

**INDEPENDENT AUDITOR'S REPORT**

To the Members of JSW Bengal Steel Limited

**Report on the Audit of the Standalone Ind AS Financial Statements****Opinion**

We have audited the accompanying standalone Ind AS financial statements of JSW Bengal Steel Limited ("the Company"), which comprise the Balance sheet as at March 31 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

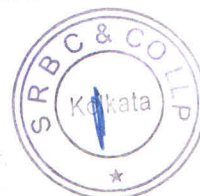
**Basis for Opinion**

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

**Material Uncertainty Relating to going concern.**

We draw attention to Note 23.14, 23.14(a) and 23.14 (b) in the standalone Ind AS financial Statements, which indicates that there are material uncertainties relating to the allocation of coal and iron ore mines to the Company including its subsidiaries and its consequential impact on the implementation of the project. The events described in the said Note to the financial statements indicate that a material uncertainty exists that may cast a significant doubt on the Company's ability to continue as a going concern. However, for reasons stated in the said note, the financial statements of the Company have been prepared on a going concern basis.

Our opinion is not modified in respect of this matter.



## **Information Other than the Financial Statements and Auditor's Report Thereon"**

The Company's Board of Directors is responsible for the other information. The other information comprises the Board's Report but does not include the standalone Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, 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.

## **Responsibility of Management for the Standalone Ind AS Financial Statements**

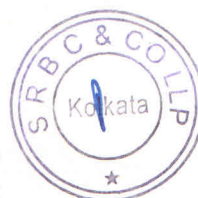
The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, 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.

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

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

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



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

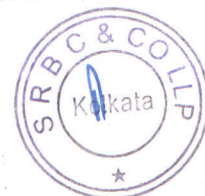
- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk 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 controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

## Report on Other Legal and Regulatory Requirements

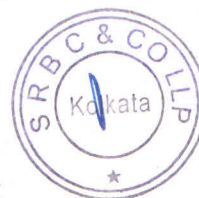
1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 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 as far as it appears from our examination of those books except for the matters stated in the paragraph (j)(vi) below on reporting under Rule 11(g).



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- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) The matters described above in “Material uncertainty relating to going concern” para, in our opinion, may have an adverse effect on functioning of the Company.
- (f) On the basis of the written representations 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;
- (g) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;
- (h) 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 (j)(vi) below on reporting under Rule 11(g).
- (i) In our opinion, the managerial remuneration for the year ended March 31, 2024, has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
- (j) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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, no funds 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 entities (“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;



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- b) The management has represented that, to the best of its knowledge and belief, , no funds have been received by the Company from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other 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; and
- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. As more fully described in note 23.15 to the financial statements, based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for direct changes to data in the underlying database and in the application when using certain privileged access rights. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software.

For SRBC & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Anant Acharya

Partner

Membership Number: 124790

UDIN: 24124790BKFUFY5913

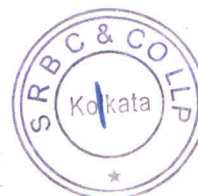
Place of Signature: Kolkata

Date: April 30, 2024

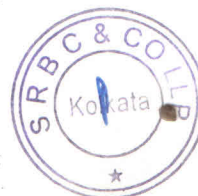


**Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of JSW Bengal Steel Limited as at and for the year ended March 31, 2024**

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(B) of the order is not applicable to the Company.
- (b) Property, Plant and equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) during the year ended March 31, 2024.
- (e) There are no proceeding initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii)(a) The Company's business does not require maintenance of inventories and accordingly, the requirement to report on 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. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii)(a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability partnerships or other parties. Accordingly, the requirement to report on clause 3(iii)(a), (c), (d), (e), (f) is not applicable to the Company.
- (b) During the year, the Company has not made any investments, provided guarantees, provided security and granted loans and Advances in the nature of loans to companies, firms, Limited Liability partnership or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the order is not applicable to the company.
- (iv) There are no loans, guarantees, and security in respect of which provisions of section 185 and 186 of the Companies Act are applicable and hence not commented upon. The Company has complied with the provisions of section 186 of the Companies Act, 2013 in respect of making investments, as applicable.



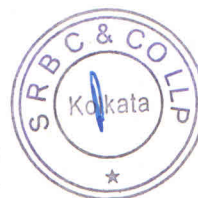
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rule made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) Since the Company has not commenced commercial production of Steel, the requirements relating to report on clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income tax, goods and service tax, cess and other statutory dues applicable to it. According to the information and explanations given to us, and based on audit procedures performed by us, no undisputed amounts payable in respect of provident fund, income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year-end, for a period of more than six months from the date they became payable. As informed the provisions relating to employee state insurance, customs duty, excise duty, sales tax, value added tax and service tax were not applicable to the Company during the year.
- (b) There are no dues of income tax, provident fund, goods and service tax and cess which have not been deposited on account of any dispute. As informed the provisions relating to employees' state insurance, sales tax, service tax, custom duty, excise duty, and value added tax were not applicable to the Company during the year.
- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of accounts, in the tax assessments under Income tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the order is not applicable to the Company.
- (ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause (ix)(a) of the Order is not applicable to the Company.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix) (c) of the order is not applicable to the Company.
- (d) The Company did not raise any funds during the year hence the requirement to report on clause (ix) (d) of the order is not applicable to the Company.
- (e) On an overall examination of financial statement of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its Subsidiaries. The Company does not have any associates or joint ventures.



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- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause (ix)(f) of the order is not applicable to the Company. The Company does not have associate or joint venture.
- (x) (a) The Company has not raised any money during the year by way of initial public offer or further public offer (including debt instruments) hence the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares fully or partly or optionally convertible debentures during the year under audit and hence reporting requirements under clause 3(x)(b) is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower Complaints received by the Company during the year.
- (xii) (a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.



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- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) We have been informed by the management that as per the definition of Group under Core Investment Companies (Reserve Bank) Directions 2016, there is one Core Investment Company (CIC) which is registered and four CICs which are not required to be registered with the Reserve Bank of India, forming part of the promoter Group.
- (xvii) The Company has not incurred cash losses during the current year. In the immediately preceding financial year, the Company had incurred cash losses amounting to Rs. 80 lakhs.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 23.10 to the financial statements, the ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, the Company has obtained the letter of financial support from the Holding Company, nothing has come to our attention, which causes us to believe that Company is not capable of meeting its liabilities, existing at the date of balance sheet, as and when they fall due within a period of one year from the balance sheet date.
- We, further state that this is not an assurance as to the future viability of the Company and our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx) (a) and (b) of the Order is not applicable to the Company.

For **SRBC & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

**per Anant Acharya**

Partner

Membership Number: 124790

UDIN: 24124790BKFUFY5913

Place of Signature: Kolkata

Date: April 30, 2024



**ANNEXURE "2" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF JSW BENGAL STEEL LIMITED****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to standalone Ind AS financial statements of JSW Bengal Steel Limited ("the Company") as of March 31, 2024, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

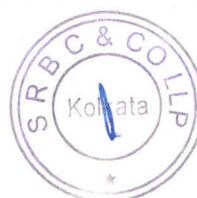
The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone Ind AS financial statements 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by 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 with reference to these standalone financial statements 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 with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these standalone Ind AS financial statements, 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 judgement, 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 with reference to these standalone Ind AS financial statements.



**Meaning of Internal Financial Controls with Reference to these Standalone Ind AS Financial Statements**

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

**Inherent Limitations of Internal Financial Controls with Reference to Standalone Ind AS Financial Statements**

Because of the inherent limitations of internal financial controls with reference to standalone Ind AS financial statements, 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 with reference to standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to standalone Ind AS financial statements 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 Company has, in all material respects, adequate internal financial controls with reference to standalone Ind AS financial statements and such internal financial controls with reference to standalone Ind AS financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **SRBC & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Anant Acharya**

Partner

Membership Number: 124790

UDIN: 24124790BKFUFY5913

Place of Signature: Kolkata

Date: April 30, 2024



(INR in Lakh)

		As at 31 March,2024	As at 31st March, 2023
<b>Assets</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	3	17,132	17,896
Capital work-in-progress	3	1,189	1,189
Right-of-use Assets	3.1	7,189	7,275
<b>Financial Assets</b>			
(i) Investments	4	18,189	18,189
(ii) Other financial assets	5	62	62
Other non-current assets	6	2,633	2,622
		<b>46,394</b>	<b>47,233</b>
<b>Current assets</b>			
<b>Financial Assets</b>			
(i) Investments	7	141	132
(ii) Cash and cash equivalents	8	36	16
(iii) Other financial assets	5	375	235
Current Tax Assets(net)	9	-	1
Other current assets	6	1	8
		<b>553</b>	<b>392</b>
<b>Total assets</b>		<b>46,947</b>	<b>47,625</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity Share Capital	10	48,341	48,341
Other Equity	11	(2,000)	(1,282)
<b>TOTAL EQUITY</b>		<b>46,341</b>	<b>47,059</b>
<b>Particulars</b>			
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Long-term borrowings		-	-
Deferred tax liabilities (Net)		-	-
(a) Financial liabilities		-	-
Non current liabilities		-	-
<b>Financial Liabilities</b>			
(i) Lease Liability	12	224	224
Provisions	13	1	2
		<b>225</b>	<b>226</b>
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
(i) Trade payables			
(A) Total outstanding dues of small enterprises and micro enterprises	14	-	-
(B) Total outstanding dues of creditors other than small enterprises and micro enterprises	14	54	26
(ii) Lease Liability	12	25	25
(iii) Other financial liabilities	15	299	270
Other current liabilities	16	2	2
Current Tax Liabilities(net)	17	1	-
Provisions	13	-	17
		<b>381</b>	<b>340</b>
<b>Total liabilities</b>		<b>606</b>	<b>566</b>
<b>Total equity and liabilities</b>		<b>46,947</b>	<b>47,625</b>

The accompanying notes form an integral part of these financial statements.

As per our report of even date

For and on behalf of the Board of Directors of JSW Bengal Steel Limited

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

per Anant Acharya  
Partner  
Membership Number: 124790  
Place of Signature: Kolkata  
Date: 30.04.2024



*Manoj Mohra*  
Manoj Mohra  
Director  
DIN: 02339000  
Mumbai  
Date: 30.04.2024

*Naresh Raghav*  
Naresh Raghav  
Chief Executive Officer  
Kolkata  
Date: 30.04.2024

*Sanjay Garodia*  
Sanjay Garodia  
Company Secretary  
Mumbai  
Date: 30.04.2024

*Alok Mehrotra*  
Alok Mehrotra  
Director  
DIN: 01066025  
Mumbai  
Date: 30.04.2024

*Rajiv Negandhi*  
Rajiv Negandhi  
Chief Financial Officer  
Mumbai  
Date: 30.04.2024



Particulars	Notes	(INR in Lakh)	
		Period ended 31 March,2024	Year ended 31st March, 2023
Other Income	18	188	182
<b>Total Income (i)</b>		<b>188</b>	<b>182</b>
<b>Expenses</b>			
Employee benefits expense	19	46	106
Finance costs	20	25	25
Depreciation and amortization expense	3 and 3.1	688	747
Other expenses	21	115	120
<b>Total expense (ii)</b>		<b>874</b>	<b>998</b>
Profit before exceptional and extraordinary items and tax (III-IV)			
Exceptional items			
Profit before extraordinary items and tax (V - VI)			
Extraordinary Items			
<b>Loss before tax (iii) = (i - ii)</b>		<b>(686)</b>	<b>(816)</b>
<b>Tax expense:</b>			
Current Tax		32	34
Adjustments of tax relating to earlier period		-	(1)
<b>Total tax expenses (iv)</b>		<b>32</b>	<b>33</b>
<b>Loss for the period ended (v = iii - iv)</b>		<b>(718)</b>	<b>(849)</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss in subsequent period:			
(i) Re-measurement gains/(losses) on defined benefit plans			(1)
<b>Other comprehensive income for the period ended (net of tax) (vi)</b>		<b>-</b>	<b>(1)</b>
<b>Total comprehensive income for the period ended (v - vi)</b>		<b>(718)</b>	<b>(850)</b>
<b>Earnings per equity share</b>			
<b>Nominal value of Rs.10/- per share (March 31st 2023 Rs 10 per share)</b>			
- Basic		(0.15)	(0.18)
- Diluted		(0.15)	(0.18)

The accompanying notes form an integral part of these financial statements.  
 As per our report of even date


For and on behalf of the Board of Directors of JSW Bengal Steel Limited


For S R B C & COLLP  
 Chartered Accountants  
 ICAI Firm Registration Number: 324982E/E300003

  
 per Anant Acharya  
 Partner  
 Membership Number: 124790  
 Place of Signature: Kolkata  
 Date: 30.04.2024


  
 Mangi Mehta  
 Director  
 DIN: 02339000  
 Mumbai  
 Date: 30.04.2024

  
 Alok Mehrotra  
 Director  
 DIN: 01066025  
 Mumbai  
 Date: 30.04.2024

  
 Naresh Raghav  
 Chief Executive Officer  
 Kolkata  
 Date: 30.04.2024

  
 Rajiv Negandhi  
 Chief Financial Officer  
 Mumbai  
 Date: 30.04.2024



  
 Sanjay Garodia  
 Company Secretary  
 Mumbai  
 Date: 30.04.2024



(INR in Lakh )

Particulars	Year ended 31 March,2024	Year ended 31st March, 2023
<b>Cash flows from operating activities</b>		
Profit/(Loss) before tax	(686)	(816)
<b>Adjustments to reconcile Loss before tax to net Cash Flows:</b>		
Depreciation and amortization expense	688	747
Fair value gain / (loss) on Financial instruments at fair value through Profit and loss	(9)	(3)
Finance costs	25	25
<b>Working capital adjustments:</b>		
(Increase)/Decrease in financial assets and other assets	(144)	(65)
Increase/(Decrease) in trade payables	28	(7)
Increase/(Decrease) in provisions	(18)	(11)
(Decrease)/increase in financial liabilities and other liabilities	29	(8)
<b>Cash flows from operating activities</b>	<b>(87)</b>	<b>(138)</b>
Income taxes (paid)/ refund received	(30)	(34)
<b>Net cash used in operating activities</b>	<b>(117)</b>	<b>(172)</b>
<b>Cash flows from Investing activities</b>		
Proceeds on disposal of Property, Plant and Equipment and CWIP	162	3
Redemption of Investments in mutual fund	-	163
<b>Net cash generated from / (used in) Investing activities</b>	<b>162</b>	<b>166</b>
<b>Cash flows from financing activities</b>		
Payment of lease liabilities	(25)	(25)
<b>Net cash generated from / (used in) financing activities</b>	<b>(25)</b>	<b>(25)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>20</b>	<b>(31)</b>
Cash and cash equivalents at the beginning of the year	16	47
<b>Cash and cash equivalents at the end of the year (Refer Note 8)</b>	<b>36</b>	
Balances with bank		
- On current accounts	35	15
Cash on hand	1	1
	<b>36</b>	<b>16</b>


For SRBC & CO LLP  
 Chartered Accountants  
 ICAI Firm Registration Number: 324982E/E300003

For and on behalf of the Board of Directors of  
 JSW Bengal Steel Limited

  
 per Anant Acharya  
 Partner  
 Membership Number: 124790  
 Place of Signature: Kolkata  
 Date: 30.04.2024



  
 Manoj Mohta  
 Director  
 DIN: 02339000  
 Mumbai  
 Date: 30.04.2024

  
 Alok Mehrotra  
 Director  
 DIN: 01066025  
 Mumbai  
 Date: 30.04.2024

  
 Naresh Raghav  
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 Kolkata  
 Date: 30.04.2024

  
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 Chief Financial Officer  
 Mumbai  
 Date: 30.04.2024

  
 Sanjay Garodia  
 Company Secretary  
 Mumbai  
 Date: 30.04.2024



a. Equity Share Capital (Refer Note 10)  
 Equity shares of INR 10/- each issued, subscribed and fully paid

Particulars	Numbers	(INR in Lakh)
At 1st April 2022	483,405,000	48,341
Add: Issue of equity shares during the year	-	-
At 31st March 2023	483,405,000	48,341
Add: Issue of equity shares during the period	-	-
At 31 March,2024	483,405,000	48,341

b. Other Equity (Refer Note 11)  
 For the period ended 31 March,2024

Particulars	Reserves and Surplus			Share Warrants	Total
	Securities premium	General Reserve	Retained earnings		
As at 1st April 2023	3,780	50	(6,510)	1,398	(1,282)
Loss for the year	-	-	(718)	-	(718)
Other comprehensive Income for the period ended	-	-	-	-	-
As at 31 March,2024	3,780	50	(7,228)	1,398	(2,000)


For the year ended 31st March,2023

Particulars	Reserves and Surplus			Share Warrants	Total
	Securities premium	General Reserve	Retained earnings		
As at 1st April 2022	3,780	50	(5,660)	1,398	(432)
Loss for the year	-	-	(849)	-	(849)
Other comprehensive Income for the year	-	-	(1)	-	(1)
As at 31st March 2023	3,780	50	(6,510)	1,398	(1,282)

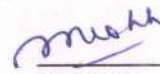
The accompanying notes form an integral part of these financial statements.  
 As per our report of even date

For SRBC & CO LLP  
 Chartered Accountants  
 ICAI Firm Registration Number: 324982E/E300003

For and on behalf of the Board of Directors of JSW Bengal Steel Limited

  
 per Anant Acharya  
 Partner  
 Membership Number: 124790  
 Place of Signature: Kolkata  
 Date: 30.04.2024




  
 Manoj Mohta  
 Director  
 DIN:02339000  
 Mumbai  
 Date: 30.04.2024

  
 Alok Mehrotra  
 Director  
 DIN: 01066025  
 Mumbai  
 Date: 30.04.2024

  
 Naresh Raghav  
 Chief Executive Officer  
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 Date: 30.04.2024

  
 Rajiv Negandhi  
 Chief Financial Officer  
 Mumbai  
 Date: 30.04.2024

  
 Sanjay Garodia  
 Company Secretary  
 Mumbai  
 Date: 30.04.2024



## 1. Corporate Information

The Standalone financial statements comprise standalone financial statements of JSW Bengal Steel Limited ("the Company") (CIN: U27106MH2007PLC170160) for the year ended 31 March 2024. The Company is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. It is incorporated for setting up an Integrated Steel Plant in the State of West Bengal at Salboni, Paschim Medinipur. The registered office of the Company is located at JSW Centre Bandra Kurla Complex, Bandra (East), Mumbai City, Maharashtra – 400051.

Refer Note - 23.14, 23.14 (a) and 23.14 (b) for the project status and current activities of the Company. Refer Note - 23.03 for Information on other related party relationships of the Company.

The Standalone financial statements were approved for issue in accordance with a resolution of the directors on 30<sup>th</sup> April 2024.

## 2. Material Accounting Policies

### 2.1 Statement of Compliance and basis of preparation

The standalone financial statements comprise financial statements of JSW Bengal Steel Limited (the Company) as at and for the year ended 31 March 2024. The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with section 133 of the Companies Act, 2013 (the Act) (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the SFS.

The accounting policies adopted are consistent with those of the previous financial year.

The Standalone Financial Statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting year, as explained in the accounting policies below.

The Standalone financial statements provide comparative information in respect of the previous period. In addition, the Company presents an additional balance sheet at the beginning of the preceding period when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in financial statements.

The functional currency of the Company is Indian Rupee ("INR") which is the currency of the primary economic environment in which the Company operates. The financial statements are presented in INR and all values are rounded to the nearest lakh (INR 00,000), except when otherwise indicated.

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern. However, there are material uncertainties relating to the allocation of coal and iron ore mines to the Company including its subsidiaries and its consequential impact on the implementation of the project. The events described in Note 23.14 to the financial statements indicate that a material uncertainty exists that may cast a significant doubt on the Company's ability to continue as a going concern.



**2.2 Exemption from preparation of Consolidated Financial Statements**

Given below is the list of investments in subsidiaries made by the Company. There are no joint ventures/ associates of the Company.

Name of the investee	Relationship	% voting interest held	Key business	Principal place of business
JSW Resources Limited Natural India	Subsidiary	100%	Company is in process of setting up coal mines project at Kulti - Sitarampur coal blocks in West Bengal under sole and exclusive coal raising agreement with West Bengal Mineral Development & Trading Corporation Limited (WBMDTCL) dated 31st March, 2010	India
JSW Energy (Bengal) Limited	Subsidiary	100%	Company is in process of setting up captive power plant project for integrated Steel Plant (ISP) at Salboni, Paschim Medinipur in West Bengal	India
JSW Resources Limited Natural Bengal	Step Down Subsidiary - Wholly owned subsidiary of JSW Energy (Bengal) Limited	100%	Company is in process of setting up coal mines project at Icchapur coal blocks in West Bengal under coal raising agreement with West Bengal Mineral Development & Trading Corporation Limited (WBMDTCL) dated 31st March, 2010	India

The Company is a wholly owned subsidiary of JSW Steel Limited ('the Parent Company') which is flagship company of JSW Group and is a leading integrated steel manufacturer in India. The registered office of the Parent Company is located at Mumbai, Maharashtra. The Parent Company publishes consolidated financial statements in accordance with Ind AS, which are available for public use. When published, the Consolidated Financial Statements of the Parent Company are available on its website, viz., <https://www.jsw.in/investors/steel#>. The Company has informed its shareholders regarding its intention of not preparing consolidated financial statements and they have not objected to the same. Accordingly, the Company has used exemption from consolidation and has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March, 2024, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Standalone Financial Statements' or 'financial statements').



### 2.3 Summary of material accounting policies

#### Investments in Subsidiaries

A subsidiary is an entity that is controlled by another entity. Investment in subsidiaries are carried at cost less impairment, if any.

#### Impairment of investments

The impairment of investment in subsidiaries is measured using policy applicable to impairment of non-financial assets. For transition to Ind AS the Company has elected to continue with the previous GAAP carrying amount as their deemed cost.

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is recorded in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the Investment is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the cost of the Investment. A reversal of an impairment loss is recognized immediately in Statement of Profit or Loss.

#### Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- ▶ Expected to be realised or intended to be sold or consumed in normal operating cycle
- ▶ Held primarily for the purpose of trading
- ▶ Expected to be realised within twelve months after the reporting period, or
- ▶ Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- ▶ It is expected to be settled in normal operating cycle
- ▶ It is held primarily for the purpose of trading
- ▶ It is due to be settled within twelve months after the reporting period, or
- ▶ There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

#### Foreign Currency Transactions

The Company's Standalone financial statements are presented in INR, which is also the Company's functional currency.

##### (i) Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.



Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

### **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:

- ▶ In the principal market for the asset or liability, or
- ▶ 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, maximising the use of relevant observable inputs and minimising 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.



### **Income recognition**

Interest income is accrued on a time proportion 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.

### **Rental income:**

Rental income from subletting of properties is recognized as per term of the relevant agreements.

### **Taxes**

#### **i) Current income tax**

Tax expense comprises current tax expense and deferred tax.

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

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

#### **ii) Sales/ Goods and Service Tax paid on acquisition of assets or on incurring expenses**

Expenses and assets are recognized net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable;
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

### **Property, Plant and Equipment**

Property, plant and equipment except freehold land which is stated at cost less accumulated impairment held for use in the production, supply or administrative purposes are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

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. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.



Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalized as the activities undertaken improves the economic benefits expected to arise from the asset.

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

Assets in the course of construction are capitalized under the head 'Capital work-in-progress.' At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

### Depreciation

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. Depreciation is recognized so as to write off the cost of assets (other than freehold land; properties under construction and furniture and fixture of immoveable nature in leased premises) less their residual values over their useful lives, using straight-line method. Freehold land is not depreciated and furniture and fixture of immoveable nature in leased premises are depreciated over the lease term or their useful lives, whichever is lower.

Estimated useful lives of the property, plant and equipment are as follows:

Particulars	Useful Life (in Years)
Building	30 – 60
Plant and Equipment	3-15
Furniture and Fixtures	10
Vehicle	8
Office Equipment	5

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of building and plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

### Leases

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

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.



i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Lease hold land 88 to 92 years.

The right-of-use assets are also subject to impairment. Refer to the accounting policy for Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are disclosed separately in the balance sheet.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.



### Impairment of Non-financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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

### Provisions, Contingent Liabilities and Contingent Assets

#### i) Provisions

##### General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, 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 in to account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

#### ii) Contingent Liability

Contingent liability is:

- a possible obligation arising 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
- a present obligation that arises from past events but is not recognized because;
  - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
  - the amount of the obligation cannot be measured with sufficient reliability.

The Company does not recognize a contingent liability but discloses the same as per the requirements of Ind AS 37.



### Retirement and other employee benefits

The Company makes contributions to both defined benefit and defined contribution schemes. Retirement benefit in the form of provident fund is a defined contribution scheme. The company recognises contribution payable to such fund as an expense when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The cost of providing benefits under the defined benefit gratuity plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

The cost of providing long-term compensated absences are determined by independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the statement of profit and loss. Gain or Loss on account of re-measurements of other long-term benefits are recognised in the Statement of Profit and Loss in the period in which they occur.

### Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

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

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

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



### Effective interest method

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

### Financial assets

#### **Initial recognition and measurement**

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

#### **Subsequent measurement**

Financial assets at amortized cost.

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

Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows



or to sell these financial assets and contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company in respect of equity investments which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

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

#### Impairment of financial assets

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

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

#### De-recognition of financial assets

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

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

#### Income/ dividend recognition on financial assets

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

Dividend income from investments is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

### **Financial liabilities and equity instruments**

#### Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

#### Equity instruments

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



#### Financial liabilities

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

#### De-recognition of financial liabilities

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

#### Offsetting of financial instruments

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

#### **Cash and cash equivalents**

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

For the purpose of the standalone statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

#### **Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of parent company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the parent company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

#### **2.4 Use of Estimates and Judgements**

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

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

#### **Uncertainty over availability of key raw materials**

Consequent to deallocation of coal blocks and non-availability of long-term iron ore supply arrangement, there are uncertainties in the implementation of the project. The Management has evaluated the going concern assumptions in preparing the financial statements after considering the Government Policy of allocation of coal blocks; establishing the long-term coal supply linkages with the help of West Bengal Mineral Development & Trading Corporation Limited (WBMDTC); commitment from Parent Company to provide unconditional financial support whenever required and alternate usage of the various assets which are fully described in Note 23.14.



JSW Bengal Steel Limited  
CIN No. U27106MH2007PLC170160  
Notes to the financial statements as at and for the period ended 31 March, 2024  
Note 3- Property, Plant and Equipment

(INR in Lakh)

Particulars	Free hold Land	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Total	Capital work in progress	Total
<b>Cost</b>									
At 1st April, 2022	687	16,689	2,684	35	1,393	5	21,504	1,189	22,692
Additions	-	-	-	-	-	-	-	-	-
Disposals/ Adjustments	-	70	-	-	-	-	70	-	70
<b>At 31st March, 2023</b>	<b>687</b>	<b>16,689</b>	<b>2,625</b>	<b>35</b>	<b>1,393</b>	<b>5</b>	<b>21,434</b>	<b>1,189</b>	<b>22,623</b>
Additions	162	-	-	-	-	-	-	-	162
Disposals/ Adjustments	524	16,689	2,625	35	1,393	5	21,271	1,189	22,460
<b>At 31 March, 2024</b>									
<b>Accumulated Depreciation</b>									
At 1st April, 2022	-	1,383	1,018	32	506	4	2,943	-	2,943
Charge for the year	-	270	258	0	133	0	661	-	661
Disposals	-	-	66	-	-	-	66	-	66
<b>At 31st March, 2023</b>	<b>-</b>	<b>1,653</b>	<b>1,210</b>	<b>32</b>	<b>638</b>	<b>4</b>	<b>3,537</b>	<b>-</b>	<b>3,537</b>
Charge for the period ended	-	270	216	0	116	-	602	-	602
Disposals	-	-	-	-	-	-	-	-	-
<b>At 31 March, 2024</b>	<b>-</b>	<b>1,923</b>	<b>1,426</b>	<b>32</b>	<b>754</b>	<b>4</b>	<b>4,139</b>	<b>-</b>	<b>4,139</b>

Particulars	Free hold Land	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Total	Capital work in progress	Total
<b>Net Book Value</b>									
At 31 March, 2024	524	14,765	1,198	3	639	1	17,132	1,189	18,321
At 31st March, 2023	687	15,036	1,414	3	755	1	17,896	1,189	19,085

Note 3.1- Right to Use Asset (INR in Lakh)

Particulars	Land
<b>Cost</b>	
At 1st April, 2022	7,620
Reclassified from prepayment	-
Additions	-
Disposals	-
<b>At 31st March, 2023</b>	<b>7,620</b>
Additions	-
Disposals	-
<b>At 31 March, 2024</b>	<b>7,620</b>
<b>Accumulated Depreciation</b>	
At 1st April, 2022	259
Charge for the year	86
Disposals	-
<b>At 31st March, 2023</b>	<b>345</b>
Charge for the period ended	86
Disposals	-
<b>At 31 March, 2024</b>	<b>431</b>
<b>Net Book Value</b>	
At 31 March, 2024	7,189
At 31st March, 2023	7,275

Note

The Company has applied Ind AS 116 w.e.f. 1 April 2019 using the modified retrospective approach. This has resulted in the land prepayment being reclassified as "Leasehold land Asset" from the date of acquisition. The Company has also capitalised the present value of future lease payment as "ROU Asset" and recognised the corresponding amount as "Financial Liability." From 1 April 2019 onward, ROU asset is amortised over the remaining lease period and financial liability is accounted for using the effective interest method.



Notes to the financial statements as at and for the period ended 31 March,2024

**Note 4: Non-current Investments**

(INR in Lakh )

Particulars	As at 31 March, 2024		As at 31st March, 2023	
	Number of shares	Amount	Number of shares	Amount
<b>Investments in unquoted Equity Instruments of Subsidiaries ( At cost unless stated otherwise)</b>				
Equity shares of Rs. 10 each fully paid in JSW Natural Resources India Limited	107,330,000	10,733	107,330,000	10,733
Equity shares of Rs. 10 each fully paid in JSW Energy (Bengal) Limited	65,620,000	7,456	65,620,000	7,456
<b>Total</b>		<b>18,189</b>		<b>18,189</b>
Aggregate amount of unquoted investments carried at cost		<b>18,189</b>		<b>18,189</b>

**Note 5: Other financial assets**

(INR in Lakh )

Particulars	As at 31 March, 2024		As at 31st March, 2023	
	Current	Non-Current	Current	Non-Current
<b>Unsecured considered good, unless otherwise stated</b>				
Financial assets at amortised cost				
Security deposits	-	62	-	62
Recoverable from related parties* (Refer Note 23.03)	375	-	235	-
Interest accrued on bank deposits	-	-	-	-
<b>Total</b>	<b>375</b>	<b>62</b>	<b>235</b>	<b>62</b>

**Note 6: Other assets**

(INR in Lakh )

Particulars	As at 31 March, 2024		As at 31st March, 2023	
	Current	Non-Current	Current	Non-Current
<b>Unsecured considered good, unless otherwise stated</b>				
Capital advances (Refer Note below)	-	1,111	-	1,111
Prepaid expenses				
- Share warrants (Refer Note 11 d)	-	1,398	-	1,398
- Others (Insurance)	-	-	-	-
Balance with government authorities	-	124	-	113
Other advances (includes suppliers etc.)	1	-	8	-
<b>Total</b>	<b>1</b>	<b>2,633</b>	<b>8</b>	<b>2,622</b>

**Note**

Capital Advances Includes Rs 698.59 (P.Y - Rs.698.59) paid in earlier year to West Bengal Industrial Development Corporation Limited, the acquiring body, towards acquisition of Patta and Private land aggregating 189.6274 acres under Land Acquisition Act, 1894. Although the above mentioned area of land has been handed over to the company, the lease deed for the same is yet to be executed in favour of the Company.

Further an advance of Rs 368.75 (P.Y - Rs 368.75) is paid to Mukherjee Farms Private Limited in respect of Mining Land situated at Gangotia, District.- Burdawan. The management believes that the advance is fully recoverable or adjustable. Hence, no impairment of the same is required.

**Note 7: Current Investments**

(INR in Lakh )

Particulars	As at 31 March, 2024	As at 31st March, 2023
<b>Investment in Mutual Fund carried at FVTPL (Quoted)</b>		
Units in Mutual Fund		
HDFC Liquid fund Regular Plan Growth (No. of Units held : 1062.755@4697.9058/- ( previous year :1062.755@4383.9835/- )	50	47
HDFC Liquid Fund Direct plan growth (No. of Units held : 1919.662@4743.6610/- ( previous year :1919.662@4423.2004/- )	91	85
<b>Total</b>	<b>141</b>	<b>132</b>

**Note 8: Cash and cash equivalents**

(INR in Lakh )

Particulars	As at 31 March, 2024	As at 31st March, 2023
Balances with bank		
- On current accounts	35	15
Cash on hand	1	1
<b>Total</b>	<b>36</b>	<b>16</b>

**Note 9: Current tax assets (net)**

(INR in Lakh )

Particulars	As at 31 March, 2024	As at 31st March, 2023
Advance tax (net of provision for tax)	-	1
<b>Total</b>	<b>-</b>	<b>1</b>



**Note 10 - Equity Share capital**

Particulars	As at 31 March,2024		As at 31st March, 2023	
	No. of Shares	(INR in Lakh )	No. of Shares	(INR in Lakh )
<b>Authorised Share Capital</b>				
Equity Shares of Rs. 10 each	1,000,000,000	100,000	1,000,000,000	100,000
<b>Issued, Subscribed and Fully Paid up</b>				
Equity Shares of Rs. 10 each	483,405,000	48,341	483,405,000	48,341

Notes:-

**I. Reconciliation of equity shares at the beginning and period ended :**

Particulars	No. of Shares (No.)	Equity share capital (INR in Lakh )
Balance as at 1st April, 2022	483,405,000	48,341
Add: Issue of shares during the year	-	-
<b>Balance as at 31st March, 2023</b>	<b>483,405,000</b>	<b>48,341</b>
Add: Issue of shares during the period	-	-
<b>At 31 March,2024</b>	<b>483,405,000</b>	<b>48,341</b>

**II. Terms/Rights attached to equity shares**

The Company has one class of equity shares having a par value of Rs. 10 per share. Each Shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. The dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive residual assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by each shareholder.

**III. Details of shares held by the holding company:**

Particulars	Number of shares	(INR in Lakh )
<b>As at 31st March, 2023</b>		
JSW Steel Limited	477,404,994	47,741
<b>As at 31 March,2024</b>		
JSW Steel Limited	477,404,994	47,741

**IV. Details of shares held by each shareholder holding more than 5% shares :**

Class of shares / Name of shareholder	As at 31 March,2024		As at 31st March, 2023	
	Number of shares held	% holding	Number of shares held	% holding
JSW Steel Limited, the holding company	477,404,994	98.76	477,404,994	98.76

Refer Note 11 for disclosure related to Share Warrants

**V.Details of shares held by promoters**

As at 31 March,2024

S.No.	Promoter Name	No. of shares at the beginning of the year	Change during the period	No. of shares at the end of the period	% of Total Shares	% change during the year
Equity shares of INR 10 each fully paid	JSW Steel Ltd	477,404,994	-	477,404,994	98.76	-
Equity shares of INR 10 each fully paid	Mr. Chandrasekaran Prabhakaran	1	-	1	0.00	-
Equity shares of INR 10 each fully paid	Mr. Manoj Prasad Singh	-	1	1	0.00	-
Equity shares of INR 10 each fully paid	Ms. Jessy Denny	-	1	1	0.00	-
Equity shares of INR 10 each fully paid	Mr. Amar Tiwari	-	1	1	0.00	-
Equity shares of INR 10 each fully paid	Mr. Kantilal N Patel	1	(1)	-	-	-
Equity shares of INR 10 each fully paid	Mr. Pntesh Vinay	1	(1)	-	-	-
Equity shares of INR 10 each fully paid	Mr. Biswadip Gupta	1	(1)	-	-	-
Equity shares of INR 10 each fully paid	Mr. Rajeev Jain	2	-	2	0.00	-
<b>Total</b>		<b>477,405,000</b>	<b>-</b>	<b>477,405,000</b>	<b>98.76</b>	<b>-</b>

As at 31 March 2023

S.No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of INR 10 each fully paid	JSW Steel Ltd	477,404,994	-	477,404,994	98.76	-
Equity shares of INR 10 each fully paid	Mr. Chandrasekaran Prabhakaran	1	-	1	0.00	-
Equity shares of INR 10 each fully paid	Mr. Kantilal N Patel	1	-	1	0.00	-
Equity shares of INR 10 each fully paid	Mr. Pntesh Vinay	1	-	1	0.00	-
Equity shares of INR 10 each fully paid	Mr. Biswadip Gupta	1	-	1	0.00	-
Equity shares of INR 10 each fully paid	Mr. Rajeev Jain	2	-	2	0.00	-
<b>Total</b>		<b>477,405,000</b>	<b>-</b>	<b>477,405,000</b>	<b>98.76</b>	<b>0.00</b>



**Note 11 Other Equity**

(INR in Lakh)

Particulars	(INR in Lakh)	
	As at 31 March,2024	As at 31st March,2023
Securities premium (Refer Note a)	3,780	3,780
General Reserve (Refer Note b)	50	50
Retained Earnings (Refer Note c)	(7,228)	(6,510)
Share Warrants (Refer Note d)	1,398	1,398
<b>Total</b>	<b>(2,000)</b>	<b>(1,282)</b>

**a) Securities premium**

(INR in Lakh)

Particulars	(INR in Lakh)	
	As at 31 March,2024	As at 31st March,2023
Issue of Equity share capital (25,200,000 Equity shares at a premium of Rs.15 each)	3,780	3,780
<b>Balance at the period ended</b>	<b>3,780</b>	<b>3,780</b>

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

**b) General Reserve**

(INR in Lakh)

Particulars	(INR in Lakh)	
	As at 31 March,2024	As at 31st March,2023
Balance at the beginning of the period	50	50
<b>Balance at the period ended</b>	<b>50</b>	<b>50</b>

(General reserve mainly represents appropriation from the statement of profit and loss and can be utilised in accordance with the provisions of the Companies Act, 2013)

**c) Retained Earnings**

(INR in Lakh)

Particulars	(INR in Lakh)	
	As at 31 March,2024	As at 31st March,2023
Balance at the beginning of the quarter	(6,510)	(5,660)
Total comprehensive Income for the period ended	(718)	(850)
<b>Balance at the period ended</b>	<b>(7,228)</b>	<b>(6,510)</b>

Retained earnings represent the cumulative profit / (loss) of the Company and effects of re-measurement of defined benefit obligations and can be utilised in accordance with the provisions of the Companies Act, 2013)

**d) Share Warrants**

(INR in Lakh)

Particulars	(INR in Lakh)	
	As at 31 March,2024	As at 31st March,2023
Balance at the beginning of the period	1,398	1,398
<b>Balance at the period ended</b>	<b>1,398</b>	<b>1,398</b>

Share warrants represent the Company's agreement to give free Equity shares with voting and dividend rights of the Company, equivalent to the amount of cash compensation paid for acquisition of private (Rayati) Land and Patta Land by way of a goodwill gesture so as to compensate the land losers for their loss of livelihood and ensuring their co-operation to the successful implementation of the proposed steel plant of the Company. Accordingly, 13,981,008 warrants (convertible into equity shares with voting rights on the date of achieving the commercial operation by JSW Bengal Steel Limited in the 1st phase or the date of IPO, whichever is earlier) of Rs.10 each aggregating Rs.1398 lacs has been allotted on preferential basis to JSW Bengal Steel Trust. The warrants holder will not be entitled for any dividend / voting rights in the Company until issue of shares in lieu of warrants. Pending the issue of shares to land losers, the corresponding amount has been treated as prepayment.

**Note 11.(i) Nature and purpose of reserves**

**Note 11.(i)(a) Securities premium**

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

**Note 11.(i)(b) General reserve**

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.



**Note 12 Lease Liability**

(INR in Lakh )

Particulars	As at 31 March, 2024		As at 31st March, 2023	
	Current	Non-Current	Current	Non-Current
Liability towards ROU assets	25	224	25	224
<b>Total</b>	<b>25</b>	<b>224</b>	<b>25</b>	<b>224</b>

**Note 13 Provisions**

(INR in Lakh )

Particulars	As at 31 March, 2024		As at 31st March, 2023	
	Current	Non-Current	Current	Non-Current
<b>Provision for employee benefits:</b>				
Provision for compensated absences	-	-	2	-
Provision for gratuity	-	1	15	2
<b>Total</b>	<b>-</b>	<b>1</b>	<b>17</b>	<b>2</b>

**Note 14 Trade payables**

(INR in Lakh )

Particulars	As at 31 March, 2024	As at 31st March, 2023
<b>Trade Payables</b>		
(A) Total outstanding dues of small enterprises and micro enterprises	-	-
(B) Total outstanding dues of creditors other than small enterprises and micro enterprises	54	26
<b>Total</b>	<b>54</b>	<b>26</b>

**Trade payables ageing schedule as on 31.03.2024**

(INR in Lakh )

Particulars	Outstanding for following years from due date of payments				
	Less than 1 year	1-2 years	2-3 years	more than 3 years	Total
(i)MSME	-	-	-	-	-
(ii)Others	54	-	-	-	54
(iii)Disputed dues-MSME	-	-	-	-	-
(iii)Disputed dues-others	-	-	-	-	-

**Trade payables ageing schedule as on 31.03.2023**

(INR in Lakh )

Particulars	Outstanding for following years from due date of payments				
	Less than 1 year	1-2 years	2-3 years	more than 3 years	Total
(i)MSME	-	-	-	-	-
(ii)Others	26	-	-	-	26
(iii)Disputed dues-MSME	-	-	-	-	-
(iii)Disputed dues-others	-	-	-	-	-

**Note-15:Other Financial Liabilities**

(INR in Lakh )

Particulars	As at 31 March, 2024	As at 31st March, 2023
Retention Money for Capital Project	8	8
Payable for Capital Projects	2	1
Payable to related party ( Refer Note 23.03)	84	47
Security Deposit payable to related party( Refer Note 23.03)	200	200
Payable to Employees	5	15
<b>Total</b>	<b>299</b>	<b>271</b>

**Note 16 Other Current Liabilities**

(INR in Lakh )

Particulars	As at 31 March, 2024	As at 31st March, 2023
Statutory Liabilities	2	2
<b>Total</b>	<b>2</b>	<b>2</b>

**Note 17 Current tax Liabilities (net)**

(INR in Lakh )

Particulars	As at 31 March, 2024	As at 31st March, 2023
Provision for tax	1	-
<b>Total</b>	<b>1</b>	<b>-</b>



**JSW Bengal Steel Limited**

CIN No.U27106MH2007PLC170160

Notes to the financial statements as at and for the period ended 31 March,2024

**Note 18 Other income**

(INR in Lakh )

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Rental income (Refer Note 23.03)	179	170
Gain on disposal/ Fair Valuation of Mutual Funds	9	12
Interest on Income tax refund	-	-
<b>Total</b>	<b>188</b>	<b>182</b>

**Note 19 Employee benefits expense**

(INR in Lakh )

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Salaries,wages and bonus	38	90
Share based payments to employees * (Refer Note 23.03)	4	7
Contribution to provident fund	1	3
Gratuity expenses	1	3
Staff welfare expenses	2	3
<b>Total</b>	<b>46</b>	<b>106</b>

\* JSW Steel Ltd. has implemented an Employee Stock Option Plan as "JSWSL Shri OP Jindal Samruddhi Plan-2021" to grant stock options for its own employees and employees of its Indian subsidiaries.

**Note 20 Finance costs**

(INR in Lakh )

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Interest on Lease liability	25	25
<b>Total</b>	<b>25</b>	<b>25</b>

**Note 21 Other expenses**

(INR in Lakh )

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Rent	26	26
Auditors Remuneration (Refer Note Below)	13	13
Communication	1	2
Directors sitting fees	3	3
Office expenses	9	16
Travelling and conveyance	4	4
Legal and professional expenses	22	16
Security charges	31	31
Insurance premium	7	8
Other Miscellaneous Expenses	0	1
<b>Total</b>	<b>115</b>	<b>120</b>

**Note:-**

(INR in Lakh )

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Auditors remuneration comprises		
As Auditors	12	12
Reimbursement of expenses	1	1
<b>Total</b>	<b>13</b>	<b>13</b>



## Note 22

(INR in Lakh )

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

Particulars	For the year ended 31 March,2024	For the year ended 31st March, 2023
Profit /(Loss) before tax	(686)	(817)
Corporate Tax rates in India	25.2%	25.2%
Income Tax charges based on above Tax Rates	(173)	(206)
Less: Actual Tax Paid by the Company	(32)	(34)
<b>(A)</b>	<b>(205)</b>	<b>(239)</b>
DTA on losses and unabsorbed depreciation not recognised by the Company	173	206
Add:- Tax payable on Income from House property and Income from other sources which are separately taxable as per Income Tax Act	32	34
<b>(B)</b>	<b>205</b>	<b>239</b>
<b>Net Difference</b> (A+ B)	-	-



**Note 23: Other Notes**

**23.01.(i)Capital Risk Management**

The company is managing its capital requirement primarily through investment by Holding company. The capital structure of the company consists of Equity Share Capital and Other Equity (i.e. General Reserve, Retained Earnings etc.) of the company. The company is not subject to any externally imposed capital requirements.

**23.01(ii) Credit risk management**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Presently, the Company's operation does not subject to any credit risk.

**Note 23.01 (iii)**

**Category of Financial Instruments**

The carrying value and fair value of financial instruments by categories are as follows:-

(INR in Lakh )

Particulars	31 March,2024		31st March, 2023	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets, measured at amortised cost *</b>				
<b>Non current Assets</b>				
Other financial assets	62	62	62	62
<b>Current Assets</b>				
Cash and cash equivalents	36	36	16	16
Other financial assets	375	375	235	235
<b>Total financial assets measured at amortised cost</b>	<b>473</b>	<b>473</b>	<b>313</b>	<b>313</b>
<b>Financial assets, measured at Fair Value through Profit and Loss</b>				
Investment in Mutual Fund	141	141	132	132
<b>Total financial assets</b>	<b>614</b>	<b>614</b>	<b>445</b>	<b>444</b>
<b>Financial liabilities, measured at amortised cost</b>				
<b>Non current financial liability</b>	224	224	224	224
Trade payables	54	54	26	26
Other financial liabilities	299	299	271	271
<b>Total financial liabilities, measured at amortised cost</b>	<b>577</b>	<b>577</b>	<b>522</b>	<b>521</b>

The Carrying amounts of Trade receivables, Trade payables, Cash and Cash Equivalents, other bank balances, other current financial assets and liabilities are considered as the same as their fair values, due to their short term nature.

\*Does not include investments in subsidiaries of Rs. 1,81,89,00,000 lacs(Mar 31, 2023: Rs. 1,81,89,00,000 lacs) which is being carried at cost.

**Fair Value Hierarchy**

(INR in Lakh )

Particulars	31 March,2024			31st March, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets, measured at amortised cost</b>						
<b>Non current Assets</b>						
(i) Other financial assets	-	62	-	-	62	-
<b>Current Assets</b>						
Investments, carried at Fair Value through Profit and Loss	141	-	-	132	-	-
<b>Total</b>	<b>141</b>	<b>62</b>	<b>-</b>	<b>132</b>	<b>62</b>	<b>-</b>

Notes : The Company uses the following hierarchy for determining and /or disclosing the fair value of financial instruments by valuation techniques :

**Level 1** hierarchy includes financial instruments measured using quoted prices in active markets for identical assets or liabilities.

**Level 2** hierarchy includes the fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) and the fair value is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in **level 3**.

Fair value of the financial assets is measured using discounted cash flow method. Under the method, observable future cash flows based on terms are discounted at a rate that reflects market risks.

There are no transfers between level 1 and 2 during the year. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting year.



**23.02 Liquidity risk**

The company's principal sources of liquidity are cash and cash equivalents which are primarily in the form of Equity Contribution from the Holding Company. The Company has no outstanding bank borrowings. The company believes that the funding by Holding Company is sufficient to meet its current requirements and in case of any requirement, the same will be supported in the form of capital infusion by the Holding Company. Accordingly, no liquidity risk is perceived.

The contractual maturities of financial liabilities are of less than 1 year and the same are mentioned in the table below:-

(INR in Lakh )

Particulars	31 March,2024	31st March, 2023
Trade payables	54	26
Other financial liabilities	299	271
	<b>353</b>	<b>297</b>

**Note 23.03****Related Party Disclosures****(a) List of Related Parties:**

Parties with whom the Company has entered into transactions during the period:

**1. Holding Company:**

JSW Steel Limited

**2. Subsidiaries:**

JSW Natural Resources India Limited

JSW Energy (Bengal) Limited

JSW Natural Resources Bengal Limited [Wholly owned subsidiary of JSW Energy (Bengal) Limited]

**3. Enterprise under common control:**

JSW Cement Ltd.

**4. Key Management Personnel:**

Mr. Manoj Mohta

Mr. Alok Mehrotra

Ms. Nayantara Palchoudari

Ms. Aditi Jhunjhunwala

Ms. Saraswati Chopra

Ms. Nandini Mukherjee

Mr. Rajiv Negandhi

Mr. Naresh Raghav

Ms. Ruchika Shah

Mr. Sanjay Garodia

Non- Executive Director

Non- Executive Director

Independent Director

Independent Director

Chief Financial Officer upto 28.08.2023

Chief Executive Officer upto 31.07.2023

Chief Financial Officer w.e.f. 05.10.2023

Chief Executive Officer w.e.f. 05.01.2024

CS upto 30.04.2023

CS w.e.f 01.05.2023

(INR in Lakh )

Particulars	Holding Company	Subsidiaries			Enterprise under common control		Key management personnel
	JSW Steel Limited	JSW Energy (Bengal) Limited	JSW Natural Resources India Limited	JSW Natural Resources Bengal Limited(step down subsidiary)	JSW Cement Ltd.	Bhushan Power And Steel Limited	
<b>Transactions with Related Parties</b>							
(i) Expenses incurred by the Company on their behalf	12	-	-	-	-	1	-
	(0)	(0)	(0)	-	(0)	(-)	(-)
(ii) Expenses incurred on Company's behalf	4	-	-	-	35	1	-
	(30)	(-)	(-)	(-)	(28)	(-)	(-)
(iii) Employee Stock Option given (Refer Note 19)	4	-	-	-	-	-	-
	(7)	(-)	(-)	(-)	(-)	-	-
(iv) Rent income (Refer note 18)	-	-	-	-	179	-	-
	(-)	(-)	(-)	(-)	(170)	-	(-)
(v) Reimbursement of expenses (including rent)	-	-	-	-	41	-	-
	-	(9)	(11)	-	(125)	-	-
	-	-	-	-	-	-	(-)



(vi) TDS recoverable on Rent	-	-	-	-	18	-	-
	-	(-)	(-)	(-)	(17)	-	(-)
(vii) Remuneration of Key Management Personnel	-	-	-	-	-	-	40
Ms.Nandini Mukherjee upto 31.07.2023	-	-	-	-	-	-	22
Ms. Saraswati Chopra upto 28.08.2023	(-)	(-)	(-)	(-)	(-)	-	(62)
Ms. Rajiv Negandhi w.e.f 05.10.2023	-	-	-	-	-	-	5
Mr. Ruchika Shah upto 30.04.2023	-	-	-	-	-	-	(10)
Mr. Naresh Raghav w.e.f 05.01.2024	-	-	-	-	-	-	4
Ms Ruchika Shah upto 30.04.2023	-	-	-	-	-	-	2
Mr. Naresh Raghav w.e.f 05.01.2024	-	-	-	-	-	-	(21)
Mr. Sanjay Garodia w.e.f 01.05.2023	-	-	-	-	-	-	1
Mr. Sanjay Garodia w.e.f 01.05.2023	(-)	(-)	(-)	(-)	(-)	-	6
(vii) Sitting Fees of Key Management Personnel	-	-	-	-	-	-	3
Mr.Alok Mehrotra	-	-	-	-	-	-	1
Ms. Nayantara Palchoudari	(-)	(-)	(-)	(-)	(-)	-	(0)
Ms. Aditi Jhunjhunwala	-	-	-	-	-	-	1
Ms. Aditi Jhunjhunwala	(-)	(-)	(-)	(-)	(-)	-	(1)
	(-)	(-)	(-)	(-)	(-)	-	(1)
	-	-	-	-	-	-	-
<b>Nature of balances with related parties and closing balances as at period ended</b>	-	-	-	-	-	-	-
(i) Recoverable (Refer Note 5)	-	-	-	-	-	-	-
<b>At 31 March,2024</b>	<b>58</b>	-	-	-	<b>318</b>	-	-
As at 31st March, 2023	(46)	(-)	(-)	(-)	(189)	-	(-)
(ii) Payable (Refer Note 15)	-	-	-	-	-	-	-
<b>At 31 March,2024</b>	<b>42</b>	-	-	-	<b>241</b>	-	-
As at 31st March, 2023	(36)	(-)	(-)	(-)	(208)	-	(-)
(iii) Investment in Equity Shares	-	-	-	-	-	-	-
<b>At 31 March,2024</b>	-	<b>7,456</b>	<b>10,733</b>	-	-	-	-
As at 31st March, 2023	(-)	(7,456)	(10,733)	(-)	(-)	-	(-)

Figures in bracket relate to previous year

#### Note 23.04

##### MSME Outstanding

Based on and to the extent of information obtained from suppliers regarding their status as Micro, Small or Medium Enterprises under Micro, Small and Medium Enterprises Development Act, 2006, there are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days during the year.

#### Note 23.05

##### Segment Reporting

The Company's activities during the year revolved around setting up of the Project. Considering the nature of Company's business and operations, there are no separate reportable segments in accordance with the requirements of Ind AS 108.

Details of non-current assets (property, plant and equipment, capital work-in-progress and other intangible assets) based on geographical area are as below:  
(INR in Lakh)

Particulars	As at 31 March, 2024	As at March 31, 2023
India	25,510	26,360



**Note 23.06**  
Earnings Per Share

(INR in Lakh)

Particulars	For year ended 31st March 2024	For year ended 31st March 2023
Profit/(Loss) attributable to Equity shareholders (A)	(718)	(849)
<b>Reconciliation between weighted average number of shares used for Diluted earnings per share</b>		
Weighted average number of equity shares for Basic Earnings per share (B)	483,405,000	483,405,000
Effect of dilution:		
Add:- Share Warrants	140	140
Add:- Share Application Money	-	-
Weighted average number of equity shares adjusted for the effect of dilution for calculation of diluted earnings per share (C)	497,386,008	497,386,008
Par value per share (Rupees)	10	10
Earnings per share of Rs. 10 each		
<b>Basic (A/B) (Rupees)</b>	<b>(0.15)</b>	<b>(0.18)</b>
<b>Diluted (A/C) (Rupees) *</b>	<b>(0.15)</b>	<b>(0.18)</b>

\* Since the company has incurred losses in the current year and previous year, share warrants are anti-dilutive. Hence, the diluted EPS has been kept the same as Basic EPS.

**Note 23.07**  
Leases

Ind AS 116 was notified in March 2019 and it replaces Ind AS 17 Leases. Ind AS 116 is effective for annual periods beginning on or after April 1, 2019. The Company has applied Ind AS 116 with a date of initial application of April 1, 2019 using modified retrospective approach, under which the cumulative effect of initial application is recognized as at April 1, 2019.

The effective interest rate for lease liabilities is 10% as on March 31, 2024 (March 31, 2023 - 10%) The effect of initial recognition as per Ind AS 116 was as follows:

On adoption of Ind AS 116, the Company has recognized 'Right-of-use' assets amounting to ₹ 7,620 lakh (adjusted by the prepaid lease payments amounting to ₹ 7,371 lakh) and 'Lease liabilities' amounting to ₹ 249 lakh, as at April 1, 2019. There is no impact on retained earnings as at April 1, 2019.

Particulars	(INR in Lakh)	
	As at 31st March, 2024	As at 31st March, 2023
<b>(a) Carrying value of right of use assets at the end of the reporting year</b>	7,189	7,275

**(b) Analysis of Lease liability:**

**Movement of lease liabilities**

(INR in Lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Opening Lease liabilities</b>	249	249
Accretion of interest during the year	25	25
Cash outflow towards payment of lease liabilities	(25)	(25)
<b>Closing Lease liabilities</b>	<b>249</b>	<b>249</b>

**Lease liabilities included in the statement of financial position**

(INR in Lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current	25	25
Non-Current	224	224

**(c) Impact on Statement of profit and loss:**

(INR in Lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Interest on lease liabilities	25	25
Depreciation on right of use assets	86	86



**Note 23.08**  
**Employee Benefit Related Disclosure**

**Employee Benefit Plans**

**Defined Contribution Plans**

The Company contributes to Provident Fund which is a defined contribution plan. Under the Scheme, the Company is required to a specified percentage of payroll costs to fund the benefits. The contributions payable to the plan by the Company are at the rate specified in the rules of the Scheme. The particular of such contributions are stated as below:-

Particulars	(INR in Lakh )	
	As at 31 March,2024	Year ended 31st March, 2023
Contribution to Provident Fund (recognised under "Contribution to Provident Fund." in Note 19)	1	3
	1	3

**Defined Benefit Plans**

The Company offers Gratuity as the employee benefit scheme to its employee and the Gratuity is payable as per under Gratuity Act 1972. The Gratuity scheme of the Company is unfunded.

a) Since the Gratuity scheme is unfunded, the Company is not contributing to any fund and therefore, there is no exposure to Investment Risk and Interest rate risk.

Risk	Particulars
Longevity Risk	The present value of scheme liability is calculated by reference to the best estimate of the mortality plan participants both during and after their employment. An increase in life expectancy of the scheme participants will increase the scheme's liability.
Salary Risk	The present value of defined benefit liability is calculated by reference to the future salary of plan participants. Salary escalation and attrition rate are considered as projected by the company in line with industry practice considering promotion and demand & supply of the employees. As such, an increase in the salary of the plan participants will increase the plan's liability.

b) The principal assumptions used for the purpose of the actuarial valuations were as follows:

Particulars	31st March , 2024	31st March, 2023
Discount Rate	7.22%	7.57%
Expected Rate of salary increase	6.00%	6.00%
Expected Rate of employee turnover	2.00%	2.00%
Mortality rate during the Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

c) Expenses recognised in the statement of Profit and loss

Particulars	(INR in Lakh )	
	Year ended 31st March, 2024	Year ended 31st March, 2023
Current service cost	-	1
Past service cost	-	-
Net interest cost	1	2
Gain/(Losses) on curtailment and settlements	-	-
<b>Total Gratuity Expense</b>	<b>1</b>	<b>3</b>

d) Expenses recognised in Other Comprehensive Income (OCI)

Particulars	(INR in Lakh )	
	Year ended 31st March, 2024	Year ended 31st March, 2023
<b>Remeasurements of the net defined benefit liability</b>		
Actuarial (Gains)/Losses on Obligation For the Period	-	1
<b>Net Expense for the year recognised in OCI</b>	<b>-</b>	<b>1</b>

e) Amount recognised in the Balance Sheet

Particulars	(INR in Lakh )	
	As at 31st March,2024	As at 31st March,2023
Present value of Defined Benefit Obligation at the end of the year	(1)	(17)
Fair value of plan assets at the end of the year	-	-
Funded Status (Surplus/ (Deficit))	(1)	(17)
<b>Net Liability Recognised in the balance sheet</b>	<b>(1)</b>	<b>(17)</b>



f) Change in Defined Benefit Obligations during the year

(INR in Lakh )

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Present value of obligation at the beginning of the year	17	21
Current service cost	-	1
Interest cost	1	1
Remeasurements - Actuarial losses/(gain)	-	1
Benefit Paid Directly by the Employer	(17)	-
Liability Transferred Out/Divestments	-	(7)
<b>Present value of obligation at the end of the year</b>	<b>1</b>	<b>17</b>

g) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting year while holding all other assumptions constant.

(INR in Lakh)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Projected benefit Obligation on Current Assumptions	1	17
Effect of +1% change in Rate of Discounting on Present Value of obligation	(0)	(0)
Effect of -1% change in Rate of Discounting on Present Value of obligation	0	0
Effect of +1% change in Salary increase	0	0
Effect of -1% change in Salary increase	(0)	(0)
Effect of +1% change in Employee turnover	0	0
Effect of -1% change in Employee turnover	(0)	(0)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting year, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting year, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

h) Maturity profile of defined benefit obligations:-

Projected benefits payable in future years from the date of reporting:-

(INR in Lacs )

1st Following Year	0
2nd Following Year	0
3rd Following Year	0
4th Following Year	0
5th Following Year	0
Sum of Years 6 To 10	0
Sum of Years 11 and above	2

i) Average duration of the defined benefit plan obligation at the end of the reporting year is 9 years (31 March 2023: 10 years)



**Note 23.09**

The financial statements were approved by the Board at its meeting held on 30th April 2024. There is no material adjusting/ non-adjusting events between the reporting date and the date of financial statements sign-off.

**Note 23.10**

(INR in Lakh)

**Disclosure of Ratios**

Sl.no.	Ratio	31st March,2024	31st March,2023	% change from March 2023 to March 31,2024	Remarks(Reasons for more than 25% variation in above ratios)
1	Current Ratio	1.45	1.15	30%	Due to receivable from Related party. Viz JSW Cement and JSW Steel.
2	Debt Equity ratio	0.01	0.01	0%	-
3	Debt service coverage ratio	-0.03	-0.38	34%	This is due to reduction in employee as compared to PY.
4	Return on equity ratio	-0.02	-0.02	0%	-
5	Inventory turnover ratio	N/A	N/A	-	-
6	Trade receivable turnover ratio	N/A	N/A	-	-
7	Trade payable turnover ratio	N/A	N/A	-	-
8	Net capital turnover ratio	N/A	N/A	-	-
9	Net profit ratio	N/A	N/A	-	-
10	Return on capital employed	-0.01	-0.02	0%	-
11	Return on investment	N/A	N/A	-	-

**Reasons for more than 25% variation in above ratios**

(INR in Lakh)

**Elements of Ratio**

Sl.no.	Ratio	Numerator	Denominator	31st March,2024		31st March,2023	
				Numerator	Denominator	Numerator	Denominator
1	Current Ratio	Current Assets	Current Liabilities	553	381	392	341
2	Debt Equity ratio	Total Debts <sup>a</sup>	Total Equity	249	46,341	249	47,059
3	Debt service coverage ratio	Earning for Debt Service <sup>b</sup>	Debt service <sup>c</sup>	(8)	249	(94)	249
4	Return on equity ratio	loss after tax	Average shareholders eq	(718)	46,700	(850)	0
5	Inventory turnover ratio	N/A <sup>d</sup>	N/A	N/A	N/A	N/A	N/A
6	Trade receivable turnover ratio	N/A <sup>e</sup>	N/A	N/A	N/A	N/A	N/A
7	Trade payable turnover ratio	credit purchase	average creditors	N/A	N/A	N/A	N/A
8	Net capital turnover ratio	N/A <sup>f</sup>	N/A	N/A	N/A	N/A	N/A
9	Net profit ratio	N/A <sup>g</sup>	N/A	N/A	N/A	N/A	N/A
5	Return on capital employed	Earning before tax-Interest	Capital Employed <sup>d</sup>	(661)	46,341	(791)	47,060
11	Return on investment	N/A <sup>f</sup>	N/A	N/A	N/A	N/A	N/A

- Note
- a Total Debts= Lease Liability
  - b Earning for Debt Service = Net profit after tax+ depreciation +Interest+ loss on sale of Fixed Assets
  - c Debt Service = Lease Liability
  - d Capital Employed =Net worth +Total Debts
  - e The company has not yet started the operations , hence ratio is not applicable. Refer Note: 22.12
  - f No Dividend Income

**Note 23.11**

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. Certain sections of the Code came into effect on 3 May 2023. However, the final rules/interpretation have not yet been issued. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.



**Note 23.12**

**Critical estimates and judgements in applying accounting policies**

The management believes that the estimates used in preparation of the financial

**i) Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

**ii) Estimation of Provisions and contingencies**

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS. A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Group is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

**iii) Defined benefit plan**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality table. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

**iv) Leases**

The Company enters into leasing arrangements for rental properties. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset. Based upon above evaluation, the Company does not have any finance lease.

The Company bases its estimates and assumptions on parameters available when the financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any years covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. It considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

**(v) Fair Value Measurements**

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.



**Note 23.13 Other Statutory Information**

- (i) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group do not have any transactions with companies struck off.
- (iii) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Group have 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
- (vi) The Group have 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 Group 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.
- (vii) The Group does have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**Note 23.14**

**Status of the Project**

In 2007, the company (together with its subsidiaries) entered into a Development Agreement with the Government of West Bengal and West Bengal Mineral Development and Trading Corporation (WBMDTC) to set up a 10 MTPA integrated steel plant with 1620 MW captive power plant at Salboni in Paschim Medinipur district of West Bengal and accordingly Government of West Bengal agreed to provide necessary assistance and cooperation for implementation of the project, including arrangement and supply of resources. In first phase, the Company obtained various approvals for setting up 3 MTPA steel plant and 300 MW coal-based power plant (Project). The State Government allocated 4102 acres of land necessary for the project on a long-term lease, with all the required approvals e.g., 14Y in place.

The Company had also entered into a long-term coal supply agreement for the Project with West Bengal Mineral Development and Trading Corporation Limited (WBMDTC). However, subsequently, three coal blocks allocated in favor of WBMDTC was cancelled pursuant to the judgment passed by the Hon'ble Supreme Court of India (Writ Petition (Criminal) No. 120 of 2012), vide order dated September 24, 2014 and since then the Company is exploring various alternatives to tie-up long-term coal supply linkages for the Project. The Company has also taken up matter with Government of West Bengal to secure coal supply linkages as per their commitments in the Development Agreement executed on January 11, 2007 for setting up of the Project.

In view of the above, the Project has been put on hold till the Company secure long-term coal and iron ore linkages/ resources required for the Project. However, The Company is committed towards implementing the Project with support of Central and State Governments and hopeful that it will be able to secure coal and iron ore linkages in due course of time. Also, the company is exploring the options for operating the plant based on bought out coal and iron ore, if the long-term linkage of resources from domestic market is not feasible.

Apart from the above efforts, the company as part of its commitment to state government and the local people to set up Project at Salboni and there by opening up avenues of large-scale economic activities amongst the surrounding communities, has subleased/transferred 133 acres of land to JSW Cement Limited, a JSW group company, for setting up of 2.4 MTPA cement plant with a 18 MW coal based Captive Power Plant and also received permission from Government of West Bengal dated 28.02.2022 for assignment of 14.4 acres of land to JSW Energy Ltd. for setting up 3.5 MW Solar Plant.

As a part of the initiative of opening up of the coal sector for commercial coal mining in the country, the Government of India had successfully auctioned 19 coal blocks for commercial mining under 11th tranche of auction under the Coal Mines (special Provision) Act 2015 and first tranche of auction under Mine and Minerals (Development & Regulation) Act, 1957, auction conducted in Nov.2020. In light of the New Policy on Commercial Mining of coal blocks and option for coal linkages from Coal India Ltd, the Company is hopeful of securing coal linkages with support of GoWB.

In FY 2023-24, the company has proposed plan for conversion of leased property to free hold property and use of its significant portion for establishment of industrial park and commercial properties along with plan for setup of steel manufacturing plant. For such conversion and developments there would be infusion of capital by the JSW Steel Limited i.e., parent company, through private participation. However, there is an expected delay in processing the order from the Government of West Bengal and this entire process is anticipated to be completed in FY 2024-25.

JSW Steel Limited, the holding company, vide its letter dated 5th April 2024 confirmed its unconditional financial support to the company to enable it to continue as a going concern till such time the implementation of the project commences.

Considering the above, the Board of Directors are of the opinion that none of its assets is impaired as at 31st March 2024 and the going concern assumption is appropriate.



**Note 23.14 (a)**

**Status of project of subsidiary Company -JSW Natural Resources India Ltd. (JSWNRIL)**

JSWNRIL has been in the process of setting up coal mines project at Kulti-Sitarampur coal blocks in West Bengal, under Sole and exclusive Coal Raising Agreement entered with WBMDTC dated March 31, 2010, for raising the coal to be "exclusively used in Integrated Steel Plant Complex at Salboni of district Paschim Medinipur in West Bengal", being set up by its Holding Company (JSW Bengal Steel limited). However, since the allotment of this coal blocks have been cancelled by order of the Supreme Court read with Schedule I of The Coal Mines (Special Provision) Act 2015, the above mentioned agreement would no longer be valid. The Company, is in the process of exploring certain alternatives to resource the long term coal supply linkages and has also taken up with Government of West Bengal (GOWB) to resource long term coal supply linkages as per its commitment in the Development Agreement dated 11th Jan 2007 signed for the Project. In view of the new Policy of Government of India (GOI) on allocation of Coal Blocks and Coal linkages from Coal India Ltd, the Company is hopeful of establishing fresh coal linkages with support of Govt of West Bengal. In view of given circumstances, at this juncture, there is no necessity of impairing the assets and investments as per provisions of Ind AS 36. Pursuant to clause V(1) of the said agreement, the Company had paid interest free Security Deposit of Rs. 18,750,000/- (Previous Year Rs. 18,750,000 for WBMDTC). However, since the allotment of this coal blocks has been cancelled by order of the Supreme Court, the Coal Raising Agreement for mining of coal from Kulti & Sitarampur Coal Blocks is no more valid and it has been refunded by WBMDTC vide letter dated 31.10.2018. WBMDTC has assured that, once the fund is released by Ministry of Coal on allocation of these coal blocks to successful bidder, they will refund the expenses incurred made by the JSWNRIL related to coal blocks. This balance is classified as non-current financial assets considering that the process may take some time.

**Note 23.14 (b)**

**Status of project of subsidiary Company -JSW Energy (Bengal)Ltd. (JSWEBL)**

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

**Note 23.15**

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 and in the application when using certain privileged access rights. 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 and further privilege access rights to application are restricted only to specific authorised users for which audit trail exists except in certain debugging cases.

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.

**Note 23.16**

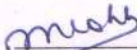
Previous year's figures have been regrouped / rearranged wherever necessary, to conform to current year's presentation.

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003


For and on behalf of the Board of Directors of JSW Bengal Steel Limited



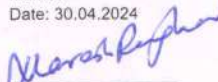
per Anant Acharya  
Partner  
Membership Number: 124790  
Place of Signature: Kolkata  
Date: 30.04.2024



Manoj Mohta  
Director  
DIN: 02339000  
Mumbai  
Date: 30.04.2024



Alok Mehrotra  
Director  
DIN: 01066025  
Mumbai  
Date: 30.04.2024



Waresh Raghav  
Chief Executive Officer  
Kolkata  
Date: 30.04.2024



Rajiv Negandhi  
Chief Financial Officer  
Mumbai  
Date: 30.04.2024



Sanjay Garodia  
Company Secretary  
Mumbai  
Date: 30.04.2024

