334.87	70.55	5,405.42
Floating rate borrowings	3,557.67	5.59	3,563.26
<b>Total borrowings</b>	<b>8,892.54</b>	<b>76.14</b>	<b>8,968.68</b>

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Group's profit before tax for the year ended 31<sup>st</sup> March, 2023 would decrease / increase by ₹96.88 crore (Previous year: decrease / increase by ₹17.82 crore). This is mainly attributable to the Group's exposure to interest rates on its unhedged floating rate borrowings.

### 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 Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored.

JSW Steel Limited, a related party, and state electricity distribution companies (Government companies) are the major customers of the Group and accordingly, credit risk is minimal.

## FINANCIAL STATEMENTS CONSOLIDATED

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 to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

Revenue from operations includes revenue aggregating to ₹5,377.70 crore (Previous year ₹3,973.30 crore) from three (Previous year: three) major customer having more than 10% of total revenue from operations of the Group.

**Loans and investment in debt securities:**

The Group'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 Group. 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 Group policy. For derivative and financial instruments, the Group 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 Group is exposed to credit risk in relation to financial guarantees given to banks. The Group's maximum exposure in this respect is the maximum amount the Group could have to pay if the guarantee is called on (Refer note 34).

**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 Group's short-term, medium-term, long-term funding and liquidity management requirements. The Group 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 liabilities.

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

₹ crore				
As at 31 <sup>st</sup> March, 2023	< 1 year	1-5 years	> 5 years	Total
<b>Financial liabilities</b>				
Borrowings	5,609.32	6,184.61	13,023.29	24,817.22
Lease and other deposits	0.01	0.02	0.41	0.44
Trade payables	1,014.06	-	-	1,014.06
Acceptances	260.00	-	-	260.00
Foreign currency forward contracts	0.79	-	-	0.79
Interest accrued	143.75	-	-	143.75
Unclaimed dividends	0.58	-	-	0.58
Lease liabilities	12.38	18.18	203.29	233.85
Truing up revenue adjustments	1,186.96	76.71	-	1,263.67
Payable for capital supplies/services	491.03	-	-	491.03
Consideration payable for business acquisition	94.36	-	-	94.36
Other payables	-	24.68	-	24.68
	<b>8,813.24</b>	<b>6,304.20</b>	<b>13,227.00</b>	<b>28,344.43</b>
<b>Future interest on borrowings</b>	<b>1,415.07</b>	<b>3,965.88</b>	<b>3,545.00</b>	<b>8,925.95</b>

## FINANCIAL STATEMENTS CONSOLIDATED

# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

₹ crore				
As at 31 <sup>st</sup> March, 2022	< 1 year	1-5 years	> 5 years	Total
<b>Financial liabilities</b>				
Borrowings	2,016.17	3,300.51	3,575.86	8,892.54
Lease and other deposits	0.04	0.02	0.36	0.42
Trade payables	909.91	-	-	909.91
Acceptances	166.02	-	-	166.02
Foreign currency forward contracts	3.89	-	-	3.89
Interest accrued	87.51	-	-	87.51
Unclaimed dividends	0.70	-	-	0.70
Lease liabilities	4.74	10.72	34.57	50.03
Truing up revenue adjustments	1,283.07	70.03	-	1,353.10
Payable for capital supplies/services	517.90	-	-	517.90
Other Payables	-	3.04	-	3.04
	<b>4,989.95</b>	<b>3,384.32</b>	<b>3,610.79</b>	<b>11,985.06</b>
<b>Future interest on borrowings</b>	<b>389.60</b>	<b>943.35</b>	<b>605.86</b>	<b>1,938.81</b>

The Group has hypothecated part of its trade receivables, unbilled revenue, loans, short term investments and cash and cash equivalents in order to fulfil certain collateral requirements for the banking facilities extended to the Group. There is obligation to release the hypothecation on these securities to the Group once these banking facilities are surrendered. (Refer note 18)

The amount of guarantees given on behalf of other parties included in note 34 represents the maximum amount the Group could be forced to settle for the full guaranteed amount. Based on the expectation at the end of the reporting period, the Group considers that it is more likely than not that such an amount will not be payable under the arrangement.

### V. Price risk

The Group's exposure to equity price risk arises from quoted investments held by the Group and classified in the balance sheet at FVTOCI.

The table below summarizes the impact of increases / decreases in market price of the Group's quoted equity investments for the corresponding period. The analysis is based on the assumption that the equity instruments recognised through OCI 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 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Increase in quoted market price by 15% (Previous year 15%)	722.90	769.70
Decrease in quoted market price by 15% (Previous year 15%)	(722.90)	(769.70)

### VI. Fuel price risk management

The Group is currently using for its coal based power plants, imported coal from countries like Indonesia, South Africa, Russia 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. However the Group does not have material fuel price exposure due to significant portion of capacity which is tied up on cost plus basis arrangement.

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



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## Note no. 43 - Capital management

The Group 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 Group'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 Group 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 Group is not subject to any externally imposed capital requirements.

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

Particulars	₹ crore	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Debt <sup>1</sup>	24,817.22	8,892.54
Cash and bank balances <sup>2</sup>	4,626.94	1,929.10
Net debt <sup>(1-2)</sup>	20,190.28	6,963.44
Total equity <sup>3</sup>	18,628.81	17,414.90
Net debt to equity ratio	1.08	0.40

- 1) Includes long-term and short-term debt as described in note 18.
- 2) Includes cash and cash equivalents, balances in bank deposits (other than earmarked deposits) and investments in mutual fund as described in note 15A, note 15B and note 7B.
- 3) Includes equity share capital and other equity attributable to the owners of the parent as described in note 17A and note 17B.

## Note no. 44 - Operating segment

Subsequent to completion of reorganization (Refer note 47) and acquisition of Mytrah renewable assets (Refer note 45), the Chief Operating Decision Makers ("CODM") determines the allocation of resources and assesses the performance at Renewable (Green) and Thermal (Grey) business segments of the Group.

### Specifically, the Company's reportable segments under Ind AS

**Thermal:** Comprises of generation of power from coal and other thermal sources (lignite, gas and oil) from plants owned and related ancillary services.

**Renewables:** Comprises of generation of power from renewable energy sources i.e. hydro, wind, solar and related ancillary services.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment.

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₹ crore

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>1. Segment revenue (Revenue from operations)</b>		
(a) Thermal	8,614.02	6,107.00
(b) Renewables	1,490.72	1,872.46
(c) Unallocated	227.07	187.69
<b>Total</b>	<b>10,331.81</b>	<b>8,167.15</b>
Less: Inter-segment	-	-
<b>Total revenue from operations</b>	<b>10,331.81</b>	<b>8,167.15</b>
<b>2. Segment results (Profit / (loss) before tax and finance costs)</b>		
(a) Thermal	1,599.69	1,561.58
(b) Renewables	774.52	1,287.42
(c) Unallocated	117.43	55.67
<b>Total profit before tax and interest</b>	<b>2,491.64</b>	<b>2,904.67</b>
Finance costs	(844.30)	(776.91)
Other unallocable income	276.21	101.97
Share of joint venture	19.29	8.54
<b>Total profit before tax</b>	<b>1,942.84</b>	<b>2,238.27</b>
Current tax	298.30	421.92
Deferred tax	178.31	(83.29)
<b>Total tax expense</b>	<b>476.61</b>	<b>338.63</b>
Deferred tax (recoverable from) future tariff	(13.89)	156.16
<b>Net profit for the year</b>	<b>1,480.12</b>	<b>1,743.48</b>
<b>3. Segment assets</b>		
(a) Thermal	13,073.63	11,226.24
(b) Renewables	27,885.11	11,838.15
(c) Unallocated*	7,782.96	7,868.06
<b>Total assets</b>	<b>48,741.70</b>	<b>30,932.46</b>
<b>4. Segment Liabilities</b>		
(a) Thermal	11,016.15	6,248.67
(b) Renewables	18,849.74	7,103.36
(c) Unallocated*	141.63	163.47
<b>Total liabilities</b>	<b>30,007.52</b>	<b>13,515.50</b>
<b>5. Depreciation and amortisation</b>		
(a) Thermal	660.55	663.90
(b) Renewables	477.77	436.32
(c) Unallocated	30.92	30.82
<b>Total</b>	<b>1,169.23</b>	<b>1,131.05</b>
<b>6. Capital Expenditure</b>		
(a) Thermal	1,190.20	132.15
(b) Renewables	12,924.15	1,842.53
(c) Unallocated	11.05	0.61
<b>Total</b>	<b>14,125.40</b>	<b>1,975.29</b>

\* Includes amount classified as held for sale

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The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below:

**a) Revenue from operations**

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Within India	10,331.81	8,167.15
Outside India	-	-
<b>Total</b>	<b>10,331.81</b>	<b>8,167.15</b>

**b) Non-current operating assets**

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Within India	31,004.59	18,034.51
Outside India	67.77	68.44
<b>Total</b>	<b>31,072.36</b>	<b>18,102.95</b>

Geographical non-current assets are allocated on the basis of location of assets.

**Note No. 45 - Business Combination**

JSW Neo Energy Limited ("JSWNELE"), a wholly-owned subsidiary of the Company, has entered into agreements to acquire a portfolio of 30 SPVs comprising of 1,753 MW of Renewable Energy generation assets (solar and wind power plants, and ancillary energy assets) from Mytrah Energy (India) Private Limited (MEIPL) and its subsidiaries for a net consideration of ₹ 2,770 crores in a two-step process.

In the first step, on 29<sup>th</sup> March, 2023, JSWNELE, completed the acquisition of 1,449 MW of renewable energy assets by acquisition of 15 SPVs and 13 ancillary SPVs. The said 28 subsidiaries of MEIPL have now become subsidiaries of JSWNELE and accordingly step-down subsidiaries of the Company. The Group has accounted for acquisition in accordance with Ind AS 103- Business Combination, wherein purchase consideration has been allocated on a provisional basis pending final determination of fair value of acquired assets and liabilities.

In the second step, pursuant to Binding definitive Forward Sale Agreements, acquisition of balance 2 SPVs with renewable energy assets of 304 MW, JSWNELE completed acquisition of one of these SPVs (155 MW) on 6<sup>th</sup> April, 2023 and the acquisition of another SPV is under process.

The said renewable business acquisition is strategic in nature as it provides the group with the benefit of a diversified portfolio in wind and solar power business.

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to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

**The amounts recognised in respect of identifiable assets acquired and liabilities assumed are as set out in the table below:**

Particulars	₹ crore
<b>Assets</b>	
Property, plant and equipment	8,149.63
Intangible assets	630.62
Intangible assets under development	8.69
Inventories	19.99
Trade receivables	601.88
Cash and cash equivalents	222.65
Bank Balances other than cash and cash equivalents	47.69
Other receivables	364.05
	<b>10,045.20</b>
<b>Liabilities</b>	
Borrowings	6,892.52
Lease liabilities	136.29
Trade payables	116.58
Deferred tax liabilities	415.79
Other liabilities and provisions	138.49
	<b>7,699.67</b>
<b>Total identifiable net assets acquired (A)</b>	<b>2,345.53</b>
Capital reserve (B)	4.17
Non-controlling interests (C)	16.39
<b>Total consideration (A-B-C)</b>	<b>2,324.97</b>
<b>Purchase consideration discharged:</b>	
Equity shares	2,138.71
Compulsorily convertible preference shares	186.26
<b>Total consideration</b>	<b>2,324.97</b>
<b>Satisfied by:</b>	
- Cash	2,196.58
- Liabilities taken over	34.03
- Consideration payable	94.36
Transaction costs of the acquisition recognised under Legal and other professional charges	18.77

### Impact of acquisition on the results of the combined entity:

Revenue of ₹4.20 crore and loss before tax of ₹3.09 crore attributable to the said business acquisition has been considered in the consolidated statement of profit and loss for the year ended 31<sup>st</sup> March, 2023.

Had this business combination been effected at 1<sup>st</sup> April, 2022, the revenue of the acquired business would have been ₹1,223.30 crore, and the loss before tax (after loss on exceptional items of ₹345.49 crore) for the year would have been ₹474.69 crore.

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to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Note No. 46 - Acquisition of Ind-Barath Energy (Utkal) Limited

Pursuant to Corporate Insolvency Resolution Process under the Insolvency Bankruptcy Code, 2016, the Resolution Plan submitted by the Company for Ind-Barath Energy (Utkal) Limited ("IBEUL") was approved by the Hon'ble National Company Law Tribunal, Hyderabad on 25<sup>th</sup> July, 2022. The Company has completed acquisition of 95% equity shares of IBEUL (balance 5% held by secured creditors) through its wholly owned subsidiary JSW Energy (Jharsuguda) Limited on 28<sup>th</sup> December, 2022 for a consideration of ₹1,048.84 crore (including additional interim management cost of ₹1.24 crore) as per the approved resolution plan and allocated the same to the identified assets and liabilities acquired on the basis of their relative fair values. IBEUL owns a 700 MW (350 MW x 2 units) thermal power plant located at Jharsuguda district of Odisha of which Unit-I had been commissioned in 2016 but remained non-operational since then due to various reasons while Unit-II is yet to be completed and commissioned.

Identified assets / liabilities	Allocated relative fair values	₹ crore
Property, plant and equipment		908.30
Capital work-in-progress		131.64
Inventories		6.92
Cash and cash equivalents		2.29
Other liabilities net of other assets		(0.31)
<b>Total</b>		<b>1,048.84</b>

## Note No. 47 - Merger of JSW Neo Energy Limited and JSW Future Energy Limited

Pursuant to reorganization of Renewable (Green) and Thermal (Grey) businesses of the Group, the petition filed with NCLT (Mumbai bench) for scheme of amalgamation of JSW Future Energy Limited with JSW Neo Energy Limited (both wholly owned subsidiary companies of JSW Energy Limited) with appointed date of 1<sup>st</sup> April, 2022, has been approved by the NCLT vide its order delivered on 25<sup>th</sup> August, 2022. The certified copy of the said order has been filed with the Registrar of Companies. On 26<sup>th</sup> March, 2023, the Scheme has become effective upon receipt of relevant regulatory approvals and necessary filings. The Scheme does not have any impact on the consolidated financial statements of the Group.

## Note no. 48 - Related party disclosure

### A) List of related parties

#### I Joint venture

- 1 Barmer Lignite Mining Company Limited

#### II Associate

- 1 Toshiba JSW Power Systems Private Limited

#### III Co-venturer

- 1 Rajasthan State Mines & Minerals Limited

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to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023**IV Key Managerial Personnel**

- 1 Mr. Sajjan Jindal - Chairman & Managing Director
- 2 Mr. Parth Jindal - Non Executive Director (w.e.f. 28<sup>th</sup> October, 2022)
- 3 Mr. Prashant Jain - Jt. Managing Director & CEO
- 4 Mr. Pritesh Vinay - Chief Financial Officer (upto 23<sup>rd</sup> March, 2022)  
- Director Finance (w.e.f 24<sup>th</sup> March, 2022)
- 5 Ms. Monica Chopra - Company Secretary
- 6 Ms. Rupa Devi Singh - Independent Director
- 7 Mr. Sunil Goyal - Independent Director
- 8 Mr. Munesh Khanna - Independent Director
- 9 Mr. Rajeev Sharma - Independent Director (w.e.f. 24<sup>th</sup> March, 2022)
- 10 Mr. Desh Deepak Verma - Independent Director (w.e.f. 21<sup>st</sup> July, 2022)
- 11 Mr. Sattiraju Seshagiri Rao - Independent Director (upto 3<sup>rd</sup> May, 2021)
- 12 Mr. Chandan Bhattacharya - Independent Director (upto 31<sup>st</sup> March, 2022)

**V Other related parties with whom the Group has entered into transactions**

- 1 JSW Steel Limited
- 2 JSW Cement Limited
- 3 JSW Realty & Infrastructure Private Limited
- 4 JSW Jaigarh Port Limited
- 5 JSW Infrastructure Limited
- 6 JSW Green Private Limited
- 7 JSW Foundation
- 8 JSW Severfield Structures Limited
- 9 JSW International Trade Corp Pte Limited
- 10 JSW Steel Coated Products Limited
- 11 JSW Global Business Solutions Limited
- 12 JSW IP Holdings Private Limited
- 13 JSW Paints Private Limited
- 14 JSW Ispat Special Products Limited
- 15 JSW Minerals Trading Private limited
- 16 JSW Jharkhand Steel Limited
- 17 JSW Projects Limited
- 18 JSL Lifestyle Limited
- 19 Amba River Coke Limited
- 20 South West Mining Limited
- 21 South West Port Limited
- 22 Jindal Vidya Mandir
- 23 Jindal Saw Limited
- 24 Jindal Steel & Power Limited
- 25 Jindal Stainless (Hisar) Limited
- 26 Jindal Stainless Limited
- 27 Bhushan Power & Steel Limited
- 28 B M M Ispat Limited
- 29 Jaypee Private ITI
- 30 Maharashtra State Electricity Transmission Company Limited
- 31 Gagan Trading Company Limited
- 32 Asian Colour Coated Ispat Limited
- 33 Epsilon Carbon Private Limited
- 34 Epsilon Graphite Private Limited
- 35 Ennore Coal Terminal Private Limited
- 36 Mangalore Coal Terminal Private Limited
- 37 Sapphire Airlines Private Limited
- 38 Everbest Consultancy Services Private Limited
- 39 IOTA Finance Private Limited
- 40 Gopal Traders Private Limited
- 41 MJSJ Coal Limited
- 42 Neotrex Steel Private Limited

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## B) Transactions during the year

₹ crore

Particulars	Relationship	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>1 Sale of power / materials to:</b>			
JSW Steel Limited	Others	2,228.76	1,379.48
JSW Cement Limited	Others	155.09	120.74
JSW Steel Coated Products Limited	Others	1.61	-
Amba River Coke Limited	Others	0.86	-
Jindal Saw Limited	Others	0.10	-
JSW Paints Private Limited	Others	4.11	2.96
JSW Severfield Structures Limited	Others	9.50	6.54
Epsilon Carbon Private Limited	Others	47.93	24.24
Asian Colour Coated Ispat Limited	Others	54.31	38.75
B M M Ispat Limited	Others	6.39	-
Bhushan Power & Steel Limited	Others	214.60	-
JSW Jaigarh Port Limited	Others	6.30	-
Neotrex Steel Private Limited	Others	6.43	-
Epsilon Graphite Private Limited	Others	0.36	-
IOTA Finance Private Limited	Others	0.11	-
<b>2 Interest income on overdue receivables:</b>			
Amba River Coke Limited	Others	0.22	(0.21)
JSW Cement Limited	Others	-	2.34
JSW Steel Coated Products Limited	Others	-	0.65
JSW Steel Limited	Others	2.57	3.32
JSW Paints Private Limited	Others	-	0.02
Epsilon Carbon Private Limited	Others	-	0.05
Asian Colour Coated Ispat Limited	Others	-	*
<b>3 Dividend income:</b>			
JSW Steel Limited	Others	121.52	45.52
<b>4 Interest income on financial assets:</b>			
Sapphire Airlines Private Limited	Others	4.57	-
South West Mining Limited	Others	9.71	-
<b>5 Purchase of services:</b>			
JSW Jaigarh Port Limited	Others	47.88	58.40
South West Mining limited	Others	-	0.04
South West Port Limited	Others	16.48	2.89
JSW Green Private Limited	Others	0.83	0.77
JSW Infrastructure Limited	Others	9.56	4.82
JSW Global Business Solutions Limited	Others	7.46	6.88
Maharashtra State Electricity Transmission Company Limited	Others	0.64	0.58
Jindal Vidya Mandir	Others	0.67	0.68
Everbest Consultancy Services Private Limited	Others	0.06	0.05
Mangalore Coal Terminal Private Limited	Others	7.67	9.58
JSW Steel Coated Products Limited	Others	0.65	-
JSW Steel Limited	Others	1.02	-
Sapphire Airlines Private Limited	Others	6.10	-
<b>6 Service rendered:</b>			
JSW Steel Limited	Others	702.58	682.30
South West Mining Limited	Others	1.50	3.44
Amba River Coke Limited	Others	44.96	45.91
JSW Steel Coated Products Limited	Others	79.95	80.61
JSW Cement Limited	Others	32.40	24.87

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to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

₹ crore

Particulars	Relationship	For the	For the
		year ended 31 <sup>st</sup> March, 2023	year ended 31 <sup>st</sup> March, 2022
<b>7 Purchase of fuel / goods:</b>			
JSW Steel Limited	Others	941.25	676.14
JSW Cement Limited	Others	0.08	1.92
JSW International Trade Corp Pte Limited	Others	617.24	659.56
Barmer Lignite Mining Company Limited	Joint venture	1,953.53	1,384.89
Jindal Steel & Power Limited	Others	7.84	20.05
Rajasthan State Mines & Minerals Limited	Co-venturer	4.02	3.96
South West Mining Limited	Others	0.13	0.09
JSW Steel Coated Products Limited	Others	0.76	48.65
Jindal Stainless (Hisar) Limited	Others	2.45	-
Amba River Coke Limited	Others	0.43	0.29
JSW Paints Private Limited	Others	2.61	0.16
JSW Ispat Special Products Limited	Others	15.11	3.98
Bhushan Power & Steel Limited	Others	2.50	2.97
JSW Minerals Trading Private Limited	Others	117.99	-
<b>8 Rent paid / (received) (net):</b>			
JSW Jaigarh Port Limited	Others	*	*
JSW Realty & Infrastructure Private Limited	Others	0.61	0.47
JSW Steel Limited	Others	*	(0.03)
Gopal Traders Private Limited	Others	4.86	-
South West Mining Limited	Others	(0.02)	(0.02)
Gagan Trading Company Limited	Others	1.60	1.61
<b>9 Branding expense:</b>			
JSW IP Holdings Private Limited	Others	20.46	15.38
<b>10 Reimbursement received from / (paid to):</b>			
JSW Steel Limited	Others	4.39	19.77
Barmer Lignite Mining Company Limited	Joint venture	2.49	3.15
JSW Cement Limited	Others	0.58	0.94
JSW Steel Coated Products Limited	Others	0.12	0.51
JSW Infrastructure Limited	Others	0.25	0.38
JSW Foundation	Others	0.08	-
South West Mining Limited	Others	*	(0.01)
Jindal Vidya Mandir	Others	(0.13)	(0.25)
Jaypee Private ITI	Others	(0.23)	(0.21)
JSW Realty & Infrastructure Private Limited	Others	-	*
Jindal Saw Limited	Others	0.01	0.01
Amba River Coke Limited	Others	-	0.07
JSW Jharkhand Steel Limited	Others	-	(0.22)
Ennore Coal Terminal Private Limited	Others	-	(2.08)
Toshiba JSW Power Systems Private Limited	Associate	*	*
<b>11 Security deposit paid / (received):</b>			
Sapphire Airlines Private Limited	Others	34.47	30.75
JSW Jaigarh Port Limited	Others	-	7.69
Neotrex Steel Private Limited	Others	-	(3.00)
Gopal Traders Private Limited	Others	2.43	-
<b>12 Loan given to:</b>			
South West Mining Limited	Others	30.00	15.90
<b>13 Loan repaid:</b>			
JSW Global Business Solutions Limited	Others	-	2.29



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Particulars	Relationship	₹ crore	
		For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
<b>14 Interest received on loan:</b>			
South West Mining Limited	Others	9.99	8.96
JSW Global Business Solutions Limited	Others	-	0.22
Barmer Lignite Mining Company Limited	Joint venture	56.76	56.76
Sapphire Airlines Private Limited	Others	-	1.88
<b>15 Interest paid on loan:</b>			
Neotrex Steel Private Limited	Others	0.10	-
<b>16 Donations for CSR expenses:</b>			
JSW Foundation	Others	29.66	17.17
<b>17 Trading margin on E. S. certs. / R.E.C.s:</b>			
JSW Cement Limited	Others	1.00	0.51
JSW Steel Limited	Others	0.64	0.01
Amba River Coke Limited	Others	3.24	7.01
JSW Steel Coated Products Limited	Others	-	0.01
Jindal Saw Limited	Others	-	0.04
<b>18 Security and collateral provided to / (released):</b>			
South West Mining Limited	Others	(47.80)	(44.84)
Barmer Lignite Mining Company Limited	Joint venture	(92.03)	942.71
<b>19 Sale of Assets:</b>			
JSW Steel Limited	Others	0.18	-
<b>20 Infusion in equity share capital by minority</b>			
JSW Steel Limited	Others	77.00	-

\* Less than ₹50,000

### C) The remuneration to key managerial personnel during the year

Particulars	₹ crore	
	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
1. Short-term benefits*	18.52	17.64
2. Post-employment benefits	0.82	0.85
3. Sitting Fees	0.40	0.40
4. Commission to Directors	0.74	0.82

\* Excluding amount for ESOP's exercised during the year amounting to ₹10.20 crore.

- The above figures does not include provisions for gratuity, group mediclaim, group personal accident and compensated absences as the same is determined at the company level and is not possible to determine for select individuals.
- The Company has accrued ₹1.54 crore (previous year ₹ 0.98 crore) in respect of employee stock options granted to Joint Managing Director & CEO, Director (Finance) and Chief Financial Officer by a related party and to the Joint Managing Director & CEO, Director (Finance) and Chief Financial Officer 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.

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## D) Closing Balances

₹ crore

Particulars	Relationship	As at	As at
		31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>1 Trade payables:</b>			
JSW Jaigarh Port Limited	Others	0.67	19.79
JSW Steel Limited	Others	19.94	9.83
JSW Cement Limited	Others	0.17	0.46
JSW Steel Coated Products Limited	Others	0.21	0.21
Amba River Coke Limited	Others	0.13	1.06
Jindal Vidya Mandir	Others	0.01	0.09
Jindal Saw Limited	Others	0.10	*
Barmer Lignite Mining Company Limited	Joint venture	89.44	74.85
South West Mining Limited	Others	-	0.01
JSW Infrastructure Limited	Others	0.93	5.59
JSL Lifestyle Limited	Others	-	*
JSW Global Business Solutions Limited	Others	0.37	0.37
Maharashtra State Electricity Transmission Company Limited	Others	0.16	0.15
JSW Realty & Infrastructure Private Limited	Others	0.21	0.18
JSW Green Private Limited	Others	0.06	0.06
JSW Foundation	Others	0.07	-
JSW Paints Private Limited	Others	1.03	0.01
Everbest Consultancy Services Private Limited	Others	-	0.01
Jindal Steel & Power limited	Others	0.07	-
Mangalore Coal Terminal Private Limited	Others	0.21	-
<b>2 Trade receivables (including unbilled revenue):</b>			
JSW Steel Limited	Others	154.63	375.05
JSW Cement Limited	Others	16.56	28.43
JSW Steel Coated Products Limited	Others	5.55	7.05
Amba River Coke Limited	Others	2.76	3.19
JSW Paints Private Limited	Others	0.28	0.60
JSW Severfield Structures Limited	Others	1.09	0.86
Asian Colour Coated Ispat Limited	Others	-	4.99
Epsilon Carbon Private Limited	Others	3.49	3.72
JSW Jaigarh Port Limited	Others	0.98	-
Neotrex Steel Private Limited	Others	0.35	-
South West Mining Limited	Others	-	0.07
<b>3 Other financial assets:</b>			
JSW Steel Limited	Others	161.78	60.56
Jindal Stainless (Hisar) Limited	Others	0.04	*
JSW Projects Limited	Others	0.01	0.01
Rajasthan State Mines & Minerals Limited	Co-venturer	0.38	0.17
Jindal Steel & Power Limited	Others	5.93	1.98
Jindal Stainless Limited	Others	0.01	0.01
MJSJ Coal Limited	Others	0.02	0.02
JSW Cement Limited	Others	0.98	0.85
South West Mining Limited	Others	0.01	0.01
JSW International Trade Corp Pte Limited	Others	4.63	6.40
Bhushan Power & Steel Limited	Others	0.35	-
JSW Global Business Solutions Limited	Others	-	0.21
JSW Steel Coated Products Limited	Others	0.65	0.57
Gagan Trading Company Limited	Others	0.03	0.01

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₹ crore

Particulars	Relationship	As at	As at
		31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Amba River Coke Limited	Others	*	*
<b>4 Other financial liabilities:</b>			
JSW Steel Coated Products Limited	Others	0.26	-
<b>5 Security deposit placed with:</b>			
JSW Steel Limited	Others	3.10	2.88
JSW Realty & Infrastructure Private Limited	Others	8.75	8.14
JSW Jaigarh Port Limited	Others	31.15	28.90
JSW IP Holdings Private Limited	Others	0.97	1.42
Gagan Trading Company Limited	Others	7.55	7.95
Sapphire Airlines Private Limited	Others	65.22	30.75
Gopal Traders Private Limited	Others	1.80	-
<b>6 Security deposit / lease deposit from:</b>			
JSW Steel Limited	Others	0.08	0.08
JSW Jaigarh Port Limited	Others	0.26	0.25
Jindal Vidya Mandir	Others	*	*
Neotrex Steel Private Limited	Others	3.00	3.00
<b>7 Investment in equity share capital:</b>			
JSW Steel Limited	Others	4,819.34	5,131.36
Toshiba JSW Power Systems Private Limited <sup>§</sup>	Associate	15.23	15.23
MJSJ Coal Limited	Others	6.52	6.52
Barmer Lignite Mining Company Limited <sup>§</sup>	Joint venture	9.80	9.80
<b>8 Investment in preference share capital:</b>			
JSW Realty & Infrastructure Private Limited	Others	3.46	3.12
<b>9 Infusion in equity share capital by minority</b>			
JSW Steel Limited	Others	77.00	-
<b>10 Loan and advances to:</b>			
South West Mining Limited	Others	180.90	150.90
Barmer Lignite Mining Company Limited	Joint venture	567.64	567.64
<b>11 Advance from customers:</b>			
IOTA Finance Private Limited	Others	0.07	-
Neotrex Steel Private Limited	Others	1.64	-
<b>12 Interest receivable on loan:</b>			
Barmer Lignite Mining Company Limited	Joint venture	197.27	302.27
Sapphire Airlines Private Limited	Others	6.46	1.88
<b>13 Allowance for Expected Credit Loss:</b>			
Barmer Lignite Mining Company Limited	Joint venture	32.69	32.69
<b>14 Security and collateral Provided to:</b>			
South West Mining Limited	Others	120.52	168.32
Barmer Lignite Mining Company Limited	Joint venture	850.68	942.71

\* Less than ₹50,000

§ Gross of share of loss or profit under equity method.

**Note:**

- 1 Terms and conditions of outstanding balances: all outstanding balances are unsecured and repayable in cash.
- 2 For outstanding commitment with related party - Refer note 34[B] (2).

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## Note no. 49 - Disclosure of additional information as required by Division II of Schedule III to the Companies Act, 2013:

Particulars	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income / (loss)		Share in total comprehensive income / (loss)	
	As % of consolidated net assets	₹ crore	As % of consolidated profit and loss	₹ crore	As % of consolidated other comprehensive income / (loss)	₹ crore	As % of total comprehensive income / (loss)	₹ crore
<b>Parent</b>								
1 JSW Energy Limited	72.64	13,609.41	48.04	711.02	(686.00)	(276.12)	28.60	434.90
<b>Subsidiaries</b>								
<b>Indian</b>								
1 JSW Energy (Barmer) Limited	20.73	3,883.52	22.53	333.43	(0.38)	(0.15)	21.92	333.28
2 JSW Hydro Energy Limited	16.66	3,121.07	18.51	274.04	776.72	312.63	38.59	586.67
3 JSW Power Trading Company Limited	0.81	151.59	1.03	15.30	-	-	1.01	15.30
4 Jaigad PowerTransco Limited	1.61	302.19	2.22	32.81	0.02	0.01	2.16	32.81
5 JSW Energy (Raigarh) Limited	0.26	49.36	(0.68)	(10.08)	-	-	(0.66)	(10.08)
6 JSW Energy (Kutehr) Limited	4.62	865.18	0.08	1.16	-	-	0.08	1.16
7 JSW Neo Energy Limited	46.14	8,644.89	(9.81)	(145.14)	-	-	(9.55)	(145.14)
8 JSW Energy Renewables (Vijayanagar) Limited	4.24	795.16	2.14	31.74	(0.14)	(0.06)	2.08	31.68
9 JSW Renew Energy Limited	2.52	472.76	0.02	0.31	-	-	0.02	0.31
10 JSW Renewable Energy (Dolvi) Limited	0.18	33.48	(0.00)	(0.04)	-	-	(0.00)	(0.04)
11 JSW Renew Energy Two Limited	3.40	636.74	0.13	1.98	-	-	0.13	1.98
12 JSW Renewable Energy (Raj) Limited	0.00	0.39	(0.06)	(0.95)	-	-	(0.06)	(0.95)
13 JSW Renewable Energy (Kar) Limited	(0.00)	*	(0.00)	(0.01)	-	-	(0.00)	(0.01)
14 JSW Energy PSP One Limited	(0.00)	(0.01)	(0.00)	(0.01)	-	-	(0.00)	(0.01)
15 JSW Energy PSP Two Limited	(0.00)	(0.01)	(0.00)	(0.01)	-	-	(0.00)	(0.01)
16 JSW Energy PSP Three Limited	(0.00)	(0.01)	(0.00)	(0.01)	-	-	(0.00)	(0.01)
17 JSW Renew Energy Four Limited	0.10	17.98	(0.00)	(0.01)	-	-	(0.00)	(0.01)
18 JSW Renew Energy Five Limited	0.25	45.99	(0.11)	(1.64)	-	-	(0.11)	(1.64)
19 JSW Renew Energy Three Limited	0.29	54.91	(0.01)	(0.13)	-	-	(0.01)	(0.13)
20 JSW Green Hydrogen Limited	0.11	20.21	(0.00)	(0.02)	-	-	(0.00)	(0.02)
21 JSW Renew Energy Six Limited	0.22	40.90	0.02	0.33	-	-	0.02	0.33

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# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

Particulars	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income / (loss)		Share in total comprehensive income / (loss)	
	As % of consolidated net assets	₹ crore	As % of consolidated profit and loss	₹ crore	As % of consolidated other comprehensive income / (loss)	₹ crore	As % of total comprehensive income / (loss)	₹ crore
22 JSW Renew Energy Seven Limited	(0.00)	*	(0.00)	(0.01)	-	-	(0.00)	(0.01)
23 JSW Renewable Energy (Amba River) Limited	0.00	0.01	(0.00)	*	-	-	(0.00)	*
24 JSW Renewable Energy (Coated) Limited	0.00	0.01	(0.00)	*	-	-	(0.00)	*
25 JSW Renewable Energy (Cement) Limited	0.26	48.70	0.02	0.29	-	-	0.02	0.29
26 JSW Renewable Technologies Limited	0.03	6.35	0.00	0.05	-	-	0.00	0.05
27 Ind-Barath Energy (Utkal) Limited	(0.15)	(27.96)	(0.64)	(9.50)	-	-	(0.63)	(9.50)
28 Mytrah Vayu (Pennar) Private Limited	0.40	75.03	(0.01)	(0.19)	-	-	(0.01)	(0.19)
29 Bindu Vayu Urja Private Limited	3.00	562.74	(0.06)	(0.84)	-	-	(0.06)	(0.84)
30 Mytrah Vayu (Krishna) Private Limited	1.24	232.03	(0.03)	(0.44)	-	-	(0.03)	(0.44)
31 Mytrah Vayu (Manjira) Private Limited	0.33	61.23	(0.02)	(0.31)	-	-	(0.02)	(0.31)
32 Mytrah Vayu Urja Private Limited	0.40	75.31	(0.02)	(0.25)	-	-	(0.02)	(0.25)
33 Mytrah Vayu (Godavari) Private Limited	(0.31)	(57.32)	0.14	2.09	-	-	0.14	2.09
34 Mytrah Vayu (Som) Private Limited	0.03	5.06	(0.12)	(1.84)	(0.40)	(0.16)	(0.13)	(2.00)
35 Mytrah Aadhya Power Private Limited	0.09	16.59	(0.00)	(0.02)	(0.02)	(0.01)	(0.00)	(0.03)
36 Mytrah Aakash Power Private Limited	(0.04)	(8.18)	(0.04)	(0.65)	0.02	0.01	(0.04)	(0.64)
37 Mytrah Abhinav Power Private Limited	0.05	9.15	(0.12)	(1.72)	-	-	(0.11)	(1.72)
38 Mytrah Adarsh Power Private Limited	0.07	12.94	0.08	1.20	-	-	0.08	1.20
39 Mytrah Agriya Power Private Limited	0.34	62.90	(0.06)	(0.94)	-	-	(0.06)	(0.94)
40 Mytrah Advaith Power Private Limited	0.38	70.58	0.01	0.14	-	-	0.01	0.14
41 Mytrah Akshaya Energy Private Limited	0.18	34.17	0.04	0.57	-	-	0.04	0.57
42 Mytrah Vayu (Sabarmati) Private Limited	1.26	236.33	0.00	0.04	-	-	0.00	0.04
43 Mytrah Tejas Power Private Limited	(0.00)	(0.09)	-	-	-	-	-	-
44 Mytrah Ainesh Power Private Limited	0.00	0.28	-	-	-	-	-	-
45 Mytrah Vayu (Hemavati) Private Limited	(0.00)	(0.10)	-	-	-	-	-	-
46 Mytrah Vayu (Maansi) Private Limited	0.00	0.15	-	-	-	-	-	-
47 Mytrah Vayu (Adyar) Private Limited	0.00	0.06	-	-	-	-	-	-
48 Mytrah Vayu (Chitravati) Private Limited	0.00	0.14	-	-	-	-	-	-

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to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

Particulars	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income / (loss)		Share in total comprehensive income / (loss)	
	As % of consolidated net assets	₹ crore	As % of consolidated profit and loss	₹ crore	As % of consolidated other comprehensive income / (loss)	₹ crore	As % of total comprehensive income / (loss)	₹ crore
49 Mytrah Vayu (Kaveri) Private Limited	0.00	0.44	-	-	-	-	-	-
50 Mytrah Vayu (Bhavani) Private Limited	0.00	0.36	-	-	-	-	-	-
51 Mytrah Vayu (Palar) Private Limited	0.00	0.39	-	-	-	-	-	-
52 Mytrah Vayu (Tapti) Private Limited	0.00	0.24	-	-	-	-	-	-
53 Mytrah Vayu (Parbati) Private Limited	0.00	0.29	-	-	-	-	-	-
54 Mytrah Vayu (Sharavati) Private Limited	0.00	0.27	-	-	-	-	-	-
55 Nidhi Wind Farms Private Limited	(0.07)	(13.59)	(0.00)	*	-	-	(0.00)	*
<b>Foreign</b>								
1 JSW Energy Natural Resources Mauritius Limited	0.21	39.00	(0.05)	(0.71)	-	-	(0.05)	(0.71)
2 JSW Energy Natural Resources South Africa Limited	0.02	4.31	1.29	19.06	-	-	1.25	19.06
3 Royal Bafokeng Capital (Pty) Limited	(0.05)	(9.91)	-	-	-	-	-	-
4 Mainsail Trading 55(Pty) Limited	(0.23)	(42.52)	(0.02)	(0.28)	-	-	(0.02)	(0.28)
5 South African Coal Mining Holdings Limited	(1.28)	(240.30)	(3.08)	(45.63)	-	-	(3.00)	(45.63)
6 SACM (Breyten) Proprietary Limited	(1.16)	(216.45)	(1.23)	(18.15)	-	-	(1.19)	(18.15)
7 South African Coal Mining Operations Proprietary Limited	0.03	6.11	(0.00)	(0.06)	-	-	(0.00)	(0.06)
8 Umlabu Colliery Proprietary Limited	0.75	141.14	0.14	2.07	-	-	0.14	2.07
<b>Non-controlling interests in all subsidiaries</b>	0.56	105.37	0.16	2.36	21.04	8.47	0.71	10.83
<b>Associates</b>								
<b>Indian</b>								
1 Toshiba JSW Power Systems Private Limited #	(0.54)	(100.23)	-	-	-	-	-	-
<b>Joint ventures</b>								
<b>Indian</b>								
1 Barmer Lignite Mining Company Limited	0.30	56.98	1.30	19.29	-	-	1.27	19.29
Adjustment arising out of consolidation	(80.92)	(15,159.51)	18.27	270.47	(10.87)	(4.38)	17.50	266.09
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>100.00</b>	<b>18,734.18</b>	<b>100.00</b>	<b>1,480.12</b>	<b>100.00</b>	<b>40.25</b>	<b>100.00</b>	<b>1,520.37</b>

\* Less than ₹50,000

# Restricted to share of loss under equity method

# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

## Note no. 50 - Other statutory information

- i) The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.
- ii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- iii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries); or
  - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- iv) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries); or
  - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- v) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- vi) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- vii) The Group is not declared wilful defaulter by banks or financial institutions or lender during the year.
- viii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- ix) Quarterly returns or statements of current assets filed by the Group with banks or financial institutions are in agreement with the books of accounts.
- x) The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- xi) The title deeds of all the immovable properties, (other than immovable properties where the Group is the lessee and the lease agreements are duly executed in favour of the Group) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Group as at the balance sheet date.

FINANCIAL STATEMENTS CONSOLIDATED

# NOTES

to the Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2023

xii) The Group does not have any transactions with companies which are struck off except the following:

SN	Name of the struck off company	Nature of transactions	Balance outstanding (₹ crore)		Relationship with the struck off company, if any, to be disclosed
			As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022	
1	Spandan Home Care Limited	Shares held by struck off company	*	*	Shareholder
2	Him Broadcast Private Limited	Transportation services	0.27	-	Vendor
3	Century Finvest Private Limited	Shares held by struck off company	*	-	Shareholder
4	Unicon Fincap Private Limited	Shares held by struck off company	*	-	Shareholder

\* Less than ₹50,000

## Note no. 51

Previous year's figures have been regrouped / reclassified wherever necessary.

### For and on behalf of Board of Directors

**Prashant Jain**

Jt. Managing Director & CEO  
[DIN: 01281621]

**Sajjan Jindal**

Chairman & Managing Director  
[DIN: 00017762]

Place: Mumbai

Date: 23<sup>rd</sup> May, 2023

**Monica Chopra**

Company Secretary

**Pritesh Vinay**

Director (Finance)  
[DIN: 08868022]



# Annexure - A

## Form AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
**Statement containing salient features of the financial statement of Subsidiaries / Associate companies / Joint Ventures**

₹ crore

### Part A: Subsidiaries

Sl. No.	Name of the Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share Capital & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of shareholding
1	JSW Energy (Barmer) Limited			2,987.73	6,918.47	3,262.21	227.26	3,127.16	404.00	70.59	333.43	-	100.00
2	JSW Hydro Energy Limited			1,250.05	7,978.11	5,566.77	709.73	1,375.73	332.06	58.02	274.04	-	100.00
3	JSW Power Trading Company Limited			70.05	210.02	58.43	-	23.45	20.47	5.17	15.30	-	100.00
4	Jaiqad Power Transco Limited			137.50	164.69	229.66	84.69	76.93	39.75	6.95	32.81	-	74.00
5	JSW Energy (Raigarh) Limited			115.37	49.37	0.02	-	-	(10.08)	-	(10.08)	-	100.00
6	JSW Energy (Kutehr) Limited			872.71	1,681.59	816.41	-	1.92	1.16	0.00	1.16	-	100.00
7	JSW Neo Energy Limited			2,361.85	6,283.03	2,076.11	7,493.86	276.47	(144.86)	0.29	(145.14)	-	100.00
8	JSW Energy Renewables (Vijayanagar) Limited			296.15	499.01	1,867.61	-	168.37	36.86	5.12	31.74	-	74.00
9	JSW Renew Energy Limited			435.48	37.28	1,431.18	-	1.82	0.38	0.07	0.31	-	100.00
10	JSW Renewable Energy (Dolvi) Limited			34.71	1.23	33.50	-	-	(0.04)	-	(0.04)	-	100.00
11	JSW Renewable Energy Two Limited			319.80	316.94	2,165.70	-	6.66	2.52	0.54	1.98	-	100.00
12	JSW Renewable Energy (Ra) Limited			2.45	(2.06)	0.48	-	-	(0.95)	-	(0.95)	-	100.00
13	JSW Renewable Energy (kar) Limited			0.78	(0.78)	0.02	-	-	(0.01)	-	(0.01)	-	100.00
14	JSW Energy PSP One Limited			0.01	(0.02)	0.01	-	-	(0.01)	-	(0.01)	-	100.00
15	JSW Energy PSP Two Limited			0.01	(0.02)	0.01	-	-	(0.01)	-	(0.01)	-	100.00
16	JSW Energy PSP Three Limited			0.01	(0.02)	0.01	-	-	(0.01)	-	(0.01)	-	100.00
17	JSW Renew Energy Four Limited			0.01	17.97	20.03	-	-	(0.01)	-	(0.01)	-	100.00
18	JSW Green Hydrogen Limited			0.01	45.98	46.68	-	1.51	(1.27)	0.38	(1.64)	-	100.00
19	JSW Renew Energy Three Limited			49.21	5.70	55.84	-	-	(0.13)	-	(0.13)	-	100.00
20	JSW Green Hydrogen Limited			0.01	20.20	16.34	-	-	(0.02)	-	(0.02)	-	100.00
21	JSW Renew Energy Six Limited			0.01	40.89	40.90	-	1.07	0.44	0.11	0.33	-	100.00
22	JSW Renew Energy Seven Limited			0.01	(0.01)	* 0.01	-	-	(0.01)	-	(0.01)	-	100.00
23	JSW Renewable Energy (Amba River) Limited			0.01	* 0.01	* 0.01	-	-	*	-	*	-	100.00
24	JSW Renewable Energy (Coated) Limited			0.01	48.69	100.20	-	0.29	0.29	-	0.29	-	100.00
25	JSW Renewable Energy (Cement) Limited			0.01	6.34	6.36	-	0.07	0.06	0.02	0.05	-	100.00
26	JSW Renewable Technologies Limited			0.01	(27.97)	1,015.11	-	0.68	(27.46)	(17.96)	(9.50)	-	95.00
27	Ind-Barath Energy (Utkal) Limited			31.84	43.19	483.95	114.73	0.14	(0.19)	-	(0.19)	-	100.00
28	Mytrah Vayu (Pennar) Private Limited			98.55	464.19	1,460.56	353.36	0.69	(0.84)	-	(0.84)	-	100.00
29	Bindu Vayu Urja Private Limited												

FINANCIAL STATEMENTS

SERVING STAKEHOLDERS

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SUPPORTING INFORMATION

**Part A: Subsidiaries**

Sl. No.	Name of the Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share Capital & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of shareholding
30	Mytrah Yayu (Krishna) Private Limited			69.56	1,388.21	1,230.97	64.79	0.29	(0.44)	(0.00)	(0.44)	-	100.00
31	Mytrah Yayu (Manjira) Private Limited			22.19	39.04	1,178.71	79.71	0.32	(0.31)	-	(0.31)	-	73.23
32	Mytrah Yayu Urja Private Limited			20.29	55.02	417.19	348.92	7.04	(0.25)	-	(0.25)	-	100.00
33	Mytrah Yayu (Godavari) Private Limited			21.26	(78.58)	656.47	725.88	12.09	2.09	-	2.09	-	100.00
34	Mytrah Yayu (Som) Private Limited			30.37	(25.31)	789.50	784.45	-	(1.79)	-	(1.84)	-	100.00
35	Mytrah Aadhya Power Private Limited			8.71	7.88	315.60	299.01	-	0.31	(0.02)	-	(0.02)	100.00
36	Mytrah Aakash Power Private Limited			8.51	(16.69)	409.90	418.08	-	0.42	(0.65)	-	(0.65)	100.00
37	Mytrah Abhinav Power Private Limited			16.67	(7.53)	634.89	625.75	-	0.62	(1.72)	-	(1.72)	100.00
38	Mytrah Adarsh Power Private Limited			17.98	(5.04)	635.21	622.27	-	0.60	1.20	-	1.20	100.00
39	Mytrah Agriya Power Private Limited			19.12	43.78	711.94	649.04	-	0.79	(0.94)	-	(0.94)	100.00
40	Mytrah Advaita Power Private Limited			5.91	64.67	186.31	115.73	-	0.24	0.14	-	0.14	100.00
41	Mytrah Akshaya Energy Private Limited			2.84	31.33	105.16	70.99	-	0.11	0.57	-	0.57	100.00
42	Mytrah Yayu (Sabarmati) Private Limited			49.41	186.92	1,838.04	1,601.71	-	1.13	0.04	-	0.04	100.00
43	Mytrah Tejas Power Private Limited			0.05	(0.15)	4.92	5.02	-	-	-	-	-	100.00
44	Mytrah Ainesh Power Private Limited			0.05	0.23	2.92	2.64	-	-	-	-	-	100.00
45	Mytrah Yayu (Hemavati) Private Limited			0.05	(0.15)	4.12	4.22	-	-	-	-	-	100.00
46	Mytrah Yayu (Maansi) Private Limited			0.05	0.10	9.70	9.55	-	-	-	-	-	100.00
47	Mytrah Yayu (Adyar) Private Limited			0.01	0.05	3.93	3.87	-	-	-	-	-	100.00
48	Mytrah Yayu (Chitravati) Private Limited			0.01	0.13	3.24	3.11	-	-	-	-	-	100.00
49	Mytrah Yayu (Kaveri) Private Limited			0.01	0.43	4.85	4.41	-	-	-	-	-	100.00
50	Mytrah Yayu (Bhavani) Private Limited			0.01	0.35	3.75	3.40	-	-	-	-	-	100.00
51	Mytrah Yayu (Palar) Private Limited			0.01	0.38	5.97	5.59	-	-	-	-	-	100.00
52	Mytrah Yayu (Tapti) Private Limited			0.01	0.23	6.60	6.37	-	-	-	-	-	100.00
53	Mytrah Yayu (Parbati) Private Limited			0.01	0.28	3.32	3.03	-	-	-	-	-	100.00
54	Mytrah Yayu (Sharavati) Private Limited			0.01	0.26	4.17	3.90	-	-	-	-	-	100.00
55	Nidhi Wind Farms Private Limited			0.01	(13.60)	31.69	45.28	-	-	-	-	-	100.00
56	JSW Energy Natural Resources Mauritius Limited		31 <sup>st</sup> December	49.33	(10.33)	441.58	451.57	48.99	12.49	(0.71)	-	(0.71)	69.44
57	JSW Energy Natural Resources South Africa Limited		31 <sup>st</sup> December	20.02	(15.71)	407.41	439.97	36.87	8.84	19.06	-	19.06	69.44
58	Royal Bafokeng Capital (Pty) Limited		31 <sup>st</sup> December	*	(9.91)	-	43.68	33.77	-	-	-	-	69.44
59	Mainsail Trading 55 (Pty) Limited		31 <sup>st</sup> December	*	(42.52)	11.56	56.84	2.76	-	0.28	-	(0.28)	69.44
60	South African Coal Mining Holdings Limited		31 <sup>st</sup> December	20.83	(261.12)	157.00	420.54	23.24	58.13	(45.63)	-	(45.63)	69.44
61	SACM(Breyten) Proprietary Limited		31 <sup>st</sup> December	*	(216.45)	-	341.17	124.72	-	(18.15)	-	(18.15)	69.44
62	South African Coal Mining Operations Proprietary Limited		31 <sup>st</sup> December	*	6.11	(0.06)	(6.17)	-	13.61	(0.06)	-	(0.06)	69.44
63	Umlabu Colliery Proprietary Limited		31 <sup>st</sup> December	*	141.14	155.61	14.47	-	4.12	2.07	-	2.07	69.44

Less than ₹50,000

Sl. No.	Name of the Subsidiary	Sl. No.	Name of the Subsidiary
1	JSW Energy (Raigarh) Limited	18	JSW Renewable Energy (Cement) Limited
2	JSW Energy (Kutehr) Limited	19	JSW Renewable Technologies Limited
3	JSW Renew Energy Limited	20	Ind-Barath Energy (Utkal) Limited
4	JSW Renewable Energy (Dolvi) Limited	21	Mytrah Ainesh Power Private Limited
5	JSW Renew Energy Two Limited	22	Mytrah Tejas Power Private Limited
6	JSW Renew Energy (Raj) Limited	23	Nidhi Wind Farms Private Limited
7	JSW Renew Energy (Kar) Limited	24	Mytrah Vayu (Bhavani) Private Limited
8	JSW Energy PSP One Limited	25	Mytrah Vayu (Chitravati) Private Limited
9	JSW Energy PSP Two Limited	26	Mytrah Vayu (Hemavati) Private Limited
10	JSW Energy PSP Three Limited	27	Mytrah Vayu (Kaveri) Private Limited
11	JSW Renew Energy Four Limited	28	Mytrah Vayu (Maansi) Private Limited
12	JSW Green Hydrogen Limited	29	Mytrah Vayu (Palar) Private Limited
13	JSW Renew Energy Three Limited	30	Mytrah Vayu (Parbat) Private Limited
14	JSW Renew Energy Five Limited	31	Mytrah Vayu (Sharavati) Private Limited
15	JSW Renew Energy Six Limited	32	Mytrah Vayu (Tapti) Private Limited
16	JSW Renew Energy Seven Limited	33	Mytrah Vayu (Adyar) Private Limited
17	JSW Renewable Energy (Coated) Limited		

₹ crore

### Part B : Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl No.	Name of Associates / Joint ventures	Latest audited Balance Sheet Date	Shares of Associate / Joint Ventures held by the company on the year end		Description of how there is significant influence	Reason why the associate/joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ crore)	Profit / (Loss) for the year	
			No.	Amount of Investment in Associates / Joint Venture (₹ crore)				Extent of Holding %	Considered in Consolidation (₹ crore)
1	Barmer Lignite Mining Company Limited	31 <sup>st</sup> March, 2022	98,00,000	9.80	A	NA	37.06	-	-
2	Toshiba JSW Power Systems Private Limited	31 <sup>st</sup> March, 2022	9,98,77,405	100.23	B	NA	(101.97)	-	-

Note A) The Group holds 49% shareholding in the joint venture company.

B) There is significant influence due to the representation on the board of directors.

#### 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

**Pritesh Vinay**  
Director Finance  
[DIN: 08868022]