

**INDEPENDENT AUDITOR'S REPORT**

**To The Members of  
JSW Renewable Energy (Salem) Limited  
(Formerly known as JSW Renew Energy Seven Limited)  
Report on the Audit of Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **JSW Renewable Energy (Salem) Limited (Formerly known as JSW Renew Energy Seven Limited)** ("the Company"), which comprises of Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year ended March 31, 2024, and notes to the financial statements, including a summary of material 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, 2024, and its loss, changes in equity and its cash flows for the year ended March 31, 2024.

**Basis for Opinion**

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

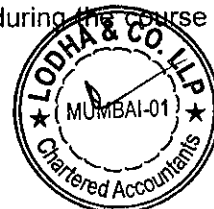
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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

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

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

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



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

### **Responsibilities of Management for the Financial Statements**

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

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

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

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

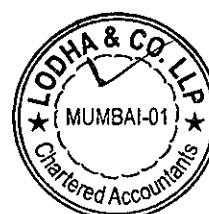
### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

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



adequate internal financial control system in place and the operating effectiveness of such controls.

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

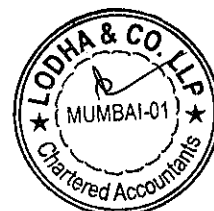
Materiality is the magnitude of misstatements in the financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i)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

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

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

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

1. Pursuant to the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-Section (11) of Section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and records except for the matters stated in the paragraph h (vi) below on reporting under Rule 11(g).
  - (c) The Balance sheet, the Statement of Profit & Loss (including other comprehensive income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.



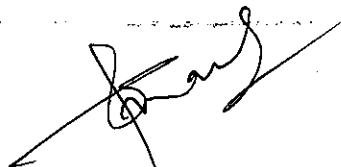
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.
- (e) On the basis of the written representation received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a Director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "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, during the year, the Company has not paid any remuneration to its directors.
- (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, the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph vi below on reporting under Rule 11(g), in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - 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.
    - 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.



- 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. Refer note 19 (vi) and (vii) to the financial statements.
- v. The Company has not declared or paid dividend during the financial year 2023-24. Accordingly, reporting under Rule 11 (f) of Companies (Audit and Auditors) Rules, 2014 is not applicable.
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account for the year ended for the year ended March 31,2024, which has a feature of recording audit trail (edit log) facility and the same were operated throughout the year for all relevant transactions recorded in the software except that audit trail was not enabled at the database level to log any direct data changes. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software for which the audit trail feature was operating. (Refer note no. 20 to the financial statements)

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For **LODHA & CO LLP**  
Chartered Accountants  
Firm registration No. – 301051  
E/E300284



**A.M. Hariharan**  
Partner  
Membership No. 38323  
UDIN: 24038323BKFVOC9726

Place: Mumbai  
Date: May 02, 2024



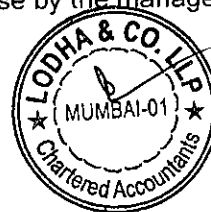
**Annexure "A" referred to in "Report on Other Legal and Regulatory Requirements" section of our report to the members of JSW Renewable Energy (Salem) Limited (Formerly known as JSW Renew Energy Seven Limited) for the year ended March 31, 2024:**

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 Clause 3(i)(a), (b), (c) & (d) of the Order are not applicable to the Company.  
b) According to the information and explanations given to us and on the basis of our examination of the books and records of the Company, neither any proceedings have been initiated during the year nor are pending as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder and hence, reporting under Clause 3(i)(e) of the Order is not applicable to the Company.
- ii) a) The Company does not hold any inventory and hence, reporting under Clause 3(ii)(a) of the Order is 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 and hence, reporting under Clause 3(ii)(b) of the Order is not applicable to the Company.
- iii) According to the information and explanations given to us and on the basis of our examination of the books and records of the Company, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties and hence, reporting under Clause 3(iii) of the Order is not applicable to the Company.
- iv) According to the information and explanations given to us and on the basis of our examination of the books and records, the Company has not granted any loans or given any guarantees or provided any securities or made any investments to/in the parties covered under Section 185 and Section 186 of the Act and hence, reporting under Clause 3(iv) of the Order is not applicable to the Company.
- v) According to the information and explanations given to us and on the basis of our examination of the books and records, no deposits or amounts which are deemed to be deposits within the meaning of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 have been accepted by the Company and hence, reporting under Clause 3(v) of the Order is not applicable to the Company.
- vi) According to the information and explanations given to us and on the basis of our examination of the books and records, 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 and hence, reporting under Clause 3(vi) of the Order is not applicable to the Company.



- vii) a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, have been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> March, 2024 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no statutory dues mentioned in clause 3 (vii) (a) which have been not deposited on account of any dispute.
- viii) According to the information and explanations given to us and based on our examination of records of the Company, there were no amounts to be recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) and hence, reporting under Clause 3(viii) of the Order is not applicable to the Company.
- ix) a. According to the information and explanations given to us and on the basis of our examination of the books and records, the Company has not taken any loan or other borrowings from any lender during the year and hence, reporting under 3(ix)(a) of the Order is not applicable to the Company.
- b. On the basis of information and explanations given to us, the Company has not been declared as willful defaulter by any bank or financial institution or other lender.
- c. According to the information and explanations given to us and on the basis of our examination of the books and records, the Company has not taken any term loan during the year and hence, reporting under Clause 3(ix)(c) of the Order is not applicable to the Company.
- d. According to the information and explanations given to us and on the basis of our examination of the books and records, the Company has not raised any funds on a short-term basis and hence, reporting under Clause 3(ix)(d) of the Order is not applicable to the Company.
- e. The Company does not have any subsidiary, associate or joint venture and hence, reporting under Clause 3(ix)(e) and (f) of the Order is not applicable to the Company.
- x) a) The Company has not raised any money by way of Initial public offer or further public offer (including debt instrument) during the year and hence, reporting under Clause 3(x) of the Order is not applicable to the Company.
- b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year or in the recent past and hence, reporting under Clause 3(x)(b) of the Order is not applicable to the Company.
- xi) a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company, noticed or reported during the year, nor have we been informed of such case by the management.

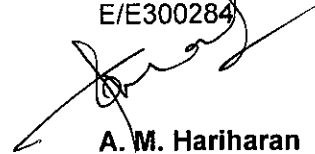


- b) Since no fraud by the Company or any fraud on the Company has been noticed or reported during the year and hence reporting under Clause 3 (xi)(b) is not applicable to the Company.
- c) Based on our audit procedures performed and according to the information and explanations given to us, during the year, no whistle blower complaint was received by the Company and hence, reporting under Clause 3(xi)(c) of the Order is not applicable to the Company.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence, reporting under Clause 3(xii) of the Order is not applicable to the Company.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all the transactions with related parties are in compliance with Section 177 and 188 of the Act and all the details have been disclosed in the financial statements as required by the applicable accounting standard. Refer note. 15 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 any non-cash transactions prescribed under Section 192 of the Act with directors or persons connected with them during the year.
- 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 four unregistered CICs forming part of the Group.
- xvii) The Company has incurred cash losses of Rs. 0.90 lakhs during the current financial year and Rs. 1.45 lakhs losses in the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors of the Company during the year. Hence reporting under Clause 3(xviii) of the Order is not applicable to the Company.



- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing as at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet, will get discharged by the Company as and when they fall due.
- xx) There are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a fund specified in Schedule VII to the Companies Act in compliance with the second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order are not applicable to the Company.

For **LODHA & CO LLP**  
Chartered Accountants  
Firm registration No. – 301051  
E/E300284



**A. M. Hariharan**  
Partner  
Membership No. 38323  
UDIN: 24038323BKFFVOC9726

Place: Mumbai  
Date: May 02, 2024



**Annexure "B" referred to in "Report on Other Legal and Regulatory Requirements" section of our report to the members of JSW Renewable Energy (Salem) Limited (JSW Renew Energy Seven Limited) for the year ended 31<sup>st</sup> March, 2024:**

We have audited the internal financial controls over financial reporting of **JSW Renewable Energy (Salem) Limited (Formerly known as JSW Renew Energy Seven Limited)** ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended March 31, 2024.

### **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 reasonable assurance by the internal auditors through their internal audit reports given to the organisation 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, 2024, 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: May 02, 2024

For **LODHA & CO LLP**  
Chartered Accountants  
Firm registration No. – 301051  
E/E300284



**A. M. Hariharan**  
Partner  
Membership No. 38323  
UDIN: 24038323BKFOVOC9726



**JSW Renewable Energy (Salem) Limited ( Formerly known as JSW Renew Energy Seven Limited)**  
**Balance Sheet as at 31st March, 2024**

(₹ in lakhs)

	Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
<b>A</b>	<b>ASSETS</b>			
1.	<b>Current assets</b>			
	(a) Financial assets			
	(i) Cash and cash equivalents	4	0.14	0.20
	<b>Total current assets</b>		<b>0.14</b>	<b>0.20</b>
	<b>Total assets</b>		<b>0.14</b>	<b>0.20</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
1.	<b>Equity</b>			
	(a) Equity share capital	5	1.00	1.00
	(b) Other equity	6	(2.35)	(1.45)
	<b>Total equity</b>		<b>(1.35)</b>	<b>(0.45)</b>
2.	<b>Liabilities</b>			
I	<b>Current liabilities</b>			
	(a) Financial liabilities			
	(i) Trade payables	7	-	-
	- Total outstanding dues of micro enterprises and small enterprises; and			
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		1.43	0.59
	(b) Other current liabilities	8	0.06	0.06
	<b>Total liabilities</b>		<b>1.49</b>	<b>0.65</b>
	<b>Total equity and liabilities</b>		<b>0.14</b>	<b>0.20</b>

See accompanying notes to the financial statements

1-21

As per our attached report of even date

**For Lodha & Co LLP**

Chartered Accountants

Firm Registration No.: 301051E/E300284

A. M. Hariharan

Partner

Membership No.: 38323

Place: Mumbai

Date: 2nd May, 2024



For and on behalf of the Board of Directors

*VSD Deshmukh*  
**Vaibhav Deshmukh**  
 Director  
 [DIN:10584534]

*Abhay Yagnik*  
**Abhay Yagnik**  
 Director  
 [DIN:09401313]

Place: Mumbai

Date: 2nd May, 2024

**JSW Renewable Energy (Salem) Limited ( Formerly known as JSW Renew Energy Seven Limited)**  
**Statement of Profit and Loss for the year ended 31st March, 2024**

(₹ in lakhs, except per share data and as stated otherwise)

Particulars	Note No.	For the year ended 31st March, 2024	For the year ended 31st March, 2023
I Revenue from operations		-	-
II Other income		-	-
III Total income (I + II)		-	-
IV Expenses			
(a) Finance costs	9	-	0.03
(b) Other expenses	10	0.90	1.42
Total expenses (IV)		0.90	1.45
V Loss before tax (III-IV)		(0.90)	(1.45)
VII Loss for the year (V-VI)		(0.90)	(1.45)
VIII Other comprehensive income		-	-
IX Total comprehensive loss for the year (VII + VIII)		(0.90)	(1.45)
X Earnings per equity share Basic & Diluted ( ₹ )	12	(9.02)	(14.54)
See accompanying notes to the financial statements	1-21		

As per our attached report of even date

For Lodha & Co LLP

Chartered Accountants

Firm Registration No.: 301051E/E300284

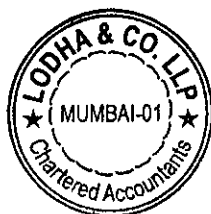
A. M. Hariharan

Partner

Membership No.: 38323

Place: Mumbai

Date: 2nd May, 2024



For and on behalf of the Board of Directors

*VSD Deshmukh*  
 Vaibhav Deshmukh  
 Director  
 [DIN:10584534]

*Abhay Yagnik*  
 Abhay Yagnik  
 Director  
 [DIN:09401313]

Place: Mumbai  
 Date: 2nd May, 2024

**JSW Renewable Energy (Salem) Limited ( Formerly known as JSW Renew Energy Seven Limited)**  
**Statement of Changes in Equity for the year ended 31st March, 2024**

**A] Equity share capital**

(₹ in lakhs)

Particulars	Amount
Balance as at 1st April, 2022	1.00
Changes in equity share capital during the year	-
Balance as at 31st March, 2023	1.00
Changes in equity share capital during the year	-
Balance as at 31st March, 2024	1.00

**B] Other equity**

(₹ in lakhs)

Particulars	Retained earnings	Total
Balance as at 1st April, 2022	-	-
Loss for the year	(1.45)	(1.45)
Balance as at 31st March, 2023	(1.45)	(1.45)
Loss for the year	(0.90)	(0.90)
Balance as at 31st March, 2024	(2.35)	(2.35)

See accompanying notes to the financial statements Notes no. 1 to 21

As per our attached report of even date

**For Lodha & Co LLP**

Chartered Accountants

Firm Registration No.: 301051E/E300284

**A. M. Hariharan**

Partner

Membership No.: 38323



Place: Mumbai

Date: 2nd May, 2024

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

**Vaibhav Deshmukh**

Director

[DIN:10584534]

**Abhay Yagnik**

Director

[DIN:09401313]

Place: Mumbai

Date: 2nd May, 2024

**JSW Renewable Energy (Salem) Limited ( Formerly known as JSW Renew Energy Seven Limited)**  
**Statement of Cash Flows for the year ended 31st March, 2024**

(₹ in lakhs)

Particulars		For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>A</b>	<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
	Loss before tax	(0.90)	(1.45)
	Adjusted for:		
	Finance costs	-	0.03
	<b>Operating loss before working capital changes</b>	<b>(0.90)</b>	<b>(1.42)</b>
	Adjustment for movement in working capital :		
	Increase in other financial liabilities and current liabilities	0.84	0.65
	<b>Cash used in operations</b>	<b>(0.06)</b>	<b>(0.77)</b>
	Income taxes paid (net)	-	-
	<b>Net cash used in operating activities (A)</b>	<b>(0.06)</b>	<b>(0.77)</b>
<b>B</b>	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	-	-
	<b>Net cash generated from / (used in) investing activities (B)</b>	-	-
<b>C</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
	Proceeds from issue of equity shares	-	1.00
	Finance costs	-	(0.03)
	<b>Net cash generated from financing activities (C)</b>	-	<b>0.97</b>
	<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	<b>(0.06)</b>	<b>0.20</b>
	<b>Cash and cash equivalents - at the beginning of the year</b>	<b>0.20</b>	-
	<b>Cash and cash equivalents - at the end of the year</b>	<b>0.14</b>	<b>0.20</b>

See accompanying notes to the financial statements - notes no. 1-21

As per our attached report of even date

**For Lodha & Co LLP**  
Chartered Accountants  
Firm Registration No.: 301051E/E300284

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



Place: Mumbai  
Date: 2nd May, 2024

For and on behalf of the Board of Directors

**V. Shivamurthy**  
**V. Shivamurthy**  
Director  
[DIN:10584534]

**Abhay Yagnik**  
**Abhay Yagnik**  
Director  
[DIN:09401313]

Place: Mumbai  
Date: 2nd May, 2024

# JSW Renewable Energy (Salem) Limited ( Formerly known as JSW Renew Energy Seven Limited)

Notes to the financial statements for the year ended 31st March, 2024

## Note No. 1 - General information:

JSW Renew Energy Seven Limited ("the Company") is a public limited company incorporated on 14<sup>th</sup> March, 2022 under the Companies Act, 2013. The name of the Company has been changed from JSW Renew Energy Seven Limited to JSW Renewable Energy (Salem) Limited with effect from 10th January, 2024. The Company forms part of the JSW Energy group, and is a 100% subsidiary of JSW Neo Energy Limited. The registered office of the Company is located at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra. The Company will be engaged in the business of generation of power from renewable sources.

## Note No. 2.1- Recent Accounting Pronouncement:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

## Note No. 2.2 - Statement of compliance:

The Financial Statements of the Company which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended 31st March, 2024, and a summary of the material 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, the provisions of the Companies Act, 2013 ("the Act") to the extent notified and other accounting principles generally accepted in India.

The Financial Statements were approved for issue by the Board of Directors on 02nd May, 2024.

## 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, which is functional currency of the Company, and rounded off to two decimal places as per by Schedule III to the Companies Act, 2013.

## Current and non-current classification:

The Company presents assets and liabilities in the balance sheet based on current / noncurrent classification.

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

- it is expected to be realised in, or is intended for sale or consumption in the normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or



# **JSW Renewable Energy (Salem) Limited ( Formerly known as JSW Renew Energy Seven Limited)**

## **Notes to the financial statements for the year ended 31st March, 2024**

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

All other assets are classified as non-current.

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

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

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

### **Note No. 2.4 - Material accounting policies:**

#### **I Cash and cash equivalents:**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

#### **II Taxation:**

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

#### **Current tax:**

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

#### **Deferred tax:**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such



# JSW Renewable Energy (Salem) Limited ( Formerly known as JSW Renew Energy Seven Limited)

## Notes to the financial statements for the year ended 31st March, 2024

deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

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

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

### Current and deferred tax for the year:

Current 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.

### III Earnings per share:

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

### IV Provisions, Contingencies and commitments:



# JSW Renewable Energy (Salem) Limited ( Formerly known as JSW Renew Energy Seven Limited)

## Notes to the financial statements for the year ended 31st March, 2024

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.

### **V Financial instruments:**

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

#### **(a) Financial assets:**

##### **(i) Initial recognition and measurement:**

All financial assets are recognized initially at fair value. In case of financial assets not recorded at fair value through profit or loss (FVTPL), financial assets are recognized at transaction costs that are attributable to the acquisition of financial assets. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchases and sales of financial



# JSW Renewable Energy (Salem) Limited ( Formerly known as JSW Renew Energy Seven Limited)

## Notes to the financial statements for the year ended 31st March, 2024

assets are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

### (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.

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.



# **JSW Renewable Energy (Salem) Limited ( Formerly known as JSW Renew Energy Seven Limited)**

## **Notes to the financial statements for the year ended 31st March, 2024**

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:**

#### **(a) Dividend and interest income:**

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



# JSW Renewable Energy (Salem) Limited ( Formerly known as JSW Renew Energy Seven Limited)

## Notes to the financial statements for the year ended 31st March, 2024

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.

### (b) 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.

#### (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 the 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.

### (c) Offsetting of financial assets and liabilities:

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.

### (d) Fair Value measurement:

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



# **JSW Renewable Energy (Salem) Limited ( Formerly known as JSW Renew Energy Seven Limited)**

## **Notes to the financial statements for the year ended 31st March, 2024**

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.

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.

### **VI 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



# **JSW Renewable Energy (Salem) Limited ( Formerly known as JSW Renew Energy Seven Limited)**

## **Notes to the financial statements for the year ended 31st March, 2024**

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:**

In the course of applying the policies outlined in all notes under note 2.4, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future periods.

### **Key sources of estimation uncertainties:**

#### **Provisions and Contingencies:**

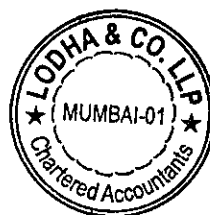
In the normal course of business, contingent liabilities arise from litigations and claims. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such contingent liabilities are disclosed in the notes 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:**

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

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

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



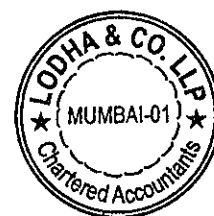
**JSW Renew Energy Seven Limited**

**Notes to the financial statements for the year ended 31st March, 2024**

**Note No. 4 - Cash and cash equivalents:**

(₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with banks		
- In current accounts	0.14	0.20
<b>Total</b>	<b>0.14</b>	<b>0.20</b>



**JSW Renewable Energy (Salem) Limited ( Formerly known as JSW Renew Energy Seven Limited)**  
**Notes to the financial statements for the year ended 31st March, 2024**

**Note No. 5 - Equity share capital:**

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
<b>Authorised:</b>				
Equity shares of ₹ 10 each	10,000	1.00	10,000	1.00
<b>Subscribed, issued and fully paid up:</b>				
Equity shares of ₹ 10 each	10,000	1.00	10,000	1.00
<b>Total</b>	<b>10,000</b>	<b>1.00</b>	<b>10,000</b>	<b>1.00</b>

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

Particulars	For the year ended	For the year ended
	31st March, 2024	31st March, 2023
	No. of shares	No. of shares
Balance as at the beginning of the year	10,000	10,000
Shares issued during the year	-	-
<b>Balance as at the end of the year</b>	<b>10,000</b>	<b>10,000</b>

**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 Shareholder	As at		As at	
	31st March, 2024		31st March, 2023	
	No. of shares	% of total shares	No. of shares	% of total shares
JSW Neo Energy Limited (including shares held by nominees)	10,000	100%	10,000	100%

**d) Shares subscribed by Promoters at the end of the year:**

Name of the Promoter	As at		As at		% change during the year
	31st March, 2024		31st March, 2023		
	No. of shares	% of total shares	No. of shares	% of total shares	
JSW Neo Energy Limited (including shares held by nominees)	10,000	100%	10,000	100%	-

**Note No. 6 - Other equity:**

(₹ in lakhs)

Particulars	As at	As at
	31st March, 2024	31st March, 2023
Opening balance	(1.45)	-
Retained earnings	(0.90)	(1.45)
<b>Balance as at 31st March, 2024</b>	<b>(2.35)</b>	<b>(1.45)</b>

**Retained earnings:**

Retained earnings comprise balances of accumulated (undistributed) profit or loss at each year end.



**JSW Renewable Energy (Salem) Limited ( Formerly known as JSW Renew Energy Seven Limited)**

**Notes to the financial statements for the year ended 31st March, 2024**

**Note No. 7 - Trade payables:**

(₹ in lakhs)

Particulars	As at	As at
	31st March, 2024	31st March, 2023
-Total outstanding dues of micro enterprises and small enterprises; and	-	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises	1.43	0.59
<b>Total</b>	<b>1.43</b>	<b>0.59</b>

(₹ in lakhs)

As at 31st March, 2024	Undisputed		Disputed	
	MSME	Others	MSME	Others
Outstanding for following periods from due date of payment				
Less than 1 year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Not due	-	-	-	-
Unbilled	-	1.43	-	-
<b>Total</b>	-	<b>1.43</b>	-	-

(₹ in lakhs)

As at 31st March, 2023	Undisputed		Disputed	
	MSME	Others	MSME	Others
Outstanding for following periods from due date of payment				
Less than 1 year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Not due	-	-	-	-
Unbilled	-	0.59	-	-
<b>Total</b>	-	<b>0.59</b>	-	-



**JSW Renewable Energy (Salem) Limited ( Formerly known as JSW Renew Energy Seven Limited)**  
**Notes to the financial statements for the year ended 31st March, 2024**

Note No. 8 - Other current liabilities:

(₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Statutory dues	0.06	0.06
<b>Total</b>	<b>0.06</b>	<b>0.06</b>



**JSW Renewable Energy (Salem) Limited ( Formerly known as JSW Renew Energy Seven Limited)**  
**Notes to the financial statements for the year ended 31st March, 2024**

**Note No. 9 - Finance costs:**

(₹ in lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Other borrowing costs	-	0.03
<b>Total</b>	<b>-</b>	<b>0.03</b>



**JSW Renewable Energy (Salem) Limited ( Formerly known as JSW Renew Energy Seven Limited)**  
**Notes to the financial statements for the year ended 31st March, 2024**

Note No. 10 - Other expenses:

(₹ in lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Auditors' remuneration (Refer note 18)	0.75	1.42
Legal and professional expenses	0.15	-
<b>Total</b>	<b>0.90</b>	<b>1.42</b>



**JSW Renew Energy Seven Limited**  
**Notes to the financial statements for the year ended 31st March, 2024**

**Note No. 11 - Financial ratios:**

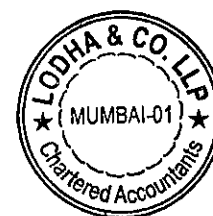
Sr. No.	Particulars	Numerator	Denominator	Ratios		Variance (%)	Change in ratio in excess of 25% compared to preceding year.
				For the year ended 31st March, 2024	For the year ended 31st March, 2023		
1	Current ratio (in times)	Current Assets	Current Liabilities	0.09	0.32	-71%	Due to decrease in current assets and increase in current liabilities
2	Debt-equity ratio (in times)	Total Borrowings	Total equity	N/A	N/A	N/A	N/A
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	N/A	N/A	N/A	N/A
4	Return on equity ratio (%)	Net loss after tax	Average Net worth	N/A	N/A	N/A	N/A
5	Inventory turnover (no. of days)	Average Inventory * No of days in reporting year	Fuel Cost + Stores & Spares Consumed + Purchase of stock in trade	N/A	N/A	N/A	N/A
6	Debtors turnover (no. of days)	Average Trade Receivables including unbilled revenue * No of days in reporting year	Revenue from operations	N/A	N/A	N/A	N/A
7	Payables turnover (no. of days)	Average Trade payables * No of days in reporting year	Cost of goods sold	N/A	N/A	N/A	N/A
8	Net capital turnover (in times)	Revenue from operations	Working Capital (excluding current maturities of long term debt)	N/A	N/A	N/A	N/A
9	Net profit margin (%)	Net loss for the year	Total Income	N/A	N/A	N/A	N/A
10	Return on capital employed (%)	Loss after tax plus Interest on long term loans and debentures	Net worth + Total borrowings + Deferred Tax	N/A	N/A	N/A	N/A
11	Return on investment (%)	Profit generated on sale of investment	Cost of investment	N/A	N/A	N/A	N/A

**Notes:**

(i) Net worth = Total equity

(ii) Finance costs : Interest on long term loans and debentures

(iii) The Company does not have any borrowings, commercial operations or working capital. Hence, certain ratios are not applicable and no meaningful information can be driven from the ratios.



**JSW Renewable Energy (Salem) Limited ( Formerly known as JSW Renew Energy Seven Limited)**  
**Notes to the financial statements for the year ended 31st March, 2024**

**Note No. 12 - Earnings per share (EPS):**

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Loss attributable to equity holders of the Company [₹ in lakhs] [A]	(0.90)	(1.45)
Weighted average number of equity shares for basic EPS [B]	10,000	10,000
Basic & Diluted earnings per share [₹] - [A/B]	(9.02)	(14.54)
Nominal value of an equity share [₹]	10.00	10.00

**Note No. 13 - Commitments:**

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

**Note No. 14 - Contingent liabilities:**

There are no contingent liabilities as at 31st, March 2024 and as at 31st March, 2023.

**Note No. 15 - Related party disclosures:**

**A) List of related parties:**

<b>I</b>	<b>Ultimate Holding Company</b>
1	JSW Energy Limited
<b>II</b>	<b>Holding Company</b>
1	JSW Neo Energy Limited
<b>III</b>	<b>Key Managerial Personnel</b>
1	Mr. Abhay Yagnik - Chairman & Non Executive Director
2	Mr. Perveen Puri - Non Executive Director
3	Mr. Anup Vaish - Non Executive Director (upto 19th April, 2024)
4	Mr. Vaibhav Deshmukh - Non Executive Director (w.e.f. 19th April, 2024)

**B) Transaction with related parties during the year:**

(₹ in lakhs)

Sr.No	Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
1	Equity share capital JSW Neo Energy Limited	-	1.00

**C) Closing balances:**

(₹ in lakhs)

Sr.No	Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
1	Equity share capital JSW Neo Energy Limited	1.00	1.00

**Notes :**

- No amounts in respect of related parties have been written off / written back during the year.
- Related party relationships have been identified by the management and relied upon by the auditors.



**JSW Renewable Energy (Salem) Limited ( Formerly known as JSW Renew Energy Seven Limited)**  
**Notes to the financial statements for the year ended 31st March, 2024**

**Note No. 16 - Financial instruments:**

**(a) Financial instruments:**

**i) Financial instruments by category:**

(₹ in lakhs)

Particulars	As at 31st March, 2024			
	FVTPL	FVTOCI	Amortised cost	Total
<b>Financial assets</b>				
Cash and cash equivalents	-	-	0.14	0.14
	-	-	<b>0.14</b>	<b>0.14</b>
<b>Financial liabilities</b>				
Trade payables	-	-	1.43	1.43
	-	-	<b>1.43</b>	<b>1.43</b>

(₹ in lakhs)

Particulars	As at 31st March, 2023			
	FVTPL	FVTOCI	Amortised cost	Total
<b>Financial assets</b>				
Cash and cash equivalents	-	-	0.20	0.20
	-	-	<b>0.20</b>	<b>0.20</b>
<b>Financial liabilities</b>				
Trade payables	-	-	0.59	0.59
	-	-	<b>0.59</b>	<b>0.59</b>

**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:**

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.

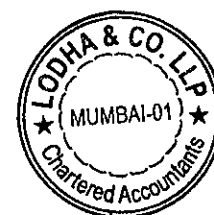
Fair value hierarchy	Valuation technique(s) & key input(s)
Level 1	Quoted bid prices in an active market.
Level 2	Income approach - in this approach, the discounted cash flow method was used to capture the present value of the expected future economic benefits to be derived from the ownership of these investees.
Level 3	Discounted cash flow at a discount rate that reflects the issuer's current borrowing rate at the end of the reporting period.

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

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

**Financial assets and liabilities, measured at amortised cost:**

The carrying amounts of trade payables, cash and cash equivalents and other financial assets are considered to be the same as their fair values, due to their short term nature.



**JSW Renewable Energy (Salem) Limited ( Formerly known as JSW Renew Energy Seven Limited)**  
**Notes to the financial statements for the year ended 31st March, 2024**

**Note No. 16 - Financial instruments:**

**(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.

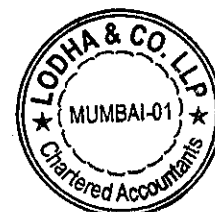
**I. Liquidity risk management:**

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.

(₹ in lakhs)

As at 31st March, 2024	< 1 year	1-5 years	> 5 years	Total
<b>Financial liabilities</b>				
Trade payables	1.43	-	-	1.43
	<b>1.43</b>	<b>-</b>	<b>-</b>	<b>1.43</b>



## JSW Renewable Energy (Salem) Limited ( Formerly known as JSW Renew Energy Seven Limited)

### Notes to the financial statements for the year ended 31st March, 2024

#### Note No. 17 - 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)

Sr No.	Particulars	As at 31st March, 2024	As at 31st March, 2023
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. 18 - Remuneration to Auditors (inclusive of tax):

(₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Statutory Audit fees (including limited review fees)	0.75	1.42
<b>Total</b>	<b>0.75</b>	<b>1.42</b>

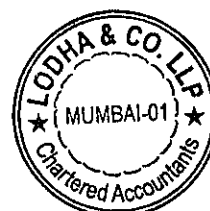
#### Note No. 19 - Other statutory information:

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any immovable properties (other than properties where the Company is the lessee and lease agreements are duly executed in favour of 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 willful defaulter by any bank or financial institutions or lender during the year.

#### Note No. 20- Audit trail reporting:

The Company has been maintaining its books of accounts in the SAP which has feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled, throughout the year as required by proviso to sub rule (1) of rule 3 of The Companies (Accounts) Rules, 2014 known as the Companies (Accounts) Amendment Rules, 2021. However, the audit trail feature is not enabled for direct changes to data in the underlying database. The Company as per its policy has not granted privilege access for change to data in the underlying database as evident from the manual log being maintained in this regard.

The Company in the month of March 2024 has also implemented Privileged Access Management tool (PAM), onboarded the SAP database servers on the PAM tool and the process of monitoring database is currently under testing phase. The PAM is an identity management tool which focuses on the control, monitoring, and protection of privileged accounts within an organization. The PAM tool saves complete screen video recording sessions of all the admin activities as soon as they authenticate on the PAM console and connect to the target resources (Servers, Network Devices, Applications and Database) which acts as an audit trail feature.



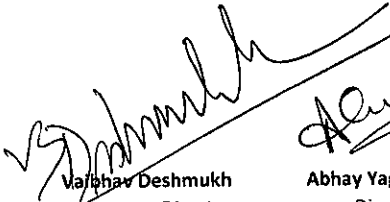
**JSW Renewable Energy (Salem) Limited ( Formerly known as JSW Renew Energy Seven Limited)**  
**Notes to the financial statements for the year ended 31st March, 2024**

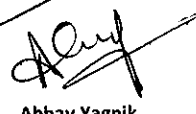
**Note No. 21 -**

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

**Signatures for notes to accounts 1 to 21**

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

  
**Valbhav Deshmukh**  
Director  
[DIN:10584534]

  
**Abhay Yagnik**  
Director  
[DIN:09401313]

Place: Mumbai  
Date: 2nd May, 2024

