

**Independent Auditor's Report**

**To The Members of  
JSW Energy (Raigarh) Limited  
Report on the Audit of Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **JSW Energy (Raigarh) Limited** ("the Company"), which comprises of Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, 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 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 31st March 2022, and its losses, changes in equity and its cash flows 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 Act 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 audit opinion on the financial statements.

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

The Company's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Board's 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.

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



**Responsibilities of Management for the 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 other comprehensive income), 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 accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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.

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity'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 entity 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.

#### Report on Other Legal and Regulatory Requirements

1. Pursuant to the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-Section (11) of Section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 and records.
  - (c) The Balance sheet, the Statement of Profit & Loss (including other comprehensive income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.
  - (e) On the basis of the written representation received from the directors as on March 31, 2022 taken on records by the Board of Directors, none of the directors are disqualified as on March 31, 2022 from being appointed as a Directors in terms of Section 164(2) of the Act.

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 "B".

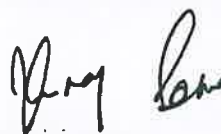
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:



During the year, the Company has not paid any remuneration to its directors, except for sitting fees.

- (g) With respect to the matters to be included in the Auditor's report in accordance with the 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 has disclosed the impact of pending litigations on its financial position in its financial statements. – Refer Note 19 to the financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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. (Refer Note no. 26 to the financial statements)
  - (b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer Note no. 26 to the financial statements)
  - (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) of The Companies (Audit and Auditors) Rules, 2014, as provided under (a) and (b) above, contains any material misstatement.
  - v. The Company has not declared or paid dividend during the financial year 2021-22. Accordingly, reporting under Rule 11 (f) of Companies (Audit and Auditors) Rules, 2014 is not applicable.

For Bagaria & Co. LLP  
Chartered Accountants  
Firm registration No. – 112017/0001400019



**Vinay Somani**  
Partner

Membership No. 143503  
UDIN: 22143503AIHVWF5488



Place: Mumbai  
Date: April 30, 2022

**Annexure "A" referred to in "Report on Other Legal and Regulatory Requirements" section of our report to the members of JSW Energy (Raigarh) Limited of even date:**

On the basis of our examination of the books and records of the Company carried out in accordance with the auditing standards generally accepted in India and according to the information and explanations given to us, we state that:

- i) a) The Company does not have any Property, plant and equipment and intangible assets and accordingly, reporting requirements of paragraph 3(i)(a),(b), (c) & (d) of the Order are not applicable to the Company.
- b) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. (Refer Note 26 to the financial statements)
- ii) a) The Company does not hold any inventory and accordingly, reporting requirements of paragraph 3(ii)(a) of the Order are not applicable to the Company.
- b) The Company has not been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets accordingly, reporting requirements of paragraph 3(ii)(b) of the Order are not applicable to the Company.
- iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the reporting requirements of clause 3(iii) of the Order are not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act to the extent applicable, with respect to the loans given, investments made and security provided.
- v) In our opinion and according to the information and explanations given to us, no deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder have been accepted by the Company. Accordingly, reporting requirements of paragraph 3(v) of the Order are not applicable to the Company.
- vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, in respect of the services rendered by the Company. Accordingly, reporting requirements of paragraph 3(vi) of the Order are not applicable to the Company.
- vii) a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, have been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> March, 2022 for a period of more than six months from the date they became payable.
- b) According to the information and explanations give to us and the records of the Company, there are no dues of income tax or goods and services tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited with the appropriate authorities on account of any dispute.



- viii) According to the records maintained by the Company and information and explanations given to us, there were no transactions relating 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. The Company has not taken any loan or other borrowings from any lender during the year and accordingly, reporting requirements of paragraph 3(ix)(a) of the Order are not applicable to the Company.
- b. The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority. (Refer note 26 to the financial statements)
- 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 accordingly, reporting requirements of paragraph 3(ix)(c) of the Order are not applicable to the Company.
- d. According to the information and explanations given to us and based on our examination of the records of the Company, the company has not raised any funds on a short-term basis and accordingly, reporting requirements of paragraph 3(ix)(d) of the Order are not applicable to the Company.
- e. The Company has not taken any funds from any entity or person of or to meet the obligations of its subsidiaries, associates or joint ventures, if so, details thereof with nature of such transactions and the amount in each case.
- f. The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the order is not applicable.
- x) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and accordingly, reporting requirements of paragraph 3(x) of the Order are not applicable to the Company.
- xi) a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing standards in India and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company by its officers or employees, 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 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) No whistle blower complaints have been received during the year by the Company.
- xii) The Company is not a Nidhi Company and hence, reporting under clause 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. Refer Note 20 to the financial statements.



- xiv) a) In our opinion, the Company has an internal audit system commensurate to the size of the Company and nature of its business.
- b) We have considered, the report of the internal auditors for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non- cash transactions with directors or persons connected with them as per the provisions of Section 192 of the Act. Accordingly, reporting requirements under paragraph 3(xv) of the Order 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. Accordingly, the provisions of clause 3(xvi) (a), (b) and (c) of the Order is not applicable to the Company.
- (b) 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.
- xvii) The Company has incurred cash losses of Rs.996.89 lakhs during the current financial year and Rs.1,040.74 lakhs in the immediately preceding financial year.
- xviii) There has been no resignation of statutory auditors of the Company during the year. Accordingly, reporting requirements under paragraph 3(xviii) of the Order are not applicable to the Company.
- xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing as at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet, will get discharged by the Company as and when they fall due.
- xx) There are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a fund specified in Schedule VII to the Companies Act in compliance with the second proviso to sub-section (5) of Section 135 of the said act. Accordingly, reporting under paragraph 3(xx) of the Order are not applicable to the Company.

Place: Mumbai  
Date: April 30, 2022

For Bagaria & Co. LLP

Chartered Accountants

Firm registration No. 11212/W/W-100019

Vinay Somani

Partner

Membership No. 143503

UDIN: 22143503AIHVWF5488



**Annexure "B" referred to in "Report on Other Legal and Regulatory Requirements" section of our report to the members of JSW Future Energy Limited of even date:**

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-Section 3 of Section 143 of the Act**

We have audited the internal financial controls over financial reporting of **JSW Energy (Raigarh) 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 component of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 deemed to be prescribed 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

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





unauthorised acquisition, use, or disposition of the entity's assets that could have a material effect on the financial statements and (4) also provide us reasonable assurance by the internal auditors through their internal audit reports given to the Company from time to time.

**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 best of our information and according to the explanations given to us, the Company has, broadly 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 Component 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 Bagaria & Co. LLP  
Chartered Accountants  
Firm registration No. – 1134477AN-100019



**Vinay Somani**  
Partner  
Membership No. 143503  
UDIN: 22143503AIHVWF5488

Place: Mumbai  
Date: April 30, 2022

**JSW Energy (Raigarh) Limited**  
**Balance Sheet as at March 31, 2022**

(₹ in lakh)

| Particulars |                                                                                           | Notes | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|-------------|-------------------------------------------------------------------------------------------|-------|-------------------------|-------------------------|
| <b>A</b>    | <b>ASSETS</b>                                                                             |       |                         |                         |
| 1           | <b>Non-current assets</b>                                                                 |       |                         |                         |
|             | (a) Property, plant and equipment                                                         | 4     | 2,378.93                | 2,378.93                |
|             | (b) Financial Assets                                                                      |       |                         |                         |
|             | (i) Other financial assets                                                                | 5     | 229.17                  | 229.17                  |
|             | (c) Other non-current assets                                                              | 6     | 3,328.29                | 4,328.29                |
|             | <b>Total non - current assets</b>                                                         |       | <b>5,936.39</b>         | <b>6,936.39</b>         |
| 2           | <b>Current assets</b>                                                                     |       |                         |                         |
|             | (a) Financial Assets                                                                      |       |                         |                         |
|             | (i) Cash and cash equivalents                                                             | 7     | 1.18                    | 3.25                    |
|             | (b) Other current asset                                                                   | 8     | 0.11                    | 0.11                    |
|             | <b>Total current assets</b>                                                               |       | <b>1.29</b>             | <b>3.36</b>             |
|             | <b>Total assets</b>                                                                       |       | <b>5,937.67</b>         | <b>6,939.75</b>         |
| <b>B</b>    | <b>EQUITY AND LIABILITIES</b>                                                             |       |                         |                         |
| 1           | <b>Equity</b>                                                                             |       |                         |                         |
|             | (a) Equity share capital                                                                  | 9A    | 11,528.23               | 11,523.23               |
|             | (b) Other equity                                                                          | 9B    | (5,592.98)              | (4,595.30)              |
|             | <b>Total equity</b>                                                                       |       | <b>5,935.25</b>         | <b>6,927.93</b>         |
| 2           | <b>Liabilities</b>                                                                        |       |                         |                         |
|             | <b>Current liabilities</b>                                                                |       |                         |                         |
|             | (a) Financial Liabilities                                                                 |       |                         |                         |
|             | (i) Trade payables                                                                        | 10    |                         |                         |
|             | - Total outstanding dues of micro enterprises and small enterprises                       |       | -                       | -                       |
|             | - Total outstanding dues of creditors other than micro enterprises and small enterprises. |       | 1.58                    | 11.77                   |
|             | (b) Other current liabilities                                                             | 11    | 0.06                    | 0.05                    |
|             | (c) Current tax liabilities                                                               | 11A   | 0.78                    | -                       |
|             | <b>Total current liabilities</b>                                                          |       | <b>2.42</b>             | <b>11.82</b>            |
|             | <b>Total equity and liabilities</b>                                                       |       | <b>5,937.67</b>         | <b>6,939.75</b>         |

See accompanying notes to the financial statements

As per our attached report of even date

For **BAGARIA & CO. LLP**

Chartered Accountants

Firm Registration No. 113447W/W-10019

**Vinay Somani**

Partner

Membership No. 143503



For and on behalf of the Board of Directors

*Anoop Vaish*

**Anoop Vaish**

Director

[DIN : 08701639]

*Venkata Ramakumar Susarla*

**Venkata Ramakumar Susarla**

Director

[DIN : 08236325]

*Vrushali Karnik*

**Vrushali Karnik**

Company Secretary

*Ajay Kumar Sharma*

**Ajay Kumar Sharma**

Chief Financial Officer

Place: Mumbai

Date : April 30, 2022

Place: Mumbai

Date: April 30, 2022

**JSW Energy (Raigarh) Limited**  
**Statement of Profit and Loss for the year ended March 31, 2022**

(₹ in lakh)

| Sl No. | Particulars                                  | Note No. | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|--------|----------------------------------------------|----------|-----------------------------------|-----------------------------------|
| I      | Revenue from operations                      |          | -                                 | -                                 |
| II     | Other income                                 | 12       | 9.10                              | -                                 |
| III    | <b>Total Income</b>                          |          | <b>9.10</b>                       | <b>-</b>                          |
| IV     | <b>Expenses</b>                              |          |                                   |                                   |
|        | (a) Depreciation and amortisation expense    | 4        | -                                 | 0.08                              |
|        | (b) Other expenses                           | 13       | 1,005.99                          | 1,040.58                          |
|        | <b>Total Expenses</b>                        |          | <b>1,005.99</b>                   | <b>1,040.66</b>                   |
| V      | <b>Loss before tax</b>                       |          | <b>(996.89)</b>                   | <b>(1,040.66)</b>                 |
| VI     | Tax expense                                  |          |                                   |                                   |
|        | (a) Current tax                              |          | 0.78                              | -                                 |
| VII    | <b>Loss after tax</b>                        |          | <b>(997.67)</b>                   | <b>(1,040.66)</b>                 |
| VIII   | Other comprehensive income                   |          | -                                 | -                                 |
| IX     | <b>Total comprehensive loss for the year</b> |          | <b>(997.67)</b>                   | <b>(1,040.66)</b>                 |
| X      | Earnings per equity share of ₹ 10 each       | 17       |                                   |                                   |
|        | Basic (₹)                                    |          | (0.87)                            | (0.90)                            |
|        | Diluted (₹)                                  |          | (0.87)                            | (0.90)                            |

See accompanying notes to the financial statements

As per our attached report of even date

**For BAGARIA & CO. LLP**

Chartered Accountants

Firm Registration No. 113447WAW-10019

  
**Vinay Somani**

Partner

Membership No. 143503



For and on behalf of the Board of Directors

  
**Anoop Vaish**

Director

[DIN : 08701639]

  
**Venkata Ramakumar Susarla**

Director

[DIN : 08236325]

  
**Vrushali Karnik**

Company Secretary

  
**Ajay Kumar Sharma**

Chief Financial Officer

Place: Mumbai

Date : April 30, 2022

Place: Mumbai

Date : April 30, 2022

**JSW Energy (Raigarh) Limited**  
**Statement of changes in equity for the year ended March 31, 2022**

| [A] Equity share capital (₹ in lakh)            |                  |
|-------------------------------------------------|------------------|
| Balance as at April 1, 2020                     | 11,516.23        |
| Changes in equity share capital during the year | 7.00             |
| <b>Balance as at March 31, 2021</b>             | <b>11,523.23</b> |
| Balance as at April 1, 2021                     | 11,523.23        |
| Changes in equity share capital during the year | 5.00             |
| <b>Balance as at March 31, 2022</b>             | <b>11,528.23</b> |

| [B] Other equity (₹ in lakh)        |                     |                                                                  |                   |
|-------------------------------------|---------------------|------------------------------------------------------------------|-------------------|
| Particulars                         | Reserve and surplus | Items of other comprehensive income                              | Total             |
|                                     | Retained earnings   | Actuarial Gain / (Loss) on defined benefit liabilities / (asset) |                   |
| Balance as at April 1, 2020         | (3,554.36)          | (0.28)                                                           | (3,554.64)        |
| Loss for the year                   | (1,040.66)          | -                                                                | (1,040.66)        |
| <b>Balance as at March 31, 2021</b> | <b>(4,595.02)</b>   | <b>(0.28)</b>                                                    | <b>(4,595.30)</b> |
| Balance as at April 1, 2021         | (4,595.02)          | (0.28)                                                           | (4,595.30)        |
| Loss for the year                   | (997.68)            | -                                                                | (997.68)          |
| <b>Balance as at March 31, 2022</b> | <b>(5,592.70)</b>   | <b>(0.28)</b>                                                    | <b>(5,592.98)</b> |

See accompanying notes to the financial statements

As per our attached report of even date  
For BAGARIA & CO. LLP  
Chartered Accountants  
Firm Registration No. 113447W/W-10019

  
**Vinay Somani**  
Partner  
Membership No. 143503




For and on behalf of the Board of Directors

  
**Anoop Vaish**  
Director  
[DIN : 08701639]

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

  
**Vrushali Karnik**  
Company Secretary

  
**Ajay Kumar Sharma**  
Chief Financial Officer

Place: Mumbai  
Date : April 30, 2022

Place: Mumbai  
Date : April 30, 2022

**JSW Energy (Raigarh) Limited**  
**Statement of Cash Flows for the year ended March 31, 2022**

(₹ in lakh)

| Particulars                                                                              | For the year ended<br>March 31,2022 | For the year ended<br>March 31,2021 |
|------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                                            |                                     |                                     |
| Loss before tax                                                                          | (996.89)                            | (1,040.66)                          |
| <b>Adjusted for:</b>                                                                     |                                     |                                     |
| Depreciation and amortisation expense                                                    | -                                   | 0.08                                |
| Allowance for impairment of advances                                                     | 1,000.00                            | 1,032.94                            |
| <b>Operating Loss before working capital changes</b>                                     | <b>3.12</b>                         | <b>(7.65)</b>                       |
| <b>Adjustments for:</b>                                                                  |                                     |                                     |
| (Increase)/Decrease in other financial assets and current assets                         | -                                   | 1.27                                |
| Increase/(Decrease) in other financial liabilities and current liabilities               | (10.18)                             | 1.97                                |
| <b>Cash used in operations</b>                                                           | <b>(7.07)</b>                       | <b>(4.40)</b>                       |
| Direct taxes paid (Net)                                                                  | -                                   | -                                   |
| <b>NET CASH USED IN OPERATING ACTIVITIES</b>                                             | <b>(7.07)</b>                       | <b>(4.40)</b>                       |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                                            |                                     |                                     |
| Property, plant and equipment and intangible assets (including capital work-in-progress) | -                                   | -                                   |
| <b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>                                           | <b>-</b>                            | <b>-</b>                            |
| <b>C. CASH FLOW GENERATED FROM FINANCING ACTIVITIES</b>                                  |                                     |                                     |
| Issue of Shares to the holding company                                                   | 5.00                                | 7.00                                |
| <b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>                                      | <b>5.00</b>                         | <b>7.00</b>                         |
| <b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>                            | <b>(2.07)</b>                       | <b>2.60</b>                         |
| <b>CASH AND CASH EQUIVALENTS - AT THE BEGINNING OF THE YEAR</b>                          | <b>3.25</b>                         | <b>0.65</b>                         |
| <b>CASH AND CASH EQUIVALENTS - AT THE END OF THE YEAR (refer note 7)</b>                 | <b>1.18</b>                         | <b>3.25</b>                         |

See accompanying notes to the financial statements

As per our attached report of even date

For **BAGARIA & CO. LLP**

Chartered Accountants

Firm Registration No. 113447/MW-10019

**Vinay Somani**

Partner

Membership No. 143503



For and on behalf of the Board of Directors

*Anoop Vaish*

**Anoop Vaish**

Director

[DIN : 03135322]

*Vrushali Karnik*

**Vrushali Karnik**

Company Secretary

*Venkata Ramakumar Susarla*

**Venkata Ramakumar Susarla**

Director

[DIN : 08236325]

*Ajay Kumar Sharma*

**Ajay Kumar Sharma**

Chief Financial Officer

Place: Mumbai

Date : April 30, 2022

Place: Mumbai

Date : April 30, 2022

# JSW Energy (Raigarh) Limited

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

### Note

#### 1 General information

The Company forms part of the JSW Energy group, and is a 100% subsidiary of JSW Energy Limited. The Company was incorporated on August 31, 2009 for setting up 2 x 660 MW capacity of super critical thermal power plant at Raigarh, Chattisgarh. Land required for the project has been acquired partly. Environment clearance has been obtained from the Ministry of Environment, Forest and Climate change. The Company is yet to commence operation. The registered office of the Company is located at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra.

#### 2.1 Note No. 2.1 - Applicability of new Indian Accounting Standards ('Ind AS'), amendments and interpretations:

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 Apr 2021.

The Company has not early adopted any other standard or amendment that has been issued but is not yet effective:

##### Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR)

The amendments include the following practical expedients:

- a practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to BE treated as changes to a floating Interest rate, equivalent to a movement in a market rate of Interest
- Permit changes required by IBOR reform to BE made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the financial statements of the Company. The Company intends to use the practical expedients in future periods if they become applicable.

##### Conceptual framework for financial reporting under Ind AS issued by ICAI

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after April 1, 2021.

These amendments had no impact on the financial statements of the Company.

##### Ind AS 116: COVID-19 related rent concessions

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond June 30, 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before June 30, 2022 from June 30, 2021. The amendment applies to annual reporting periods beginning on or after April 1, 2021. In case a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after April 1, 2020.

These amendments had no impact on the financial statements of the Company.

##### Ind AS 103: Business combination

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards\* issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

##### Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments had no impact on the financial statements of the Company.

##### New and revised Ind ASs, amendments and interpretations in issue but not yet effective:

At the date of approval of these consolidated financial statements, the Company has not applied the following amendments that have been issued but are not yet effective.

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:

- 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.
- 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.
- Ind AS 103 | Business combinations – The amendment adds a new exception in Ind AS 103 for liabilities and contingent liabilities.

## JSW Energy (Raigarh) Limited

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

- (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 Group is evaluating the impact of these amendments.

#### 2.2 Statement of compliance

The Financial Statements of the Company which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss, the Statement of Cash Flows and the 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”) have been prepared in accordance with Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

- 2.3 The financial statements were approved for issue by the Board of Directors on April 30, 2022.

#### 3 Significant accounting policies

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

These financial statements have been prepared in accordance with the IND AS as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015.

The financial statements of the Company are prepared on the accrual basis of accounting and historical cost convention except for certain material items that have been measured at fair value as required by the relevant Ind AS and explained in the ensuing policies below:

The financial statements are presented in Indian ₹ ('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 -14.

##### 3.3 Property, plant and equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to statement of profit and loss in the period in which the costs are incurred. Major shutdown or overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

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

Assets in the course of construction are capitalised in the assets under construction account. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Where an obligation (legal or constructive) exists to dismantle or remove an asset or restore a site to its former condition at the end of its useful life, the present value of the estimated cost of dismantling, removing or restoring the site is capitalized along with the cost of acquisition or construction upon completion and a corresponding liability is recognized. Revenue generated from production during the trial period is capitalised

##### 3.4 Intangible assets :-

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

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

##### Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

## JSW Energy (Raigarh) Limited

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

#### 3.5 Depreciation & amortisation:

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

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

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Depreciation on tangible assets is provided as per the provisions of Part C of Schedule II of the Companies Act, 2013 based on useful life and residual value specified therein.

#### 3.6 Borrowing costs:

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

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

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

#### 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 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.

##### Current tax

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.

##### Deferred tax

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

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.

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

##### Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.



## JSW Energy (Raigarh) Limited

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

#### 3.10 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.

#### 3.11 Provisions, Contingencies and commitments:

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

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

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

A disclosure for contingent liabilities is made where there is;

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

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

Commitments 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.

#### 3.12 Foreign currency transactions and foreign operation:

In preparing the financial statements of the 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 statement of profit or loss in the period in which they arise except for:

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

#### 3.13 Employee Benefits:

The Company has following post-employment plans:

Re-measurement comprising of actuarial gains and losses arising from

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

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

## JSW Energy (Raigarh) Limited

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

#### a) Defined-contribution plan:

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

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

#### Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

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

### 3.14 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 statement of profit or loss.

#### Financial assets

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

#### 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 statement of 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 statement of profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

#### Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in statement of profit or loss and is included in the "Other income" line item.

## JSW Energy (Raigarh) Limited

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

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 statement of profit or loss. The net gain or loss recognised in statement of 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.

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

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

#### Derecognition of financial assets

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

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

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

## JSW Energy (Raigarh) Limited

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

#### 3.15 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 statement of 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 statement of profit or loss. The net gain or loss recognised in statement of profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

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

##### Financial liabilities subsequently measured at amortised cost

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

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

**JSW Energy (Raigarh) Limited**  
**Notes to Financial Statements for the year ended March 31, 2022**

**Derecognition of financial liabilities**

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

**3.16 Reclassification of financial assets and liabilities**

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

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

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

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

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

**JSW Energy (Raigarh) Limited**

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

**Note No. 4 - Property, plant and equipment**

( ₹ in lakh)

| Description of Assets                                 | Land - Freehold | Land - Leasehold | Office Equipment | Furniture and Fixtures | Vehicles | Total    |
|-------------------------------------------------------|-----------------|------------------|------------------|------------------------|----------|----------|
| <b>I. Gross Carrying Value</b>                        |                 |                  |                  |                        |          |          |
| Balance as at April 1, 2021                           | 2,378.16        | 227.93           | 1.62             | 1.24                   | 3.90     | 2,612.85 |
| Deduction                                             | -               | -                | -                | -                      | -        | -        |
| Balance as at March 31, 2021                          | 2,378.16        | 227.93           | 1.62             | 1.24                   | 3.90     | 2,612.85 |
| <b>II. Accumulated depreciation</b>                   |                 |                  |                  |                        |          |          |
| Balance as at April 1, 2021                           | -               | 227.93           | 1.34             | 1.14                   | 3.51     | 233.92   |
| Depreciation expense for the year                     | -               | -                | -                | -                      | -        | -        |
| Balance as at March 31, 2022.                         | -               | 227.93           | 1.34             | 1.14                   | 3.51     | 233.92   |
| <b>Net Carrying Value as at March 31, 2022 (I-II)</b> | 2,378.16        | -                | 0.28             | 0.09                   | 0.39     | 2,378.93 |

| Description of Assets                                 | Land - Freehold | Land - Leasehold | Office Equipment | Furniture and Fixtures | Vehicles | Total    |
|-------------------------------------------------------|-----------------|------------------|------------------|------------------------|----------|----------|
| <b>I. Gross Carrying Value</b>                        |                 |                  |                  |                        |          |          |
| Balance as at April 1, 2020                           | 2,378.16        | 227.93           | 1.62             | 1.24                   | 3.90     | 2,612.85 |
| Deduction                                             | -               | -                | -                | -                      | -        | -        |
| Balance as at March 31, 2021                          | 2,378.16        | 227.93           | 1.62             | 1.24                   | 3.90     | 2,612.85 |
| <b>II. Accumulated depreciation</b>                   |                 |                  |                  |                        |          |          |
| Balance as at April 1, 2020                           | -               | 227.93           | 1.34             | 1.07                   | 3.51     | 233.85   |
| Depreciation expense for the year                     | -               | -                | -                | 0.08                   | -        | 0.08     |
| Balance as at March 31, 2021                          | -               | 227.93           | 1.34             | 1.14                   | 3.51     | 233.92   |
| <b>Net Carrying Value as at March 31, 2021 (I-II)</b> | 2,378.16        | -                | 0.28             | 0.09                   | 0.39     | 2,378.93 |

**JSW Energy (Raigarh) Limited****Notes to financial statements for the year ended March 31, 2022****Note No.5 - Other non-current financial assets**

( ₹ in lakh)

| Particulars                                                             | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|-------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>a) Security deposits with government/semi-government authorities</b> |                         |                         |
| - Unsecured, considered good                                            | 1,261.99                | 1,261.99                |
| Less : Allowance for bad and doubtful deposits                          | 1,032.94                | 1,032.94                |
|                                                                         | <b>229.06</b>           | <b>229.06</b>           |
| <b>b) Security deposits with others</b>                                 |                         |                         |
| - Unsecured, considered good                                            | 0.11                    | 0.11                    |
|                                                                         | <b>0.11</b>             | <b>0.11</b>             |
| <b>Total</b>                                                            | <b>229.17</b>           | <b>229.17</b>           |

**JSW Energy (Raigarh) Limited****Notes to financial statements for the year ended March 31, 2022****Note No. 6 - Other non-current assets**

(₹ in lakh)

| <b>Particulars</b>                   | <b>As at<br/>March 31, 2022</b> | <b>As at<br/>March 31, 2021</b> |
|--------------------------------------|---------------------------------|---------------------------------|
| a) Capital Advances                  | 4,809.29                        | 4,809.29                        |
| Less : Allowance for impaired assets | 1,481.00                        | 481.00                          |
| <b>Total</b>                         | <b>3,328.29</b>                 | <b>4,328.29</b>                 |



**JSW Energy (Raigarh) Limited****Notes to financial statements for the year ended March 31, 2022****Note No.7 - Cash and cash equivalents**

( ₹ in lakh)

| <b>Particulars</b>                           | <b>As at<br/>March 31, 2022</b> | <b>As at<br/>March 31, 2021</b> |
|----------------------------------------------|---------------------------------|---------------------------------|
| a) Balance with a bank<br>In Current Account | 1.18                            | 3.25                            |
| <b>Total</b>                                 | <b>1.18</b>                     | <b>3.25</b>                     |

**JSW Energy (Raigarh) Limited**

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

**Note No. 8- Other current assets**

( ₹ in lakh)

| Particulars       | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|-------------------|-------------------------|-------------------------|
| Advances - Others | 0.11                    | 0.11                    |
| <b>Total</b>      | <b>0.11</b>             | <b>0.11</b>             |

**JSW Energy (Raigarh) Limited****Notes to financial statements for the year ended March 31, 2022****Note No.9A -Equity share capital**

| Particulars                                     | As at March 31, 2022 |                       | As at March 31, 2021 |                       |
|-------------------------------------------------|----------------------|-----------------------|----------------------|-----------------------|
|                                                 | No. of shares        | Amount<br>(₹ in lakh) | No. of shares        | Amount<br>(₹ in lakh) |
| <b>Authorised:</b>                              |                      |                       |                      |                       |
| Equity shares of Rs.10 each with voting rights  | 25000,00,000         | 2,50,000.00           | 25000,00,000         | 2,50,000.00           |
| <b>Issued, Subscribed and Fully Paid:</b>       |                      |                       |                      |                       |
| Equity shares of Rs. 10 each with voting rights | 1152,82,301          | 11,528.23             | 1152,32,301          | 11,523.23             |

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

| Particulars                                         | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|-----------------------------------------------------|-------------------------|-------------------------|
|                                                     | No. of Shares           | No. of Shares           |
| Shares outstanding as at the beginning of the year  | 1152,32,301             | 1151,62,300             |
| Shares issued during the year                       | 50,000                  | 70,001                  |
| <b>Shares outstanding as at the end of the year</b> | <b>1152,82,301</b>      | <b>1152,32,301</b>      |

**2] Disclosure of Share holding**

| Particulars                                                                         | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|-------------------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                                     | No. of Shares           | No. of Shares           |
| <b>a) Details of Shareholding by Holding Company, Subsidiary of Holding Company</b> |                         |                         |
| JSW Energy Ltd (Holding company)                                                    | 1152,82,301             | 1152,32,301             |
| <b>b) Details of more than 5% of aggregate share in the company</b>                 |                         |                         |
| JSW Energy Ltd (Holding company)                                                    | 1152,82,301             | 1152,32,301             |

**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.

**JSW Energy (Raigarh) Limited****Notes to financial statements for the year ended March 31, 2022****Note No.9B -Other equity**

( ₹ in lakh)

| Particulars                  | Reserve and surplus | Items of other comprehensive income                              | Total      |
|------------------------------|---------------------|------------------------------------------------------------------|------------|
|                              | Retained earnings   | Actuarial Gain / (Loss) on defined benefit liabilities / (asset) |            |
| Balance as at April 1, 2020  | (3,554.36)          | (0.28)                                                           | (3,554.64) |
| Loss for the year            | (1,040.66)          | -                                                                | (1,040.66) |
| Balance as at March 31, 2021 | (4,595.02)          | (0.28)                                                           | (4,595.30) |
| Balance as at April 1, 2021  | (4,595.02)          | (0.28)                                                           | (4,595.30) |
| Loss for the year            | (997.68)            | -                                                                | (997.68)   |
| Balance as at March 31, 2022 | (5,592.70)          | (0.28)                                                           | (5,592.98) |

## JSW Energy (Raigarh) Limited

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

#### Note No.10 - Trade payables

( ₹ in lakh)

| Particulars                                                                | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|----------------------------------------------------------------------------|-------------------------|-------------------------|
| Total outstanding dues of micro and small enterprises                      | -                       | -                       |
| Total outstanding dues of creditors other than micro and small enterprises | 1.58                    | 11.77                   |
| <b>Total</b>                                                               | <b>1.58</b>             | <b>11.77</b>            |

#### Ageing of trade payables as at 31st March, 2022

| Particulars                                                | Undisputed |             | Disputed |
|------------------------------------------------------------|------------|-------------|----------|
|                                                            | MSME       | Others      | Others   |
| Outstanding for following periods from due date of payment |            |             |          |
| Less than year                                             | -          | 1.04        | -        |
| 1-2 years                                                  | -          | -           | -        |
| 2-3 years                                                  | -          | -           | -        |
| More than 3 years                                          | -          | -           | -        |
| Not due                                                    | -          | -           | -        |
| Unbilled                                                   | -          | 0.54        | -        |
|                                                            | -          | <b>1.58</b> | -        |

#### Ageing of trade payables as at 31st March, 2021

| Particulars                                                | Undisputed |              | Disputed |
|------------------------------------------------------------|------------|--------------|----------|
|                                                            | MSME       | Others       | Others   |
| Outstanding for following periods from due date of payment |            |              |          |
| Less than year                                             | -          | 1.36         | -        |
| 1-2 years                                                  | -          | -            | -        |
| 2-3 years                                                  | -          | -            | -        |
| More than 3 years                                          | -          | 9.10         | -        |
| Not due                                                    | -          | -            | -        |
| Unbilled                                                   | -          | 1.31         | -        |
|                                                            | -          | <b>11.77</b> | -        |

**JSW Energy (Raigarh) Limited**

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

**Note No.11 - Other current liabilities**

(₹ in lakh)

| <b>Particulars</b>     | <b>As at<br/>March 31, 2022</b> | <b>As at<br/>March 31, 2021</b> |
|------------------------|---------------------------------|---------------------------------|
| Statutory dues payable | 0.06                            | 0.05                            |
| <b>Total</b>           | <b>0.06</b>                     | <b>0.05</b>                     |

**JSW Energy (Raigarh) Limited**

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

**Note No.11A - Current tax liabilities**

( ₹ in lakh)

| Particulars              | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--------------------------|-------------------------|-------------------------|
| Provision for income tax | 0.78                    | -                       |
| Total                    | 0.78                    | -                       |

**JSW Energy (Raigarh) Limited**

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

**Note No.12 -Other income**

(₹ in lakh)

| <b>Particulars</b>                              | <b>For the year ended<br/>March 31, 2022</b> | <b>For the year ended<br/>March 31, 2021</b> |
|-------------------------------------------------|----------------------------------------------|----------------------------------------------|
| a) Write back of liabilities no longer required | 9.10                                         | -                                            |
| <b>Total</b>                                    | <b>9.10</b>                                  | <b>-</b>                                     |



**JSW Energy (Raigarh) Limited**  
**Notes to financial statements for the year ended March 31, 2022**

**Note No.13 - Other expenses**

(₹ in lakh)

| <b>Particulars</b>                       | <b>For the year ended<br/>March 31, 2022</b> | <b>For the year ended<br/>March 31, 2021</b> |
|------------------------------------------|----------------------------------------------|----------------------------------------------|
| (a) Rent                                 | 1.26                                         | 1.65                                         |
| (b) Legal and other professional charges | 0.45                                         | 1.32                                         |
| (c) Auditors' remuneration               | 0.59                                         | 0.59                                         |
| (d) Security charges                     | 2.92                                         | 2.70                                         |
| (e) Vehicle hire charges                 | 0.17                                         | 0.49                                         |
| (f) Electricity Expense                  | 0.04                                         | 0.06                                         |
| (g) Communication and Telephone Expenses | 0.04                                         | 0.05                                         |
| (h) Allowance for impairment of advances | 1,000.00                                     | 1,032.94                                     |
| (i) Printing & stationary                | 0.00                                         | -                                            |
| (j) Share issue expenses                 | 0.04                                         | 0.26                                         |
| (k) Other general expenses               | 0.48                                         | 0.52                                         |
| <b>Total</b>                             | <b>1,005.99</b>                              | <b>1,040.58</b>                              |

**JSW Energy (Raigarh) Limited**  
**Notes to Financial Statements for the year ended March 31, 2022**

**Note No.14**

**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 AS.

**Provisions and 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. Potential liabilities that are remote are neither recognized nor disclosed as contingent liability. The management decides whether the matters needs to be classified as 'remote,' 'possible' or 'probable' based on expert advice, past judgements, terms of the contract, regulatory provisions etc.

**Fair value measurements:**

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

## JSW Energy (Raigarh) Limited

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

#### Note No.15

##### 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.

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

##### 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 lakh)

| As at March 31, 2022                                   | Carrying amount |
|--------------------------------------------------------|-----------------|
| <b>Financial assets</b>                                |                 |
| <b>Financial assets carried at amortised cost</b>      |                 |
| Security deposits                                      | 229.17          |
| Cash and cash equivalents                              | 1.18            |
| <b>Financial liabilities</b>                           |                 |
| <b>Financial Liabilities carried at amortised cost</b> |                 |
| Trade payables                                         | 1.58            |

| As at March 31, 2021                                   | Carrying amount |
|--------------------------------------------------------|-----------------|
| <b>Financial assets</b>                                |                 |
| <b>Financial assets carried at amortised cost</b>      |                 |
| Security deposits                                      | 229.17          |
| Cash and cash equivalents                              | 3.25            |
| <b>Financial liabilities</b>                           |                 |
| <b>Financial Liabilities carried at amortised cost</b> |                 |
| Trade payables                                         | 11.77           |

## JSW Energy (Raigarh) Limited

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

#### Note No.16

##### Financial risk management

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 through internal risk reports which analyse exposures by degree and magnitude of risks.

##### Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the management, 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.

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

| ( ₹ in lakh)                 |              |           |               |               |
|------------------------------|--------------|-----------|---------------|---------------|
| Particulars                  | < 1 year     | 1-5 years | > 5 years     | Total         |
| <b>As at March 31, 2022</b>  |              |           |               |               |
| <b>Financial Assets</b>      |              |           |               |               |
| Cash and bank balance        | 1.18         | -         | -             | 1.18          |
| Other financial assets       | -            | -         | 229.17        | 229.17        |
| <b>Total assets</b>          | <b>1.18</b>  | <b>-</b>  | <b>229.17</b> | <b>230.34</b> |
| <b>As at March 31, 2022</b>  |              |           |               |               |
| <b>Financial liabilities</b> |              |           |               |               |
| Trade payables               | 1.58         | -         | -             | 1.58          |
| Borrowings                   | -            | -         | -             | -             |
| <b>Total liabilities</b>     | <b>1.58</b>  | <b>-</b>  | <b>-</b>      | <b>1.58</b>   |
| <b>As at March 31, 2021</b>  |              |           |               |               |
| <b>Financial Assets</b>      |              |           |               |               |
| Cash and bank balance        | 3.25         | -         | -             | 3.25          |
| Other financial assets       | -            | -         | 229.17        | 229.17        |
| <b>Total assets</b>          | <b>3.25</b>  | <b>-</b>  | <b>229.17</b> | <b>232.41</b> |
| <b>As at March 31, 2021</b>  |              |           |               |               |
| <b>Financial liabilities</b> |              |           |               |               |
| Trade payables               | 11.77        | -         | -             | 11.77         |
| <b>Total liabilities</b>     | <b>11.77</b> | <b>-</b>  | <b>-</b>      | <b>11.77</b>  |

#### Note No.17

##### Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

| Particulars                                                        | For the year ended<br>March 31, 2022 | For the year ended<br>March 31, 2021 |
|--------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| Loss attributable to equity holders of the company ( ₹ in lakh )   | (997.68)                             | (1,040.66)                           |
| Weighted average number of Equity shares for basic and diluted EPS | 1149,37,829                          | 1151,87,479                          |
| <b>Earnings Per Share :</b>                                        |                                      |                                      |
| - Basic ( ₹ )                                                      | (0.87)                               | (0.90)                               |
| - Diluted ( ₹ )                                                    | (0.87)                               | (0.90)                               |

#### Note No.18

##### Commitments

There are no commitments to be disclosed by the company.

#### Note No.19

##### Contingent liabilities

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

**JSW Energy (Raigarh) Limited**  
**Notes to Financial Statements for the year ended March 31, 2022**

**Note No.20**

**Related party disclosure**

| <b>A</b>  | <b>List of Related Parties</b>                                          |
|-----------|-------------------------------------------------------------------------|
| <b>I</b>  | <b>Holding and Fellow Subsidiaries</b>                                  |
| 1         | JSW Energy Limited (Holding Company)                                    |
| <b>II</b> | <b>Key Managerial Personnel</b>                                         |
| 1         | Mr. Venkata Ramakumar Susarla - Non Executive Director                  |
| 2         | Ms. Monica Chopra - Non Executive Director                              |
| 3         | Mr. Anoop Vaish - Whole Time Director (upto 18th January, 2022)         |
| 4         | Mr. Anoop Vaish - Non Executive Director (from 19th January, 2022)      |
| 5         | Mr. Sudarsan Maddi - Chief Financial Officer (upto 21st February, 2022) |
| 6         | Mr. Ajay Kumar Sharma - Chief Financial Officer (upto 21st March, 2022) |
| 7         | Ms. Vrushali Karnik -Company Secretary                                  |
| 8         | Mr Praful Katiyar - Manager (from 21st March, 2022)                     |

( ₹ in lakh)

| <b>B</b> | <b>Transactions during the year</b>                                         | <b>For the year ended March 31, 2022</b> | <b>For the year ended March 31, 2021</b> |
|----------|-----------------------------------------------------------------------------|------------------------------------------|------------------------------------------|
| 1        | <b>Equity Share Capital / Share application money</b><br>JSW Energy Limited | 5.00                                     | 7.00                                     |
| 2        | <b>Reimbursements paid / (received)</b><br>JSW Energy Limited               | 1,440.00                                 | -                                        |

| <b>C</b> | <b>Closing Balances</b>                           | <b>As at March 31, 2022</b> | <b>As at March 31, 2021</b> |
|----------|---------------------------------------------------|-----------------------------|-----------------------------|
| 1        | <b>Equity Share Capital</b><br>JSW Energy Limited | 11,528.23                   | 11,523.23                   |

**Note :**

- i) No amounts in respect of related parties have been written off / written back during the year, nor has any provision been made for doubtful debts / receivables during the year, except as discussed above.
- ii) Related party relationships have been identified by the management and relied upon by the auditors.
- iii) Related party relationships have been disclosed on basis of value of transactions in terms of the respective contracts.

**Note No.21**

**Impact of COVID-19 :**

The Company has continued its project 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 & loans on the basis of 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.

**JSW Energy (Raigarh) Limited**  
**Notes to Financial Statements for the year ended March 31, 2022**

**Note No. 22 - 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                                                                                                                  | Ratios |                                     |              |                                  |
| 1       | Current Ratio (in times)               | Current Assets                                                      | Current Liabilities                                                                                                          | 0.53   | 0.28                                | 87%          | due to lower current liabilities |
| 2       | Debt-Equity Ratio (in times)           | Total Borrowings                                                    | Net Worth                                                                                                                    | NA     | NA                                  | NA           | NA                               |
| 3       | Debt Service Coverage Ratio (in times) | Profit before Tax, Exceptional Items, Depreciation, Finance Charges | Finance Charges + Long Term Borrowings scheduled Principal repayments (excluding prepayments + refinancing) during the year) | NA     | NA                                  | NA           | NA                               |
| 4       | Return on Equity Ratio (%)             | Net profit after tax                                                | Average Networth                                                                                                             | NA     | NA                                  | NA           | NA                               |
| 5       | Debtors Turnover (no. of days)         | Average Trade Receivables including unbilled revenue                | Revenue from operations                                                                                                      | NA     | NA                                  | NA           | NA                               |
| 6       | Net Capital Turnover (in times)        | Annual turnover                                                     | Working Capital                                                                                                              | NA     | NA                                  | NA           | NA                               |
| 7       | Net Profit Margin (%)                  | Net profit for the year                                             | Total Income                                                                                                                 | NA     | NA                                  | NA           | NA                               |
| 8       | Return on Capital Employed (%)         | Profit after tax plus Interest on long term loans and debentures    | Average capital employed                                                                                                     | NA     | NA                                  | NA           | NA                               |
| 9       | Return on Investment (%)               | Profit generated on sale of investment                              | Cost of investment                                                                                                           | NA     | NA                                  | NA           | NA                               |

**JSW Energy (Raigarh) Limited**  
**Notes to Financial Statements for the year ended March 31, 2022**

**Note No.23**

**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:

| Sl. 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 | -                    | -                    |

**Note No.24**

**Remuneration to Auditors (Excluding GST):**

(in lacs)

| Particulars                                    | As at March 31, 2022 | As at March 31, 2021 |
|------------------------------------------------|----------------------|----------------------|
| For statutory audit (including limited review) | 0.50                 | 0.50                 |
| <b>Total</b>                                   | <b>0.50</b>          | <b>0.50</b>          |


**Note No.25**

Previous year's figures have been regrouped / rearranged wherever necessary to conform to the current year's classification.

**Note no. 26 - 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 struck 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).
- ix) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

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

  
**Anoop Vaish**  
 Director  
 [DIN: 08701639]

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

  
**Vrushali Karnik**  
 Company Secretary

  
**Ajay Kumar Sharma**  
 Chief Financial Officer

Place : Mumbai  
 Date : April 30, 2022