JSW Power Trading Company Limited
(formerly known as JSW Green Energy Limited)
Balance Sheet as at 31st March, 2021

(₹ Lakh)

	Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
A	**ASSETS**			
1	**Non-current assets**			
	(a) Property, plant and equipment	5	**4.06**	5.73
	(b) Financial assets			
	(i) Other financial assets	6	**48.11**	48.11
	(c) Income tax assets (net)	11	**326.59**	317.26
	Total non - current assets		**378.76**	**371.10**
2	**Current assets**			
	(a) Financial assets			
	(i) Trade receivables	7	**4,110.77**	4,128.50
	(ii) Cash and cash equivalents	8	**149.93**	150.07
	(iii) Bank balances other than (ii) above	9	**301.00**	1.00
	(iv) Loans	6A	**7,000.00**	-
	(v) Other financial assets	6	**33.46**	9.06
	(b) Other current assets	10	**2,153.80**	11,074.51
	Total current assets		**13,748.96**	**15,363.14**
	Total assets (1+2)		**14,127.72**	**15,734.24**
B	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	13A	**7,005.00**	7,005.00
	(b) Other equity	13B	**5,949.86**	5,904.14
	Total Equity		**12,954.86**	**12,909.14**
	LIABILITIES			
2	**Non-current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	14	**329.49**	287.32
	(b) Provisions	15	**7.52**	5.93
	(c) Deferred tax liabilities (Net)	12	**237.81**	247.30
	Total non - current liabilities		**574.82**	**540.55**
3	**Current liabilities**			
	(a) Financial liabilities			
	(i) Trade payables			
	- total outstanding dues of micro and small enterprises		**-**	-
	- total outstanding dues of creditors other than micro and small enterprises	16	**490.00**	493.10
	(b) Other current liabilities	17	**106.69**	1,790.11
	(c) Provisions	15	**1.32**	1.34
	Total current liabilities		**598.01**	**2,284.55**
	Total equity and liabilities (1+2+3)		**14,127.69**	**15,734.24**

See accompanying notes to the financial statements

In terms of our report attached.
For HPVS & Associates
Chartered Accountants
Firm Regn. No. 137533W

For and on behalf of the Board of Directors

VAIBHAV L. DATTANI
Partner
Membership No.: 144084

Chittur Ramakrishnan Lakshman
Director & Chief Financial Officer
[DIN: 08704945]

Jyotiprakash Panda
Wholetime Director
[DIN: 08482786]

Monica Chopra
Director & Company Secretary
[DIN: 05341124]

Place: Mumbai
Date : June 24, 2021

JSW Power Trading Company Limited
Statement of Profit and Loss for the year ended 31st March, 2021

(₹ Lakh)

	Particulars	Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
I	Revenue from operations	18	**65.99**	31,034.35
II	Other income	19	**108.90**	62.86
III	**Total income (I + II)**		**174.89**	**31,097.21**
IV	**EXPENSES**			
	(a) Purchase of power	20	**-**	28,745.55
	(b) Employee benefits expense	21	**30.70**	47.64
	(c) Finance costs	22	**42.33**	63.05
	(d) Depreciation and amortisation expense		**1.67**	1.73
	(e) Other expenses	23	**33.14**	2,262.86
	Total expenses (IV)		**107.84**	**31,120.83**
V	**Profit / (loss) before tax (III-IV)**		**67.05**	**(23.62)**
VI	**Tax expense**			
	(a) Current tax		**30.98**	9.08
	(b) Deferred tax		**(9.49)**	57.72
	Total tax expense	24	**21.49**	**66.80**
VII	**Profit / (loss) after tax (V-VI)**		**45.56**	**(90.42)**
VIII	**Other comprehensive income**			
	A (i) Items that will not be reclassified to profit or loss			
	(a) Remeasurements of the defined benefit plan (net)		**0.21**	(0.74)
	(ii) Income tax on items that will not be reclassified to profit or loss		**(0.05)**	0.19
IX	**Total comprehensive income for the year (VII + VIII)**		**45.72**	**(90.97)**
X	**Earnings per equity share :**	31		
	(a) Basic (in ₹)		**0.07**	(0.13)
	(b) Diluted (in ₹)		**0.07**	(0.13)

See accompanying notes to the financial statements

In terms of our report attached.
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Monica Chopra
Director & Company Secretary
[DIN: 05341124]

Place: Mumbai
Date : June 24, 2021

JSW Power Trading Company Limited
(formerly known as JSW Green Energy Limited)
Statement of changes in equity for the year ended 31st March, 2021

a. Equity share capital

(₹ Lakh)

Balance as at 31st March, 2020	**7,005.00**
Changes in equity share capital during the year 2020-21	-
Balance as at 31st March, 2021	**7,005.00**

Balance as at 31st March, 2019	**7,005.00**
Changes in equity share capital during the year 2019-20	-
Balance as at 31st March, 2020	**7,005.00**

b. Other equity

(₹ Lakh)

Particulars	Reserves and surplus				Total
	General reserve	Equity settled share based payment reserve	Capital reserve	Retained earnings	
Balance at April 1, 2020	3.21	3.19	591.70	5,306.04	5,904.14
Profit for the year				45.56	45.56
Other comprehensive income for the year, net of income tax				0.16	0.16
Balance as at 31st March, 2021	**3.21**	**3.19**	**591.70**	**5,351.76**	**5,949.86**

(₹ Lakh)

Particulars	Reserves and surplus				Total
	General reserve	Equity settled share based payment reserve	Capital reserve	Retained earnings	
Balance at April 1, 2019	3.21	3.19	591.70	5,397.01	5,995.11
Loss for the year	-	-	-	(90.42)	(90.42)
Other comprehensive loss for the year, net of income tax	-	-	-	(0.55)	(0.55)
Balance as at 31st March, 2020	**3.21**	**3.19**	**591.70**	**5,306.04**	**5,904.14**

In terms of our report attached.
For HPVS & Associates
Chartered Accountants
Firm Regn. No. 137533W

For and on behalf of the Board of Directors

VAIBHAV L. DATTANI
Partner
Membership No.: 144084

Chittur Ramakrishnan Lakshman
Director & Chief Financial Officer
[DIN: 08704945]

Jyotiprakash Panda
Wholetime Director
[DIN: 08482786]

Place: Mumbai
Date : June 24, 2021

Monica Chopra
Director & Company Secretary
[DIN: 05341124]

JSW Power Trading Company Limited
(formerly known as JSW Green Energy Limited)
Cash Flow Statement for the year ended 31st March, 2021

(₹ Lakh)

	Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
A)	**Cash flows from operating activities**		
	Profit before tax for the year	67.05	(23.62)
	Adjustments for:		
	Depreciation	1.67	1.73
	Provision no longer required written back	(2.75)	
	Provision for doubtful debts	0.02	
	Interest income	(83.82)	-
	Interest income on loans given	(22.33)	
	Loss arising on financial instrument measured at FVTPL	42.17	63.05
	Movements in working capital:		
	(Increase)/decrease in trade and other receivables	8,914.80	911.64
	(Increase)/decrease in other assets	14.17	273.87
	Increase/(decrease) in trade and other payables	(1,686.46)	(761.32)
	Increase/(decrease) in provisions	1.57	2.16
	Cash generated from operations	7,246.09	467.51
	Income taxes paid	(23.50)	(29.00)
	Net cash (used in)/generated by operating activities	**7,222.59**	**438.51**
B)	**Cash flows from investing activities**		
	Bank deposits not considered as cash & cash equivalent	(300.00)	-
	Interest received on investments/loans	77.24	-
	Loans given	(7,000.00)	-
	Net cash (used in)/generated by investing activities	**(7,222.76)**	**-**
C)	**Cash flows from financing activities**		
	Proceeds from borrowings	-	(408.06)
	Net cash (used in)/generated by financing activities	**-**	**(408.06)**
	Net increase in cash and cash equivalents	**(0.17)**	**30.45**
	Cash and cash equivalents at the beginning of the year	150.07	119.62
	Cash and cash equivalents at the end of the year	**149.90**	**150.07**

Notes:
1. The above cash flow statement has been prepared by using the Indirect Method as per Ind AS 7- Statement of Cash Flows.

In terms of our report attached.
For HPVS & Associates
Chartered Accountants
Firm Regn. No. 137533W

For and on behalf of the Board of Directors

VAIBHAV L. DATTANI
Partner
Membership No.: 144084

Chittur Ramakrishnan Lakshman
Director & Chief Financial Officer
[DIN: 08704945]

Jyotiprakash Panda
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[DIN: 08482786]

Monica Chopra
Director & Company Secretary
[DIN: 05341124]

Place: Mumbai
Date : June 24, 2021

JSW Power Trading Company Limited
(formerly known as JSW Green Energy Limited)

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

Note 5 - Property, plant and equipment

Description of assets	(₹ Lakh)				
	Computers	Office equipment	Furniture and fixtures	Vehicles	Total
I. Gross carrying value					
Balance as at 1st April, 2020	5.54	2.80	7.78	7.10	23.22
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at 31st March, 2021	5.54	2.80	7.78	7.10	23.22
II. Accumulated depreciation					
Balance as at 1st April, 2020	3.95	2.24	6.02	5.28	17.49
Depreciation expense for the year	-	0.08	0.61	0.98	1.67
Eliminated on disposal/discard of assets	-	-	-	-	-
Balance as at 31st March, 2021	3.95	2.32	6.63	6.26	19.16
Net carrying value 31st March, 2021 (I-II)	**1.59**	**0.48**	**1.15**	**0.84**	**4.06**

Description of assets	(₹ Lakh)				
	Computers	Office equipment	Furniture and fixtures	Vehicles	Total
I. Gross carrying value					
Balance as at 1st April, 2019	5.54	2.80	7.78	7.10	**23.22**
Additions	-	-	-	-	**-**
Disposals	**-**	-	-	-	**-**
Balance as at 31st March, 2020	**5.54**	**2.80**	**7.78**	**7.10**	**23.22**
II. Accumulated depreciation					
Balance as at 1st April, 2019	3.94	2.11	5.41	4.30	15.76
Depreciation expense for the year	0.01	0.13	0.61	0.98	**1.73**
Eliminated on disposal of assets	**-**	-	-	-	**-**
Balance as at 31st March, 2020	**3.95**	**2.24**	**6.02**	**5.28**	**17.49**
Net carrying value 31st Mar,2020 (I-II)	**1.59**	**0.56**	**1.76**	**1.82**	**5.73**

JSW Power Trading Company Limited
(formerly known as JSW Green Energy Limited)

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

Note 6 - Other financial assets

Particulars	(₹ Lakh)			
	As at 31st March, 2021		As at 31st March, 2020	
	Current	Non-current	Current	Non-current
a) Security deposits with others				
- Unsecured, considered good (with power exchanges & others)	**6.10**	**48.11**	8.10	48.11
	6.10	**48.11**	**8.10**	**48.11**
c) Interest receivable				
-Interest accrued but not due on deposit	**8.20**	**-**	0.96	-
-Interest accrued but not due on Loans	**19.16**		-	
	27.36	**-**	**0.96**	**-**
TOTAL	**33.46**	**48.11**	**9.06**	**48.11**

Note 6A - Loans

Particulars	(₹ Lakh)			
	As at 31st March, 2021		As at 31st March, 2020	
	Current	Non-current	Current	Non-current
a) Loan to South West Mining Limited (SWML)	**7,000.00**	**-**	-	-
	7,000.00	**-**	**-**	-

Note 7 - Trade receivables

Particulars	(₹ Lakh)	
	As at 31st March, 2021	As at 31st March, 2020
a) Unsecured, considered good		
(i) Trade Receivables considered good - Secured;	**-**	-
(ii) Trade Receivables considered good - Unsecured;	**4,110.77**	4,128.50
(iii) Trade Receivables which have significant increase in Credit Risk; and	**-**	-
(iv) Trade Receivables - credit impaired	-	-
(Refer Note 27)		
TOTAL	**4,110.77**	**4,128.50**

JSW Power Trading Company Limited
(formerly known as JSW Green Energy Limited)

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

Note - 8: Cash and cash equivalents

Particulars	(₹ Lakh)	
	As at 31st March, 2021	As at 31st March, 2020
a) Unrestricted balances with banks		
(i) In current account	**149.93**	150.07
TOTAL	**149.93**	**150.07**

Note - 9: Other bank balances

Particulars	(₹ Lakh)	
	As at 31st March, 2021	As at 31st March, 2020
a) Earmarked balances with banks		
(i) Margin money accounts (for bank gaurantee issuance)	**301.00**	1.00
TOTAL	**301.00**	**1.00**

Note 10 - Other current assets

Particulars	(₹ Lakh)	
	As at 31st March, 2021	As at 31st March, 2020
a) Advance for purchase of power (Related Parties) (Refer Note no. 34)	**2,145.72**	11,067.26
b) Advances to other vendors	**1.26**	-
c) Balances with government authorities	**-**	0.48
d) Prepayments / Other receivables	**6.82**	6.77
TOTAL	**2,153.80**	**11,074.51**

Note 11 - Income tax assets (net)

Particulars	(₹ Lakh)	
	As at 31st March, 2021	As at 31st March, 2020
a) Advance income tax (net of provision as at 31.3.21 Rs. 1019 Lakh & 31.3.20 Rs. 988 Lakh)	**326.59**	317.26
TOTAL	**326.59**	**317.26**

Note 12- Deferred tax (assets) / liability

Particulars	(₹ Lakh)	
	As at 31st March, 2021	As at 31st March, 2020
a) Deferred tax assets / (liability) (Refer Note 29)	**237.81**	247.30
TOTAL	**237.81**	**247.30**

JSW Power Trading Company Limited
(formerly known as JSW Green Energy Limited)

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

Note - 13A: Equity share capital

Particulars	(₹ Lakh)			
	As at 31st March, 2021		As at 31st March, 2020	
	No. of shares	Amount	No. of shares	Amount
Authorised:				
Equity shares of ₹ 10 each with voting rights	**8,50,50,000**	**8,505.00**	8,50,50,000	8,505.00
Issued, subscribed and fully Paid:				
Equity shares of ₹ 10 each with voting rights	**7,00,50,000**	**7,005.00**	7,00,50,000	7,005.00

Particulars	As at 31st March, 2021	As at 31st March, 2020
	No. of shares	No. of shares
a) Details of agrregate shareholding by holding company		
Equity shares :		
JSW ENERGY LIMITED, the holding company	**7,00,50,000**	7,00,50,000
b) Details of shareholding more than 5%		
Equity shares :		
JSW ENERGY LIMITED, the holding company	**7,00,50,000**	7,00,50,000
	100%	100%

Terms & rights attached to equity shares

(i) The Company has only one class of equity shares having a par value of ₹10 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pay dividend in Indian rupees.
(ii) In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to the shareholding.

The reconciliation of the number of shares outstanding and the amount of share capital is set out below:

Particulars	As at 31st March, 2021	As at 31st March, 2020
	No. of shares	No. of shares
Balance as at the beginning of the Year	**7,00,50,000**	7,00,50,000
Issued during the Year	**-**	-
Balance as at end of the year	**7,00,50,000**	7,00,50,000

Aggregate number of shares allotted as fully paid up, without payment being received in cash

As at 31.3.2015	7,00,00,000
As at 31.3.2016	-
As at 31.3.2017	-
As at 31.3.2018	-
As at 31.3.2019	-
As at 31.3.2020	-
As at 31.3.2021	-

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

Note - 13B: Other equity

(₹ Lakh)

Particulars	Reserves and surplus				Total
	General reserve	Equity settled share based payment reserve	Capital reserve	Retained earnings	
Balance as at 31st March, 2021	**3.21**	**3.19**	**591.70**	**5,351.76**	**5,949.86**
Balance as at 31st March, 2020	**3.21**	**3.19**	**591.70**	**5,306.04**	**5,904.14**

1. General reserve

The Company created a general reserve in earlier years pursuant to the provisions of the Companies Act, wherein certain percentage of profits were required to transferred to general reserve before declaring dividend. As per Companies Act 2013, the requirement to transfer profits to general reserve is not mandatory. General reserve is a free reserve available for distribution subject to compliance with the Companies (Declaration and Payment of Dividend) Rules, 2014.

2. Equity-settled employee benefits reserve

The Company offers ESOP under which options to subscribe for the Company’s share have been granted to certain employees and senior management. The share based payment reserve is used to recognise the value of equity settled share based payments provided as part of the ESOP scheme

3. Capital reserve

Reserve is primarily created on amalgamation as per statutory requirement

4. Retained earnings

Retained earnings comprise balances of accumulated (undistributed) profit and loss at each year end, less any transfers to general reserve

JSW Power Trading Company Limited
(formerly known as JSW Green Energy Limited)
Notes to the financial statements for the year ended 31st March, 2021

Note - 14: Borrowings

Particulars	(₹ Lakh)			
	As at 31st March, 2021		As at 31st March, 2020	
	Current	Non-current	Current	Non-current
Measured at fair value through profit or loss				
a) Unsecured borrowings:				
10% Redeemable non-cumulative preference shares of ₹ 10 each	-	**329.49**	-	287.32
TOTAL	**-**	**329.49**	**-**	**287.32**

Terms & Rights attached to preference shares

i) The fully paid 10% redeemable non-cumulative preference shares shall interse, rank pari passu without any preference of one over the other(s).
ii) The 10% redeemable non-cumulative preference shares are redeemable at par at the end of 20 years from the date of allotment i.e., 31st March, 2015, with an option to redeem at any time after the end of 5 years from the date of allotment either by the Company or by the preference shareholder.
iii) The 10% redeemable non-cumulative preference shareholders are entitled to non-cumulative preferential dividend of 10%, if any, declared by the Company in any year during the tenure.
iv) No premium is payable on redemption of 10% redeemable non-cumulative preference shares.
v) The 10% redeemable non-cumulative preference shares are entitled for voting rights in accordance with section 47 of Companies Act, 2013

JSW Power Trading Company Limited
(formerly known as JSW Green Energy Limited)
Notes to the financial statements for the year ended 31st March, 2021

Note - 15: Provisions

Particulars	(₹ Lakh)			
	As at 31st March, 2021		As at 31st March, 2020	
	Current	Non-Current	Current	Non-Current
a) Provision for employee benefits- Gratuity	**0.53**	**1.99**	0.99	2.35
b) Provision for employee benefits- Leave (Refer Note 32)	**0.79**	**5.53**	0.35	3.58
TOTAL	**1.32**	**7.52**	**1.34**	**5.93**

Note - 16: Trade payables

Particulars	(₹ Lakh)	
	As at 31st March, 2021	As at 31st March, 2020
a) Creditors for supplies / services		
- total outstanding dues of micro and small enterprises (Refer Note 35)	**-**	-
- total outstanding dues of creditors other than micro and small enterprises	**490.00**	493.10
TOTAL	**490.00**	**493.10**

Particulars	Outstanding for following periods from due date of payment			
	Less than 1	1-2 years	2-3 years	More than 3 years
i) MSME	-	-	-	-
ii) Others	-	-	-	17.55
iii) Disputed dues -MSME	-	-	-	-
iv) Disputed dues -Others	-	-	-	472.45
TOTAL				

Note - 17: Other current liabilities

Particulars	(₹ Lakh)	
	As at 31st March, 2021	As at 31st March, 2020
a) Advances received from customers	**105.39**	1,787.71
b) Others		
(i) Employee recoveries and employer contributions	**0.13**	0.25
(ii) Statutory dues	**1.17**	2.15
TOTAL	**106.69**	**1,790.11**

JSW Power Trading Company Limited
(formerly known as JSW Green Energy Limited)

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

Note -18 Revenue from operations

Particulars		For the year ended 31st March, 2021 (₹ Lakh)	For the year ended 31st March, 2020 (₹ Lakh)
Revenue from contract with customers			
1	Revenue from Sale of power	**65.13**	31,019.86
2	Incentive on REC Sale	**0.21**	-
3	Trading margin : REC	**0.65**	14.49
	Total	**65.99**	**31,034.35**

Note:

(a) Significant changes in the contract liability balance during the 6 months / year are as follows:

(₹ Lakh)

Contract liability - Advance from customer	**As at 31st March, 2021**	**As at 31st March, 2020**
Opening balance as on 1st April	1,787.71	2,012.93
Less: Revenue recognized during the year from balance at the beginning of the year	1,724.98	260.80
Add : Advance received during the year not recognized as revenue	42.66	35.80
Closing balance	**105.39**	**1,787.93**

Contract liability is the Company's obligation to transfer goods or services to a customer for which the company has received consideration from the customer in advance.

(b) Details of Revenue from Contract with Customers

(₹ Lakh)

Particulars	**For the year ended 31st March, 2021**	**For the year ended 31st March, 2020**
Total Revenue from Contract with Customers (Refer note no. 3.9)	65.99	31,067.92
Less: Rebate on prompt payment	-	(33.57)
Total Revenue from Contract with Customers as per contracted price	**65.99**	**31,034.35**

JSW Power Trading Company Limited
(formerly known as JSW Green Energy Limited)
Notes to the financial statements for the year ended 31st March, 2021

Note no -19 Other income

Particulars	(₹ Lakh)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
1 Interest income		
a) Bank deposits	**83.82**	0.09
b) Others	**22.33**	-
c) Other financial assets		
i) Interest on income tax refunds	**-**	62.11
ii) Others	**-**	0.66
2 Other income		
a) Provision no longer required	**2.75**	-
Total	**108.90**	**62.86**

Note no -20 Purchase of power

Particulars	(₹ Lakh)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
a) Purchase of power	-	28,745.55
Total	-	28,745.55

Note no -21 Employee benefits expense

Particulars	(₹ Lakh)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
a) Salaries and wages, including bonus	**29.81**	44.24
b) Contribution to provident and other funds	**0.89**	2.51
c) Staff welfare expenses	**-**	0.89
Total	**30.70**	**47.64**

Note no -22 Finance cost

Particulars	(₹ Lakh)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
a) Interest expense		
(i) Other interest expense	**-**	0.05
b) Other borrowing cost	**0.16**	0.12
c) Loss arising on financial instrument measured at FVTPL	**42.17**	62.88
Total	**42.33**	**63.05**

JSW Power Trading Company Limited
(formerly known as JSW Green Energy Limited)
Notes to the financial statements for the year ended 31st March, 2021

Note no -23 Other expenses

Particulars		(₹ Lakh)	
		For the year ended 31st March, 2021	For the year ended 31st March, 2020
a)	Rates and Taxes	**0.16**	0.18
b)	Insurance Charges	**0.26**	0.10
c)	Auditors Remuneration and Out-of-pocket Expenses	**6.63**	7.52
d)	Legal and Other Professional Fees	**7.60**	5.17
e)	Travelling Expenses	**0.54**	2.70
i)	Corporate social responsibility expenses (Refer note 36)	**2.00**	-
f)	Exchange Commission	**-**	2,187.40
g)	Branding Expenses	**0.09**	0.25
h)	Trading License Fees	**3.00**	40.00
i)	Shared Services Cost	**5.74**	9.50
j)	Provision for Doubtful debts	**0.02**	-
k)	Other General Expenses	**7.10**	10.04
Total		**33.14**	**2,262.86**

JSW Power Trading Company Limited
(formerly known as JSW Green Energy Limited)

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

Note no -24 Tax expense

(₹ Lakh)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
a) Current tax	**26.87**	2.01
b) Adjustments recognised in the current year in relation to the current tax of prior years	**4.11**	7.07
c) Deferred tax	**(9.49)**	(94.35)
Less: MAT credit (entitlement) / written off	**-**	152.07
(Refer note 29 & 30)	**(9.49)**	57.72
Total	**21.49**	66.80

Note

1 General information

The Company is part of JSW Energy group, and is 100% subsidiary of JSW Energy Limited. The Company is engaged in the business of trading of power, buying and selling of Solar Photo Voltaic panels, components and parts etc. The Company is holding a trading licence issued by Central Electricity Regulatory Commision (CERC) for trading in power procured by the Company from its parent company / associates as well as third party suppliers / generators.

2 Statement of compliance

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

The financial statements have been approved by the Board of Directors in its meeting held on 24th June, 2021.

3 Significant accounting policies

3.1 *Basis of preparation of financial statements:*

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

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

3.2 *Use of estimates & Judgements:*

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

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the 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 standalone financial statements is described in note 4.

3.3 *Property, plant and equipment*

The cost of property, plant and equiptment 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.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method, as per the provisions of Part C of Schedule II of the Companies Act, 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. All the items costing Rs. 5000 or less are depreciated @ 100% duirng the financial year.

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.

3.4 *Other Intangible assets :-*

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

Intangible Assets consisting of Exchange Trading Software is amortised over the estimated useful life of 3 years. Lease Improvement Costs is amortised over the period of the lease.

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.

3.5 *Depreciation & amortisation:*

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method, as per the provisions of Part C of Schedule II of the Companies Act, 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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.

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.

Specialised Software is amortised over an estimated useful life of 3 years. Licenses are amortised over the period of the license.

Estimated useful lives of the assets are as follows:

Class of assets	Useful life in Years
Furniture and fixtures	10
Vehicles	8
Office equipment- others	5
Office equipment- computers	3

3.6 *Impairment of tangible and intangible assets other than goodwill:*

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

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

If the recoverable amount of an asset) is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3.7 *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 profit or loss in the period in which they are incurred.

3.8 *Cash and cash equivalents:*

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and demand deposits which are short term 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.

3.9 Revenue recognition:

Sale of Power, Trading margin on Renewable energy certificate & Energy saving certificate and incentive income:

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

During the current financial year, Company has changed method of recognising revenue. Now the trading margin on power trading (sales - purchases - open access charges & exchange commission) is considered for revenue earned.

Revenue from contracts with customers is recognised when control of the goods (power) or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services having regard to the terms of the contracts.
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.

Interest/surcharge income:

Interest/surcharge on late payment/overdue trade receivables is recognized when no significant uncertainty as to measurability or collectability exists.
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.

3.10 *Foreign currency transactions:*

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

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

3.11 *Employee benefits:*

a. Short-term employee benefits:

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

b. Long term employee benefits:

Compensated absences which are not expected to be availed or encashed within twelve months after the end of the period in which the employee renders the related service are recognised as a liability as at the Balance Sheet date on the basis of actuarial valuation using projected unit credit method.

c. Retirement benefit costs and termination benefits

Defined contribution plans:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans:

For defined benefit retirement benefits plans, the cost of providing benefits is determined using the projected unit credit method, and spread over the period during which the benefit is expected to be derived from employees' services. Re-measurement of defined benefit plans in respect of post-employment and other long term benefits are charged to the Other Comprehensive Income. Actuarial valuations being carried out at the end of each annual reporting period for defined benefit plans.

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

The Company makes monthly contributions to provident fund managed by trust for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

3.12 *Share-based payment arrangements:*

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

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

The Company has created an Employee Benefit Trust for providing share-based payment to its employees. The Trust is used as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Parent Company from the market, for giving shares to employees. The Company treats the Trust as its extension and shares held by the Trust are treated as treasury shares.

3.13 *Taxation:*

Income tax expenses comprises current tax and deferred tax charges or credit (reflecting the tax effects of timing differences between accounting income and taxable income of the year).

Current tax:

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

Minimum Alternate Tax:

Minimum Alternate 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 the company will pay normal income-tax during the specified period.

Deferred Tax :

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

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

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

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

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

3.14 *Earnings per share:*

Basic earnings per share is computed by dividing the profit and (loss) for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit and (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

3.15 *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.

Where some or all the expenditure required to settle a provision is expected to be reimbursed by another party, such reimbursement is recognized to the extent of provision or contingent liability as the case may be, only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in the case of
a) a present obligation arising from a past event, when it is not probable that a outflow of resources will be required to settle the obligation.
b) A possible obligation, arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not within the control of the enterprise.

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.

3.16 *Financial instruments:*

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

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

Financial assets
All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

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

All other financial assets are subsequently measured at fair value.

Effective interest method

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

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

Investments in equity instruments at FVTOCI

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

A financial asset is held for trading if:

• it has been acquired principally for the purpose of selling it in the near term; or

• on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

• it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Dividends on these investments in equity instruments are recognised in profit or loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss are included in the 'Other income' line item.

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

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

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

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

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

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

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

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

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

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

Derecognition of financial assets

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

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

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

3.17 *Financial liabilities and equity instruments*

Classification as debt or equity

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

Equity instruments

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

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

Financial liabilities

All Financial liabilities are measured at amortized cost using effective interest method or fair value through profit and loss.However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

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

A financial liability is classified as held for trading if:

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

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the Companying is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

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

However, for not-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability’s credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability’s credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

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

Financial liabilities subsequently measured at amortised cost

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

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

Derecognition of financial liabilities

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

3.18 *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 the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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

3.19 *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 how they are accounted for:

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.
FVTOCI	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.

3.20 ***Inventories:***

Cost of inventories includes cost of purchase price, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Inventories are stated at the lower of weighted average cost or net realizable value. Net realisable value represents the estimated selling price for inventories less all estimated cost of completion and costs necessary to make the sale.

3.21 ***New material accounting pronouncement, which are not yet effective:***

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

Ind AS 103 – Business combinations

The amendments clarifies the definition of the term “business” in more detail, an optional test to identify concentration of fair value, element of businesses and assessing whether an acquired process is substantive.

Ind AS 107 – Financial instruments : Disclosures

The amendments provides for the disclosures for uncertainty arising from interest rate benchmark reform.

Ind AS 109 – Financial instruments

The amendments provides for the temporary exceptions from applying specific hedge accounting requirements.

Ind AS 116 – Leases

The amendments clarify for the accounting for rent concessions due to COVID-19 and whether to treat it as lease modifications or not.

Ind AS 1 – Presentation of financial statements / Ind AS 8 - Accounting policies, changes in accounting estimates and errors

The amendments provides for the definition of "material".

Ind AS 10 – Events after the reporting period

The amendments provides for the definition of "non-adjusting events" and its effective date of application.

Ind AS 34 – Interim financial reporting

The amendments clarifies the consequential effects of the amendments to various Ind AS

Ind AS 37 – Provisions, contingent liabilities and contingent assets

The amendments clarifies the consequential effects of the amendments to various Ind AS and the accounting of the restructuring plan.

Ind AS / Amendments to existing Ind AS issued but not effective:

The Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021

Recent Pronouncements:

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1,2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

4 ***Critical accounting judgements and key sources of estimation uncertainty:***

In the course of applying the policies outlined in all notes under section 3 above, the directors of the Company are 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.

Key sources of estimation uncertainties

Useful lives and residual value of property, plant and equipment

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

Impairment of property plant and equipment

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).
Recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is usually determined on the basis of discounted estimated future cash flows. This involves management estimates on anticipated commodity prices, market demand and supply, economic and regulatory environment, discount rates and other factors. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of assets.

Contingencies

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

Fair value measurements

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The management determines the appropriate valuation techniques and inputs for fair value measurements. All assets and liabilities for which fair value measured or disclosed in financial statements are categorized with in the fair value hierarchy described as Level 1, Level 2 and Level 3 as below:

• 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.

for the purpose of fair value disclosure, the company determined classes of assets and liabilities on the basis of the nature, characterstics and risks of the assets and liabilities and the level of fair value hierarchy as explained above.

Defined benefit plans

The cost of defined benefit plan and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations and mortality rates etc. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Tax

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

25 ***Financial Instruments: Classifications and fair value measurements***

i) Financial instruments by category:

As at 31/03/2021	Carrying amount (in ₹ Lakh)	Fair value (in ₹ Lakh)	Level 1	Level 2	Level 3
Financial assets					
Financial assets carried at amortised cost					
Loans & advances	7,027.36	*	-	-	-
Security deposits	54.21	*	-	-	-
Trade receivables	4,110.77	*	-	-	-
Cash and cash equivalents	149.93	*	-	-	-
Other Bank Balances	301.00	*	-	-	-
Total Financial assets	**11,643.27**	**-**	**-**	**-**	**-**
Financial liabilities					
Financial Liabilities carried at fair value through Profit & Loss					
Preference shares	329.49	329.49			329.49
Financial Liabilities carried at amortised cost					
Trade Payables	490.00	*	-	-	-
Total Financial liabilities	**819.49**	**329.49**	**-**	**-**	**329.49**

* Fair value of cash, security deposits, trade & other short term receivables, trade payables and other current liabilities approximate their carrying amounts largely due to short term maturities of these instruments

As at 31/03/2020	Carrying amount (in ₹ Lakh)	Fair value (in ₹ Lakh)	Level 1	Level 2	Level 3
Financial assets					
Financial assets carried at amortised cost					
Loans & advances	0.96	*	-	-	-
Security deposits	56.21	*	-	-	-
Trade receivables	4,128.50	*	-	-	-
Cash and cash equivalents	150.07	*	-	-	-
Other Bank Balances	1.00	*	-	-	-
	4,336.74	**-**	**-**	**-**	**-**
Financial liabilities					
Financial Liabilities carried at fair value through Profit & Loss					
Preference shares	287.32	287.32			287.32
Financial Liabilities carried at amortised cost					
Trade Payables	493.10	*	-	-	-
Total Financial liabilities	**780.42**	**287.32**	**-**	**-**	**287.32**

* Fair value of cash, security deposits, trade & other short term receivables, trade payables and other current liabilities approximate their carrying amounts largely due to short term maturities of these instruments

ii) Fair Value Hierarchy:

The Fair Values of the financial assets and liabilities are included at the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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 measurement in its entirety.

Financial assets & liabilities measured at fair value

Financial assets/ financial liabilities	As at 31/03/2021 (in ₹ Lakh)	As at 31/03/2020 (in ₹ Lakh)	Fair value hierarchy	Valuation technique(s) and key input(s)
Issue of Preference shares	329.49	287.32	Level 3	Discounted cash flow at a discount rate that reflects the issuer's current borrowing rate at the end of the reporting period.

Valuation techniques and key inputs:

Particulars	Valuation technique	Significant un-observable inputs	Change	Sensitivity of the input to the fair value ((in ₹ Lakh))
Issue of Preference shares	DCF method	Discounting rate	0.50%	0.50% increase / (decrease) in the discount rate would decrease / (Increase) the fair value by Rs. 20.15 Lakh / (21.66 Lakh)

Reconciliation of Level III fair value measurement:

(in ₹ Lakh)

Particulars	As at 31/03/2021	As at 31/03/2020
Opening balance	287.32	224.44
Additional borrowing	-	-
Reclassification of allowance for loss	-	-
Allowance for loss	-	-
(Gain) / loss recognised in the statement of profit and loss	42.17	62.88
Closing balance	**329.49**	**287.32**

26 *Financial Risk Management Objectives & Policies*

Capital management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Company is not subject to any externally imposed capital requirements.The company monitors its Capital using gearing ratio . which is net debt diveded to total equity . Net debt includes loans and borrowing less cash and cash equivalents

Gearing ratio

The gearing ratio at end of the reporting period was as follows:

(in ₹ Lakh)

	As at 31/03/2021	As at 31/03/2020
Debt (i)	329.49	287.32
Cash and bank balances	450.93	151.07
Net debt	**(121.44)**	**136.25**
Total equity	12,954.86	12,909.14
Net debt to equity ratio	-	**0.01**

(i) Debt is defined as long-term and short-term borrowings (excluding derivative and contingent consideration).

Financial risk management objectives

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

Market risk

Market risk is the risk of loss of future earnings, fair values or future cashflows that may result from a change in the price of financial instrument as a result of change in interest rates, exchange rates and other market changes that affect market risk sensitive instruments.

Supply outpacing demand in the medium term merchant tariffs have been under constant pressure posing a severe challenge to the off take of merchant power. With the DISCOMS adhering to strict fiscal discipline leading to deferment of power procurement has resulted in reduced demand for power.

Most of the states have joined UDAY scheme, this will improve the liquidity position of DISCOMS and they will be able to procure the power from the market. Also the Government's aim to provide 24X7 supply of power also lead to increase in demand of power. Morever, the Company is primarily engaged in trading of power, the market risk of power off take.

Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any exposure to the risk of changes in market interest rates.

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

(in ₹ Lakh)

Particulars	As at 31/03/2021	As at 31/03/2020
Fixed rate borrowings	329.49	287.32
Floating rate borrowings	-	-
Total borrowings	**329.49**	**287.32**

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit risk is minimal due to the fact that the customer base largely consists of Distribution companies.

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

Liquidity risk management

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected ash flows.

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

(in ₹ Lakh)

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial Assets				
Loans & advances	7,027.36	-	-	**7,027.36**
Security deposits	-	-	54.21	**54.21**
Trade receivables	4,110.77	-	-	**4,110.77**
Cash and cash equivalents	149.93	-	-	**149.93**
Other Bank Balances	301.00	-	-	**301.00**
Total Financial Assets	**11,589.06**	**-**	**54.21**	**11,643.27**
Financial Liabilities				
Long term borrowings	-	-	329.49	**329.49**
Trade and other payables	490.00	-	-	**490.00**
Total Financial Liabilities	**490.00**	**-**	**329.49**	**819.49**

27 *Trade Receivables*

The average credit period on sales of power is 30 days. No interest is charged on trade receivables for the first 30 days from the date of the invoice. Thereafter, overdue interest is chargeable on the outstanding balance depending upon the contract with the customer involved.

Major customers of the Company are government bodies. Concentration of credit risk is minimal due to the fact that the customer base largely consists of Government bodies.

Trade receivables include amounts (see below for aged analysis) that are past due at the end of the reporting period for which the Company has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts (which include interest accrued after the receivable is more than 180 days outstanding) are still considered recoverable. The Company does not generally hold any collateral or other credit enhancements over these balances nor does it have a legal right of offset against any amounts owed by the Company to the counterparty.

Age of receivables:

(in ₹ Lakh)

	As at 31/03/2021	As at 31/03/2020
Within the credit period	-	-
1-30 days past due	83.62	97.81
31-60 days past due	-	3.54
61-90 days past due	-	-
91-180 days past due	-	-
181-365 days past due	-	-
>365 days past due	4,027.15	4,027.15
Total	**4,110.77**	**4,128.50**

With respect to dispute over power supplied by the Company to distribution licensees of Karnataka ("ESCOMS") of Rs. 4027.15 Lakh, during the enforcement of section 11 of the Electricity Act, 2003 ("Section 11 Direction") in the state of Karnataka, APTEL pronounced its order dated 6th November, 2020 in favour of the Company. Karnataka Escoms have preferred appeal before Hon'ble Supreme Court of India, in this matter (copy of appeal is still awaited).

28 ***Other equity:***

Description of the nature and purpose of each reserve within equity

(i) General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in general reserve will not be reclassified subsequently to the Statement of Profit and Loss.

(ii) As per Ind AS 19 - Employee Benefits Gain / Loss on account of remeasurements of the defined benefit liabilities / (assets) have been realised through other comprehensive income.

(iii) Capital Reserve: Reservce created as a result of scheme of arrangement approved for demerger of JSW Power Trading Limited into JSW Green Energy Limited..

29 ***Deferred tax balances:***

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

(in ₹ Lakh)

Particulars	As at 31/03/2021	As at 31/03/2020
Deferred tax Assets	11.48	12.60
Deferred tax Liabilities	(249.29)	(259.90)
	(237.81)	**(247.30)**

Deductible temporary differences and unused tax losses recognised are attributable to the following:

(in ₹ Lakh)

Particulars	As at 31/03/2021	As at 31/03/2020
--Plant Property & Equipment	11.48	12.60
--Carry forward losses	-	-
--Borrowings	(249.29)	(259.90)
--MAT Credit	-	-
Deferred tax	**(237.81)**	**(247.30)**

30 *Income tax:*

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

(in ₹ Lakh)

Particulars	As at 31/03/2021	As at 31/03/2020
Profit before tax	67.05	(23.63)
Enacted tax rate (%)	25.17%	25.17%
Computed expected tax expense	16.88	(5.95)
Carryfoward Losses	-	-
Impact of MAT write off	-	152.07
Effect of expenses that are not deductible in determining taxable profit	0.50	(2.49)
Rate difference (income tax)		(83.91)
Adjustments recognised in the current year in relation to the current tax of prior years	4.11	7.07
Income tax expense	**21.49**	**66.80**
Income tax expense recognised in profit or loss	21.49	66.80
Income tax expense recognised in OCI	(0.05)	(0.19)

During previous year the Parliament has passed The Taxation Laws (Amendment) Ordinance, 2019 under which the domestic companies are given an option under Section 115BAA of the Income Tax Act, 1961 to pay income tax @ 22% plus applicable surcharges and cess subject to certain conditions. The Company has decided to exercise the said option from FY 2019-20.

31 *Earnings per share:*

Particulars	As at 31/03/2021	As at 31/03/2020
Profit attributable to equity holders of the company (₹ Lakh)	45.56	(90.42)
Weighted average number of Equity shares for basic & diluted EPS (Nos.)	7,00,50,000	7,00,50,000
Earning per share - Basic & Diluted (₹)	**0.07**	**(0.13)**
Nominal value of share (₹10 each))	10	10

32 *Employee benefit plans:*

i. *Defined contribution plans:-*

A. Provident Fund:

The employer's contribution for the period from 1st Apr 2020 to 31st December 2020 , were deposited with the employer established provident fund trust maintained by the Group. Further, the said trust was surrendered to the provident fund authorities w.e.f 1st January 2021 and correspondingly, the employees provident fund balances lying with the provident fund trust were transferred to the respective employee’s accounts with provident fund authorities. The monthly employer's contributions from January 21 onwards are being deposited with regional provident fund authorities.

Company’s contribution to provident fund recognized in the Statement of Profit and Loss of ₹ 0.89 Lakh (for the year ended 31st March 2020: ₹ 1.30 Lakh) (included in note no. 21)

B. Gratuity :

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

The Company has a policy on compensated absences with provisions on accumulation and encashment by the employees during employment or on separation from the Company due to death, retirement or resignation. The expected cost of compensated absences is determined by actuarial valuation performed by an independent actuary at the balance sheet date using projected unit credit method.
The plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

C. Leave Encashment:

Under the compensated absences plan, leave encashment upto a maximum accumulation of 120 days (previous year 180 days) is payable to all eligible employees on separation of the Group due to death, retirement, superannuation or resignation, at the rate of daily salary.

These plans typically expose the Group to the following actuarial risks:

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to market yields at the end of the reporting period on government bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in equity securities and debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan’s debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan’s liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan’s liability.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at March 31, 2021 by M/S K. A. Pandit Consultants & Actuaries. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

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

Particulars	(in ₹ Lakh)
Defined benefit obligation at 31 March 2019	**3.08**
Interest cost	0.24
Current service cost	0.38
Liability transferred (acquisition/ divestment)	-
Actuarial (Gains)/Loss	0.72
Defined benefit obligation at 31 March 2020	**4.42**
Interest cost	0.30
Current service cost	0.49
Liability transferred (acquisition/ divestment)	(1.32)
Actuarial (Gains)/Loss	(0.31)
Defined benefit obligation at 31 March 2021	**3.57**

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

(in ₹ Lakh)

		Defined Benefit Obligation	Fair Value of Plan assets	(Benefit) / Liability
Gratuity cost charged to profit or loss	**Opening Balance as on 1st April 2020**	4.42	(1.08)	3.34
	Service cost	0.49		0.49
	Net interest expense	0.30	(0.07)	0.22
	Liability transferred (acquisition/ divestment)	(1.32)	-	(1.32)
	Sub-total included in profit or loss	**3.88**	**(1.15)**	**2.72**
	Benefits Paid	-	-	-
Remeasurement gains/(losses) in other comprehensive income	Return on plan assets (excluding amounts included in net interest	-	0.10	0.10
	Actuarial changes arising from changes in demographic assumptions	-	-	-
	Actuarial changes arising from changes in financial assumptions	0.03	-	0.03
	Experience adjustments	(0.34)	-	(0.34)
	Sub-total included in OCI	**(0.31)**	**0.10**	**(0.21)**
	Contributions by employer	-	-	-
	Closing Balance as on 31st March 2021	**3.57**	**(1.05)**	**2.52**

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

₹ Lakh

		Defined Benefit Obligation	Fair Value of Plan assets	(Benefit) / Liability
Gratuity cost charged to profit or loss	**Opening Balance as on 1st April 2019**	3.08	(1.02)	1.06
	Service cost	0.38	-	0.50
	Net interest expense	0.24	(0.08)	0.04
	Liability transferred (acquisition/ divestment)	-	-	-
	Sub-total included in profit or loss	**3.70**	**(1.10)**	**1.60**
	Benefits Paid	-	-	-
Remeasurement gains/(losses) in other comprehensive income	Return on plan assets (excluding amounts included in net interest	-	0.02	0.02
	Actuarial changes arising from changes in demographic assumptions	0.10	-	0.10
	Actuarial changes arising from changes in financial assumptions	0.48	-	0.51
	Experience adjustments	0.14	-	0.11
	Sub-total included in OCI	**0.72**	**0.02**	**0.74**
	Contributions by employer	-	-	-
	Closing Balance as on 31st March 2020	**4.42**	**(1.08)**	**3.34**

The actual return on plan assets (excluding interest income) was ₹ 9969 (previous year ₹ 1660)

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

Particulars	31-Mar-21	31-Mar-20
Insurer managed Fund through Holding Co.	100%	100%

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

Particulars	31-Mar-21	31-Mar-20
Discount rate	6.82%	6.69%
Future salary increase	6.00%	6.00%
Rate of employee turnover	3.00%	3.00%
Mortality rate during employment	India Asured Lives Mortality (2006-08)	India Asured Lives Mortality (2006-08)

A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Assumptions	Discount rate		Future salary increases	
Sensitivity Level	1% increase	1% increase	1% increase	1% increase
Impact on defined benefit obligation	(0.40)	(0.52)	0.47	0.62

ii The Code on Social Security, 2020 ('the Code') received presidential assent on September 28, 2020. However, the date on which the Code will come into effect has not yet been notified. The Company will assess the impact of the Code on its books of account in the period(s) in which the provisions of the Code becomes effective

33 *Contingent liabilities*

1] *Claims against the Company not acknowledged as debt:*
a) Disputed claims / levies (excluding interest, penalty, if any) in respect of:

₹ Lakh

(a) Claims against the Company not acknowledged as debt		
i) Income Tax Matters	-	-
ii) Dispute with customers	-	4,027.15
	-	**4,027.15**

34 ***Related party disclosure***

A) List of Related Parties

Related parties with whom the Company has entered into transactions during the year:

I	**Parent Company**
	JSW Energy Limited
II	**Fellow Subsidiaries**
1	JSW Energy (Barmer) Limited
2	JSW Hydro Energy Limited
3	JSW Renewable Energy (Vijaynagar) Limited
III	**Enterprises over which key management personnel and relatives of such personnel exercise significant influence**
1	JSW Steel Limited
2	JSW Cement Limited
3	JSW Steel Coated Products Limited
4	Amba River Coke Limited
5	Jindal Saw Limited
6	JSW IP Holdings Private Limited
7	JSW Global Business Solutons Limited
8	JSW Foundation
9	Inspire Institue of Sports
IV	**Key Managerial Persons**
1	Mr. Sharad Mahendra, Director (upto 10.6.2020)
2	Mr. CR Laxman, Director & Chief Financial Officer (from 6.6.2020)
3	Mr. Jyotiprakash Panda Wholetime Director
4	Ms. Monica Chopra, Director & Company Secretary
5	Mr. RK Sharma, Director

B) Transaction during the year

	Particulars	**For the year ended 31st March, 2021 (₹ Lakh)**	**For the year ended 31st March, 2020 (₹ Lakh)**
1	**Sale of power /Material (net)**		
	JSW Steel Limited	406.71	1,967.30
	JSW Cement Limited	542.94	522.57
	Jindal Saw Limited	104.58	1,305.39
2	**Purchase of Power**		
	JSW Hydro Energy Limited	-	134.01
	JSW Energy Limited (JSWEL)	21,220.50	24,871.19
3	**Rebate on purchase of Power**		
	JSW Energy Limited (JSWEL)	-	33.50
4	**Deposit for director appointment**		
	JSW Energy Limited	2.00	-

5	**Branding expense**		
	JSW IP Holdings Private Limited	0.14	0.25
6	**Reimbursement received from / (paid to), net off**		
	JSW Steel Limited	2.60	1.10
	JSW Energy Limited (JSWEL)	3.01	6.94
	JSW Cement Limited	1.18	1.18
	Jindal Saw Limited	1.18	2.36
	JSW Hydro Energy Limited	1.98	2.00
7	**Trading Margin on E. S. Certs. / R.E.C.s**		
	JSW Steel Limited	-	0.72
	JSW Cement Limited	2.76	6.00
	Amba River Coke Limited	-	3.12
	JSW Steel Coated Product Limited	-	21.05
	Jindal Saw Limited	-	2.82
8	**Repayment of loan**		
	JSW Energy Limited (JSWEL)	-	408.06
9	**Compensation paid**		
	JSW Energy Limited (JSWEL)	1,645.75	-
10	**Loan given & received back**		
	JSW Renewable Energy (Vijaynagar) Limited	75.00	-
11	**Interest on loan given**		
	JSW Renewable Energy (Vijaynagar) Limited	0.90	-
12	**Purchase of services- shared services**		
	JSW Global Business Solutions Limited	6.27	9.47

C) Closing Balances

	Particulars	**As at 31/03/2021**	**As at 31/03/2020**
1	**Trade (Payables) / Receivables**		
	JSW Steel Limited	(42.66)	101.36
	Amba River Coke Limited	(0.02)	(0.02)
	JSW Cement Limited	(40.39)	(106.05)
	Jindal Saw Limited	(0.11)	(12.85)
	JSW Steel Coated Product Limited	(22.22)	(23.05)
	JSW Energy Limited (JSWEL)	2,145.72	11,069.26
	JSW Global Business Solutions Limited	0.89	-
	Inspire Institue of Sports *	(0.00)	(0.00)
2	**Unsecured borrowings (Including preference shares)**		
	JSW Energy Limited (JSWEL)	1,320.00	1,320.00

* Less than ₹ 1000

35 *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 31/03/2021	As at 31/03/2020
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	-	-

36 *Details of corporate social responsibility (CSR) expenditure*

(₹ Lakh)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Amount required to be spent as per Section 135 of the Act	1.73	-
Amount spent during the year on :		
(i) Construction / acquisition of an asset	-	-
(ii) On purchase other than (i) above	2.00	-
Total	**2.00**	**-**

37 *Operating Segments*

The Chairman of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators, however the Company is primarily engaged in only one segment viz., "Trading of power". Hence the Company does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

38 No significant events have occurred after the balance sheet date which may have material effect on the Company's financial statements.

39 The Company is in power trading business and power being an essential item, the management does not expect any medium to long term impact on the business of the Company, due to Covid 19. Further, there is no uncertainity in meeting financial obligations in the foreseeable future.

40 Previous year figures have been reclassified/ regrouped whereever necessary.

For and on behalf of the Boad of Directors

Chittur Ramakrishnan Lakshman
Director & Chief Financial Officer
[DIN: 08704945]

Jyotiprakash Panda
Wholetime Director
[DIN: 08482786]

Monica Chopra
Director & Company Secretary
[DIN: 05341124]

Place : Mumbai
Date : June 24, 2021