HPVS
& Associates
Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

To the Members of JSW Energy (Bengal) Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of JSW Energy (Bengal) Limited ("the Company"), which comprise the balance sheet as at March 31, 2023, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the standalone 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 standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its loss, total comprehensive income, 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 sub-section (10) of Section 143 of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 19(a) in the financial statements, which indicates that the project activities at Salboni district of Paschim Medinipur in West Bengal being put on hold due to reason stated in Note 19(a). These events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the Management Overview, Board's Report including Annexures to Board's Report and Shareholder's Information but does not include the standalone financial statements and our auditor's report thereon. The Management Overview, Board's Report including Annexures to Board's Report and Shareholder's Information is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Management Overview, Board's Report including Annexures to Board's Report and Shareholder's Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

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Responsibilities of the Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in sub-section (5) of Section 134 of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

H P V S & Associates Chartered Accountants MUMBAI 137533W

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 (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. As required by 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 Companies Act, 2013, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by sub-section (3) of Section 143 of the Act, we report that:
   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   e. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act.

   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, with reference to these standalone financial statements refer to our separate Report in **"Annexure B".** Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; and

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

      The Company has not paid any remuneration to its directors during the year in accordance with the provisions of Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under sub-section (16) of Section 197 which are required to be commented upon by us.

   h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2015, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company does not have any pending litigations which would impact its financial position.

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. Based on such audit procedures considered reasonable and appropriate in the circumstances, nothing has come to our notice that:
         A) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds)

HPVS & Associates MUMBAI Chartered Accountants by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

B) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

C) Based on the audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (A) and (B) contain any material misstatement.

v. The Company has not declared any dividend during the financial year ended March 31, 2023.

For **HPVS & Associates**
Chartered Accountants
Firm Registration No.: 137533W

Vaibhav

Vaibhav Dattani
Partner
M.No: 144084
UDIN: 23144084BGPRGV3170

HPVS & Associates MUMBAI 137533W Chartered Accountants

Place: Mumbai
Date: April 20, 2023

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the financial statements of the Company for the year ended March 31, 2023:

i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any Intangible assets and accordingly, reporting under this Clause is not applicable.

(b) According to the information and explanations given to us, physical verification of Property, Plant and Equipment was conducted by the management during the year, which in our opinion is reasonable having regard to the size of the Company and nature of its business and no material discrepancies were noticed on such verification.

(c) In our opinion and according to information and explanations given to us and on the basis of an examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3 to the financial statements, are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the provisions of clause 1 (d) of the Order are not applicable to the Company.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder. Consequently, the provisions of clause 1 (e) of the Order are not applicable to the Company.

ii. There was no inventory held by the company. Accordingly, the provisions of clause 2 (a) & (b) of the Order are not applicable to the Company.

iii. (a) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year are, prima facie, not prejudicial to the Company interest.

(b) According to the information and explanations given to us, during the financial year, the Company has not granted any secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to companies, firms, Limited Liability partnerships or other any parties. Therefore, the reporting under clause 3(iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

iv. In our opinion and according to information and explanations given to us, the Company has complied with provisions of Section 185 and 186 of the Companies Act, 2013 in respect of investments made by the it. The Company has not given any loans, provided any guarantees or security to the parties covered under Sections 185 and 186, consequently, reporting is not applicable to the Company.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the books of account and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Goods and Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other material statutory dues applicable to the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2023 for a period of more than six months from the date on which they become payable.

(b) According to the information and explanation given to us, there no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

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Chartered Accountants

viii. According to the information and explanations given to us and the records of the Company examined by us, there is no income surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) In our opinion and according to the information and explanations given to us, the Company has not taken any loans either from banks, financial institutions or from the Government and has not issued any debentures. Consequently, reporting under clause ix(a) is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. (a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company.

(b) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) 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 practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, was not required to be filed. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Consequently, the provisions of clause 4(xii) of the Order are not applicable to the Company.

xiii. Transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements as required by applicable accounting standards.

xiv. (a) The internal audit of the Company is covered under the group internal audit pursuant to which an internal audit is carried out every year. In our opinion, the Company's internal audit system is commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

HPVS & Associates Chartered Accountants MUMBAI 137533W

xv. Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi. (a) In our opinion, 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) of the Order are not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, 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 CIC's which are not required to be registered with the Reserve Bank of India, forming part of the promoter group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.

xvii. The Company has incurred cash losses of Rs. 6.91 lakhs in the current financial year and of Rs. 10.48 lakhs in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note __ to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. The company is not required to spend any amount under Corporate Social Responsibility as required by section 135 of the Companies Act, 2013. Accordingly, the provisions of clause (xx)(a) & (b) of the Order are not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **H P V S & Associates**
Chartered Accountants
Firm Registration No.: 137533W

Vaibhav

Vaibhav Dattani
Partner
M.No. 144084
UDIN: 23144084BGPRGV3170

H P V S & Associates
MUMBAI
137533W
Chartered Accountants

Place: Mumbai
Date: April 20, 2023

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF JSW ENERGY (BENGAL) LIMITED

Report on the internal financial controls under clause (i) of sub-section 3 of section 143 of the Act

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls over financial reporting of JSW Energy (Bengal) Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' 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.

H P V S & Associates * Chartered Accountants * MUMBAI 137533W

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

For **H P V S & Associates**
Chartered Accountants
Firm Registration No.: 137533W

Vaibhav

H P V S & Associates MUMBAI 137533W Chartered Accountants

Vaibhav Dattani
Partner
M.No. 144084
UDIN: 23144084BGPRGV3170

Place: Mumbai
Date: April 20, 2023

JSW ENERGY (BENGAL) LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2023

(INR in Lacs)

	Particulars	Note No.	As at 31.03.2023	As at 31.03.2022
I.	**ASSETS**			
	Non-current assets			
	(a) Property, Plant and Equipment	3	131.53	132.35
	(b) Capital work-in-progress	4	236.63	236.63
	(c) Investment in Subsidiaries	5	6,420.40	6,420.40
	(d) Other non-current assets	6	7.08	6.24
	Total non current assets		**6,795.64**	**6,795.62**
	Current Assets			
	(a) Financial Assets:			
	(i) Investments	7	-	
	(ii) Cash and cash equivalents	8	18.24	23.68
	(iii) Short term loans and advances	9	1.17	2.54
	Current tax assets (net)	14	0.00	0.00
			0.10	0.10
	Total current assets		**19.51**	**26.32**
	Total Assets		**6,815.15**	**6,821.94**
II.	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	10	6,562.00	6,562.00
	(b) Other equity	11	(642.23)	(635.31)
	(i) Securities Premium	11(a)	894.00	894.00
	Total equity		**6,813.77**	**6,820.69**
	Liabilities			
	Current liabilities			
	(a) Financial liabilities:			
	(i) Trade Payable	12		
	-Total Outstanding used of Micro and Small Enterprises		-	-
	-Total Outstanding used of Creditors other than Micro and Small Enterprises		1.26	1.15
	(b) Other current liabilities	13	0.12	0.10
	Total current liabilities		**1.38**	**1.25**
	Total Equity and Liabilities		**6,815.15**	**6,821.94**
	Significant Accounting Policies and other notes	1,2 & 19-23		

The notes referred herein form an integral part of the financial statements.

As per our attached report of even date
For HPVS & Asssociates
Chartered Accountants
Firm Registration No. 137533W

HPVS & Associates MUMBAI 137533W Chartered Accountants

Vaibhav

Vaibhav Dattani
Partner
M. No. 144084
UDIN: 23144084BGPRGV3170

Place : Kolkata
Date :20.04.2023

For and on behalf of the Board of Directors

Partha Bose
Director
DIN: 05280944

Alok Mehrotra
Director
DIN:01066025

Bhavin Kumar Jain
Chief Financial Officer

Srinidhi Nawalgaria
Company Secretary

Place : Kolkata
Date :20.04.2023

JSW ENERGY (BENGAL) LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

(INR in Lacs)

	Particulars	Note No.	Year Ended 31.03.2023	Year Ended 31.03.2022
I.	Other Income	15	1.08	1.01
	Total Income		**1.08**	**1.01**
II.	**Expenses:**			
	Employee benefits expense	16	1.98	1.98
	Depreciation and Amortisation expenses	17	0.82	0.82
	Other expenses	18	5.10	8.70
	Total Expenses (II)		**7.90**	**11.50**
III.	**Profit / (Loss) before tax (I-II)**		**(6.82)**	**(10.49)**
IV.	**Tax Expenses:**			
	(i) Current Tax	19(h)	0.10	0.33
V.	**Profit / (Loss) after tax (III-IV)**		**(6.92)**	**(10.82)**
	Other Comprehensive Income		-	-
VI.	**Total Other Comprehensive Income**		-	-
	Total Comprehensive Income		**(6.92)**	**(10.82)**
VII.	**Earnings per equity share:**			
	[Face Value per share of Rs. 10 each]	19(e)		
	Basic and Diluted		(0.01)	(0.02)
	Significant Accounting Policies and other notes	1,2 & 19-23		

The notes referred herein form an integral part of the financial statements.

As per our attached report of even date
For HPVS & Asssociates
Chartered Accountants
Firm Registration No. 137533W

HPVS & Associates MUMBAI 137533W Chartered Accountants

Vaibhav Dattani
Partner
M. No. 144084
UDIN: 23144084BGPLGY3170

Place : Kolkata
Date :20.04.2023

For and on behalf of the Board of Directors

Partha Bose
Director
DIN: 05280944

Alok Mehrotra
Director
DIN:01066025

Bhavin Kumar Jain
Chief Financial Officer

Srinidhi Nawalgaria
Company Secretary

Place : Kolkata
Date :20.04.2023

JSW ENERGY (BENGAL) LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

A. Equity share capital

Particulars	No. of Shares (No.)	Equity share capital (INR in Lacs)
Issued and Paid up Equity Share Capital		
Balance as at 1st April, 2021	6,56,20,000	6,562.00
Add: Issue of shares during the year	-	-
Balance as at 31st March, 2022	**6,56,20,000**	**6,562.00**
Add: Issue of shares during the year	-	-
Balance as at 31st March, 2023	**6,56,20,000**	**6,562.00**

B. Other Equity

(INR in Lacs)

Particulars	Retained earnings
Reserves and Surplus	
Balance as on 1st April, 2021	(624.49)
Total comprehensive income for the year	(10.82)
Closing balance as on 31st March, 2022	**(635.31)**
Total comprehensive income for the year	(6.92)
Closing balance as on 31st March, 2023	**(642.23)**

Particulars	Securities premium
Issued Equity share Securities Premium	
Opening Balance as on 1st April, 2022	894.00
Issue of equity share for the year [refer note no 11(a)]	0.00
Balance as at 31st March, 2023	**894.00**

As per our attached report of even date
For HPVS & Asssociates
Chartered Accountants
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DIN:01066025

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Chief Financial Officer

Srinidhi Nawalgaria
Company Secretary

Place : Kolkata
Date :20.04.2023

JSW ENERGY (BENGAL) LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2023

(INR in Lacs)

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
Cash flows from operating activities		
Profit/(Loss) for the year	(6.92)	(10.82)
Adjustments for:		
Profit on Redemption of Mutual Fund	-	-
Depreciation and amortisation of non-current assets	0.82	0.82
Mark to margin gain in mutual fund recognised in profit or loss	(1.08)	(1.01)
	(7.18)	**(11.02)**
Movements in working capital:		
(Increase)/decrease in trade and other receivables	0.00	-
(Increase)/decrease in other assets	(0.84)	(0.31)
Increase/(decrease) in other financial liabilities	0.11	(1.16)
Increase/(decrease) in other liabilities	0.12	0.35
Cash generated from operating activities	**(7.79)**	**(12.14)**
Less: Income Tax paid (net of refund)	(0.10)	(0.33)
Net cash generated by operating activities	**(7.89)**	**(12.47)**
Cash flows from Investing activities		
Redemption /(Purcahse) of mutual fund	5.44	10.11
Profit on Redemption of Mutual Fund	1.08	1.01
Net Cash used in Investing activities	**6.52**	**11.13**
Cash flows from financing activities		
Proceeeds from issue of equity instruments of the Company		-
Net Cash generated by financing activities	-	-
Net Increase/(decrease) in Cash and Cash equivalents	**(1.37)**	**(1.34)**
Cash and cash equivalents at the beginning of the year	2.54	3.88
Cash and cash equivalents at the end of the year	1.17	**2.54**

Notes :

1. The above cash flow statement has been prepared by using the "indirect method" set out in Accounting Standard (Ind AS) 7 - " Statement of Cash Flows" and presents the cash flows by operating, investing, and financing activities of the Company.

2. Cash and cash equivalent presented in the cash flow statement consist of cash on hand and unencumbered, highly liquid bank balances.

As per our attached report of even date
For HPVS & Asssociates
Chartered Accountants
Firm Registration No. 137533W

HPVS & Associates MUMBAI 137533W Chartered Accountants

Vaibhav Dattani
Partner
M. No. 144084
UDIN: 23144084BGPKGV3170

Place : Kolkata
Date :20.04.2023

For and on behalf of the Board of Directors

Partha Bose
Director
DIN: 05280944

Alok Mehrotra
Director
DIN:01066025

Bhavin Kumar Jain
Chief Financial Officer

Srinidhi Nawatgaria
Company Secretary

Place : Kolkata
Date :20.04.2023

JSW ENERGY (BENGAL) LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2023

1. GENERAL INFORMATION

JSW Energy (Bengal) Limited ("the Company") is a public limited company incorporated for setting up an Integrated Steel Plant in the State of West Bengal at Salboni, Paschim Medinipur.

The functional and presentation currency of the Company is Indian Rupee ("INR") which is the currency of the primary economic environment in which the Company operates.

2. SIGNIFICANT ACCOUNTING POLICIES

A. Statement of compliance

Financial statements have been prepared in accordance with the accounting principles generally accepted in India including Indian accounting standards (Ind AS) prescribed under the section 133 of the companies act, 2013 read with rule 3 of the companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirement of Division II of Schedule III of the Companies Act, 2013, (Ind AS Compliant Schedule III), as applicable to financial statement.

Accordingly, the company has prepared these Financial Statements which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as "Financial Statements")

The accounting policies adopted are consistent with those of the previous financial year except for adoption of Ind AS 116 Leases and other changes to Ind AS.

B. Use of Estimates and Judgments

In preparation of the financial statements, the Company makes judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.
The key estimates and assumptions used in the preparation of financial statements are set out below:

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognized in the income statement and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

(i) Basis of Preparation

The Standalone Financial Statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by IND AS.

The functional currency of the Company is Indian Rupee ("INR") which is the currency of the primary economic environment in which the Company operates. The financial statements are presented in INR.

These financial statements are approved for issue by the Board of Directors on 20th April 2023.

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Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

(ii) **Current and non-current classification**

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

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

•it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle.

•it is held primarily for the purpose of being traded;

•it is expected to be realised within 12 months after the reporting date; or

•it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

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

•it is expected to be settled in the Company's normal operating cycle;

•it is held primarily for the purpose of being traded;

•it is due to be settled within 12 months after the reporting date; or

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• the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

(iii) **Property, plant and equipment**

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

The cost of property, plant and equipment comprises its

a) Purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities),

b) Any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and

c) 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 the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalized as the activities undertaken improve the economic benefits expected to arise from the asset.

An item of property, plant and equipment is derecognized 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 recognized in Statement of Profit and Loss.

Assets in the course of construction are capitalized 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. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalized where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed.

Depreciation on tangible assets (other than freehold land) has been provided on the straight line method as per the useful life prescribed in Schedule II of the Companies Act, 2013. Freehold land is not depreciated.

Class of assets	Useful Life (in Years)
Computer	3-6
Electrical Installation	10
Office Equipments	5

Intangible Assets

Software costs are included as Intangible assets where they are clearly linked to long term economic benefits for the Company. They are measured initially at purchase costs and then amortised on straight line basis over their estimated useful lives. Software is amortised over the estimated useful life of 3 to 5 years.

Impairment of Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

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Impairment loss is provided, if any, to the extent, the carrying amount of assets exceed their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

(iv) **Financial instrument, Financial assets, Financial liabilities**
Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the relevant instrument.

Financial assets and 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 measured on initial recognition of financial assets or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

The Company initially recognises loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All regular way purchases and sales of financial assets are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

Effective interest method
The effective interest method is a method of calculating the amortised cost of financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

Financial assets

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

Financial assets measured at fair value
Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
The Company in respect of equity investments which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through profit or loss. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains and losses arising on remeasurement recognized in the statement of profit or loss.

Impairment of financial assets
Loss allowance for expected credit losses is recognised for financial assets (debt instruments) measured at amortised cost and fair value through other comprehensive income.

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For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

De-recognition of financial assets

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

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

Income/ dividend recognition on financial assets

Interest income from financial assets is recognised in profit or loss using effective interest rate method, where applicable.

Dividend income from investments is recognized 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).

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into 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 the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

De-recognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharge, cancelled or they expire.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(v) **Loans and Receivables**

Loans and receivables are non – derivative financial asset with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially measured at transaction value, which is the fair value and subsequently retained at cost less appropriate allowance for credit losses as most loans and receivables of the Company are current in nature. Where significant, non – current loans and receivables are accounted for at amortised cost using effective interest rate method less appropriate allowance for credit losses, where the maturity period is specified.

(vi) **Investments in Equity Instruments:-**

In case of investments in subsidiaries, joint ventures and associates the Company has chosen to measure its investments at deemed cost.

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(vii) **Foreign Currency Transactions**

The financial statements are presented in Indian Rupees (INR), which is the presentational currency of the Company. The Company account for transactions in foreign currency at the exchange rate prevailing on the date of transactions. Gains/Losses arising on settlement of such transactions as also the translation of monetary items at period ends due to fluctuations in the exchange rates are recognised in the Statement of Profit and Loss.

The Appendix clarifies that the date of transaction for the purpose of determining the exchange rate to use on initial recognition of asset, expense or income (or part of it) is the date on which an entity initially recognizes the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration towards such assets, expenses or income. If there is multiply payment or receipts in advance, then an entity must determine transaction date for each payment or receipt of advance consideration. The Company does not have any impact on the financials.

(viii) **Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable, which is when it is earned and no significant uncertainty exists as to its realization or collection.

Revenue from the sales of goods is recognised in the income statement when significant risks and rewards of ownership of the goods have been transferred to the buyer. Revenue from services is recognised in the period in which services are rendered.

Interest income

Interest income from a financial asset is recognized 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 interest rate applicable.

(ix) **Taxes on Income**

Taxes on income comprises of current taxes and deferred taxes.

Current Tax

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws in the countries where the Company operates and generates taxable income.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable 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, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that is probable that future taxable profits will be available against which the temporary differences can be utilized.

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

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

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(x) **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.

(xi) **Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(xii) **Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of parent company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the parent company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(xiii) **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 recognized.

(xiv) **Comparatives**

When required by Ind AS, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Changes in accounting policies and disclosures

New standard Ind AS 116: Leases

The Company has applied Ind AS 116 for accounting of leases.

It provides that an entity, being a lessee, it treat almost all leases, except leases for short-term and leases of low value assets, as finance leases. The entity shall recognise a right-of-use asset and a lease liability whenever it takes any asset on lease. The right-of-use asset shall be measured at cost that comprises of initial value of lease liability, lease payments made on or before the commencement of lease, initial direct costs incurred by the entity and an initial estimated cost of dismantling & removing the leased asset and restoring the site on which the asset is located. The lease liability shall be measured at the present value of the lease payments due. The interest rate implicit in the lease or lessee's incremental borrowing may be used to arrive at the present value. Subsequently, at each balance sheet date, the right-of-use asset shall be depreciated and lease liability shall be increased by interest amount & decreased by amount paid. The right-of-use asset may also be measured at revalued amount under revaluation model.

Company does not have any financial impact on its Profit and loss statement and Balance sheet.

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JSW ENERGY (BENGAL) LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 3: Property, Plant and Equipment (Refer Note 18)

(INR In Lacs)

Description of Assets	Free hold Land	Computers	Electrical Installations	Office Equipments	Total
I. Cost					
Balance as at 1st April, 2021	130.95	0.00	8.21	0.79	139.95
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at 31st March, 2022	**130.95**	**0.00**	**8.21**	**0.79**	**139.95**
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at 31st March, 2023	**130.95**	**0.00**	**8.21**	**0.79**	**139.95**
II. Accumulated depreciation					
Balance as at 1st April, 2021	-	-	6.03	0.75	6.79
Eliminated on disposals of assets	-	-	-	-	-
Depreciation expense for the year	-	-	0.82	-	0.82
Balance as at 31st March, 2022	-	-	**6.85**	**0.75**	**7.60**
Eliminated on disposals of assets	-	-	-	-	-
Depreciation expense for the year	-	-	0.82	-	0.82
Balance as at 31st March, 2023	-	-	**7.66**	**0.75**	**9.02**
III. Carrying Amount (I-II)					
At 31st March, 2022	130.95	-	1.36	0.04	132.35
At 31st March, 2023	**130.95**	-	**0.55**	**0.04**	**131.53**

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Chartered Accountants

JSW ENERGY (BENGAL) LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

(INR in Lacs)

		As at 31.03.2023	As at 31.03.2022
4	**Capital work in Progress**	**As at 31.03.2023**	**As at 31.03.2022**
	Opening Balance	236.63	236.63
	Add: Additions during the year	-	-
	Total:	**236.63**	**236.63**

CWIP ageing schedule (INR in Lacs)

CWIP	Amount in CWIP for a year of 2022-23				Total
	less than 1 year	1-2 years	2-3 years	more than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspensed	-	-	-	236.63	236.63

Refer project note 19 (a)

		As at 31.03.2023	As at 31.03.2022
5	**Investment in Subsidiary**	**As at 31.03.2023**	**As at 31.03.2022**
	Investment in Equity Instruments of subsidiary - measured at cost		
	JSW Natural Resources Bengal Limited		
	6,42,04,000 (previous year: 6,42,04,000) equity shares of Rs. 10 each fully paid up	6,420.40	6,420.40
	Total:	**6,420.40**	**6,420.40**
	Aggregate book value	6,420.40	6,420.40
	Aggregate market value	6,420.40	6,420.40
6	**Other non-current assets**	**As at 31.03.2023**	**As at 31.03.2022**
	Other Assets		
	Statutory dues receivable (Goods and Service Tax)	7.08	6.24
	Total:	**7.08**	**6.24**
7	**Current Investments**	**As at 31.03.2023**	**As at 31.03.2022**
	Investment in Unquoted Mutual Fund- measured at FVTPL		
	HDFC liquid Fund- Regular growth plan- 00.000 units @0000.0000/- (previous year: 60.099 @4151.7977/-)	-	2.50
	HDFC liquid Fund- Direct growth plan- 412.474units @4423.2004/- (previous year: 506.354 units @4184.7424/-)	18.24	21.19
	Total:	**18.24**	**23.68**
	Aggregate book value	18.24	23.68
	Aggregate market value	18.24	23.68
8	**Cash and cash equivalents**	**As at 31.03.2023**	**As at 31.03.2022**
	Balances with Banks in current accounts	1.17	2.54
	Total:	**1.17**	**2.54**
9	**Short-term loans and advances**	**As at 31.03.2023**	**As at 31.03.2022**
	Other Advances	0.003	0.005
	Total:	**0.003**	**0.005**

There are no loans or advances in the nature of loans are granted to promoters, directors, key managerial personnel (KMPs) and the related parties (as defined under Companies Act, 2013)

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JSW ENERGY (BENGAL) LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

(INR in Lacs)

10	Equity Share Capital	As at 31.03.2023	As at 31.03.2022
	Authorised :		
	10,00,00,000 (Previous Year 10,00,00,000) Equity Shares of Rs. 10 Each	1,00,00,00,000	10,000.00
		1,00,00,00,000	**10,000.00**
	Issued, Subscribed & Paid Up Capital:		
	6,56,20,000(Previous Year 6,56,20,000) Equity Shares of Rs. 10 Each Fully Paid up	65,62,00,000	6,562.00
		65,62,00,000	**6,562.00**

Reconciliation of Shares Outstanding at the beginning and at the end of the year :

Equity Shares	As at 31.03.2023		As at 31.03.2022	
	No. of shares	(INR in Lacs)	No. of shares	(INR in Lacs)
Shares outstanding at the beginning of the year	6,56,20,000	6,562.00	6,56,20,000	6,562.00
Add: Issued during the year	-	-	-	-
Share outstanding at the end of the year	**6,56,20,000**	**6,562.00**	**6,56,20,000**	**6,562.00**

Terms / Rights attached to Equity shares:

The Company has only one class of Equity shares having par value of Rs. 10 per share. Each holder of Equity Shares is entitled to one vote per Share.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholder.

Shares held by Holding Company:

Particulars	As at 31.03.2023		As at 31.03.2022	
	No. of shares	% of holding	No. of shares	% of holding
JSW Bengal Steel Limited (the holding company, including shares held by nominee)	6,56,20,000	100	6,56,20,000	100

Disclosure of shareholders holding more than 5% of the aggregate shares in the Company:

Particulars	As at 31.03.2023		As at 31.03.2022	
	No. of shares	% of holding	No. of shares	% of holding
JSW Bengal Steel Limited (the holding company, including shares held by nominee)	6,56,20,000	100	6,56,20,000	100

Details of shares held by promoters
As at 31st March 2023

S.No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of INR 10 each fully paid	JSW Bengal Steel Ltd	6,56,20,000	-	6,56,20,000	100%	0.00
Total		**6,56,20,000**	0	**6,56,20,000**	**100%**	

As at 31 March 2022

S.No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of INR 10 each fully paid	JSW Bengal Steel Ltd	6,56,20,000	-	6,56,20,000	100%	0.00
Total		**6,56,20,000**	-	**6,56,20,000**	**100%**	**0.00**

11	Other Equity	(INR in Lacs)
	Balance as at 01st April, 2021	(624.49)
	Other Comprehensive Income/(Loss) for the year	(10.82)
	Balance as at 31st March, 2022	**(635.31)**
	Other Comprehensive Income/(Loss) for the year	(6.92)
	Balance as at 31st March, 2023	**(642.23)**

11(a)	Securities premium	As at 31.03.2023	As at 31.03.2022
	Securities premium is used to record the premium on issue of shares.The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.		
	Issued Equity share capital (3,57,60,000 equity shares at a premium of Rs 2.5 each)	894.00	894.00
	Total:	**894.00**	**894.00**

(Securities premium reserve is used to record the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013)

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12	Trade Payable	As at 31.03.2023	As at 31.03.2022
	Total Outstanding used of Micro and Small Enterprises	-	-
	Total Outstanding used of Creditors other than Micro and Small Enterprises	1.26	1.15
	Total:	1.26	1.15

Particulars	Outstanding for following years from due date of payments				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	(1.06)	-	-	0.14	(0.92)
(iii) Disputed dues-MSME	-	-	-	-	-
(iii) Disputed dues-others	-	-	-	-	-

13	Other current liabilities	As at 31.03.2023	As at 31.03.2022
	Statutory Liabilities	0.12	0.10
	Total:	0.12	0.10

14	Current tax assets (net)	As at 31.03.2023	As at 31.03.2022
	Provision for tax	7.61	7.51
	Less: Tax Deducted at Source	0.11	0.11
	Less: Advance payment of Income tax	7.60	7.50
	Total:	(0.10)	(0.10)

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JSW ENERGY (BENGAL) LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(INR In Lacs)

15	**Other Income**	Year Ended 31.03.2023	**Year Ended 31.03.2022**
	Gain on disposal	0.39	-
	Fair valuation of Mutual Fund	0.68	1.01
	Total:	1.08	1.01
16	**Employee benefit expenses**	Year Ended 31.03.2023	**Year Ended 31.03.2022**
	Salary & wages	1.98	1.98
	Total:	1.98	1.98
17	**Depreciation and Amortisation Expenses**	Year Ended 31.03.2023	**Year Ended 31.03.2022**
	Depreciation on Tangible Assets [refer note 3]	0.82	0.82
	Total:	0.82	0.82
18	**Other Expenses**	Year Ended 31.03.2023	**Year Ended 31.03.2022**
	Auditors Remuneration (excluding taxes)[refer Note 19 (f)]	0.78	0.78
	Legal and professional expenses	0.91	0.88
	Rates and taxes	0.03	0.03
	Deputation expenses	2.97	6.60
	Bank charges	0.02	0.02
	Insurance	0.00	0.00
	Director sittings fees	0.40	0.40
	Total:	5.10	8.70

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19 Other Notes to Accounts:

a. JSW Energy (Bengal) Limited has been in the process of setting up a Captive Power plant for Integrated Steel Plant (ISP) of its Holding Company JSW Bengal Steel Limited at Salboni of district Paschim Medinipur in West Bengal. However, since the Long term linkages of Iron ore & Coal supplies , essential pre requisites for the ISP are still in process, the main erection work of ISP is yet to commence. But field survey of the ROW(Right of Way) for the purpose of identification of the land owners holding such plots of land within the alignment of ROW(water pipeline route) is in progress, for putting up 68 km cross country water pipeline for the project. As advised by MOEF GOI, the company has applied for renewal of its Environment Clearance (EC) which has since expired, due to unavoidable delays in the project. The recent proposal to set up the 1 x 660 MW super critical Power Plant (IPP) within the already acquired Project Lands has also not been found feasible with the Govt of West Bengal (GOWB) due to technical reasons. The Company had entered into a Long Term Coal Supply Agreement for its Power plant project with (WBMDTC). However, since the allotment of this coal block has been cancelled by order of Supreme Court read with Schedule I of The Coal Mines (Special Provisions) second ordinance, 2014, the above mentioned coal supply agreement would no longer be valid. The Company along-with GOWB, is in the process of exploring certain alternatives to resource the long term coal supply linkages for the proposed power plant project. In view of given circumstances, at this juncture, there is no necessity of impairing the assets and investments as per provisions of Ind AS 36."

b. **Contingent liabilities and commitments**

Contingent liabilities : Rs. Nil (Previous year : Rs. Nil)

Capital Commitments

Capital commitments : Rs.Nil (Previous Year Rs.Nil)

c. **Segment Reporting**

The Company's activities during the year revolve around setting up of a Power Plant at Salboni, West Bengal. Considering the nature of Company's business or operations, there are no separate reportable segments (business and/or geographical) in accordance with the requirements of Indian Accounting Standard (Ind AS) 108 – 'Operating Segments'.

d. **Related Party Disclosures as per Ind AS 24:**

(A) List of Related Parties:

i) Parent Holding Company:
JSW Steel Limited

ii) Holding Company:
JSW Bengal Steel Limited

iii) Subsidiary Company:
JSW Natural Resources Bengal Limited

iv) Key Managerial Personnel:
Tushar Kanti Kar - (Chief Financial Officer and Manager) upto 31.10.2022
Srinidhi Nawalgaria (Company Secretary)

(INR in Lacs)

(B) Transactions with Related Parties:	As at 31.03.2023	As at 31.03.2022
i) Issue of Equity Shares		
Share application money pending allotment	-	-
ii) Expenses Incurred		
JSW Bengal Steel Limited (Deputation)	3.00	6.60
Total:	**3.00**	**6.60**
iii) Payment to Trade Payable		
JSW Bengal Steel Limited (Deputation)	3.00	6.60
Total:	**3.00**	**6.60**

(C) Closing Balance	As at 31.03.2023	As at 31.03.2022
i) Trade Payables		
JSW Bengal Steel Limited (Deputation)	-	-
Total:	-	-
ii) Share capital		
JSW Bengal Steel Limited	65,62,00,000	6,562.00
	65,62,00,000	**6,562.00**

e. **DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 33 EARNINGS PER SHARE**

Earnings per share	Year Ended 31.03.2023	Year Ended 31.03.2022
Face Value per share	Rs. 10	Rs. 10
Loss after tax for calculating basic EPS and diluted EPS	(6.92)	(10.82)
Weighted average number of equity shares for calculating basic & diluted EPS	656	656
Earnings per Share (Basic and Diluted)	**(0.01)**	**(0.02)**

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(INR in Lacs)

f.	Auditor's Remuneration:	Year Ended 31.03.2023	Year Ended 31.03.2022
	Statutory audit fees (excluding taxes)[refer note 18]	0.75	0.75
	Out of pocket expenses	0.03	0.03
	Total:	**0.78**	**0.78**

g. The Company is yet to receive any Balance confirmations in respect of loans and advances given and sundry creditors. The management does not expect any material difference affecting the current year's financial statements due to the same.

h. **Income Taxes**

Income tax related to items charged or credited directly to profit or loss during the year

(INR in Lacs)

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
Current income tax	0.10	0.33
Total Income tax expense	**0.10**	0.33

*Pursuant to The Taxation Laws (Amendment) Ordinance 2019, promulgated on 20th September, 2019, the Company has exercised the option permitted under section 115BAA of the Income Tax, 1961 to compute income-tax at the revised rate (i.e. 25.17%) from the current financial year. Accordingly, the tax expense for the year ended March 31, 2020 has been computed at the revised tax rate.

Further, the Company has carried forward tax losses. Deferred taxes are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. The Company has not recognised any deferred tax assets on the loss incurred.

i. **Details due to MSE as defined under MSMED Act, 2006**

The Company has not received any memorandum (as required to be filed by the supplier with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) from vendors claiming their status as micro, small and medium enterprise. Consequently the disclosure regarding amount unpaid together with interest paid/payable under this Act has not been given.

j. In the opinion of the Management, the current assets and loans and advances have a value on realisation in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of what is required.

k. One Writ Petition has been filed by JSW Steel Limited against GoWB, against cancellation of PPA by WBSEDCL,at High Court Calcutta (WP- No- 2859 (w) of 2015 JSW Steel Limited & Others Vs State Of West Bengal & Others). The matter is pending for hearing at High Court Calcutta.

l. **Subsequent Events:-**

No Significant event has occurred after the balance sheet date which may have material effect on the Company's financial statement.

m. Additional Information Pursuant to Schedule III of the Companies Act, 2013 is either Nil or Not Applicable.

n. Previous year figures have also been reclassified/ regrouped, wherever necessary, to conform to the current year's classification.

20 **Financial risk management objectives and policies:**

a. **Capital risk Management**

The Company is managing its capital through investment by Holding Company to ensure that entity will be able to continue as a going concern. The capital structure of the Company consists of equity of the Company (comprising issued capital, reserves, and retained earnings).The Company is not subject to any externally imposed capital requirements.

b. **Credit risk management:**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

In addition, the Company is exposed to credit risk in relation to financial guarantees given by banks on request of the company for business requirements. The Company's maximum exposure in this respect is the maximum amount the Company could have to pay if the guarantee is called on.

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c. Financial Instruments

i. Financial instruments by category:

(INR in Lacs)

Particulars	As at 31st March, 2023			As at 31st March, 2022		
	FVTPL	Amortised cost	Total#	FVTPL	Amortised cost	Total#
Financial assets						
Others financial assets	-	-	-	-	-	-
Investments in Mutual Funds	18.24	-	18.24	23.68	-	23.68
Cash and cash equivalents	-	1.17	1.17	-	2.54	2.54
Short term loans and advances	0.00	-	0.00	0.00	-	0.00
TOTAL	**18.25**	**1.17**	**19.42**	**23.69**	**2.54**	**26.23**
Financial liabilities						
Trade Payable	-	1.26	1.26	-	1.15	1.15
TOTAL	-	**1.26**	**1.26**	-	**1.15**	**1.15**

#The carrying amounts of trade payables and cash and cash eqivalents, other bank balances, other financial assets and other financial liablities (other than those specifically disclosed) are considered to be the same as their fair values, due to their short term nature.

ii. Fair Value Hierarchy:

This Section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the standalone financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard

Financial assets and liabilities measured at fair value

Particulars	As at 31st March, 2023	As at 31st March, 2022	Level	Valuation techniques and key inputs
Financial Assets				
Investment in mutual funds	18.24	23.68	2.00	Mutual funds are valued using the closing NAV

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

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

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

d Risk management strategies:

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves and banking 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 assets & Financial liabilities as at reporting date

Particulars As at 31st March, 2023	< 1 Year	1 - 5 Years	> 5 Years	Total
Financial assets				
Others financial assets	-	-	-	-
Investments in Mutual Funds	18.24	-	-	18.24
Cash and cash equivalents	1.17	-	-	1.17
Short term loans and advances	0.00	-	-	0.00
TOTAL	**19.42**	-	-	**19.42**
Financial liabilities				
Trade Payable	1.26	-	-	1.26
TOTAL	**1.26**	-	-	**1.26**

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(INR in Lacs)

Particulars As at 31st March, 2022	< 1 Year	1 - 5 Years	> 5 Years	Total
Financial assets				
Long-term loans and advances	-	-	-	-
Others financial assets	-	-	-	-
Investments in Mutual Funds	23.68	-	-	23.68
Cash and cash equivalents	2.54	-	-	2.54
Short term loans and advances	0.00	-	-	0.00
TOTAL	**26.23**	-	-	**26.23**
Financial liabilities				
Trade Payable	1.15	-	-	1.15
TOTAL	1.15	-	-	**1.15**

e. **Price risk**

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

The table below summarizes the impact of increase / decrease in NAV of Company's investment in mutual fund for the corresponding year.

The analysis is based on the assumption that the NAV of mutual fund will on an average increase by 5% or decrease by 5% with all other variables held constant

Impact on Profit and Loss

Particulars	As at 31st March, 2023	As at 31st March, 2022
Mutual Fund NAV - increase 5%	0.91	1.18
Mutual Fund NAV - decrease 5%	(0.91)	(1.18)

21 **Subsequent Events:-**

No Significant event has occurred after the balance sheet date which may have material effect on the Company's financial statement.

22 Additional Information Pursuant to Schedule III of the Companies Act, 2013 is either Nil or Not Applicable.

23 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

As per our attached report of even date
For HPVS & Asssociates
Chartered Accountants
Firm Registration No. 137533W

Vaibhav Dattani
Partner
M. No. 144084
UDIN: 23144084BGPRGY3178

HPVS & Associates MUMBAI 137533W Chartered Accountants

Place : Kolkata
Date :20.04.2023

For and on behalf of the Board of Directors

Partha Bose
Director
DIN: 05280944

Alok Mehrotra
Director
DIN:01066025

Bhavin Kumar Jain
Chief Financial Officer

Srinidhi Na/algaria
Company Secretary

Place : Kolkata
Date :20.04.2023

JSW ENERGY (BENGAL) LIMITED
Disclosure of ratios as on 31.03.2023

(INR in Lacs)

Sl. no.	Ratio	Basis	Year Ended 31.03.2023	Year Ended 31.03.2023	Year Ended 31.03.2022	Year Ended 31.03.2022
1	Current Ratio *(Current Assets/Current Liabilities)*	Current Assets / Current Liabilities	19.51 / 1.38	14.14	26.33/1.26	21.13
2	Current Liability Ratio *(Current Liabilities/Total Liabilities)*	Current Liabilities / Total Liabilities	1.38 / 6815.15	0.00	1.26/6811.13	0.00
3	Net Profit Margin (%) *((Net profit for the period/year)/Revenue from operations))*	Net proft for the year / Revenue from Operations	-6.92 / 1.08	-6.43	-10.81/ 1.01	-10.66

The following ratios are not applicable to the Company and hence not computed:

1. Debt equity ratio
2. Debt service coverage ratio
3. Interest service coverage ratio
4. Long term debt to working capital
5. Bad debts to Accounts receivable ratio
6. Total debts to total assets
7. Debtors Turnover (no. of days)
8. Inventory Turnover (no. of days)
9. Operating EBIDTA Margin (%)
10. Capital Redemption Reserve

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