

To The Members of

JSW Neo Energy Limited

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **JSW Neo Energy Limited** ("the Company"), which comprises of Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the period from July 06, 2021 to March 31, 2022, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its loss, changes in equity and its cash flows for the for the period from July 06, 2021 to March 31, 2022.

Basis for Opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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

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

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

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



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

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the



Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. Pursuant to the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-Section (11) of Section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and records.



- (c) The Balance sheet, the Statement of Profit & Loss (including other comprehensive income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.
- (e) On the basis of the written representation received from the directors as on March 31, 2022 taken on records by the Board of Directors, none of the directors are disqualified as on March 31, 2022 from being appointed as a Directors in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

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

- (h) With respect to the matters to be included in the Auditor's report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.– Refer Note. 25 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer Note 32 to the financial statements)
 - (b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall,




whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer Note 32 to the financial statements)

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub clause (i) and (ii) of Rule 11(e) of The Companies (Audit and Auditors) Rules, 2014, as provided under (a) and (b) above, contains any material misstatement.

- v, The Company has not declared or paid dividend during the financial year 2021-22. Accordingly, reporting under rule 11 (f) of Companies (Audit and Auditors) Rules, 2014 is not applicable.

Place: Mumbai
Date: April 30, 2022

For **LODHA & COMPANY**
Chartered Accountants
Firm registration No. – 301051E


A.M. Hariharan
Partner
Membership No. 38323
UDIN: 22038323AIHFV5040



Annexure “A” referred to in “Report on Other Legal and Regulatory Requirements” section of our report to the members of JSW Neo Energy Limited of even date:

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

- i)
 - a) The Company does not have any Property, plant and equipment and intangible assets and accordingly, reporting requirements of paragraph 3(i)(a),(b), (c) & (d) of the Order are not applicable to the Company.
 - b) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii)
 - a) The Company does not hold any inventory and accordingly, reporting requirements of paragraph 3(ii)(a) of the Order are not applicable to the Company.
 - b) The Company has not been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets accordingly, reporting requirements of paragraph 3(ii)(b) of the Order are not applicable to the Company.

iii)

- a. The Company has made investments during the year and the details of which are given below :

(Rs. in lakhs)			
Particulars	Investments	Loans	Guarantees
A. Aggregate amount granted provided during the year:			
- Subsidiaries (wholly owned)	2,88,504.00	-	-
- Others	-	-	-
B. Balance outstanding as at balance sheet date in respect of above cases:			
- Subsidiaries (wholly owned)	2,88,504.00	-	-
- Others	-	-	-
Refer note no. 4 and 26 to the financial statements			

- b. During the year, Company has not granted any loans, accordingly clause (iii) (b), (c), (d) (e) and (f) are not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act to the extent applicable, with respect to the investments made.



- v) In our opinion and according to the information and explanations given to us, no deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder have been accepted by the Company. Accordingly, reporting requirements of paragraph 3(v) of the Order are not applicable to the Company.
- vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, in respect of the services rendered by the Company. Accordingly, reporting requirements of paragraph 3(vi) of the Order are not applicable to the Company.
- vii) a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, have been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st March, 2022 for a period of more than six months from the date they became payable.
- b) According to the information and explanations give to us and the records of the Company, there are no dues of income tax or goods and services tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited with the appropriate authorities on account of any dispute,
- viii) According to the records maintained by the Company and information and explanations given to us, there were no transactions relating previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix) a. The Company has not taken any loan or other borrowings from any lender during the year and accordingly, reporting requirements of paragraph 3(ix)(a) of the Order are not applicable to the Company.
- b. The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.
- c. The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and accordingly, reporting requirements of paragraph 3(ix)(c) of the Order are not applicable to the Company.
- d. According to the information and explanations given to us and based on our examination of the records of the Company, the company has not raised any funds on a short-term basis and accordingly, reporting requirements of paragraph 3(ix)(d) of the Order are not applicable to the Company.
- e. The Company has not taken any funds from any entity or person of or to meet the obligations of its subsidiaries, associates or joint ventures, if so, details thereof with nature of such transactions and the amount in each case.
- f. The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the order is not applicable.
- x) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and accordingly, reporting requirements of paragraph 3(x) of the Order are not applicable to the Company.



- xi) a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing standards in India and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.
- b) No report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) No whistle blower complaints have been received during the year by the Company.
- xii) The Company is not a Nidhi Company and hence, reporting under clause 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. Refer Note 27 to the financial statements.
- xiv) a) In our opinion, the Company has an internal audit system commensurate to the size of the Company and nature of its business.
- b) We have considered, the report of the internal auditors for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non- cash transactions with directors or persons connected with them as per the provisions of Section 192 of the Act. Accordingly, reporting requirements under paragraph 3(xv) of the Order are not applicable to the Company.
- xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) (a), (b) and (c) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities which require a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) There is one registered Core Investment Company (CIC) and three unregistered CICs forming part of the Group.
- xvii) The Company has incurred cash losses of Rs. 352.17 lakhs during the current financial year. Being the first year of incorporation reporting for losses for preceding financial year is not applicable to the Company.



- xviii) There has been no resignation of statutory auditors of the Company during the year. Accordingly, reporting requirements under paragraph 3(xviii) of the Order are not applicable to the Company.
- xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing as at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet, will get discharged by the Company as and when they fall due.
- xx) Being the first year of incorporation, provisions of Corporate Social Responsibility (CSR) are not applicable to the Company as per the provisions of Companies Act, 2013. Accordingly, reporting under paragraph 3(xx) of the Order are not applicable to the Company.

Place: Mumbai
Date: April 30, 2022

For **LODHA & COMPANY**
Chartered Accountants
Firm registration No. – 301051E



A. M. Hariharan
Partner
Membership No. 38323
UDIN: 22038323AIHFXV5040



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

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

We have audited the internal financial controls over financial reporting of **JSW Neo Energy Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the period from July 06, 2021 to March 31, 2022

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting



A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the entity are being made only in accordance with authorisations of management and directors of the Company; (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the entity's assets that could have a material effect on the financial statements and (4) also provide us reasonable assurance by the internal auditors through their internal audit reports given to the Company from time to time.

Inherent Limitations of Internal Financial Controls Over Financial Reporting


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

Opinion

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

Place: Mumbai
Date: April 30, 2022

For **LODHA & COMPANY**
Chartered Accountants
Firm registration No. – 301051E


A. M. Hariharan
Partner
Membership No. 38323
UDIN: 22038323AIHFXV5040



JSW Neo Energy Limited
Balance Sheet as at 31st March, 2022

(# in lakhs)

Particulars		Note No.	As at 31st March, 2022
A	ASSETS		
1	Non-current assets		
	(a) Investment in subsidiaries	4	2,88,504.00
	(b) Income tax assets	5	0.92
	(c) Deferred tax assets	6	22.37
			2,88,527.29
2	Current assets		
	(a) Financial assets		
	(i) Trade receivables	7	5.40
	(ii) Cash and cash equivalents	8	116.75
	(iii) Other financial assets	9	53.33
	(b) Other current assets	10	3.67
	Total current assets		179.15
	Total assets		2,88,706.44
B	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity share capital	11	5,000.00
	(b) Other equity	12	(352.17)
	Total equity		4,647.83
2	LIABILITIES		
I	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	13	490.00
	(ii) Trade payables	14	
	- Total outstanding dues of micro enterprises and small enterprises		-
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		26.14
	(iii) Other financial liabilities	15	2,83,534.00
	(b) Other current liabilities	16	8.47
	Total current liabilities		2,84,058.61
	Total equity and liabilities		2,88,706.44

See accompanying notes to the financial statements

As per our attached report of even date

For Lodha & Co.

Chartered Accountants

Firm Registration No.: 301051E

A. M. Hariharan
 Partner
 Membership No. 38323



Place: Mumbai
 Date: 30th April, 2022

For and on behalf of the Board of Directors

(Signature)

Chittur Ramakrishnan Lakshman
 Director
 [DIN:08704945]

(Signature)
 Monica Chopra
 Director and Company Secretary
 [DIN:05341124]

(Signature)
 Hirva Shah
 Chief Financial Officer

Place: Mumbai
 Date: 30th April, 2022

JSW Neo Energy Limited

Statement of Profit and Loss for the period from 06th July, 2021 to 31st March, 2022

(₹ in lakhs)

Particulars	Note No.	For the period from 06th July, 2021 to 31st March, 2022
I Revenue from operations	17	5.00
II Other income	18	4.19
III Total income (I + II)		9.19
IV EXPENSES		
(a) Finance costs	19	4.78
(b) Other expenses	20	378.96
Total expenses (IV)		383.74
V Loss before tax (III-IV)		(374.55)
VI Tax Expense	21	
(1) Current tax		-
(2) Deferred tax		(22.37)
Total tax expense		(22.37)
VII Loss after tax (V-VI)		(352.17)
VIII Other comprehensive income		
IX Total comprehensive loss for the period (VII + VIII)		(352.17)
X Earnings per equity share of ₹ 10 each	23	
(1) Basic (₹)		(1.63)
(2) Diluted (₹)		(1.63)

See accompanying notes to the financial statements

As per our attached report of even date

For Lodha & Co.

Chartered Accountants

Firm Registration No.: 301051E

A. M. Hariharan

Partner

Membership No. 38323



Place: Mumbai

Date : 30th April, 2022

For and on behalf of the Board of Directors

Chittur Ramakrishnan Lakshman

Director

[DIN:08704945]

Monica Chopra

Director and Company Secretary

[DIN:05341124]

Hirva Shah

Chief Financial Officer

Place: Mumbai

Date : 30th April, 2022

JSW Neo Energy Limited
Statement of Changes in Equity for the period from 06th July, 2021 to 31st March, 2022

A] Equity Share Capital

	(₹ in lakhs)
Balance as at 06th July, 2021	-
Changes in equity share capital during the period	5,000.00
Balance as at 31st March, 2022	5,000.00

B] Other Equity

(₹ in lakhs)

Particulars	Reserves and surplus	Total
	Retained earnings	
Balance as at 06th July, 2021		
Loss for the period	(352.17)	(352.17)
Balance as at 31st March, 2022	(352.17)	(352.17)

See accompanying notes to the financial statements

As per our attached report of even date

For Lodha & Co.
Chartered Accountants
Firm Registration No., 301051E

A. M. Hariharan
A. M. Hariharan
Partner
Membership No. 38323

For and on behalf of Board of Directors

Chittur Ramakrishnan Lakshman

Chittur Ramakrishnan Lakshman
Director
[DIN:08704945]

Monica Chopra

Monica Chopra
Director and Company Secretary
[DIN:05341124]

Hirva Shah

Hirva Shah
Chief Financial Officer

Place: Mumbai
Date : 30th April, 2022

Place: Mumbai
Date : 30th April, 2022



JSW Neo Energy Limited

Statement of Cash Flow for the period from 06th July, 2021 to 31st March, 2022

(₹ in lakhs)

Particulars	For the period from 06th July, 2021 to 31st March, 2022
A Cash Flow from Operating Activities	
Loss before tax	(374.55)
Adjusted for:	
Finance costs	4.78
Operating profit before working capital changes	(369.77)
Adjustment for movement in working capital:	
(Increase) / Decrease in trade receivables	(5.40)
(Increase) / Decrease in current and non-current assets	(57.00)
Increase / (Decrease) in trade payables and other liabilities	2,83,568.61
Cash flow from operations	2,83,136.45
Income taxes paid (net)	(0.92)
Net cash generated from operating activities (A)	2,83,135.53
B Cash Flow from Investing Activities	
Loans taken	490.00
Investment in equity share capital of subsidiaries	(2,88,504.00)
Net cash used in investment activities (B)	(2,88,014.00)
C Cash Flow from Financing Activities	
Proceed from fresh issue of equity shares	5,000.00
Finance costs	(4.78)
Net cash generated from financing activities (C)	4,995.22
Net increase in cash and cash equivalents (A + B + C)	116.75
Cash and cash equivalents - at the beginning of the period	-
Cash and cash equivalents - at the end of the period	116.75

See accompanying notes to the financial statements

As per our attached report of even date

For Lodha & Co.

Chartered Accountants

Firm Registration No.: 301051E

For and on behalf of the Board of Directors

A. M. Hariharan

Partner

Membership No. 38323

Chittur Ramakrishnan Lakshman

Director

[DIN:08704945]



[Signature]

Monica Chopra

Director and Company Secretary
[DIN:05341124]

[Signature]

Hirva Shah

Chief Financial Officer

Place: Mumbai

Date : 30th April, 2022

Place: Mumbai

Date : 30th April, 2022

JSW Neo Energy Limited

Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022

Note No. 1 - General information:

JSW Neo Energy Limited ("the Company" or "the Parent") is a public limited company incorporated on 06th July, 2021 under the Companies Act, 2013. The registered office of the Company is located at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra. The Company is primarily engaged in the business of power generation.

Note No. 2.1 - Recent accounting pronouncements:

The Ministry of Corporate Affairs ("MCA") notifies new standards / amendments under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23rd March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below:

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

The Company is evaluating the impact of these amendments.

Note No. 2.2 - Statement of compliance:

The Financial Statements of the Company which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the period ended 31st March, 2022, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Financial Statements") have been prepared in accordance with Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time and guidelines issued by the Securities and Exchange Board of India (SEBI). The Financial Statements have been approved by the Board of Directors in its meeting held on 30th April, 2022.

Note No. 2.3 - Basis of preparation of financial statements:

The Financial Statements are prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Presentation requirements of Division II of Schedule III to the Companies Act, 2013, as applicable to the Financial Statements have been followed. The Financial Statements are presented in Indian Rupees ('INR') in lakhs rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013.



JSW Neo Energy Limited

Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022

Note No. 2.4 - Significant accounting policies:

I. Revenue recognition:

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 Power Purchase Agreements, relevant tariff regulations and the tariff orders by the regulator, as applicable, and contracts for services.

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated having regard to various relevant factors including historical trend, and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Delayed payment charges and compensation towards shortfall in offtake are recognised on collection or earlier when there is reasonable certainty to expect ultimate collection.

II. Leases:

The Company as lessor:

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

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

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

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

The Company as lessee:

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

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

At the date of commencement of the lease, the Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (i.e. leases with a lease term of 12 months or less) and leases of low value assets (i.e. below ₹ five lakh). For short term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.



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Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

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

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

III. Borrowing costs:

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

All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. If any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditure on that asset.

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

IV. Taxation:

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax:

Current tax is the amount of tax payable based on the taxable profit for the period as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary



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difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

A deferred tax asset arising from unused tax losses or tax credits (credit on account of Minimum Alternative Tax) is recognised only to the extent that the Company has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the Company.

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

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

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

For operations carried out under tax holiday period (80IA benefits of Income Tax Act, 1961), deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Current tax and deferred tax for the period:

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

In respect of regulated businesses where tariff is determined on cost plus return on equity and the income tax is a pass through, deferred tax recoverable from/ adjustable against future tariff, when and to the extent such deferred tax becomes current tax in future periods, is presented separately, and is not offset against deferred tax.

V. Property, plant and equipment:

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning.

Cost of major inspection/overhauling is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection/overhauling (as distinct from physical parts) is de-recognised.

Properties in the course of construction are carried at cost, less any recognised impairment loss, as capital work in progress. Upon completion, such properties are transferred to the appropriate categories of property, plant and equipment and the depreciation commences.

Where an obligation (legal or constructive) exists to dismantle or remove an asset or restore a site to its former condition at the end of its useful life, the present value of the estimated cost of dismantling, removing or restoring the site is capitalized along with the cost of acquisition or construction upon completion and a corresponding liability is recognized.

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



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VI. Other intangible assets:

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

An intangible asset is derecognised on disposal, or when no further economic benefits are expected from use or disposal. Gain/loss on de-recognition are recognised in Statement of Profit and Loss.

VII. Depreciation and amortisation:

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Freehold land is not depreciated. Leasehold land is amortized over the period of the lease, except where Leasehold land is acquired by the Company, with an option in the lease deed, entitling the Company to purchase on outright basis after a certain period at no additional cost is not amortized.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

Computer software is amortised over an estimated useful life of 3 years.

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.

VIII. 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). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

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

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

IX. Inventories:

Inventories are stated at the lower of cost or net realizable value. Costs of inventories are determined on weighted average basis.



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

Net realisable value represents the estimated selling price for inventories less all estimated cost of completion and cost necessary to make the sale. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. However, when a decline in the price of materials indicates that the cost of the finished products exceeds net realisable value, the materials are written down to net realisable value.

X. Earnings per share:

Basic earnings per share is computed by dividing the profit/(loss) for the period by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit/(loss) for the period 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.

XI. Provisions, contingencies and commitments:

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

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

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

A disclosure for contingent liabilities is made where there is:

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

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

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

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

Provisions for onerous contracts are recognized when the expected economic benefits to be received by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

XII. Non-current assets held for sale:

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its



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sale is highly probable. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell, except for financial assets which are measured as per Ind AS 109 "Financial Instruments". Non-current assets are not depreciated or amortised.

XIII. Financial instruments:

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

(a) Equity Investments:

All equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

(b) Financial assets:

(i) Initial recognition and measurement:

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through Statement of Profit and Loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.B204

(ii) Subsequent measurement:

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

Financial assets at fair value through other comprehensive income (FVTOCI) - A financial asset is measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL) - A financial asset which is not classified in any of the above categories are fair valued through Statement of Profit and Loss.

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

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

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria, may be designated as at FVTPL as at initial recognition if such designation reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

(iii) Impairment:

The Company recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVTOCI. 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 information 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.



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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-months ECL 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 ECL are measured as lifetime ECL 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.

(iv) Derecognition:

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

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

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

(v) Income from Financial Assets

Dividend and interest income:

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

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.

(c) Financial liabilities and equity instruments:

(i) Classification as debt or equity:

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



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(ii) 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 Parent Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Parent Company's own equity instruments.

(iii) Initial recognition and measurement:

All financial liabilities are recognized initially at fair value and in case of loans net of directly attributable cost. Fees of recurring nature are directly recognised in Statement of Profit and Loss as finance cost.

(iv) Subsequent measurement:

Financial liabilities are carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(v) Derecognition:

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

(d) Derivative financial instruments:

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

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item.

The contracts to buy or sell a non-financial item that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements are not considered as derivative instruments.

(e) Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(f) Fair Value measurement:

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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



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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

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

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.

(g) Hedge accounting:

The Company designates certain hedging instruments, which include derivatives in respect of foreign currency, as either cash flow hedge or fair value hedge. Hedges of foreign currency risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the Company entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to hedged risk.

(i) Fair value hedges:

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognized in Statement of Profit and Loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to hedged risk are recognized in Statement of Profit and Loss in the line item relating to the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to Statement of Profit and Loss from that date.

(ii) Cash flow hedges:

The effective portion of changes in fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in Statement of Profit and Loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to Statement of Profit and Loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains or losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.



JSW Neo Energy Limited

Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in Statement of Profit and Loss.

XIV. Statement of cash flows:

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- i. changes during the period in inventories and operating receivables and payables, transactions of a non-cash nature;
- ii. Non-cash items such as depreciation, provisions, and unrealised foreign currency gains and losses etc.; and
- iii. All other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents comprise cash at banks and on hand, short-term deposits with an original maturity of three months or less and liquid investments, which are subject to insignificant risk of changes in value.

Note No. 3 - Key sources of estimation uncertainty and critical accounting judgements:

The preparation of the Financial Statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of these Financial Statements and the reported amounts of revenues and expenses for the periods presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Key sources of estimation uncertainties

Provisions and Contingencies:

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Potential liabilities that are remote are neither recognized nor disclosed as contingent liability. The management decides whether the matters needs to be classified as 'remote,' 'possible' or 'probable' based on expert advice, past judgements, terms of the contract, regulatory provisions etc.

Fair value measurements:

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



JSW Neo Energy Limited

Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022

Note No. 4 - Investments in subsidiaries:

(₹ in lakhs)

Particulars	Face value per share (fully paid)	Number of shares	As at 31st March, 2022	
			Current	Non-current
A. Unquoted Investments				
I. Investment at cost				
a) Investments in equity instruments				
Investments in subsidiary companies				
(i) JSW Renew Energy Three Limited	10	97,60,000	-	976.00
(ii) JSW Energy PSP One Limited	10	10,000	-	1.00
(iii) JSW Energy PSP Two Limited	10	10,000	-	1.00
(iv) JSW Energy PSP Three Limited	10	10,000	-	1.00
(v) JSW Renew Energy Four Limited (JSW Energy PSP Four Limited)	10	10,000	-	1.00
(vi) JSW Green Hydrogen Limited (JSW Energy PSP Five Limited)	10	10,000	-	1.00
(vii) JSW Renewable Energy (Dolvi) Limited	10	3,31,10,000	-	3,311.00
(viii) JSW Renew Energy (KAR) Limited	10	7,80,000	-	78.00
(viii) JSW Energy Kutehr Limited	10	79,53,30,000	-	79,533.00
(ix) JSW Hydro Energy Limited	10	1,25,00,50,000	-	2,04,601.00
Total			-	2,88,504.00



JSW Neo Energy Limited

Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022

Note No. 5 - Income tax assets:

(₹ in lakhs)

Particulars	As at 31st March, 2022
Advance tax and tax deducted at source [Net of provision Nil]	0.92
Total	0.92



JSW Neo Energy Limited

Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022

Note No. 6 - Deferred tax assets:

(₹ in lakhs)

Particulars	As at 31st March, 2022
Deferred tax (Refer Note 21)	22.37
Total	22.37



JSW Neo Energy Limited**Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022****Note No. 7 - Trade receivables:**

(₹ in lakhs)

Particulars	As at 31st March, 2022
Trade receivables from related parties - Unsecured, considered good	5.40
Total	5.40

Ageing of trade receivables as at 31st March, 2022

Particulars	Undisputed Trade receivables		Disputed Trade Receivables	
	considered good	considered doubtful	considered good	considered doubtful
Outstanding for following periods from due date of payment				
Less than 6 months	5.40	-	-	-
6 months-1 year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
	5.40	-	-	-



JSW Neo Energy Limited

Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022

Note No. 8 - Cash and cash equivalents:

(₹ in lakhs)

Particulars	As at 31st March, 2022
Balances with banks - In current accounts	116.75
Total	116.75



JSW Neo Energy Limited

Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022

Note No. 9 - Other financial assets:

(₹ in lakhs)

Particulars	As at 31st March, 2022	
	Current	Non-current
Other receivables	53.33	-
Total	53.33	-



JSW Neo Energy Limited

Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022

Note No. 10 - Other assets:

(₹ in lakhs)

Particulars	As at 31st March, 2022	
	Current	Non-current
Balances with government authorities	3.67	
Total	3.67	-



JSW Neo Energy Limited

Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022

Note No. 11 - Equity share capital:

Particulars	As at 31st March, 2022	
	No. of shares	₹ in lakhs
Authorised:		
Equity shares of ₹ 10 each with voting rights	2,00,00,00,000	2,00,000
Issued, Subscribed and Fully Paid:		
Equity shares of ₹ 10 each with voting rights	5,00,00,000	5,000
Total	5,00,00,000	5,000

a) Reconciliation of the number of shares outstanding at the beginning and at the end of the period:

Particulars	For the period ended 31st March, 2022	
	No. of shares	
Balance as at the beginning of the period		-
Shares issued during the period		5,00,00,000
Balance as at the end of the period		5,00,00,000

b) Rights, preferences and restrictions 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.

(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.

c) Details of shareholders holding more than 5% shares in the Company are set out below:

Name of the Companies	As at 31st March, 2022	
	No. of shares	%
JSW Energy Limited	5,00,00,000	100

d) Shares held by Promoters at the end of the period:

Name of the Promoter	As at 31st March, 2022		As at 31st March, 2021		% change during the period
	No. of Shares	% of total shares	No. of Shares	% of total shares	
JSW Energy Limited	5,00,00,000	100	-	-	100%

Note No. 12 - Other equity:

(₹ in lakhs)

Particulars	As at 31st March, 2022
Balance as at 06th July, 2021	-
Retained earnings	(352.17)
Balance as at 31st March, 2022	(352.17)



JSW Neo Energy Limited**Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022****Note No. 13 - Borrowings:**

(₹ in lakhs)

Particulars	As at 31st March, 2022	
	Current	Non-current
Non-current borrowings:		
Unsecured:		
Loan repayable on demand from related party - JSW Energy Limited - Holding Company *	490.00	-
Total	490.00	-

* Loan taken from JSW Energy Limited (Holding Company) is unsecured, interest free and repayable on demand.



JSW Neo Energy Limited

Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022

Note No. 14 - Trade payables:

(₹ in lakhs)

Particulars	As at 31st March, 2022
Trade payables	
-Total outstanding dues of micro enterprises and small enterprises	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises	26.14
Total	26.14

As at 31st March, 2022	Undisputed		Disputed	
	MSME	Others	MSME	Others
Outstanding for following periods from due date of payment				
Less than 1 year	-	23.80	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Not due	-	-	-	-
Unbilled	-	2.35	-	-
	-	26.14	-	-



JSW Neo Energy Limited

Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022

Note No. 15 - Other financial liabilities:

(₹ in lakhs)

Particulars	As at 31st March, 2022	
	Current	Non-current
Other liabilities		
Payable to related parties towards acquisition of equity investments in subsidiaries	2,83,534.00	-
Total	2,83,534.00	-



JSW Neo Energy Limited

Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022

Note No. 16 - Other liabilities:

(₹ in lakhs)

Particulars	As at 31st March, 2022	
	Current	Non-current
Statutory dues	8.47	-
Total	8.47	-



JSW Neo Energy Limited

Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022

Note No. 17 - Revenue from operations:

(₹ in lakhs)

Particulars	For the period from 06th July, 2021 to 31st March, 2022
a) <u>Sale of services</u> Consultancy services	5.00
Total	5.00



JSW Neo Energy Limited

Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022

Note No. 18 - Other income:

(₹ in lakhs)

Particulars	For the period from 06th July, 2021 to 31st March, 2022
Interest income earned on financial assets that are not designated as at FVTPL	
a) On other financial assets	4.19
Total	4.19



JSW Neo Energy Limited

Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022

Note No. 19 - Finance costs:

(₹ in lakhs)

Particulars	For the period from 06th July, 2021 to 31st March, 2022
a) Other borrowing costs	0.14
b) Interest expenses	4.64
Total	4.78



JSW Neo Energy Limited

Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022

Note No. 20 - Other expenses:

(₹ in lakhs)

Particulars	For the period from 06th July, 2021 to 31st March, 2022
a) Legal and professional expenses	6.36
b) Rates and taxes	0.14
c) Auditors' remuneration	1.12
d) Share issue expense	300.54
e) Bidding fees	70.80
Total	378.96



JSW Neo Energy Limited**Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022****Note No. 21 - Tax expense:**

(₹ in lakhs)

Particulars	For the period from 06th July, 2021 to 31st March, 2022
Current tax	-
Deferred tax	(22.37)
Income tax expense reported in the statement of profit or loss	(22.37)

(b) A reconciliation of income tax expense applicable to accounting profits before tax at the statutory income tax rate to recognised income tax expense for the period indicated as follows:

Particulars	For the period from 06th July, 2021 to 31st March, 2022
Loss before tax	(374.55)
Enacted tax rate	25.17%
Computed expected tax expense	(94.27)
Expenses not deductible in determining taxable profits	71.90
Tax expense for the period	(22.37)

Deferred tax assets / (liabilities)

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

(₹ in lakhs)

Particulars	As at 1st April, 2021	Recognised / (reversed) through profit or loss / OCI / equity	As at 31st March, 2022
Others	-	22.37	22.37
	-	22.37	22.37



JSW Neo Energy Limited

Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022

Note No. 22 - Financial ratios:

Sr. No.	Particulars	For the period from 06th July, 2021 to 31st March, 2022		
		Numerator	Denominator	31st March 2022
1	Current ratio (in times)	Current Assets	Current Liabilities	0.00
2	Debt-equity ratio (in times)	Total Borrowings	Net Worth	0.11
3	Debt service coverage ratio (in times)	Profit before Tax, Exceptional Items, Depreciation, Finance Charges	Finance Charges + Long Term Borrowings scheduled Principal repayments (excluding prepayments + refinancing) during the year	N/A
4	Return on equity ratio (%)	Net profit after tax	Average Net Worth	-7.58%
5	Inventory turnover (no. of days)	Average Inventory	Fuel Cost + Stores & Spares Consumed + Purchase of stock in trade	N/A
6	Debtors turnover (no. of days)	Average Trade Receivables including unbilled revenue	Revenue from operations	394.20
7	Payables turnover (no. of days)	Average Trade payables	Cost of goods sold	N/A
8	Net capital turnover (in times)	Annual turnover	Working Capital (excluding current maturities of long term debt)	0.00
9	Net profit margin (%)	Net profit for the year	Total Income	-3830%
10	Return on capital employed (%)	Profit after tax plus Interest on long term loans and debentures	Average capital employed	-8%
11	Return on investment (%)	Profit generated on sale of investment	Cost of investment	N/A

Net worth : Equity + Other Equity

Finance costs : Interest on long term loans and debentures

The Company does not have any long term borrowings, commercial operations or working capital. Hence, certain ratios are not applicable and no meaningful information can be derived from the ratios.



JSW Neo Energy Limited

Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022

Note No. 23 - Earnings per share (EPS):

Particulars	For the period ended 31st March, 2022
Loss attributable to equity holders of the Company [A] [₹ in lakhs]	(352.17)
Weighted average number of equity shares for basic EPS [B]	2,16,06,042
Basic earnings per share [₹] [A/B]	(1.63)
Diluted earnings per share [₹] [A/B]	(1.63)

Note No. 24 - Commitments:

There are no commitments to contribute funds for the acquisition of property, plant and equipment

Note No. 25 - Contingent liabilities:

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

Note No. 26 - Related party disclosures:

A) List of related parties:

I	Holding Company
1	JSW Energy Limited (Holding Company)
II	Subsidiary
1	JSW Renew Energy Three Limited (W.e.f. 8th October, 2021)
2	JSW Energy PSP One Limited (W.e.f. 8th October, 2021)
3	JSW Energy PSP Two Limited (W.e.f. 7th September, 2021)
4	JSW Energy PSP Three Limited (W.e.f. 21st October, 2021)
5	JSW Renew Energy Four Limited (Formerly known as JSW Energy PSP Four Limited w.e.f. 08th October, 2021)
6	JSW Green Hydrogen Limited (Formerly known as JSW Energy PSP Five Limited w.e.f. 07th September, 2021)
7	JSW Renewable Energy (Dolvi) Limited (W.e.f. 3rd December, 2021)
8	JSW Renew Energy (KAR) Limited (W.e.f. 3rd December, 2021)
9	JSW Hydro Energy Limited (W.e.f. 15th March, 2022)
10	JSW Energy (Kutehr) Limited (W.e.f. 14th March, 2022)
III	Key Managerial Personnel
1	Mr. Aditya Agarwal - Chairman (W.e.f. 06th July, 2021)
2	Ms. Monica Chopra - Director (W.e.f. 06th July, 2021) and CS (W.e.f. 18th January, 2022)
3	Mr. Chittur R. Lakshman - Non-Executive Director (W.e.f. 06th July, 2021)
4	Mr. Abhay Yagnik - Manager (W.e.f. 18th January, 2022)
5	Ms. Hirva Shah - Chief Financial Officer (W.e.f. 18th January, 2022)

B) Transaction with related parties during the period:

(₹ in lakhs)

Sr.No	Particulars	As at 31st March, 2022
1	Infusion in share capital JSW Energy Limited	5,000.00
2	Equity investment in subsidiaries JSW Energy PSP One Limited JSW Energy PSP Two Limited JSW Energy PSP Three Limited JSW Renew Energy Four Limited JSW Green Hydrogen Limited JSW Renew Energy Three Limited	1.00 1.00 1.00 1.00 1.00 976.00



JSW Neo Energy Limited

Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022

(₹ in lakhs)

Sr.No	Particulars	As at 31st March, 2022
	JSW Renewable Energy (Dolvi) Limited	3,311.00
	JSW Renewable Energy (Kar) Limited	78.00
	JSW Energy (Kutehr) Limited	79,533.00
	JSW Hydro Energy Limited	2,04,601.00
3	Loan taken	
	JSW Energy Limited	790.00
4	Loan repaid	
	JSW Energy Limited	300.00
5	Loans given	
	JSW Renew Energy Three Limited	132.00
6	Loans given - repaid	
	JSW Renew Energy Three Limited	132.00
7	Purchase of investment from	
	JSW Future Energy Limited	2,211.00
	JSW Hydro Energy Limited	78,933.00
	JSW Energy Limited	2,04,601.00
8	Sale of services	
	JSW Renew Energy Three Limited	5.00
9	Interest received on loan	
	JSW Renew Energy Three Limited	4.19
10	Interest paid on loan	
	JSW Energy Limited	4.64

c) Closing balances:

Sr.No	Particulars	As at 31st March, 2022
1	Equity share capital	
	JSW Energy Limited	5,000.00
2	Investment in subsidiaries	
	JSW Energy PSP One Limited	1.00
	JSW Energy PSP Two Limited	1.00
	JSW Energy PSP Three Limited	1.00
	JSW Renew Energy Four Limited	1.00
	JSW Green Hydrogen Limited	1.00
	JSW Renew Energy Three Limited	976.00
	JSW Renewable Energy (Dolvi) Limited	3,311.00
	JSW Renewable Energy (Kar) Limited	78.00
	JSW Energy (Kutehr) Limited	79,533.00
	JSW Hydro Energy Limited	2,04,601.00



JSW Neo Energy Limited

Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022

Sr.No	Particulars	As at 31st March, 2022
3	Trade receivables JSW Renew Energy Limited	5.40
4	Borrowings JSW Energy Limited	490.00
5	Other payables JSW Hydro Energy Limited JSW Energy Limited	78,933.00 2,04,601.00

Note :

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



JSW Neo Energy Limited

Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022

Note No. 27 - Financial instruments:

(a) Financial instruments:

i) Financial instruments by category:

(₹ in lakhs)

Particulars	As at 31st March, 2022			
	FVTPL	FVTOCI	Amortised cost	Total
Financial assets				
Cash and cash equivalents (CCE)	-	-	116.75	116.75
Other financial assets	-	-	53.33	53.33
	-	-	170.08	170.08
Financial liabilities				
Borrowings	-	-	490.00	490.00
Trade payables	-	-	26.14	26.14
	-	-	516.14	516.14

ii) Fair value hierarchy:

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are

(a) recognised and measured at fair value and

(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard.

Financial assets and liabilities measured at fair value

The carrying amount of financial assets and liabilities as stated above is considered to be the same as its fair values.

There are no transfers between Level 1, Level 2 and Level 3 during the year.

(b) Risk management strategies

Financial risk management objectives

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

The Company seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures, wherever required. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

I. Liquidity risk management

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

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

As at 31st March, 2022	< 1 year	1-5 years	> 5 years	Total
Financial liabilities				
Borrowings	490.00	-	-	490.00
Trade payables	26.14	-	-	26.14
Total	516.14	-	-	516.14

(₹ in lakhs)



JSW Neo Energy Limited

Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022

Note No. 32 - Other statutory information continued:

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) whose title deeds are not held in the name of the Company.
- (iii) The Company does not have any transactions with companies which are struck off.
- (iv) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (v) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (viii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (ix) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (x) The Company is not declared wilful defaulter by and bank or financials institution or lender during the year.



JSW Neo Energy Limited

Notes to the financial statements for the period from 06th July, 2021 to 31st March, 2022

Note No. 29 - 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:

		(₹ in lakhs)
SI No	Particulars	As at 31st March, 2022
1	Principal amount outstanding	-
2	Principal amount due and remaining unpaid	-
3	Interest due on (2) above and the unpaid interest	-
4	Interest paid on all delayed payments under the MSMED Act.	-
5	Payment made beyond the appointed day during the year	-
6	Interest due and payable for the period of delay other than (4) above	-
7	Interest accrued and remaining unpaid	-
8	Amount of further interest remaining due and payable in succeeding years	-

Note No. 30 - Remuneration to auditors (inclusive of tax):

Particulars	As at 31st March, 2022
Services as statutory auditors (including quarterly limited reviews)	1.12
Tot	1.12

Note No. 31 - Impact of COVID-19:

The Company has been formed during the current financial year. Based on Management assessment, due to COVID-19 no medium to long-term impact on the business of the Company is expected. Thus, in regards with the Company's liquidity position, there is no uncertainty in meeting financial obligations over the foreseeable future.

Note No. 32 -

The Company has been incorporated on 06th July, 2021. This being the first financial period, previous year figures are not applicable.

For and on behalf of the Board of Directors

Chittur Ramakrishnan Lakshman
Director
[DIN:08704945]

Hirva Shah
Chief Financial Officer

Monica Chopra
Director and Company Secretary
[DIN:05341124]



Place: Mumbai
Date : 30th April, 2022