

JSW ENERGY (BARMER) LIMITED
Balance Sheet as at March 31, 2021

₹ crore

Particulars		Note No.	As at March 31, 2021	As at March 31, 2020
A	ASSETS			
1	Non-current assets			
	(a) Property, plant and equipment	4	3,866.73	4,212.67
	(b) Capital work-in-progress	5	14.58	4.04
	(c) Intangible assets	6	0.08	0.06
	(d) Financial assets			
	(i) Investments	7	309.80	9.80
	(ii) Loans	8	567.64	567.64
	(iii) Others financial assets	9	136.55	5.64
	(e) Income tax assets (net)	10	9.91	26.43
	(f) Other non-current assets	11	0.51	0.93
	Total Non - Current Assets		4,905.80	4,827.21
2	Current assets			
	(a) Inventories	12	146.47	86.92
	(b) Financial assets			
	(i) Investments	7	90.36	190.33
	(ii) Trade receivables	13	621.27	739.70
	(iii) Cash and cash equivalents	14	168.05	0.34
	(iv) Bank balances other than (iii) above	15	0.04	0.04
	(v) Others financial assets	9	355.97	517.39
	(c) Other current assets	11	10.46	12.64
	Total Current Assets		1,392.62	1,547.36
	Total Assets		6,298.42	6,374.57
B	EQUITY AND LIABILITIES			
	EQUITY			
	(a) Equity share capital	16(A)	1,726.05	1,726.05
	(b) Other equity	16(B)	2,368.92	1,947.07
	Total Equity		4,094.97	3,673.12
	LIABILITIES			
1	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	17	1,367.34	1,713.92
	(b) Provisions	19	14.29	10.16
	Total Non - Current Liabilities		1,381.63	1,724.08
2	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	17	50.01	-
	(ii) Trade payables			
	(a) total outstanding dues of micro enterprises and small enterprises	20	8.36	3.59
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises		181.98	241.53
	(iii) Other financial liabilities	18	572.95	723.77
	(b) Other current liabilities	21	6.00	6.28
	(c) Provisions	19	2.52	2.20
	Total Current Liabilities		821.82	977.37
	Total Equity and Liabilities		6,298.42	6,374.57

See accompanying notes to the financial statements

As per our attached report of even date

For Lodha & Co.
Chartered Accountants

Firm Registration No. 301051E

For and on behalf of the Board of Directors

A. M. Hariharan
Partner
Membership No. 38323

Pritesh Vinay
Director
[DIN 08868022]

Prashant Jain
Chairman
[DIN 01281621]

Place: Mumbai
June 24, 2021

Raj Kumar Sharma
Company Secretary &
Chief Financial Officer

JSW ENERGY (BARMER) LIMITED
Statement of Profit and Loss for the year ended March 31, 2021

₹ crore except per share data as stated otherwise

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
I Revenue from operations	22	2,664.94	2,597.50
II Other income	23	79.51	61.43
III Total income		2,744.45	2,658.93
IV EXPENSES			
(a) Fuel costs	24	1,504.90	1,386.10
(b) Employee benefits expense	25	68.37	70.88
(c) Finance costs	26	151.87	221.79
(d) Depreciation and amortisation expense	4 & 6	355.86	354.90
(e) Other expenses	27	152.25	157.58
Total expenses		2,233.25	2,191.25
V Profit before tax		511.20	467.68
VI Tax expense			
-Current tax		89.53	81.93
-Deferred tax	28	(6.18)	(90.49)
-Deferred tax adjustable in future tariff		6.18	90.49
VII Profit for the Year		421.67	385.75
VIII Other Comprehensive income			
(i) Items that will not be reclassified to profit or loss			
-Remeasurements of the net defined benefit plans		(0.19)	(0.29)
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.03	0.05
IX Total comprehensive income for the Year		421.51	385.51
X Earnings per equity share of ₹ 10 each			
Basic (₹)		2.44	2.23
Diluted (₹)		2.44	2.23

See accompanying notes to the financial statements

As per our attached report of even date

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JSW ENERGY (BARMER) LIMITED
Statement of Cash Flows for the year ended March 31, 2021

(₹ crore)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
I. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	511.20	467.68
Adjusted for:		
Depreciation and amortisation expense	355.86	354.90
Interest income	(56.82)	(58.48)
Income from Fair Valuation of Current Investments	(0.08)	(0.09)
Income from sale of current investments	(9.37)	(2.55)
Loss on sale / discard of property, plant and equipment	0.17	0.07
Unrealised foreign exchange (gain) / loss	0.00	-
Write back of Creditors outstanding related to capitalised assets	(13.04)	0.00
Finance costs	151.87	221.79
	428.59	515.64
Operating profit before working capital changes	939.79	983.32
Adjustments for:		
(Increase)/Decrease in Trade receivables	118.43	(334.31)
Increase/(Decrease) in Trade and Other payables	79.52	130.59
(Increase)/Decrease in Loans, advances and other receivables	(35.02)	(7.50)
(Increase)/Decrease in Inventories	(59.55)	7.97
	103.38	(203.25)
Cash generated from operations	1,043.17	780.07
Direct taxes paid (net)	(73.02)	(90.12)
NET CASH GENERATED FROM OPERATING ACTIVITIES	970.15	689.95
II. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, plant and equipment including CWIP, capital advances and pre-operative expenses	(19.15)	(9.62)
Sale/Adjustment of Property, plant and equipment	-	(0.07)
Perpetual debt to JSW Future Energy Limited	(300.00)	-
Interest income	124.94	83.07
Income from sale of current investments & net gain on fair valuation	9.46	2.64
Bank balances other than Cash and cash equivalents	-	0.07
NET CASH FLOWS FROM INVESTING/ (USED IN) ACTIVITIES	(184.75)	76.09
III. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings-Banks/FIs	-	450.00
Proceeds from Working Capital loan	50.01	-
Repayment of Long Term Borrowings-Banks/FIs	(604.87)	(280.80)
Repayment of Long Term Borrowings from Holding Company	-	(567.64)
Finance costs	(162.80)	(210.68)
NET CASH USED IN FINANCING ACTIVITIES	(717.66)	(609.12)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (I+II+III)	67.74	156.92
CASH AND CASH EQUIVALENTS - AT THE BEGINNING OF THE YEAR (Refer Note 7 and 14)	190.67	33.75
CASH AND CASH EQUIVALENTS - AT THE END OF THE YEAR (Refer Note 7 and 14)	258.41	190.67

See accompanying notes to the financial statements

Notes :

- 1 Cash and cash equivalents at the end of the year includes Cash and cash equivalents of ₹ 168.05 crore (Previous year ₹ 0.34 crore) and Current investment in mutual fund as of ₹ 90.36 crore (Previous year ₹ 190.33 crore).
- 2 Previous year's figures have been re-grouped / re-arranged wherever necessary to conform to current year's classification.

As per our attached report of even date

For Lodha & Co.
Chartered Accountants

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A. M. Hariharan
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Membership No. 38323

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[DIN 01281621]

Place: Mumbai
June 24, 2021

Raj Kumar Sharma
Company Secretary &
Chief Financial Officer

JSW ENERGY (BARMER) LIMITED

Statement of changes in equity for the year ended March 31, 2021

A. EQUITY SHARE CAPITAL

₹ crore

Particulars	Total
Balance at April 1, 2019	1,726.05
Changes in equity share capital during the Year	-
Balance at March 31, 2020	1,726.05
Changes in equity share capital during the Year	-
Balance at March 31, 2021	1,726.05

B. OTHER EQUITY

₹ crore

Particulars	Items of other comprehensive income				Total Other Equity
	General reserve	Equity settled employee benefits reserve	Retained earnings	Remeasurements of the net defined benefit plans	
Balance at April 1, 2019	0.09	2.78	1,558.61	(0.61)	1,560.87
Profit for the year ended March 31, 2020	-	-	385.75	-	385.75
Other comprehensive income	-	-	-	(0.24)	(0.24)
Total comprehensive income for the year ended March 31, 2020	-	-	385.75	(0.24)	385.51
Share based payments	-	0.69	-	-	0.69
Balance at March 31, 2020	0.09	3.47	1,944.36	(0.85)	1,947.07

₹ crore

Particulars	Items of other comprehensive income				Total Other Equity
	General reserve	Equity settled employee benefits reserve	Retained earnings	Remeasurements of the net defined benefit plans	
Balance as at April 1, 2020	0.09	3.47	1,944.36	(0.85)	1,947.07
Profit for the year ended March 31, 2021	-	-	421.67	-	421.67
Other comprehensive income	-	-	-	(0.16)	(0.16)
Total comprehensive income for the year ended March 31, 2021	-	-	421.67	(0.16)	421.51
Share based payments	-	0.34	-	-	0.34
Balance at March 31, 2021	0.09	3.81	2,366.03	(1.01)	2,368.92

See accompanying notes to the financial statements

As per our attached report of even date

For Lodha & Co.

Chartered Accountants

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Raj Kumar Sharma

Company Secretary &

Chief Financial Officer

Place: Mumbai

June 24, 2021

JSW Energy (Barmer) Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021

Note no. 1- General information

The financial statements comprise financial statements of JSW Energy (Barmer) Limited (hereinafter referred to as (“the Company”) for the year ended March 31, 2021.

The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at JSW Centre Bandra Kurla Complex, Bandra East, Mumbai - 400 051.

The Company is primarily engaged in the business of generation of power. The Company has set up a lignite based power plant at Barmer, Rajasthan comprising of 8 units of 135 MW each.

The Board of Directors approved the Financial Statements for the year ended March 31, 2021 and authorised for issue on June 24, 2021.

Note no. 2- Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

Note no. 3.1- Basis of preparation of financial statements

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 4 of the Companies (Indian Accounting standards) Rules, 2015 as amended from time to time

The financial statements of the Company are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) on the accrual basis of accounting and historical cost convention except for the certain material items that have been measured at fair value as required by the relevant Ind AS and explained in the ensuing policies below.

The financial statements are presented in Indian Rupees ('INR') which is functional currency and all values are rounded to the nearest crore, except otherwise indicated.

Use of estimates & Judgements

The preparation of the financial statements requires that the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the

JSW Energy (Barmer) Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021

existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods

The critical accounting judgements and key estimates followed by the Company for preparation of financial statements is described in Note 29.

Note no. 3.2- Applicability of new and revised Indian Accounting Standards (Ind AS):

The Ministry of Corporate Affairs (“MCA”) through Companies (Indian Accounting Standards) Amendment Rules, 2020 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following major amendments and new accounting standards, which became applicable with effect from April 1, 2020.

Amendments to Ind AS 103- Business combinations

The Company has adopted the amendments to Ind AS 103 for the first time in the current year. The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

The amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs. The amendments also introduce additional guidance that helps to determine whether a substantive process has been acquired.

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets. The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after 1st April, 2020.

The adoption of these amendments has not had any impact on the disclosures or reported amounts in these financial statements.

Amendments to Ind AS 116 – Leases

The Company has adopted the amendments to Ind AS 116 for the first time in the current year. The amendments provide practical relief, subject to certain conditions, to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to Ind AS 116. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying Ind AS 116 if the change were not a lease modification. The adoption of this amendments has not had any impact on the disclosures or reported amounts in these financial statements.

JSW Energy (Barmer) Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021

Amendment to Ind AS 109 and Ind AS 107 – Interest Rate Benchmark Reform

These amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments affected by the current interest rate benchmarks are amended as a result of the on-going interest rate benchmark reforms.

The adoption of these amendments has not had material impact on the disclosures or reported amounts in these financial statements.

Amendment to Ind AS 1 and Ind AS 8 – Definition of “Material”

The Company has adopted the amendments to Ind AS 1 and Ind AS 8 for the first time in the current year. The amendments make the definition of material in Ind AS 1 easier to understand and are not intended to alter the underlying concept of materiality in Ind ASs. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition.

The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of material in Ind AS 8 has been replaced by a reference to the definition of material in Ind AS 1. In addition, the MCA amended other Standards that contain the definition of 'material' or refer to the term 'material' to ensure consistency.

The adoption of these amendments did not have any material impact on its evaluation of materiality in relation to the financial statements.

New and revised Ind ASs in issue but not yet effective:

At the date of approval of these financial statements, the Company has not applied the following new and revised Ind ASs that have been issued but are not yet effective.

I. Amendment to Ind AS:

The Ministry of Corporate Affairs (MCA) vide Notification dated 18th June, 2021 has issued new Companies (Indian Accounting Standard) Amendment Rules, 2021. These rules are applicable with immediate effect from the date of the said notification. Major amendments notified in the notification are provided below:

- (a) Ind AS 116 | Leases – The amendment extends the benefits of the COVID 19 related rent concession that were introduced in the previous year (which allowed lessees to recognize COVID 19 related rent concessions as income rather than as lease modification) from 30th June, 2021 to 30th June, 2022.
- (b) Ind AS 109 | Financial Instruments – The amendment provides a practical expedient for assessment of contractual cash flow test, which is one of the criteria for being eligible to measure a financial asset at amortized cost, for the changes in the financial assets that may arise as a result of Interest Rate Benchmark Reform. An additional temporary exception from applying hedge accounting is also added for Interest Rate Benchmark Reform.

JSW Energy (Barmer) Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021

- (c) Ind AS 101 | Presentation of Financial Statements – The amendment substitutes the item (d) mentioned in paragraph B1 as ‘Classification and measurement of financial instruments’. The term ‘financial asset’ has been replaced with ‘financial instruments’.
- (d) Ind AS 102 | Share-Based Payment – The amendments to this standard are made in reference to the Conceptual Framework of Financial Reporting under Ind AS in terms of defining the term ‘Equity Instrument’ which shall be applicable for the annual reporting periods beginning on or after 1st April, 2021.
- (e) Ind AS 103 | Business Combinations – The amendment substitutes the definition of ‘assets’ and ‘liabilities’ in accordance with the definition given in the framework for the Preparation and Presentation of Financial Statements in accordance with Ind AS for qualifying the recognition criteria as per acquisition method.
- (f) Ind AS 104 | Insurance Contracts – The amendment covers the insertion of certain paragraphs in the standard in order to maintain consistency with IFRS 4 and also incorporates the guidance on accounting treatment for amendments due to Interest Rate Benchmark Reform.
- (g) Ind AS 105 | Non-current assets held for sale and discontinued operations – The amendment substitutes the definition of — “fair value less costs to sell” with “fair value less costs of disposal”.
- (h) Ind AS 106 | Exploration for and evaluation of mineral resources – The amendment has been made in reference to the Conceptual Framework for Financial Reporting under Indian Accounting Standards in respect of expenditures that shall not be recognized as exploration and evaluation assets.
- (i) Ind AS 107 | Financial Instruments: Recognition, Presentation and Disclosure – The amendment clarifies the certain additional disclosures to be made on account of Interest Rate Benchmark Reform like the nature and extent of risks to which the entity is exposed arising from financial instruments subject to interest rate benchmark reform; the entity’s progress in completing the transition to alternative benchmark rates, and how the entity is managing the transition.
- (j) Ind AS 111 | Joint Arrangements – In order to maintain consistency with the amendments made in Ind AS 103, respective changes have been made in Ind AS 111.
- (k) Ind AS 114 | Regulatory Deferral Accounts – The amendment clarifies that an entity may only change its accounting policies for the recognition, measurement, and impairment & derecognition of regulatory deferral account balances if the change makes the financial statements more relevant to the economic decision-making needs of users and no less reliable.
- (l) Ind AS 115 | Revenue from Contracts with Customers – Certain amendments have been made in order to maintain consistency with number of paragraphs of IFRS 15.

JSW Energy (Barmer) Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021

- (m) Ind AS 8 | Accounting Policies, Changes in Accounting Estimates and Errors – In order to maintain consistency with the amendments made in Ind AS 114 and to substitute the word 'Framework' with the 'Conceptual Framework of Financial Reporting in Ind AS', respective changes have been made in the standard.
- (n) Ind AS 16 | Property, Plant and Equipment –The amendment has been made by substituting the words "Recoverable amount is the higher of an asset's fair value less costs to sell and its value in use" with "Recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use".
- (o) Ind AS 34 | Interim Financial Reporting –The amendments to this standard are made in reference to the conceptual framework of Financial Reporting in Ind AS.
- (p) Ind AS 37 | Provisions, Contingent Liabilities and Contingent Assets – The amendment substitutes the definition of the term 'Liability' as provided in the Conceptual Framework for Financial Reporting under Indian Accounting Standards.
- (q) Ind AS 38 | Intangible Assets – The amendment substitutes the definition of the term 'Asset' as provided in the Conceptual Framework for Financial Reporting under Indian Accounting Standards.

The Company is evaluating the impact of these amendments.

II. Amendment to Schedule III of the Companies Act, 2013:

On 24th March, 2021, MCA through a notification, amended Schedule III of the Companies Act, 2013, with effect from 1st April, 2021. Key amendments relevant for the Company are:

- (a) Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- (b) Current maturities of long-term borrowings should be disclosed separately within borrowings instead of earlier disclosure requirement under Other Financial Liabilities.
- (c) Certain additional disclosures in the statement of changes in equity due to prior period errors and restated balances at the beginning of the current reporting period.
- (d) Specified format for disclosure of shareholding of promoters.
- (e) Specified format for ageing schedule of trade receivables, trade payables, capital work-in progress and intangible asset under development.
- (f) Additional disclosures relating to Corporate Social Responsibility, undisclosed income and crypto or virtual currency.
- (g) Disclosure of specified ratios along with explanation for items included in numerator and denominator and explanation for change in any ratio is excess of 25% compared to preceding year.
- (h) If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

JSW Energy (Barmer) Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021

- (i) Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel and related parties and details of benami property held.

The Company is evaluating the impact of these amendments.

Note no. 3.3- Significant accounting policies

I. 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. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to Statement of Profit and Loss in the period in which the costs are incurred. Major shutdown or overhaul expenditure is capitalised as the activities are undertaken improves the economic benefits expected to arise from the asset.

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.

Assets in the course of construction are capitalised in the assets under construction account. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriated category of property, plant and equipment and 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 estimate cost of dismantling, removing or restoring the site is capitalised along with the cost of acquisition or construction upon completion and a corresponding liability is recognised. Revenue generated from production during the trial period is capitalised.

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold or Leasehold land is stated at historical cost. 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 amortised.

JSW Energy (Barmer) Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021

II. Intangible assets

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

Certain computer software costs are capitalised and recognised as Intangible assets based on materiality, accounting prudence and significant benefits expected to flow therefrom for a period longer than one year.

III. Depreciation & amortization

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method.

Amortization of intangible assets is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Depreciation on tangible assets is provided as per the provisions of Part B of Schedule II of the Companies Act, 2013 based on useful life and residual value notified for accounting purposes by Electricity Regulatory Authorities.

Assets not owned by the Company is amortised over a period of 10 years. Software is amortised over an estimated useful life of 3 years.

Plant and Equipment (Capital Overhauling) is depreciated over a period of 4 years.

Estimated useful lives of the assets are as follows:

Class of assets	Useful life (In Years)
Buildings	25
Plant and Machinery	25
Furniture and fixtures	15
Office equipment	15
Vehicles	10

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.

IV. Capital Work-in-progress and Pre-operative Expenses during Construction Period

Capital Work-in-Progress includes expenditure during construction period incurred on projects under implementation treated as pre-operative expenses pending allocation to the assets. These expenses are apportioned to the respective fixed assets on their completion / commencement of commercial production.

JSW Energy (Barmer) Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021

V. Impairment of tangible and intangible assets other than goodwill

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

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

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

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

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in Statement of Profit or Loss.

VI. 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.

JSW Energy (Barmer) Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021

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

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

VII. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Company cash management.

VIII. Inventories

Cost of inventories includes cost of purchase price, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Inventories of stores, spare parts, coal, fuel and loose tools are stated at the lower of weighted average cost or net realizable value. Net realizable value represents the estimated selling price for inventories less all estimated cost of completion and costs necessary to make the sale

IX. Revenue recognition

Sale of Power

Revenue is recognised to the extent that it is probable that economic benefit will flow to the Company and that the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated rebates and other similar allowances.

Revenue from sale of power/ other items is recognised when substantial risks and rewards of ownership is transferred to the buyer under the terms of the contract.

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

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which

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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.

X. Foreign currency transactions

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

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

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings
- Exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (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 repayment of the monetary items; and

Exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognised in the financial statements for the year ended 31st March, 2016 prepared under previous GAAP, are capitalised as a part of the depreciable PPE to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable PPE, the exchange difference is amortised over the maturity period / up to the date of settlement of such monetary item, whichever is earlier and charged to the Statement of Profit and Loss. The un-amortised exchange difference is carried under other equity as "Foreign currency monetary item translation difference account" net of tax effect thereon, where applicable. All exchange differences on foreign currency monetary items originating after March, 2016 including those relating to PPE are charged off to statement of profit and loss.

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XI. Employee Benefits.

Post-employment plans

a. Defined-benefit plan – Gratuity

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of defined benefit obligations at the end of the reporting period less fair value of plan assets. The defined benefit obligations is calculated annually by actuaries through actuarial valuation using the projected unit credit method.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss

- (i) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and
- (ii) Net interest expense or income

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expenses in the statement of the profit & loss.

- (iii) Re-measurement comprising of actuarial gains and losses arising from
 - Re-measurement of Actuarial(gains)/losses
 - Return on plan assets, excluding amount recognised in effect of asset ceiling
 - Re-measurement arising because of change in effect of asset ceiling is recognised in the period in which they occur directly in other comprehensive income. Re-measurement is not reclassified to profit or loss in subsequent periods.

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Company determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

b. Defined-contribution plan - Provident fund

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government and certain state plans like Employees' State Insurance. The Company's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

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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.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave 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.

Liabilities recognised in respect of other 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.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance sheet date determined based on an actuarial valuation.

Share-based payment arrangements

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

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

XII. Taxation

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

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Current tax

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

Minimum Alternative Tax

Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss and included in Deferred tax assets. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

Deferred tax

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

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.

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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.

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

Current 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

XIII. Earnings per share

Basic earnings per share is computed by dividing the profit/ (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/ (loss) after tax as adjusted for dividend, interest and other charges to expense or income 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 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.

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A disclosure for contingent liabilities is made where there is :

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

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

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

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

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

XV. Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or 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 or loss are recognised immediately in Statement of Profit or Loss.

Financial assets

Financial assets are recognised when the company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets

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carried at fair value through profit or loss is initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

Subsequent measurement

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

- I. The entity's business model for managing the financial assets and
- II. The contractual cash flow characteristics of the financial asset.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

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

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition)

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

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other

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comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously Accumulated in this reserve is reclassified to profit or loss. All other financial assets are subsequently measured at fair value.

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 period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees 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 period, 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. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Investment in Joint venture Company

Investment in Joint Venture Company is carried at cost in the financial statements.

Investments in equity instruments at FVTOCI

On initial recognition, the COmpany can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments. A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling 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 or a financial guarantee.

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Dividends on these investments in equity instruments are recognised in profit or loss when the company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend 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. Dividends recognised in profit or loss are included in the 'Other income' line item.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The company has not designated any debt instrument as at FVTPL.

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

Impairment of financial assets

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

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

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

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

For financial assets other than trade receivables, the company recognises 12-month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL.

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

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. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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

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

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

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

Financial liabilities

All Financial liabilities are measured at amortized cost using effective interest method or fair value through profit and loss.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the company, and commitments issued by the company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

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Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

- 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 or contingent consideration recognised by the company as an acquirer in a business combination to which Ind AS 103 applies, 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 company 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 companying 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.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an

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accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss

Gains or losses on financial guarantee contracts and loan commitments issued by the company that are designated by the company as at fair value through profit or loss are recognised in profit or loss.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees 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 financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

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 with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Derivative financial instruments

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

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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 profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

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.

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:

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

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

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

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

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

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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

Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such change are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in the business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and the how they are accounted for:

Original Classification	Revised Classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in statement of profit and loss.
FVPTL	Amortised cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.

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

FVTOCI	Amortised cost	Fair value at reclassification date becomes its new gross carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new gross carrying amount. No other adjustment is required.
FCTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to statement of profit and loss at the reclassification date.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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.

XVI. Leases

The Company has applied Ind AS 116 using the Retrospective Modified Approach and details of accounting policies under Ind AS 116 are presented below.

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.

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

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

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as

JSW Energy (Barmer) Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021

to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

The Company as lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset;
- the Company has substantially all of the economic benefits from use of the asset through the period of the lease, and
- the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (i.e. leases with a lease term of 12 months or less) and leases of low value assets (i.e. below ₹ five lakh). For short term and low value 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 Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

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

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

JSW ENERGY (BARMER) LIMITED

Notes to the financial statements for the year ended March 31, 2021

Note No.- 4 Property, plant and equipment

₹ crore

Particulars	Land - Freehold	Buildings	Plant and Equipment	Plant and Equipment (Capital Overhauling)	Furniture and Fixtures	Vehicles	Office Equipment	Total
I. Gross carrying value								
Balance as at April 1,2019	26.00	846.94	5,071.42	23.70	6.18	0.89	2.68	5,977.81
Additions	0.55	0.27	1.37	-	1.31	-	0.67	4.17
Disposals/Other adjustments	-	-	(3.23)	-	(0.10)	(0.01)	(0.01)	(3.35)
Balance as at March 31, 2020	26.55	847.21	5,069.56	23.70	7.39	0.88	3.34	5,978.63
II. Accumulated depreciation								
Balance as at April 1,2019	-	123.74	1,273.42	11.67	1.73	0.19	0.76	1,411.51
Depreciation expense for the year ended March 31, 2020	-	31.25	318.14	4.70	0.48	0.07	0.23	354.87
Eliminated on disposal of assets	-	-	(0.35)	-	(0.06)	(0.00)	(0.01)	(0.42)
Balance as at March 31, 2020	-	154.99	1,591.21	16.37	2.15	0.26	0.98	1,765.96
III. Net carrying value as at March 31, 2020	26.55	692.22	3,478.35	7.33	5.24	0.62	2.36	4,212.67

₹ crore

Particulars	Land - Freehold	Buildings	Plant and Equipment	Plant and Equipment (Capital Overhauling)	Furniture and Fixtures	Vehicles	Office Equipment	Total
I. Gross Carrying Value								
Balance as at April 1,2020	26.55	847.21	5,069.56	23.70	7.39	0.88	3.34	5,978.63
Additions	-	-	1.39	7.60	0.04	-	0.86	9.89
Disposals/Other adjustments	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	26.55	847.21	5,070.95	31.30	7.43	0.88	4.20	5,988.52
II. Accumulated depreciation								
Balance as at April 1,2020	-	154.99	1,591.21	16.37	2.15	0.26	0.98	1,765.96
Depreciation expense for the year ended March 31, 2021	-	31.24	318.81	4.61	0.83	0.07	0.27	355.83
Eliminated on disposal of assets	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	-	186.23	1,910.02	20.98	2.98	0.33	1.25	2,121.79
III. Net carrying value as at March 31, 2021	26.55	660.98	3,160.93	10.32	4.45	0.55	2.95	3,866.73

a) Assets not owned by the Company included in Building Gross block ₹ 1.74 crore (Previous Year ₹ 1.74 crore) and Plant & Equipment ₹ 32.74 crore (Previous Year ₹ 32.74 crore).

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

JSW ENERGY (BARMER) LIMITED

Notes to the financial statements for the year ended March 31, 2021

Note No.- 5 Capital work-in- progress

₹ crore

Particulars	As at March 31, 2021	As at March 31, 2020
Plant and equipment and civil works	11.50	0.43
Capital overhauling	3.08	3.61
TOTAL	14.58	4.04

JSW ENERGY (BARMER) LIMITED

Notes to the financial statements for the year ended March 31, 2021

Note No.- 6 Intangible assets

₹ crore

Particulars	Computer Software
I. Gross carrying value	
Balance as at April 1,2019	1.88
Additions during the Year ended March 31, 2020	0.03
Elimination on disposal of assets during the Year ended March 31, 2020	-
Balance as at March 31, 2020	1.91
II. Accumulated amortisation	
Balance as at April 1,2019	1.82
Amortisation expense for the Year ended March 31, 2020	0.03
Elimination on disposal of assets during the Year ended March 31, 2020	-
Balance as at March 31, 2020	1.85
III. Net carrying value as at March 31, 2020	0.06

₹ crore

Particulars	Computer Software
I. Gross Carrying Value	
Balance as at April 1,2020	1.91
Additions during the year ended March 31, 2021	0.05
Elimination on disposal of assets during the year ended March 31, 2021	-
Balance as at March 31, 2021	1.96
II. Accumulated amortisation	
Balance as at April 1,2020	1.85
Amortisation expense for the year ended March 31, 2021	0.03
Elimination on disposal of assets during the year ended March 31, 2021	-
Balance as at March 31, 2021	1.88
III. Net carrying value as at March 31, 2021	0.08

JSW ENERGY (BARMER) LIMITED

Notes to the financial statements for the year ended March 31, 2021

Note No. -7 Investments

₹ crore

Particulars	As at March 31, 2021			As at March 31, 2020		
	No of Shares/Units	Current	Non Current	No of Shares/Units	Current	Non Current
I. Quoted Investments						
a) Designated as Fair Value Through Profit and Loss						
Investments in Mutual Funds¹						
a) Aditya Birla Sunlife Overnight Fund Growth	-	-	-	7,23,433	78.00	-
b) Kotak Overnight Fund Growth	-	-	-	7,04,114	75.00	-
c) HDFC Liquid Fund Growth	-	-	-	64,033	24.87	-
d) HDFC Overnight Fund Growth	-	-	-	42,155	12.46	-
e) SBI Premier Liquid Fund- Regular Plan - Growth	2,82,097	90.36	-	-	-	-
Total Aggregate Quoted Investments at Carrying value		90.36	-		190.33	-
II. Unquoted Investments						
(a) Investments in Equity Instruments of Joint Venture ¹						
Equity Share of ₹ 10 each fully paid up of Barmer Lignite Mining Company Limited (BLMCL)	98,00,000	-	9.80	98,00,000	-	9.80
(b) Investments in unsecured perpetual debt ² -JSW Future Energy Limited		-	300.00		-	-
(c) Investments in Government or trust securities 6-Year National Savings Certificate ₹ 14,000 (Previous Year ₹ 14,000)		-	0.00		-	0.00
Total Aggregate Unquoted Investments at cost value		-	309.80		-	9.80
TOTAL		90.36	309.80		190.33	9.80
1) Refer Note 17 for Investments in Mutual Funds hypothecated & Investments in Equity Instruments of Joint Venture as security for borrowings.						
2) Refer Note 31(d) for Unsecured perpetual debt to JSW Future Energy Ltd.(fellow subsidiary company)						

JSW ENERGY (BARMER) LIMITED

Notes to the financial statements for the year ended March 31, 2021

Note No. - 8 Loans

₹ crore

Particulars	As at March 31, 2021			As at March 31, 2020		
	Current	Non- Current	Total	Current	Non- Current	Total
Unsecured, considered good						
- Loans to the Joint venture company	-	567.64	567.64	-	567.64	567.64
TOTAL	-	567.64	567.64	-	567.64	567.64

Name of the Party	As at March 31, 2021			As at March 31, 2020		
	Current	Non- Current	Total	Current	Non- Current	Total
Loans and advances in the nature of Loans :						
a) Barmer Lignite Mining Company Limited ¹	-	567.64	567.64	-	567.64	567.64
[Maximum Amount outstanding during the current Financial year: ₹ 567.64 crore (Previous Financial Year: ₹ 567.64 crore)]						
1) Refer Note 17 for Investments in Mutual Funds hypothecated & Investments in Equity Instruments of Joint Venture as security for borrowings. Above loans and advances have been given for business purposes.						

JSW ENERGY (BARMER) LIMITED

Notes to the financial statements for the year ended March 31, 2021

Note No. - 9 Other financial assets

₹ crore

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non- Current	Current	Non- Current
Unsecured, considered good				
a) Security deposits				
(i) Government/Semi-Government Authorities	-	5.16	-	5.19
(ii) Related Party	-	0.45	-	0.45
b) Unbilled receivables	233.41	-	195.78	-
c) Interest receivable				
(i) Interest accrued on loans to Joint Venture company	135.00	151.18	352.59	-
Less : Allowances for expected credit loss	(12.45)	(20.24)	(32.69)	-
(ii) Interest accrued on others	0.01	-	1.71	-
TOTAL	355.97	136.55	517.39	5.64

Note No :- 10 Income tax assets (net)

₹ crore

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non- Current	Current	Non- Current
Advance Tax and Tax deducted at source (net)	-	9.91	-	26.43
TOTAL	-	9.91	-	26.43

Note No :- 11 Other non-current and current assets

₹ crore

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non- Current	Current	Non- Current
Unsecured, considered good				
(a) Capital Advances	-	0.06	-	0.08
(b) Prepayments	8.15	0.45	7.88	0.85
(c) Advance to suppliers/contractors	0.91	-	3.78	-
(d) Receivable from the Joint venture company	0.81	-	0.62	-
(e) Other receivables	0.59	-	0.36	-
TOTAL	10.46	0.51	12.64	0.93

JSW ENERGY (BARMER) LIMITED

Notes to the financial statements for the year ended March 31, 2021

Note No. -12 Inventories

₹ crore

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Raw materials-Stock of fuel	122.79	62.34
(b) Stores and spares	23.68	24.58
TOTAL	146.47	86.92

1) Basis of Valuation : Refer Note 3.3 (VIII)

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

Note No. - 13 Trade receivables

₹ crore

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good	621.27	739.70
TOTAL	621.27	739.70

1) Refer Note 17 for trade receivables hypothecated as security for borrowings.

2) Refer Note 33 for credit terms, ageing analysis and other relevant details related to trade receivables.

Note No. -14 Cash and cash equivalents

₹ crore

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Balances with banks		
(i) In Current accounts	143.04	0.31
(ii) In Deposit accounts	25.00	-
(b) Cash on hand	0.01	0.03
TOTAL	168.05	0.34

Note No. - 15 Bank balances other than Cash and cash equivalents

₹ crore

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Balances with banks		
(i) In Deposit accounts	0.04	0.04
TOTAL	0.04	0.04

JSW ENERGY (BARMER) LIMITED

Notes to the financial statements for the year ended March 31, 2021

Note No. - 16 (A): Equity share capital

₹ crore

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	Amount	No. of shares	Amount
Authorised:				
Equity shares of ₹ 10 each	3,00,00,00,000	3,000.00	3,00,00,00,000	3,000.00
Issued, Subscribed and Fully Paid:				
1,726,050,000 Equity Shares of ₹ 10 each	1,72,60,50,000	1,726.05	1,72,60,50,000	1,726.05
TOTAL	1,72,60,50,000	1,726.05	1,72,60,50,000	1,726.05

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year ended March 31, 2021

Particulars	Opening Balance as on April 1, 2020	Fresh Issue	Closing Balance as on March 31, 2021
(a) Equity Shares with Voting rights			
No. of Shares	1,72,60,50,000	-	1,72,60,50,000
TOTAL	1,72,60,50,000	-	1,72,60,50,000

(ii) Details of aggregate shareholding by Holding Company

Particulars	As at March 31, 2021	As at March 31, 2020
	No. of shares	No. of shares
JSW Energy Limited- Holding Company and its nominees	1,72,60,50,000	1,72,60,50,000

(iii) Rights, Restrictions and preferences attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the shareholder of equity share will be entitled to receive remaining assets of the Company after distribution of all the preferential amount. Distribution will be in proportion to number of equity shares held by each shareholder.

(iv) Details of shareholding more than 5% of aggregate shares in the Company

Particulars	As at March 31, 2021	As at March 31, 2020
	No. of shares	No. of shares
JSW Energy Limited (including Nominee shareholders) % of Holding	1,72,60,50,000 100%	1,72,60,50,000 100%

JSW ENERGY (BARMER) LIMITED

Notes to the financial statements for the year ended March 31, 2021

Note No. - 16 (B) Other equity

₹ crore

Particulars	Reserves and Surplus			Items of other comprehensive income	Total Other Equity
	General reserve	Equity settled employee benefits reserve	Retained earnings	Remeasurements of the net defined benefit plans	
Balance at April 1, 2019	0.09	2.78	1,558.61	(0.61)	1,560.87
Profit for the year ended March 31, 2020	-	-	385.75	-	385.75
Other comprehensive income	-	-	-	(0.24)	(0.24)
Total comprehensive income for the year ended March 31, 2020	-	-	385.75	(0.24)	385.51
Share based payments	-	0.69	-	-	0.69
Balance at March 31, 2020	0.09	3.47	1,944.36	(0.85)	1,947.07
Profit for the year ended March 31, 2021	-	-	421.67	-	421.67
Other comprehensive income	-	-	-	(0.16)	(0.16)
Total comprehensive income for the year ended March 31, 2021	-	-	421.67	(0.16)	421.51
Share based payments	-	0.34	-	-	0.34
Balance at March 31, 2021	0.09	3.81	2,366.03	(1.01)	2,368.92

JSW ENERGY (BARMER) LIMITED

Notes to the financial statements for the year ended March 31, 2021

Note No. - 17 Borrowings

₹ crore

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non- current	Current	Non- current
Measured at amortised costs				
A. Borrowings (Secured):				
(a) Term Loans				
(i) From banks	70.00	1,337.22	326.06	1,667.03
(ii) From financial institutions	19.00	33.45	19.00	52.45
Less: Unamortised Borrowing Costs (refer note no. 3.3 (XV))				
(i) From banks	(2.06)	(3.30)	(2.67)	(5.50)
(ii) From financial institutions	(0.03)	(0.03)	(0.05)	(0.06)
Less: Current maturities of long term debt (Included in Other Financial Liabilities)	(86.91)	-	(342.34)	-
(b) Cash Credit	25.01	-	-	-
(c) Working Capital Demand Loan	25.00	-	-	-
Total Secured Borrowings	50.01	1,367.34	-	1,713.92
B. Unsecured Borrowings	-	-	-	-
Total Unsecured Borrowings	-	-	-	-
Total Borrowings carried at amortised cost	50.01	1,367.34	-	1,713.92

Details of Loan Security

Rupee Term Loans mentioned in (A) above are secured on a pari passu basis by

A. Rupee Term Loan included in above aggregating of ₹ 1,039.72 crore (Previous Year ₹ 1,558.09 crore) are secured by a first ranking pari passu charge/ mortgage over the following assets.

a) All the tangible, intangible, immovable and movable assets both present and future, b) All revenues and receivables, operating cash flows, cash in hand, commissions c) All the rights, titles and interest in respect of all project assets and in all project documents/contracts/licenses including insurance contracts and d) all the Bank Accounts in relation to the project.

B. Rupee Term Loan included in above aggregating of ₹ 367.50 crore (Previous Year ₹ 435 crore) are secured by a second ranking pari passu charge/ mortgage over the following assets.

a) all the immovable and movable assets (excluding current assets) both present and future, b) all rights, titles and interests in respect of all project assets and in all project documents/contracts/licenses including insurance contracts and c) all the Bank Accounts in relation to the project.

C) Rupee Term Loan Mentioned in a-(ii), amounting to ₹ 52.45 crore (Previous Year ₹ 71.45 crore) are secured by a first ranking pari passu charge/ assignment/ security interest and mortgage over the following assets.

a) All the tangible, intangible, immovable and movable assets including receivables both present and future, b) all rights, titles and interests in respect of all project assets and in all project documents/contracts/licenses including insurance contracts c) pledge of 26% fully paid equity share capital d) contractor

Cash Credit and Working Capital Demand Loan mentioned in (A) above are secured on a pari passu basis by

Cash Credit Facility amounting to ₹ 25.01 crore (Previous Year ₹ NIL) and Working Capital Facility amounting to ₹ 25.00 crore (Previous Year ₹ NIL) is secured by way of pari-passu charge on all movable and immovable assets of the company including 30% pledge of shares of JSWEBL.

Terms of Repayment:

Particulars	As at March 31, 2021	As at March 31, 2020
From Banks :		
2 - 3 Years	724.61	679.61
4 - 5 Years	612.61	722.11
6 - 10 Years	-	265.31
Total Borrowings from Banks	1,337.22	1,667.03
From Financial Institutions :		
2 - 3 Years	33.45	38.00
4 - 5 Years	-	14.45
Total Borrowings from Financial Institutions	33.45	52.45

a) Rupee Term loan mentioned in (A)-(i) amounting to ₹ 1,039.72 crore (Previous Year ₹ 1,558.09 crore) is repayable in 22 structured quarterly instalments (Previous Year 30 installments) from June 2022 to September 2027 (Previous Year from June 2020 to September 2027) (4 quarterly instalments payable for the financial year 2021-22 has been prepaid during the year).

b) Rupee Term loan mentioned in (A)-(i) amounting to ₹ 367.50 crore (Previous Year ₹ 435 crore) is repayable in 15 structured quarterly instalments (Previous Year 19 installments) from June 2021 to December 2024 (Previous Year from June 2020 to December 2024).

c) Rupee Term loan mentioned in (A)-(ii) amounting to ₹ 52.45 crore (Previous Year ₹ 71.45 crore) is repayable in 11 structured quarterly instalments(Previous Year 15 installments) from June 2021 to December 2023 (Previous Year from June 2020 to December 2023).

JSW ENERGY (BARMER) LIMITED

Notes to the financial statements for the year ended March 31, 2021

Note No.- 18 Other financial liabilities (Current)

₹ crore

Particulars	As at March 31, 2021	As at March 31, 2020
Current Liabilities		
(a) Current maturities of long-term debt ¹	86.91	342.34
(b) Liability towards sharing of truing up & Fuel price adjustment	482.20	352.24
(c) Interest accrued but not due on borrowings	1.54	15.29
(d) Security deposits	0.10	0.14
(e) Payable towards capital expenditure	2.20	13.76
TOTAL	572.95	723.77
1) Refer note 17 for the details of borrowings repayment terms and security charge.		

JSW ENERGY (BARMER) LIMITED

Notes to the financial statements for the year ended March 31, 2021

Note No. - 19 Provisions

₹ crore

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non- Current	Current	Non- Current
(a) Provision for gratuity ¹	1.51	6.62	1.56	5.53
(b) Provision for compensated absences ¹	1.01	7.67	0.64	4.64
TOTAL	2.52	14.29	2.20	10.16

1) Refer note 38 for the details of defined benefit plan and defined contribution plan of the Company.

Note No. - 20 Trade Payables

₹ crore

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non Current	Current	Non Current
(a) Total outstanding dues of micro, small & medium enterprises	8.36	-	3.59	-
(b) Total outstanding dues of creditor other than micro, small & medium enterprises ¹	181.98	-	241.53	-
TOTAL	190.34	-	245.12	-

1) Refer Note 45 for disclosure under Micro, Small and Medium Enterprises Development Act.

Note No.- 21 Other non current and current Liabilities

₹ crore

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non- Current	Current	Non- Current
(a) Advance received from customers	1.40	-	1.03	-
(b) Statutory dues	4.60	-	5.25	-
TOTAL	6.00	-	6.28	-

JSW ENERGY (BARMER) LIMITED

Notes to the financial statements for the year ended March 31, 2021

Note No. -22 Revenue from operations

₹ crore

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Revenue from sale of power	2,783.47	2,644.63
(b) Revenue from Deviation Settlement Mechanism (DSM)	3.56	10.35
Less :		
(i) Revenue adjustment towards sharing of truing up & fuel price adjustment	(129.97)	(68.57)
(ii) Revenue adjustment towards Tariff adjustments as per RERC Orders and other Authorities Orders	-	(27.73)
(iii) Cash Discount /Rebate	(1.35)	(4.65)
Revenue from sale of power	2,655.71	2,554.03
(c) Late Payment Surcharge received from beneficiaries	9.23	43.47
TOTAL	2,664.94	2,597.50

Note No. -23 Other income

₹ crore

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Interest Income		
(i) On Loans given	56.76	56.76
(ii) On Bank deposits ¹	0.05	0.00
(iii) On others ²	0.00	1.71
(b) Other Income		
(i) Net gain on sale of Current investments	9.37	2.55
(ii) Net gain on fair valuation of Current investments through profit or loss	0.08	0.09
(iii) Write back of Creditors outstanding related to capitalised assets ³	13.04	-
(iv) Operating Lease Rent Income	0.19	0.20
(v) Miscellaneous income	0.02	0.12
TOTAL	79.51	61.43

1) Interest Income on Bank Deposits is less than ₹ 50,000 in previous financial year.

2) Other Interest Income is less than ₹ 50,000 in current financial year.

3) During the year, Company has written back project creditors liability of ₹ 13.04 crore and the said amount was disallowed by Rajasthan Electricity Regulatory Commission while approving total Project cost of ₹ 5,928.64 crore vide Order dated 24th February, 2016.

JSW ENERGY (BARMER) LIMITED

Notes to the financial statements for the year ended March 31, 2021

Note No.- 24 Fuel costs

₹ crore

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Opening stock	62.34	66.15
(b) Add: Purchases ¹	1,565.35	1,382.29
	1,627.69	1,448.44
(c) Less: Closing stock	122.79	62.34
Cost of Fuel Consumed	1,504.90	1,386.10

1. In previous financial year, purchases includes impact of ₹ 211.95 crore on account of increase in price of lignite for financial year 2017-18 as per RERC orders and (-) ₹107.56 on account reduction in price of Lignite for consequent impact of Excise duty refund to BLMCL for the period Oct 2011 to June 2017 .

Note No. -25 Employee benefits expense

₹ crore

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Salaries and wages	60.88	62.63
(b) Contribution to provident and other funds ¹	3.93	4.72
(c) Share-based payments ²	0.34	0.69
(d) Staff welfare expenses	3.22	2.84
TOTAL	68.37	70.88

1) Refer note 38 for the details of defined benefit plan and defined contribution plan of the Company.

2) Refer note 39 for the details of disclosure of employee stock options plans of the Company.

Note No. -26 Finance costs

₹ crore

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Interest expense		
(i) Interest on rupee term loan	147.22	179.31
(ii) Interest on loans from related party	-	33.29
(iii) Interest on working capital loan	0.11	0.80
(b) Other borrowing costs	4.54	8.39
TOTAL	151.87	221.79

JSW ENERGY (BARMER) LIMITED

Notes to the financial statements for the year ended March 31, 2021

Note No. -27 Other expenses

₹ crore

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Stores and spares consumed	19.96	26.64
(b) Power & water	42.46	28.03
(c) Rent	0.60	0.55
(d) Repairs and maintenance	45.97	45.72
(e) Shared services expenses	2.09	3.09
(f) Rates and taxes	2.08	1.20
(g) Insurance charges	9.26	5.10
(h) Net loss on foreign currency transactions ¹	0.00	0.00
(i) Auditors' Remuneration ²	0.64	0.55
(j) Legal and other professional charges	2.71	3.18
(k) Travelling expenses	4.97	5.61
(l) Loss on sale/discard of property, plant and equipment	0.17	0.07
(m) Corporate social responsibility expenses ³	6.73	6.06
(n) Safety & security expenses	3.38	5.15
(o) Branding expenses	7.64	7.71
(p) Donation ⁴	-	15.00
(q) Other general expenses	3.59	3.92
TOTAL	152.25	157.58

1) Net loss on foreign currency transactions is less than ₹ 50,000 in current year and previous year.

2) Refer Note no 44 for Auditors' Remuneration

3) Refer Note no 43 for Corporate Social Responsibility expenditure incurred by Company.

4) In previous financial year, Company has paid donation of ₹ 15.00 crore to an Electoral Trust

Note No. -28 Tax expense

₹ crore

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Current tax	89.53	81.93
(b) Deferred tax	(6.18)	(90.49)
(c) Deferred tax payable in future tariff	6.18	90.49
TOTAL	89.53	81.93

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

Note no. 29- Critical accounting judgements and key sources of estimation uncertainty

In the course of applying the policies outlined in all notes under note number 3 above, the Company is required to make judgements, estimates and assumptions about the carrying amount 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 on-going 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 period, if the revision affects current and future periods.

Critical judgements in applying accounting policies

Revenue recognition

The Company has evaluated the provisions of Ind AS 115 for recognition of revenue and considered reasonably certain to recognise revenue based on its tariff petition filed with the regulator and adhoc tariff given by Regulatory body, Rajasthan Electricity Regulatory Commission

Key sources of estimation uncertainties

- **Useful lives and residual value of property, plant and equipment**

Management reviews the useful lives and residual values of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

- **Impairment of property plant and equipment**

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment 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).

Recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is usually determined on the basis of discounted estimated future cash flows. This involves management estimates on anticipated commodity prices, market demand and supply, economic and regulatory environment, discount rates and other factors. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of assets.

- **Contingencies**

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised.

JSW Energy (Barmer) Limited
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- **Shared based payments**

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. This requires a reassessment of the estimates used at the end of each reporting period.

- **Tax**

The Company is subject to tax, principally in India. The amount of tax payable in respect of any period is dependent upon the interpretation of the relevant tax rules. Whilst an assessment must be made of deferred tax position of each entity within the Company, these matters are inherently uncertain until the position of each entity is agreed with the relevant tax authorities.

Note no. 30- Revenue recognition

- a. During the year, the Company has recognized the revenue from sale of power based on the adhoc interim tariff allowed by Rajasthan Electricity Regulatory Commission (RERC) vide Order dated April 23, 2020. The Company has provided impact of truing up and provision for fuel price adjustment amounting to ₹ 129.97 crore (previous year ₹ 52.12 crore) based on RERC Regulation.

In previous year Company had made additional provision of ₹ 16.45 crore against Income tax reimbursement for financial years 2016-17 to 2018-19 on account of eligibility for Income tax refund as per books of account.

The above is subject to adjustment as per final tariff determination by RERC.

- b. In previous year, RERC has passed an Order dated June 13, 2019 for determining the Aggregate Revenue Requirement (ARR) and Tariff for the financial years 2018-19. Based on the RERC Order, the Company has provided the impact against said order and reversed the provision of ₹ 0.35 crore for efficiency gain and fuel price adjustment. The above tariff is further subject to adjustment on account of final determination of transfer price of lignite.
- c. In previous year, RERC had passed a Consequential Order dated June 24, 2019 in reference to APTEL order dated December 05, 2018, determining variable charges revision for the Financial Year 2017-18 with increase from ₹ 2.089/KWH to ₹ 2.307/KWH.

Based on above said RERC Order, the Company had raised supplementary invoice of ₹ 133.40 crore to Discoms along with reversal of Fuel price adjustment and Truing up provision of ₹ 79.49 crore i.e. Net increase in the revenue of ₹ 212.89 crore.

The above tariff is further subject to adjustment on account of final determination of transfer price of lignite.

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- d. In the previous year, BLMCL had received refund of excise duty of ₹ 107.56 crore from tax department which was deposited during period Oct 2011 to June 2017 under protest on differential price viz petition vs invoice price.

For above said refund to BLMCL, the Company had booked receivable ₹ 107.56 crore from BLMCL and correspondingly made a provision for payable to Discoms with ₹ 107.56 crore.

- e. Against RERC Order on First Year's tariff, the Company had filed an appeal before the APTEL. APTEL had allowed the appeal in favor of the Company. Rajasthan Discoms had filed a review petition, which was dismissed by the APTEL. Against APTEL Order, Rajasthan Discoms had filed a second appeal before Supreme Court and the same is pending. The adjustment of ₹ 166.79 crore, will be made as and when the matter is finally settled.
- f. Against reduction of Station Heat Rate (SHR) in RERC Order, Company had filed an appeal before APTEL and same is under hearing in APTEL. The adjustment, if any required, will be made as and when the matter is finally settled. Impact of reduced SHR is ₹ 60.68 crore till financial year 2017-18.
- g. The Company's appeal is pending before Supreme Court for FY 2012-13 against APTEL Order dated November 20, 2015 against certain capital expenditure.

The Company's appeals are also pending before Appellate Tribunal of Electricity, New Delhi (APTEL) against the RERC Orders for FY 2009-2010 to 2013-14 & For FY 2014-15 to FY 2016-17 against certain capital expenditure and other aspects not considered by them.

- h. Details of Revenue from Contract with Customers

Particulars	₹ crore	
	Year ended March 31, 2021	Year ended March 31, 2020
Total Revenue from Contract with Customers as mentioned above	2,787.03	2,654.98
Add: Rebate on prompt payment	(1.35)	(4.65)
Less Other adjustments [Refer note no 30 (a) - (g)]	(129.97)	(96.30)
Add: Late Payment surcharge	9.23	43.47
Net Revenue from Contract with Customers as per contracted price	2,664.94	2,597.50

- i. **Others: Ad-hoc/Interim tariff-** 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, 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 JSWBL'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.

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

Note no. 31- Investments in Joint Venture & Fellow Subsidiary Company

a. Details of material Joint Venture

Name of joint venture	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest / voting rights held by the Company	
			As at March 31, 2021	As at March 31, 2020
Barmer Lignite Mining Company Limited	Lignite Mining	India	49.00%	49.00%

b. Summarised financial information of material 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 company for equity accounting purposes.

₹ crore

Barmer Lignite Mining Company Limited	As at March 31, 2021	As at March 31, 2020
Non-current assets	2,258.91	2,291.20
Current assets	468.07	526.63
Non-current liabilities	2,015.33	1,943.90
Current liabilities	649.95	851.62
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	44.56	0.71
Current financial liabilities (excluding trade payables and provisions)	252.16	441.32
Non-current financial liabilities (excluding trade payables and provisions)	2,015.33	1,943.90

₹ crore

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Revenue	1,196.93	862.32
Profit from continuing operations	40.02	2.65
Other comprehensive income for the year	-	-
Total comprehensive income for the year	40.02	2.65
The above profit for the year include the following:		
Depreciation and amortisation	58.98	44.33
Other income	14.77	16.19
Interest expense	185.27	190.47
Income tax expense	28.55	14.44

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c. Subordinate debt to Barmer Lignite Mining Company Limited

JSW Energy (Barmer) Limited (“JSWEBL”) had given a subordinated loan of ₹ 567.64 crore (as at 31st March, 2020 ₹ 567.64 crore) to Barmer Lignite Mining Company Limited (“BLMCL”), a joint venture of JSWEBL. Such 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 have been certain delays in payment of interest of ₹ 286.18 crore (as at 31st March, 2020 ₹ 352.59 crore) by BLMCL as certain clarifications were sought by Comptroller and Auditor General of India (CAG) from Government of Rajasthan (GoR) which have since been provided by GoR, and BLMCL can make interest payment on the aforesaid loan. JSWEBL also has right to convert the accrued interest into interest bearing subordinated loan at any point of time. In lieu of the expected approval of entire capital cost and lenders approval already received, expected credit loss allowance of ₹ 32.69 crore towards the accrued interest has been carried in financial statements. (Refer note 9)

d. Unsecured Perpetual debt to JSW Future Energy Ltd. (fellow subsidiary company)

During the year, the Company has made an investment of unsecured Perpetual debt of ₹ 300.00 crore (Previous year – NIL) to JSW Future Energy Limited, a fellow subsidiary company. 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

Note no. 32- Financial Instruments: Classifications and fair value measurements

This note provides information about how the Company determines fair values of various financial assets and financial liabilities (which are measured at fair value through profit or loss).

Fair value hierarchy of Financial Assets/ Liabilities	Valuation technique(s) and key input(s)
Level 1	Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2	Discounted cash flow at a discount rate that reflects the issuer's current borrowing rate at the end of the reporting period.
Level 3	Income approach – the discounted cash flow method was used to capture the present value of the expected future economic benefits to be derived from the ownership of these investees.

JSW Energy (Barmer) Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021

Fair value of financial assets and financial liabilities

The management consider that the carrying amounts of current financial assets and financial liabilities recognized in the financial statements approximate their fair values.

₹ crore

As at March 31, 2021	Carrying amount	Fair value	Level 1	Level 2	Level 3
Financial assets					
Current Investments	90.36	90.36	90.36		
Loans & advances	567.64	567.64			567.64
Security deposits	5.61	5.61			
Interest Receivable on Sub-Ordinate Debt	286.18	286.18			286.18
Less : Allowances for Expected Credit Loss	(32.69)	(32.69)			(32.69)
Interest accrued on deposits, loans and others	0.01	0.01			
Trade receivables (including unbilled revenue)	854.69	854.69			
Cash and cash equivalents	168.05	168.05			
Bank balances other than Cash and cash equivalents	0.04	0.04			
Investment in Equity Shares	9.80	9.80			
Investments in unsecured perpetual debt	300.00	300.00			
Total Financial assets	2,249.69	2,249.69	90.36	-	821.13
Financial liabilities					
Borrowings	1,504.26	1,504.26			1,504.26
Trade Payables	190.34	190.34			
Liability towards sharing of truing up (gain)/Loss & Fuel price adjustment	482.20	482.20			
Capital Creditors	2.20	2.20			
Short term Deposits	0.10	0.10			
Interest accrued but not due on borrowings	1.54	1.54			
Total Financial liabilities	2,180.64	2,180.64	-	-	1,504.26

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₹ crore

As at March 31, 2020	Carrying amount	Fair value	Level 1	Level 2	Level 3
Financial assets					
Current Investments	190.33	190.33	190.33		
Loans & advances	567.64	567.64			567.64
Security deposits	5.64	5.64			
Interest Receivable on Sub-Ordinate Debt	352.59	352.59			352.59
Less : Allowances for Expected Credit Loss	(32.69)	(32.69)			(32.69)
Interest accrued on deposits, loans and others	1.71	1.71			
Trade receivables (including unbilled revenue)	935.48	935.48			
Cash and cash equivalents	0.34	0.34			
Bank balances other than Cash and cash equivalents	0.04	0.04			
Investment in Equity Shares	9.80	9.80			
Total Financial assets	2,030.88	2,030.88	190.33	-	887.54
Financial liabilities					
Borrowings	2,056.26	2,056.26			2,056.26
Trade Payables	245.12	245.12			
Liability towards sharing of truing up (gain)/Loss & Fuel price adjustment	352.24	352.24			
Revenue adjustment towards Capital Cost reduction	-	-			
Capital Creditors	13.76	13.76			
Short term Deposits	0.14	0.14			
Interest accrued but not due on borrowings	15.29	15.29			
Total Financial liabilities	2,682.81	2,682.81	-	-	2,056.26

The fair values of the financial assets and financial liabilities included in the level 2 and level 3 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

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.

JSW Energy (Barmer) Limited
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The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

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

Particulars	₹ crore	
	As at March 31,2021	As at March 31,2020
(i) Debt	1,504.26	2,056.26
(ii) Cash and cash equivalents	(258.46)	(190.71)
Net debt (i-ii)	1,245.80	1,865.55
Total equity	4,094.97	3,673.12
Net debt to equity ratio	0.30	0.51

(i) Debt is defined as long-term and short-term borrowings

(ii) Cash and cash equivalents Includes cash and cash equivalents, balances in bank deposits (other than earmarked deposits) and investments in mutual fund as described in note 14, note 15 and note 7

Net Debt Reconciliation

Particulars	₹ crore	
	As at March 31,2021	As at March 31,2020
Opening Balance of Debt	2,064.54	2,462.98
Proceeds from borrowings	50.01	450.00
Repayment of borrowings	(604.87)	(848.44)
Closing balance of debt	1,509.68	2,064.54
Unamortised borrowing costs	(5.42)	(8.28)
Balance of debt at the end of year (net of unammortised cost)	1,504.26	2,056.26
Cash and bank balances	(258.46)	(190.71)
Net debt net of cash and bank balance	1,336.16	1,865.55

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, 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

JSW Energy (Barmer) Limited
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auditors on a continuous basis. The company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

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. The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follow

As at March 31, 2021

Financial Liabilities	USD	EURO	₹ crore
Non-current liabilities			
Long term borrowings	-	-	-
Trade and other payables and acceptances			
Trade payables - Other than acceptances	2,280	-	0.02
Other current financial liabilities			
Current maturities of long-term debt	-	-	-
Interest accrued but not due on borrowings	-	-	-
Total financial liabilities (A)	2,280	-	0.02
Financial Assets	USD	EURO	₹ crore
Current assets			
Other advances	-	-	-
Total financial assets (B)	-	-	-
Excess of financial liabilities over financial assets (A-B)	2,280	-	0.02

As at March 31, 2020

Financial Liabilities	USD	EURO	₹ crore
Non-current liabilities			
Long term borrowings	-	-	-
Trade and other payables and acceptances			
Trade payables - Other than acceptances	6,957	-	0.05
Other current financial liabilities			
Current maturities of long-term debt	-	-	-
Interest accrued but not due on borrowings	-	-	-
Total financial liabilities (A)	6,957	-	0.05
Financial Assets	USD	EURO	₹ crore
Current assets			
Other advances	-	-	-
Total financial assets (B)	-	-	-
Excess of financial liabilities over financial assets (A-B)	6,957	-	0.05

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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 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 Company's fixed and floating rate borrowings:

Particulars	₹ crore	
	As at March 31, 2021	As at March 31, 2020
Fixed rate borrowings-LIC	52.45	71.45
Floating rate borrowings	1,407.22	1,993.08
Total borrowings	1,459.67	2,064.53

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's profit for the year ended March 31, 2021 would decrease/increase by ₹ 8.33 Crore (for the year ended March 31, 2020: decrease/increase by ₹ 9.33 Crore). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

Credit risk management

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

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.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing

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facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The table below provides details regarding the remaining contractual maturities of financial liabilities as on reporting date.

As at March 31, 2021

Particulars	₹ crore			Total
	< 1 year	1-5 years	> 5 years	
<u>Non-current liabilities</u>				
Long term borrowings	-	1,370.67	-	1,370.67
Total Non-Current Liabilities	-	1,370.67	-	1,370.67
<u>Current Liabilities</u>				
Trade Payables	190.34	-	-	190.34
<u>Other current financial liabilities</u>		-	-	
Current maturities of long-term debt	89.00	-	-	89.00
Cash Credit	25.01			25.01
Working Capital Demand Loan	25.00	-	-	25.00
Truing up and Fuel Price adjustment Provision	482.20	-	-	482.20
Interest accrued but not due on borrowings	1.54	-	-	1.54
Security Deposits	0.10	-	-	0.10
Creditors Capex	2.20	-	-	2.20
Total current liabilities	815.39	-	-	815.39
Total Financial Liabilities	815.39	1,370.67	-	2,186.06
<u>Non- Current Assets</u>				
Non-current investment	-	-	309.80	309.80
Long term loans and advances	-	-	567.64	567.64
Other advances	-	5.61	-	5.61
Total Non-current Assets	-	5.61	877.44	883.05
<u>Current assets</u>				
Investments in Mutual Funds	90.36	-	-	90.36
Trade receivables(including unbilled revenue)	854.69	-	-	854.69
Cash and cash equivalents	168.05	-	-	168.05
Bank Balances other than above	0.04	-	-	0.04
Interest accrued on others	0.01	-	-	0.01
Interest accrued on loans to related parties	286.18	-	-	286.18
Less : Allowances for Expected Credit Loss	(32.69)	-	-	(32.69)
Total current assets	1,366.64	-	-	1,366.64
Total Financial Assets	1,366.64	5.61	877.44	2,249.69

JSW Energy (Barmer) Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021

As at March 31, 2020

₹ crore

Particulars	< 1 year	1-5 years	> 5 years	Total
<u>Non-current liabilities</u>				
Long term borrowings	-	1,454.17	265.31	1,719.48
Total Non-Current Liabilities	-	1,454.17	265.31	1,719.48
<u>Current Liabilities</u>				
Trade Payables	245.12	-	-	245.12
<u>Other current financial liabilities</u>		-	-	
Current maturities of long-term debt	342.34	-	-	342.34
Truing up and Fuel Price adjustment Provision	352.24	-	-	352.24
Interest accrued but not due on borrowings	15.29	-	-	15.29
Security Deposits	0.14	-	-	0.14
Creditors Capex	13.76	-	-	13.76
Total current liabilities	968.89	-	-	968.89
Total Financial Liabilities	968.89	1,454.17	265.31	2,688.37
<u>Non- Current Assets</u>				
Non-current investment	-	-	9.80	9.80
Long term loans and advances	-	-	567.64	567.64
Other advances	-	5.64	-	5.64
Total Non-current Assets	-	5.64	577.44	583.08
<u>Current assets</u>				
Investments in Mutual Funds	190.33	-	-	190.33
Trade receivables (including unbilled revenue)	935.48	-	-	935.48
Cash and cash equivalents	0.34	-	-	0.34
Bank Balances other than above	0.04	-	-	0.04
Interest accrued on others	1.71	-	-	1.71
Interest accrued on loans to related parties	352.59	-	-	352.59
Less : Allowances for Expected Credit Loss	(32.69)	-	-	(32.69)
Total current assets	1,447.80	-	-	1,447.80
Total Financial Assets	1,447.80	5.64	577.44	2,030.88

Regulatory risk management

Fuel Prices risk management

Lignite has been considered as main fuel for the Company. The Company has entered into Fuel Supply Agreement with BLMCL for Lignite supply from the captive lignite mines of Kapurdi and Jalipa Mines. The interruption in the supply of Lignite due to regulatory changes, weather conditions, strike by mine workers and closure of mines due to force majeure can impact the availability and/or cost of Lignite.

The Company regularly broadens the sources (vendors) and maintains optimum fuel and stock level

JSW Energy (Barmer) Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021

Power Offtake risk management

Company has signed Power Purchase Agreement (PPA) with Jaipur Vidyut Vitaran Nigam (Procuree 1), Ajmer Vidyut Vitaran Nigam (Procuree 2) and Jodhpur Vidyut Vitaran Nigam (Procuree 3) for sale of entire electrical output for the period of 30 years till March 15, 2043.

Note no. 33- Trade receivable

The average credit period allowed to customers is in the range of 30-45 days. Major customers of the company are government bodies (DISCOMM). Concentration of credit risk is minimal due to the fact that the customer base largely consists of Government bodies (DISCOMM).

Trade receivables disclosed above include amounts (see below for aged analysis) that are past due at the end of the reporting period for which the company has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable.

Allowances, if any, for doubtful debts are recognised against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position. In determining the allowances for doubtful trade receivables, the company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

Age of receivables

Particulars	₹ crore	
	As at March 31, 2021	As at March 31, 2020
Within the credit period (30 Days)	449.45	413.72
1-30 days past due	103.52	180.20
31-60 days past due	77.08	69.02
61-90 days past due	73.22	63.85
91-180 days past due	83.20	140.47
181-365 days past due	-	-
More than one year		
>1 year to 2 year	-	-
More than 2 years to 3 years	-	68.22
More than 3 years	68.22	-
Total Trade Receivables	854.69	935.48

Trade Receivables, unsecured and considered good and recoverable includes ₹ 68.22 Crore (Previous year 68.22 crore) towards interest and rebate adjusted by Discoms but not accepted by the Company. Matter is pending with Appellate Tribunal. The Company has filed petition before RERC/APTEL for recovery of the above dues and management is confident to recover the said amount.

JSW Energy (Barmer) Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021

Note no. 34- Deferred tax assets (liabilities)

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

₹ crore

Particulars	As at March 31, 2020	Recognised / (reversed) through profit or loss / OCI / equity	As at March 31, 2021
Property, plant & equipment	(357.85)	(61.08)	(418.94)
Borrowings	(2.89)	0.99	(1.90)
MAT credit	398.84	66.27	465.12
Payable in future tariff	(38.10)	(6.18)	(44.28)

Note no. 35- Income tax

The income tax expense for the year can be reconciled to the accounting profit as follows

₹ crore

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before Tax	511.20	467.68
Enacted tax rate	34.94	34.94
Computed Expected tax expense	178.64	163.43
Tax effect due to tax holiday	(97.46)	(87.58)
Effect of non-deductible expenses	2.29	2.45
Effect of taxes (recoverable)/ payable in future tariff	6.18	90.49
Tax pertaining to earlier period	(0.14)	18.50
Tax effect due to change in tax rate	-	(105.41)
Others	0.03	0.05
Income Tax Expense	89.53	81.93

Note no. 36- Operating segment

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators, however only for one segment viz. "Generation and Sale of power". Hence the Company does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

JSW Energy (Barmer) Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021

Note no. 37- Earnings Per Share (EPS)

Particulars	For Year ended March 31, 2021	For Year ended March 31, 2020
Profit attributable to equity holders of the parent company [₹ crore] [A]	421.67	385.75
Weighted average number of Equity shares for basic & diluted EPS [B]	1,72,60,50,000	1,72,60,50,000
Earnings Per Share - Basic & Diluted [₹] - [A/B]	2.44	2.23
Nominal value of an equity share [₹]	10	10

Note no. 38- Employee benefit plans

Defined contribution Plans-Provident Fund

The Company has certain defined contribution plans in which both employee and employer contribute monthly at the rate of 12% of basic salary as per regulations to provident fund set up as trust and to the respective regional provident fund commissioner. The company which contributes to the provident fund set up as a trust are liable for future provident fund benefits to the extent of its annual contribution and any shortfall in fund assets based on government specified minimum rates of return relating to current period service and recognises such contributions and any shortfall, if any, as an expense for the year incurred.

Company contribution to provident fund and other funds of ₹ 2.85 crore (Previous Year ₹ 3.07 crore)

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.

Contribution to Defined Contribution Plans, recognised in Statement of Profit and Loss, for the year is as under:

Particulars	For Year ended March 31, 2021	For Year ended March 31, 2020
Employer's Contribution to Provident Fund	2.15	2.49
Employer's Contribution to National Pension Scheme	0.70	0.58

The Employer established provident fund trust was surrendered to the provident fund authorities w.e.f 1st January, 2021 and correspondingly, the employees provident fund balances lying with the provident fund trust were transferred to the respective employee's accounts with provident fund authorities.

Defined benefits plans-Gratuity

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

JSW Energy (Barmer) Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021

on retirement / termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years' service completed. The gratuity plan is a funded plan administered by a separate Fund that is legally separated from the entity and the company makes contributions to the insurer (LIC). The company does not fully fund the liability and maintains a target level of funding to be maintained over period of time based on estimations of expected gratuity payments.

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

The plans in India 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 determined by reference to market yields at the end of the reporting period on government bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in equity securities and debt instruments.
Interest risk	A 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.
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.
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.

The risk relating to benefits to be paid to the dependents of plan members (widow and orphan benefits) is re-insured by an external insurance company. No other post-retirement benefits are provided to these employees.

The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

JSW Energy (Barmer) Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021

Changes in the present value of the defined benefit obligation are, as follows

	₹ crore
Defined benefit obligation at 31 March 2019	6.47
Interest cost	0.50
Current service cost	0.69
Liability Transferred In/Out (Net) from Group company	0.24
Benefits paid	(0.18)
Actuarial (Gains)/Loss	0.27
Defined benefit obligation at 31 March 2020	7.99
Interest cost	0.55
Current service cost	0.77
Liability Transferred In/Out (Net) from Group company	(0.03)
Benefits paid	(0.57)
Actuarial (Gains)/Loss	(0.27)
Defined benefit obligation at 31 March 2021	8.44

Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2021

		₹ crore		
Particulars		Defined Benefit Obligation	Fair Value of Plan assets	Benefit Liability
Gratuity cost charged to profit or loss	Opening Balance as on April 01, 2020	7.99	0.91	7.08
	Net Liability/(Asset) Transfer In (out)	(0.03)	-	(0.03)
	Service cost	0.78	-	0.78
	Net interest expense	0.55	0.06	0.48
	Sub-total included in profit or loss	9.29	0.97	8.31
Remeasurement gains/(losses) in other comprehensive income	Benefits paid	(0.57)	(0.57)	-
	Return on plan assets (excluding amounts included in net interest expense)	-	(0.09)	0.09
	Actuarial changes arising from changes in demographic assumptions	-	-	-
	Actuarial changes arising from changes in financial assumptions	0.02	-	0.02
	Experience adjustments	(0.29)	-	(0.29)
	Sub-total included in OCI	(0.85)	(0.66)	(0.19)
	Contributions by employer	-	-	-
	Closing Balance as on March 31, 2021	8.44	0.32	8.12

JSW Energy (Barmer) Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021

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

₹ crore

Particulars		Defined Benefit Obligation	Fair Value of Plan assets	Benefit Liability
Gratuity cost charged to profit or loss	Opening Balance as on 1st April 19	6.47	1.03	5.44
	Net Liability/(Asset) Transfer In (out)	0.24	-	0.24
	Service cost	0.69	-	0.69
	Net interest expense	0.50	0.08	0.42
	Sub-total included in profit or loss	7.90	1.11	6.79
Remeasurement gains/(losses) in other comprehensive income	Benefits paid	(0.18)	(0.18)	-
	Return on plan assets (excluding amounts included in net interest expense)	-	(0.02)	0.02
	Actuarial changes arising from changes in demographic assumptions	0.13	-	0.13
	Actuarial changes arising from changes in financial assumptions	0.75	-	0.75
	Experience adjustments	(0.61)	-	(0.61)
	Sub-total included in OCI	0.09	(0.20)	0.29
	Contributions by employer	-	-	-
	Closing Balance as on 31st March 20	7.99	0.91	7.08

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

Particulars	India Plan	
	March 31,2021	March 31,2020
Insurer Managed Funds	100%	100%

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

Particulars	March 31,2021	March 31,2020
Expected Return on Plan Assets	6.82%	7.79%
Discount rate	6.82%	6.84%
Future salary increases	6.00%	6.00%
Rate of Employee Turnover	3.00%	3.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08) Ultimate	

JSW Energy (Barmer) Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021

A quantitative sensitivity analysis for significant assumption is as shown below

Particulars	₹ crore	
	March 31,2021	March 31,2020
Delta Effect of +1% Change in Rate of Discounting	(0.78)	(0.79)
Delta Effect of -1% Change in Rate of Discounting	0.92	0.93
Delta Effect of +1% Change in Rate of Salary Increase	0.92	0.92
Delta Effect of -1% Change in Rate of Salary Increase	(0.80)	(0.80)
Delta Effect of +1% Change in Rate of Employee Turnover	0.06	0.06
Delta Effect of -1% Change in Rate of Employee Turnover	(0.06)	(0.07)

Maturity Analysis of Projected Benefit Obligation: From the Fund

Particulars	₹ crore	
	March 31,2021	March 31,2020
1st Following year	0.49	0.43
2nd Following year	0.37	0.29
3rd Following year	0.31	0.30
4th Following year	0.45	0.31
5th Following year	0.40	0.43
Sum of years 6 to 10	4.17	3.05
Sum of Years 11 and above	13.14	14.34
Total expected payments	19.30	19.15

The average duration of the defined benefit plan obligation at the end of the reporting period is 13 years (31 March 2020: 14 years).

Note no. 39- Share- Based Payments

The Company has the share option plan schemes for permanent employees of the Company in the identified grades of employees for respective plans / schemes including any director except promoter or independent directors, nominee directors and non-executive directors or a director who either himself or through relatives or through anybody directly or indirectly holds more than 10% of the outstanding equity shares of the parent company.

A. For Normal Options - 'JSWEL EMPLOYEES STOCK OWNERSHIP PLAN - 2016' (ESOP Plan)

The award value shall be determined as percentage of Total Fixed Pay. The grant shall be at such price as may be determined by the ESOP Committee and shall be specified in the Grant letter. The option shall not be transferable and can be exercised only by the employees of the Company.

The number of options to be granted to each eligible employee is determined by dividing the Award Value (amount equivalent to percentage of Annual Fix Pay) by the Fair Value of option provided. The Fair Value of option on the date of each grant is determined by using Black Scholes model.

Movements during the year- The following table illustrates the number movements in share options during the year

JSW Energy (Barmer) Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021

Normal Option under ESOP (Grant date: May 3, 2016)	March 31, 2021	March 31, 2020
Outstanding at 1 April	35,715	1,48,236
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	35,715	1,12,521
Expired during the year	-	-
Outstanding at 31 March	-	35,715
Exercisable at 31 March	-	35,715
Vesting Period	3 & 4 Years	
Method of Settlement	Cash	
Exercise Price (₹)	53.68	
Average Fair Value (₹)	30.78	
Dividend yield (%)	20.00%	
Average Expected volatility (%)	45.18%	
Average Risk-free interest rate (%)	7.44%	
Expected life of share options/SARs (years)	5 & 6 Years	
Weighted average share price (INR)	67.10	
Model used	Black-Scholes Method	

Normal Option under ESOP (Grant Date: May 19,2017)	March 31, 2021	March 31, 2020
Outstanding at 1 April	1,21,982	2,15,251
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	53,626	93,269
Expired during the year	-	-
Outstanding at 31 March	68,356	1,21,982
Exercisable at 31 March	68,356	1,21,982
Vesting Period	3 & 4 Years	
Method of Settlement	Equity	
Exercise Price (₹)	51.80	
Average Fair Value (₹)	28.88	
Dividend yield (%)	20.00%	
Average Expected volatility (%)	44.50%/45.16%	
Average Risk-free interest rate (%)	6.90%/6.98%	
Expected life of share options/SARs (years)	5/6 years	
Weighted average share price (INR)	64.75	
Model used	Black-Scholes Method	

JSW Energy (Barmer) Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021

Normal Option under ESOP (Grant Date: November 1,2018)	March 31, 2021	March 31, 2020
Outstanding at 1 April	3,73,261	4,07,650
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	34,389
Expired during the year	1,08,244	-
Outstanding at 31 March	2,65,017	3,73,261
Exercisable at 31 March	2,65,017	3,73,261
Vesting Period	3 & 4 Years	
Method of Settlement	Equity	
Exercise Price (₹)	51.96	
Average Fair Value (₹)	37.99	
Dividend yield (%)	20.00%	
Average Expected volatility (%)	44.50%/45.16%	
Average Risk-free interest rate (%)	6.90%/6.98%	
Expected life of share options/SARs (years)	5/6 years	
Weighted average share price (INR)	64.95	
Model used	Black-Scholes Method	

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

Note no. 40- Commitments

Particulars	₹ crore	
	As at March 31,2021	As at March 31,2020
Commitments to contribute funds for the acquisition of property, plant and equipment -Capital Commitments (net of advances)	30.88	2.52

Note no. 41- Contingent Liabilities

Particulars	₹ crore	
	As at March 31,2021	As at March 31,2020
Disputed taxes/duties (including penalty and interest levied up to the date of demand excluding further amount leviable, if any)	0.43	0.51
Regulatory arrangements (Refer note no -30 (e) , 30 (f) and 33).	295.68	295.68

JSW Energy (Barmer) Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021

Note no. 42- Related party disclosure

I. List of Related Parties with whom the Company has entered into transactions during the year:

I	Holding Company
1	JSW Energy Limited
II	Enterprises over which key management personnel and relatives of such personnel exercise significant influence
1	JSW Steel Limited
2	South West Mining Limited
3	JSW Foundation
4	JSW IP Holdings Private Limited
5	JSW Global Business Solutions Limited
6	Jindal Steel and Power Limited
7	Jindal Saw Limited
8	Jindal Stainless (Hisar) Limited
9	Jindal Stainless Limited
10	Everbest Consultancy Services
11	JanaKalyan Electoral Trust
12	JSW Future Energy Limited
13	JSW Paints Private Limited
14	Jaigad Power Transco Limited
III	Joint Venture Company
1	Barmer Lignite Mining Company Limited (JV)
IV	Joint Venture-Partner
1	Rajasthan State Mines and Minerals Limited (RSMML)
IV	Key Managerial Personnel
1	Mr. Nirmal Kumar Jain-Chairman (up to May 19, 2020)
2	Mr. Prashant Jain - Chairman
3	Mr. Sharad Mahendra (up to June 9, 2020)
4	Mr. Jyoti Kumar Agarwal -Director (up to September 15, 2020)
5	Mr. Pritesh Vinay -Director (from September 16, 2020)
6	Mr. Aditya Agarwal-Whole Time Director (up to September 15, 2020)
7	Mr. Ashesh Kumar Padhy – Whole Time Director (from September 16, 2020)
8	Ms. Sheila Sangwan-Independent Director (up to October 30, 2019)
9	Mr. Sunil Dutt Vyas -Independent Director (up to September 18, 2020)
10	Ms. Shailaja Chandra, Independent Director (up to June 17, 2019)
11	Mr. Rakesh Nath, Independent Director (upto July 22, 2020)
12	Ms. Rupa Devi Singh (from January 18, 2020)
13	Mr. Naresh Bhansali – Company Secretary & Chief Financial Officer (up to May 30, 2019)
14	Mr. Raj Kumar Sharma – Company Secretary & Chief Financial Officer (w.e.f. October 31, 2019)

JSW Energy (Barmer) Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021

II. Nature and volume of transactions with Related Parties during the year:

₹ crore

A	Transaction during the year	For the Year ended March 31, 2021	For the Year ended March 31, 2020
1	Purchase of Lignite (Fuel)		
	Barmer Lignite Mining Company Limited	1,539.16	1,360.53
2	Purchase of Limestone (Fuel)		
	Rajasthan State Mines & Mineral Limited	9.38	8.30
3	Purchase of Goods		
	JSW Steel Limited	0.32	0.51
	Jindal Steel & Power Limited	-	0.12
	Jindal Saw Limited	-	0.11
	JSW Energy Limited	1.71	(0.01)
	JSW Paints Private Limited	0.02	-
	Jindal Stainless Limited	1.35	1.43
4	Service Received		
	South West Mining Limited	0.72	0.81
	JSW Global Business Solutions Private Limited	2.09	3.09
	Everbest Consultancy Services	0.01	0.02
	Jaigad Power Transco Limited	0.02	-
5	Branding expense		
	JSW IP Holdings Private Limited	7.64	7.71
6	Amounts paid/(received) on behalf of JSWEBL by Holding Company /Other Related Party		
	JSW Energy Limited (Net)	8.96	8.53
	South West Mining Limited (Net)	0.62	0.51
	JSW Steel Limited	1.94	1.76
7	Amounts paid on behalf of Joint Venture/Other Related Party by JSWEBL		
	Barmer Lignite Mining Company Limited	2.38	2.29
8	CSR Expenses		
	JSW Foundation	6.71	2.71
9	Other Income -Lease Rent of Land /Plant Machinery		
	JSW Steel Limited	0.18	0.19
	South West Mining Limited	0.02	0.02
10	Perpetual debts		
	JSW Future Energy Limited	300.00	-
11	Interest Income subordinate loan given		

JSW Energy (Barmer) Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021

	Barmer Lignite Mining Company Limited	56.76	56.76
12	Unsecured Loan (Net of Loan taken & repaid)		
	JSW Energy Limited (Long Term Loan)	-	(567.64)
13	Interest Expenses on Loan		
	JSW Energy Limited	-	33.29
14	Donation		
	JanaKalyan Electoral Trust	-	15.00

III. Closing balance of Related Parties as at March 31, 2021:

		₹ crore	
B	Closing Balances	As at March 31, 2021	As at March 31, 2020
1	Trade (Payables) / Receivables (Net)		
	JSW Energy Limited	(1.47)	(4.14)
	JSW Steel Limited	(0.50)	(1.59)
	Barmer Lignite Mining Company Limited	(134.31)	(197.49)
	South West Mining Limited	0.13	(0.72)
	JSW Inspire Institute of Sports	-	(0.00)
	JSW Global Business Solutions Private Limited	-	(0.44)
	JSW IP Holdings Private Limited	(1.66)	(0.12)
	Everbest Consultancy Services	-	(0.01)
	JSW Paint Private Limited	(0.01)	-
	Rajasthan State Mines & Mineral Limited	(0.09)	-
2	Advance to Vendors		
	Rajasthan State Mines & Mineral Limited	-	0.50
	Jindal Steel & Power Limited	0.03	0.03
	Jindal Stainless (Hisar) Limited	0.00	0.00
	Jindal Stainless Limited	0.00	0.03
	JSW Global Business Solutions Private Limited	0.09	-
3	Deposit With		
	JSW IP Holdings Private Limited	0.45	0.45
4	Equity Share Capital		
	JSW Energy Limited	1,726.05	1,726.05
5	Investment in Equity Shares		
	Barmer Lignite Mining Company Limited	9.80	9.80
6	Loan Given		
	Barmer Lignite Mining Company Limited	567.64	567.64
7	Interest Receivable on Subordinate Loan		
	Barmer Lignite Mining Company Limited	286.18	352.59
8	Perpetual debts		
	JSW Future Energy Limited	300.00	-
9	Bank Guarantee given by related party for Debt Service Reserve Account		
	JSW Energy Limited	29.22	29.22

JSW Energy (Barmer) Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021

IV. Remuneration of directors and other members of key management personnel during Financial Year 2020-21

Sr. no	Transaction during the year	₹ crore	
		For the Year ended March 31, 2021	For the Year ended March 31, 2020
1	Short-term benefits	2.08	1.58
2	Post-employment benefits	0.07	0.06
3	Sitting Fees	0.05	0.09
4	Total (1 to 3)	2.20	1.73

The above figures do not include provisions for gratuity and leave entitlement as the same is not determinable.

Notes:

- (i) During the financial Year, the Company has neither written off/written back nor made any provision against any debts/receivables/payables/Advances of related parties, except as disclosed above.
- (ii) Related party relationships have been identified by the management and relied upon by the Auditors.
- (iii) Related party transactions have been disclosed on basis of value of transactions in terms of the respective contracts.
- (iv) Sale and Purchase transactions among the related parties are in the ordinary course of business based on normal commercial terms, conditions, market rates and memorandum of understanding signed with the related parties. For the year ended 31st March, 2021, the Company has not recorded any loss allowances for transactions between the related parties.

Note no. 43- Details of Corporate Social Responsibility (CSR) Expenditure

Particulars	₹ crore	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Amount required to be spent as per Section 135 of the Act	6.73	6.06
Amount spent during the year on :		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	6.73	6.06

JSW Energy (Barmer) Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021

Note no. 44- Remuneration to Auditors (Including Taxes)

₹ crore

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Audit Fees	0.52	0.44
Tax Audit Fees	0.07	0.08
Certification Fees	0.04	0.01
Reimbursement of Expenses	0.01	0.02

Note no. 45- Disclosure under Micro, Small and Medium Enterprises Development Act

Outstanding of Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company.

₹ crore

Sr. No.	Particulars	As at March 31,2021	As at March 31,2020
1	Principal amount outstanding	8.36	3.59
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	-	-

Above outstanding of MSME parties is within maximum timeline for payment without interest as defined in MSMED Act.

Note no. 46- Impact of COVID-19:

The Company has continued its operations during lockdown due to outbreak of COVID-19 as the electricity generation is considered as one of the essential services by the Government. The Company 100% generation Capacity is tied up under long term power purchase agreements, which insulates revenue of the Company under such contracts. The notices of applying force majeure clause under the power supply agreements from the customers have been appropriately responded under legal advice that the prevailing situation is outside the ambit of force majeure clause. This position is further supported by clarification from Ministry of Power that the Discoms will have to comply with obligation to pay fixed capacity charges as per the power purchase agreement. Based on initial assessment, the Management

JSW Energy (Barmer) Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2021

does not expect any medium to long-term impact on the business of the Company. The Company has evaluated the possible effects on the carrying amounts of property, plant and equipment, inventory, loans, receivables and debt covenants basis the internal and external sources of information and determined, exercising reasonable estimates and judgements, that the carrying amounts of these assets are recoverable. Having regard to above, and the Company's liquidity position, there is no uncertainty in meeting financial obligations over the foreseeable future.

Note no. 47- The Code on Social Security, 2020 ('the Code') received presidential assent on September 28, 2020. However, the date on which the Code will come into effect has not yet been notified. The Company will assess the impact of the Code on its books of account in the period(s) in which the provisions of the Code becomes effective

Note no. 48- The Company is yet to receive balance confirmations in respect of certain financial assets and financial liabilities. The Management does not expect any material difference affecting the current year's financial statements due to the same.

Note no. 49- Previous year's figures have been regrouped / rearranged wherever necessary to confirm the current year's classification

Signature for Notes to Accounts 1 to 49

For and on behalf of the Board of Directors

Pritesh Vinay
Director
[DIN 08868022]

Prashant Jain
Chairman
[DIN 01281621]

Place- Mumbai

Date-June 24, 2021

Raj Kumar Sharma

Company Secretary & Chief Financial Officer

JSW ENERGY (BARMER) LIMITED
Consolidated Balance Sheet as at March 31, 2021

₹ crore

Particulars		Note No.	As at March 31, 2021	As at March 31, 2020
A	ASSETS			
1	Non-current assets			
	(a) Property, plant and equipment	4	3,866.73	4,212.67
	(b) Capital work-in-progress	5	14.58	4.04
	(c) Intangible assets	6	0.08	0.06
	(d) Investment in joint venture	7(A)	27.68	10.53
	(e) Financial assets			
	(i) Investments	7 (B)	300.00	0.00
	(ii) Loans	8	567.64	567.64
	(iii) Others financial assets	9	136.55	5.64
	(f) Income tax assets (net)	10	9.91	26.43
	(g) Other non-current assets	11	0.51	0.93
	Total Non - Current Assets		4,923.68	4,827.94
2	Current assets			
	(a) Inventories	12	146.47	86.92
	(b) Financial assets			
	(i) Investments	7 (B)	90.36	190.33
	(ii) Trade receivables	13	621.27	739.70
	(iii) Cash and cash equivalents	14	168.05	0.34
	(iv) Bank balances other than (iii) above	15	0.04	0.04
	(v) Other financial assets	9	355.97	517.39
	(c) Other current assets	11	10.46	12.64
	Total Current Assets		1,392.62	1,547.36
	Total Assets		6,316.30	6,375.30
B	EQUITY AND LIABILITIES			
	EQUITY			
	(a) Equity share capital	16(A)	1,726.05	1,726.05
	(b) Other equity	16(B)	2,386.80	1,947.80
	Total Equity		4,112.85	3,673.85
	LIABILITIES			
1	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	17	1,367.34	1,713.92
	(b) Provisions	19	14.29	10.16
	Total Non - Current Liabilities		1,381.63	1,724.08
2	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	17	50.01	-
	(ii) Trade payables			
	(a) total outstanding dues of micro enterprises and small enterprises	20	8.36	3.59
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises		181.98	241.53
	(iii) Other financial liabilities	18	572.95	723.77
	(b) Other current liabilities	21	6.00	6.28
	(c) Provisions	19	2.52	2.20
	Total Current Liabilities		821.82	977.37
	Total Equity and Liabilities		6,316.30	6,375.30

See accompanying notes to the financial statements

As per our attached report of even date

For Lodha & Co.

Chartered Accountants

Firm Registration No. 301051E

For and on behalf of the Board of Directors

A. M. Hariharan

Partner

Membership No. 38323

Pritesh Vinay

Director

[DIN 08868022]

Prashant Jain

Chairman

[DIN 01281621]

Place: Mumbai

June 24, 2021

Raj Kumar Sharma

Company Secretary &

Chief Financial Officer

JSW ENERGY (BARMER) LIMITED
Statement of Consolidated Profit and Loss for the year ended March 31, 2021

₹ crore except per share data as stated otherwise

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
I Revenue from operations	22	2,664.94	2,597.50
II Other income	23	79.51	61.43
III Total income		2,744.45	2,658.93
IV EXPENSES			
(a) Fuel costs	24	1,504.90	1,386.10
(b) Employee benefits expense	25	68.37	70.88
(c) Finance costs	26	151.87	221.79
(d) Depreciation and amortisation expense	4 & 6	355.86	354.90
(e) Other expenses	27	152.25	157.58
Total expenses		2,233.25	2,191.25
V Share of profit of a joint venture		17.15	28.04
VI Profit before tax		528.35	495.72
VII Tax expense			
-Current tax		89.53	81.93
-Deferred tax	28	(6.18)	(90.49)
-Deferred tax adjustable in future tariff		6.18	90.49
VIII Profit for the Year		438.82	413.79
IX Other Comprehensive income			
(i) Items that will not be reclassified to profit or loss			
-Remeasurements of the net defined benefit plans		(0.19)	(0.29)
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.03	0.05
X Total comprehensive income for the Year		438.66	413.55
XI Earnings per equity share of ₹ 10 each			
Basic (₹)		2.54	2.40
Diluted (₹)		2.54	2.40

See accompanying notes to the financial statements

As per our attached report of even date

For Lodha & Co.

Chartered Accountants

Firm Registration No. 301051E

For and on behalf of the Board of Directors

A. M. Hariharan

Partner

Membership No. 38323

Pritesh Vinay

Director

[DIN 08868022]

Prashant Jain

Chairman

[DIN 01281621]

Raj Kumar Sharma

Company Secretary &

Chief Financial Officer

Place: Mumbai

June 24, 2021

JSW ENERGY (BARMER) LIMITED

Statement of Consolidated Cash Flows for the year ended March 31, 2021

(₹ crore)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
I. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	528.35	495.72
Adjusted for:		
Depreciation and amortisation expense	355.86	354.90
Interest income	(56.82)	(58.48)
Income from Fair Valuation of Current Investments	(0.08)	(0.09)
Income from sale of current investments	(9.37)	(2.55)
Loss on sale / discard of property, plant and equipment	0.17	0.07
(Increase)/decrease in JV investment value	(17.15)	(10.53)
Write back of Creditors outstanding related to capitalised assets	(13.04)	0.00
Unrealised foreign exchange (gain) / loss	0.00	0.00
Finance costs	151.87	221.79
	411.44	505.11
Operating profit before working capital changes	939.79	1,000.83
Adjustments for:		
(Increase)/Decrease in Trade receivables	118.43	(334.31)
Increase/(Decrease) in Trade and Other payables	79.52	113.08
(Increase)/Decrease in Loans, advances and other receivables	(35.02)	(7.50)
(Increase)/Decrease in Inventories	(59.55)	7.97
	103.38	(220.76)
Cash generated from operations	1,043.17	780.07
Direct taxes paid (net)	(73.02)	(90.12)
NET CASH GENERATED FROM OPERATING ACTIVITIES	970.15	689.95
II. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, plant and equipment including CWIP, capital advances and pre-operative expenses	(19.15)	(9.62)
Sale/Adjustment of Property, plant and equipment	-	(0.07)
Perpetual debt to JSW Future Energy Limited	(300.00)	-
Interest income	124.94	83.07
Income from sale of current investments & net gain on fair valuation	9.46	2.64
Bank balances other than Cash and cash equivalents	-	0.07
NET CASH FLOWS FROM/ (USED IN) INVESTING ACTIVITIES	(184.75)	76.09
III. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long term Borrowings-Banks/FIs	-	450.00
Proceeds from Working Capital loan	50.01	-
Repayment of Long Term Borrowings-Banks/FIs	(604.87)	(280.80)
Repayment of Long Term Borrowings from Holding Company	-	(567.64)
Finance costs	(162.80)	(210.68)
NET CASH USED IN FINANCING ACTIVITIES	(717.66)	(609.12)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS (I+II+III)	67.74	156.92
CASH AND CASH EQUIVALENTS - AT THE BEGINNING OF THE YEAR (Refer Note 7 and 14)	190.67	33.75
CASH AND CASH EQUIVALENTS - AT THE END OF THE YEAR (Refer Note 7 and 14)	258.41	190.67

See accompanying notes to the financial statements

Notes :

- Cash and cash equivalents at the end of the year includes Cash and cash equivalents of ₹ 0.34 crore (Previous year ₹ 0.34 crore) and Current investment in mutual fund of ₹ 190.33 crore (Previous year ₹ 190.33 crore).
- Previous year's figures have been re-grouped / re-arranged wherever necessary to conform to current year's classification.

As per our attached report of even date

For Lodha & Co.

Chartered Accountants

Firm Registration No. 301051E

For and on behalf of the Board of Directors

A. M. Hariharan

Partner

Membership No. 38323

Pritesh Vinay

Director

[DIN 08868022]

Prashant Jain

Chairman

[DIN 01281621]

Place: Mumbai

June 24, 2021

Raj Kumar Sharma

Company Secretary &

Chief Financial Officer

JSW ENERGY (BARMER) LIMITED

Consolidated Statement of changes in equity for the Year ended March 31, 2021

A. EQUITY SHARE CAPITAL

₹ crore

Particulars	Total
Balance at April 1,2019	1,726.05
Changes in equity share capital during the Year	-
Balance at March 31, 2020	1,726.05
Changes in equity share capital during the Year	-
Balance at March 31, 2021	1,726.05

B . OTHER EQUITY

₹ crore

Particulars				Items of other comprehensive income	Total Other Equity
	General reserve	Equity settled employee benefits reserve	Retained earnings	Remeasurements of the net defined benefit plans	
Balance at April 1,2019	0.09	2.78	1,531.30	(0.61)	1,533.56
Profit for the year ended March 31, 2020	-	-	413.79	-	413.79
Other comprehensive income	-	-	-	(0.24)	(0.24)
Total comprehensive income for the year ended March 31, 2020	-	-	413.79	(0.24)	413.55
Share based payments	-	0.69	-	-	0.69
Balance at March 31, 2020	0.09	3.47	1,945.09	(0.85)	1,947.80

₹ crore

Particulars				Items of other comprehensive income	Total Other Equity
	General reserve	Equity settled employee benefits reserve	Retained earnings	Remeasurements of the net defined benefit plans	
Balance as at April 1,2020	0.09	3.47	1,945.09	(0.85)	1,947.80
Profit for the year ended March 31, 2021	-	-	438.82	-	438.82
Other comprehensive income	-	-	-	(0.16)	(0.16)
Total comprehensive income for the year ended March 31, 2021	-	-	438.82	(0.16)	438.66
Share based payments	-	0.34	-	-	0.34
Balance at March 31, 2021	0.09	3.81	2,383.91	(1.01)	2,386.80

See accompanying notes to the financial statements

As per our attached report of even date

For Lodha & Co.

Chartered Accountants

Firm Registration No. 301051E

For and on behalf of the Board of Directors

A. M. Hariharan

Partner

Membership No. 38323

Pritesh Vinay

Director

[DIN 08868022]

Prashant Jain

Chairman

[DIN 01281621]

Raj Kumar Sharma

Company Secretary &

Chief Financial Officer

Place: Mumbai

June 24, 2021

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

Note no. 1- General information

The Consolidated financial statements comprise financial statements of JSW Energy (Barmer) Limited (hereinafter referred to as (“the Parent Company”) for the year ended March 31, 2021.

The Parent Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at JSW Centre Bandra Kurla Complex, Bandra East, Mumbai - 400 051.

The Parent Company is primarily engaged in the business of generation of power. The Company has set up a lignite based thermal power plant at Barmer, Rajasthan comprising of 8 units of 135 MW each.

The Board of Directors approved the Consolidated Financial Statements for the year ended March 31, 2021 and authorised for issue on June 24, 2021.

The Parent Company has the following Joint Venture Company

Name of the Company	Proportion of Ownership Interest	Nature of Business
Barmer Lignite Mining Company Limited (BLMCL)	49%	Development, operation and extraction of lignite from the mines.

Hereinafter Parent Company and Joint Venture Company together will be referred as “Group”.

Note no. 2- Statement of compliance

These Consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

Note no. 3.1- Basis of preparation of Consolidated financial statements

These Consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 4 of the Companies (Indian Accounting standards) Rules, 2015 as amended from time to time

The financial statements of the Group are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) on the accrual basis of accounting and historical cost convention except for the certain material items that have been measured at fair value as required by the relevant Ind AS and explained in the ensuing policies below.

The Consolidated financial statements are presented in Indian Rupees ('INR') which is functional currency and all values are rounded to the nearest crore, except otherwise indicated.

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

Use of estimates & Judgements

The preparation of the Consolidated financial statements requires that the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the Consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the Consolidated financial statements is made relying on these estimates.

The estimates and judgements used in the preparation of the Consolidated financial statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods

The critical accounting judgements and key estimates followed by the Group for preparation of Consolidated financial statements is described in Note 29.

Note no. 3.2- Basis of consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and its joint venture company as at 31st March 2021.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure for Investments in joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement (and have right(s) 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.

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

The results and assets and liabilities of joint venture 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 a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Parent Company's share of the profit or loss and other comprehensive income of the joint venture. When the Parent Company's share of losses of a joint venture exceeds the Parent Company's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Parent Company's net investment in the joint venture), the Parent Company discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Parent Company has incurred legal or constructive obligations or made payments on behalf of or joint venture.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Parent Company'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 Parent Company's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Parent Company determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Parent company's investment in a joint venture.

The Parent Company discontinues the use of the equity method from the date when the investment ceases to be a joint venture, or when the investment is classified as held for sale.

Distributions received from a joint venture reduce the carrying amount of the investment. Unrealised gains on transactions between the Parent Company and joint ventures are eliminated to the extent of the Parent Company's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the assets transferred

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

Note no. 3.3- Applicability of new and revised Indian Accounting Standards (Ind AS):

The Ministry of Corporate Affairs (“MCA”) through Companies (Indian Accounting Standards) Amendment Rules, 2020 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following major amendments and new accounting standards, which became applicable with effect from April 1, 2020.

Amendments to Ind AS 103- Business combinations

The Group has adopted the amendments to Ind AS 103 for the first time in the current year. The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

The amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs. The amendments also introduce additional guidance that helps to determine whether a substantive process has been acquired.

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets. The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after 1st April, 2020.

The adoption of these amendments has not had any impact on the disclosures or reported amounts in these financial statements.

Amendments to Ind AS 116 – Leases

The Group has adopted the amendments to Ind AS 116 for the first time in the current year. The amendments provide practical relief, subject to certain conditions, to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to Ind AS 116. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying Ind AS 116 if the change were not a lease modification.

The adoption of this amendments has not had any impact on the disclosures or reported amounts in these financial statements.

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

Amendment to Ind AS 109 and Ind AS 107 – Interest Rate Benchmark Reform

These amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments affected by the current interest rate benchmarks are amended as a result of the on-going interest rate benchmark reforms.

The adoption of these amendments has not had material impact on the disclosures or reported amounts in these financial statements.

Amendment to Ind AS 1 and Ind AS 8 – Definition of “Material”

The Group has adopted the amendments to Ind AS 1 and Ind AS 8 for the first time in the current year. The amendments make the definition of material in Ind AS 1 easier to understand and are not intended to alter the underlying concept of materiality in Ind ASs. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition.

The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of material in Ind AS 8 has been replaced by a reference to the definition of material in Ind AS 1. In addition, the MCA amended other Standards that contain the definition of 'material' or refer to the term 'material' to ensure consistency.

The adoption of these amendments did not have any material impact on its evaluation of materiality in relation to the consolidated financial statements.

New and revised Ind ASs in issue but not yet effective:

At the date of approval of these consolidated financial statements, the Group has not applied the following new and revised Ind ASs that have been issued but are not yet effective.

I. Amendment to Ind AS:

The Ministry of Corporate Affairs (MCA) vide Notification dated 18th June, 2021 has issued new Companies (Indian Accounting Standard) Amendment Rules, 2021. These rules are applicable with immediate effect from the date of the said notification. Major amendments notified in the notification are provided below:

- (a) Ind AS 116 | Leases – The amendment extends the benefits of the COVID 19 related rent concession that were introduced in the previous year (which allowed lessees to recognize COVID 19 related rent concessions as income rather than as lease modification) from 30th June, 2021 to 30th June, 2022.
- (b) Ind AS 109 | Financial Instruments – The amendment provides a practical expedient for assessment of contractual cash flow test, which is one of the criteria for being eligible to measure a financial asset at amortized cost, for the changes in the financial assets that may arise as a result of Interest Rate Benchmark Reform. An additional temporary exception from applying hedge accounting is also added for Interest Rate Benchmark Reform.

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

- (c) Ind AS 101 | Presentation of Financial Statements – The amendment substitutes the item (d) mentioned in paragraph BI as ‘Classification and measurement of financial instruments’. The term ‘financial asset’ has been replaced with ‘financial instruments’.
- (d) Ind AS 102 | Share-Based Payment – The amendments to this standard are made in reference to the Conceptual Framework of Financial Reporting under Ind AS in terms of defining the term ‘Equity Instrument’ which shall be applicable for the annual reporting periods beginning on or after 1st April, 2021.
- (e) Ind AS 103 | Business Combinations – The amendment substitutes the definition of ‘assets’ and ‘liabilities’ in accordance with the definition given in the framework for the Preparation and Presentation of Financial Statements in accordance with Ind AS for qualifying the recognition criteria as per acquisition method.
- (f) Ind AS 104 | Insurance Contracts – The amendment covers the insertion of certain paragraphs in the standard in order to maintain consistency with IFRS 4 and also incorporates the guidance on accounting treatment for amendments due to Interest Rate Benchmark Reform.
- (g) Ind AS 105 | Non-current assets held for sale and discontinued operations – The amendment substitutes the definition of — “fair value less costs to sell” with “fair value less costs of disposal”.
- (h) Ind AS 106 | Exploration for and evaluation of mineral resources – The amendment has been made in reference to the Conceptual Framework for Financial Reporting under Indian Accounting Standards in respect of expenditures that shall not be recognized as exploration and evaluation assets.
- (i) Ind AS 107 | Financial Instruments: Recognition, Presentation and Disclosure – The amendment clarifies the certain additional disclosures to be made on account of Interest Rate Benchmark Reform like the nature and extent of risks to which the entity is exposed arising from financial instruments subject to interest rate benchmark reform; the entity’s progress in completing the transition to alternative benchmark rates, and how the entity is managing the transition.
- (j) Ind AS 111 | Joint Arrangements – In order to maintain consistency with the amendments made in Ind AS 103, respective changes have been made in Ind AS 111.
- (k) Ind AS 114 | Regulatory Deferral Accounts – The amendment clarifies that an entity may only change its accounting policies for the recognition, measurement, and impairment & derecognition of regulatory deferral account balances if the change makes the financial statements more relevant to the economic decision-making needs of users and no less reliable.
- (l) Ind AS 115 | Revenue from Contracts with Customers – Certain amendments have been made in order to maintain consistency with number of paragraphs of IFRS 15.
- (m) Ind AS 8 | Accounting Policies, Changes in Accounting Estimates and Errors – In order to maintain consistency with the amendments made in Ind AS 114 and to substitute the word ‘Framework’ with the ‘Conceptual Framework of Financial Reporting in Ind AS’, respective changes have been made in the standard.
- (n) Ind AS 16 | Property, Plant and Equipment –The amendment has been made by substituting the words “Recoverable amount is the higher of an asset’s fair value less costs to sell and its value in use” with “Recoverable amount is the higher of an asset’s fair value less costs of disposal and its value in use”.
- (o) Ind AS 34 | Interim Financial Reporting –The amendments to this standard are made in reference to the conceptual framework of Financial Reporting in Ind AS.

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- (p) Ind AS 37 | Provisions, Contingent Liabilities and Contingent Assets – The amendment substitutes the definition of the term ‘Liability’ as provided in the Conceptual Framework for Financial Reporting under Indian Accounting Standards.
- (q) Ind AS 38 | Intangible Assets – The amendment substitutes the definition of the term ‘Asset’ as provided in the Conceptual Framework for Financial Reporting under Indian Accounting Standards.

The Group is evaluating the impact of these amendments.

II. Amendment to Schedule III of the Companies Act, 2013:

On 24th March, 2021, MCA through a notification, amended Schedule III of the Companies Act, 2013, with effect from 1st April, 2021. Key amendments relevant for the Group are:

- (a) Lease liabilities should be separately disclosed under the head ‘financial liabilities’, duly distinguished as current or non-current.
- (b) Current maturities of long-term borrowings should be disclosed separately within borrowings instead of earlier disclosure requirement under Other Financial Liabilities.
- (c) Certain additional disclosures in the statement of changes in equity due to prior period errors and restated balances at the beginning of the current reporting period.
- (d) Specified format for disclosure of shareholding of promoters.
- (e) Specified format for ageing schedule of trade receivables, trade payables, capital work-in progress and intangible asset under development.
- (f) Additional disclosures relating to Corporate Social Responsibility, undisclosed income and crypto or virtual currency.
- (g) Disclosure of specified ratios along with explanation for items included in numerator and denominator and explanation for change in any ratio is excess of 25% compared to preceding year.
- (h) If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- (i) Specific disclosure under ‘additional regulatory requirement’ such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel and related parties and details of benami property held.

The Group is evaluating the impact of these amendments.

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Note no. 3.4- Significant accounting policies

I. 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. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to Statement of Profit and Loss in the period in which the costs are incurred. Major shutdown or overhaul expenditure is capitalised as the activities are undertaken improves the economic benefits expected to arise from the asset.

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.

Assets in the course of construction are capitalised in the assets under construction account. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriated category of property, plant and equipment and 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 estimate cost of dismantling, removing or restoring the site is capitalised along with the cost of acquisition or construction upon completion and a corresponding liability is recognised. Revenue generated from production during the trial period is capitalised.

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold or Leasehold land is stated at historical cost. 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 amortised.

II. Intangible assets

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

Certain computer software costs are capitalised and recognised as Intangible assets based on materiality, accounting prudence and significant benefits expected to flow therefrom for a period longer than one year.

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III. Depreciation & amortization

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method.

Amortization of intangible assets is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Depreciation on tangible assets is provided as per the provisions of Part B of Schedule II of the Companies Act, 2013 based on useful life and residual value notified for accounting purposes by Electricity Regulatory Authorities.

Assets not owned by the Group is amortised over a period of 10 years. Specialized Software is amortised over an estimated useful life of 3 years.

Plant and Equipment (Capital Overhauling) is depreciated over a period of 4 years.

Estimated useful lives of the assets are as follows:

Class of assets	Useful life (In Years)
Buildings	25
Plant and Machinery	25
Furniture and fixtures	15
Office equipment	15
Vehicles	10

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.

IV. Capital Work-in-progress and Pre-operative Expenses during Construction Period

Capital Work-in-Progress includes expenditure during construction period incurred on projects under implementation treated as pre-operative expenses pending allocation to the assets. These expenses are apportioned to the respective fixed assets on their completion / commencement of commercial production.

V. 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). When 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. 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 Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

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

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

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in Statement of Profit or Loss.

VI. 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 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. 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 expenditures on that asset.

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

VII. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Group cash management.

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VIII. Inventories

Cost of inventories includes cost of purchase price, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Inventories of stores, spare parts, coal, fuel and loose tools are stated at the lower of weighted average cost or net realizable value. Net realizable value represents the estimated selling price for inventories less all estimated cost of completion and costs necessary to make the sale

IX. Revenue recognition

Sale of Power

Revenue is recognised to the extent that it is probable that economic benefit will flow to the Group and that the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated rebates and other similar allowances.

Revenue from sale of power/ other items is recognised when substantial risks and rewards of ownership is transferred to the buyer under the terms of the contract.

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

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

X. Foreign currency transactions

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

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

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- 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
- Exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (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 repayment of the monetary items; and
- Exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognised in the financial statements for the year ended 31st March, 2016 prepared under previous GAAP, are capitalised as a part of the depreciable PPE to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable PPE, the exchange difference is amortised over the maturity period / up to the date of settlement of such monetary item, whichever is earlier and charged to the Statement of Profit and Loss. The un-amortised exchange difference is carried under other equity as “Foreign currency monetary item translation difference account” net of tax effect thereon, where applicable. All exchange differences on foreign currency monetary items originating after March, 2016 including those relating to PPE are charged off to statement of profit and loss.

XI. Employee Benefits.

Post-employment plans

a. Defined-benefit plan – Gratuity

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of defined benefit obligations at the end of the reporting period less fair value of plan assets. The defined benefit obligations is calculated annually by actuaries through actuarial valuation using the projected unit credit method.

The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss

- (i) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and
- (ii) Net interest expense or income

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expenses in the statement of the profit & loss.

- (iii) Re-measurement comprising of actuarial gains and losses arising from

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

- Re-measurement of Actuarial(gains)/losses
- Return on plan assets, excluding amount recognised in effect of asset ceiling
- Re-measurement arising because of change in effect of asset ceiling is recognised in the period in which they occur directly in other comprehensive income. Re-measurement is not reclassified to profit or loss in subsequent periods.

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Group determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

b. Defined-contribution plan - Provident fund

Under defined contribution plans, provident fund, the Group pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government and certain state plans like Employees' State Insurance. The Group's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

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.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave 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.

Liabilities recognised in respect of other 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.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance sheet date determined based on an actuarial valuation.

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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 profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

XII. Taxation

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

Current tax

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

Minimum Alternative Tax

Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss and included in deferred tax assets. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Group will pay normal income-tax during the specified period.

Deferred tax

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

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

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 to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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.

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

Current 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

XIII. Earnings per share

Basic earnings per share is computed by dividing the profit/ (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/ (loss) after tax as adjusted for dividend, interest and other charges to expense or income 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

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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.

A disclosure for contingent liabilities is made where there is:

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

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

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

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

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

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XV. Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or 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 or loss are recognised immediately in Statement of Profit or Loss.

Financial assets

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss is initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

Subsequent measurement

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

- I. The entity's business model for managing the financial assets and
- II. The contractual cash flow characteristics of the financial asset.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

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

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition)

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

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously Accumulated in this reserve is reclassified to profit or loss. All other financial assets are subsequently measured at fair value.

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 period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees 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 period, 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. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Investment in Joint venture Company

Investment in Joint Venture Company is carried at cost in the financial statements.

Investments in equity instruments at FVTOCI

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments. A financial asset is held for trading if:

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- it has been acquired principally for the purpose of selling 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 or a financial guarantee.

Dividends on these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend 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. Dividends recognised in profit or loss are included in the 'Other income' line item.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or 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 Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend 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.

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Impairment of financial assets

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

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

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

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

For financial assets other than trade receivables, the Group recognises 12-month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Group reverts to recognizing impairment loss allowance based on 12 months ECL.

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

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. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all

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the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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

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

Financial liabilities and equity instruments

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.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity 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 profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Financial liabilities

All Financial liabilities are measured at amortized cost using effective interest method or fair value through profit and loss.

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

- 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 or contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies, 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 Group'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.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk

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

that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss

Gains or losses on financial guarantee contracts and loan commitments issued by the Group that are designated by the Group as at fair value through profit or loss are recognised in profit or loss.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees 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 financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

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 with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Derivative financial instruments

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

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a

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hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

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.

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:

- In the principal market for the asset or liability, or
- 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, 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

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- 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

Reclassification of financial assets and liabilities

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such change are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in the business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Original Classification	Revised Classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in statement of profit and loss.
FVPTL	Amortised cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new gross carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new gross carrying amount. No other adjustment is required.
FCTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to statement of profit and loss at the reclassification date.

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

The following table shows various reclassification and the how they are accounted for:

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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.

XVI. Leases

The Group has applied Ind AS 116 using the Retrospective Modified Approach and details of accounting policies under Ind AS 116 are presented below.

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.

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

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

Amounts due from lessees under finance leases are recognised as receivables at the amount of the 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.

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period

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of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset;
- the Group has substantially all of the economic benefits from use of the asset through the period of the lease, and
- the Group has the right to direct the use of the asset.

At the date of commencement of the lease, 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 (i.e. leases with a lease term of 12 months or less) and leases of low value assets (i.e. below ₹ five lakh). For short term and low value 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 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 Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

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

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Notes to the financial statements for the year ended March 31, 2021

Note No.- 4 Property, plant and equipment

₹ crore

Particulars	Land - Freehold	Buildings	Plant and Equipment	Plant and Equipment (Capital Overhauling)	Furniture and Fixtures	Vehicles	Office Equipment	Total
I. Gross carrying value								
Balance as at April 1,2019	26.00	846.94	5,071.42	23.70	6.18	0.89	2.68	5,977.81
Additions	0.55	0.27	1.37	-	1.31	-	0.67	4.17
Disposals/Other adjustments	-	-	(3.23)	-	(0.10)	(0.01)	(0.01)	(3.35)
Balance as at March 31, 2020	26.55	847.21	5,069.56	23.70	7.39	0.88	3.34	5,978.63
II. Accumulated depreciation								
Balance as at April 1,2019	-	123.74	1,273.42	11.67	1.73	0.19	0.76	1,411.51
Depreciation expense for the year ended March 31, 2020	-	31.25	318.14	4.70	0.48	0.07	0.23	354.87
Eliminated on disposal of assets	-	-	(0.35)	-	(0.06)	(0.00)	(0.01)	(0.42)
Balance as at March 31, 2020	-	154.99	1,591.21	16.37	2.15	0.26	0.98	1,765.96
III. Net carrying value as at March 31, 2020	26.55	692.22	3,478.35	7.33	5.24	0.62	2.36	4,212.67

₹ crore

Particulars	Land - Freehold	Buildings	Plant and Equipment	Plant and Equipment (Capital Overhauling)	Furniture and Fixtures	Vehicles	Office Equipment	Total
I. Gross Carrying Value								
Balance as at April 1,2020	26.55	847.21	5,069.56	23.70	7.39	0.88	3.34	5,978.63
Additions	-	-	1.39	7.60	0.04	-	0.86	9.89
Disposals/Other adjustments	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	26.55	847.21	5,070.95	31.30	7.43	0.88	4.20	5,988.52
II. Accumulated depreciation								
Balance as at April 1,2020	-	154.99	1,591.21	16.37	2.15	0.26	0.98	1,765.96
Depreciation expense for the year ended March 31, 2021	-	31.24	318.81	4.61	0.83	0.07	0.27	355.83
Eliminated on disposal of assets	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	-	186.23	1,910.02	20.98	2.98	0.33	1.25	2,121.79
III. Net carrying value as at March 31, 2021	26.55	660.98	3,160.93	10.32	4.45	0.55	2.95	3,866.73

a) Assets not owned by the Company included in Building Gross block ₹ 1.74 crore (Previous Year ₹ 1.74 crore) and Plant & Equipment ₹ 32.74 crore (Previous Year ₹ 32.74 crore).

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

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Notes to the financial statements for the year ended March 31, 2021

Note No.- 5 Capital work-in- progress

₹ crore

Particulars	As at March 31, 2021	As at March 31, 2020
Plant and equipment and civil works	11.50	0.43
Capital overhauling	3.08	3.61
TOTAL	14.58	4.04

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Notes to the financial statements for the year ended March 31, 2021

Note No.- 6 Intangible assets

₹ crore

Particulars	Computer Software
I. Gross carrying value	
Balance as at April 1,2019	1.88
Additions during the Year ended March 31, 2020	0.03
Elimination on disposal of assets during the Year ended March 31, 2020	-
Balance as at March 31, 2020	1.91
II. Accumulated amortisation	
Balance as at April 1,2019	1.82
Amortisation expense for the Year ended March 31, 2020	0.03
Elimination on disposal of assets during the Year ended March 31, 2020	-
Balance as at March 31, 2020	1.85
III. Net carrying value as at March 31, 2020	0.06

₹ crore

Particulars	Computer Software
I. Gross Carrying Value	
Balance as at April 1,2020	1.91
Additions during the year ended March 31, 2021	0.05
Elimination on disposal of assets during the year ended March 31, 2021	-
Balance as at March 31, 2021	1.96
II. Accumulated amortisation	
Balance as at April 1,2020	1.85
Amortisation expense for the year ended March 31, 2021	0.03
Elimination on disposal of assets during the year ended March 31, 2021	-
Balance as at March 31, 2021	1.88
III. Net carrying value as at March 31, 2021	0.08

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Notes to the financial statements for the year ended March 31, 2021

Note No. -7 (A) Investment in joint venture

₹ crore

Particulars	As at March 31, 2021			As at March 31, 2020		
	No of Shares/Units	Current	Non Current	No of Shares/Units	Current	Non Current
Unquoted Investments						
(a) Investments in Equity Instruments of Joint Venture ¹						
-Equity Share of ₹ 10 each fully paid up of Barmer Lignite Mining Company Limited (BLMCL)	98,00,000	-	9.80	98,00,000	-	9.80
-Share of profit of a joint venture		-	17.88		-	0.73
TOTAL		-	27.68		-	10.53
Aggregate amount of Unquoted Investments			27.68			10.53

Note No. -7 (B) Investments

₹ crore

Particulars	As at March 31, 2021			As at March 31, 2020		
	No of Shares/Units	Current	Non Current	No of Shares/Units	Current	Non Current
I. Quoted Investments						
a) Designated as Fair Value Through Profit and Loss						
Investments in Mutual Funds¹						
a) Aditya Birla Sunlife Overnight Fund Growth	-	-	-	7,23,433	78.00	-
b) Kotak Overnight Fund Growth	-	-	-	7,04,114	75.00	-
c) HDFC Liquid Fund Growth	-	-	-	64,033	24.87	-
d) HDFC Overnight Fund Growth	-	-	-	42,155	12.46	-
e) SBI Premier Liquid Fund- Regular Plan - Growth	2,82,097	90.36				
Total Aggregate Quoted Investments at Carrying value		90.36	-		190.33	-
II. Unquoted Investments						
(a) Investments in unsecured perpetual debt ²						
-JSW Future Energy Limited		-	300.00		-	-
(b) Investments in Government or trust securities						
6-Year National Savings Certificate ₹ 14,000 (Previous Year ₹ 14,000)	-	-	0.00	-	-	0.00
Total Aggregate Unquoted Investments at cost value	-	-	300.00	-	-	0.00
TOTAL		90.36	300.00		190.33	0.00

1) Refer Note 17 for Investments in Mutual Funds hypothecated & Investments in Equity Instruments of Joint Venture as security for borrowings.

2) Refer Note 31(d) for Unsecured perpetual debt to JSW Future Energy Ltd.(fellow subsidiary company)

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Notes to the financial statements for the year ended March 31, 2021

Note No. -7 Investments

₹ crore

Particulars	As at March 31, 2021			As at March 31, 2020		
	No of Shares/Units	Current	Non Current	No of Shares/Units	Current	Non Current
I. Quoted Investments						
a) Designated as Fair Value Through Profit and Loss						
Investments in Mutual Funds¹						
a) Aditya Birla Sunlife Overnight Fund Growth	-	-	-	7,23,433	78.00	-
b) Kotak Overnight Fund Growth	-	-	-	7,04,114	75.00	-
c) HDFC Liquid Fund Growth	-	-	-	64,033	24.87	-
d) HDFC Overnight Fund Growth	-	-	-	42,155	12.46	-
e) SBI Premier Liquid Fund- Regular Plan - Growth	2,82,097	90.36	-	-	-	-
Total Aggregate Quoted Investments at Carrying value		90.36	-		190.33	-
II. Unquoted Investments						
(a) Investments in Equity Instruments of Joint Venture ¹						
Equity Share of ₹ 10 each fully paid up of Barmer Lignite Mining Company Limited (BLMCL)	98,00,000	-	9.80	98,00,000	-	9.80
(b) Investments in unsecured perpetual debt ² -JSW Future Energy Limited		-	300.00		-	-
(c) Investments in Government or trust securities 6-Year National Savings Certificate ₹ 14,000 (Previous Year ₹ 14,000)		-	0.00		-	0.00
Total Aggregate Unquoted Investments at cost value		-	309.80		-	9.80
TOTAL		90.36	309.80		190.33	9.80
1) Refer Note 17 for Investments in Mutual Funds hypothecated & Investments in Equity Instruments of Joint Venture as security for borrowings.						
2) Refer Note 31(d) for Unsecured perpetual debt to JSW Future Energy Ltd.(fellow subsidiary company)						

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Notes to the financial statements for the year ended March 31, 2021

Note No. - 8 Loans

₹ crore

Particulars	As at March 31, 2021			As at March 31, 2020		
	Current	Non- Current	Total	Current	Non- Current	Total
Unsecured, considered good						
- Loans to the Joint venture company	-	567.64	567.64	-	567.64	567.64
TOTAL	-	567.64	567.64	-	567.64	567.64

Name of the Party	As at March 31, 2021			As at March 31, 2020		
	Current	Non- Current	Total	Current	Non- Current	Total
Loans and advances in the nature of Loans :						
a) Barmer Lignite Mining Company Limited ¹	-	567.64	567.64	-	567.64	567.64
[Maximum Amount outstanding during the current Financial year: ₹ 567.64 crore (Previous Financial Year: ₹ 567.64 crore)]						
1) Refer Note 17 for Investments in Mutual Funds hypothecated & Investments in Equity Instruments of Joint Venture as security for borrowings. Above loans and advances have been given for business purposes.						

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Notes to the financial statements for the year ended March 31, 2021

Note No. - 9 Other financial assets

₹ crore

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non- Current	Current	Non- Current
Unsecured, considered good				
a) Security deposits				
(i) Government/Semi-Government Authorities	-	5.16	-	5.19
(ii) Related Party	-	0.45	-	0.45
b) Unbilled receivables	233.41	-	195.78	-
c) Interest receivable				
(i) Interest accrued on loans to Joint Venture company	135.00	151.18	352.59	-
Less : Allowances for expected credit loss	(12.45)	(20.24)	(32.69)	-
(ii) Interest accrued on others	0.01	-	1.71	-
TOTAL	355.97	136.55	517.39	5.64

Note No :- 10 Income tax assets (net)

₹ crore

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non- Current	Current	Non- Current
Advance Tax and Tax deducted at source (net)	-	9.91	-	26.43
TOTAL	-	9.91	-	26.43

Note No :- 11 Other non-current and current assets

₹ crore

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non- Current	Current	Non- Current
Unsecured, considered good				
(a) Capital Advances	-	0.06	-	0.08
(b) Prepayments	8.15	0.45	7.88	0.85
(c) Advance to suppliers/contractors	0.91	-	3.78	-
(d) Receivable from the Joint venture company	0.81	-	0.62	-
(e) Other receivables	0.59	-	0.36	-
TOTAL	10.46	0.51	12.64	0.93

JSW ENERGY (BARMER) LIMITED

Notes to the financial statements for the year ended March 31, 2021

Note No. -12 Inventories

₹ crore

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Raw materials-Stock of fuel	122.79	62.34
(b) Stores and spares	23.68	24.58
TOTAL	146.47	86.92

1) Basis of Valuation : Refer Note 3.3 (VIII)

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

Note No. - 13 Trade receivables

₹ crore

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good	621.27	739.70
TOTAL	621.27	739.70

1) Refer Note 17 for trade receivables hypothecated as security for borrowings.

2) Refer Note 33 for credit terms, ageing analysis and other relevant details related to trade receivables.

Note No. -14 Cash and cash equivalents

₹ crore

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Balances with banks		
(i) In Current accounts	143.04	0.31
(ii) In Deposit accounts	25.00	-
(b) Cash on hand	0.01	0.03
TOTAL	168.05	0.34

Note No. - 15 Bank balances other than Cash and cash equivalents

₹ crore

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Balances with banks		
(i) In Deposit accounts	0.04	0.04
TOTAL	0.04	0.04

JSW ENERGY (BARMER) LIMITED

Notes to the financial statements for the year ended March 31, 2021

Note No. - 16 (A): Equity share capital

₹ crore

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	Amount	No. of shares	Amount
Authorised:				
Equity shares of ₹ 10 each	3,00,00,00,000	3,000.00	3,00,00,00,000	3,000.00
Issued, Subscribed and Fully Paid:				
1,726,050,000 Equity Shares of ₹ 10 each	1,72,60,50,000	1,726.05	1,72,60,50,000	1,726.05
TOTAL	1,72,60,50,000	1,726.05	1,72,60,50,000	1,726.05

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year ended March 31, 2021

Particulars	Opening Balance as on April 1, 2020	Fresh Issue	Closing Balance as on March 31, 2021
(a) Equity Shares with Voting rights			
No. of Shares	1,72,60,50,000	-	1,72,60,50,000
TOTAL	1,72,60,50,000	-	1,72,60,50,000

(ii) Details of aggregate shareholding by Holding Company

Particulars	As at March 31, 2021	As at March 31, 2020
	No. of shares	No. of shares
JSW Energy Limited- Holding Company and its nominees	1,72,60,50,000	1,72,60,50,000

(iii) Rights, Restrictions and preferences attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the shareholder of equity share will be entitled to receive remaining assets of the Company after distribution of all the preferential amount. Distribution will be in proportion to number of equity shares held by each shareholder.

(iv) Details of shareholding more than 5% of aggregate shares in the Company

Particulars	As at March 31, 2021	As at March 31, 2020
	No. of shares	No. of shares
JSW Energy Limited (including Nominee shareholders) % of Holding	1,72,60,50,000 100%	1,72,60,50,000 100%

JSW ENERGY (BARMER) LIMITED

Notes to the financial statements for the year ended March 31, 2021

Note No. - 16 (B) Other equity

₹ crore

Particulars				Items of other comprehensive income	Total Other Equity
	General reserve	Equity settled employee benefits reserve	Retained earnings	Remeasurements of the net defined benefit plans	
Balance at April 1, 2019	0.09	2.78	1,531.30	(0.61)	1,533.56
Profit for the year ended March 31, 2020	-	-	413.79	-	413.79
Other comprehensive income	-	-	-	(0.24)	(0.24)
Total comprehensive income for the year ended March 31, 2020	-	-	413.79	(0.24)	413.55
Share based payments	-	0.69	-	-	0.69
Balance at March 31, 2020	0.09	3.47	1,945.09	(0.85)	1,947.80
Profit for the year ended March 31, 2021	-	-	438.82	-	438.82
Other comprehensive income	-	-	-	(0.16)	(0.16)
Total comprehensive income for the year ended March 31, 2021	-	-	438.82	(0.16)	438.66
Share based payments	-	0.34	-	-	0.34
Balance at March 31, 2021	0.09	3.81	2,383.91	(1.01)	2,386.80

JSW ENERGY (BARMER) LIMITED

Notes to the financial statements for the year ended March 31, 2021

Note No. - 17 Borrowings

₹ crore

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non- current	Current	Non- current
Measured at amortised costs				
A. Borrowings (Secured):				
(a) Term Loans				
(i) From banks	70.00	1,337.22	326.06	1,667.03
(ii) From financial institutions	19.00	33.45	19.00	52.45
Less: Unamortised Borrowing Costs (refer note no. 3.3 (XV))				
(i) From banks	(2.06)	(3.30)	(2.67)	(5.50)
(ii) From financial institutions	(0.03)	(0.03)	(0.05)	(0.06)
Less: Current maturities of long term debt (Included in Other Financial Liabilities)	(86.91)	-	(342.34)	-
(b) Cash Credit	25.01	-	-	-
(c) Working Capital Demand Loan	25.00	-	-	-
Total Secured Borrowings	50.01	1,367.34	-	1,713.92
B. Unsecured Borrowings	-	-	-	-
Total Unsecured Borrowings	-	-	-	-
Total Borrowings carried at amortised cost	50.01	1,367.34	-	1,713.92

Details of Loan Security

Rupee Term Loans mentioned in (A) above are secured on a pari passu basis by

A. Rupee Term Loan included in above aggregating of ₹ 1,039.72 crore (Previous Year ₹ 1,558.09 crore) are secured by a first ranking pari passu charge/ mortgage over the following assets.

a) All the tangible, intangible, immovable and movable assets both present and future, b) All revenues and receivables, operating cash flows, cash in hand, commissions c) All the rights, titles and interest in respect of all project assets and in all project documents/contracts/licenses including insurance contracts and d) all the Bank Accounts in relation to the project.

B. Rupee Term Loan included in above aggregating of ₹ 367.50 crore (Previous Year ₹ 435 crore) are secured by a second ranking pari passu charge/ mortgage over the following assets.

a) all the immovable and movable assets (excluding current assets) both present and future, b) all rights, titles and interests in respect of all project assets and in all project documents/contracts/licenses including insurance contracts and c) all the Bank Accounts in relation to the project.

C) Rupee Term Loan Mentioned in a-(ii), amounting to ₹ 52.45 crore (Previous Year ₹ 71.45 crore) are secured by a first ranking pari passu charge/ assignment/ security interest and mortgage over the following assets.

a) All the tangible, intangible, immovable and movable assets including receivables both present and future, b) all rights, titles and interests in respect of all project assets and in all project documents/contracts/licenses including insurance contracts c) pledge of 26% fully paid equity share capital d) contractor

Cash Credit and Working Capital Demand Loan mentioned in (A) above are secured on a pari passu basis by

Cash Credit Facility amounting to ₹ 25.01 crore (Previous Year ₹ NIL) and Working Capital Facility amounting to ₹ 25.00 crore (Previous Year ₹ NIL) is secured by way of pari-passu charge on all movable and immovable assets of the company including 30% pledge of shares of JSWEBL.

Terms of Repayment:

Particulars	As at March 31, 2021	As at March 31, 2020
From Banks :		
2 - 3 Years	724.61	679.61
4 - 5 Years	612.61	722.11
6 - 10 Years	-	265.31
Total Borrowings from Banks	1,337.22	1,667.03
From Financial Institutions :		
2 - 3 Years	33.45	38.00
4 - 5 Years	-	14.45
Total Borrowings from Financial Institutions	33.45	52.45

a) Rupee Term loan mentioned in (A)-(i) amounting to ₹ 1,039.72 crore (Previous Year ₹ 1,558.09 crore) is repayable in 22 structured quarterly instalments (Previous Year 30 installments) from June 2022 to September 2027 (Previous Year from June 2020 to September 2027) (4 quarterly instalments payable for the financial year 2021-22 has been prepaid during the year).

b) Rupee Term loan mentioned in (A)-(i) amounting to ₹ 367.50 crore (Previous Year ₹ 435 crore) is repayable in 15 structured quarterly instalments (Previous Year 19 installments) from June 2021 to December 2024 (Previous Year from June 2020 to December 2024).

c) Rupee Term loan mentioned in (A)-(ii) amounting to ₹ 52.45 crore (Previous Year ₹ 71.45 crore) is repayable in 11 structured quarterly instalments(Previous Year 15 installments) from June 2021 to December 2023 (Previous Year from June 2020 to December 2023).

JSW ENERGY (BARMER) LIMITED

Notes to the financial statements for the year ended March 31, 2021

Note No.- 18 Other financial liabilities (Current)

₹ crore

Particulars	As at March 31, 2021	As at March 31, 2020
Current Liabilities		
(a) Current maturities of long-term debt ¹	86.91	342.34
(b) Liability towards sharing of truing up & Fuel price adjustment	482.20	352.24
(c) Interest accrued but not due on borrowings	1.54	15.29
(d) Security deposits	0.10	0.14
(e) Payable towards capital expenditure	2.20	13.76
TOTAL	572.95	723.77
1) Refer note 17 for the details of borrowings repayment terms and security charge.		

JSW ENERGY (BARMER) LIMITED

Notes to the financial statements for the year ended March 31, 2021

Note No. - 19 Provisions

₹ crore

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non- Current	Current	Non- Current
(a) Provision for gratuity ¹	1.51	6.62	1.56	5.53
(b) Provision for compensated absences ¹	1.01	7.67	0.64	4.64
TOTAL	2.52	14.29	2.20	10.16

1) Refer note 38 for the details of defined benefit plan and defined contribution plan of the Company.

Note No. - 20 Trade payables

₹ crore

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non- Current	Current	Non- Current
(a) Total outstanding dues of micro, small & medium enterprises	8.36	-	3.59	-
(b) Total outstanding dues of creditor other than micro, small & medium enterprises ¹	181.98	-	241.53	-
TOTAL	190.34	-	245.12	-

1) Refer Note 46 for disclosure under Micro, Small and Medium Enterprises Development Act.

Note No.- 21 Other non current and current liabilities

₹ crore

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non- Current	Current	Non- Current
(a) Advance received from customers	1.40	-	1.03	-
(b) Statutory dues	4.60	-	5.25	-
TOTAL	6.00	-	6.28	-

JSW ENERGY (BARMER) LIMITED

Notes to the financial statements for the year ended March 31, 2021

Note No. -22 Revenue from operations

₹ crore

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Revenue from sale of power	2,783.47	2,644.63
(b) Revenue from Deviation Settlement Mechanism (DSM)	3.56	10.35
Less :		
(i) Revenue adjustment towards sharing of truing up & fuel price adjustment	(129.97)	(68.57)
(ii) Revenue adjustment towards Tariff adjustments as per RERC Orders and other Authorities Orders	-	(27.73)
(iii) Cash Discount /Rebate	(1.35)	(4.65)
Revenue from sale of power	2,655.71	2,554.03
(c) Late Payment Surcharge received from beneficiaries	9.23	43.47
TOTAL	2,664.94	2,597.50

Note No. -23 Other income

₹ crore

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Interest Income		
(i) On Loans given	56.76	56.76
(ii) On Bank deposits ¹	0.05	0.00
(iii) On others ²	0.00	1.71
(b) Other Income		
(i) Net gain on sale of Current investments	9.37	2.55
(ii) Net gain on fair valuation of Current investments through profit or loss	0.08	0.09
(iii) Write back of Creditors outstanding related to capitalised assets ³	13.04	-
(iv) Operating Lease Rent Income	0.19	0.20
(v) Miscellaneous income	0.02	0.12
TOTAL	79.51	61.43

1) Interest Income on Bank Deposits is less than ₹ 50,000 in previous financial year.

2) Other Interest Income is less than ₹ 50,000 in current financial year.

3) During the year, Company has written back project creditors liability of ₹ 13.04 crore and the said amount was disallowed by Rajasthan Electricity Regulatory Commission while approving total Project cost of ₹ 5,928.64 crore vide Order dated 24th February, 2016.

JSW ENERGY (BARMER) LIMITED

Notes to the financial statements for the year ended March 31, 2021

Note No.- 24 Fuel costs

₹ crore

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Opening stock	62.34	66.15
(b) Add: Purchases ¹	1,565.35	1,382.29
	1,627.69	1,448.44
(c) Less: Closing stock	122.79	62.34
Cost of Fuel Consumed	1,504.90	1,386.10

1. In previous financial year, purchases includes impact of ₹ 211.95 crore on account of increase in price of lignite for financial year 2017-18 as per RERC orders and (-) ₹107.56 on account reduction in price of Lignite for consequent impact of Excise duty refund to BLMCL for the period Oct 2011 to June 2017 .

Note No. -25 Employee benefits expense

₹ crore

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Salaries and wages	60.88	62.63
(b) Contribution to provident and other funds ¹	3.93	4.72
(c) Share-based payments ²	0.34	0.69
(d) Staff welfare expenses	3.22	2.84
TOTAL	68.37	70.88

1) Refer note 38 for the details of defined benefit plan and defined contribution plan of the Company.

2) Refer note 39 for the details of disclosure of employee stock options plans of the Company.

Note No. -26 Finance costs

₹ crore

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Interest expense		
(i) Interest on rupee term loan	147.22	179.31
(ii) Interest on loans from related party	-	33.29
(iii) Interest on working capital loan	0.11	0.80
(b) Other borrowing costs	4.54	8.39
TOTAL	151.87	221.79

JSW ENERGY (BARMER) LIMITED

Notes to the financial statements for the year ended March 31, 2021

Note No. -27 Other expenses

₹ crore

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Stores and spares consumed	19.96	26.64
(b) Power & water	42.46	28.03
(c) Rent	0.60	0.55
(d) Repairs and maintenance	45.97	45.72
(e) Shared services expenses	2.09	3.09
(f) Rates and taxes	2.08	1.20
(g) Insurance charges	9.26	5.10
(h) Net loss on foreign currency transactions ¹	0.00	0.00
(i) Auditors' Remuneration ²	0.64	0.55
(j) Legal and other professional charges	2.71	3.18
(k) Travelling expenses	4.97	5.61
(l) Loss on sale/discard of property, plant and equipment	0.17	0.07
(m) Corporate social responsibility expenses ³	6.73	6.06
(n) Safety & security expenses	3.38	5.15
(o) Branding expenses	7.64	7.71
(p) Donation ⁴	-	15.00
(q) Other general expenses	3.59	3.92
TOTAL	152.25	157.58

1) Net loss on foreign currency transactions is less than ₹ 50,000 in current year and previous year.

2) Refer Note no 44 for Auditors' Remuneration

3) Refer Note no 43 for Corporate Social Responsibility expenditure incurred by Company.

4) In previous financial year, Company has paid donation of ₹ 15.00 crore to an Electoral Trust

Note No. -28 Tax expense

₹ crore

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Current tax	89.53	81.93
(b) Deferred tax	(6.18)	(90.49)
(c) Deferred tax payable in future tariff	6.18	90.49
TOTAL	89.53	81.93

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

Note no. 29 Critical accounting judgements and key sources of estimation uncertainty

In the course of applying the policies outlined in all notes under note number 3 above, the Group is required to make judgements, estimates and assumptions about the carrying amount 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 on-going 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 period, if the revision affects current and future periods.

Critical judgements in applying accounting policies

Revenue recognition

The Group has evaluated the provisions of Ind AS 115 for recognition of revenue and considered reasonably certain to recognise revenue based on its tariff petition filed with the regulator and adhoc tariff given by Regulatory body, Rajasthan Electricity Regulatory Commission.

Classification of BLMCL as a Joint Venture

BLMCL is a limited liability company having separate legal identity. Furthermore, there is no contractual arrangement or any other facts and circumstances that indicate that the parties to the joint arrangement have rights to the assets and obligation for the liabilities of the joint arrangement. Accordingly, keeping in view that decisions about the relevant activities of BLMCL contractually requires unanimous consent of both the parties irrespective of their share in voting rights, it is classified as a joint venture of the Group.

Key sources of estimation uncertainties

- **Useful lives and residual value of property, plant and equipment**

Management reviews the useful lives and residual values of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

- **Impairment of property plant and equipment**

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment 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).

Recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is usually determined on the basis of discounted estimated future cash flows. This involves management estimates on anticipated commodity prices, market demand and supply, economic and regulatory environment,

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

discount rates and other factors. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of assets.

- **Contingencies**

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised.

- **Shared based payments**

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. This requires a reassessment of the estimates used at the end of each reporting period.

- **Tax**

The Group is subject to tax, principally in India. The amount of tax payable in respect of any period is dependent upon the interpretation of the relevant tax rules. Whilst an assessment must be made of deferred tax position of each entity within the Group, these matters are inherently uncertain until the position of each entity is agreed with the relevant tax authorities.

Note no.- 30 Revenue recognition

- a. During the year, the Parent Company has recognized the revenue from sale of power based on the adhoc interim tariff allowed by Rajasthan Electricity Regulatory Commission (RERC) vide Order dated April 23, 2020. The Company has provided impact of truing up and provision for fuel price adjustment amounting to ₹ 129.97 crore (previous year ₹ 52.12 crore) based on RERC Regulation.

In previous year Parent Company had made additional provision of ₹ 16.45 crore against Income tax reimbursement for financial years 2016-17 to 2018-19 on account of eligibility for Income tax refund as per books of account.

The above is subject to adjustment as per final tariff determination by RERC.

- b. In previous year, RERC had passed an Order dated June 13, 2019 for determining the Aggregate Revenue Requirement (ARR) and Tariff for the financial years 2018-19. Based on the RERC Order, the Company has provided the impact against said order and reversed the provision of ₹ 0.35 crore for efficiency gain and fuel price adjustment. The above tariff is further subject to adjustment on account of final determination of transfer price of lignite.
- c. In previous year, RERC had passed a Consequential Order dated June 24, 2019 in reference to APTEL order dated December 05, 2018, determining variable charges revision for the Financial Year 2017-18 with increase from ₹ 2.089/KWH to ₹ 2.307/KWH.

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Based on above said RERC Order, the Company has raised supplementary invoice of ₹ 133.40 crore to Discoms along with reversal of Fuel price adjustment and Truing up provision of ₹ 79.49 crore i. e. Net increase in the revenue of ₹ 212.89 crore

The above tariff is further subject to adjustment on account of final determination of transfer price of lignite.

- d. In the previous year, BLMCL had received refund of excise duty of ₹ 107.56 crore from tax department which was deposited during period Oct 2011 to June 2017 under protest on differential price viz petition vs invoice price.

For above said refund to BLMCL, the Parent Company had booked receivable ₹ 107.56 crore from BLMCL and correspondingly made a provision for payable to Discoms with ₹ 107.56 crore.

- e. Against RERC Order on First Year's tariff, the Parent Company had filed an appeal before the APTEL. APTEL had allowed the appeal in favor of the Company. Rajasthan Discoms had filed a review petition, which was dismissed by the APTEL. Against APTEL Order, Rajasthan Discoms had filed a second appeal before Supreme Court and the same is pending. The adjustment of ₹ 166.79 crore, will be made as and when the matter is finally settled.
- f. Against reduction of Station Heat Rate (SHR) in RERC Order, Parent Company had filed an appeal before APTEL and same is under hearing in APTEL. The adjustment, if any required, will be made as and when the matter is finally settled. Impact of reduced SHR is ₹ 60.68 crore till financial year 2017-18.
- g. The Parent Company's appeal is pending before Supreme Court for FY 2012-13 against APTEL Order dated November 20, 2015 against certain capital expenditure.

The Parent Company's appeals are also pending before Appellate Tribunal of Electricity, New Delhi (APTEL) against the RERC Orders for FY 2009-2010 to 2013-14 & For FY 2014-15 to FY 2016-17 against certain capital expenditure and other aspects not considered by them.

- h. Details of Revenue from Contract with Customers

₹ crore

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Total Revenue from Contract with Customers as mentioned above	2,787.03	2,654.98
Add: Rebate on prompt payment	(1.35)	(4.65)
Less Other adjustments [Refer note no 30 (a) - (g)]	(129.97)	(96.30)
Add: Late Payment surcharge	9.23	43.47
Net Revenue from Contract with Customers as per contracted price	2,664.94	2,597.50

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

- i. **Others: Ad-hoc/Interim tariff-**As per the implementation agreement between Government of Rajasthan and Parent Company, the sale price of lignite by Joint Venture Company 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 Joint Venture Company is yet to be approved by RERC), RERC has allowed only adhoc/interim transfer prices for Parent Company'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 Parent Company and subject to adjustment, once the final tariff is determined by RERC.

Note no.- 31 Investment in Joint Venture & Fellow Subsidiary Company

a. Details of material Joint Venture

Name of joint venture	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest / voting rights held by the Company	
			As at March 31, 2021	As at March 31, 2020
Barmer Lignite Mining Company Limited	Lignite Mining	India	49.00%	49.00%

- b. **Summarised financial information of material 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 company for equity accounting purposes.

₹ crore

Barmer Lignite Mining Company Limited	As at March 31, 2021	As at March 31, 2020
Non-current assets	2,258.91	2,291.20
Current assets	468.07	526.63
Non-current liabilities	2,015.33	1,943.90
Current liabilities	649.95	851.62
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	44.56	0.71
Current financial liabilities (excluding trade payables and provisions)	252.16	441.32
Non-current financial liabilities (excluding trade payables and provisions)	2,015.33	1,943.90

₹ crore

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Revenue	1,196.93	862.32
Profit from continuing operations	40.02	2.65
Other comprehensive income for the year	-	-

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

Total comprehensive income for the year	40.02	2.65
The above profit for the year include the following:		
Depreciation and amortisation	58.98	44.33
Other income	14.77	16.19
Interest expense	185.27	190.47
Income tax expense	28.55	14.44

c. Subordinate debt to Barmer Lignite Mining Company Limited

Parent Company had given a subordinated loan of ₹ 567.64 crore (as at 31st March, 2020 ₹ 567.64 crore) to Barmer Lignite Mining Company Limited (“BLMCL”), a joint venture of JSW EBL. Such 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 have been certain delays in payment of interest of ₹ 286.18 crore (as at 31st March, 2020 ₹ 352.59 crore) by BLMCL as certain clarifications were sought by Comptroller and Auditor General of India (CAG) from Government of Rajasthan (GoR) which have since been provided by GoR, and BLMCL can make interest payment on the aforesaid loan. JSW EBL also has right to convert the accrued interest into interest bearing subordinated loan at any point of time. In lieu of the expected approval of entire capital cost and lenders approval already received, expected credit loss allowance of ₹ 32.69 crore towards the accrued interest has been carried in consolidated financial statements. (Refer note 9)

d. Unsecured Perpetual debt to JSW Future Energy Ltd. (fellow subsidiary company)

During the year, the Company has made an investment of unsecured Perpetual debt of ₹ 300.00 crore (Previous year – NIL) to JSW Future Energy Limited, a fellow subsidiary company. 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

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

Note no.- 32- Financial Instruments: Classifications and fair value measurements

This note provides information about how the Parent Company determines fair values of various financial assets and financial liabilities (which are measured at fair value through profit or loss).

Fair value hierarchy of Financial Assets/ Liabilities	Valuation technique(s) and key input(s)
Level 1	Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2	Discounted cash flow at a discount rate that reflects the issuer's current borrowing rate at the end of the reporting period.
Level 3	Income approach – the discounted cash flow method was used to capture the present value of the expected future economic benefits to be derived from the ownership of these investees.

Fair value of financial assets and financial liabilities

The management consider that the carrying amounts of current financial assets and financial liabilities recognised in the financial statements approximate their fair values.

₹ crore

As at March 31, 2021	Carrying amount	Fair value	Level 1	Level 2	Level 3
Financial assets					
Current Investments	90.36	90.36	90.36		
Loans & advances	567.64	567.64			567.64
Security deposits	5.61	5.61			
Interest Receivable on Sub-Ordinate Debt	286.18	286.18			286.18
Less : Allowances for Expected Credit Loss	(32.69)	(32.69)			(32.69)
Interest accrued on deposits, loans and others	0.01	0.01			
Trade receivables (including unbilled revenue)	854.69	854.69			
Cash and cash equivalents	168.05	168.05			
Bank balances other than Cash and cash equivalents	0.04	0.04			
Investment in Equity Shares	9.80	9.80			
Investments in unsecured perpetual debt	300.00	300.00			
Total Financial assets	2,249.69	2,249.69	90.36	-	821.13
Financial liabilities					
Borrowings	1,504.26	1,504.26			1,504.26
Trade Payables	190.34	190.34			

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

Liability towards sharing of truing up (gain)/Loss & Fuel price adjustment	482.20	482.20			
Creditors Capex	2.20	2.20			
Short term Deposits	0.10	0.10			
Interest accrued but not due on borrowings	1.54	1.54			
Total Financial liabilities	2,180.64	2,180.64	-	-	1,504.26

₹ crore

As at March 31, 2020	Carrying amount	Fair value	Level 1	Level 2	Level 3
Financial assets					
Current Investments	190.33	190.33	190.33		
Loans & advances	567.64	567.64			567.64
Security deposits	5.64	5.64			
Interest Receivable on Sub-Ordinate Debt	352.59	352.59			352.59
Less : Allowances for Expected Credit Loss	(32.69)	(32.69)			(32.69)
Interest accrued on deposits, loans and others	1.71	1.71			
Trade receivables (including unbilled revenue)	935.48	935.48			
Cash and cash equivalents	0.34	0.34			
Bank balances other than Cash and cash equivalents	0.04	0.04			
Investment in Equity Shares	9.80	9.80			
Total Financial assets	2,030.88	2,030.88	190.33	-	887.54
Financial liabilities					
Borrowings	2,056.26	2,056.26			2,056.26
Trade Payables	245.12	245.12			
Liability towards sharing of truing up (gain)/Loss & Fuel price adjustment	352.24	352.24			
Revenue adjustment towards Capital Cost reduction	-	-			
Creditors Capex	13.76	13.76			
Short term Deposits	0.14	0.14			
Interest accrued but not due on borrowings	15.29	15.29			
Total Financial liabilities	2,682.81	2,682.81	-	-	2,056.26

The fair values of the financial assets and financial liabilities included in the level 2 and level 3 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

Capital management

The Parent 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 Parent 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 Parent 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 Parent Company is not subject to any externally imposed capital requirements.

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

The Group monitors its capital using **Gearing ratio**, which is net debt divided to total equity as given below:

Particulars	₹ crore	
	As at March 31,2021	As at March 31,2020
(i) Debt	1,504.26	2,056.26
(ii) Cash and cash equivalents	(258.46)	(190.71)
Net debt (i-ii)	1,245.80	1,865.55
Total equity	4,112.85	3,673.85
Net debt to equity ratio	0.30	0.51

(i) Debt is defined as long-term and short-term borrowings

(ii) Cash and cash equivalents Includes cash and cash equivalents, balances in bank deposits (other than earmarked deposits) and investments in mutual fund as described in note 14A, note 14B and note 7B.

Net Debt Reconciliation

Particulars	₹ crore	
	As at March 31,2021	As at March 31,2020
Opening Balance of Debt	2,064.54	2,462.98
Proceeds from borrowings	50.01	450.00
Repayment of borrowings	(604.87)	(848.44)
Closing balance of debt	1,509.68	2,064.54
Unamortised borrowing costs	(5.42)	(8.28)
Balance of debt at the end of year (net of unammortised cost)	1,504.26	2,056.26
Cash and bank balances	(258.46)	(190.71)
Net debt net of cash and bank balance	1,245.80	1,865.55

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

Financial risk management objectives

The Parent 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 Parent Company. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Parent 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 Parent Company's policies approved by the board of directors, which provide written principles on foreign exchange and commodity price risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Parent Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Foreign currency risk management

The Parent Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters. The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below.

The carrying amounts of the Parent Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follow

As at March 31, 2021

Financial Liabilities	USD	EURO	₹ crore
Non-current liabilities			
Long term borrowings	-	-	-
Trade and other payables and acceptances			
Trade payables - Other than acceptances	2,280	-	0.02
Other current financial liabilities			
Current maturities of long-term debt	-	-	-
Interest accrued but not due on borrowings	-	-	-
Total financial liabilities (A)	2,280	-	0.02
Financial Assets	USD	EURO	₹ crore
Current assets			
Other advances	-	-	-
Total financial assets (B)	-	-	-
Excess of financial liabilities over financial assets (A-B)	2,280	-	0.02

JSW Energy (Barmer) Limited
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As at March 31, 2020

Financial Liabilities	USD	EURO	₹ crore
Non-current liabilities			
Long term borrowings	-	-	-
Trade and other payables and acceptances			
Trade payables - Other than acceptances	6,957	-	0.05
Other current financial liabilities			
Current maturities of long-term debt	-	-	-
Interest accrued but not due on borrowings	-	-	-
Total financial liabilities (A)	6,957	-	0.05
Financial Assets	USD	EURO	₹ crore
Current assets			
Other advances	-	-	-
Total financial assets (B)	-	-	-
Excess of financial liabilities over financial assets (A-B)	6,957	-	0.05

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 Parent Company's exposure to the risk of changes in market interest rates relates primarily to the Parent Company's long-term debt obligations with floating interest rates. The risk is managed by the Parent Company 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 Parent Company's fixed and floating rate borrowings:

Particulars	₹ crore	
	As at March 31, 2021	As at March 31, 2020
Fixed rate borrowings-LIC	52.45	71.45
Floating rate borrowings	1,407.22	1,993.08
Total borrowings	1,459.67	2,064.53

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Parent Company's profit for the year ended March 31, 2020 would decrease/increase by ₹ 8.33 Crore (for the year ended March 31, 2019: decrease/increase by ₹ 9.33 Crore). This is mainly attributable to the Parent Company's exposure to interest rates on its variable rate borrowings.

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

Credit risk management

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

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

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 Parent Company's short-term, medium-term and long-term funding and liquidity management requirements. The Parent Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The table below provides details regarding the remaining contractual maturities of financial liabilities as on reporting date.

As at March 31, 2021

	₹ crore			
Particulars	< 1 year	1-5 years	> 5 years	Total
<u>Non-current liabilities</u>				
Long term borrowings	-	1,370.67	-	1,370.67
Total Non-Current Liabilities	-	1,370.67	-	1,370.67
<u>Current Liabilities</u>				
Trade Payables	190.34	-	-	190.34
<u>Other current financial liabilities</u>				
Current maturities of long-term debt	89.00	-	-	89.00
Cash Credit	25.01			25.01
Working Capital Demand Loan	25.00	-	-	25.00
Truing up and Fuel Price adjustment Provision	482.20	-	-	482.20
Interest accrued but not due on borrowings	1.54	-	-	1.54
Security Deposits	0.10	-	-	0.10
Capital Creditors	2.20	-	-	2.20
Total current liabilities	815.39	-	-	815.39
Total Financial Liabilities	815.39	1,370.67	-	2,186.06
<u>Non- Current Assets</u>				
Non-current investment	-	-	309.80	309.80
Long term loans and advances	-	-	567.64	567.64

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

Other advances	-	5.61	-	5.61
Total Non-current Assets	-	5.61	877.44	883.05
Current assets				
Investments in Mutual Funds	90.36	-	-	90.36
Trade receivables(including unbilled revenue)	854.69	-	-	854.69
Cash and cash equivalents	168.05	-	-	168.05
Bank Balances other than above	0.04	-	-	0.04
Interest accrued on others	0.01	-	-	0.01
Interest accrued on loans to related parties	286.18	-	-	286.18
Less : Allowances for Expected Credit Loss	(32.69)	-	-	(32.69)
Total current assets	1,366.64	-	-	1,366.64
Total Financial Assets	1,366.64	5.61	877.44	2,249.69

As at March 31, 2020

₹ crore

Particulars	< 1 year	1-5 years	> 5 years	Total
<u>Non-current liabilities</u>				
Long term borrowings	-	1,454.17	265.31	1,719.48
Total Non-Current Liabilities	-	1,454.17	265.31	1,719.48
<u>Current Liabilities</u>				
Trade Payables	245.12	-	-	245.12
<u>Other current financial liabilities</u>		-	-	
Current maturities of long-term debt	342.34	-	-	342.34
Truing up and Fuel Price adjustment Provision	352.24	-	-	352.24
Interest accrued but not due on borrowings	15.29	-	-	15.29
Security Deposits	0.14	-	-	0.14
Capital Creditors	13.76	-	-	13.76
Total current liabilities	968.89	-	-	968.89
Total Financial Liabilities	968.89	1,454.17	265.31	2,688.37
<u>Non- Current Assets</u>				
Non-current investment	-	-	9.80	9.80
Long term loans and advances	-	-	567.64	567.64
Other advances	-	5.64	-	5.64
Total Non-current Assets	-	5.64	577.44	583.08
Current assets				
Investments in Mutual Funds	190.33	-	-	190.33
Trade receivables (including unbilled revenue)	935.48	-	-	935.48
Cash and cash equivalents	0.34	-	-	0.34
Bank Balances other than above	0.04	-	-	0.04
Interest accrued on others	1.71	-	-	1.71

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

Interest accrued on loans to related parties	352.59	-	-	352.59
Less : Allowances for Expected Credit Loss	(32.69)	-	-	(32.69)
Total current assets	1,447.80	-	-	1,447.80
Total Financial Assets	1,447.80	5.64	577.44	2,030.88

Regulatory risk management

Fuel Prices risk management

Lignite has been considered as main fuel for the Parent Company. Parent Company has entered into Fuel Supply Agreement with Joint Venture Company for Lignite supply from the captive lignite mines of Kapurdi and Jalipa Mines. The interruption in the supply of Lignite due to regulatory changes, weather conditions, strike by mine workers and closure of mines due to force majeure can impact the availability and/or cost of Lignite.

The Parent Company regularly broadens the sources (vendors) and maintains optimum fuel and stock level.

Power Offtake risk management

Parent Company has signed Power Purchase Agreement (PPA) with Jaipur Vidyut Vitaran Nigam (Procuree 1), Ajmer Vidyut Vitaran Nigam (Procuree 2) and Jodhpur Vidyut Vitaran Nigam (Procuree 3) for sale of entire electrical output for the period of 30 years till March 15, 2043.

Note no.- 33 Trade receivable

The average credit period allowed to customers is in the range of 30-45 days. Major customers of the Parent Company are government bodies (DISCOM). Concentration of credit risk is minimal due to the fact that the customer base largely consists of Government bodies (DISCOM).

Trade receivables disclosed above include amounts (see below for aged analysis) that are past due at the end of the reporting period for which the Parent Company has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable.

Allowances, if any, for doubtful debts are recognised against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position. In determining the allowances for doubtful trade receivables, the Parent Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

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

Age of receivables

₹ crore		
Particulars	As at March 31, 2021	As at March 31, 2020
Within the credit period (30 Days)	449.45	413.72
1-30 days past due	103.52	180.20
31-60 days past due	77.08	69.02
61-90 days past due	73.22	63.85
91-180 days past due	83.20	140.47
181-365 days past due	-	-
More than one year		
>1 year to 2 year	-	-
More than 2 years to 3 years	-	68.22
More than 3 years	68.22	-
Total Trade Receivables	854.69	935.48

Trade Receivables, unsecured and considered good and recoverable includes ₹ 68.22 Crore (Previous year ₹ 68.22 crore) towards interest and rebate adjusted by Discoms but not accepted by the Parent Company. Matter is pending with Appellate Tribunal. The Parent Company has filed petition before RERC/APTEL for recovery of the above dues management is confident to recover the said amount.

Note no. 34- Deferred tax assets (liabilities)

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

₹ crore			
Particulars	As at March 31, 2020	Recognised / (reversed) through profit or loss / OCI / equity	As at March 31, 2021
Property plant & equipment	(357.85)	(61.08)	(418.94)
Borrowings	(2.89)	0.99	(1.90)
MAT credit	398.84	66.27	465.12
Payable in future tariff	(38.10)	(6.18)	(44.28)

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

Note no. 35- Income tax

The income tax expense for the year can be reconciled to the accounting profit as follows

Particulars	₹ crore	
	For the year ended March 31,2021	For the year ended March 31, 2020
Profit before Tax	511.21	467.68
Enacted tax rate	34.94	34.94
Computed Expected tax expense	178.64	163.43
Tax effect due to tax holiday	(97.46)	(87.58)
Effect of non-deductible expenses	2.35	2.45
Effect of taxes (recoverable)/ payable in future tariff	6.18	90.49
Tax pertaining to earlier period	(0.14)	18.50
Tax effect due to change in tax rate	-	(105.41)
Others	0.03	0.05
Income Tax Expense	89.53	81.93

Note no.- 36 Operating segment

The Chief Operating Decision Maker (CODM) evaluates the Parent Company's performance and allocates resources based on an analysis of various performance indicators, however only for one segment viz. "Generation and Sale of power". Hence the Parent Company does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

Note no.- 37 Earnings Per Share (EPS)

	For Year ended March 31, 2021	For Year ended March 31, 2020
Profit attributable to equity holders of the parent company [₹ crore] [A]	438.82	413.79
Weighted average number of Equity shares for basic & diluted EPS [B]	1,72,60,50,000	1,72,60,50,000
Earnings Per Share - Basic & Diluted [₹] - [A/B]	2.54	2.40
Nominal value of an equity share [₹]	10	10

Note no.- 38 Employee benefit plans

Defined contribution Plans-Provident Fund

The Company has certain defined contribution plans in which both employee and employer contribute monthly at the rate of 12% of basic salary as per regulations to provident fund set up as trust and to the respective regional provident fund commissioner. The company which contributes to the provident fund

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

set up as a trust are liable for future provident fund benefits to the extent of its annual contribution and any shortfall in fund assets based on government specified minimum rates of return relating to current period service and recognises such contributions and any shortfall, if any, as an expense for the year incurred.

Company contribution to provident fund and other funds of ₹ 2.85 crore (Previous Year ₹ 3.07 crore)

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.

Contribution to Defined Contribution Plans, recognised in Statement of Profit and Loss, for the year is as under:

Particulars	For Year ended March 31, 2021	For Year ended March 31, 2020
Employer's Contribution to Provident Fund	2.15	2.49
Employer's Contribution to National Pension Scheme	0.70	0.58

The Employer established provident fund trust was surrendered to the provident fund authorities w.e.f 1st January, 2021 and correspondingly, the employees provident fund balances lying with the provident fund trust were transferred to the respective employee's accounts with provident fund authorities.

Defined benefits plans- Gratuity

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

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

The plans in India typically expose the Parent Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

JSW Energy (Barmer) Limited
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Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to market yields at the end of the reporting period on government bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in equity securities and debt instruments.
Interest risk	A 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.
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.
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.

The risk relating to benefits to be paid to the dependents of plan members (widow and orphan benefits) is re-insured by an external insurance company. No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at March 31, 2021 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.

Changes in the present value of the defined benefit obligation are, as follows

	₹ crore
Defined benefit obligation at 31 March 2019	6.47
Interest cost	0.50
Current service cost	0.69
Liability Transferred In/Out (Net) from Group company	0.24
Benefits paid	(0.18)
Actuarial (Gains)/Loss	0.27
Defined benefit obligation at 31 March 2020	7.99
Interest cost	0.55
Current service cost	0.77
Liability Transferred In/Out (Net) from Group company	(0.03)
Benefits paid	(0.57)
Actuarial (Gains)/Loss	(0.27)
Defined benefit obligation at 31 March 2021	8.44

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

Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2021

₹ crore

Particulars		Defined Benefit Obligation	Fair Value of Plan assets	Benefit Liability
Gratuity cost charged to profit or loss	Opening Balance as on April 01, 2020	7.99	0.91	7.08
	Net Liability/(Asset) Transfer In (out)	(0.03)	-	(0.03)
	Service cost	0.77	-	0.77
	Net interest expense	0.55	0.06	0.48
	Sub-total included in profit or loss	9.29	0.97	8.31
Remeasurement gains/(losses) in other comprehensive income	Benefits paid	(0.57)	(0.57)	-
	Return on plan assets (excluding amounts included in net interest expense)	-	(0.09)	0.09
	Actuarial changes arising from changes in demographic assumptions	-	-	-
	Actuarial changes arising from changes in financial assumptions	0.02	-	0.02
	Experience adjustments	(0.29)	-	(0.29)
	Sub-total included in OCI	(0.85)	(0.66)	(0.19)
Contributions by employer		-	-	-
Closing Balance as on March 31, 2021		8.44	0.32	8.12

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

₹ crore

Particulars		Defined Benefit Obligation	Fair Value of Plan assets	Benefit Liability
Gratuity cost charged to profit or loss	Opening Balance as on 1st April 19	6.47	1.03	5.44
	Net Liability/(Asset) Transfer In (out)	0.24	-	0.24
	Service cost	0.69	-	0.69
	Net interest expense	0.50	0.08	0.42
	Sub-total included in profit or loss	7.90	1.11	6.79
Remeasurement gains/(losses) in other	Benefits paid	(0.18)	(0.18)	-
	Return on plan assets (excluding amounts included in net interest expense)	-	(0.02)	0.02

JSW Energy (Barmer) Limited
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comprehensive income	Actuarial changes arising from changes in demographic assumptions	0.13	-	0.13
	Actuarial changes arising from changes in financial assumptions	0.75	-	0.75
	Experience adjustments	(0.61)	-	(0.61)
	Sub-total included in OCI	0.09	(0.20)	0.29
	Contributions by employer	-	-	-
	Closing Balance as on 31st March 20	7.99	0.91	7.08

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

Particulars	India Plan	
	March 31,2021	March 31,2020
Insurer Managed Funds	100%	100%

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

Particulars	March 31,2021	March 31,2020
Expected Return on Plan Assets	6.82%	7.79%
Discount rate	6.82%	6.84%
Future salary increases	6.00%	6.00%
Rate of Employee Turnover	3.00%	3.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08) Ultimate	

A quantitative sensitivity analysis for significant assumption is as shown below

Particulars	₹ crore	
	March 31,2021	March 31,2020
Delta Effect of +1% Change in Rate of Discounting	(0.78)	(0.79)
Delta Effect of -1% Change in Rate of Discounting	0.92	0.93
Delta Effect of +1% Change in Rate of Salary Increase	0.92	0.92
Delta Effect of -1% Change in Rate of Salary Increase	(0.80)	(0.80)
Delta Effect of +1% Change in Rate of Employee Turnover	0.06	0.06
Delta Effect of -1% Change in Rate of Employee Turnover	(0.06)	(0.07)

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

Maturity Analysis of Projected Benefit Obligation: From the Fund

Particulars	₹ crore	
	March 31,2021	March 31,2020
1st Following year	0.49	0.43
2nd Following year	0.37	0.29
3rd Following year	0.31	0.30
4th Following year	0.45	0.31
5th Following year	0.40	0.43
Sum of years 6 to 10	4.17	3.05
Sum of Years 11 and above	13.14	14.34
Total expected payments	19.30	19.15

The average duration of the defined benefit plan obligation at the end of the reporting period is 13 years (31 March 2020: 14 years).

Note no. 39- Share- Based Payments

The Group has the share option plan schemes for permanent employees of the group in the identified grades of employees for respective plans / schemes including any director except promoter or independent directors, nominee directors and non-executive directors or a director who either himself or through relatives or through anybody directly or indirectly holds more than 10% of the outstanding equity shares of the parent company.

A. For Normal Options - 'JSWEL EMPLOYEES STOCK OWNERSHIP PLAN - 2016' (ESOP Plan)

The award value shall be determined as percentage of Total Fixed Pay. The grant shall be at such price as may be determined by the ESOP Committee and shall be specified in the Grant letter. The option shall not be transferable and can be exercised only by the employees of the Group.

The number of options to be granted to each eligible employee is determined by dividing the Award Value (amount equivalent to percentage of Annual Fix Pay) by the Fair Value of option provided. The Fair Value of option on the date of each grant is determined by using Black Scholes model.

Movements during the year- The following table illustrates the number movements in share options during the year

Normal Option under ESOP (Grant date: May 3, 2016)	March 31, 2021	March 31, 2020
Outstanding at 1 April	35,715	1,48,236
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	35,715	1,12,521
Expired during the year	-	-
Outstanding at 31 March	-	35,715
Exercisable at 31 March	-	35,715
Vesting Period	3 & 4 Years	
Method of Settlement	Cash	

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

Exercise Price (₹)	53.68
Average Fair Value (₹)	30.78
Dividend yield (%)	20.00%
Average Expected volatility (%)	45.18%
Average Risk-free interest rate (%)	7.44%
Expected life of share options/SARs (years)	5 & 6 Years
Weighted average share price (INR)	67.10
Model used	Black-Scholes Method

Normal Option under ESOP (Grant Date: May 19, 2017)	March 31, 2021	March 31, 2020
Outstanding at 1 April	1,21,982	2,15,251
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	53,626	93,269
Expired during the year	-	-
Outstanding at 31 March	68,356	1,21,982
Exercisable at 31 March	68,356	1,21,982
Vesting Period	3 & 4 Years	
Method of Settlement	Equity	
Exercise Price (₹)	51.80	
Average Fair Value (₹)	28.88	
Dividend yield (%)	20.00%	
Average Expected volatility (%)	44.50%/45.16%	
Average Risk-free interest rate (%)	6.90%/6.98%	
Expected life of share options/SARs (years)	5/6 years	
Weighted average share price (INR)	64.75	
Model used	Black-Scholes Method	

Normal Option under ESOP (Grant Date: November 1, 2018)	March 31, 2021	March 31, 2020
Outstanding at 1 April	3,73,261	4,07,650
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	34,389
Expired during the year	1,08,244	-
Outstanding at 31 March	2,65,017	3,73,261
Exercisable at 31 March	2,65,017	3,73,261
Vesting Period	3 & 4 Years	
Method of Settlement	Equity	
Exercise Price (₹)	51.96	

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

Average Fair Value (₹)	37.99
Dividend yield (%)	20.00%
Average Expected volatility (%)	44.50%/45.16%
Average Risk-free interest rate (%)	6.90%/6.98%
Expected life of share options/SARs (years)	5/6 years
Weighted average share price (INR)	64.95
Model used	Black-Scholes Method

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

Note no.- 40 Commitments

₹ crore

Particulars	As at March 31,2021	As at March 31,2020
Commitments to contribute funds for the acquisition of property, plant and equipment -Capital Commitments (net of advances)	30.88	2.52
Capital Commitment arising from the interest in joint venture	0.08	26.06
	32.96	15.32

Note no.- 41 Contingent Liabilities

₹ crore

Particulars	As at March 31,2021	As at March 31,2020
Disputed taxes/duties (including penalty and interest levied up to the date of demand and excluding further amount leviable, if any)	0.43	0.51
Regulatory arrangements (Refer note no -30 (e), 30 (f) and 33).	295.68	295.68

₹ Crore

Particulars	As at March 31,2021	As at March 31,2020
Contingent liabilities of the joint venture	65.69	53.38
The Parent Company's share in the contingent liability	65.69	53.38

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

Note no. 42- Related party disclosure

I. List of Related Parties with whom the Company has entered into transactions during the year:

I	Holding Company
1	JSW Energy Limited
II	Enterprises over which key management personnel and relatives of such personnel exercise significant influence
1	JSW Steel Limited
2	South West Mining Limited
3	JSW Foundation
4	JSW IP Holdings Private Limited
5	JSW Global Business Solutions Limited
6	Jindal Steel and Power Limited
7	Jindal Saw Limited
8	Jindal Stainless (Hisar) Limited
9	Jindal Stainless Limited
10	Everbest Consultancy Services
11	JanaKalyan Electoral Trust
12	JSW Future Energy Limited
13	JSW Paints Private Limited
14	Jaigad Power Transco Limited
III	Joint Venture Company
1	Barmer Lignite Mining Company Limited (JV)
IV	Joint Venture-Partner
1	Rajasthan State Mines and Minerals Limited (RSMML)
IV	Key Managerial Personnel
1	Mr. Nirmal Kumar Jain-Chairman (up to May 19, 2020)
2	Mr. Prashant Jain - Chairman
3	Mr. Sharad Mahendra (up to June 9, 2020)
4	Mr. Jyoti Kumar Agarwal -Director (up to September 15, 2020)
5	Mr. Pritesh Vinay -Director (from September 16, 2020)
6	Mr. Aditya Agarwal-Whole Time Director (up to September 15, 2020)
7	Mr. Ashesh Kumar Padhy – Whole Time Director (from September 16, 2020)
8	Ms. Sheila Sangwan-Independent Director (up to October 30, 2019)
9	Mr. Sunil Dutt Vyas -Independent Director (up to September 18, 2020)
10	Ms. Shailaja Chandra, Independent Director (up to June 17, 2019)
11	Mr. Rakesh Nath, Independent Director (upto July 22, 2020)
12	Ms. Rupa Devi Singh (from January 18, 2020)
13	Mr. Naresh Bhansali – Company Secretary & Chief Financial Officer (up to May 30, 2019)
14	Mr. Raj Kumar Sharma – Company Secretary & Chief Financial Officer (w.e.f. October 31, 2019)

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

II. Nature and volume of transactions with Related Parties during the year:

₹ crore

A	Transaction during the year	For the Year ended March 31, 2021	For the Year ended March 31, 2020
1	Purchase of Lignite (Fuel)		
	Barmer Lignite Mining Company Limited	1,539.16	1,360.53
2	Purchase of Limestone (Fuel)		
	Rajasthan State Mines & Mineral Limited	9.38	8.30
3	Purchase of Goods		
	JSW Steel Limited	0.32	0.51
	Jindal Steel & Power Limited	-	0.12
	Jindal Saw Limited	-	0.11
	JSW Energy Limited	1.71	(0.01)
	JSW Paints Private Limited	0.02	-
	Jindal Stainless Limited	1.35	1.43
4	Service Received		
	South West Mining Limited	0.72	0.81
	JSW Global Business Solutions Private Limited	2.09	3.09
	Everbest Consultancy Services	0.01	0.02
	Jaigad Power Transco Limited	0.02	-
5	Branding expense		
	JSW IP Holdings Private Limited	7.64	7.71
6	Amounts paid/(received) on behalf of JSWEBL by Holding Company /Other Related Party		
	JSW Energy Limited (Net)	8.96	8.53
	South West Mining Limited (Net)	0.62	0.51
	JSW Steel Limited	1.94	1.76
7	Amounts paid on behalf of Joint Venture/Other Related Party by JSWEBL		
	Barmer Lignite Mining Company Limited	2.38	2.29
8	CSR Expenses		
	JSW Foundation	6.71	2.71
9	Other Income -Lease Rent of Land /Plant Machinery		
	JSW Steel Limited	0.18	0.19
	South West Mining Limited	0.02	0.02
10	Perpetual debts		
	JSW Future Energy Limited	300.00	-
11	Interest Income subordinate loan given		

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

	Barmer Lignite Mining Company Limited	56.76	56.76
12	Unsecured Loan (Net of Loan taken & repaid)		
	JSW Energy Limited (Long Term Loan)	-	(567.64)
13	Interest Expenses on Loan		
	JSW Energy Limited	-	33.29
14	Donation		
	JanaKalyan Electoral Trust	-	15.00

III. Closing balance of Related Parties as at March 31, 2021:

		₹ crore	
B	Closing Balances	As at March 31, 2021	As at March 31, 2020
1	Trade (Payables) / Receivables (Net)		
	JSW Energy Limited	(1.47)	(4.14)
	JSW Steel Limited	(0.50)	(1.59)
	Barmer Lignite Mining Company Limited	(134.31)	(197.49)
	South West Mining Limited	0.13	(0.72)
	JSW Inspire Institute of Sports	-	(0.00)
	JSW Global Business Solutions Private Limited	-	(0.44)
	JSW IP Holdings Private Limited	(1.66)	(0.12)
	Everbest Consultancy Services	-	(0.01)
	JSW Paint Private Limited	(0.01)	-
	Rajasthan State Mines & Mineral Limited	(0.09)	-
2	Advance to Vendors		
	Rajasthan State Mines & Mineral Limited	-	0.50
	Jindal Steel & Power Limited	0.03	0.03
	Jindal Stainless (Hisar) Limited	0.00	0.00
	Jindal Stainless Limited	0.00	0.03
	JSW Global Business Solutions Private Limited	0.09	-
3	Deposit With		
	JSW IP Holdings Private Limited	0.45	0.45
4	Equity Share Capital		
	JSW Energy Limited	1,726.05	1,726.05
5	Investment in Equity Shares		
	Barmer Lignite Mining Company Limited	9.80	9.80
6	Loan Given		
	Barmer Lignite Mining Company Limited	567.64	567.64
7	Interest Receivable on Subordinate Loan		
	Barmer Lignite Mining Company Limited	286.18	352.59
8	Perpetual debts		
	JSW Future Energy Limited	300.00	-
9	Bank Guarantee given by related party for Debt Service Reserve Account		
	JSW Energy Limited	29.22	29.22

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

IV. Remuneration of directors and other members of key management personnel during Financial Year 2020-21

₹ crore			
Sr. no	Transaction during the year	For the Year ended March 31, 2021	For the Year ended March 31, 2020
1	Short-term benefits	2.08	1.58
2	Post-employment benefits	0.07	0.06
3	Sitting Fees	0.05	0.09
4	Total (1 to 3)	1.73	1.73

The above figures do not include provisions for gratuity and leave entitlement as the same is not determinable.

Notes:

- (i) Neither any amount in respect of related parties have been written off / written back during the financial year, nor has any provision been made for doubtful debts / receivables during the financial year, except as disclosed above.
- (ii) Related party relationships have been identified by the management and relied upon by the Auditors.
- (iii) Related party transactions have been disclosed on basis of value of transactions in terms of the respective contracts.
- (iv) Terms and conditions of sales and purchases: the sales and purchases transactions among the related parties are in the ordinary course of business based on normal commercial terms, conditions, market rates and memorandum of understanding signed with the related parties. For the year ended 31st March, 2020, the Parent Company has not recorded any loss allowances for transactions between the related parties.

Note no.- 43 Details of Corporate Social Responsibility (CSR) Expenditure

₹ crore		
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Amount required to be spent as per Section 135 of the Act	6.73	6.06
Amount spent during the year on :		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	6.73	6.06

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

Note no.- 44 Remuneration to Auditors (Including Taxes)

₹ crore

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Audit Fees	0.52	0.44
Tax Audit Fees	0.07	0.08
Certification Fees	0.04	0.01
Reimbursement of Expenses	0.01	0.02

Note no.- 45 Disclosure under Micro, Small and Medium Enterprises Development Act

Outstanding of Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Parent Company

₹ crore

Sr. No.	Particulars	As at March 31,2021	As at March 31,2020
1	Principal amount outstanding	8.36	3.59
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	-	-

Above outstanding of MSME parties is as per maximum timeline defined by MSMED Act

Note no.- 46 Impact of COVID-19:

The Group has continued its operations during lockdown due to outbreak of COVID-19 as the electricity generation is considered as one of the essential services by the Government. The Group 100% generation Capacity is tied up under long term power purchase agreements, which insulates revenue of the Group under such contracts. The notices of applying force majeure clause under the power supply agreements from the customers have been appropriately responded under legal advice that the prevailing situation is outside the ambit of force majeure clause. This position is further supported by clarification from Ministry of Power that the Discoms will have to comply with obligation to pay fixed

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

capacity charges as per the power purchase agreement. Based on initial assessment, the Management does not expect any medium to long-term impact on the business of the Group. The Group has evaluated the possible effects on the carrying amounts of property, plant and equipment, goodwill, inventory, loans, receivables and debt covenants basis the internal and external sources of information and determined, exercising reasonable estimates and judgements, that the carrying amounts of these assets are recoverable. Having regard to above, and the Group's liquidity position, there is no uncertainty in meeting financial obligations over the foreseeable future.

Note no- 47 Disclosure of additional information as required by Division II of Schedule III of the Companies Act, 2013.

Name of the entity in the Company	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	₹ crore	As % of consolidated profit and loss	₹ crore	As % of consolidated other comprehensive income	₹ crore	As % of total comprehensive income	₹ crore
Parent Company-JSW Energy (Barmer) Limited								
As at 31 March, 2021	100%	4,112.84	100%	438.81	100%	(0.16)	100%	438.66
As at 31 March, 2020	100%	3,673.85	100%	413.79	100%	(0.24)	100%	413.55
Joint Venture Company-Barmer Lignite Mining Company Limited								
As at 31 March, 2021	1.50%	61.69	3.91%	17.15	-	-	3.91%	17.15
As at 31 March, 2020	0.61%	22.31	6.78%	28.04	-	-	6.78%	28.04

Note no. 48- The Code on Social Security, 2020 ('the Code') received presidential assent on September 28, 2020. However, the date on which the Code will come into effect has not yet been notified. The Company will assess the impact of the Code on its books of account in the period(s) in which the provisions of the Code becomes effective

Note no.- 49 The Parent Company is yet to receive balance confirmations in respect of certain financial assets and financial liabilities. The Management does not expect any material difference affecting the current year's financial statements due to the same.

JSW Energy (Barmer) Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2021

Note no.- 50 Previous year's figures have been regrouped / rearranged wherever necessary to confirm the current year's classification.

Signature for Notes to Accounts 1 to 50

For and on behalf of the Board of Directors

Pritesh Vinay
Director
[DIN 08868022]

Prashant Jain
Chairman
[DIN 01281621]

Place- Mumbai

Date-June 24, 2021

Raj Kumar Sharma

Company Secretary & Chief Financial Officer