



**Devendra Goyal & Associates**  
*Chartered Accountants*

3, National House, 1st Floor, 27, Raghunath Dadaji Street,  
Fort, Mumbai - 400 001. Tel: 2262 2675 / 2267 9029  
Telefax: 49742005 • Email : devendragoyal@rediffmail.com

**Independent Auditor's Report**

To  
**The Members**  
**JSW ENERGY (Kutehr) Limited**

**Report on the Financial Statements**

**Opinion**

We have audited the accompanying standalone financial statements of **JSW ENERGY (Kutehr) Limited** ("*the Company*"), which comprises the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, Statement of Changes in Equity and the Statement of cash flows for the year ended as on that date and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its loss, cash flows and changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period.

We have determined that there are no key audit matters to report in this regard.

### **Information Other than the Financial Statements and Auditor's report thereon**

The Company's Board of Directors is responsible for the other information. The Other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to the Board Report, but does not include the financial statement and our auditor's report thereon.

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

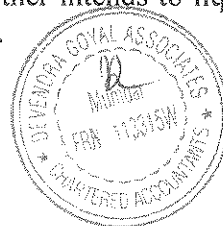
In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

### **Responsibility of Management for Financial Statements**

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



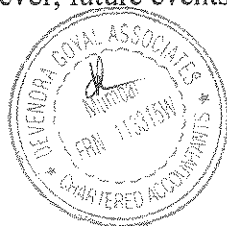
Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

### **Other Matter**

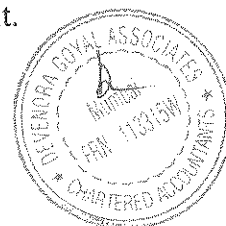
We draw attention to the following matters in the financial statements of the company:

In respect of various Capital suppliers, contractors, vendor's external confirmations of the balances are not available. Due to non-availability of confirmation of balances, we are unable to quantify the impact, if any, arising from the non-confirmation of balances.

Our opinion is not modified in respect of these matters.

### **Report on Other Legal and Regulatory Requirements**

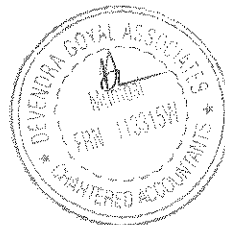
1. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss, Statement of change in equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, no remuneration was paid to the directors during the year.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any material pending litigations which would impact on its financial position in its financial statements.
  - ii. According to the books of account and records as produced and examined by us and the information and explanations given to us, there are no material foreseeable losses on long term contracts and derivative contracts and accordingly there is no applicability for making any provision for the same; and
  - iii. According to the books of account and records as produced and examined by us and the information and explanations given to us, there were no amounts required to be transferred to the investor education and protection fund by the Company.
  - iv.
    - a) The Management , have represented that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or

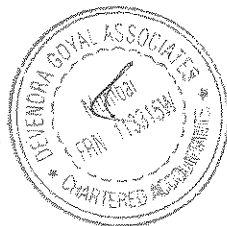


invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- b) The Management have represented that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Devendra Goyal & Associates**  
Chartered Accountants



**(D. K. Goyal)**  
Partner  
(Membership No.031243)  
FRN: 113315W  
UDIN: 22031243AJIDYN3044

Place: Mumbai  
Date: 30<sup>th</sup> April, 2022

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

Referred to in paragraph 1(f) under "Report on other legal and regulatory requirements" of our report to the members of JSW ENERGY (Kutehr) limited ('the company') for the year ended March 31, 2022.

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

We have audited the internal financial controls over financial reporting of JSW ENERGY (KUTHER) LIMITED ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

**Auditor's Responsibility**

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

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

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





### **Meaning of Internal Financial Controls over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Devendra Goyal & Associates**  
Chartered Accountants



**(D. K. Goyal)**

Partner

(Membership No.031243)

FRN: 113315W

UDIN: 22031243AJIDYN3044



Place: Mumbai

Date: 30<sup>th</sup> April, 2022



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

Referred to in paragraph 2 under "Report on other legal and regulatory requirements" of our report to the members of JSW ENERGY (Kutehr) Limited ('the company') for the year ended 31<sup>st</sup> March, 2022.

On the basis of such checks as were considered appropriate, to the best of our information and according to the explanations given to us during the course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.  
  
(B)The company has maintained proper records showing full particulars of Intangible Assets.
  - b) The Property, Plant and Equipment and right-of-use assets have been verified in accordance with a phased program designed to cover all assets once in three years. The frequency of verification is considered reasonable, having regard to the size of the Company and nature of its fixed assets. Pursuant to the program, Physical verification of Property, Plant and Equipment has been carried out by the Company during the year and no material discrepancies were noticed on such verification.
  - c) According to the information and explanations given to us and based on the records examined by us and based on the title deeds/ sale deed/ transfer deed comprising all the immovable properties of land which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as right of use assets in the financial statements, the lease agreements are in the name of the Company, where the Company is lessee in the agreement.
  - d) The Company has not revalued any of its Property, Plant and Equipment (including right of use assets) during the year.
  - e) No proceedings have been initiated during the year or are pending against the company as at 31<sup>st</sup> March, 2022 for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
- a) The Company has project inventory of Rs. 11.87 crores in the custody of contractors/ third party. According to the information and explanations given to us and based on our examination of the records physical verification of project inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification is appropriate; no major discrepancies for each class of inventory were noticed.



- b) The company has not been sanctioned working capital limits in excess of Rs. 5.00 crore, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii) (b) of the order is not applicable.
- iii. According to the information and explanation given to us, the Company has not made investments in or provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties., and hence reporting under clause 3(iii)(a) to ( f) of the Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, in respect of loans, investment, guarantees, securities the provision of section 185 and 186 of the Companies Act of 2013 have been complied with.
- v. According to the information and explanations given to us, the Company has not accepted any deposits and hence reporting under clause 3(v) of the Order is not applicable.
- vi. We have been informed that the Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Act in respect of business activities undertaken by the Company during the year. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii.
- a) According to the books of account and records as produced and examined by us in accordance with the generally accepted auditing practices in India, in our opinion, the Company has generally been regular in depositing undisputed statutory dues in respect of provident fund, employees state insurance, income tax, wealth tax, service tax, sales tax, customs duty, excise duty, value added tax, GST, cess and other material statutory dues applicable to the Company with appropriate authorities. According to the information and explanation given to us, no undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
- (b) The disputed statutory dues aggregating Rs. Nil that have not been deposited on account of disputed matters pending before appropriate authorities are as under:

Sr. No.	Name of the Statue	Nature of the dues	Amount(Rs.)	Period to which the amount relates.	Forum where dispute is pending.
NIL					

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income tax Act, 1961.



- ix.
- a) In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
  - b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix) (c) of the Order is not applicable.
  - d) On overall examination of financial statement of the company, unsecured demand loan of Rs. 146.32 crores raised during the year from ultimate holding company viz. JSW Energy Ltd has been used for long term purposes to meet project expenditure
  - e) On overall examination of financial statement of the company, the company has not taken any funds from person or entity on account of or to meet the obligations of its subsidiaries.
  - f) The Company does not have any subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix) (f) of the order is not applicable.

- x.
- a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x) (a) of The Order is not applicable.
  - b) According to the information and explanation given to us, the Company has made preferential allotment during the year to holding Company JSW Neo Energy Ltd and erstwhile holding company JSW Energy Hydro Limited which is in compliance with the requirement of Companies Act, 2013 and the amount raised has been used for the purpose for which the funds were raised.

- xi.
- a) During the course of our examination of the books of account and records of the company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.
  - b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and upto the date of this report.



- c) The company has not received any whistle blower complaints during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii. According to the information and explanations given to us, the provision of any Special Statute applicable to Nidhi Companies are not applicable to the company, the provisions of this clause are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records, all the transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 and all the details have been disclosed as required by the applicable Ind AS.
- xiv.
- a) In our Opinion the Company has an adequate internal audit system commensurate with the size and nature of its business.
- b) We have considered, the internal audit reports for the year under audit, issued to the company during the year till February 2022, in determining the nature, time and extent of our audit procedures.
- xv. According to the information and explanation given to us and based on our examination of the records of the Company has not entered into any non-cash transactions during the period with directors or persons connected with its directors and hence provision of section 192 of the companies Act, 2013 are not applicable to the company.
- xvi.
- a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a) of the Order is not applicable.
- b) The Company has not conducted any Non- Banking Financial or Housing Finance activities. Hence, reporting under clause 3(xvi) (b) of the Order is not applicable.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under clause 3(xvi) (c) of the Order is not applicable.
- d) We have been informed by the management that as per the definition of Group under Core Investment Companies (Reserve Bank) Directions 2016, there is one Core Investment Company (CIC) which is registered and three CICs which are not required to be registered with the Reserve Bank of India, forming part of the promoter group. forming part of the promoter group
- xvii. The Company has incurred cash losses of Rs. 16.35 lakhs during the. financial year covered by our audit and the immediately preceding financial year of Rs. 11.37 lakhs.





- xviii. There has been no resignation of the Statutory Auditors of the company during the year. Hence, reporting under clause 3(xviii) of the Order is not applicable
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of audit report indicating the company is not capable of meeting its liabilities existing at the date of balance sheet date as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx.
- a) Company is not covered under section 135 of the Companies Act, 2013, hence, reporting under clause 3(xx) (a) and (b) of the Order related to CSR is not applicable.

**For Devendra Goyal & Associates**  
Chartered Accountants



**(D. K. Goyal)**  
Partner  
(Membership No.031243)  
FRN: 113315W  
UDIN: 22031243AJIDYN3044



Place: Mumbai  
Date: 30<sup>th</sup> April, 2022

**JSW ENERGY (KUTEHR) LIMITED**  
**Balance Sheet as at 31st March, 2022**

( ₹ in Lakhs )

Particulars		Note No.	As at 31st March, 2022	As at 31st March, 2021
A	<b>ASSETS</b>			
1	<b>Non-current assets</b>			
	(a) Property, plant and equipment	4A	1,753.40	1,300.08
	(b) Capital work-in-progress	4B	73,364.16	37,851.05
	(c) Financial assets			
	(i) Other financial assets	5	2,615.33	46.33
	(d) Income Tax (Net)	6	10.06	1.41
	(e) Other non-current assets	7	20,367.29	13,829.23
	<b>Total non - current assets</b>		<b>98,110.24</b>	<b>53,028.10</b>
2	<b>Current assets</b>			
	(a) Inventories	8	1,186.98	-
	(b) Financial assets			
	(i) Cash and cash equivalents	9	547.94	514.36
	(ii) Other financial assets	5	55.36	0.58
	(c) Other current assets	7	2,182.42	2,085.57
	<b>Total current assets</b>		<b>3,972.70</b>	<b>2,600.51</b>
	<b>Total Assets (1+2)</b>		<b>1,02,082.94</b>	<b>55,628.61</b>
B	<b>EQUITY AND LIABILITIES</b>			
1	<b>Equity</b>			
	(a) Equity share capital	10A	79,800.00	45,681.50
	(b) Other equity	10B	(868.57)	(813.53)
	<b>Total equity</b>		<b>78,931.43</b>	<b>44,867.97</b>
2	<b>Current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	11	14,632.00	-
	(ii) Trade payables			
	(a) Total outstanding dues other than micro and small enterprises	12A	12.85	9.78
	(iii) Other financial liabilities	12B	8,344.78	10,695.49
	(b) Other current liabilities	13	161.88	55.37
	<b>Total current liabilities</b>		<b>23,151.51</b>	<b>10,760.64</b>
	<b>Total Equity and Liabilities (1+2)</b>		<b>1,02,082.94</b>	<b>55,628.61</b>

See accompanying notes to the standalone financial statements

As per our attached report of even date

**For Devendra Goyal & Associates**

Chartered Accountants

Firm Registration No.: 113315W

  
D. K. Goyal

Partner

M No. 031243



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

  
Perveen Puri

Whole Time Director

[DIN: 07532075]

  
Venkata Ramakumar  
Susarla

Director

[DIN: 08236325]

Place: Mumbai

Date: 30th April, 2022

**JSW ENERGY (KUTEHR) LIMITED**  
**Statement of Profit and Loss for the year ended 31st March, 2022**

( ₹ in Lakhs )

Particulars		Note No.	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
I	Revenue from operations		-	-
II	Other income	14	0.12	0.06
III	<b>Total income (I + II)</b>		<b>0.12</b>	<b>0.06</b>
IV	<b>Expenses</b>			
(a)	Depreciation and amortisation expenses	4A	38.69	11.57
(b)	Other expenses	15	16.44	11.41
	<b>Total expenses (IV)</b>		<b>55.13</b>	<b>22.98</b>
V	<b>Profit/(loss) before exceptional item and tax (III-IV)</b>		<b>(55.01)</b>	<b>(22.92)</b>
VI	Exceptional items		-	-
VII	<b>Profit before tax (V - VI)</b>		<b>(55.01)</b>	<b>(22.92)</b>
VIII	Tax Expense			
	Current tax	16	0.03	0.02
	Deferred tax		-	-
			0.03	0.02
IX	<b>Profit for the period (VII-VIII)</b>		<b>(55.04)</b>	<b>(22.94)</b>
X	Other comprehensive income		-	-
XI	<b>Total comprehensive income for the period ( X + XI )</b>		<b>(55.04)</b>	<b>(22.94)</b>
XII	Earnings per equity share of ₹ 10 each :			
	Basic		(0.01)	(0.01)
	Diluted		(0.01)	(0.01)


See accompanying notes to the standalone financial statements

As per our attached report of even date  
**For Devendra Goyal & Associates**  
Chartered Accountants  
Firm Registration No.: 113315W

  
**D. K. Goyal**  
Partner  
M No. 031243



For and on behalf of Board of Directors

  
**Perveen Puri**  
Whole Time Director  
[DIN: 07532075]

  
**Venkata Ramakumar  
Susarla**  
Director  
[DIN: 08236325]

Place: Mumbai  
Date: 30th April, 2022



**JSW ENERGY (KUTEHR) LIMITED**

**Statement of Cash Flows for the year ended 31st March, 2022**

( ₹ in Lakhs )

Particulars	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
<b>I CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit before Tax		(55.01)		(22.92)
Adjusted for:				
Depreciation and amortisation	38.69		11.57	
		38.69		11.57
Operating profit before working capital changes		(16.32)		(11.35)
Adjustment for:				
Decrease/(Increase) in Loan & Advances and Other Receivables	(127.62)		(2,100.07)	
Increase/(Decrease) in Trade payables & Other Liabilities	106.51		31.85	
(Decrease) / Increase in Inventories	(1,186.98)			-
Cash generated from operations		(1,208.09)		(2,068.22)
Direct taxes paid		(1,224.41)		(2,079.57)
NET CASH FLOW FROM OPERATING ACTIVITIES		(1,233.09)		(2,079.88)
<b>II CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of property, plant & equipment including CWIP and capital advances		(44,890.83)		(36,027.94)
Bank deposits not considered as cash and cash equivalent		(2,593.00)		(1.00)
NET CASH USED IN INVESTING ACTIVITIES		(47,483.83)		(36,028.94)
<b>III CASH FLOW FROM FINANCING ACTIVITIES</b>				
Equity Shares Issued		34,118.50		38,528.07
Borrowings Taken/(repaid) net		14,632.00		-
NET CASH FLOW FROM FINANCING ACTIVITIES		48,750.50		38,528.07
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (I+II+III)		33.58		419.25
CASH AND CASH EQUIVALENTS - OPENING BALANCE		514.36		95.11
CASH AND CASH EQUIVALENTS - CLOSING BALANCE		547.94		514.36

See accompanying notes to the standalone financial statements

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

As per our attached report of even date  
**For Devendra Goyal & Associates**  
 Chartered Accountants  
 Firm Registration No.: 113315W

For and on behalf of Board of Directors



**D. K. Goyal**  
 Partner  
 M No. 031243




**Perveen Puri**  
 Whole Time Director  
 [DIN: 07532075]



**Venkata Ramakumar  
 Susarla**  
 Director  
 [DIN: 08236325]

Place: Mumbai  
 Date: 30th April, 2022

## JSW ENERGY (KUTEHR) LIMITED

### Statement of Changes in Equity for the year ended 31st March, 2022

#### a. Equity share capital

( ₹ in Lakhs )

Balance at the 1st April, 2020	7,153.43
Changes in equity share capital during the FY 2020-21	38,528.07
Balance at the 1st April, 2021	45,681.50
Changes in equity share capital during the FY 2021-22	34,118.50
Balance at the 31st March, 2022	79,800.00

#### b. Other equity

( ₹ in Lakhs )

Particulars	Retained earnings	Items of other comprehensive	Total
Balance as at 1st April, 2021	(813.53)		(813.53)
Profit for the year	(55.04)		(55.04)
<b>Total comprehensive income for the year ended 31st March'22</b>	<b>(868.57)</b>	-	<b>(868.57)</b>

( ₹ in Lakhs )

Particulars	Retained earnings	Items of other comprehensive	Total
Balance at 1st April, 2020	(790.59)		(790.59)
Profit for the year	(22.94)	-	(22.94)
<b>Total comprehensive income for the year ended 31st March'21</b>	<b>(813.53)</b>	-	<b>(813.53)</b>

#### See accompanying notes to the standalone financial statements

As per our attached report of even date

**For Devendra Goyal & Associates**

Chartered Accountants

Firm Registration No.: 113315W

  
D. K. Goyal

Partner  
M No. 031243



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

  
Perveen Puri

Whole Time Director  
[DIN: 07532075]

  
Venkata Ramakumar  
Susarla  
Director  
[DIN: 08236325]

Place: Mumbai

Date: 30th April, 2022

# JSW Energy (Kutehr) Limited

## Notes to Financial Statements for the year ended March 31, 2022

### 1 General information

The financial statements of the company is prepared for the year ended March 31, 2022

The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. It forms part of JSW Energy company, and is a 100% subsidiary of JSW Neo Energy Limited. The registered office of the Company is located at Village - Machtetar, PO - Chanhota Tehsil - Bharmour Chamba Chamba HP 176309.

The Company is in the process of setting up 240 MW (3X80 MW), run-of-the-river, hydroelectric power project at kutehr, Himachal Pradesh.

The company has continued its project work during lockdown due to outbreak of COVID-19. Based on initial assessment, the Management does not expect any medium to long-term impact on the business of the Group. The Company has evaluated the possible effects on the carrying amounts of property, plant and equipment and Capital Work In Progress 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.

### 2 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standard (IND AS) notified under the Companies (Indian Accounting Standards) Rules as amended from time to time. The financial statements were approved for issue by the Board of Directors on 30th April, 2022.

#### 2.1 Recent accounting pronouncements:

The Ministry of Corporate Affairs (MCA) vide Notification dated 23th March, 2022 has issued new Companies (Indian Accounting Standard) Amendment Rules, 2022. Major amendments notified in the notification are provided below:

- (a) Ind AS 16 | Property, plant and equipment – The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022.
- (b) Ind AS 37 | Provisions, contingent liabilities and contingent assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted.
- (c) Ind AS 103 | Business combinations – The amendment adds a new exception in Ind AS 103 for liabilities and contingent liabilities.
- (d) Ind AS 109 | Financial instruments – The amendment clarifies which fees an entity includes when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

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

### 3 Significant accounting policies

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

a) In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its Financial Statements as per the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with companies (Indian Accounting Standards) Rules as amended from time to time. Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31st March, 2022, Statement of Profit and Loss, Statement of Cash Flows and Statement of Changes in Equity for the year ended 31st March, 2022, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Financial Statements").

b) The financial statements of the Company are prepared 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.

c) The financial statements are presented in Indian ` ('INR').

#### 3.2 Use of estimates & Judgements:

The preparation of the financial statements requires 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 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 18.







# JSW Energy (Kutehr) Limited

## Notes to Financial Statements for the year ended March 31, 2022

### 3.7 Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and demand deposits 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's cash management.

### 3.8 Revenue recognition:

#### Dividend and interest income:

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

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

### 3.9 Foreign currency transactions:

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

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

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

### 3.10 Taxation:

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

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

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. 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 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.

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

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

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

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 tax are recognised in profit or loss and there is no temporarily difference arises that is why deferred tax has not been calculated in F.Y.2021-22.



# JSW Energy (Kutehr) Limited

Notes to Financial Statements for the year ended March 31, 2022

## 3.11 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.

## 3.12 Provisions , Contingencies and commitments:

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

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

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

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

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 recognized 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.

## 3.13 Financial instruments:

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) 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 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 carried at fair value through profit or loss are 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:

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



# JSW Energy (Kutehr) Limited

Notes to Financial Statements for the year ended March 31, 2022

## 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 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 and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter 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.

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.

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.





# JSW Energy (Kutehr) Limited

## Notes to Financial Statements for the year ended March 31, 2022

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

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.

### 3.14 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.

#### 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.

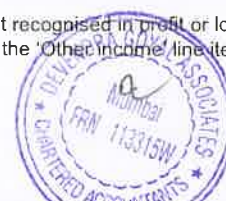
A financial liability is classified as held for trading if:

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

A financial liability other than a financial liability held for trading 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.



## JSW Energy (Kutehr) Limited

### Notes to Financial Statements for the year ended March 31, 2022

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 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 and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the 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 between 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.

#### 3.15 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
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.
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.



**JSW ENERGY (KUTEHR) LIMITED**

Notes to the financial statements for the year ended 31st March, 2022

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

( ₹ in Lakhs )

	Office Equipment	Furniture and Fixtures	Free Hold Land	Computer & Data Process Machine	Plant & machinery	Vehicles	Right of Use Assets	Total
<b>I. Gross carrying value</b>								
Balance as at 1st April, 2021	21.92	14.30	1,200.08	21.49	12.59	43.18	5.00	1,318.56
Additions	18.85	4.33	7.50	29.05	432.28	-	-	492.01
Disposals/Adjustment	-	-	-	-	-	-	-	-
<b>Balance as at the 31st March, 2022</b>	<b>40.77</b>	<b>18.63</b>	<b>1,207.58</b>	<b>50.54</b>	<b>444.87</b>	<b>43.18</b>	<b>5.00</b>	<b>1,810.57</b>
<b>II. Accumulated depreciation and impairment for the year 2020-21</b>								
Balance as at 1st April, 2021	8.14	1.91	-	5.99	0.48	1.79	0.17	18.48
Depreciation / amortisation for the year	5.32	1.63	-	11.36	15.28	4.10	1.00	38.69
<b>Balance as at the 31st March, 2022</b>	<b>13.46</b>	<b>3.54</b>	<b>-</b>	<b>17.35</b>	<b>15.76</b>	<b>5.89</b>	<b>1.17</b>	<b>57.17</b>
<b>Net carrying value as at 31st March, 2022 (I-II)</b>	<b>27.31</b>	<b>15.09</b>	<b>1,207.58</b>	<b>33.19</b>	<b>429.11</b>	<b>37.29</b>	<b>3.83</b>	<b>1,753.40</b>

	Office Equipment	Furniture and Fixtures	Free Hold Land	Computer & Data Process Machine	Plant & machinery	Vehicles	Right of Use Assets	Total
<b>I. Gross carrying value</b>								
Balance as at 1st April, 2020	12.85	7.20	1,174.31	10.85	4.39	13.25	-	1,222.85
Additions	9.07	7.10	28.75	10.64	8.20	29.93	5.00	98.69
Disposals/Adjustment	-	-	(2.98)	-	-	-	-	(2.98)
<b>Balance as at 31st March, 2021</b>	<b>21.92</b>	<b>14.30</b>	<b>1,200.08</b>	<b>21.49</b>	<b>12.59</b>	<b>43.18</b>	<b>5.00</b>	<b>1,318.56</b>
<b>II. Accumulated depreciation and impairment for the year 2020-21</b>								
Balance as at 1st April, 2020	4.88	1.04	-	0.71	0.04	0.24	-	6.91
Depreciation / amortisation for the year	3.26	0.87	-	5.28	0.44	1.55	0.17	11.57
<b>Balance as at 31st March, 2021</b>	<b>8.14</b>	<b>1.91</b>	<b>-</b>	<b>5.99</b>	<b>0.48</b>	<b>1.79</b>	<b>0.17</b>	<b>18.48</b>
<b>Net carrying value as at 31st March, 2021 (I-II)</b>	<b>13.78</b>	<b>12.39</b>	<b>1,200.08</b>	<b>15.50</b>	<b>12.11</b>	<b>41.39</b>	<b>4.83</b>	<b>1,300.08</b>



## JSW ENERGY (KUTEHR) LIMITED

Notes to the financial statements for the year ended 31st March, 2022

### Note No.4B - Capital work- in- progress

( ₹ in Lakhs )

Particulars	As at 31st March, 2022	As at 31st March, 2021
Pre- Operative expenditure during construction period (Pending allocation)	73,364.16	37,851.05

### Capital Work in Progress Ageing & Schedule

( ₹ in Lakhs )

As at 31st March, 2022	Amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in progress	35,513.11	11,076.74	24,595.68	2,178.63	73,364.16
<b>Total</b>	<b>35,513.11</b>	<b>11,076.74</b>	<b>24,595.68</b>	<b>2,178.63</b>	<b>73,364.16</b>

### Capital Work in Progress for projects whose completion is overdue

As at 31st March, 2022	To be completed in				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects	-		73,364.16	-	73,364.16
<b>Total</b>	<b>-</b>	<b>-</b>	<b>73,364.16</b>	<b>-</b>	<b>73,364.16</b>

### Capital Work in Progress Ageing & Schedule

As at 31st March, 2021	Amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in progress	11,076.74	24,595.68	9.72	2,168.91	37,851.05
<b>Total</b>	<b>11,076.74</b>	<b>24,595.68</b>	<b>9.72</b>	<b>2,168.91</b>	<b>37,851.05</b>

### Capital Work in Progress for projects whose completion is overdue

As at 31st March, 2021	To be completed in				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects	-	-		37,851.05	37,851.05
<b>Total</b>	<b>-</b>	<b>-</b>		<b>37,851.05</b>	<b>37,851.05</b>



**JSW ENERGY (KUTEHR) LIMITED**

Notes to the financial statements for the year ended 31st March, 2022

**Note 5. Other financial assets**

( ₹ in Lakhs )

Particulars	As at 31st March, 2022			As at 31st March, 2021		
	Current	Non- Current	Total	Current	Non- Current	Total
(a) Interest Receivable	55.36	-	55.36	0.58	-	0.58
(b) Security Deposits						
- Government Authorities	-	19.83	19.83	-	43.83	43.83
- Others	-	1.50	1.50	-	1.50	1.50
(c) Other Bank Balance						
-Fixed deposits / Margin money against security	-	2,594.00	2,594.00	-	1.00	1.00
<b>Total</b>	<b>55.36</b>	<b>2,615.33</b>	<b>2,670.69</b>	<b>0.58</b>	<b>46.33</b>	<b>46.91</b>





## JSW ENERGY (KUTEHR) LIMITED

Notes to the financial statements for the year ended 31st March, 2022

### Note 6. Income Tax assets (net)

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non-current	Current	Non-current
Tax deducted/collection at sources	-	10.13	-	1.45
Less Provision for Tax		(0.07)		(0.04)
<b>Total</b>	-	<b>10.06</b>	-	<b>1.41</b>



**JSW ENERGY (KUTEHR) LIMITED**

Notes to the financial statements for the year ended 31st March, 2022

**Note 7. Other Assets**

( ₹ in Lakhs )

Particulars	As at 31st March, 2022			As at 31st March, 2021		
	Current	Non- Current	Total	Current	Non- Current	Total
(a) Capital Advances	-	20,847.53	20,847.53	-	14,309.47	14,309.47
(b) Prepayments	2,084.47	-	2,084.47	2,084.47	-	2,084.47
(c) Others	0.79	-	0.79	1.10	-	1.10
(d) Input GST Receivable	97.16	-	97.16	-	-	-
Less						
(a) Provision for doubtful advance	-	(480.24)	(480.24)	-	(480.24)	(480.24)
<b>Total</b>	<b>2,182.42</b>	<b>20,367.29</b>	<b>22,549.71</b>	<b>2,085.57</b>	<b>13,829.23</b>	<b>15,914.80</b>





## JSW ENERGY (KUTEHR) LIMITED

Notes to the financial statements for the year ended 31st March, 2022

### Note 8. Inventories

( ₹ in Lakhs )

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Project Inventories	1,186.98	-
<b>Total</b>	<b>1,186.98</b>	<b>-</b>



## JSW ENERGY (KUTEHR) LIMITED

Notes to the financial statements for the year ended 31st March, 2022

### Note 9. Cash and cash equivalents

( ₹ in Lakhs )

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Cash and cash equivalents</b>		
(a) Balances with banks		
(i) In Current accounts	544.94	511.36
(b) Cash in Hand	3.00	3.00
<b>Total</b>	<b>547.94</b>	<b>514.36</b>



## JSW ENERGY (KUTEHR) LIMITED

Notes to the financial statements for the year ended 31st March, 2022

### Note No. 10A - Equity share capital

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	( ₹ in Lakhs )	No. of shares	( ₹ in Lakhs )
<b>Authorised:</b>				
Equity shares of Rs 10 each with voting rights	950,000,000	95,000.00	500,000,000	50,000.00
<b>Issued, Subscribed and Fully Paid:</b>				
Equity shares of Rs 10 each with voting rights	798,000,000	79,800.00	456,815,000	45,681.50
<b>Total</b>	<b>798,000,000</b>	<b>79,800.00</b>	<b>456,815,000</b>	<b>45,681.50</b>

1] The reconciliation of the number of shares outstanding at the beginning and at the end of the period:

Particulars	As at 31st March, 2022	As at 31st March, 2021
	No. of Shares	No. of Shares
Shares outstanding as at the beginning of the year	456,815,000	71,534,332
Add: Fresh Issue of Shares	341,185,000	385,280,668
Shares outstanding as at the end of the year	<b>798,000,000</b>	<b>456,815,000</b>

2] Disclosure of Share holding

Particulars	% of total shares	As at 31st March, 2022	As at 31st March, 2021
		No. of Shares	No. of Shares
<b>a) Details of Shareholding by Promoters</b>			
JSW Neo Energy Limited	100%	798,000,000	
JSW Hydro Energy Limited	100%		456,815,000
<b>b). Details of shareholding more than 5% of aggregate share in the company</b>			
JSW Neo Energy Limited	100%	798,000,000	
JSW Hydro Energy Limited	100%		456,815,000

3] Terms & Rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs 10/- share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company the share holder of equity share will be entitle to receive remaining assets of the company after distribution of all the preferential amount. However, no such preferential amount as at end of the year.

Note No. 10B- Other equity

Particulars	Retained earnings
Balance as at April 1, 2021	(813.53)
Profit / (Loss) for the year	(55.04)
Balance as at the 31st March, 2022	<b>(868.57)</b>

Particulars	Retained earnings
Balance at April 1, 2020	(790.59)
Profit / (Loss) for the year	(22.94)
Balance as at the March 31, 2021	<b>(813.53)</b>



## JSW ENERGY (KUTEHR) LIMITED

Notes to the financial statements for the year ended 31st March, 2022

### Note No. 11 - Borrowings

( ₹ in Lakhs )

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Current</b>		
Unsecured Borrowings:		
Loan taken from JSW Energy Limited*	14,632.00	-
<b>Total</b>	<b>14,632.00</b>	<b>-</b>

\*Interest free loan repayable on demand



**JSW ENERGY (KUTEHR) LIMITED**

Notes to the financial statements for the year ended 31st March, 2022

**Note 12A. Trade Payable**

( ₹ in Lakhs )

Particulars	As at 31st March, 2022			As at 31st March, 2021		
	Current	Non- Current	Total	Current	Non- Current	Total
(a) Total outstanding dues other than micro and small enterprises	-	-	-	-	-	-
(b) Total outstanding dues other than micro and small enterprises	12.85	-	12.85	9.78	-	9.78
<b>Total</b>	<b>12.85</b>	<b>-</b>	<b>12.85</b>	<b>9.78</b>	<b>-</b>	<b>9.78</b>

**Note 12B Other Financial liabilities**

( ₹ in Lakhs )

(a) Capital Payable	8,340.86	-	8,340.86	10,695.49	-	10,695.49
(b) Interest Accrued but not due	3.92	-	3.92	-	-	-
<b>Total</b>	<b>8,344.78</b>	<b>-</b>	<b>8,344.78</b>	<b>10,695.49</b>	<b>-</b>	<b>10,695.49</b>

**Trade Creditors Ageing**

( ₹ in Lakhs )

As at 31st March, 2022	Undisputed		Disputed	
	MSME	Others	MSME	Others
Outstanding for following periods from due date of payment				
Less than 1 year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Not due	-	-	-	-
Unbilled	-	12.85	-	-
<b>Total</b>	<b>-</b>	<b>12.85</b>	<b>-</b>	<b>-</b>

( ₹ in Lakhs )

As at 31st March, 2021	Undisputed		Disputed	
	MSME	Others	MSME	Others
Outstanding for following periods from due date of payment				
Less than 1 year	-	3.78	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Not due	-	-	-	-
Unbilled	-	6.00	-	-
<b>Total</b>	<b>-</b>	<b>9.78</b>	<b>-</b>	<b>-</b>



**JSW ENERGY (KUTEHR) LIMITED**

Notes to the financial statements for the year ended 31st March, 2022

**Note 13 Other Current Liabilities**

( ₹ in Lakhs )

Particulars	As at 31st March, 2022			As at 31st March, 2021		
	Current	Non- Current	Total	Current	Non- Current	Total
(i) Statutory Dues	161.88	-	161.88	55.37	-	55.37
<b>Total</b>	<b>161.88</b>	<b>-</b>	<b>161.88</b>	<b>55.37</b>	<b>-</b>	<b>55.37</b>



## JSW ENERGY (KUTEHR) LIMITED

Notes to the financial statements for the year ended 31st March, 2022

### Note 14. Other income

( ₹ in Lakhs )

Particulars	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
<b>Interest Income earned on financial assets that are not designated as at FVTPL</b>		
(a) Interest on bank deposits	0.12	0.06
<b>Total</b>	<b>0.12</b>	<b>0.06</b>





## JSW ENERGY (KUTEHR) LIMITED

Notes to the financial statements for the year ended 31st March, 2022

### Note 15. Other Expenses

( ₹ in Lakhs )

Particulars		For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
(i)	Auditors remuneration	12.51	7.08
(ii)	Legal and other professional fees	2.18	1.20
(iii)	Rates and taxes	1.75	3.13
<b>Total</b>		<b>16.44</b>	<b>11.41</b>



## JSW ENERGY (KUTEHR) LIMITED

Notes to the financial statements for the year ended 31st March, 2022

### Note 16. Tax Expense

( ₹ in Lakhs )

Particulars	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
Current Tax	0.03	0.02
<b>Total</b>	<b>0.03</b>	<b>0.02</b>



**JSW Energy (Kutehr) Limited**  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note no. 17 - Financial Ratios

Sr. No.	Particulars	For the year ended 31st March, 2022		For the year ended 31st March, 2021	Variance (%)	Reason for variance over 25%
		Numerator	Denominator			
1	<b>Current Ratio (in times)</b> (Current Assets / Current Liabilities)	3,973	23,152	0.17	-29%	Due to short term loan taken during the year ended 31st March 2022.
2	<b>Debt-Equity Ratio (in times)</b> (Total Borrowings / Net Worth)	14,632	78,931	0.19	NA	
3	<b>Debt Service Coverage Ratio (in times)</b> (Profit before Tax, Exceptional Items, Depreciation, Finance Charges / Finance Charges + Long Term Borrowings scheduled Principal repayments (excluding prepayments + refinancing) during the period). Finance Charges : Interest on Term Loans and Interest on Debentures	NA	NA	NA	NA	
4	<b>Return on Equity Ratio (%)</b> (Net profit after tax / Average Networth)	-55.04	61,899.70	-0.09%	-1%	
5	<b>Inventory Turnover (no. of days)</b> (Average Inventory / (Fuel Cost + Stores & Spares Consumed + Purchase of stock in trade)	NA	NA	NA	NA	
6	<b>Debtors Turnover (no. of days)</b> (Average Trade Receivables including unbilled revenue * No of days) / Revenue from operations)	NA	NA	NA	NA	
7	<b>Payables Turnover (no. of days)</b> (Average Trade payables including * No of days) / Cost of goods sold)	NA	NA	NA	NA	
8	<b>Net Capital Turnover (in times)</b> (Annual turnover / Shareholder's equity)	0.12	78,931.43	0.00	10%	
9	<b>Net Profit Margin (%)</b> (Net profit for the period / year / Total Income)					
10	<b>Return on Capital Employed (%)</b> (Profit after tax plus Interest on long term loans and debentures) / Average capital employed)	-55	69,216	-0.08%	-11%	
11	<b>Return on Investment (%)</b> (Profit generated on sale of investment / Cost of investment)	NA	NA	NA	NA	



## JSW Energy (Kutehr) Limited

Notes to Financial Statements for the year ended March 31, 2022

### 18 Critical accounting judgements and key sources of estimation uncertainty:

In the course of applying the policies outlined in all notes under section 3, 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 ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future periods.

#### *Critical judgements in applying accounting policies*

The management has reviewed all the transactions and not found any material changes in preparation of financial statements in accordance with Ind ASs notified.

#### *Key sources of estimation uncertainties*

##### **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.

##### **Fair value measurements**

Some of the company's assets and liabilities are measured at fair value for financial reporting purposes. The management determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the company engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

##### **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.



## JSW Energy (Kutehr) Limited

Notes to Financial Statements for the year ended March 31, 2022

### 19 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	Valuation technique(s) and key input(s)
Level 1	Quoted bid prices in an active market.
Level 2	Income approach – in this 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.
Level 3	Discounted cash flow at a discount rate that reflects the issuer's current borrowing rate at the end of the reporting period.

#### 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.

( ₹ in Lakhs )

As at 31/03/2022	Carrying amount	Fair value
<b>Financial assets</b>		
<b>Financial assets carried at amortised cost</b>		
Cash and cash equivalents	547.94	547.94
Other Financial asset	2,670.69	2,670.69
	<b>3,218.63</b>	<b>3,218.63</b>
<b>Financial liabilities</b>		
<b>Financial Liabilities carried at amortised cost</b>		
Payable for Trade supplies/services	12.85	12.85
Short Term Borrowings	14,632.00	14,632.00
Payable for capital supplies / services	8,340.86	8,340.86
Interest accrued but not due	3.92	3.92
	<b>22,989.63</b>	<b>22,989.63</b>

( ₹ in Lakhs )

As at 31/03/2021	Carrying amount	Fair value
<b>Financial assets</b>		
<b>Financial assets carried at amortised cost</b>		
Cash and cash equivalents	514.36	514.36
Other Financial asset	46.91	46.91
	<b>561.27</b>	<b>561.27</b>
<b>Financial liabilities</b>		
<b>Financial Liabilities carried at amortised</b>		
Payable for capital supplies / services	10,695.49	10,695.49
Payable for Trade supplies/services	9.78	9.78
	<b>10,705.27</b>	<b>10,705.27</b>

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 (Kutehr) Limited

Notes to Financial Statements for the year ended March 31, 2022

### 20 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 risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

### Liquidity risk management

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

( ₹ in Lakhs )

31.03.2022	< 1 year	1-5 years	> 5 years	Total
<b>Financial Liabilities</b>				
Payable for Trade supplies/services	12.85			12.85
Short Term Borrowings	14,632.00			14,632.00
Payable for capital supplies / services	8,340.86	-	-	8,340.86
Interest accrued but not due	3.92			3.92
<b>Total current liabilities</b>	<b>22,989.63</b>	<b>-</b>	<b>-</b>	<b>22,989.63</b>
<b>Financial assets</b>				
Cash and cash equivalents	547.94	-	-	547.94
Other Financial asset	55.36	2,615.33	-	2,670.69
<b>Total current assets</b>	<b>603.30</b>	<b>2,615.33</b>	<b>-</b>	<b>3,218.63</b>
<b>31.03.2021</b>	<b>&lt; 1 year</b>	<b>1-5 years</b>	<b>&gt; 5 years</b>	<b>Total</b>
<b>Financial Liabilities</b>				
Payable for capital supplies / services	10,695.49	-	-	10,695.49
Payable for Trade supplies/services	9.78			9.78
<b>Total current liabilities</b>	<b>10,705.27</b>	<b>-</b>	<b>-</b>	<b>10,705.27</b>
<b>Financial assets</b>				
Cash and cash equivalents	514.36	-	-	514.36
Other Financial asset	0.58	46.33	-	46.91
<b>Total current assets</b>	<b>514.94</b>	<b>46.33</b>	<b>-</b>	<b>561.27</b>



## JSW Energy (Kutehr) Limited

Notes to Financial Statements for the year ended March 31, 2022

### 21 Earnings per share:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit attributable to equity holders of the company: (In ₹)	(55.04)	(22.94)
Weighted average number of Equity shares for basic & diluted EPS	711,515,438	262,983,926
Earnings Per Share (In ₹) :		
- Basic	(0.01)	(0.01)
- Diluted	(0.01)	(0.01)

### 22 Commitments

( ₹ in Lakhs )

Particulars	As at 31st March, 2022	As at 31st March, 2021
Commitments to contribute funds for the acquisition of property, plant and equipment and Capital Work in progress (CWIP)	93,755.55	138,186.44
<b>Total</b>	<b>93,755.55</b>	<b>138,186.44</b>

### 23 Contingent liabilities

There are no contingent liabilities to be disclosed by the company.

### 24 Related party disclosure

#### I Holding Company

- 1 JSW Hydro Energy Limited (upto 14th March, 2022)
- 2 JSW Neo Energy Limited (with effect from 14th March, 2022)

#### II Key Managerial Personnel

- 1 Mr.Venkata Ramakumar Susarla – Director & Chief Financial Officer
- 2 Mr. Perveen puri - Wholetime Director
- 3 Ms. Monica Chopra - Non Executive Director
- 4 Mr. Sanjeev Kango-Company Secretary (upto 14th March, 2022)

#### III Other related parties with whom the company has entered into transactions during the year

- 1 JSW Steel Limited
- 2 Jindal Steel and Power Limited
- 3 JSW Ispat Special Products Ltd
- 4 JSW Foundation
- 5 JSW Paints Pvt Limited

#### IV Relative of Key Managerial Personnel - NA

#### V Subsidiaries of Associates and Joint Ventures – NA

#### VI Post Employment Benefit Plans – NA





## JSW Energy (Kutehr) Limited

Notes to Financial Statements for the year ended March 31, 2022

### B) Transaction with related Parties during the year / period :

( ₹ in Lakhs )

Sl.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1	<b>Unsecured Loan received / (repaid) (net)</b> JSW Energy Limited	14,632.00	-
2	<b>Purchase of Steel</b> JSW Steel Limited	1,736.35	280.65
	JSW Ispat Special Products Ltd	398.00	56.28
	JSW Paints Pvt Limited	-	0.64
	Jindal Steel and Power Limited	198.38	-
3	<b>Equity Share Capital</b> JSW Hydro Energy Limited	33,518.50	38,528.07
	JSW Neo Energy Limited	79,800.00	-
4	<b>Others</b> JSW Foundation	-	-
		-	8.98

### C) Closing Balances

( ₹ in Lakhs )

Sl.	Particulars	As at March 31, 2022	As at March 31, 2021
1	<b>Equity Share Capital</b> JSW Neo Energy Limited	79,800.00	-
	JSW Hydro Energy Limited	-	45,681.50
2	<b>Financial liabilities</b> JSW Energy Limited	14,632.00	8,000.00
3	<b>Financial Assets</b> Jindal Steel and Power Limited	193.24	-
	JSW Ispat Special Products Limited	-	214.00
	JSW Steel Limited	963.31	302.00



## JSW JSW Energy (Kutehr) Limited

Notes to Financial Statements for the year ended March 31, 2022

### 25 Disclosure under Micro, Small and Medium Enterprises Development Act:

The details of amounts outstanding to 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 are as under:

SI No	Particulars	As at March 31, 2022	As at March 31, 2021
1	Principal amount outstanding	-	-
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	-	-

### 26 Other Disclosure:-

- 1) Corporate Social Responsibility is not applicable.
- 2) Company has project inventory balance as on 31st March, 2022 of Rs. 1,186.98 lakhs

### 27 Other statutory information:

- i) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- ii) The Company does not have any immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) whose title deeds are not held in the name of the company.
- iii) The Company does not have any transactions with striking off companies.
- iv) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- v) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- viii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

### 28 Approval of financial statements:

The financial statements were approved for issue by the board of directors on 30th April, 2022.

For and on behalf of the Board of Directors



**Perveen Puri**  
Whole Time Director  
[ DIN : 07532075 ]



**Venkata Ramakumar Susarla**  
Director  
[DIN: 08236325]

Place : Mumbai  
Date : 30th April, 2022

