JSW Energy

NAVIGATING Challenges

Protecting VALUE

ANNUAL REPORT 2016-17

OUR SOURCE OF INSPIRATION
OUR PILLAR OF STRENGTH

Shri O.P. Jindal | *7th August 1930 - 31st March 2005*
Founder and Visionary, O. P. Jindal Group

A visionary with impeccable business excellence,
who envisioned the dream of a self-reliant India.

His journey from humble beginnings to being amongst the
most successful self-made industrialists of his times.

A philanthropist and a social change maker,
will continue to be a source of inspiration for generations to come.

We are committed to keep his legacy alive and carrying it forward to newer heights.

FORWARD-LOOKING STATEMENT

In this Annual Report, we have disclosed forward looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward looking statement, whether as a result of new information, future event or otherwise.

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NAVIGATING CHALLENGES

India is transforming at a pace that was perhaps unimaginable a decade ago. It is already one of the world's fastest growing major economies, creating opportunities for millions of people to realise their full potential. However, energy availability continues to be a major concern for a fast-developing society.

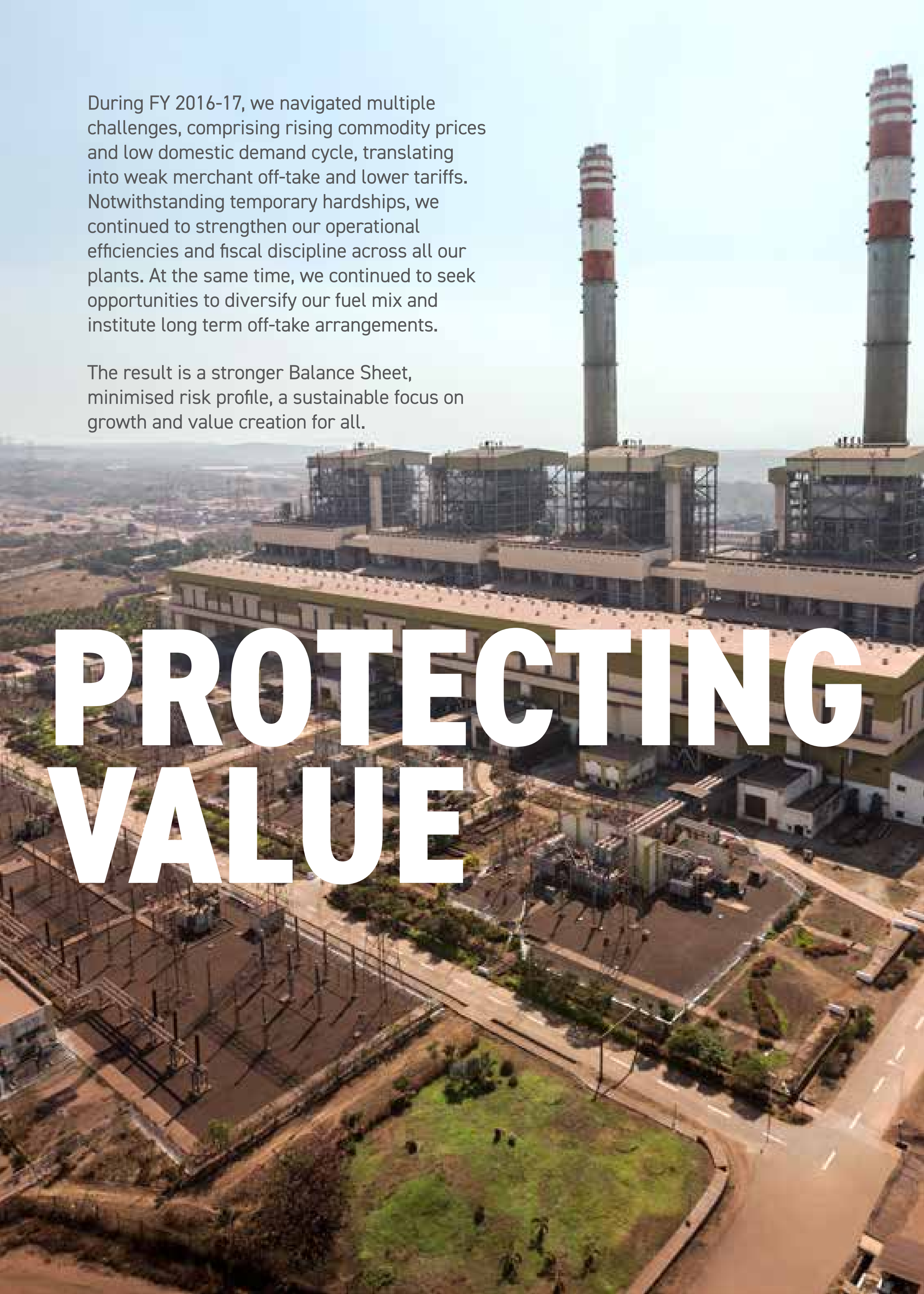
The Government is taking relevant steps to encourage states to pursue its vision of 24x7 Power for All programme in a spirit of co-operative federalism. The state utilities are gradually improving their performance and such a scenario will pave the way for a significant power demand upswing in the coming years.

As one of the leading players in the power sector, we are geared to help make a difference in India's energy landscape.

During FY 2016-17, we navigated multiple challenges, comprising rising commodity prices and low domestic demand cycle, translating into weak merchant off-take and lower tariffs. Notwithstanding temporary hardships, we continued to strengthen our operational efficiencies and fiscal discipline across all our plants. At the same time, we continued to seek opportunities to diversify our fuel mix and institute long term off-take arrangements.

The result is a stronger Balance Sheet, minimised risk profile, a sustainable focus on growth and value creation for all.

PROTECTING VALUE



JSW Energy at a Glance

At JSW Energy, we commenced our journey in the early years of economic liberalisation in India. From relentlessly pursuing operational excellence, enhancing social and economic benefits, to minimising environmental footprint and implementing cutting-edge innovation, JSW Energy is consistently creating value for stakeholders and the nation.

Established in 1994, JSW Energy Limited is the power-utility arm of the JSW Group. It nurtures a culture of high-performance and teamwork. The outcome is proactive efforts to leverage opportunities and grow sustainably.

JSW Energy operates 4,531 MW (Thermal- 3,140 MW; Hydel - 1,391 MW) of power generation capacity with the long term vision of achieving 10,000 MW capacity. The Company's strategic approach to expansion ensures diversity in geographic presence, fuel sources and power off-take arrangements. This in turn helps it to de-risk the business. The Company's presence extends across India and also includes interest in a coal mining company in South Africa.

With strong operations, robust corporate governance and a clear vision, JSW Energy is setting new benchmarks in the power sector.

Net Generation
21,631 MU

Turnover
₹8,480 cr

EBITDA
₹3,541 cr

Power generation
Current operational capacity: 4,531 MW

Power transmission
Two 400 KV operational transmission lines (JV with MSETCL)

Mining
Kapurdi lignite mine with a capacity of 7 MTPA is currently in operation and Jalipa mine is still under development

Power trading
Engaged in power trading since June 2006, handled trading volume of 4.08 billion units this year

Equipment manufacturing
JV with Toshiba Corp for manufacturing of super-critical steam turbine generators

Power Plants & Operational Capacity

Vijayanagar: 860MW
Fuel Source: Gas & imported thermal coal
Power Offtake: Long-term PPA & Merchant

Baspa II (300MW) & Karcham Wangtoo (1,091MW)
Fuel Source: Hydro
Power Offtake: Long-term PPA and Merchant

Barmer: 1,080 MW
Fuel Source: Captive lignite mines of BLMCL
Power Offtake: Long-term PPA

Ratnagiri: 1,200MW
Fuel Source: Imported thermal coal
Power Offtake: Long-term PPA & Merchant

Key Performance Indicators

NET GENERATION (Mus)

FY17	**21,631**
FY16	22,064
FY15	20,307
FY14	17,061
FY13	18,780

TURNOVER (₹ in crore)

FY17	**8,480**
FY16	10,060
FY15	9,610
FY14	8,908
FY13	9,148

EBITDA (₹ in crore)

FY17	**3,541**
FY16	4,261
FY15	3,854
FY14	3,454
FY13	3,007

EBITDA MARGIN (%)

FY17	**41.8**
FY16	42.4
FY15	40.1
FY14	38.8
FY13	32.9

FY 2012-13 to FY 2014-15 as per IGAAP
FY 2015-16 to FY 2016-17 as per IND-AS

PROFIT AFTER TAX (₹ in crore)

FY17	**629**
FY16	1,447
FY15	1,350
FY14	755
FY13	904

PAT MARGIN (%)

FY17	**7.4**
FY16	14.4
FY15	14.0
FY14	8.5
FY13	9.9

DIVIDEND PER SHARE (₹ /share)

FY17	**0.50**
FY16	2.00
FY15	2.00
FY14	2.00
FY13	2.00

Chairman and Managing Director's Message

Dear Shareholders,

At JSW Energy, sustainable value creation is the cornerstone of our business strategy. Despite near term challenges, we continue to strive towards progress with a strong Balance Sheet, industry-leading best practices, robust growth appetite and a commitment to create value for the nation and all our stakeholders.

India's long-term energy appetite is enormous, but a large proportion of the demand is latent. The Government's continued focus on infrastructure creation, manufacturing and rural development is expected to lead to an accelerated momentum in the investment cycle and energy demand. The impending GST rollout is also likely to boost economic growth over the medium term as it improves efficiency of goods movement between states as well as strengthens tax compliance and governance. This is likely to boost GDP growth rate to 8% or above, consequently driving power demand.

Considering the macro picture, India's power sector has a huge opportunity to grow in the future. However, at present, it is beleaguered by multiple challenges. Sluggish industrial demand, unsustainable capacities, lack of long-term PPAs and poor financial health of DISCOMs are adversely impacting the power sector. The Government has taken multiple policy initiatives to strengthen the power sector including path-breaking measures like 24/7 power for all by 2019, increasing domestic coal availability, a proposal to auction coal linkages under SHAKTI and the Ujwal DISCOM Assurance Yojana (UDAY) scheme to improve financial health of the DISCOMs. These measures are expected to provide 'Electricity for all at a fair and just price' which is absolutely necessary as we strive to sustain our position as one of the leading economies of the world.

In the coming years, the emerging power demand will have to be addressed with clean and efficient technologies to meet global commitments to reduce emissions. We are now seeing a lot of focus on solar power, with auction-based tariff bids reaching all-time lows. Although a part of the reduction can be attributed to decline in equipment costs, it also raises questions on the long-term viability of projects at such low tariffs. The Government has set ambitious targets for setting up renewable capacities in India; and the viability of projects will be a crucial factor to achieve the long-term goal of energy security for India. In this context, the recent draft proposal of Government to include hydropower as renewable energy and to stipulate a mandatory hydropower obligation (similar to renewable purchase obligation) is a welcome step.

Our Performance

As one of the leading industry players in the domestic sector, we maintained our relentless focus on cost control and operational excellence during the year. During the past year, we continued to move towards a leaner cost structure, reduced our debt levels, ensured prudent capital allocation and maintained efficient plant operations. While these efforts are likely to continue into the future, we would continue to evaluate relevant opportunities for growth – both organic and inorganic.

During FY 2016-17, we saw a continuation of the trend of poor power demand, translating into weak merchant off-take and lower tariffs. This got compounded due to an increasing trend in the price of imported coal, thereby impacting our standalone business. However, at a consolidated level our subsidiaries continued to function as strong pillars of support with their portfolio of long-term PPAs and necessary fuel security, thereby insulating your Company to a large extent from the difficult business environment.

During FY 2016-17, your Company delivered a total turnover of ₹ 8,480 crore on a consolidated basis, achieving a net generation of about 21.6 billion Units. Of this, our hydro plants in Himachal Pradesh, which were acquired in September 2015, operated for the full year for the first time in FY 2016-17, contributing about 5.7 billion Units to the net generation.

Creating Long-term Value

We are working towards building a sustainable energy business that can withstand all challenges – present and future. Hence, it is important that we continue to be on the lookout for opportunities to invest wisely and build an enviable portfolio of power assets. Given the stress in the power sector, we are anticipating consolidation in the domestic space, which will offer us good prospects for investing for the future.

We believe our teams have the capability and the commitment to take us to the next level of growth and sustainability. We have steadily enhanced our investments in providing our people need-based training and handholding to build an army of future leaders. Our transformational DNA is best reflected in the way our people respond to challenges, learn from them and move forward to greater glories.

Before I conclude, it is worthwhile to mention that we will continue to work towards our mission to empower communities and help them achieve their aspirations.

Besides, our interventions in conserving the environment and reducing the carbon footprint continue to be a priority for us.

On behalf of the Board and the entire leadership team, I thank all our stakeholders for their guidance and support in helping us build a value-focused and energised enterprise.

Best Wishes,
Sajjan Jindal
Chairman and Managing Director

IN STEP WITH AN EVOLVING ENERGY SECTOR

India's power sector is transforming rapidly. From the days of state utilities grappling with high debts, the country has entered a phase where the financial health of distribution companies (DISCOMs) is gradually improving and capacity expansion is on the rise. On the other hand, industrial demand is still uninspiring, owing to a largely volatile global business scenario.

At JSW Energy, we believe that there is a significant latent power demand in the country, which needs to be addressed with urgency. The present method of calculating demand takes into consideration the population that is connected to the grid and has access to electricity. A substantial part of the nation's population today has no access to power, thereby understating India's power demand.

Considering the above scenario, if the Government's 'Power for All' programme were to be fast-tracked, the country would need significant additional base load power capacity. This requirement provides a steady growth path for energy producers, because of the following reasons:

1. The required increase in base load power can be serviced either through the thermal or nuclear sector. However, nuclear energy is still a difficult choice for

At JSW Energy, we believe that there is a significant latent power demand in the country, which needs to be addressed with urgency.

India considering its long gestation, high capital cost and greater safety concerns. Therefore, our dependence on thermal energy will continue in the near and medium-term, subject to any significant breakthrough or disruptive technology in the power sector.

2. This task can be supported substantially if Ujwal Discom Assurance Yojana's (UDAY) impact spreads to more states through enhanced investments and relevant infrastructure development. There is an urgent need to augment the operational parameters of DISCOMs, improve their financial health and incentivise power producers with viable tariffs through long-term PPAs.

When translated into business rationale, the Government's 'Power for All' programme, if combined with relevant infrastructure development, tariff rationalisation and remonetisation of DISCOMs, can improve the demand cycle substantially.

At JSW Energy, we believe that electricity demand mapping should take into consideration factors like economic growth, household connectivity, energy efficiency, and so on. Given the ground realities, there is a tremendous growth opportunity in the power sector, and we are geared to play a larger role in the entire power landscape.

In the first-half of FY 2016-17, coal prices rose sharply after a sustained decline for most part of FY 2015-16. The result was that many thermal power producers faced operational pressure and financial challenges. However, at JSW Energy we could maintain the strength of our Balance Sheet by following a prudent fuel mix strategy and balanced off-take arrangements.

LEVERAGING OPERATIONAL FLEXIBILITY AND FORESIGHT

STRATEGIES TO PROTECT VALUE

Diversified fuel mix

At JSW Energy, we focus on supporting our growth plans by diversifying our fuel mix and strengthening our geographical spread. With adequate access to resources, we have been able to mitigate our raw material risk significantly. With rising global coal prices, we are aiming to minimise the risk of raw material availability by relying on both domestic and imported coal supplies. Such a strategy enables us to control costs and maintain our operational efficiency during a period of escalating commodity prices across the world.

Off-take Arrangements

We have evolved an optimal mix of long-term contracts and merchant power sales. The long-term PPAs have helped stabilise cash flows and provide us an edge as the returns are pre-defined. Most importantly, in FY 2016-17, such a strategy helped us insulate our business from the impact of volatile fuel price movement, and declining merchant tariff.

Our Barmer-based lignite project and the Sholtu based hydro project have long-term PPAs with state DISCOMs. This strategy insulated JSW Energy to a large extent in a challenging business scenario.

ENHANCING ROUND-THE YEAR EFFICIENCY FORESIGHT

Despite business challenges, our consistent endeavour has been to improve the efficiency of our plants. Our objective is to remain competitive, maintain a lean cost structure and create long-term value for our stakeholders.

STRATEGIES TO PROTECT VALUE

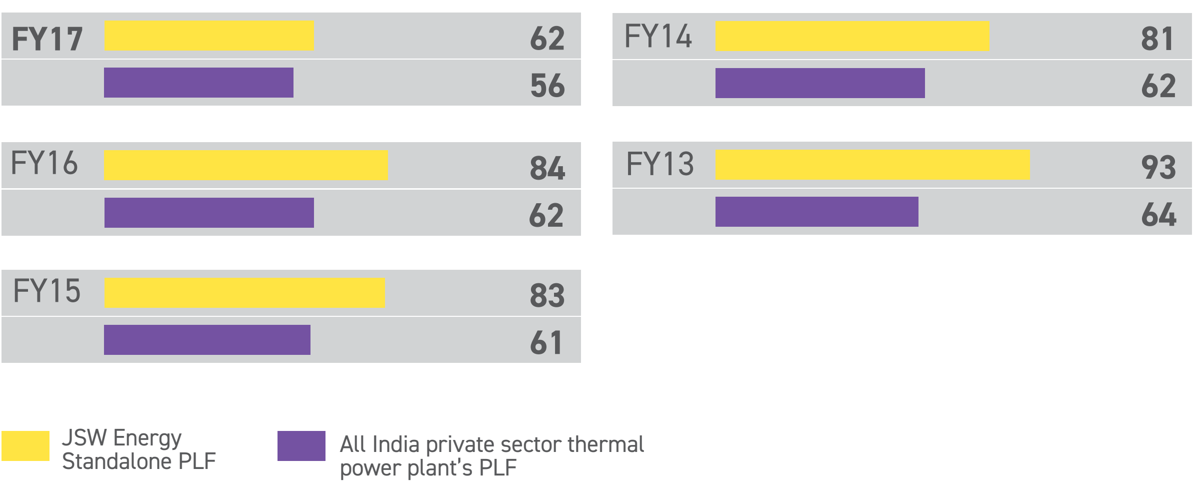
Best-run Thermal Plants

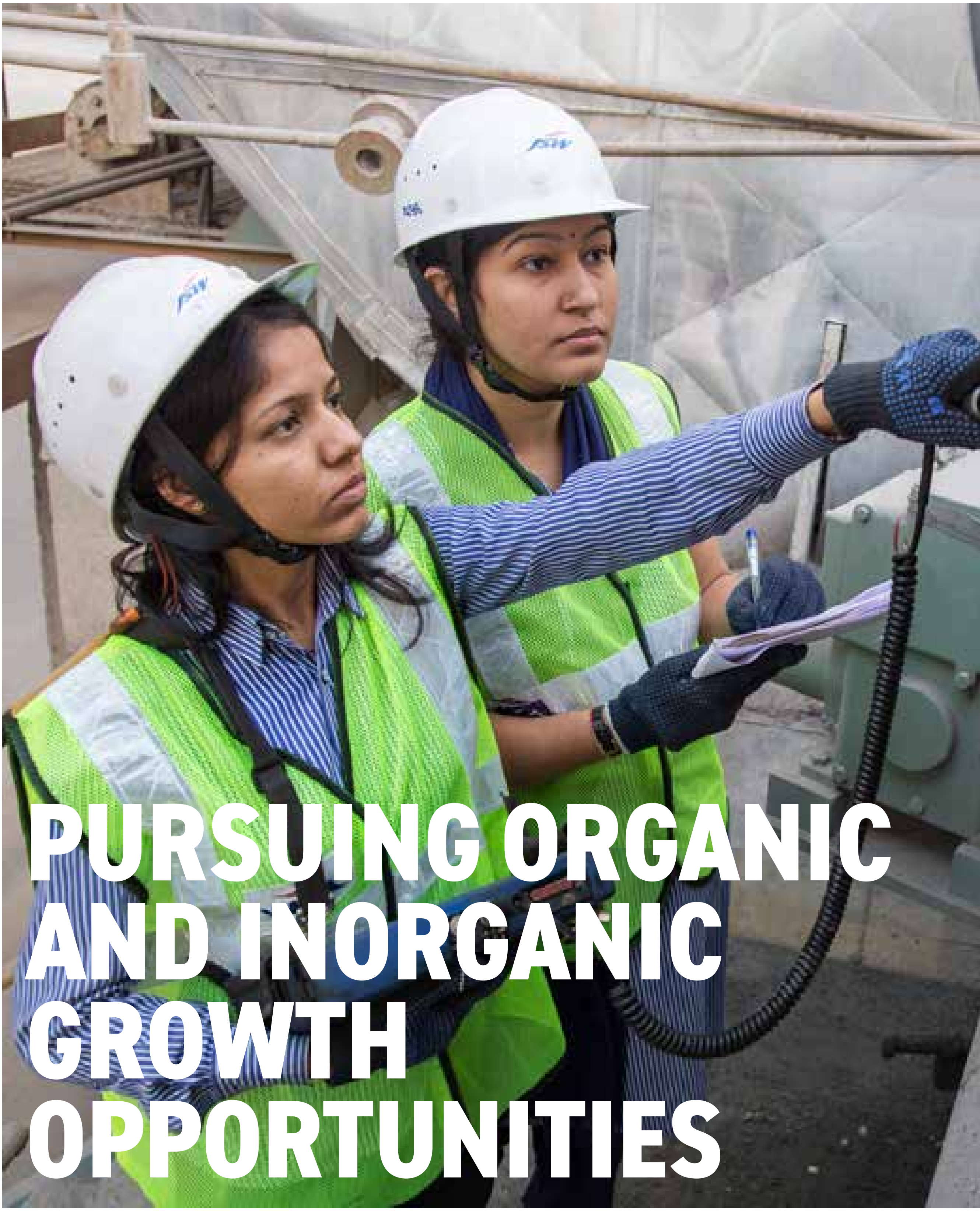
At JSW Energy, we have some of the best-run thermal power plants in India. Our Vijayanagar plant has been recognised as a top performing operating power plant by the Ministry of Power for eight consecutive years.

High Plant Load Factor

Our globally benchmarked operations and maintenance (O&M) practice has resulted in consistently high Plant Load Factor (PLF). During FY2016-17, PLF was lower than that of previous year, due to lack of schedule, as the orders on certain tenders in which we had participated, remained undecided. However, our prudent operational measures helped us maintain a higher PLF in comparison with other private thermal players in India. This demonstrates the strength of our operations, despite below-par industry performance.

JSW ENERGY STANDALONE (%)





PURSUING ORGANIC AND INORGANIC GROWTH OPPORTUNITIES

We are now well-positioned to leverage our strong Balance Sheet and grow sustainably.

STRATEGIES TO PROTECT VALUE

Prudent Approach

In the recent past, we put on hold growth projects, whenever we recognised uncertain sector fundamentals on the horizon. Our objective is to steadily increase the share of long- term PPAs in our sales mix and leverage the low fixed cost advantage for the future.

Future Focused

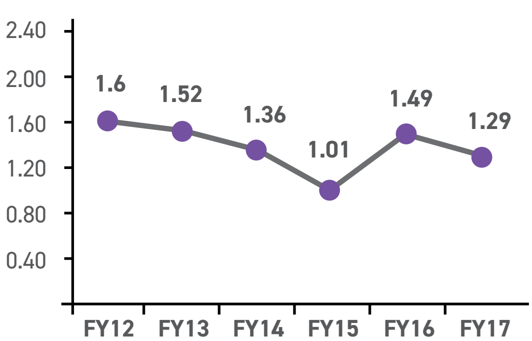
We are now well-positioned to leverage our strong Balance Sheet and grow sustainably. Our strategic focus will be to capitalise on expected consolidation of the power sector. While we are open to assets that may be available at competitive valuations for inorganic growth, we are equally keen on pursuing organic growth opportunities.

The power sector is evolving towards consolidation, which will augur well for the sector, going forward. Our strong financials provide us ample scope to explore organic and inorganic long-term growth opportunities.

STRENGTHENING COMPETITIVE ADVANTAGE

JSW Energy continues to be one of the few power generating companies in India with a strong Balance Sheet. This provides us the broad financial strength and flexibility to be on course and focus on the future in an adverse macro scenario.

NET DEBT TO EQUITY (x)



STRATEGIES TO PROTECT VALUE

Well Positioned

While our peers faced financial challenges, we have consistently maintained a strong Balance Sheet. With the easing of interest rates and a reduction in debt, we are now suitably positioned to invest in our future growth. Our continuing competitive advantage is the result of the judicious business decisions taken when faced with challenges or bursts of cyclical opportunities.

Poised to grow

Our plant performances have time and again reiterated our operational strength, further fortifying our financial strength. Our net debt to equity ratio of 1.29 provides us with sufficient headroom to explore market opportunities that are low on risk and high on long-term value creation. We are conscious of the value we create for our stakeholders. Thus, JSW Energy aims at increasing the power generation capacity to 10,000 MW in the long-term through both organic and inorganic means.

Key Financial Parameters	FY2014-15	FY2015-16	FY2016-17
EBITDA Margin (%)	**40.1**	**42.4**	**41.8**
Return on Avg. Net Worth (%)	**19.2**	**16.8**	**6.3**
EPS (₹ Per Share)	**8.23**	**8.90**	**3.86**

DRIVEN BY OUR PEOPLE

JSW Energy's Human Resources management integrates People, Strategy and Performance.

JSW Energy's highly skilled and committed workforce is its biggest strength. The Company has grown from strength to strength, based on its human capital. It remains committed to consistently create opportunities of personal growth and development for its workforce.

The Company strives to create a vibrant culture, where diversity of ideas and their exchange matters more than caste, colour, creed or gender. JSW Energy's people power enables it to move forward relentlessly, despite challenges.

Some of the key HR initiatives comprise:

Future Fit Programme

One of JSW Energy's core HR focus is creating well-rounded leaders for tomorrow. We launched the Future-Fit programme, as a part of which 63 executives underwent a year-long leadership training course from renowned institutes like ISB and Cornell University.

Peer Group Meet

At JSW Energy, we believe that cross-functional interactions can lead to exchange of tested strategies and create new ones. Hence, Peer Groups (from various departments) of our different plants meet at a pre-defined frequency and discuss best practices as well as seek solutions for different technical issues.

WILP

We have launched a three-year BS (Power) programme in collaboration with BITS Pilani. The programme ('Work Integrated Learning Programme') empowers our employees with skills to find innovative solutions to problems. Forty-four employees have graduated under this programme and 55 are enrolled in various stages.

Umang

Umang is an employee engagement initiative, currently in its fifth year of implementation. It has been instrumental in fostering inclusion and boosting camaraderie, and has acted as a catalyst of innovation.

JSW Energy Centre of Excellence (JSWECE)

The Company runs JSWECE at the O.P. Jindal Centre, Vijayanagar. At the Centre, a PC-based dynamic, high-fidelity 300 MW Thermal Power Plant Simulator is used to train the engineers to take up higher responsibilities in the power plant.

Board of Directors

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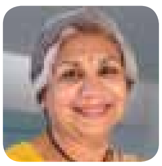
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1. Sajjan Jindal
Chairman and Managing Director

Mr. Sajjan Jindal holds a bachelor's degree in mechanical engineering from the Bangalore University. An accomplished Business Leader and a second generation entrepreneur, Mr. Jindal had the foresight to lead the JSW Group on a transformational journey, contributing significantly to India's growth philosophy. Mr. Jindal led the JSW Group through some of its most exciting phases, including JSW Steel and JSW Energy going public in 1995 and 2009-10, respectively. Today, the Group takes pride in expanding the business landscape across Infrastructure, Sports and Cement, with the Group's revenues at USD 11 billion for the year ended March 31, 2017. A firm believer of the "Make in India" philosophy, Mr. Jindal has been awarded at global platforms for his contribution and commendable work. He was awarded the "2014 National Metallurgist Award: Industry" instituted by the Ministry of Steel, Government of India. His keenness to give back to the society and a desire to improve the "lives of individuals", led to the formation of JSW Foundation which is committed to provide the means to empower individuals to bridge the socio-economic divide and contribute to the creation of a more equitable and sustainable community. The Foundation is proud to have touched the lives of over 1 million people by providing them with opportunities for a bright and sustainable future. A renowned and respected practitioner of sustainable business practices, Mr. Jindal is a noted member of the Executive Committee of the World Steel Association (WSA), President of Indian Steel Association (ISA) as well as the former President of the Institute of Steel Development & Growth (INSDAG). He is also a Council member of the Indian Institute of Metals.

2. Sanjay Sagar
Joint Managing Director & CEO

Mr. Sagar is an alumnus of Sri Ram College of Commerce, Delhi, and holds a Management degree from the University of Delhi. He has over three decades of wide experience, including over one decade in the Energy sector. He has a keen acumen for business development with a pronounced skill for resolving issues related to Government policies and procedures, of which he has a deep understanding. He provided effective leadership in bringing the RWPL project firmly back on the road to completion. In addition, Mr. Sagar is also credited with operationalising in record time, the Kapurdi Lignite mine as a source of fuel for the RWPL project.

3. Nirmal Kumar Jain
Non-Executive Director

Mr. Jain, a commerce graduate, is a fellow member of Institute of Chartered Accountants of India (ICAI) and the Institute of Company Secretaries of India (ICSI). He joined the JSW Group in 1992 and held positions of increasing responsibilities, including Director of Finance in 1994, Deputy MD and CEO in 1996 and Executive Vice-Chairman of Jindal Iron & Steel Co. Ltd in 2001, till it was merged into and formed as JSW Steel Limited. Mr. Jain has over four decades of wide experience in the areas of mergers and acquisitions, finance, law and capital restructuring. He ceased to be the Executive Vice Chairman of the Company with effect from 31st August, 2013, while continuing as a Director. His deep knowledge and an astute eye for all aspects of business have helped establish JSW Group as a rapidly growing diversified conglomerate.

4. **Chandan Bhattacharya**
   Independent Director
   Mr. Bhattacharya is an arts graduate from Calcutta University and also a Certified Associate of Indian Institute of Bankers (CAIIB). He is the Chairman of the Audit Committee, the Compensation and Nomination & Remuneration Committee and the Stakeholders' Relationship Committee of the Company. Mr. Bhattacharya is the former Managing Director of State Bank of India. He has also served as a Member of Securities Appellate Tribunal (SAT) for two years. He has a wide experience of over four decades in banking, trade and commerce. Mr. Bhattacharya was the Chairman of Finance and Banking Committee of the Indian Merchants' Chamber, Mumbai. He is also on the Board of other reputed companies
   .

5. **Shailaja Chandra**
   Independent Director
   Ms. Chandra was a member of the Indian Administrative Service (IAS) and a career civil servant for 38 years. She has distinguished herself in several roles, including Delhi's only woman Chief Secretary. Ms. Chandra also has an additional 10 years of experience in Public Governance. She has held assignments in the Ministries of Defence, Power and Health. She has worked in different parts of the country with the State Governments.

6. **Sheila Sangwan**
   Independent Director
   Ms. Sangwan was a member of the Indian Revenue Service (Customs and Central Excise) and former member (Central Board of Excise & Customs), Ex-officio Special Secretary, Department of Revenue, Ministry of Finance. She has had a distinguished career spanning 37 years in government service with diverse exposure ranging across tax administration, policy formulation, implementation, general administration and finance. Ms. Sangwan is the recipient of 'Presidential Award' for Specially Distinguished Record of Service.

7. **Rakesh Nath**
   Independent Director
   Mr. Nath has over three decades of varied experience in the Power sector. He was the Technical Member of Appellate Tribunal for Electricity (APTEL); Chairperson, Central Electricity Authority; Whole Time Director of Power Trading Corporation and Ex-officio Secretary to the Government of India (GOI). He has also been the Member Secretary of Northern Regional Electricity Board and Western Regional Electricity Board and a Convener of the Working Group set up by GOI to prepare guidelines for inter-regional power transaction.

8. **Uday Chitale**
   Independent Director
   Mr. Chitale is a Chartered Accountant and a Senior Partner of M/s M.P. Chitale & Co., Chartered Accountants, with offices at Mumbai and Pune. He has undertaken specialised training in Commercial Mediation from Centre for Effective Dispute Resolution (CEDR), UK at the International Summer School, Geneva and is an Accredited CEDR Mediator. Mr. Chitale has extensive experience of Corporate Auditing, Commercial Dispute Resolution (Mediation / Conciliation & Arbitration), Business negotiations and valuation. Mr. Chitale is currently an Independent Director on the Board of other reputed companies.

9. **Tanvi Shete**
   Non-Executive Director
   Ms. Shete is a graduate of American School of Bombay with a degree in Economics from New York University. She has been a Teach for India Fellow, having done a two-year fellowship program teaching underprivileged children in Mumbai. She has also worked at Akanksha Foundation which is a non-profit organisation with a mission to provide children from low-income communities with a high-quality education, enabling them to maximize their potential and transform their lives. She was the Vice Principal for one of their schools. She is actively involved with the JSW Foundation. She is the Managing Trustee of the Jindal Education Trust looking after all the education initiatives including seven JSW managed schools.

CREATING VALUE FOR THE COMMUNITY

Inclusive growth is the focal point of our Corporate Social Responsibility (CSR) strategy. We believe in long-term value creation for society through our continuous and purposeful engagement with communities. We also strive to integrate our employees in decisions aimed at empowering society at large.

In our constant pursuit of making life better for communities, we are committed to:

- Improving living conditions
- Social development
- Addressing social inequalities
- Promoting art and culture
- Rural development
- Promoting Sports
- Promoting Swachh Bharat

Key Highlights:

- In Karnataka, our 'Mission Against Malnutrition' (MAM) model covered 12,098 children in six years, 888 pregnant women and 2,452 lactating mothers this year.
- The Direct impact zone (DIZ) in Ratnagiri saw the launch of Phone-Sakhi (a timed and targeted voice calling facility), aimed at reminding pregnant women and new mothers, information related to their pregnancy, infants' immunisation, and general care.
- In the Sholtu DIZ, we repaired and renovated four Government schools and set up mini science labs in five Government schools.
- Rural women are part of eight SHGs in Barmer DIZ and are being provided with regular training inputs to enhance handicraft product designs with the support of SURE organisation.
- We supported and nurtured several sporting stalwarts like Olympic bronze medalist Sakshi Malik, Lalita Babbar, Sumit Nagal, Aryan Makhija, Sandeep Tomar and Satyawart Kadian, among others.

ADDRESSING ENVIRONMENTAL CONCERNS

Safeguarding natural capital is one of the core business philosophies at JSW Energy. We aim to drive a transformation in the sphere of environmental conservation. We also maintain a stringent governance framework to ensure quality compliance and sustainable growth.

Key Highlights:

- Constructed around 22 check dams under the Maharashtra Government's 'Jalyukta Shivar Abhiyaan'. The structures will hold more than 69,000 cubic metre of water in the catchment and will benefit over 10,000 people.
- Planted around 5,300 saplings of Chilgoza, Deodar, Robinia, Poplar, Pine and other trees under extensive plantation drives organised in the vicinity of our facilities.
- Installed 243 solar street lamps in Chuli, Bhadresh and Bisala villages.

Corporate Information

BOARD OF DIRECTORS

Mr. Sajjan Jindal
Chairman & Managing Director
Executive Director

Mr. Sanjay Sagar
Joint Managing Director & CEO
Executive Director

Mr. Nirmal Kumar Jain
Non Executive,
Non Independent Director

Mr. Chandan Bhattacharya
Independent Director

Ms. Shailaja Chandra
Independent Director

Ms. Sheila Sangwan
Independent Director

Mr. Rakesh Nath
Independent Director

Mr. Uday Chitale
(w.e.f 22nd July, 2016)
Independent Director

Ms. Tanvi Shete
(w.e.f 22nd July, 2016)
Non Executive,
Non Independent Director

CHIEF FINANCIAL OFFICER

Mr. Jyoti Kumar Agarwal
(w.e.f 1st February, 2017)

Mr. Pramod Menon
(up to 31st January, 2017)

COMPANY SECRETARY

Ms. Monica Chopra
(w.e.f 23rd January, 2017)

Mr. Sampath Madhavan
(up to 30th July, 2016)

SENIOR MANAGEMENT

Mr. Girish Deshpande
Director Technical

Mr. Satish Jindal
Chief Executive Officer
(JSW Power Trading)

Mr. Vijay Sinha
Head - Human Resource

Mr. Vijay Paranjape
Head of Plant - Ratnagiri &
Vijayanagar

Mr. Gyan Bhadra Kumar
Head of Plant - Himachal

Mr. Aditya Agarwal
Head of Plant - Barmer

Mr. Surya Prakash
Head of Plant - Vijayanagar

Mr. Yatish Chhabra
Head of Plant - Ratnagiri

AUDITORS

M/s. Lodha & Co.
Chartered Accountants

BANKERS

Axis Bank Limited
ICICI Bank Limited
IDBI Bank Limited
IDFC Bank Limited
IndusInd Bank Limited
Punjab National Bank
State Bank of India
Vijaya Bank
Yes Bank Limited

REGISTERED OFFICE

JSW Energy Limited
JSW Centre, Bandra Kurla Complex
Bandra (East)
Mumbai – 400 051
Tel. No. 022 – 4286 1000
Fax No. 022 – 4286 3000
Website: www.jsw.in
E-mail: jswel.investor@jsw.in
CIN: L74999MH1994PLC077041
Plant Locations

Vijayanagar Plant
Post Box No. 9, Toranagallu – 583 123
Bellary Dist, Karnataka
Tel. No. 08395 – 252 124
Fax No. 08395 – 250 757

Ratnagiri Plant
Village Nandiwade, Post Jaigad
Taluka and District Ratnagiri - 415 614
Maharashtra
Tel. No. 02357 – 242 501
Fax No. 02357 – 242 508

Barmer Plant
Raj WestPower Limited
Village Bhadresh
P.O. Bhadresh
District Barmer- 344 001
Rajasthan
Tel. No.02982 -229100
Fax No.02982 -229222

Himachal Plant
Himachal Baspa Power Company
Limited
Karcham Wangtoo, H.E. Project
Sholtu Colony, P.O. Tapri 172104
District Kinnaur
Himachal Pradesh
Tel. No.01786 -261253 /54/55
Fax No.01786 -261258

Registrar & Share Transfer Agent
Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot 31-
32, Gachibowli Financial District,
Nanakramguda
Hyderabad –500032
Tel. No. 040 – 67161500
Fax No. 040 -23001153
E-mail: einward.ris@karvy.com
Website: www.karvy.com

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Management Discussion and Analysis

JSW Energy Limited, part of the JSW Group, is an integrated power generation company in India with operations across the States of Karnataka, Maharashtra, Rajasthan and Himachal Pradesh. The Company has operational generation capacity of 4,531 MW and is also involved in power transmission, mining, power trading and equipment manufacturing. The company has mining assets in South Africa and is exploring opportunities to set up power plants in the African region. JSW Energy has one of the strongest balance sheets among power companies in India and a long term vision to achieve 10,000 MW of generation capacity.

The industry environment this year was characterized by weak power demand leading to low offtake, declining tariffs and rising cost of imported coal. This impacted the Company's standalone business which sells largely in the merchant market and is dependent on imported coal. However, on a consolidated level, the subsidiaries viz. RWPL (lignite power project) and HBPCL (hydro power projects), both of which have long term PPAs, as well as the transmission project, supported the business, thereby insulating JSW Energy to a large extent.

Going forward, the Company is renewing its focus on cost optimization and as part of this, planning to utilise domestic coal in its coal mix at the Vijayanagar and Ratnagiri plants. In addition, the Company is streamlining all the other cost elements like O&M and financing costs to achieve maximum cost efficiencies. The Company is also undertaking rigorous efforts to tie-up its open generation capacity through various offtake arrangements, including PPAs with group captives and DISCOMS. JSW Energy is also exploring new opportunities in new business areas like renewable energy, transmission and distribution segments.

Global Economy

Global GDP growth slowed further in 2016, largely driven by the advanced economies; while the emerging

and developing economies (EMDEs) remained relatively resilient. However, economic activity rebounded in the second half of the year in the advanced economies along with recovery in manufacturing. The United States saw stronger growth in employment and improving consumer confidence. Growth in the Euro area was stable with steady growth in manufacturing activities and global exports. Unemployment rate in this region, although declining, remains at higher than structural levels. Domestic demand remained steady in the United Kingdom despite the Brexit vote. Japan also grew steadily with support from exports as well as domestic investments. Growth in China was supported by continued policy stimulus. However, countries such as Argentina, Brazil and Turkey remained in recession. Activity in Russia improved slightly with firmer oil prices.

World Bank predicts the growth to improve in 2017 across the developed and EMDEs. Global GDP growth is expected to accelerate to 2.7% in 2017 from 2.4% in 2016 (Source: World Bank); while advanced economies and EMDEs are expected to grow at 1.9% and 4.1% in 2017 vis-à-vis 1.7% and 3.5% respectively in the previous year. The developed economies are expected to see uptrend in economic activities driven by improving investments, strengthening domestic demand and exports. While the monetary policy in the USA is tightening slightly, it remains accommodative in the Euro area and benign inflation rates remain a strong support. The commodity exporting countries are also expected to regain growth with firmer prices and steady demand. However, increasing trade protectionism and geopolitical uncertainties can pose risks to growth.

GDP Growth Rates (%) – Pick-up expected from 2017 onwards

Year	2015	2016E	2017P	2018P
World	2.7	2.4	2.7	2.9
Advanced Economies	2.1	1.7	1.9	1.8
USA	2.6	1.6	2.1	2.2
Euro Area	2.0	1.8	1.7	1.5
Japan	1.1	1.0	1.5	1.0
Emerging and Developing Economies	3.6	3.5	4.1	4.5
China	6.9	6.7	6.5	6.3
India	7.9	6.8	7.2	7.5
South Africa	1.3	0.3	0.6	1.1
Russia	-2.8	-0.2	1.3	1.4
Brazil	-3.8	-3.6	0.3	1.8
Mexico	2.6	2.3	1.8	2.2

Source: World Bank's Global Economic Prospects Report, June 2017

Indian Economy

India continued to remain a bright spot with growth remaining strong amidst global headwinds and major policy reforms in the country. The economy grew at 7.1% in FY 2017, dragged down by the effects of weak private investment and demonetisation. However, World Bank predicts that growth will accelerate progressively in the coming years. In PPP terms, India is the third largest economy in the world with a GDP of USD 9.49 trillion.

FY 2017 was marked by bold policy moves on the part of the government. Passage of the constitutional amendment to introduce GST will help avoid cascading tax burden, ease of doing business and create a pan-India market place. It will also improve formalisation of the shadow economy, improve tax compliance as well as tax base and boost growth in the long run. The sudden and unexpected measure of demonetisation seemingly affected growth in the later part of the year. But it has the potential to boost tax compliance, improve formal system liquidity and economic growth in the long run. Government's initiatives on direct benefit transfer will also reduce leakages in the system and support efficient development of the targeted sectors.

The budget laid considerable emphasis on infrastructure growth to accelerate economic and social activities. This should spur investment by the public sector and in turn should help growth spending by the private sector. The monsoon is expected to be normal this year and should alleviate the problems of rain deficit in certain parts of the country. With effects of demonetisation steadily waning, the economy is expected to get a boost through growth in agriculture, infrastructure and healthy consumer spending in the coming quarters. Inflation continues to remain contained providing tailwind for economic growth.

Thermal Coal Review

Global Perspective

Growth in global coal demand is expected to slow to 0.2% p.a. going forward versus 2.7% p.a. over the past 20 years (Source: BP Energy Outlook 2017). This weakening has been attributed to a shift in governmental policy across the globe, with an increasing endeavour to move from coal towards greener and low-carbon fuels aimed at reducing the carbon footprint. As a result, conventional power capacity addition is falling steadily. Much of the expected reduction in coal demand in future is attributable to China as deteriorating pollution propels the economy to adjust to a more sustainable pattern of growth and government consciously moves away from coal towards cleaner, lower-carbon fuels. China's coal consumption is projected to broadly plateau over the next 20 years. Although coal fired power generation in India is expected to grow as the economy expands at a faster pace, reliance on imported coal is steadily declining. So, along with steady decline in coal demand from the developed nations, lack of growth drivers for coal from emerging economies points towards declining demand for coal in the coming years. Technological breakthrough resulting in further drastic fall in the cost of renewable energy may accelerate the decline in coal demand.

Indian Perspective

In FY 2016-17 Coal India Limited (CIL) produced 554.1 million tonnes (MT) of coal, a growth of 3.3% over the previous year. CIL, which accounts for over 80% of the domestic production, is aiming to ramp up its output to 1 billion tonnes by 2020. Moreover, CIL aims to target coastal power plants by offering them a mix of high energy and low energy content coal which can replace their requirement for imports.

Capacity Review

According to CEA, the total installed capacity as on March 2017 was around 327 GW. The private sector contributed around 44% to the total installed capacity.

The total installed capacity as on March 2017 was around 327 GW.

All India Installed Capacity - Sector-wise (As on 31st March, 2017) in GW

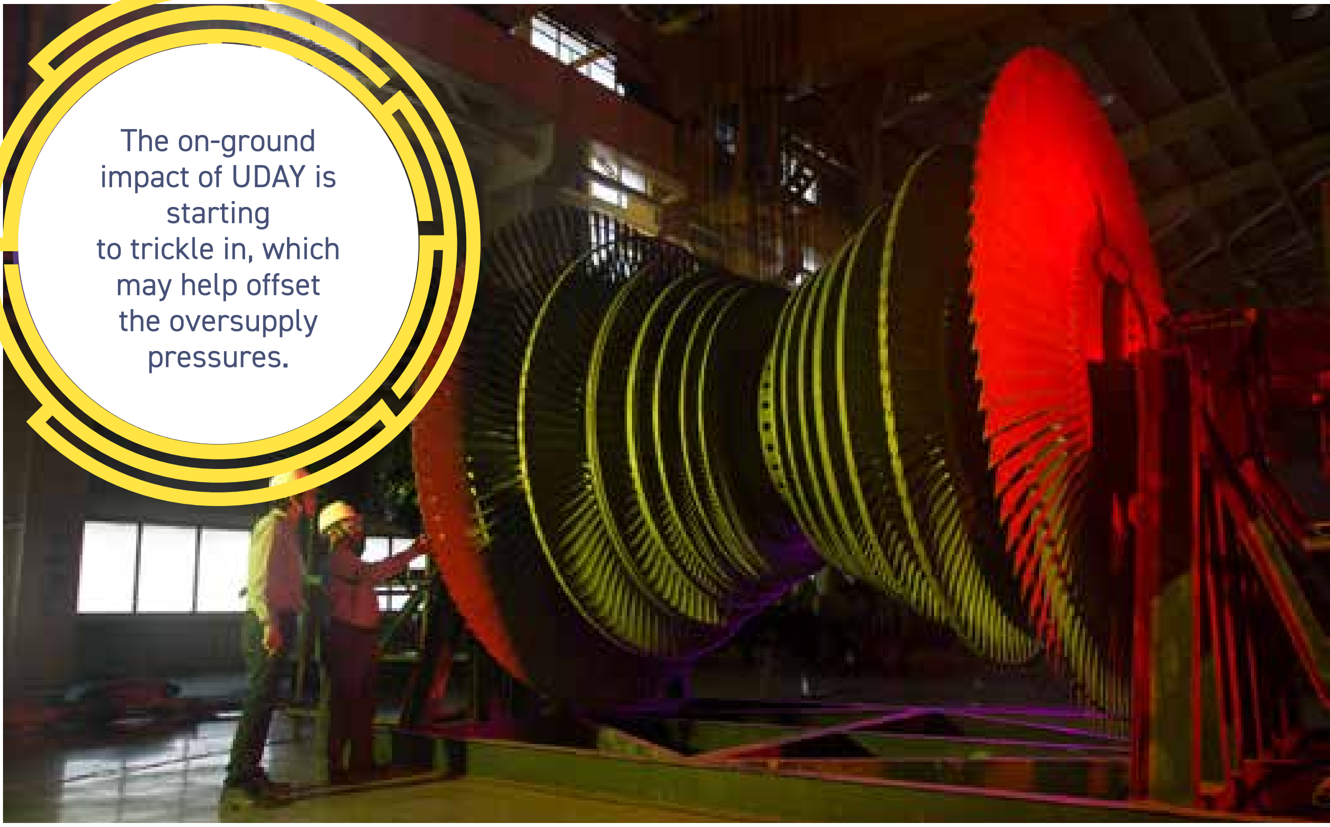
Type/ Sector	State	Private	Central	Total
Thermal	72.3	84.2	61.8	218.3
Hydro	29.7	3.1	11.7	44.5
RES	2.0	55.3	-	57.3
Nuclear	-	-	6.8	6.8
Total	**104.0**	**142.6**	**80.3**	**326.8**

Source: Central Electricity Authority (CEA)

During FY 2017, the Indian power sector achieved a total capacity addition of 24.8 GW. The renewable energy sector capacity addition of 14.4 GW in fiscal 2017 surpassed the capacity addition in all other sectors put together. In the last fiscal, thermal power capacity addition was 7.7 GW, hydro capacity addition was 1.7 GW and nuclear capacity addition was 1 GW. According to the Ministry of New & Renewable Energy (MNRE), this record capacity addition in renewable space was led by wind and solar power capacity additions at 5.4 GW and 5.5 GW respectively reflecting the focus and policy push of the government as well as the competitive keenness of the industry players.

All India Power Generation

During the period April 2016-March 2017, total power generation in the country (including renewable power) increased by 5.8%. Power utilities, cumulatively generated 1,241.7 billion units in April 2016-March 2017 versus 1,173.6 billion units generated in the same period last fiscal. Thermal power stations recorded 5.34% growth in total power generation while renewable power generation surged as much as 24.46%, albeit on a low base.



The on-ground impact of UDAY is starting to trickle in, which may help offset the oversupply pressures.

Type / Sector	April 2016-March 2017 (BU)	April 2015-March 2016 (BU)	% Change
Thermal	994.2	943.8	5.34
Hydro	122.3	121.4	0.77
Nuclear	37.7	37.4	0.67
Bhutan Import	5.6	5.2	7.63
All India (excluding renewable power)	1,159.8	1,107.8	4.70
Renewable power	81.9	65.8	24.46
All India (including renewable power)	1,241.7	1,173.6	5.80

Source: CEA

India Power Supply & Demand Review

The power deficit position improved to -0.7% in FY17 from -2.1% in FY16 led by significantly improved availability of power and slower demand growth in the country. Despite this easing of the deficit situation, per capita power consumption in India remains poor at 1,075 kWh per annum (in FY16) which is about 1/3rd of world average. Power cuts continue in several key states, including Haryana, UP and Bihar. Currently, about 25% of the households i.e. around 45.2 million households, are yet to be electrified in India.

Power Demand - Supply Position in FY17

State	FY17 Requirement (MU)	FY17 Availability (MU)	Surplus/ Deficit (%)
North	349,172	343,513	-1.6%
West	345, 247	345,127	0.0%
South	305,588	305,106	-0.2%
East	127,783	126,867	-0.7%
North-East	15,140	14,720	-2.8%
All India	1,142,928	1,135,332	-0.7%

Source: CEA

For FY 2017, Government estimates show that the average PLF of the thermal power stations in the country has hit a 24-year low of 59.88%. A combination of sluggish demand from industrial sector, large thermal capacity addition in last 5 years and the improvement in generation from renewable projects has impacted the country's energy mix sharply. However, there is a high ratio of latent demand that is not being adequately recognised by the government. The power sector may soon be battling with a situation of over supply if initiatives are not introduced to cater to the latent demand in the country.

Recently, the on-ground impact of UDAY is starting to trickle in, which may help offset the oversupply pressures as with a steady improvement in the paying abilities of the various utilities across the country, there is likely to be an uptick in demand, that could potentially aid the industry.

Government Initiatives

National Tariff Policy

The National Tariff Policy of 2006 was revised in 2016, to ensure availability of electricity to consumers at reasonable and competitive rate. The amendment is aimed at ensuring financial viability of the sector and attract investments, by promoting competition, efficiency in operations and improvement in quality of supply.

The policy aims to create a win-win situation for the consumer, producer and distributor. The intent is to make power available 24×7 to all consumers, while addressing other aspects including say, time-of-the-day, net-metering and mainstreaming of renewable energy projects.

As a relief to the DISCOMS, the policy allows power producers to sell power that states or state utilities fail to procure, through exchanges, which would help reduce the burden of distribution companies to pay fixed cost for failing to procure power.

Domestic and Street LED lighting program

In order to encourage use of energy efficient technology across the country, the Ministry of Power has launched Unnat Jyoti by Affordable LED for All (UJALA) Yojana. The scheme aims to replace around 770 million incandescent domestic bulbs with energy efficient LED bulbs in the country. Moreover, 35 million street lightings are also being replaced with energy efficient LED street lights in the country. Under the UJALA Yojana, around 240 million LED bulbs have been distributed by June 9, 2017.

Ujwal DISCOM Assurance Yojana (UDAY)

The Ujwal DISCOM Assurance Yojana (UDAY) was formulated and launched by the Government in 2015 for the financial and operational turnaround of State owned DISCOMS. The scheme UDAY envisages reform measures in all sectors – generation, transmission, distribution, coal, and energy efficiency.

The scheme has substantially restored the financial health of DISCOMS, as almost 75% of the debt has been transferred to the state governments and the interest cost burden has been reduced on the remaining 25% debt. This has significantly improved the balance sheet and liquidity profile of DISCOMS.

Sector Challenges

In the recent years, the Indian power sector has been hit by the worsening demand-supply scenario (as reflected in the sharply reduced deficit level) leading to decline in merchant power tariff. The respective state DISCOMS have generally shied away from signing long term PPAs for thermal power plants thereby severely impacting the visibility of cash flows of plants with significant untied capacity.

The focus of capacity addition has turned to renewable for the power industry. The tariff in each subsequent solar power bid have also been falling rapidly over the last few months with the latest 500 MW auction conducted by Solar Energy Corporation of India in May 2017 in Bhadla solar park concluded at a fixed yearly tariff of ₹ 2.44/unit. While this is enabled in part due to falling solar module prices, intense competition, reduced financing cost and project-specific positives, the sustainability of such low tariffs and the viability of the business models of solar projects at such low tariffs may be in serious question in our view. Solar power developers may be factoring in unrealistic assumptions in terms of solar module prices, rupee depreciation and cost of capital which may not fully materialize thereby posing the risk of sub-par returns in the long term.

In addition, while private sector capacity addition is expected to drop sharply, the central sector's capacity addition continues to remain significant thereby leading to delay in the rebalancing of the market. Emphasis on highly energy efficient LED lights can also lead to significant demand erosion (upto 20 GW potentially) over time.

Outlook

India is firmly on a growth path and government's focus on infrastructure, housing, manufacturing bodes well for the electricity demand in the country in the long run. To reinvigorate the ailing DISCOMS, government has introduced UDAY scheme and most of the states have already joined it. The DISCOMS should be able to gradually improve their performance if they continue to pursue the prescribed operational reforms. The new government in Uttar Pradesh (UP) has already embarked upon a program to accelerate the availability of 24x7 power for all citizens and it is expected that other states will follow the UP example. This should lead to a robust

growth in demand, which has otherwise been subdued in the recent years.

Through enhanced availability of domestic coal, government is trying to reduce reliance on imported coal. The Government is also in the midst of introducing measures (viz. the SHAKTI Scheme cleared by Cabinet in May 2017) to increase domestic coal availability through coal linkages from Coal India on a long term basis. The SHAKTI scheme, which replaces the previous LOA based allocation method, aims to auction coal linkages to private sector power generators. This would ensure regularity of supplies and reduction of cost of generation for the power producers, and in turn, benefit the consumers. The government has also introduced stricter norms for emission from power plants. Through accelerated decommissioning of old, inefficient and polluting plants, the government can partly address the overcapacity situation in the sector, which has been exacerbated by low power demand in the recent years.

Renewable energy, especially solar power has seen frenzy of activities in the recent times with auction based tariff bids reaching all-time lows. Although part of the reduction can be attributed to a variety of factors, it also raises questions on the long term viability of projects at such low tariffs. Government has set ambitious targets for setting up renewable capacities in India and the health of the projects will be a crucial factor to achieve the long term goal.

Company Overview

JSW Energy Limited is an India-based integrated power company primarily engaged in generation and sale of power. The Company either by itself or through its subsidiaries / joint ventures / associates is engaged in power generation, power transmission, mining, power trading and equipment manufacturing. JSW Energy operates 4,531 MW (Thermal - 3,140 MW and Hydel - 1,391 MW) of power generation capacity with long term vision to achieve 10,000 MW in power generation capacity. In less than a decade of its operations the company has crossed several milestones working on power solutions in the States of Karnataka, Maharashtra, Rajasthan and Himachal Pradesh.

The Company's strategic approach aims at presence in multiple geographic locations, having a diversified fuel source and prudent power off-take arrangements. With a sole objective of electrifying emerging regions of the country, JSW Energy has been committed to sustainable business practices and inclusive growth.

Competitive Advantages

Efficient operating assets

JSW Energy has boasted of the best run thermal power plants in India on a consistent basis. The Vijayanagar plant has been consistently recognised as a top performing operating power plant by the Ministry of Power for eight consecutive years. Moreover, the Company's prudent governance and benchmark O&M practice has resulted in consistently higher PLFs.

Efficient Capital Allocation

The Company has been able to efficiently allocate capital and set up capacities at lower cost than industry peers. This has been accomplished by leveraging upon JSW Energy' strong project execution and project management expertise.

Robust balance-sheet

A strong balance-sheet, proven operational efficiency and stable cash flow provides a strong competitive advantage to capture market opportunities without excessive risk.

Operational Review

In FY 2016-17, JSW Energy' net generation stood at 21,631 MUs versus 22,064 MUs in the previous year. Despite a slowdown in the demand cycle, the Company could maintain the total Income from operations at ₹ 8,263.43 crore, as against ₹ 9,824.49 crore in the previous year.

The deemed Plant Load Factor was at 66 % for FY 2016-17 as against 75% for FY 2015-16.

Plant-wise PLF and Net Generation

Plant	2016-17		2015-16	
	PLF (%)	Net Generation (MU)	PLF (%)	Net Generation (MU)
Vijayanagar	58.61%	4,070	89.44%	6,259
Ratnagiri (deemed PLF)	70.30%	6,064	85.15%	7,646
Barmer (deemed PLF)	84.35%	5,826	84.51%	6,396
Himachal Pradesh (Hydro)	50.19%	5,671	26.74%	1,763
Total		**21,631**		**22,064**

Operational performance during 2016-17 at the respective locations were as under:

Vijayanagar

Plant load factor: In the year ended 31st March, 2017 the plant achieved an average PLF of 59% as against 89% in the previous year.

Total power generated: 4,415 MUs

Power Sales: Primarily to Karnataka DISCOMS, JSW Steel Ltd and JSW Cement Ltd

Key strengths of the plant:

- Located in Southern region which has traditionally seen higher demand for power
- Low cost and operationally strong Plant leading to lower O&M cost and higher PLF efficiency.

Ratnagiri

Plant load factor: The plant operated at an average deemed PLF of 70% in FY2016-17 as against an average deemed PLF of 85% in the corresponding previous year.

Total power generated: 6,682 MUs

Power Sales: Primarily to CPP consumers and MSEDCL

Key strengths of the plant:

- Located near the Jaigad port thus saving on coal transportation costs
- Nearly 40% of the capacity has been tied up with CPP Consumers ensuring recovery of its fixed cost to that extent.

Barmer

Plant load factor: In the FY 2016-17, the plant achieved an average deemed PLF of 84% as against an average deemed PLF of 85% in the previous year.

JSW Energy has boasted of the best-run thermal power plants in India on a consistent basis.

Total power generated: 6,622 MUs

Power Sold to: Rajasthan DISCOMS

Key strengths of the plant

- Assured availability of fuel (lignite) being a pit head based power plant
- Long term PPA with DISCOMS for full capacity ensuring full recovery of the fuel cost and fixed cost based on tariff under Section 62 of Electricity Act, 2003

Hydro Power Plants:
Baspa-II

Plant load factor: The plant achieved an average PLF of 51% for the FY 2016-17 as against 26% in the previous year (i.e. from the date of acquisition in September 2015).

Total power generated: 1,343 MUs

Power Sold to: Himachal Pradesh State Electricity Board (HPSEB)

Key strength of the plant:

- 100% power tied up with HPSEB ensuring full recovery of fixed cost on design energy

Karcham Wangtoo

Plant load factor: The plant achieved an average PLF of 50% for the FY 2016-17 as against 27% in the previous year (i.e. from the date of acquisition in September 2015).

Total power generated: 4,372 MUs

Power Sold to: Uttar Pradesh, Rajasthan, Haryana and Punjab (expected to commence in FY 2018) through long term PPA with PTC India Ltd

Key strength of the plant:

- Long term PPA for almost 2/3rd capacity tied up with various DISCOMS under CERC regulations.

Financial Review

The Company has adopted Indian Accounting Standards (IND AS) from 1st April, 2016. The date of transition from previous GAAP to IND AS is 1st April, 2015. The figures for the year ended 31st March, 2016 have been restated to comply with IND AS.

Standalone financial performance

On the back of increasing raw material cost and lower PLF, the company's standalone Profit for the year reduced from ₹ 1,182.07 crore in FY 2015-16 to ₹ 194.75 crore in FY 2016-17. The EBITDA (before exceptional items) also declined to ₹ 1,233.82 crore in FY 2016-17 from ₹ 2,560.69 crore in the previous year.

EBITDA and Profit for the year

₹ crore

Parameters	2016-17	2015-16	% Change
EBITDA before exceptional items	1,233.82	2,560.68	-52%
Profit for the year	194.75	1,182.07	-84%

Revenue from sale of power has reduced on a Y-o-Y basis due to lower quantum of merchant sales and lower realisations. In FY 2016-17, the sale of power declined to ₹ 3,823.31 crore from ₹ 5,643.71 crore in the previous year. However, revenue from sale of services has increased from ₹ 149.87 crore in FY 2015-16 to ₹ 152.79 crore in FY 2016-17, due to higher operator fees realised from O&M services.

Revenue from Operations

₹ crore

Parameters	2016-17	2015-16	% Change
Sale of power	3,823.31	5,643.71	-32%
Finance lease income	62.91	66.97	-6%
Sale of services	152.78	149.87	2%
Other operating revenue	1.97	2.08	-5%
Total	**4,040.97**	**5,862.63**	**-31%**

Other income declined in the current fiscal, primarily due to reduction in treasury income on account of lower surplus funds. Moreover, a higher dividend declared by a subsidiary JPTL in FY 2015-16 had contributed to an increase in other income in the previous year.

Other Income

₹ crore

Parameters	2016-17	2015-16	% Change
Interest income	302.08	294.30	3%
Dividend income	10.18	28.90	-65%
Net gain on sale of investments / Net gain / (loss) fair valuation of investments through profit and loss	13.51	70.31	-81%
Other non-operating income	2.78	4.57	-39%
Total	**328.55**	**398.08**	**-17%**

Fuel cost on a Y-o-Y basis has decreased primarily due to lower generation, partly offset by increase in international prices of coal.

Cost of Fuel

₹ crore

Parameters	2016-17	2015-16	% Change
Cost of Fuel	2,721.20	3,311.92	-18%

Employee Benefit Expense is higher on a Y-o-Y basis due to annual increment partly offset by reduction in overall headcount. The Company has been able to reduce finance costs primarily due to net reduction in loan liability.

Expenses

₹ crore

Parameters	2016-17	2015-16	% Change
Employee benefits expense	120.10	116.23	3%
Finance costs	533.04	644.08	-17%
Depreciation and amortisation expense	363.90	353.52	3%
Other expenses	260.73	271.88	-4%

Consolidated Financial Review

The decline in generation and merchant tariffs and a rise in international coal prices have impacted the Company's consolidated financial performance. In FY 2016-17, the Company's total Income from operations declined by 16% and stood at ₹ 8,263.43 crore as against ₹ 9,824.49 crore over the previous year. The Company has earned an EBITDA (before exceptional items) of ₹ 3,541.36 crore, down by 17% over the previous year primarily due to drop in generation and lower merchant realisations coupled with increase in international coal prices. The Company earned a consolidated profit of ₹ 629.03 crore during the year as against ₹ 1,447.36 crore in the previous year. Total comprehensive income of the Company for the year stands at ₹ 1061.12 crore as against ₹ 1,711.39 crore in the previous year.

The Consolidated Net Worth and Consolidated Net Debt as at March 31, 2017 were ₹ 10,368.46 crore and ₹ 13,383.46 crore respectively resulting in a Net Debt to Equity ratio of 1.29 times.

₹ crore

Parameters	2016-17	2015-16	% Change
Revenue from operations	8.263.43	9,824.49	-16%
Other income	217.00	235.11	-8%
Fuel cost	3,907.22	4,377.35	-11%
Purchase of power	153.10	543.15	-72%
Employee benefits expense	211.77	183.81	15%
Finance costs	1,684.75	1,498.11	12%
Depreciation and amortization expense	969.15	854.25	13%
Other expenses	666.98	694.06	-4%

EBITDA and Profit for the year

₹ crore

Parameters	2016-17	2015-16	%Change
EBITDA before exceptional items	3,541.36	4,261.23	-17%
Profit for the year	629.03	1,447.36	-57%
Other comprehensive income	432.09	264.03	64%
Total comprehensive income	1,061.12	1,711.39	-38%

Acquisitions Update

JSW Energy has signed firm agreements with Jaiprakash Power Ventures Limited (JPVL) and Jindal Steel and Power Limited (JSPL) to acquire Bina (500 MW) and Tamnar (1GW) projects respectively. However, the recent SDR/debt restructuring of JPVL has delayed the Bina acquisition as JPVL's lenders are yet to approve the same. On May 12, 2017, the Company and JPVL have agreed to extend the long stop date of the Bina acquisition to December 31, 2017 from May 31, 2017 earlier. The Tamnar acquisition is on track and expected to close before the long stop date of June 30, 2018. For the Tamnar asset, the Company has paid an interest-bearing advance of about ₹ 373 crore to JSPL as on March 31, 2017 against the shareholder approved limit of ₹ 500 crore.

Risk Management

The company has been following the globally recognized Committee of Sponsoring Organisations (COSO) framework of Risk Management to proactively manage risks and opportunities that impact organizational objectives.

The relevant risks are identified, assessed and then responded. The framework provides for:

- Timely identification, communication and assessment of risks and opportunities.
- Risk ownership aimed at comprehensive coverage, impact assessment, proactive action and regular tracking.
- Training of all risk owners with a view to embedding risk intelligence in:
  a. Decision making - to ensure prudence
  b. Performance - to ensure competence and accountability
- Timely escalation to the Directors' Committee for risk oversight to ensure prioritization of initiatives and allocation of resources in line with enterprise objectives.
- Independent review through risk based audit.

Power offtake

With supply outpacing demand in the medium term, merchant tariffs have been under constant pressure. With the DISCOMS adhering to strict fiscal discipline leading to deferment of power procurement, power demand has taken a hit. In states such as Maharashtra, the high cross subsidy charge has served as a big deterrent to the direct sale of power to industrial consumers. Transmission corridor related bottlenecks, especially pertaining to sales to the power deficit southern region has also served as a major dampener.

Response Plan

- Focus on enhancing the sale through long term PPAs and through captive route.
- Tracking various opportunities for sale of power to utilities in the home states as well as others.
- Focus on ensuring an optimum mix of medium, short and long term arrangements.

Fuel

Company is currently using imported coal from countries like Indonesia, South Africa, and Australia. The interruption in supply of coal due to regulatory changes, weather conditions in the sourcing country, strike by mine workers & closure of mines due to force-majeure can impact the availability and/or cost of coal.

Response Plan

The Company regularly broadens the sources (countries/ vendors) and maintains the optimum fuel mix & stock level. The Company is planning to utilise domestic coal in its coal mix at the Vijayanagar and Ratnagiri plants. The required domestic coal is proposed to be obtained through the forward e-Auctions of coal conducted by Coal India from time to time. In this regard, the Company has already secured the necessary approvals from the Ministry of Environment, Forest and Climate Change to blend upto 50% domestic coal for the Vijayanagar plant as well as the consent to operate for the same. The Company is in the midst of securing the necessary approvals to blend domestic coal for the Ratnagiri plant as well.

Rupee-dollar fluctuation

Foreign exchange fluctuations can affect cost of coal and in turn the company margins.

Response Plan

Prudent hedging strategies to mitigate the risk of foreign exchange fluctuations

Human Resource Management

At JSW Energy, Human Resources management follows an integrated approach to link People, Strategy and Performance. The HR at JSW Energy has been enabling the business achieve its goals with a strong talent pool of about 2,000 employees.

Key HR Initiatives:

JSW Energy focuses on nurturing employees both on technical and behavioural front. In a very scientific manner, the training and development needs of the individual employees are documented in line with the company objectives and then imparted in a planned manner.

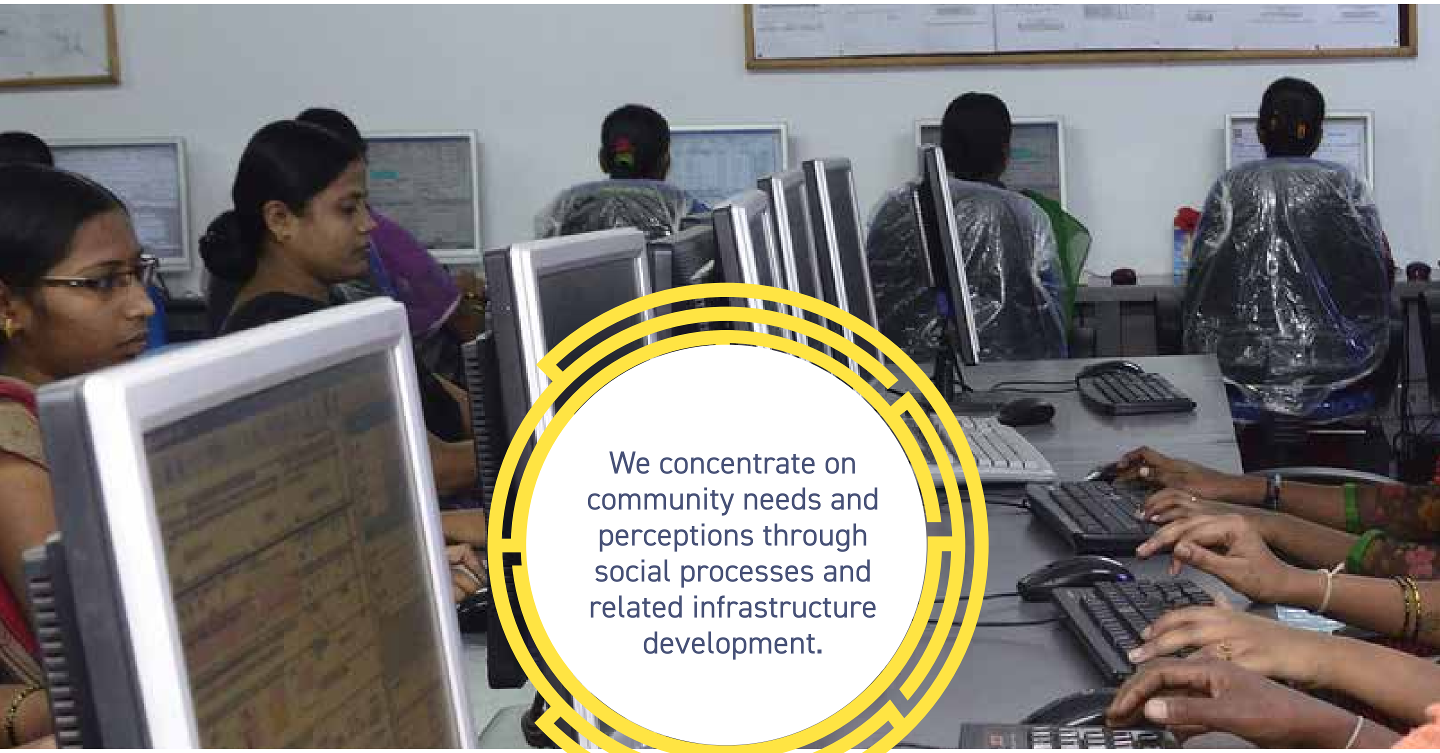
Some of the initiatives include:

Chairman's Rolling Trophy

Keeping with the objective to create a clean, green and safe work environment, this initiative has vitalised the workplace, bolstered employee engagement and helped improve the standards in the respective areas viz. safety, environment, housekeeping and production.

Future Fit Program

With a vision of expansion in existing and new business verticals, there is a strong focus on scouting for In-House Leaders, developing and nurturing them. Future-Fit program was launched, under which 63 executives across the levels underwent a year-long developmental journey from the worlds' best institutes like ISB, Cornell University to hone their leadership skills further and stock their capabilities with latest business tools and tackles.



We concentrate on community needs and perceptions through social processes and related infrastructure development.

Peer Group Meet

At JSW Energy, Peer Groups (from various departments) of our different plants meet at regular frequency and discuss their best practices as well as seek solutions for different technical issues. This has emerged as a very good knowledge sharing platform and everyone participates in resolving the problems of any particular plant.

WILP

Work Integrated Learning Programme (WILP), is a three-year BS (Power) programme in collaboration with BITS (Pilani), which has been immensely popular among Diploma holders. As of now, 44 employees have graduated under this programme and 55 are enrolled in various stages of the same. This not only helps them further their career aspirations but also attune them to find innovative solutions to the existing problems with speed and cost effectiveness. Moreover there is a six-month certification Course on "Regulatory Framework & Commercial aspects of Indian Power Sector", which has been conducted in collaboration with NPTI for past three consecutive years. This has helped more than 30 participants to enhance their knowledge in the Regulatory aspects of Power Sector.

Umang

Umang, an employee engagement initiative in its fifth year, has been instrumental in fostering inclusion, boosting camaraderie and has led to breeding innovation.

JSW Energy Centre of Excellence (JSWECE)

The Company runs JSWECE at the O.P. Jindal Centre, Vijayanagar, where the PC-based dynamic, High-fidelity 300 MW Thermal Power Plant Simulator, is used to train the engineers to take up bigger responsibilities at the desk, in the power plant. The trained and experienced staff of JSWECE help the engineers at all the three locations – Barmer, Vijayanagar, and Ratnagiri – with tailor-made special programmes to address their real time issues. The centre also conducts open programmes for other corporates, which witness high % attendance and encouraging feedback.

Corporate Social Responsibility

JSW Energy believes in inclusive growth to facilitate creation of a value-based and empowered society through continuous and purposeful engagement with society around.

With a strong belief in inclusive growth and engaging communities to achieve equal social and economic opportunities, JSW Energy is working towards eradicating poverty and hunger, tackling malnutrition, promoting social development, addressing social inequalities by empowering the vulnerable section of society, addressing environmental issues, preserving national heritage and promoting sports training.

JSW Energy is committed to:

- Continue allocating at least 2% of Profit Before Tax (PBT) towards special corpus for Corporate Social Responsibility as per the categories of the Companies Act, 2013
- Transparent and accountable system for social development and impact assessments through an external agency
- Concentrate on community needs and perceptions through social processes and related infrastructure development
- Provide special thrust towards empowerment of women through a process of social inclusion
- Promote arts, culture and sports and conserve cultural heritage
- Spread the culture of volunteerism through the process of social engagement

CSR Framework

The Group's central CSR body JSW Foundation administers the planning and implementation of the company's CSR interventions. A separate corpus has been created and is administered by a Committee appointed by the Board. All the CSR initiatives are approved by the committee and the same are reviewed periodically at different level.

Taking a note of the importance of synergy and interdependence at various levels, JSW Energy has adopted a strategy that combines working with multi-stakeholders as well as directly, depending on the appropriateness and some of this are:

- Priority is given to the villages in the immediate vicinity of the plant locations defined as Direct Influence Zone (DIZ). The policy enables plants to define their own DIZ with the provision that this could be expanded as per the size of operations. However, certain programs might be expanded beyond this geographical purview and upscaled. This context is defined as Indirect Influence Zone (IIZ)
- All the interventions shall be formulated based on need assessment using different quantitative and qualitative methods that lead to measurable impact

- All these interventions shall be implemented either directly or in partnership with both Government and civil society organizations at various levels.
- All the interventions shall be adopted based on concurrent evaluation and knowledge management through process documentation and sharing
- Social Mobilization, advocacy at various levels, and/or appropriate policy changes shall form part of the interventions in each sector

JSW ENERGY Group Achievements for FY 2016-17
Key Highlights:

Improving Living Conditions

Vijayanagar

Government of Karnataka announced in Budget 2016 to replicate JSW's 'Mission Against Malnutrition' (MAM) model across the state

- 12,098 children under six years, 888 pregnant women, 2,452 lactating mothers were covered in MAM this year.
- Malnutrition cases in DIZ reduced by 46%
- Government of India has released the notification on December 2016 that declared SPIRULINA as Nutraceuticals. It also requested and asked CFTRI Mysuru to prepare guideline on fortification of SPIRULINA
- CFTRI and JSW organized national level conference on "Malnutrition : Challenges, Success Stories and way forward.
- JSW-ICRISAT watershed development and crop productivity enhancement program is benefiting farmers immensely. In FY 2015-2016 farmers have witnessed 19% average increase in Groundnut harvest, 27% average increase in Maize harvest, 41% average increase in Pearl Millet harvest and 29% average increase in Cotton harvest.

Ratnagiri

- 15,500+ people benefitted from JSW Energy's healthcare intervention in the DIZ every year
- 1,850+ families of five villages were provided access to drinking water through pipe lines.

- To aid pregnant women and mothers of infants in the DIZ, Phone-Sakhi (a timed and targeted voice calling) was launched to remind them of approaching crucial days related to their pregnancy and infants' immunization and general care.
    - o Phone-Shakhi is currently benefitting 709 pregnant women in two Primary health centres (PHC).
    - o They have been receiving 145 personalized voice messages of 60-90 seconds each, emphasizing on safe motherhood and child care practices
- 101 farmers adopted Saguna Rice Technology for rice cultivation
- Cultivation of Ginger, black bush pepper, Wheat and Rabi crops
- 7,290 villagers would be benefited through three cement bandhara and one fero cement tank. Totally, 22 cement bandhara have been constructed so far.

Supplementary nutrition in 15 primary schools and 14 Anganwadis benefitted over 500 children.

Kutehr

- A X- Ray operator was deployed in PHC Garola where, due to the provisions created for x-ray machine and ECG, 350 patients were benefited.

Sholtu

- Jindal Sanjeevani Hospital Sholtu, a 40-bed multispecialty hospital, provides health care services to 19 Gram Panchyats. The facility records around 1,071 OPD average per month and around seven major operations
- 20 Gram Panchayats and over 650 people benefitted from EYE OPDs through organized eye care camps
- Facilitated 34 cataract operations
- Three Government Primary Health Centers have been upgraded to achieve safe motherhood

Barmer

- Prevention of IMR: 200 Steel Top Labour Table, 46,000 baby kits, 1 000 Kelly's Pad and 1 000 Mucus Sucker to Government Hospitals
- Referral services through mobile medical van for villagers in case of emergency
- 3,50,000 liters water supply to four villages every day and maintenance of 7 Kms pipeline laid for water supply to cover entire DIZ families
- Community Grazing Land Development Project at village Chuli

Chiplun

- Watershed Management - constructed to increase in ground water level and water stock at Village Tulshi Tal-Khed.
- Augmentation of existing Government Health program by upgrading PHC services in association with the Department of District Health, Satara and stimulate all efforts to achieve mission Safe Motherhood objectives in Coverage of Helwak PHC.
- As a part of this mission a MoU was made and entered between JSW Foundation, KIMS Karad and District health Satara for providing services of OBG and pediatrician specialist visit to Helwak PHC
- Digging of Borewells for communities in Shiwane, Durgwadi and Khandotri villages.
- Provided water filters to Schools in DIZ area.

Promoting Social Development

Ratnagiri

- Trainings on E- learning, first aid, electrical and road safety training
- Training to Anganwadi workers and primary teachers at 16 Government Schools, wherein 46 teachers, Anganwadi workers and 890 students are trained
- Facilitated digital classrooms in all the 16 schools in DIZ
- Supplementary nutrition in 15 primary schools and 14 Anganwadis benefitted over 500 children
- 120 students are undergoing vocational courses such as Fashion Designing & Dress making, Non-voice BPO & Business and Spoken English at O P J Vocational Training Centre (VTC) Ratnagiri

Kuther

- Scholarship to 8 ITI / Diploma / Degree students was provided during the period.

Sholtu

- Preschool Education Intensive Workshop for Anganwadi Sevikas and supervisors of all 78 Anganwadi Centres of DIZ with the support of NGO Navnirmiti and ICDS dept.
- Distribution of teaching kits to 78 Aanganwadi Sevikas
- Repair and renovation in four Government schools in which Intensive Renovation of three Schools and new construction of Government Middle School Cholling
- Mini science Lab setup in 5 Government schools

Barmer

- 'Theater in Education' program benefitted over 300 students, including 100 girls
- 500 solar lanterns were given to rural schools in DIZ
- Equipment support to Satya Sai Blind Deaf and dumb School Barmer, Rajasthan
- Tailoring and Computer Center at Village Bhadresh to train local youth under Youth Skill Building Project

Chiplun

- Repaired school structure at various ZP-Schools in DIZ.
- Initiated the digital class rooms model, wherein various schools are provided with Desktop and LCD projectors in DIZ
- Donated solar kits with each set having four tube lights and a fan to 15 ZP-Schools.

Addressing social inequality

Ratnagiri

- Under Women Empowerment and Income Generation programme around 85 girls are associated with non-voice BPO wherein they earn an average income of ₹ 5,000-11,500 per month and 22 girls are undergoing for training
- 39 local women are engaged with betel nut plate unit, bakery product and other small units, business of ₹ 55 lac
- 115 women from SHG have been able to transform their lives and have collectively managed a turnover of ₹ 35 Lac
- 13 SHGs earned ₹ 6.71 lac in FY 2015-16 through entrepreneurial ventures

Kuther

- Distributed the annuity at ₹ 1,000/- per month to 27 destitute / vulnerable persons in the project affected area.

Sholtu

- 20 handlooms have been installed at two centres and finished products of Handloom centres were displayed for sale at Kinnaur Mahotsav 2016 at Rekongpeo

Barmer

- 90 women are part of eight SHGs in DIZ and are being provided with regular training inputs to enhance handicraft product designs with the support of SURE organization
- 50 bicycles were given to disadvantaged adolescent girls in DIZ
- Swablamban Yojna for the widows of DIZ
- Kishori Manch initiatives for adolescent girls to address their issues

Addressing Environment Concerns

Ratnagiri

- Constructed around 22 check dams at 241 Hac, under the Maharashtra Government's 'Jalyukta Shivar Abhiyaan'. The structures will hold more than 69,000 cubic meter of water in the catchment and will benefit over 10,000 people.
- Promoted renewable energy and 12 biogas units

Sholtu

- Planted around 5,300 Species of Chilgoza, Deodar, Robinia, Poplar, Pine etc under mass tree plantation drive organized in and around project areas plants, totaling up to 4,000 plants so far

Barmer

- Installed 243 solar street lights in Chuli, Bhadresh and Bisala Villages

Chiplun

- Water shed management activity at Tulashi village, Tal-Khed, under "Jalayukt Shiwar Abhiyan"

Preserving National Heritage

Kuther

- Financial assistance was provided to District and Local Administration for upliftment of traditional culture.

Barmer

- Over 90 children of Manganiyar community were given training by Manganiyar folk music trainers to conserve the traditional folk music of Rajasthan
- Restoration of Kuldhara near Jaisalmer with the partnership of Government

Swachh Bharat Mission

Ratnagiri

- Several initiatives have been taken to further basic hygiene across multiple locations which include construction of school toilets and repair of over 24 toilets.
- 100% toilet facility available at 1,865 houses in our DIZ

Kuther

- In continuation to JSW effort of making the Government Campaign of Swachha Bharat Mission a success in the area, JSW under its CSR has constructed a community toilet in Garola Panchayat. Dustbins were placed in different locations in PAA for collection of garbage and is disposed-off at identified locations.
- Under this mission stainless dustbins were also distributed to Government Schools in Ullansa and Garola.

Sholtu

- After success in pilot programme of 16 bio digester toilets installed at two gram panchayats, the Company replaced septic tank with Bio Toilet technology
- Four new Bio Digester Toilets have been successfully installed, of which three are at Government Schools and one is at PHC Urni

Barmer

160 individual toilets constructed

Chiplun

- School toilets were constructed and dustbins were distributed to various ZP-Schools in DIZ.

Rural Development Projects

Ratnagiri

- 14.31 Kms of rural road constructed in the DIZ 18.85 Kms water pipeline laid at five villages
- 115 solar lights installed at five villages

Sholtu

Installed 16-metre-High Mast light at crowded area of Sangla

Barmer

243 solar street lights in DIZ

Chiplun

School toilets were constructed and dustbins were distributed to various ZP-Schools in DIZ.

Promoting Sports Development

Mumbai

- Support to 42 athletes for National and International coaching and nutrition
- Supported and nurtured many sporting stalwarts like Sakshi Malik, Lalita Babbar, Sumit Nagal, Aryan Makhija, Sandeep Tomar, Satyawart Kadian, etc.

Ratnagiri

- Due the guidance provided by the Company Seven local children won five gold, two silver and seven bronze medals at International Karate Championship
- Moreover, five local children qualified for National Level Karate Championship held in May 2017.

- 57 local children had participated at National and State level for various sport events

Sholtu

Boxing ring was installed in a Government middle school which benefitted over 40 boxing players

JSW Energy Group CSR expenditure break-up

₹ crore

Category	Investment (FY 2016-17)	% of Total investment (FY 2016-17)
Improving Living Conditions	9.28	29%
Promoting Social Development	7.40	23%
Addressing Social Inequalities	0.36	1%
Addressing Environmental Issues	3.17	10%
Preserving National Heritage	3.00	9%
Promotion of Sports	2.97	9%
Rural Development Projects	2.14	7%
Swachch Bharat Abhiyan	1.19	4%
Measures for Benefit of Armed forces veterans, etc.	1.19	4%
Project Management cost	1.62	5%
TOTAL	**32.33**	**100%**

Internal Control Systems and Audit

Overview

A robust system of internal control, commensurate with the size and nature of its business, forms an integral part of the Company's corporate governance policies.

Internal control

The Company has a proper and adequate system of internal control commensurate with the size and nature of its business. Internal control systems are an integral part of JSW Energy's corporate governance structure. Some significant features of the internal control systems are:

- Adequate documentation of policies, guidelines, authority and approval procedures covering all the important functions of the company.
- Deployment of an ERP system which covers most of its operations and is supported by a defined on-line authorisation protocol.
- Ensuring complete compliance with laws, regulations, standards and internal procedures and systems.
- De-risking the company's assets and resources as well as protecting them from any loss.
- Ensuring the integrity of the accounting systems, the proper and authorised recording and reporting of all transactions.
- Preparation and monitoring of annual budgets for all operating and service functions.
- Ensuring reliability of all financial and operational information.
- The Audit committee of the Board of Directors, comprising of Independent Directors, regularly reviews audit plans, significant audit findings, adequacy of internal controls and compliance with Accounting Standards.
- A comprehensive Information Security Policy and continuous updation of IT Systems

The internal control systems and procedures are designed to assist in the identification and management of risks, the procedure-led verification of all compliances as well as an enhanced control consciousness.

Internal audit

JSW Energy Ltd. has an internal audit function that inculcates global best standards and practices of international majors into the Indian operations. The Company has a strong internal audit department reporting to the Audit Committee comprising Independent / Nominee Directors who are experts in their respective fields. The Company successfully integrated the COSO framework with its audit process to enhance the quality of its financial reporting, compatible with business ethics, effective controls and governance.

The Company extensively practices delegation of authority across its team, which creates effective checks and balances within the system to arrest all possible gaps within the system. The internal audit team has access to all information in the organisation which has been largely facilitated by the ERP implementation across the organisation.

Audit plan and execution

The Internal Audit department prepares a risk-based Audit Plan and the frequency of audit is decided based on the risk ratings of the respective areas/functions. The Audit plan is approved by the Audit Committee and executed by the internal team. It is reviewed periodically to include areas which have assumed significance in line with the emerging industry trends and the aggressive growth of the company. In addition, the Audit Committee also places reliance on internal customer feedback and other external events for inclusion of additional areas into the audit plan.

Internal Financial Controls

As per Section 134(5)(e) of the Companies Act, 2013, the Directors have an overall responsibility for ensuring that the Company has implemented robust system and framework of Internal Financial Controls. This provides the Directors with reasonable assurance regarding the adequacy and operating effectiveness of controls with regards to reporting, operational and compliance risks. The Company has devised appropriate systems and framework including proper delegation of authority, policies and procedures, effective IT systems aligned to business requirements, risk based internal audits, risk management framework and whistle blower mechanism.

The Company had already developed and implemented a framework for ensuring internal controls over financial reporting. This framework includes entity level policies, processes and operating level standard operating procedures.

The entity level policies includes anti-fraud policies (like code of conduct, conflict of interest, confidentiality and whistle blower policy) and other policies (like organization structure, insider trading policy, HR policy, IT security policy, treasury policy and business continuity and disaster recovery plan). The company has also prepared Standard Operating Procedures (SOP) for each of its processes like procure to pay, order to cash, hire to retire, treasury, fixed assets, inventory, manufacturing operations etc.

During the year, controls were tested and no reportable material weaknesses in design and effectiveness was observed.

Directors' Report

To the Shareholders,

Your Directors are pleased to present the Twenty Third Annual Report and the audited Financial Statements of your Company for the year ended on 31st March, 2017.

1. Financial performance

The financial performance of the Company for the year ended 31st March, 2017, is summarized as below:

(₹ crore)

Particulars	Standalone		Consolidated	
	2016-17	2015-16	2016-17	2015-16
Total Income	4,369.52	6,260.71	8,480.43	10,059.60
Profit before Interest, Depreciation, Tax and Exceptional items	1,233.82	2,560.68	3,541.36	4,261.23
Finance Cost	533.04	644.08	1,684.75	1,498.11
Depreciation and Amortisation expense	363.90	353.52	969.15	854.25
Share of Profit/(Loss) of an Associate/Joint venture	-	-	4.06	(42.34)
Exceptional items	-	-	-	(150.00)
Profit before Tax	336.88	1,563.08	891.52	2,016.53
Tax expense	142.13	381.01	269.01	556.26
Profit for the year Attributable to: Owners of the Company	194.75	1,182.07	629.03	1,447.36
Profit for the year Attributable to: Non-controlling interest	-	-	(6.52)	12.91
Other Comprehensive Income	0.17	(1.58)	432.09	264.03
Total Comprehensive Income (attributable to owners of the company)	194.92	1,180.49	1,061.12	1,711.39
Total Comprehensive Income (attributable to Non-controlling interest of the company)	-	-	(6.52)	12.91

2. Result of operations and the state of affairs:

Standalone

- The total revenue of the Company for fiscal 2017 stood at ₹ 4,369.52 crore as against ₹ 6,260.71 crore for fiscal 2016 showing a decrease of 30.21%.
- The EBIDTA (before exceptional items) decreased by 51.82% from ₹ 2,560.68 crore in fiscal 2016 to ₹ 1,233.82 crore in fiscal 2017.
- Profit for the year decreased by 83.52% from ₹ 1,182.07 crore in fiscal 2016 to ₹ 194.75 crore in fiscal 2017.
- The net worth of the Company decreased to ₹ 8,393.56 crore at the end of fiscal 2017 from ₹ 8,592.13 crore at the end of fiscal 2016.
- The net debt gearing of the Company was at 0.39 times as at the end of fiscal 2017 compared to 0.56 times at the end of fiscal 2016.

Consolidated

- The consolidated total revenue of the Company for the fiscal 2017 stood at ₹ 8,480.43 crore as against ₹ 10,059.60 crore for fiscal 2016 showing a decrease of 15.70%.

- The consolidated EBIDTA (before exceptional items) decreased from ₹ 4,261.23 crore in fiscal 2016 to ₹ 3,541.36 crore in fiscal 2017 showing a decrease of 16.89%.

- The consolidated Profit for the year has also decreased from ₹ 1,447.36 crore in fiscal 2016 to ₹ 629.03 crore in fiscal 2017 showing an decrease of 56.54%.

- The consolidated net worth of your Company has increased from ₹ 9,704.13 crore at the end of fiscal 2016 to ₹ 10,368.46 crore in fiscal 2017.

- The consolidated net debt gearing of the Company is at 1.29 times as at end of fiscal 2017 compared to 1.49 times in fiscal 2016.

As a part of the growth strategy, the Company is continuously evaluating various organic (greenfield or brownfield) and inorganic opportunities with an aim to create a diversified and balanced portfolio, both in terms of fuel mix as also off-take arrangements.

Please refer to the Management Discussion and Analysis section which forms a part of this Annual Report for details of the performance and operations review and the Company's strategies for growth.

3. Transfer to Reserves

The Company proposes to transfer an amount of ₹ 197.15 crore from the Debenture Redemption Reserve to Surplus. An amount of ₹3,844.04 crore is proposed to be retained in the Surplus.

4. Dividend

Your Directors have recommended a Dividend of ₹0.50 (5%) per share on 1,64,00,54,795 Equity Shares of Face Value of ₹10/- each for FY 2016 - 17 [₹2/- per share (20%) in previous year], subject to the approval of the Members at the ensuing 23rd Annual General Meeting. Together with the Dividend Distribution Tax, the total outflow on account of Dividend will be ₹86.60 crore [₹386.32 crore in previous year].

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, top 500 listed entities based on market capitalization are required to formulate a Dividend Distribution Policy. The Board has approved and adopted a Dividend Distribution Policy which is attached as Annexure A and the same is available on the Company's Website www.jsw.in/investors/energy.

5. Financial Statements

The audited Standalone and Consolidated Financial Statements of the Company, which form a part of this Annual Report, have been prepared pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in accordance with the provisions of the Companies Act, 2013, the Indian Accounting Standard (IND AS-110) on Consolidated Financial Statements, the Indian Accounting Standard (IND AS-28) on Accounting for Investments in Associates and Joint Ventures and Indian Accounting Standard (IND AS – 111) on Joint Arrangements, prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

6. Subsidiaries

The details of the direct subsidiary companies as at 31st March, 2017, are as follows:

Domestic Subsidiaries

A. Raj WestPower Limited (RWPL)

Raj WestPower Limited (RWPL), is a wholly owned subsidiary of the Company. The power plant commissioned in FY 2012-13, comprises of 8 lignite based units of 135 MW each aggregating to 1,080 MW. The Company has invested ₹ 1,726.05 crore as equity in RWPL and advanced ₹ 546.44 crore as loan to RWPL as at 31st March, 2017.

RWPL sources lignite from Barmer Lignite Mining Company Limited (BLMCL), a joint venture between Rajasthan State Mines & Minerals Limited (RSMML), a Government of Rajasthan enterprise and RWPL and sells the entire power to the Rajasthan Distribution Companies ('Discoms') under a 30 year Power Purchase Agreement.

During the year, RWPL achieved a Deemed Plant Load Factor of 84.35% and a Plant Load Factor (PLF) of 70% with a gross generation of 6,622 million units. It's net generation (after auxiliary consumption) of 5,826 million units was sold to Rajasthan Discoms generating a total revenue of ₹ 2,566.58 crore and a profit after tax of ₹ 289.14 crore on a standalone basis and a profit after tax of ₹ 293.20 crore on consolidated basis during the FY 2016-17.

The tariff charged by RWPL is governed by Section 62 of the Electricity Act, 2003 and is to be determined as per the regulation laid down by Rajasthan Electricity Regulatory Commission ('RERC'). RERC has granted Interim Tariff / Final Tariff based on which, RWPL has continued to raise its bills and recognise revenue in its books.

Barmer Lignite Mining Company Limited (BLMCL)
BLMCL was set up to develop lignite mines in two contiguous blocks viz., Kapurdi and Jalipa in the District of Barmer in Rajasthan. RWPL has invested equity of ₹ 9.80 crore in BLMCL besides providing it unsecured subordinate debt of ₹ 546.44 crore, as on 31st March, 2017. BLMCL has incurred project cost of ₹ 2069.59 crores as at 31st March, 2017, which is subject to audit.

BLMCL has the mining lease for Kapurdi and Jalipa Lignite mines. Pending development of Jalipa mining block, Ministry of Environment, Forests and Climate Change has approved enhanced mining of lignite from Kapurdi mines to 7 MTPA for a period of 4 years in September, 2014. BLMCL has achieved production of 6.01 million tonnes of lignite in FY 2017 from Kapurdi mines. The Jalipa mine is expected to be developed by FY 2018. During the year, BLMCL supplied its entire lignite production from Kapurdi mines to meet the total requirements of RWPL's power plant.

The transfer price of lignite is determined by Rajasthan Electricity Regulatory Commission ('RERC'). While RERC has yet to approve the final transfer price which is under review, RERC has granted an Adhoc Interim transfer price based on which BLMCL has continued to raise its bills and recognise revenue in its books. The same is subject to the final transfer price determined by RERC.

B. JSW Power Trading Company Limited (JSWPTC)
JSWPTC, a wholly owned subsidiary of the Company, is engaged in power trading activities with a category "I" license, the highest category power trading license that is issued by Central Electricity Regulatory Commission (CERC) to trade in power in the whole of India. JSWPTC trades in power procured from the Company and its associates as well as third party suppliers / generators. JSWPTC achieved total trading volume of 4,077 million units generating a total revenue of ₹1,436.35 crore with loss after tax of ₹2.94 crore. Trading volume has reduced on account of JSWEL undertaking direct sale of major quantum of power from its plants to customers. JSWPTC has also ventured into supplying power directly to the industry from the Company's plants.

JSWPTC is a member of both the Power Exchanges namely, India Energy Exchange Limited (IEX) and Power Exchange of India Limited (PXIL) and is actively engaged in trades for sale and purchase of power on the exchanges. JSWPTC also trades Renewable Energy Certificates on the power exchanges to help meet the Renewable Purchase Obligation of the industry.

C. Jaigad PowerTransco Limited (JPTL)
JPTL, a 74:26 joint venture between the Company and Maharashtra State Electricity Transmission Company Limited (MSETCL), a Government of Maharashtra enterprise, was set up for development of the transmission system as an integral part of Intra-state Transmission System aimed at evacuation of power generated from the Company's 1,200 MW Ratnagiri Power Plant and also from other proposed projects in the region.

The Company has invested ₹101.75 crore as equity contribution as at 31st March, 2017 in JPTL.

JPTL was granted a transmission license to establish, maintain and operate the transmission system for 25 years by Maharashtra Electricity Regulatory Commission (MERC). JPTL is one of the few private players to have entered into development of transmission system in the State of Maharashtra under the Public Private Partnership (PPP) model and has demonstrated exceptional capabilities in terms of successfully executing and commissioning the transmission project passing through difficult hilly terrain.

JPTL has complied with all regulatory requirements during the financial year under the transmission license granted by MERC. MERC has approved the Petition for True up of Annual Revenue Requirement for

FY 2014-15, Annual Performance Review of FY 2015-16 and Multi Year Tariff for the Control Period FY 2016-17 to FY 2019-20 of JPTL, vide its order dated 27th June, 2016.

JPTL has maintained a high availability of the transmission system at 98.86% for the FY 2016-17. JPTL has generated total revenue of ₹ 98.65 crore and net profit after tax of ₹ 28.07 crore during the FY 2016-17. The Board of JPTL has declared a dividend of 30% for FY 2016-17.

D. Himachal Baspa Power Company Limited (HBPCL)

The strategic acquisition of the hydro-electric power plants at Karcham and Baspa in 2015, marked the Company's foray in hydro power generation.

Karcham Plant

The Karcham plant is a 1,000 MW (4X250 MW) run of the river hydro power plant located on river Sutlej in Kinnaur district of Himachal Pradesh. It has in-built capacity of 1,091 MW and design energy is 3,577 MUs for 1,000 MW capacity.

During the year ended 31st March, 2017, the Karcham plant achieved a Plant Load Factor of 49.91% and generated 4,343.86 million units (net). Out of the net generation, it has sold 1,996.55 million units to PTC India Limited under a long-term Power Purchase Agreement. 1,826.05 million units has been sold to Indian Energy Exchange (IEX) and other buyers under short term agreements. The plant generated total revenue of ₹ 1,266.97 crore during the FY 2016-17.

Baspa Plant

The 300 MW (3X100 MW) Baspa plant is located on the river Baspa, a tributary of river Sutlej in district Kinnaur, Himachal Pradesh. The design energy of the plant is 1,050 MUs for 300 MW capacity.

During the year ended 31st March, 2017, the Baspa plant achieved a Plant Load Factor of 51.09% and generated 1,327.69 million units (net). Out of the net generation, it has sold 1,168.36 million units to Himachal Pradesh State Electricity Board Limited and generated total revenue of ₹ 214.40 crore during the FY 2016-17.

E. JSW Energy (Raigarh) Limited (JERL)

JERL, a wholly owned subsidiary of the Company, was incorporated for setting up a coal based 1,320 MW power plant in Raigarh District, Chhattisgarh. A part of the land required for the project has been acquired. Environment clearance has been obtained from the Ministry of Environment, Forest and Climate Change. The Project Cost is estimated at ₹ 6,500 crore and is proposed to be financed with a debt equity ratio of 75:25.

The Company has invested ₹ 113.83 crore as equity contribution as at 31st March, 2017.

F. JSW Green Energy Limited (JSWGEL)

JSWGEL was incorporated as a wholly owned subsidiary of the Company for taking up the business pertaining to Renewable Energy. The Company has invested ₹ 0.05 crore as equity contribution and advanced ₹ 4.08 crore as loan as at 31st March, 2017.

G. JSW Energy (Kutehr) Limited (JEKL)

JEKL was incorporated as a wholly owned subsidiary of the Company as a SPV for the purpose of pursuing the 240 MW Kutehr Hydro Project located on the upper reaches of river Ravi in district Chamba of Himachal Pradesh ('HP')

The Company has invested ₹ 23.02 crore as equity contribution as at 31st March, 2017.

Overseas Subsidiaries

H. JSW Energy Minerals Mauritius Limited (JEMML)

JEMML was incorporated on 19th April, 2010 in Mauritius as a wholly owned subsidiary of your Company for overseas acquisition of coal assets.

It has downstream equity investment of ₹ 38.90 crore in JSW Energy Natural Resources Mauritius Limited (JENRML) and advanced ₹ 345.20 crore as loan as on 31st March, 2017 for acquiring and developing coal mining assets in South Africa.

JEMML has also invested ₹ 0.34 crore (including Share Application Money of ₹ 0.24 crore) in the equity share capital of JSW Energy Natural Resources UK Limited (JENRUKL). The Company has equity investment of ₹ 42.11 crore in JEMML and advanced ₹ 329.83 crore as loan as on 31st March, 2017.

JEMML has invested a minimal amount (less than ₹1 lac) in the equity of Minerals & Energy Swaziland Proprietary Limited (MESPL) and has advanced ₹2.59 crore as loan to MESPL as on 31st March, 2017.

I **JSW Energy Natural Resources Mauritius Limited (JENRML)**
JENRML was incorporated on 19th April, 2010 in Mauritius as a wholly owned subsidiary of JEMML for overseas acquisition of coal assets. It has downstream investment of ₹ 38.64 crore in equity of JSW Energy Natural Resources South Africa (PTY) Limited and advanced ₹ 344.70 crore as loan as on 31st March, 2017.

J. **JSW Energy Natural Resources South Africa (PTY) Limited (JSWNRSAL)**
JSWNRSAL has invested an amount of ₹ 24.62 crore in acquiring equity of Royal Bafokeng Capital (Proprietary) Limited (RBC) and ₹ 7.53 crore in acquiring equity of Mainsail Trading 55 Proprietary Limited (Mainsail), wholly owned subsidiaries of JSWNRSAL. Further JSWNRSAL has invested an amount of ₹ 5.80 crore in equity of South African Coal Mining Holdings Limited (SACMH) and advanced ₹ 294.10 crore as loan to SACMH and its subsidiaries as on 31st March, 2017.

During the year, Company has acquired 2.17% from minority shareholders against open offer. The Company's effective shareholding in SACMH stands at about 69.44%.

K. **South African Coal Mining Holdings Limited (SACMH)**
SACMH is utilising its logistical and infrastructural assets to generate rental income to offset the costs incurred while mining operations remain suspended. The mines are presently under care and maintenance pending receipt of requisite licences in the new Mining area. The effective shareholding of the Company in SACMH as at 31st March, 2017 stands at 69.44%.

L. **JSW Energy Natural Resources (BVI) Limited (JENRBL)**
JENRBL was incorporated on 3rd December, 2010 in British Virgin Islands as a wholly owned subsidiary of the Company for achieving the objective of overseas acquisition of coal assets in Botswana. The Company had invested ₹ 3.63 crore as equity in JENRBL, which has been entirely provided for. JENRBL has been dissolved on 4th April, 2017.

M. **JSW Energy Natural Resources UK Limited (JENRUKL)**
JENRUKL was incorporated on 12th September, 2013 in England, United Kingdom as a wholly owned subsidiary of JEMML for overseas acquisition of coal assets.

JEMML had invested ₹0.10 crore in its equity shares and ₹0.24 crore is given as share application money pending allocation.

N. **Minerals & Energy Swaziland Proprietary Limited (MESPL)**
MESPL was acquired on 4th September, 2016 through JEMML acquiring 51% stake in MESPL's equity, for setting up of power plant in the Kingdom of Swaziland.

JEMML has invested a minimal amount (less than ₹1 lac) in its equity and advanced ₹2.59 crore as loan as on 31st March, 2017.

7. Report on performance of Subsidiaries, Associates and Joint Venture Companies

During the year under review, your Company acquired 51% stake in Minerals & Energy Swaziland Proprietary Limited. No other company has become or ceased to be a subsidiary, associate or joint venture of the Company during the year.

However, JSW Energy (Toranagallu) Limited incorporated as a wholly owned subsidiary of the Company on 20th April, 2015 that had applied for striking off its name to the Registrar of Companies, has been struck off with effect from 16th September, 2016.

The performance and financial position of each of the subsidiaries, associates and joint venture companies for the year ended 31st March, 2017 is attached as Annexure B to the Consolidated Financial Statements of the Company in the prescribed format AOC-1 and forms a part of the Annual Report.

In accordance with Section 136 of the Companies Act, 2013, the audited Financial Statement, including the Consolidated Financial Statement and related information of the Company and audited accounts of each of its subsidiaries, are available on the Company's website www.jsw.in/investors/energy.

These documents will also be available for inspection during business hours at the registered office of the Company.

The Policy for determining Material Subsidiaries may be accessed on the Company's website www.jsw.in/investors/energy.

8. New Projects, Initiatives and Joint Ventures

The Board of Directors had approved a Scheme of Arrangement under Sections 391 to 394 of the Companies Act, 1956 entered in to between JSWEL, JSWPTC and JSWGEL. The scheme provides for:

- Demerger of the Power Trading Business of JSWPTC to JSWGEL;
- Merger of remaining JSWPTC into the Parent Company i.e. JSWEL;
- Appointed date – Closing hours of 31st March, 2015;
- The Scheme is subject to requisite consent, approval or permission of any statutory or other regulatory authorities.

The Scheme of Arrangement has been sanctioned by the National Company Law Tribunal (NCLT) on 9th March, 2017. Pursuant to the sanction of the Scheme by NCLT, the Company has filed a petition with Central Electricity Regulatory Commission (CERC) for transfer of trading license from JSWPTC to JSWGEL.

Toshiba JSW Power Systems Private Limited ("Toshiba JSW") (formerly Toshiba JSW Turbine and Generator Private Limited)

Toshiba JSW Power Systems Private Limited is a joint venture company with a shareholding of 75% by Toshiba Corporation Limited, Japan, 22.52% by the Company and 2.48% by JSW Steel Limited. Toshiba JSW was formed for the purpose of designing, manufacturing, marketing and maintenance services of mid to large-size (500 MW to 1,000 MW) Supercritical Steam Turbines and Generators.

The Company has invested ₹ 100.23 crore in Toshiba JSW. The Company has been providing for its share of the losses of Toshiba JSW in its consolidated books of account. The cumulative share of losses of the Company has exceeded the value of its investment in Toshiba JSW.

Power Exchange of India Limited (PXIL)

The Company has invested ₹ 1.25 crore in PXIL which provides the platform for trading in electricity.

PXIL is promoted by National Stock Exchange of India Limited and National Commodities & Derivatives Exchange Limited. PXIL provides the platform for trading in electricity and Renewable Energy Certificates (REC). JSWPTC is also a member of PXIL.

9. Non-Convertible Debentures / Deposits

During the year ended 31st March, 2017, your Company has redeemed / repaid Non-Convertible Debentures amounting to ₹ 1,220 crore. The redemption / repayment is in accordance with the terms of the respective issues.

Also, during the year ended 31st March 2017, your Company issued 5,000 Redeemable, Rated, Listed, Secured, Taxable, Non-Convertible Debentures ('NCDs') of ₹ 10 Lakhs each by way of Private Placement aggregating to ₹ 500 crore carrying a coupon rate of 8.65% p.a. with maturity of 6 years with staggered repayment and put / call option. The NCDs are listed on the WDM segment of BSE Limited.

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement of providing details relating to deposits as also of deposits which are not in compliance with Chapter V of the Act, is not applicable.

10. Material changes and commitments

In terms of Section 134(3)(l) of the Companies Act, 2013, except as disclosed elsewhere in this Report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this Report.

11. Significant and material orders passed by regulators or courts or tribunal

No orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

12. Internal Financial Controls related to Financial Statement

As per Section 134(5)(e) of the Companies Act 2013, the Directors have an overall responsibility for ensuring that the Company has implemented a robust system and framework of Internal Financial Controls. This provides the Directors with reasonable assurance regarding the adequacy and operating effectiveness of controls with regards to reporting, operational and compliance risks. The Company has devised appropriate systems and framework including proper delegation of authority, policies and procedures, effective IT systems aligned to business requirements, risk based internal audits, risk management framework and whistle blower mechanism.

The Company had already developed and implemented a framework for ensuring internal controls over financial reporting. This framework includes entity level policies, process and operating level standard operating procedures.

The entity level policies include anti-fraud policies (like code of conduct, conflict of interest, confidentiality and whistle blower policy) and other polices (like organization structure, insider trading policy, HR policy, IT security policy, treasury policy and business continuity and disaster recovery plan).

The Company has also prepared Standard Operating Procedures (SOP) for each of its key processes, like, procure to pay, order to cash, hire to retire, treasury, fixed assets, inventory, manufacturing operations, etc.

During the year, controls were tested and no reportable material weakness in design and effectiveness was observed.

13. Particulars of Loans, Guarantees, Investments and Securities

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient, are provided in the Notes to the Standalone Financial Statement.

14. Particulars of Contracts or Arrangement with Related Parties

The Company's Policy on Materiality of Related Party Transactions as also dealing with Related Party Transactions, as approved by the Board, may be accessed on the Company's website at the link: www.jsw.in/investors/energy.

All contracts / arrangements / transactions entered into during the financial year by the Company with Related Parties were in the ordinary course of business and on an arm's length basis.

All Related Party Transactions which are in the ordinary course of business and on an arm's length basis, of repetitive nature and proposed to be entered during the financial year are placed before the Audit Committee for prior omnibus approval at the commencement of the financial year. A statement giving details of all Related Party Transactions, as approved, is placed before the Audit Committee for review on a quarterly basis. The Company has developed a framework through Standard Operating Procedures for the purpose of identification and monitoring of such Related Party Transactions.

The details of transactions / contracts / arrangements entered by the Company with Related Parties during the financial year are set out in the Notes to the Financial Statement. The disclosure in Form AOC-2 is attached as Annexure B to this Report.

Pursuant to the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Company's Policy on Materiality of Related Party Transactions, it is proposed to seek the Members' approval for Related Party Transactions which are material, though entered in the ordinary course of business and at arm's length. Accordingly, the same forms a part of the Notice convening the forthcoming 23rd Annual General Meeting and is recommended for Members' approval.

15. Disclosure under the Employee Stock Option Plan and Scheme

The Compensation and Nomination & Remuneration Committee (erstwhile Compensation Committee) of the Board of Directors of the Company, inter alia, administers and monitors the JSWEL Employees Stock Option Plan 2010 (ESOP 2010) and JSWEL Employees Mega Stock Option Scheme 2012 (ESOS 2012) of the Company in accordance with the applicable SEBI Guidelines / Securities and Exchange

Board of India (Share Based Employee Benefits), Regulations, 2014 {"SEBI (SBEB) Regulations"}.

The applicable disclosures as stipulated under the SEBI (SBEB) Regulations as on 31st March, 2017 with regard to the ESOP 2010 and ESOS 2012 are provided in the link: www.jsw.in/investors/energy and form a part of this Report.

Voting rights on the shares, if any, as may be issued to employees under the ESOP 2010 and ESOS 2012 are to be exercised by them directly or through their appointed proxy. The exercise of vested options under the ESOP 2010 and ESOS 2012 so far has been entirely by way of sale of shares by the Trust on behalf of the respective employees under the cashless scheme through the Stock Exchanges. Hence, the disclosure as is required under Section 67(3) of the Companies Act, 2013, is not applicable.

The certificate from Lodha & Co., the Auditors of the Company, that the Scheme has been implemented in accordance with the SEBI Guidelines / SEBI (SBEB) Regulations and with the Resolution passed by the Members would be placed at the Annual General Meeting for inspection by the Members.

A Special Resolution was passed on 23rd March, 2016 through postal ballot pursuant to the provisions of Section 67(3) of the Companies Act, 2013, inter alia, approving provision of money by the Company for purchase of its own shares by the Trust / Trustees for the benefit of eligible employees under the new "JSWEL Employees Stock Ownership Plan – 2016" which is in compliance with the SEBI (SBEB) Regulations. Pursuant thereto, the erstwhile Compensation Committee granted 24,47,355 options on 3rd May, 2016 to the eligible employees.

16. Share Capital

The paid up Equity Share Capital as at 31st March 2017 is ₹ 1,640.05 crore. During the year under review, the Company has not issued any: a) shares with differential rights b) sweat equity shares c) equity shares under Employees Stock Option Scheme.

17. Credit Rating

CARE has reaffirmed "CARE AA-" (Double A minus) rating to the long-term bank facilities and Non- Convertible Debentures of the Company. The outlook was indicated as "Negative". The rating for the short-term bank facilities and Commercial Papers has been reaffirmed at "CARE A1+" (A One Plus).

18. Awards

During the year, the Company received the following awards:

1. Srishti Good Green Governance Award in the utility sector awarded to Vijayanagar plant (Rank 1st) for Environmental protection by Srishti Publications Pvt Ltd.

2. Golden Peacock Award for Environment Management 2016 to Vijayanagar plant by Institute of Directors, New Delhi.

3. RoSPA Health & Safety Awards 2016 (Silver Award) to Vijayanagar plant by The Royal Society for the Prevention of Accidents, Birmingham.

4. Recognition for Innovation to Vijayanagar plant (2 Nos. of awards) by Independent Power Producers Association of India (IPPAI).

5. Recognition for Innovation to Ratnagiri plant (3 Nos. of awards) by IPPAI.

6. Economic Times - Best Infrastructure Brands.

7. National award for Excellence in Water Management to Ratnagiri plant by Confederation of Indian Industries (CII).

8. CSR Impact Award to Vijayanagar plant at India CSR Summit 2016.

9. 11th State Level Energy Conservation Award 2016 to Ratnagiri plant by Maharashtra Energy Development Agency (MEDA).

19. Directors and Key Managerial Personnel

During the year under review, on the recommendation received from the Compensation and Nomination & Remuneration Committee, the Board had appointed Mr. Uday Chitale (DIN: 00043268) and Ms. Tanvi Shete (DIN: 07565435) as Additional Directors with effect from 22nd July, 2016 and who hold office upto the date of the forthcoming 23rd Annual General Meeting.

Mr. Chitale is eligible to be appointed as an Independent Director. It is proposed to appoint Mr. Chitale as an Independent Director, not liable to retire by rotation, for a period of five years.

Ms. Shete is eligible to be appointed as Director. She is proposed to be appointed as a Non-Executive, Non Independent Director, liable to retire by rotation.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Nirmal Kumar Jain retires by rotation at the ensuing AGM and, being eligible, offers himself for re-appointment.

Profiles of these Directors, as required by Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), are given in the Notice of the forthcoming 23rd Annual General Meeting.

The above appointments and re-appointments form a part of the Notice of the forthcoming 23rd Annual General Meeting, and the Resolutions are recommended for Members' approval.

The Company has received declarations from all the Independent Directors under Section 149(6) of the Companies Act, 2013 confirming that they meet the criteria of independence as prescribed thereunder as well as Regulation 16(1)(b) of the Listing Regulations.

None of the managerial personnel i.e. Managing Director and Whole-time Directors of the Company are in receipt of remuneration / commission from Subsidiary Companies of the Company.

The Company familiarises the Independent Directors of the Company with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model and related risks of the Company, etc. and related matters are put up on the website of the Company at the link: www.jsw.in/investors/energy.

There were following changes in the Key Managerial Personnel of the Company during the year.

Mr. Sampath Madhavan ceased to be a Key Managerial Personnel (Company Secretary) upon his resignation at the close of business hours on 30th July, 2016.

Mr. Pramod Menon ceased to be a Director – Finance upon his resignation at the close of business hours on 31st January, 2017.

Ms. Monica Chopra was appointed as the Company Secretary and Compliance Officer and was designated as a Key Managerial Personnel with effect from 23rd January, 2017.

Mr. Jyoti Kumar Agarwal was appointed as the Chief Financial Officer and was designated as a Key Managerial Personnel with effect from 1st February, 2017.

The Company has complied with the requirements of Corporate Governance as stipulated under the Listing Regulations and accordingly, the Report on Corporate Governance forms a part of this Annual Report.

The requisite Certificate from Lodha & Co., the Statutory Auditors of the Company, regarding compliance with the conditions of Corporate Governance as stipulated in Regulation 34 of the Listing Regulations, is annexed to this Annual Report.

20. Business Responsibility Report

As mandated by Regulation 34 (2) (f) of the Listing Regulations, the Business Responsibility Report of the Company for the year ended 31st March, 2017 is available on the Company's Website viz. www.jsw.in/investors/energy.

21. Directors' Responsibility Statement

Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013, it is hereby confirmed:

(a) that in preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;

(c) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) that the Directors had prepared the annual accounts for the year under review, on a 'going concern' basis; and

(e) that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

(f) that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

22. Disclosures related to Committees and Policies

The details of the number of Meetings of the Board and other Committees are given in the Corporate Governance Report which forms a part of this Annual Report.

A. Nomination Policy

The Company has devised the Nomination Policy for the appointment of persons to serve as Directors on the Board of the Company and for the appointment of Key Managerial Personnel (KMP) of the Company, who have the capacity and ability to lead the Company towards achieving sustainable development.

In terms thereof, the size and composition of the Board should have:

- Mix of Qualification, skills and experience;
- Mix of Executive, Non-Executive and Independent Directors;
- Minimum four number of Directors as per Articles, maximum number of Directors as may be permitted by its Articles, Listing Agreements and by law;
- At least One Woman Director.

While recommending a candidate for appointment, the Nomination and Remuneration Committee shall assess the appointee against a range of criteria including qualification, age, experience, positive attributes, independence, relationships, diversity of gender, background, professional skills and personal qualities required to operate successfully in the position and has discretion to decide adequacy of such criteria for the concerned position. All candidates shall be assessed on the basis of merit, related skills and competencies. There should be no discrimination on the basis of religion, caste, creed or sex.

B. Policy for Performance Evaluation

The Company has devised a Policy for Performance Evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for Performance Evaluation of the Non-Executive Directors and Executive Directors. On the basis of the Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors, evaluation of performance during the FY 2016-17 was carried out by the Board for its own performance and that of its Committees and individual Directors.

C. Remuneration Policy

The Company regards its employees across the organisational hierarchy as a most valuable and strategic resource and seeks to ensure a high performance work culture through a fair compensation structure, which is linked to Company and individual performance. The compensation is linked to the nature of job, skill and knowledge required to perform the given job in order to achieve Company's overall directive.

The Company has devised a Policy relating to the remuneration of Directors, Key Managerial Personnel and other Employees with following broad objectives.

i. Remuneration is reasonable and sufficient to attract, retain and motivate Directors;

ii. Motivate KMP and other employees and to stimulate excellence in their performance;

iii. Remuneration is linked to performance;

iv. Remuneration Policy balances Fixed & Variable Pay and reflects short & long-term performance objectives.

The Remuneration policy of the Company is attached herewith marked as Annexure C.

D. Corporate Social Responsibility Policy

The Board of Directors of the Company has approved a CSR Policy based on the recommendation of the CSR Committee. The Company has initiated activities in accordance with the said Policy.

The CSR Policy of the Company is available on the Company's web-site and can be accessed at link: www.jsw.in/investors/energy.

During the year, the Company has spent ₹ 23.07 crore on CSR activities.

The Annual Report on CSR activities is annexed herewith marked as Annexure D.

E. Whistle Blower Policy and Vigil Mechanism

The Board has, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and the Listing Regulations framed "Whistle Blower Policy and Vigil Mechanism" ("the Policy").

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour.

The Policy has been framed with a view to provide a mechanism, inter alia, enabling stakeholders, including Directors, individual employees of the Company and their representative bodies, to freely communicate their concerns about illegal or unethical practices and to report genuine concerns or grievance as also to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy

The Whistle Blower Policy and Vigil Mechanism may be accessed on the Company's website at the link: www.jsw.in/investors/energy.

F. Compliance with the Code of Conduct

A declaration signed by Mr. Sanjay Sagar, Jt. Managing Director and CEO affirming compliance with the Company's Code of Conduct by the Directors and Senior Management for the financial year 2016-17, as required under Schedule V of the Listing Regulations, forms a part of this Annual Report.

G. Risk Management Policy

The Board of Directors of the Company has adopted a Risk Management Policy.

The policy aims to ensure resilience for sustainable growth and sound corporate governance by having an identified process of risk identification and management in compliance with the provisions of the Companies Act, 2013.

The Company follows the Committee of Sponsoring Organisations (COSO) framework of Enterprise Risk Management (ERM) to identify, classify, communicate, respond to risks and opportunities based on probability, frequency, impact, exposure and resultant vulnerability & ensure resilience such that –

a) Intended risks, like for investments, are taken prudently so as to manage exposure which can withstand risks affecting investments & remain resilient.

b) Unintended risks related to performance, operations, compliances and systems are managed through direction setting vision / mission, prudent capital structuring, funds allocation commensurate with risks and opportunities, code of conduct, competency building, policies, processes, supervisory controls, audit reviews, etc.

c) Knowable unknown risks in fast changing Volatile, Uncertain, Complex and Ambiguous (VUCA) conditions are managed through timely sensitisation of market trends.

d) Adequate provision is made for not knowable unknown risks.

e) Overall risk exposure of present and future risks remains within risk capacity as may be perceived by the management.

f) Creation of Risk Management Committee.

The Risk Management Committee periodically reviews the framework and high risks and opportunities which are emerging or where impact is substantially changing.

There are no risks, which in the opinion of the Board threaten the existence of the Company. However, the risks that may pose a concern are set out in the Management Discussion and Analysis which forms a part of this Annual Report.

H. Annual Evaluation of Directors, Committees and Board

Pursuant to the provisions of the Companies Act, 2013 and various provisions of the Listing Regulations, the Compensation and Nomination & Remuneration Committee (erstwhile Nomination and Remuneration Committee) of the Board had carried out the evaluation of every Director's performance based on the criteria specified in the Policy for Performance Evaluation of Independent Directors, Board, Committees and other individual Directors.

The performance evaluation of the Independent Directors was carried out by the entire Board (excluding the Director being evaluated). A Meeting of the Independent Directors, with Mr. Chandan Bhattacharya as the Lead Director, was held on 23rd March, 2017, to review the performance of the Non-independent Directors, the Board as a whole and the Chairman on the parameters of effectiveness and to assess the quality, quantity and timeliness of the flow of information between the Management and the Board.

Where required, feed back is shared with the Directors on the outcome of the evaluation process.

Furthermore, the Board had carried out an annual performance evaluation of its own performance, the Independent Directors as well as the evaluation of the working of the Committees. The Board of Directors expressed satisfaction with the evaluation process.

I. Internal Control Systems

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place which have been operating satisfactorily. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

23. Auditors and Auditors Reports

a. Statutory Auditors

The Auditors' Report issued by the Statutory Auditors on the Standalone and Consolidated Financial Statement for the financial year ended 31st March, 2017 are with unmodified opinion (unqualified). The observations made by the Statutory Auditors in their report for the financial year ended 31st March, 2017 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3)(f) of the Companies Act, 2013.

Lodha & Co., Chartered Accountants, Mumbai, were appointed as the Statutory Auditors of the Company since incorporation and have continued as Auditors since then. They were last appointed as the Statutory Auditors of the Company at the 22nd Annual General Meeting held on 21st July, 2016, to hold office from the conclusion of that Annual General Meeting till the conclusion of the forthcoming 23rd Annual General Meeting.

Lodha & Co., Chartered Accountants, have completed their term and tenure as envisaged in Section 139 of the Companies Act, 2013 making them ineligible for appointment as Statutory Auditors. As recommended by the Audit Committee, it is now proposed to appoint Deloitte, Haskins & Sells LLP, Chartered Accountants, Mumbai as the Statutory Auditor of the Company. The Company has received a certificate under Section 141(3) of the Companies Act, 2013 read with Rule 10 of the Companies (Audit and Auditors) Rules, 2014 from Deloitte, Haskins & Sells LLP, Chartered Accountants, Mumbai confirming their eligibility to be appointed as the Auditors of the Company and that they are free from any disqualifications and that they do not violate the limits as specified under the Companies Act, 2013.

The necessary Resolution for appointment of Deloitte, Haskins & Sells LLP, Chartered Accountants, Mumbai as the Statutory Auditors to hold office from the conclusion of the 23rd Annual General Meeting till the conclusion of the 28th Annual General Meeting has been included in the Notice of the ensuing 23rd Annual General Meeting of the Company and the Resolution is recommended for your approval.

b. Secretarial Auditor

The Board had appointed M/s. S. Srinivasan and Co., Company Secretaries to carry out a Secretarial Audit for the financial year 2016-17.

Secretarial Audit Report issued by M/s S. Srinivasan and Co., Company Secretaries for the financial year 2016-17 does not contain any observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013. The report in Form MR-3 as Annexure E forms a part of this Report.

c. Cost Auditor

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Notifications / Circulars issued by the Ministry of Corporate Affairs from time to time, the Board has appointed M/s. S. R. Bhargave & Co., Cost Accountants, to conduct the audit of the cost records of the Company for the financial year 2017-18. The remuneration payable to the Cost Auditors is subject to approval of the Members at the Annual General Meeting. Accordingly, the necessary Resolution for ratification of the remuneration payable to M/s S. R. Bhargave & Co., Cost Accountants to conduct the audit of the cost records of Company for the financial year 2017-18 has been included in the Notice of the ensuing 23rd Annual General Meeting of the Company and the Resolution is recommended for your approval.

24. Extract of Annual Return

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, an extract of the Annual Return for the financial year ended 31st March, 2017 made under the provisions of Section 92(3) of the Act is attached as Annexure F which forms a part of this Report.

25. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo are as under:

(A) Conservation of energy –

(i) The steps taken or impact on conservation of energy:

Vijayanagar

- Reduction of power consumption of ID fan motors (2 Nos.) in SBU-1, Unit-1 replacing Voith hydraulic coupling with Spacer Coupling shaft between motor and fan, resulted in recurring saving of 150 kWh.
- Reduction of power consumption of PA fan motors (2 Nos.) in SBU-1, Unit-1, by installing variable frequency drives (VFD), resulted in recurring saving of 146 kWh.
- Reduction of power consumption of ID fan motors (2 Nos.) in SBU-2, Unit-2 replacing Voith hydraulic coupling with Spacer Coupling shaft between motor and fan, resulted in recurring saving of 200 kWh.
- Introducing ESP hopper heater temperature control from independent temp sensors from PLC at SBU-2, Unit-2 resulted in saving of 25 kWh.
- l Reduction in power consumption of 10 Nos. of cooling tower fans in SBU-2 by installation of energy efficient blades resulted in saving of 290 kWh.
- Replacement of BFP-2B cartridge in

SBU-2 resulted in energy saving of 90 kWh.

- Low load operation optimisation of HT equipment (stopping of one CW pump, BFP, reduction of PA header pressure) for reduction of APC -1000 kWh.

- Replaced around 1600 Nos. of 70W HPSV lamps with 30W LED light fixture

Ratnagiri

- Installation of Energy efficient fans in Unit-3 cooling tower for three cells to conserve Energy and improve cooling tower performance.

- Lowering one side hot water manifold of Unit-3 cooling tower to improve the cooling tower performance. This has resulted in improvement of 0.59oC in cold-water temperature, resulting in improvement of 3.9 kcal/kWh Turbine Heat Rate.

- Lowering both sides hot water manifold of Unit-1 cooling tower to improve the cooling tower performance. This has resulted in improvement of 0.62oC in cold-water temperature, resulting in improvement of 4.1 kcal/kWh Turbine Heat Rate.

- Installation of VFD's at Unit#1 CEP, ID Fan-A&B and replacement of ID Fan-A hydraulic coupling with spacer coupling shaft between motor and fan, resulted in net energy savings of 787 kWh per hour. Approximate reduction of 0.26% auxiliary power consumption at full load.

- Installation of VFD's at Unit#2 CEP, ID Fan-A&B and replacement of ID Fan-B hydraulic coupling with spacer coupling shaft between motor and fan, resulting in net energy savings of 577 kWh. Approximate reduction of 0.20% auxiliary power consumption at full load.

- Installation of VFD's at Unit#3 CEP, ID Fan-A&B and replacement of ID Fan-A hydraulic coupling with spacer coupling shaft between motor and fan, resulting in net energy savings of 511 kWh per hour. Approximate reduction of 0.17% auxiliary power consumption at full load.

- Installation of VFD's at Unit#4 CEP, ID Fan-A&B and replacing ID Fan-B hydraulic coupling with spacer coupling shaft between motor and fan, resulting in net energy savings of 705 kWh. Approximate reduction of 0.24% auxiliary power consumption at full load.

- Interconnection of Hot-well make up system of Unit-1 and 2 and Unit-3 and 4 resulting in stoppage of one pump. Energy reduced per hour is 23.5 kWh.

- Commissioning of online monitoring of auxiliary consumption of critical equipment through EMS (Energy Monitoring System)

(ii) The steps taken by the Company for utilizing alternate sources of energy:

Vijayanagar:-
Utilized 7,42,685 KNm3 waste gas of JSW Steel Limited in SBU-I (2x130MW) boilers to conserve coal equivalent to 2,24,703 MT and thereby reducing GHG emissions.

Ratnagiri:- Nil

(iii) The capital investment on energy conservation equipments:

For the steps taken in 25(A)(i) above, capital investment are

Vijayanagar:- ₹ 2.30 crore.

Ratnagiri:- ₹ 12.75 crore.

(B) Technology absorption –

(i) The efforts made towards technology absorption;

Vijayanagar

1. Installation and commissioning of SBU-2 Unit-2 Mill reject pneumatic conveying system

2. SBU-2 Unit-2 ESP spike electrodes replaced with spiral electrodes.

3. Nitrogen blanketing for EH oil system.

4. 23 numbers of logic/structural modifications in plant resulting in enhanced plant performance and safety.

5. ABT System upgradation for better monitoring and tracking DSM.

6. SBU-1 Unit-1 Distributed control system(DCS) R&M (Renovation and modernisation) from the old Baily system to ABB.

Ratnagiri

1. Erection and commissioning of sprinkler system at coal conveyor

2. Installation of MOT Level Transmitter in Unit-1 & 3 in external chamber of MOT, instead of on top of the MOT

3. Commissioning of hydrogen leak detection system.

4. Installation of new weigh bridge at Silo-2 and Shifting of 60T weigh bridge from main gate to Silo-1.

5. Optimization of RH Temp Control system by introducing RH platen outlet temperature as feed forward input to secondary PID of RH Temp control loop.

6. Developed graphics page to real time monitoring of the performance parameter average value to improve heat rate impact due to deviation in major parameters.

7. Changing of Unit - 1 Turbine insulation from Alumino-silicate to Ceramic MAT insulation.

8. Changing of Unit - 3 Turbine insulation from Alumino-silicate to Ceramic MAT insulation.

(ii) **The benefits derived like product improvement, cost reduction, product development or import substitution;**

Vijayanagar

1. Reduction of environmental pollution and avoid manual handling of mill rejects.

2. Improved ESP performance.

3. Improved oil quality and reduction in spare consumption.

4. Reduction of safety hazard and enhanced plant performance.

5. Better monitoring of export schedules and optimising the deviation.

Ratnagiri

1. Reduction of safety hazard.

2. Increased in reliability, availability & reduced maintenance.

3. Reduced repetitive movement of bulker and ash spillage.

4. Improved Unit Heat rate.

(iii) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year); Nil/Not Applicable**.

(iv) **The expenditure incurred on Research and Development.**

Vijayanagar

As such the company did not carry out any basic R & D work during the year 2016-17 but for new technology absorption expenditure incurred was ₹ 6.89 crore.

Ratnagiri

As such the Company did not carry out any basic R & D work during the year 2016-17 but for new technology absorption expenditure incurred was ₹ 1.59 crore.

(v) Future Plan

Vijayanagar

1. Replacement of Cooling tower -2 Nos. cell fills with new technology to avoid silt deposition and improved efficiency.

2. Replacement of ESP fields 4 Nos spike to spiral electrode.

3. Use of domestic coal firing along with imported coal.

4. Renovation and modernisation of SBU-1 Unit-2 DCS during the forthcoming annual overhaul.

Ratnagiri

1. Hot water duct lowering of Unit#4 of cooling tower to improve the performance of cooling tower.
2. Unit no 1 HPH 6 refrbruishment to improve the heat rate by 10 kcal/kWh.
3. Use of domestic coal firing along with imported coal.
4. Erection and commissioning of RO plant.
5. Erection and commissioning of alternate sea water line.

(C) Foreign exchange earnings and outgo

The Foreign Exchange earnings of the Company for year under review amounted to Nil. The foreign exchange outflow is as under:

Sr. No.	Particulars	(₹ crore)
a)	Import of coal	1,759.68
b)	Stores, Spares and Plant & Equipment	60.47
c)	Furnitures and Fixtures	0.49
d)	Travelling Expenses	1.09
e)	Legal and Professional	0.88
f)	Interest and Finance charges	22.87
g)	Membership fee	0.72
h)	Other expenses	0.29
i)	Dividend	19.66

26. Particulars of Employees and Related Disclosures

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules and is provided in Annexure G(I) in this Report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided as Annexure G (II) to this Report.

Pursuant to the requirements under the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has enacted a Policy and constituted Internal Complaints Committees. Your Directors state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

27. Acknowledgements

Your Directors would like to express their appreciation for the co-operation and assistance received from the Government authorities, the financial institutions, banks, vendors, customers, debenture holders and shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by all the employ

For and on behalf of the Board of Directors

Mumbai
29th April, 2017

Sajjan Jindal
Chairman & Managing Director

Annexure – A

Dividend Distribution Policy

PREFACE

TITLE	DIVIDEND DISTRIBUTION POLICY
VERSION NUMBER	1.00
EFFECTIVE DATE	23.03.2017
AUTHORISED BY	BOARD OF DIRECTORS
NUMBER OF REVISIONS	NONE

1. Objective

The objective of this Policy is to ensure right balance between the quantum of Dividend paid and amount of profits retained in the business for various purposes. Towards this end, the Policy lays down parameters to be considered by the Board of Directors of the Company for declaration of Dividend from time to time.

2. Effective Date

The Board of Directors of the Company, at its meeting held on 23rd March, 2017, has adopted the Dividend Distribution Policy of the Company as required in terms of the Regulation 43A of the Securities and Exchanges Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015. The Policy is effective from the financial year 2016-2017.

3. Regulatory Framework

The Securities Exchange Board of India ("SEBI") on July 8, 2016 inserted Regulation 43A in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which requires top five hundred listed companies (based on market capitalization of every financial year) to formulate a Dividend Distribution Policy.

Accordingly, JSW Energy Limited, being one of the top five hundred listed companies as per market capitalization as on the last day of the immediately preceding financial year, is required to frame this policy to comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

4. Definitions

4.1 **"Act"** shall mean the Companies Act, 2013 including the Rules made thereunder, as amended from time to time.

4.2 **"Applicable Laws"** shall mean the Companies Act, 2013 and Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended from time to time and such other act, rules or regulations which provides for the distribution of Dividend.

4.3 **"Company"** shall mean JSW Energy Limited.

4.4 **"Chairman"** shall mean the Chairman of the Board of Directors of the Company.

4.5 **"Compliance Officer"** shall mean the Compliance Officer of the Company appointed by the Board of Directors pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

4.6 **"Board"** or "Board of Directors" shall mean Board of Directors of the Company.

4.7 **"Dividend"** shall mean Dividend as defined under the Companies Act, 2013 and includes Interim Dividend.

4.8 **"JMD & CEO"** shall mean Joint Managing Director and Chief Executive Officer of the Company.

4.9 **"Policy or this Policy"** shall mean the Dividend Distribution Policy.

4.10 **"SEBI Regulations"** shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with the circulars issued thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force.

4.11 **"Subsidiary"** shall mean Subsidiary of the Company as defined under the Companies Act, 2013.

5. Parameters for declaration of Dividend

The Board of Directors of the Company, shall consider the following parameters for declaration of Dividend:

5.1 General Guidelines for Dividend Distribution

a. The Company shall pay dividend (including interim dividend) in compliance with the applicable provisions of the Companies Act, 2013, Rules prescribed thereunder, and any amendments made thereto.

b. The Board may not recommend dividend if, in its opinion, it is financially not prudent to do so.

c. If the Company proposes to declare dividend on the basis of parameters in addition to those covered in this policy or proposes to make any changes to any parameters or the dividend distribution policy, it shall disclose such changes along with the rationale for the same in its Annual Report and on its website.

5.2 Financial Parameters / Internal Factors

Before declaring or recommending dividend to shareholders, the Board of Directors would consider appropriate financial parameters like accumulated profit; working capital requirements; capital expenditure requirements; cash flow & liquidity; debt servicing and leverage ratios; outstanding borrowings and repayment schedule; past dividend trends; any other factor deemed fit by the Board.

5.3 External Factors

Before declaring or recommending dividend to shareholders, the Board of Directors would consider relevant external factors like the prevailing legal requirements, regulatory conditions or restrictions laid down under the Applicable Laws including tax laws; macro-economic factors; economic and industry outlook; growth outlook.

5.4 Circumstances under which the shareholders may or may not expect Dividend

The decision regarding dividend payout seeks to balance the dual objectives of appropriately rewarding shareholders through dividends and retaining profits in order to balance capital requirements as enumerated the aforesaid sections in 5.2 and 5.3 respectively. The Equity shareholders may expect dividend only if the Company is having surplus funds and after taking into consideration relevant financial parameters / internal /external factors enumerated in 5.2 and 5.3 above.

The shareholders of the Company may not expect dividend under the following circumstances:

a. Significant expansion project requiring higher allocation of capital;

b. Significantly higher working capital requirements adversely impacting free cash flow;

c. Acquisitions or joint ventures requiring significant allocation of capital;

d. Proposal for buy back of securities;

e. Inadequacy of profits or whenever the Company has incurred losses; in particular, where the debt servicing capability can get compromised

f. Restrictions in loan / NCD agreements on account of covenants therein

g. Weak industry / business outlook whereby it is prudent in the eyes of the Board to conserve cash than payout dividend.

5.5 Policy on utilization of retained earnings

Retained earnings may be utilized for capital expenditure, acquisitions, expansion or diversification, long term working capital, general corporate purposes or it can be distributed to the shareholders by way of dividend, bonus shares, buy-back of shares or for such other purpose as the Board may deem fit from time to time.

5.6 Parameters adopted with regard to various classes of shares

i) General

a. The factors and parameters for declaration of dividend to different classes of shares of the Company shall be in compliance with the existing laws, governing the dividend payout.

b. The payment of dividend shall be based on the respective rights attached to each class of shares as per their terms of issue.

c. The dividends shall be paid out of the Company's distributable profits and/or general reserves, and shall be allocated among shareholders on a pro-rata basis according to the number of each type and class of shares held.

ii) Dividend on Preference shares

Preference shares shall be entitled to and paid dividend at a fixed rate as per the terms of issue and shall stand in priority to equity shareholders for payment of dividend. In case of Cumulative Preference shares, if the Company is not having distributable profits for any financial year or the Company is not able to pay the dividend, the dividend shall be accumulated and be paid later in accordance with the terms of issue and subject to the provisions of the Companies Act, 2013.

The parameters mentioned in Clause 5.1 to Clause 5.5 shall not apply to determination and declaration of dividend on preference shares issued (if any) by the Company since the same will be as per the terms of issue of such preference shares.

iii) Dividend on Equity shares

Equity shareholders shall be entitled to dividend, interim or final, if declared by the Board of Directors / Shareholders of the Company, as the case may be. Equity dividend shall stand second in priority after payment of dividend to the Preference Shareholders.

At present, the issued and paid-up share capital of the Company comprises only equity shares.

6. Disclosure

The Company shall make appropriate disclosures as required under the SEBI Regulations.

7. General

7.1 This Policy would be subject to revision/ amendment in accordance with the guidelines as may be issued by the Ministry of Corporate Affairs, the Securities Exchange Board of India or such other regulatory authority as may be authorized, from time to time, on the subject matter.

7.2 The Company reserves its right to alter, modify, add, delete or amend any of the provisions of this Policy.

7.3 In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

Annexure – B

FORM NO. AOC – 2
(Pursuant to clause (h) of sub – section (3) of section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: Not Applicable
2. Details of material contracts or arrangements or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the Values, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
JSW Power Trading Company Limited (Wholly owned Subsidiary of the Company)	Sale of Power, Rebate for prompt payment etc.,	Memorandum of Understanding Dated: 05.12.2006 Period: 01.04.2006 till cancellation.	JSW Energy Limited shall supply power to JSW Power Trading Company Limited which in turn shall sell the same to customers across India (For details of transactions during the year Refer Note 42 Standalone Financial Statements)	-	Nil
JSW International Tradecorp Pte. Limited (Promoter Group Company)	Purchase of Quality Thermal Coal	Umbrella Agreement Dated: 07.03.2014 Period: 3 years from the date of agreement which will be automatically extended for additional 2 years.	Purchase of quality thermal coal originating interalia from Indonesia, South Africa, Australia and Mozambique (For details of transactions during the year Refer Note 42 Standalone Financial Statements)	-	Nil
JSW Steel Limited (Promoter Group Company)	Sale of Power & other materials, O&M services Purchase of fuel & other materials etc.,	Power Purchase Agreement Dated: 21.09.2006 Period 01.09.2009 to 31.08.2019. Power Purchase Agreement Dated: 26.04.2014 Period 01.04.2014 to 31.03.2039 O&M Agreement Dated: 17.08.2006 Valid up to 31.03.2019. O&M Agreement Dated: 15.05.2012 Valid up to 31.03.2019. Fuel and Water Supply Agreement Dated: 12.12.2001 Period 01.08.2001 to 31.07.2031	Sale of Power & other materials, O&M services, etc to JSW Steel Limited (JSWSL) and also purchase from JSWSL fuel & other materials, steel, receive / avail services, etc, besides reimbursement of expenses paid on each other's behalf, allocating common corporate expenditure. (For details of transactions during the year Refer Note 42 Standalone Financial Statements)	-	Nil

For and on behalf of the Board of Directors

Mumbai
29th April, 2017

Sajjan Jindal
Chairman & Managing Director
(DIN:00017762)

Annexure – C

Remuneration Policy

PREFACE

TITLE	REMUNERATION POLICY
VERSION NUMBER	1.00
EFFECTIVE DATE	27.03.2015
AUTHORISED BY	BOARD OF DIRECTORS
NUMBER OF REVISIONS	NONE

The Company regards its employees across organisational hierarchy as its most valuable and strategic resource and seeks to ensure a high performance work culture through a fair compensation structure, which is linked to Company and individual performance. At JSW Energy Limited (JSW), the compensation is linked to the nature of job, skill and knowledge required to perform the given job in order to achieve Company's overall directive.

In terms of Section 178 of the Companies Act, 2013 and Clause 49 (IV) of the Listing Agreement entered into by the Company with Stock Exchanges, as amended from time to time, the Nomination and Remuneration Committee shall recommend to the Board a policy relating to the remuneration of Directors, Key Managerial Personnel and other Employees and accordingly this policy has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors.

I. OBJECTIVES OF REMUNERATION POLICY:

The remuneration for Directors, Key Managerial Personnel (KMP) and other employees of the Company is framed with the following broad objectives:

i. Remuneration is reasonable and sufficient to attract, retain and motivate Directors;

ii. Motivate KMP and other employees and to stimulate excellence in their performance;

iii. Remuneration is linked to performance;

iv. Remuneration Policy balances Fixed & Variable Pay and reflects short & long term performance objectives.

II. APPLICABILITY:

The Policy is applicable to

- Directors (Executive and Non-Executive)
- Key Managerial Personnel
- Other employees

III. KEY DEFINITIONS:

- "Board" means Board of Directors of the Company.
- "Directors" mean Directors of the Company.
- "Committee" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
- "Company" means JSW Energy Limited.
- "Independent Director" means a director referred to in Section 149 (6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.
- "Key Managerial Personnel (KMP)" means-

  (i) the Chief Executive Officer or the Managing Director or the Manager

  (ii) the Company Secretary

  (iii) the Whole-Time Director

  (iv) the Chief Financial Officer

  (v) Such other officer as may be prescribed under the applicable statutory provisions / regulations.

- "Remuneration" means remuneration as defined under Section 2(78) of the Companies Act, 2013 including any amendment thereof.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

IV. REMUNERATION COMPONENTS:

The remuneration includes fixed and variable pay and retirement benefits, wherever applicable. The compensation is linked to factors such as Company's performance, individual performance and such other factors considered relevant from time to time. Compensation system provides for evaluation & revision of remuneration each year which depends upon individual performance and Company's overall performance.

Eligible employees including Whole-time Directors and KMPs of the Company as permitted by applicable laws may be granted Stock Options.

V. POLICY:

General:

1. The remuneration / compensation / commission etc. to the Whole-time Director and Managing Director, will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. to the Directors shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

2. The remuneration and commission to be paid to the Managing Director / Whole-time Director / Executive Director shall be in accordance with the overall limits as percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the Schedule V and other applicable rules made thereunder.

3. Where any insurance is taken by the Company on behalf of its Managing Director / Whole-time Director / Executive Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty of negligence, default, misfeasance, breach of duty or breach of trust, the premium paid on such insurance shall be treated as part of the remuneration.

Remuneration to Whole-time / Executive / Managing Director:

1. **Fixed pay:**
   The Managing Director / Whole-time Director / Executive Director shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break-up of the pay scale (fixed) and quantum of perquisites including, employer's contribution to P.F, pension scheme, Gratuity, medical expenses, LTA, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee. The remuneration paid shall be approved by the shareholders and Central Government, wherever required.

2. **Performance Based Remuneration:**
   In addition to fixed remuneration, the Company may implement a system of performance linked incentives / Variable Pay designed to create a strong relationship between performance and remuneration.

   The Company may conduct annual performance appraisals for Managing / Whole Time Director / Executive Director and the Nomination and Remuneration Committee shall recommend to the Board for any variation in the salary within the limits approved / may be approved by the shareholders.

3. **Minimum Remuneration:**
   If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director / Whole-time Director / Executive Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the approval of the Central Government.

4. **Provisions for excess remuneration:**
   If any Managing Director / Whole-time Director / Executive Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

Remuneration to Non- Executive / Independent Directors:

1. **Remuneration / Commission:**
   The remuneration / commission shall be fixed within the slabs and as per the conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013 and the rules made thereunder.

2. **Sitting Fees:**
   The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the amount approved by the Board of Directors subject to the provisions of the Companies Act, 2013.

3. **Commission:**
   Commission may be paid within the monetary limit approved by shareholders, subject to the limits computed as per the applicable provisions of the Companies Act, 2013.

4. **Stock Options:**
   Independent Directors, Promoter Directors and Nominee Directors shall not be entitled to any stock option of the Company.

Remuneration to KMP and other employees:

The KMP and other employees of the Company shall be paid remuneration as per the approved policies.

Amendments to the Policy

The Nomination & Remuneration Committee is responsible for monitoring, implementation and review of this policy. The Nomination & Remuneration Committee shall provide recommendations as and when it deems necessary to the Board as to how to effectively structure and make recommendation as and when required to facilitate a remuneration strategy which will meet the needs of the Company.

In case of any amendments / clarifications etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then this Policy shall stand amended accordingly from the effective date as laid down thereunder.

The compensation for KMP & other employees will be governed by policies implemented by the Company from time to time.

Annexure – D

Annual Report on the CSR activities pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014

1.	A Brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs. The Company has adopted a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is displayed on the Company's website and can be accessed through the following link:http://www.jsw.in/investors/energy/jsw-energy-corporate-governance-policies.	Refer Section: Corporate Social Responsibility in this Report
2.	The composition of the CSR Committee: The Company has constituted a CSR Committee to fulfill, interalia, its responsibility towards CSR. The composition of the Committee is as follows: Ms. Sheila Sangwan, Chairperson, Mr. Sanjay Sagar, Mr. Nirmal Kumar Jain, Mr. Chandan Bhattacharya and Ms. Shailaja Chandra	
		₹ Crore
3.	Average net profit of the Company for last three financial years.	1174.99
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above).	23.50
5.	Details of CSR spent during the financial year:	23.07
	(a) Total amount to be spent for the financial year;	23.50
	(b) Amount unspent, if any;	0.43
	(c) Manner in which the amount spent during the financial year is detailed below:	

1	2	3	4	5	6	7	8
Sr. No	**CSR project or activity identified**	**Sector in which the project is covered**	**Projects or programs (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken**	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto the reporting period	**Amount spent Direct or through implementing agency**
1	Establishment of mini science center to create and motivate quality education among the Rural students, Financial aid to schools to meet operational expenses and providing scholarships, Construction / renovation / infrastructure development of educational institution, etc.	Promoting Social Development	Area: a. Sandur Taluka & Kudalgi Taluka, b. local area of Jaigad Panchkroshi, c. DIZ of Hydro Plant, d. Kutehr HEP - Bharmore Block, District: a. Bellary b. Ratnagiri and Gadchiroli c. Kinnaur, d. Chamba State: a. Karnataka b. Maharashtra c. Himachal Pradesh	6.78	6.57	6.57	Direct & Implementing Agencies: a. Father Agnel Institute b. District Industries Center at Recong Peo, Himachal Pradesh. c.Navnirmiti Eduquality Foundation (NEF), Mumbai, Maharashtra,

1	2	3	4	5	6	7	8
Sr. No	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto the reporting period	Amount spent Direct or through implementing agency
2	Mission against Malnutrition, providing supplemental nutrition at schools and aganwadies, providing training & technology support for agriculture improvement to farmers, soil conservation and organic farming, promoting health care including safe drinking water & eye camps	Improving Living Conditions	Area: a. Sandur Taluka & Kudalgi Taluka, b. local area of Jaigad Panchkroshi, c. DIZ of Hydro Plant, d. Kutehr HEP - Bharmore Block, District: a. Bellary b. Ratnagiri and Gadchiroli c. Kinnaur, d. Chamba State: a. Karnataka b. Maharashtra c. Himachal Pradesh	7.07	6.92	6.92	Direct & Implementing Agency: Spirulina Foundation & Bhoruka Charitable Trust
3	Construction of individual and community toilets, waste management plan, providing bio toilet technology in Gram Panchayat	Swachh Bharat Abhiyan		0.54	0.51	0.51	Direct
4	Building and infrastructure support, maintenance and support of mango and cashew canning units, supporting Livelihood activities	Addressing Social Inequalities		0.21	0.21	0.21	Direct and Implementing Agency: RFSPL Mumbai
5	Watershed management and promoting use of renewable energy	Addressing Environmental Issues		2.06	2.06	2.06	Direct and Implementing Agency: International Crops Research Institute for the Semi-Arid Tropics (ICRISAT)
6	Restoration of Heritage	Preserving national Heritage		0.07	0.07	0.07	Direct
7	Sports infrastructure development and providing equipments, Financial support for local sports and Taluka level sports, boxing ring installation	Promotion of Sports		2.97	2.97	2.97	Direct

1	2	3	4	5	6	7	8
Sr. No	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto the reporting period	Amount spent Direct or through implementing agency
8	Projects undertaken under Rural Development by providing infrastructure facilities, drinking/ domestic water supply, road repair, installation of transformer/ street lights / high lights, etc.	Rural Development		1.39	1.38	1.38	Direct
9	Measures for benefits of armed forces veterans, etc.	Measures for benefits of Armed forces veterans, etc	Indian Army base camp, Leh and Siachen Area, District Leh, Jammu and Kashmir	1.22	1.19	1.19	Direct
10	Administration and Capacity Building Expenses	Administration and Overheads Expenses	Limited to 5% of CSR spend	1.18	1.18	1.18	Direct
	Total			**23.50**	**23.07**	**23.07**	

* Name of implementing agency provided

6. In case the company has failed to spend the 2% of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board's report: The CSR programmes undertaken by the Company are on-going in nature. Considering that the CSR programmes often extend beyond the financial year, a small amount of the committed CSR amount has remained unspent as on 31st March, 2017; the Company will endeavour to spend the same during the financial year 2017-18.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company: We hereby declare that implementation and monitoring of the CSR Policy are in compliance with CSR objectives and Policy of the Company.

Sheila Sangwan
Chairperson, CSR Committee
DIN:01857875

Sanjay Sagar
Jt. Managing Director & CEO
DIN:00019489

Annexure – E

Form No.MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
JSW Energy Limited
JSW Centre
Bandra Kurla Complex
Bandra (East)
Mumbai -400 051

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by JSW ENERGY LIMITED L74999MH1994PLC077041 (hereinafter called the "**Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance - mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31st March, 2017 according to the provisions of:

i. The Companies Act, 2013, (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956, ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996, and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act,1999, and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,1992, ('SEBI Act');

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)Regulations, 2009;

   d. Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

   e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

   f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations,1993, regarding the Companies Act and dealing with client;

   h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the period under review);**

   i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the period under review); and**

vi. All other relevant laws applicable to the Company, a list of which has been provided by the management. The examination and reporting of these laws and rules are limited to whether there are adequate systems and processes in place to monitor and ensure compliance with those laws.

I have also examined compliance with the applicable clauses of the following:

- **Secretarial Standards**
  The Secretarial Standards SS-1 and SS-2 issued and notified by the Institute of Company Secretaries of India has been complied with by the Company during the financial year under review;

- **SEBI (Listing Obligations and Disclosures Requirements), 2015**
  The Company has complied with the applicable clauses of the listing agreement entered into by it with the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) of India as also with the applicable clauses of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements), 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors; Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions have been carried through in the Board Meetings and there were no dissenting members'views.

There are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

During the audit period, except the events listed below, no other events occurred which had any major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, and standards and that the Company has complied with such of those relevant clauses thereto which are applicable:

i. The Company has entered into an agreement to acquire 1000 MW thermal power plant located at Village Tamnar in Chattisgarh from Jindal Steel & Power Limited (JSPL).

ii. The Company has entered into an agreement to acquire 500 MW Thermal Power plant located at Bina, District Sagar in Madhya Pradesh from Jaiprakash Power Ventures Limited.

iii. Acquisition of 100% equity in Minerals & Energy Swaziland (Pty) Limited, South Africa, the Company has also signed MoU to set up a thermal power plant in the Kingdom of Swaziland.

iv. The Company has allotted 8.65%, 5000 secured, redeemable, non-convertible debentures during the year.

v. The Company has redeemed redeemable non-convertible debentures, amounting to ₹ 1,220 crore.

vi. The Company has granted 24,47,355 Equity shares to select employees and Whole time Directors under ESOP scheme and the vesting of these shares would accrue in May 2019 and 2020.

For *S. Srinivasan & Co.,*
Company Secretaries

S. Srinivasan
FCS: 2286
CP No: 748

Place: Mumbai
Date: 24/04/2017

Annexure to Secretarial Audit Report of JSW Energy Limited dated 24th April, 2017

To,
TheMembers,
JSW Energy Limited
JSW Centre
Bandra Kurla Complex
Bandra (East)
Mumbai- 400 051

Our Secretarial Audit report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on the secretarial records based on our audit.

2. We have followed the audit practices and processes as were considered appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Wherever required, we have obtained the Management Representation Letter about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For ***S. Srinivasan & Co.,***
Company Secretaries

S. Srinivasan
FCS: 2286
CP No: 748

Place: Mumbai
Date: 24/04/2017

Annexure – F

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March 2017
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and Other Details

(i)	CIN	L74999MH1994PLC077041
(ii)	Registration Date	10th March 1994
(iii)	Name of the Company	JSW Energy Limited
(iv)	Category / Sub-Category of the Company	Public Company / Limited by shares
(v)	Address of the Registered office and contact details	JSW Centre, Bandra Kurla Complex Bandra (East), Mumbai – 400 051 Tel: +91 22 42861000 Fax: +91 22 42863000
(vi)	Whether listed company	Yes
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Karvy Selenium Tower B Plot 31-32, Gachibowli Financial District, Nanakramguda Hyderabad – 500 032 Tel: +91 40 67161500 Fax: + 91 40 23001153

II. Principal Business Activities of the Company

All the business activities contributing 10% or more of the total turnover of the Company

Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
Generation of Power	351 - Electric power generation, transmission and distribution	100%

III. Particulars of Holding, Subsidiary and Associate Companies

Sl. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	Raj WestPower Limited JSW Centre Bandra Kurla Complex, Bandra (East) Mumbai-400051 Maharashtra, India	U31102MH1996PLC185098	Subsidiary	100.00	2(87)(ii)
2.	JSW Power Trading Company Limited JSW Centre Bandra Kurla Complex, Bandra (East) Mumbai-400051 Maharashtra, India	U40100MH2005PLC154613	Subsidiary	100.00	2(87)(ii)
3.	Jaigad PowerTransco Limited JSW Centre Bandra Kurla Complex, Bandra (East) Mumbai-400051 Maharashtra, India	U40102MH2008PLC181433	Subsidiary	74.00	2(87)(ii)
4.	JSW Energy (Raigarh) Limited JSW Centre Bandra Kurla Complex, Bandra (East) Mumbai-400051 Maharashtra, India	U40103MH2009PLC195362	Subsidiary	100.00	2(87)(ii)

Sl. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
5.	JSW Green Energy Limited JSW Centre Bandra Kurla Complex, Bandra (East) Mumbai-400051 Maharashtra, India	U40101MH2011PLC212214	Subsidiary	100.00	2(87)(ii)
6.	JSW Energy (Kutehr) Limited Des Raj Rana Building, 1st Floor, Village & Post Office-Karain Chamba -176318, Himachal Pradesh, India	U40101HP2013PLC000345	Subsidiary	100.00	2(87)(ii)
7.	Himachal Baspa Power Company Limited Karcham-Wangtoo H. E. Project Sholtu Colony, P. O. Tapri Sholtu Kinnaur -172104, Himachal Pradesh, India	U40101HP2014PLC000681	Subsidiary	100.00	2(87)(ii)
8.	JSW Energy Minerals Mauritius Limited International Financial Services Limited, IFS Court, Bank Street, TwentyEight, Cybercity, Ebene 72201, Mauritius	--	Subsidiary	100.00	2(87)(ii)
9.	JSW Energy Natural Resources Mauritius Limited International Financial Services Limited, IFS Court, Bank Street, Twenty Eight, Cybercity, Ebene 72201, Mauritius	--	Subsidiary	100.00	2(87)(ii)
10.	JSW Energy Natural Resources South Africa (Pty) Limited Postnet Suite 1717, Private Bag X9013, Ermelo, 2350 Fax: 00 27 (0) 86 550 4872.	--	Subsidiary	100.00	2(87)(ii)
11.	South African Coal Mining Holdings Limited Postnet Suite 1717, Private Bag X9013, Ermelo, 2350 Fax: 00 27 (0) 86 550 4872.	--	Subsidiary	69.44	2(87)(ii)
12.	JSW Energy Natural Resources (B.V.I.) Limited Commerce House, Wickhams Cay 1, P.O. Box 3140, Road Town, Tortola, British Virgin Islands, VG1110	--	Subsidiary	100.00	2(87)(ii)
13.	Royal Bafokeng Capital (Pty) Limited Postnet Suite 1717, Private Bag X9013, Ermelo, 2350 Fax: 00 27 (0) 86 550 4872.	--	Subsidiary	100.00	2(87)(ii)
14.	Mainsail Trading 55 Proprietary Limited Postnet Suite 1717, Private Bag X9013, Ermelo, 2350 Fax: 00 27 (0) 86 550 4872.	--	Subsidiary	100.00	2(87)(ii)
15.	JSW Energy Natural Resources UK Limited 1st Floor, Roxburghe House, 273-287 Regent Street, London W1B 2HA	--	Subsidiary	100.00	2(87)(ii)
16.	Ilanga Coal Mines Proprietary Limited Postnet Suite 1717, Private Bag X9013, Ermelo, 2350 Fax: 00 27 (0) 86 550 4872.	--	Subsidiary	69.44	2(87)(ii)
17.	SACM (Breyten) Proprietary Limited Postnet Suite 1717, Private Bag X9013, Ermelo, 2350 Fax: 00 27 (0) 86 550 4872.	--	Subsidiary	69.44	2(87)(ii)
18.	South African Coal Mining Equipment Company Proprietary Limited Postnet Suite 1717, Private Bag X9013, Ermelo, 2350 Fax: 00 27 (0) 86 550 4872.	--	Subsidiary	69.44	2(87)(ii)

Sl. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
19.	South African Coal Mining Operations Proprietary Limited Postnet Suite 1717, Private Bag X9013, Ermelo, 2350 Fax: 00 27 (0) 86 550 4872.	--	Subsidiary	69.44	2(87)(ii)
20.	Umlabu Colliery Proprietary Limited Postnet Suite 1717, Private Bag X9013, Ermelo, 2350 Fax: 00 27 (0) 86 550 4872.	--	Subsidiary	69.44	2(87)(ii)
21.	Voorslag Coal Handling Proprietary Limited Postnet Suite 1717, Private Bag X9013, Ermelo, 2350 Fax: 00 27 (0) 86 550 4872.	--	Subsidiary	69.44	2(87)(ii)
22.	Jigmining Operations No 1 Proprietary Limited Postnet Suite 1717, Private Bag X9013, Ermelo, 2350 Fax: 00 27 (0) 86 550 4872.	--	Subsidiary	69.44	2(87)(ii)
23.	Jigmining Operations No 3 Proprietary Limited Postnet Suite 1717, Private Bag X9013, Ermelo, 2350 Fax: 00 27 (0) 86 550 4872.	--	Subsidiary	69.44	2(87)(ii)
24.	Yomhlaba Coal Proprietary Limited Postnet Suite 1717, Private Bag X9013, Ermelo, 2350 Fax: 00 27 (0) 86 550 4872.	--	Subsidiary	69.44	2(87)(ii)
25.	SACM (Newcastle) Proprietary Limited Postnet Suite 1717, Private Bag X9013, Ermelo, 2350 Fax: 00 27 (0) 86 550 4872.	--	Subsidiary	69.44	2(87)(ii)
26.	Minerals & Energy Swaziland Proprietary Limited 146 Sheffield Road, Mbabane, Kingdom of Swaziland	--	Subsidiary	51.00	2(87)(ii)
27.	Toshiba JSW Power Systems Private Limited S No 74-95 Vaikkadu Village, Andarkuppam Check Post, Manali New Town, Chennai - 600103, Tamil Nadu, India	U31100TN2008FTC069121	Associate	22.52	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital breakup as Percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholder		Number of shares held at the beginning of the year				Number of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	**Promoter and Promoter Group**									
(1)	**Indian**									
(a)	Individual /HUF	16,26,34,432	0	16,26,34,432	9.92	7,53,07,245	0	7,53,07,245	4.59	-5.32
(b)	Central Government/State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	1,06,74,05,842	0	1,06,74,05,842	65.08	1,15,46,33,029	0	1,15,46,33,029	70.40	5.32
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(1) :	**1,23,00,40,274**	**0**	**1,23,00,40,274**	**75.00**	**1,22,99,40,274**	**0**	**1,22,99,40,274**	**74.99**	**-0.01**

Category of Shareholder		Number of shares held at the beginning of the year				Number of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(2)	**Foreign**									
(a)	Individuals (NRIs/ Foreign Individuals)	370	0	370	0.00	370	0	370	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(2) :	**370**	**0**	**370**	**0.00**	**370**	**0**	**370**	**0.00**	**0.00**
	Total A=A(1)+A(2)	**1,23,00,40,644**	**0**	**1,23,00,40,644**	**75.00**	**1,22,99,40,644**	**0**	**1,22,99,40,644**	**74.99**	**-0.01**
(B)	**Public Shareholding**									
(1)	**Institutions**									
(a)	Mutual Funds /UTI	80,51,118	0	80,51,118	0.49	2,10,26,991	0	2,10,26,991	1.28	0.79
(b)	Financial Institutions /Banks	8,20,24,033	0	8,20,24,033	5.00	8,30,42,451	0	8,30,42,451	5.06	0.06
(c)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	14,74,17,695	0	14,74,17,695	8.99	13,08,16,511	0	13,08,16,511	7.98	-1.01
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(1) :	23,74,92,846	0	23,74,92,846	14.48	23,48,85,953	0	23,48,85,953	14.32	-0.16
(2)	**Non-Institutions**									
(a)	Bodies Corporate	70,42,505	0	70,42,505	0.43	1,52,09,264	0	1,52,09,264	0.93	0.50
(b)	Individuals									
	(i) Individuals holding nominal share capital upto ₹ 1 lakh	3,46,97,244	5,704	3,47,02,948	2.12	4,86,51,787	5804	4,86,57,591	2.97	0.85
	(ii) Individuals holding nominal share capital in excess of ₹ 1 lakh	2,52,74,276	0	2,52,74,276	1.54	3,06,49,157	0	3,06,49,157	1.87	0.33
(c)	Others									
	Clearing Members	5,03,318	0	5,03,318	0.03	66,30,062	0	66,30,062	0.40	0.37

Category of Shareholder		Number of shares held at the beginning of the year				Number of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
	Foreign Bodies	10,30,78,590	0	10,30,78,590	6.29	7,13,13,060	0	7,13,13,060	4.35	-1.94
	Non Resident Indians	18,82,218	0	18,82,218	0.11	24,34,645	0	24,34,645	0.15	0.03
	NRI Non-Repatriation	0	0	0	0.00	327269	0	327269	0.02	0.02
	Trusts	37,450	0	37,450	0.00	7,150	0	7,150	0.00	0.00
	Sub-Total B(2) :	**17,25,15,601**	**5,704**	**17,25,21,305**	**10.52**	**17,52,22,394**	**5,804**	**17,52,28,198**	**10.68**	**0.17**
	Total B=B(1)+B(2) :	**41,00,08,447**	**5,704**	**4,10,01,4,151**	**25.00**	**41,01,08,347**	**5,804**	**41,01,14,151**	**25.01**	**0.01**
	Total (A+B) :	**1,64,00,49,091**	**5704**	**1,64,00,54,795**	**100.00**	**1,64,00,48,991**	**5,804**	**1,64,00,54,795**	**100.00**	**0.00**
(d)	Shares held by custodians, against which Depository Receipts have been issued									
(1)	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
(2)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	Grand Total (A+B+C) :	**1,64,00,49,091**	**5,704**	**1,64,00,54,795**	**100.00**	**1,64,00,48,991**	**5,804**	**1,64,00,54,795**	**100.00**	

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		Number of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	Number of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	JSW Investments Private Limited	24,55,35,507	14.97	80.87	33,27,62,694	20.29	80.38	5.32
2.	Sahyog Holdings Private Limited	25,67,99,044	15.66	92.36	23,50,82,000	14.33	68.43	-1.32
3.	JSL Limited	14,53,32,820	8.86	33.72	14,53,32,820	8.86	6.88	0.00
4.	Glebe Trading Private Limited	14,53,32,820	8.86	44.54	14,53,32,820	8.86	58.50	0.00
5.	Virtuous Tradecorp Private Limited	8,55,99,613	5.22	0.00	8,55,99,613	5.22	56.95	0.00
6.	Danta Enterprises Private Limited	8,55,99,613	5.22	43.74	8,55,99,613	5.22	71.50	0.00
7.	JSW Steel Limited	6,78,49,090	4.14	0.00	6,78,49,090	4.14	0.00	0.00
8.	Parth Jindal	2,50,02,225	1.52	0.00	2,50,02,225	1.52	0.00	0.00
9.	Tanvi Shete	2,50,02,225	1.52	0.00	2,50,02,225	1.52	0.00	0.00
10.	Tarini Jindal Handa	2,50,02,225	1.52	0.00	2,50,02,225	1.52	0.00	0.00
11.	JSW Steel Limited (erstwhile 'JSW Ispat Steel Limited)	2,36,25,000	1.44	0.00	2,36,25,000	1.44	0.00	0.00

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		Number of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	Number of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
12.	Indusglobe Multiventures Private Limited	0	0.00	0.00	2,17,17,044	1.32	0.00	1.32
13.	Amba River Coke Limited	57,54,640	0.35	0.00	57,54,640	0.35	0.00	0.00
14.	JSW Steel Coated Products Limited	43,76,770	0.27	0.00	43,76,770	0.27	0.00	0.00
15.	JSW Cement Limited	15,59,610	0.10	0.00	15,59,610	0.10	0.00	0.00
16.	Urmila Bhuwalka	1,00,000	0.01	100.00	1,00,000	0.01	100.00	0.00
17.	Nirmala Goyal	1,00,000	0.01	0.00	1,00,000	0.01	0.00	0.00
18.	Saroj Bhartia	1,00,000	0.01	0.00	1,00,000	0.01	0.00	0.00
19.	Narmada Fintrade Private Limited	40,500	0.00	0.00	40,500	0.00	0.00	0.00
20.	JSW Holdings Limited	445	0.00	0.00	445	0.00	0.00	0.00
21.	Prithvi Raj Jindal	370	0.00	0.00	370	0.00	0.00	0.00
22.	Nalwa Sons Investments Limited	370	0.00	0.00	370	0.00	0.00	0.00
23.	Ratan Jindal	370	0.00	0.00	370	0.00	0.00	0.00
24.	Sajjan Jindal	7,41,44,262	4.52	0.00	100	0.00	0.00	-4.52
25.	Sangita Jindal	1,30,83,125	0.80	0.00	100	0.00	0.00	-0.80
26.	Seema Jajodia	1,00,000	0.01	0.00	0	0.00	0.00	-0.01
	Total	**1,23,00,40,644**	**75.00**	**35.79**	**1,22,99,40,644**	**74.99**	**38.62**	

(iii) Change in Promoters' Shareholding

Except for the following, there are no changes in Promoters' Shareholding during the year.

Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the Year	
		Number of shares	% of total shares of the Company				Number of shares	% of total shares of the Company
1.	Narmada Fintrade Private Limited	40,500	0.00	1.4.2016				
				28.10.2016	-39,592	Sell	908	0.00
				4.11.2016	37,592	Purchase	38,500	0.00
				11.11.2016	2,000	Purchase	40,500	0.00
				31.3.2017			40,500	0.00
2.	Ms. Seema Jajodia	1,00,000	0.01	1.4.2016				

Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the Year	
		Number of shares	% of total shares of the Company				Number of shares	% of total shares of the Company
				30.12.2016	-1,00,000	Sell	0	0.00
				31.3.2017			0	0.00
3.	Mr. Sajjan Jindal	7,41,44,262	4.52	1.4.2016				
				30.12.2016	-7,41,44,162	Transfer	100	0.00
				31.3.2017			100	0.00
4.	Ms. Sangita Jindal	1,30,83,125	0.80	1.4.2016				
				30.12.2016	-1,30,83,025	Transfer	100	0.00
				31.3.2017			100	0.00
5.	JSW Investments Private Limited	2455,35,507	14.97	1.4.2016				
				30.12.2016	8,72,27,187	Transfer	33,27,62,694	20.29
				31.3.2017			33,27,62,694	20.29
6.	Sahyog Holdings Private Limited	25,67,99,044	15.66	1.4.2016				
				31.3.2017	-2,17,17,044	Transfer	23,50,82,000	14.33
				31.3.2017			23,50,82,000	14.33
7.	Indusglobe Multiventures Private Limited	0	0.00	1.4.2016				
				31.3.2017	2,17,17,044	Transfer	2,17,17,044	1.32
				31.3.2017			2,17,17,044	1.32

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name	Shareholding at the beginning of the year			Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the Year	
		Number of shares	% of total shares of the Company	Date			Number of shares	% of total shares of the Company
1	Life Insurance Corporation of India	8,04,75,310	4.91	01-04-2017	NIL	No movement during the year	8,04,75,310	4.91

Sl. No.	Name	Shareholding at the beginning of the year			Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the Year	
		Number of shares	% of total shares of the Company	Date			Number of shares	% of total shares of the Company
2	Steel Traders Limited	5,93,72,000	3.62	17-02-2017	-20,000	Transfer	5,93,47,000	3.62
.				24-02-2017	-1,00,000	Transfer	5,92,47,000	3.61
				03-03-2017	-22,00,000	Transfer	5,70,47,000	3.48
				10-03-2017	-24,50,000	Transfer	5,45,97,000	3.33
				17-03-2017	-21,00,000	Transfer	5,24,97,000	3.20
				24-03-2017	-19,00,000	Transfer	5,05,97,000	3.09
				31-03-2017	-23,00,000	Transfer	4,82,97,000	2.94
3	Indus Capital Group Limited	4,37,06,590	2.66	08-04-2016	-4,00,000	Transfer	4,33,06,590	2.64
				15-04-2016	-4,50,000	Transfer	4,28,56,590	2.61
				22-04-2016	-7,05,000	Transfer	4,21,51,590	2.57
				29-04-2016	-2,50,000	Transfer	4,19,01,590	2.55
				13-05-2016	-50,000	Transfer	4,18,51,590	2.55
				20-05-2016	-5,51,793	Transfer	4,12,99,797	2.52
				27-05-2016	-58,924	Transfer	4,12,40,873	2.51
				03-06-2016	-8,11,772	Transfer	4,04,29,101	2.47
				10-06-2016	-5,00,000	Transfer	3,99,29,101	2.43
				17-06-2016	-4,18,446	Transfer	3,95,10,655	2.41
				30-06-2016	-1,50,000	Transfer	3,93,60,655	2.40
				08-07-2016	-3,48,570	Transfer	3,90,12,085	2.38
				15-07-2016	-80,638	Transfer	3,89,31,447	2.37
				22-07-2016	-4,60,376	Transfer	3,84,71,071	2.35
				29-07-2016	-1,72,332	Transfer	3,82,98,739	2.34
				05-08-2016	-2,17,500	Transfer	3,80,81,239	2.32
				12-08-2016	-4,25,380	Transfer	3,76,55,859	2.30
				19-08-2016	-1,57,337	Transfer	3,74,98,522	2.29
				26-08-2016	-1,50,000	Transfer	3,73,48,522	2.28
				02-09-2016	-1,50,000	Transfer	3,71,98,522	2.27
				16-09-2016	-9,34,254	Transfer	3,62,64,268	2.21
				23-09-2016	-2,48,208	Transfer	3,60,16,060	2.20
				02-12-2016	-50,000	Transfer	3,59,66,060	2.19
				17-02-2017	-20,00,000	Transfer	3,39,66,060	2.07
				24-02-2017	-25,50,000	Transfer	3,14,16,060	1.92
				03-03-2017	-22,00,000	Transfer	2,92,16,060	1.78
				10-03-2017	-24,00,000	Transfer	2,68,16,060	1.64
				17-03-2017	-11,00,000	Transfer	2,57,16,060	1.57
				24-03-2017	-18,00,000	Transfer	2,39,16,060	1.46
				31-03-2017	-	Transfer	2,39,16,060	1.46

Sl. No.	Name	Shareholding at the beginning of the year			Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the Year	
		Number of shares	% of total shares of the Company	Date			Number of shares	% of total shares of the Company
4	Blackrock Global Funds Asian Dragon Fund	1,46,99,305	0.9	08-04-2016	1,84,010	Transfer	1,48,83,315	0.91
				22-04-2016	6,55,189	Transfer	1,55,38,504	0.95
				29-04-2016	4,17,713	Transfer	1,59,56,217	0.97
				13-05-2016	7,80,750	Transfer	1,67,36,967	1.02
				20-05-2016	11,95,936	Transfer	1,79,32,903	1.09
				27-05-2016	15,89,184	Transfer	1,95,22,087	1.19
				03-06-2016	5,14,701	Transfer	2,00,36,788	1.22
				15-07-2016	2,22,739	Transfer	2,02,59,527	1.24
				22-07-2016	1,240	Transfer	2,02,60,767	1.24
				19-08-2016	2,82,685	Transfer	2,05,43,452	1.25
				26-08-2016	7,26,092	Transfer	2,12,69,544	1.30
				02-09-2016	3,50,171	Transfer	2,16,19,715	1.32
				16-09-2016	6,53,601	Transfer	2,22,73,316	1.36
				23-09-2016	2,08,470	Transfer	2,24,81,786	1.37
				07-10-2016	5,43,408	Transfer	2,30,25,194	1.40
				21-10-2016	10,94,182	Transfer	2,41,19,376	1.47
				04-11-2016	5,21,135	Transfer	2,46,40,511	1.50
				11-11-2016	5,93,263	Transfer	2,52,33,774	1.54
				16-12-2016	7,36,531	Transfer	2,59,70,305	1.58
				23-12-2016	2,72,810	Transfer	2,62,43,115	1.60
				06-01-2017	4,55,184	Transfer	2,66,98,299	1.63
				27-01-2017	1,15,452	Transfer	2,68,13,751	1.63
				17-02-2017	1,12,397	Transfer	2,69,26,148	1.64
				24-02-2017	6,30,649	Transfer	2,75,56,797	1.68
				31-03-2017	3,32,760	Transfer	2,78,89,557	1.70
5	Kantilal N Patel (JSW Energy Employee Welfare Trust where Mr. Kantilal N Patel is a Trustee)	1,32,68,673	0.81	30-06-2016	-1,13,324	Transfer	1,31,55,349	0.80
				01-07-2016	-1,31,421	Transfer	13,023,928	0.79
				08-07-2016	-68,396	Transfer	1,29,55,532	0.79
				15-07-2016	-33,785	Transfer	1,29,21,747	0.79
				29-07-2016	-83,094	Transfer	1,28,38,653	0.78
				05-08-2016	-45,376	Transfer	1,27,93,277	0.78
				12-08-2016	-81,568	Transfer	1,27,11,709	0.78
				26-08-2016	-2,226	Transfer	1,27,09,483	0.77
				16-09-2016	-12,167	Transfer	1,26,97,316	0.77
				23-09-2016	-1,14,379	Transfer	1,25,82,937	0.77
				07-10-2016	-25,066	Transfer	1,25,57,871	0.77
				04-11-2016	-60,567	Transfer	1,24,97,304	0.76
				30-12-2016	-60,828	Transfer	1,24,36,476	0.76
				13-01-2017	-42,598	Transfer	1,23,93,878	0.76

Sl. No.	Name	Shareholding at the beginning of the year			Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the Year	
		Number of shares	% of total shares of the Company	Date			Number of shares	% of total shares of the Company
				24-02-2017	-2,403	Transfer	1,23,91,475	0.76
				03-03-2017	-1,88,306	Transfer	1,22,03,169	0.74
				10-03-2017	-8,000	Transfer	1,21,95,169	0.74
				24-03-2017	-37,050	Transfer	1,21,58,119	0.74
				31-03-2017	-56,515	Transfer	1,21,01,604	0.74
6	Investec Global Strategy Fund - Asian Equity Fund	1,20,98,617	0.74	08-04-2016	-2,14,686	Transfer	1,18,83,931	0.72
				27-05-2016	-24,73,700	Transfer	94,10,231	0.57
				24-06-2016	-68,820	Transfer	93,41,411	0.57
				12-08-2016	-99,412	Transfer	92,41,999	0.56
				19-08-2016	-3,88,719	Transfer	88,53,280	0.54
				02-09-2016	-2,44,590	Transfer	86,08,690	0.52
				30-09-2016	-1,63,237	Transfer	84,45,453	0.51
				18-11-2016	-27,77,953	Transfer	5,667,500	0.35
				25-11-2016	-7,95,887	Transfer	48,71,613	0.30
				02-12-2016	-9,77,938	Transfer	38,93,675	0.24
				09-12-2016	-7,49,078	Transfer	31,44,597	0.19
				16-12-2016	-12,55,207	Transfer	18,89,390	0.12
				23-12-2016	-10,40,988	Transfer	8,48,402	0.05
				30-12-2016	-1,02,214	Transfer	7,46,188	0.05
				06-01-2017	-4,91,370	Transfer	2,54,818	0.02
				13-01-2017	-2,54,818	Transfer	0	0.00
				31-03-2017	0		0	0.00
7	Dimensional Emerging Markets Value Fund	90,08,274	0.55	10-02-2017	-3,39,905	Transfer	86,68,369	0.53
				17-02-2017	-3,48,972	Transfer	83,19,397	0.51
				24-02-2017	-3,78,820	Transfer	79,40,577	0.48
				03-03-2017	-3,33,939	Transfer	76,06,638	0.46
				10-03-2017	-4,15,780	Transfer	71,90,858	0.44
				17-03-2017	-3,60,709	Transfer	68,30,149	0.42
				24-03-2017	-3,68,783	Transfer	64,61,366	0.39
				31-03-2017	-1,01,692	Transfer	63,59,674	0.39
8	Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity	60,98,325	0.37	08-04-2016	26,656	Transfer	61,24,981	0.37
				22-04-2016	21,520	Transfer	61,46,501	0.37
				10-06-2016	22,080	Transfer	61,68,581	0.38
				24-06-2016	78,408	Transfer	62,46,989	0.38
				22-07-2016	16,038	Transfer	62,63,027	0.38
				29-07-2016	47,394	Transfer	63,10,421	0.38
				05-08-2016	37,281	Transfer	63,47,702	0.39
				12-08-2016	39,780	Transfer	63,87,482	0.39
				19-08-2016	56,576	Transfer	64,44,058	0.39

Sl. No.	Name	Shareholding at the beginning of the year			Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the Year	
		Number of shares	% of total shares of the Company	Date			Number of shares	% of total shares of the Company
				09-09-2016	25,860	Transfer	64,69,918	0.39
				07-10-2016	27,584	Transfer	64,97,502	0.40
				14-10-2016	18,964	Transfer	65,16,466	0.40
				21-10-2016	64,650	Transfer	65,81,116	0.40
				28-10-2016	25,860	Transfer	66,06,976	0.40
				11-11-2016	56,030	Transfer	66,63,006	0.41
				25-11-2016	68,098	Transfer	67,31,104	0.41
				02-12-2016	38,790	Transfer	67,69,894	0.41
				06-01-2017	24,192	Transfer	67,94,086	0.41
				13-01-2017	51,408	Transfer	68,45,494	0.42
				20-01-2017	24,192	Transfer	68,69,686	0.42
				03-02-2017	72,576	Transfer	69,42,262	0.42
				17-02-2017	20,160	Transfer	69,62,422	0.42
				24-03-2017	44,280	Transfer	70,06,702	0.43
				31-03-2017	43,296	Transfer	70,49,998	0.43
9	Investec Global Strategy Fund - Emerging Markets Equity Fund	60,14,945	0.37	22-04-2016	1,73,831	Transfer	61,88,776	0.38
				06-05-2016	22,023	Transfer	62,10,799	0.38
				20-05-2016	1,02,930	Transfer	63,13,729	0.38
				24-06-2016	-96,146	Transfer	62,17,583	0.38
				07-10-2016	-2,17,217	Transfer	60,00,366	0.37
				18-11-2016	-19,73,692	Transfer	40,26,674	0.25
				25-11-2016	-5,65,465	Transfer	34,61,209	0.21
				02-12-2016	-6,94,811	Transfer	27,66,398	0.17
				09-12-2016	-5,32,208	Transfer	22,34,190	0.14
				16-12-2016	-8,91,805	Transfer	13,42,385	0.08
				23-12-2016	-7,39,609	Transfer	6,02,776	0.04
				30-12-2016	-72,622	Transfer	5,30,154	0.03
				06-01-2017	-3,49,110	Transfer	1,81,044	0.01
				13-01-2017	-1,81,044	Transfer	0	0.00
				31-03-2017	0		0	0.00
10	Franklin Templeton Mutual Fund A/C Franklin India Prima Fund	51,57,780	0.31	10-06-2016	20,00,000	Transfer	31,57,780	0.19
				17-06-2016	10,00,000	Transfer	21,57,780	0.13
				30-06-2016	21,57,780	Transfer	0	0.00
				31-03-2017	0	Transfer	0	0.00

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the Year	
		Number of shares	% of total shares of the Company				Number of shares	% of total shares of the Company
1.	Mr. Sajjan Jindal	7,41,44,262	4.52	1.4.2016				
				30.12.2016	-7,41,44,162	Transfer	100	0.00
				31.3.2017			100	0.00
2.	Mr. Sanjay Sagar	5,000	0.00	1.4.2016				
				31.3.2017			5,000	0.00
3.	Mr. Nirmal Kumar Jain	5,000	0.00	1.4.2016				
				31.3.2017			5,000	0.00
4.	Ms. Tanvi Shete	2,50,02,225	1.52	1.4.2016				
				31.3.2017			2,50,02,225	1.52

V. Indebtedness

Indebtedness of the Company including interest outstanding / accrued but not due for payment:

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	35,24,66,20,828	15,00,00,00,000	-	50,24,66,20,828
(ii) Interest due but not paid		-	-	-
(iii) Interest accrued but not due	27,90,89,993	-	-	27,90,89,993
Total (i+ii+iii)	**35,52,57,10,822**	**15,00,00,00,000**	**-**	**50,52,57,10,822**
Change in Indebtedness during the financial				
Addition	14,13,26,00,000	-		14,13,26,00,000
Reduction	14,73,85,00,000	15,00,00,00,000	-	29,73,85,00,000
Net Change	-60,59,00,000	-15,00,00,00,000	-	-15,60,59,00,000
Indebtedness at the end of the financial year				
(i) Principal Amount	34,64,06,70,533	-	-	34,64,06,70,533
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	26,47,57,875	-	-	26,47,57,875
Total (i+ii+iii)	**34,90,54,28,408**	**-**	**-**	**34,90,54,28,408**

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager			Total Amount
		Mr. Sajjan Jindal	Mr. Sanjay Sagar	Mr. Pramod Menon*	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10,00,96,200	2,44,84,812	1,37,59,391	13,83,40,403
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,42,65,073	39,85,790	33,000	1,82,83,863
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as% of profit	-	-	-	-
	- others, specify	-	-	-	-
5.	Employers Contribution towards PF	64,80,000	8,72,232	5,34,000	78,86,232
	Total (A)	12,08,41,273	2,93,42,834	1,43,26,391	16,45,10,498
	Ceiling as per the Act				33,69,54,044

* upto 31st January, 2017

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors							Total Amount
		Mr. Chandan Bhattacharya	Ms. Shailaja Chandra	Ms. Sheila Sangwan	Mr. Rakesh Nath	Mr. Uday Chitale*	Mr. Nirmal Kumar Jain	Ms. Tanvi Shete*	
1.	Independent Directors								
	Fee for attending board / committee meetings	13,10,000	9,50,000	11,00,000	10,10,000	4,90,000	-	-	48,60,000
	Commission	18,00,000	15,50,000	15,50,000	11,17,760	-	-	-	60,17,760
	Others, please specify	-	-	-	-	-	-	-	-
	Total (1)	31,10,000	25,00,000	26,50,000	21,27,760	4,90,000	-	-	1,08,77,760
2.	Other Non-Executive Directors								
	• Fee for attending board / committee meetings	-	-	-	-	-	13,10,000	-	13,10,000
	• Commission	-	-	-	-	-	15,50,000	-	15,50,000
	• Others, please specify	-	-	-	-	-	-	-	-
	Total (2)	**-**	**-**	**-**	**-**	**-**	**28,60,000**	**-**	**28,60,000**
	Total (B)=(1+2)	**31,10,000**	**25,00,000**	**26,50,000**	**21,27,760**	**4,90,000**	**28,60,000**	**-**	**1,37,37,760**
	Total Managerial Remuneration								17,82,48,258
	Overall Ceiling as per the Act								37,06,49,449

* from 22nd July, 2016

C. Remuneration to Key Managerial Personnel other than MD / MANAGER / WTD

Sl. No.	Particulars of Remuneration	Chief Financial Officer (Mr. Jyoti Kumar Agarwal)*	Company Secretary (Ms. Monica Chopra)**	Company Secretary (Mr. Sampath Madhavan)***	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	29,25,134	13,01,853	17,72,007	59,98,994
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	2,66,329	2,66,329
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	
2.	Stock Option	-	-	-	
3.	Sweat Equity	-	-	-	
4.	Commission	-	-	-	
	- as% of profit	-	-	-	
	- others, specify	-	-	-	
5.	Employers Contribution towards PF	90,128	49,471	77,216	2,16,815
	Total	**30,15,262**	**13,51,324**	**21,15,552**	**64,82,138**

* from 1st February, 2017
** from 23rd January, 2017
*** upto 30th July, 2016

VII. Penalties / Punishment/ Compounding of Offences

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. Company					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. Directors					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. Other Officers in Default					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Annexure – G (I)

Disclosure of remuneration under Section 197 of Companies Act, 2013 and Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

No.	Requirement	Information	
(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year In respect of Non-Executive Directors, the comparison is based on their respective actual remuneration during FY '17 in the capacity of Director	Director	Ratio
		Mr. Sajjan Jindal, Chairman & Managing Director	124.84:1.00
		Mr. Sanjay Sagar, Jt. Managing Director & CEO	30.31:1.00
		Mr. Pramod Menon, Director (Finance)	^
		Mr. Nirmal Kumar Jain (NED)	2.95:1.00
		Mr. Chandan Bhattacharya (NED)	3.21:1.00
		Ms. Sheila Sangwan (NED)	2.74:1.00
		Ms. Shailaja Chandra (NED)	2.58:1.00
		Mr. Rakesh Nath (NED)	2.20:1.00
		Mr. Uday Chitale (NED)	^
		Ms. Tanvi Shete (NED)	^^

^ Since the remuneration of these Directors is only for part of the year, the ratio of their remuneration to median remuneration is not comparable.

^^ No remuneration during the year.

No.	Requirement	Information	
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year In respect of Non-Executive Directors, the % change shown is based on their respective actual remuneration during FY '16 & FY '17	Director, Chief Executive Officer, Chief Financial Officer and Company Secreatry	% Change
		Mr. Sajjan Jindal, Chairman & Managing Director	13.48%
		Mr. Sanjay Sagar, Jt. Managing Director & CEO	12.44%
		Mr. Jyoti Kumar Agarwal, Chief Financial Officer Date of Appointment - February 01, 2017	#
		Ms. Monica Chopra, Company Secretary Date of Appointment - January 23, 2017	#
		Mr. Pramod Menon, Director (Finance) Date of Separation - January 31, 2017	#
		Mr. Sampath Madhavan, Company Secretary Date of Separation - July 30, 2016	#
		Mr. Nirmal Kumar Jain (NED)	8.95%
		Mr. Chandan Bhattacharya (NED)	9.12%
		Ms. Sheila Sangwan (NED)	59.16%
		Ms. Shailaja Chandra (NED)	26.18%
		Mr. Rakesh Nath (NED) (He was Appointed as Director on July 23, 2015 hence remuneration for the FY 2015-16 was only for the part of the year)	383.58%
		Mr. Uday Chitale (NED) Date of Appointment - July 22, 2016	#
		Ms. Tanvi Shete (NED) Date of Appointment - July 22, 2016	##

The disclosures with respect to increase in remuneration are not given as the tenure of Directors/KMPs were only for the part of the year.

No remuneration during the year.

No.	Requirement	Information
(iii)	The percentage increase in the median remuneration of employees in the financial year	10.08%
(iv)	The number of permanent employees on the rolls of company	661
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average remuneration of employees (non-managerial) increased by 11.96% (inluding the promotional increase) in FY '17 over previous year whereas for managerial employees, the increase in FY' 17 over previous year is not comparable figure because of separations and onboarding during the financial year.
(vi)	Affirmation that the remuneration is as per the remuneration policy of the company	Affirmed

Annexure – G (II)

Disclosure in terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(a) Top 10 Employees in terms of remuneration drawn

Sr. No.	Name and Age	Designation	Remuneration (INR)	Qualification and Experience	Date of Commencement of Employment	Last Employment held	Remarks
1	Sajjan Jindal (57 Years)	Chairman and Managing Director	120,841,273	B.E. (Mechanical) (35 Years)	01.01.2009	Jindal Strips Limited (Jt. Managing Director)	
2	Sanjay Sagar (59 Years)	JMD & CEO	29,342,834	MBA (32 Years)	16.01.2009	Adani Enterprises Limited (Chief Corporate Coordination)	
3	Satish Jindal (57 Years)	CEO (Power Trading)	16,337,213	B.E. (Electrical) (32 Years)	01.05.2006	Power Trading Corporation of India Limited (Vice President)	
4	Pramod Menon (45 Years)	Director Finance	14,326,391	CA, ICWA - Grad (22 Years)	01.04.2007	JSW Steel Limited (General Manager)	Separated from the Company on 31.01.2017
5	Girish Jagannath Deshpande (60 Years)	Director Technical	13,137,958	B.E. (Electrical) (38 Years)	31.08.2015	NTPC Ltd., Mumbai (Regional Executive Director)	
6	Vijay Damodar Paranjape (61 Years)	Senior Vice President	12,154,970	B.E.(Mechanical) (36 Years)	03.09.2012	NTPC SAIL Power Company (P) Ltd. (General Manager)	
7	Vijay Sinha (47 Years)	Senior Vice-President	10,771,809	B.A. (Maths/Stats.), MBA (HR) (24 Years)	02.08.2010	Hypercity Retail (India) Ltd. (Business Head - HR & Admin.)	
8	Gyan Bhadra Kumar (51 Years)	Senior Vice President	9,364,620	B.E. (Civil) (28 Years)	01.03.2016	Greyhound Engineers India Pvt. Ltd. (CEO)	
9	Shashi Johnson (48 Years)	Vice President	9,216,884	Bachelor of Science (Hons.), MBA (24 Years)	01.07.2016	IL&FS Financial Services Ltd. (CEO, IL &FS Urban Infrastruture Managers Ltd.)	
10	Prasad Baji (46 Years)	Associate Vice President	8,038,391	B.Tech(Mechanical)/PG Diploma(Finance) (20 Years)	27.01.2015	Edelweiss Securities Ltd. (Senior Vice President)	

The details in the above tables are on accrual basis

Compensation details above exclude Leave Encashment, Gratuity (@ 4.8% of Basic), ESOP & ex-gratia payments.

(b) Employed throughout the year and were in receipt of remuneration aggregating to not less than ₹01.02 Crore per annum

Sr. No.	Name and Age	Designation	Remuneration (INR)	Qualification and Experience	Date of Commencement of Employment	Last Employment held
1	Sajjan Jindal (57 Years)	Chairman and Managing Director	120,841,273	B.E. (Mechanical) (35 Years)	01.01.2009	Jindal Strips Limited (Jt. Managing Director)
2	Sanjay Sagar (59 Years)	JMD & CEO	29,342,834	MBA (32 Years)	16.01.2009	Adani Enterprises Limited (Chief Corporate Coordination)
3	Satish Jindal (57 Years)	CEO (Power Trading)	16,337,213	B.E. (Electrical) (32 Years)	01.05.2006	Power Trading Corporation of India Limited (Vice President)
4	Girish Jagannath Deshpande (60 Years)	Director Technical	13,137,958	B.E. (Electrical) (38 Years)	31.08.2015	NTPC Ltd., Mumbai (Regional Executive Director)
5	Vijay Damodar Paranjape (61 Years)	Senior Vice President	12,154,970	B.E. (Mechanical) (36 Years)	03.09.2012	NTPC SAIL Power Company (P) Ltd. (General Manager)
6	Vijay Sinha (47 Years)	Senior Vice-President	10,771,809	B.A. (Maths/Stats.), MBA (HR) (24 Years)	02.08.2010	Hypercity Retail (India) Ltd. (Business Head - HR & Admin.)

(c) Employed for part of the year and were in receipt of remuneration aggregating to not less than ₹ 08.50 Lacs per month

Sr. No.	Name and Age	Designation	Remuneration (INR)	Qualification and Exp.	Date of Commencement of Employment	Last Employment held	Remarks
1	Jyoti Kumar Agarwal (42 Years)	CFO	3,015,262	Bachelor of Commerce (Hons.), CA, MBA (Finance Strategy), CFA (18 Years)	01.02.2017	JSW Steel Limited Vice President (Finance)	
2	Shashi Johnson (48 Years)	Vice President	9,216,884	Bachelor of Science (Hons.), MBA (24 Years)	01.07.2016	IL&FS Financial Services Ltd. (CEO, IL &FS Urban Infrastruture Managers Ltd.)	
3	Pramod Menon (45 Years)	Director Finance	15,640,971	CA, ICWA - Grad (22 Years)	01.04.2007	JSW Steel Limited (General Manager)	upto 31.01.2017
4	P. R Kole (56 Years)	Senior Vice-President	3,731,007	B. Com,Bachelor of Law,CA (36 Years)	01.08.2015	JSW Steel Ltd, Mumbai (Senior Vice President)	Transfered to JSW Steel effetive 09.08.2016
5	Chhavinath Singh (55 Years)	Senior Vice President	4,621,444	B.E.(Mechanical), PG Diploma (Business Management) (34 Years)	04.03.2013	SKS Power Generation (Chhattisgarh) Ltd.(Sr. Vice-President & Whole Time Director)	ceased w.e.f 30.07.2016

The details in the above tables are on accrual basis

Compensation details above exclude Leave Encashment, Gratuity (@ 4.8% of Basic), Annual Bonus, ESOP & ex-gratia payments.

Corporate Governance Report

1. COMPANY'S GOVERNANCE PHILOSOPHY

Corporate Governance is concerned with holding the balance between economic and social goals and between individual and societal goals. The Company believes that profitability must go hand in hand with a sense of responsibility towards all stakeholders. The Company endeavours towards creating
long-term value for all its stakeholders while focusing on the core principles of accountability, transparency, integrity, social responsibility, environment and regulatory compliances. A strong foundation in terms of an eminent, accomplished and a diverse Board providing mentorship and oversight, an effective leadership team setting the tone at the top, competent professionals across the organisation to implement and execute the governance goals, best systems, well defined process and modern technology, have made good governance a way of life.

The Company confirms compliance with the various provisions relating to Corporate Governance stipulated in the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (Listing Regulations), the details of which are given below.

2. BOARD OF DIRECTORS (Board)

2.1 Composition of the Board, its Meetings and attendance record of each Director:

The Directors are persons of repute with strength of character, professional eminence thereby ensuring the best interest of the stakeholders and the Company. The strength of the Board is accentuated by diversity in terms of gender, varied skill sets and experience of the Directors. The Board is an optimum mix of 5 Independent Directors, 2 Non-Executive, Non Independent Directors and 2 Executive Directors. The Chairman is the Managing Director and a Promoter of the Company. The composition of the Board is in conformity with the provisions of Companies Act, 2013 and Regulation 17 of the Listing Regulations. All Directors, other than the Managing Director and the Independent Directors, are liable to retire by rotation.

None of the Directors on the Board holds Directorships in more than 10 public companies. Further, none of them is a Member of more than 10 Committees or Chairperson of more than 5 Committees as specified in Regulation 26 of the Listing Regulations, across all the companies in which they are Directors. The necessary disclosures regarding committee positions have been made by the Directors.

Other than Mr. Sajjan Jindal and Ms. Tanvi Shete, who are related to each other as father and daughter, none of the Directors are related to each other.

The composition of the Board as on 31st March, 2017, attendance record of the Directors at Board Meetings held during the financial year under review and at the last Annual General Meeting (AGM), and details of their other Directorships, Committee Memberships and Chairmanships are given below:

Name of Director	Category$	Position	Attendance at		Number of other Directorships and other Committee Membership(s) / Chairmanship(s)		
			Board Meetings	22nd AGM held on 21st July 2016	Other Directorships in Indian Companies#	Other Committee Memberships##	Other Committee Chairmanships##
Mr. Sajjan Jindal (DIN: 0017762)	ED	Chairman & Managing Director	4	Yes	2	Nil	Nil
Mr. Sanjay Sagar (DIN:00019489)		Jt. Managing Director & CEO	10	Yes	7	Nil	Nil

Name of Director	Category$	Position	Attendance at		Number of other Directorships and other Committee Membership(s) / Chairmanship(s)		
			Board Meetings	22nd AGM held on 21st July 2016	Other Directorships in Indian Companies#	Other Committee Memberships##	Other Committee Chairmanships##
Mr. Nirmal Kumar Jain (DIN:00019442)	NED, NID	Director	10	Yes	8	5	1
Mr. Chandan Bhattacharya (DIN:01341570)		Director	10	Yes	1	0	1
Ms. Shailaja Chandra (DIN:03320688)		Director	10	Yes	5	4	Nil
Ms. Sheila Sangwan (DIN:01857875)	NED, ID	Director	10	Yes	7	3	5
Mr. Rakesh Nath (DIN:00045986)		Director	10	Yes	3	2	2
Mr. Uday Chitale* (DIN:00043268)		Additional Director	5	Not applicable	6	4	2
Ms. Tanvi Shete* (DIN:07565435)	NED, NID	Additional Director	1	Not applicable	Nil	Nil	Nil

Notes:

During FY 2016-17, 10 Board Meetings were held and the gap between two consecutive meetings did not exceed 120 days. Board Meetings were held on 27th April, 2016 (2 meetings); 3rd May, 2016; 18th July, 2016; 21st July,2016; 27th September, 2016; 26th October, 2016; 27th December, 2016; 23rd January, 2017 and 23rd March, 2017.

$ ED-Executive Director; NED-Non-Executive Director; NID-Non-Independent Director; ID-Independent Director

* Appointed as Additional Director w.e.f. 22nd July, 2016

Alternate Directorship, Directorship in Private Companies, Foreign Companies and Section 8 Companies are excluded.

Represents Audit Committee and Stakeholders Relationship Committee.

2.3 Board Meetings, Committee Meetings and Procedures:

A. Institutionalised decision making process:

The Board oversees the overall functioning of the Company. It provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the stakeholders are being served. In order to effectively perform its responsibility of oversight, the Board has constituted several functional Committees such as Audit Committee, Stakeholders Relationship Committee, Compensation and Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee, Finance Committee, etc. and constitutes additional functional Committees from time to time depending on the business needs.

The Chairman and Managing Director is assisted by Executive Directors in overseeing the functional matters of the Company.

B. Scheduling and selection of Agenda Items for Board Meetings:

(i) A minimum of four Board Meetings are held every year. Additional meetings are held to meet business exigencies or urgent matters, and where permitted, Resolutions are passed by Circulation. Dates for the Board Meetings in the ensuing year are decided well in advance.

(ii) Presentations are regularly made to the Board covering the outlook and economy in general and the industry in particular in addition to the Company's financials, operations, business strategy, risk management practices for identification of risks and mitigation thereof, subsidiary companies' performance, etc.

C. Distribution of Board Agenda Material:

The Agenda, along with the explanatory notes, including information as specified in Part A of Schedule II to the Listing Regulations, is circulated to the Directors in advance for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to circulate any document in advance, the same is tabled before the meeting with permission of the Chairman. In special and exceptional circumstances, additional or supplementary item(s) on the Agenda are considered.

D. Recording Minutes of proceedings of meetings:
Draft minutes are prepared, circulated to all the Directors for their comments, finalised and entered in the Minutes Book by the Company Secretary and, thereafter, signed by the Chairman, in accordance with the applicable Secretarial Standard.

E. Separate meeting of Independent Directors:
Pursuant to Schedule IV of the Companies Act, 2013, and the Rules made thereunder and Regulation 25 of the Listing Regulations, a meeting of the Independent Directors without the presence of Non-Independent Directors and members of the Management of the Company, was held on 23rd March, 2017. All 5 Independent Directors of the Company were present for this meeting.

The Independent Directors reviewed the performance of the Non-Independent Directors, the Board as a whole and the performance of the Chairman of the Board, taking into account the views of the Executive and the Non-Executive Directors.

They also assessed the quality, quantity and timeliness of the flow of information between the Management and the Board.

2.4 Changes in Board Composition:

Name of the Director	Details of Change	Date of Change
Mr. Uday Chitale	Appointed as an Additional Director	22.07.2016
Ms. Tanvi Shete	Appointed as an Additional Director	22.07.2016
Mr. Pramod Menon	Resigned as Director	01.02.2017

3. COMMITTEES

As mandated by the Companies Act, 2013 (the Act) and the Listing Regulations, the Company has constituted an Audit Committee, a Stakeholders Relationship Committee, a Compensation and Nomination & Remuneration Committee, a Risk Management Committee and a Corporate Social Responsibility Committee. The functioning of these Committees is regulated by the mandatory terms of reference, roles and responsibilities and powers.

The Minutes of the meetings of all these Committees are placed before the Board for noting.

Ms. Monica Chopra, Company Secretary, acts as the Secretary of these Committees.

3.1 Audit Committee:

The Committee's composition meets with requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations.

All Members of the Committee are financially literate and have financial management expertise.

3.1.1 Terms of reference

The broad terms of reference of the Audit Committee, inter-alia, are:

a) To review the financial statements before submission to the Board;

b) To review reports of the Auditors and Internal Audit department;

c) To review the weaknesses in internal controls, if any, reported by Internal and Statutory Auditors, etc.

d) To recommend the appointment, remuneration and terms of appointment of Auditors including Cost Auditors and Secretarial Auditors of the Company, etc.

In addition, the powers and role of the Audit Committee are as laid down under Section 177 of the Act and Regulation 18 and Schedule II Part C of the Listing Regulations.

3.1.2 Members and meeting details:

The Audit Committee comprises 6 qualified Directors, 5 of whom are Independent Directors and 1 is a Non - Executive Director. The Chairman of the Committee is a Non-Executive, Independent Director. The Audit Committee met 11 times during the year under review on following dates: 26th April, 2016; 27th April, 2016 (2 meetings); 18th July, 2016; 20th July, 2016; 21st July, 2016;

25th October, 2016; 26th October, 2016; 19th January, 2017; 23rd January, 2017 and 23rd March 2017. The gap between two consecutive meetings did not exceed 120 days.

The details of the Members and meetings during the year attended by them, are as given below:

Name of Director	Category	Number of meetings attended / held
Mr. Chandan Bhattacharya, Chairman	NED, ID	11 /11
Mr. Nirmal Kumar Jain	NED, NID	11 /11
Ms. Sheila Sangwan	NED, ID	11 /11
Ms. Shailaja Chandra	NED, ID	11 /11
Mr. Rakesh Nath	NED, ID	11 /11
Mr. Uday Chitale*	NED, ID	5 / 5

* Inducted as a member w.e.f. 27th September, 2016

The Audit Committee invites such of the executives as it considers appropriate [and particularly the head of the finance function i.e. Chief Financial Officer (CFO)] to be present at its meetings. The Joint Managing Director and CEO, CFO, and Head of Internal Audit attend the meetings. The Statutory Auditors are also invited to the meetings. All of them attended all the Committee Meetings held during the year.

The Chairman of the Committee was present at the 22nd Annual General Meeting held on 21st July, 2016.

3.2. Stakeholders Relationship Committee:

The Stakeholders Relationship Committee comprises 4 Directors, 2 of whom are Non-Executive, Independent Directors, 1 is a Non-Executive, Non Independent Director and 1 is an Executive Director. The Chairman of the Committee is a Non-Executive, Independent Director. The Committee's composition meets with requirements of Section 178 of the Act and Regulation 20 of the Listing Regulations.

3.2.1 Terms of reference:

The terms of reference of the Stakeholders Relationship Committee, inter alia, include the following:

(a) Periodically interact with the Registrar and Share Transfer Agent to ascertain and look into the quality of the Company's investors grievance redressal system and to review the report on the functioning of the Investor grievances redressal system;

(b) Review the quarterly reports submitted by the Registrar and Share Transfer Agent of the Company;

(c) Follow-up on the implementation of suggestions for improvement, if any;

(d) Report to the Board about serious concerns, if any.

3.2.2 Members and meeting details:

The Committee met 4 times during the year on 26th April, 2016; 20th July, 2016; 25th October, 2016 and 19th January, 2017. The details of the Members and meetings during the year attended by them, are as given below:

Name of Director	Category	Number of Meetings attended / held
Mr. Chandan Bhattacharya, Chairman	NED, ID	4 /4
Mr. Sanjay Sagar	ED	4 / 4
Mr. Nirmal Kumar Jain	NED, NID	4 / 4
Mr. Uday Chitale*	NED, ID	2 / 2

* Inducted as a member w.e.f. 27th September, 2016

3.2.3 Name and designation of Compliance Officer:

Ms. Monica Chopra, Company Secretary, is the Compliance Officer of the Company as required under Regulation 6 of the Listing Regulations.

3.2.4 Investor Grievance Redressal:

The number of complaints / requests received and resolved to the satisfaction of investors during the year under review and their break-up is as under:

Sr. No.	Description	Total	
		Received	Replied / Resolved
1.	Letters from Statutory bodies (SEBI / Stock Exchange(s))	2	2
2.	Letters from Shareholders	161	161
	TOTAL	**163**	**163**

In keeping with the Company's focus on promptly resolving investors' complaints, the Registrar and Share Transfer Agent attends to all investor complaints within 48 hours of receipt.

The Company has a dedicated email ID jswel.investor@jsw.in to which investors can send their grievances. Mr. Narendra Rahalkar, Senior Manager - Company Secretary, is designated as the Investor Relations Officer who may be contacted at the Registered Office of the Company or on Telephone: +91 - 22 - 42861000.

Complete details of the past unpaid / unclaimed dividends lying with the Company have been displayed on the Company's website www.jsw.in/investors/energsy. Members are requested to note that the shares on which dividend remains unpaid / unclaimed for 7 consecutive years, together with such dividend, are liable to be transferred to the Investor Education and Protection Fund, Therefore, Members are urged to visit the website and claim their dividend that remains unpaid / unclaimed.

3.3. Compensation and Nomination & Remuneration Committee:

The Compensation and Nomination & Remuneration Committee comprises 4 Directors, 3 of whom are Non-Executive, Independent Directors and 1 is a Non-Executive, Non-Independent Director. The Chairman of the Committee is a Non-Executive, Independent Director. The Committee is in compliance with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations.

During the year under review, as permitted under the SEBI (Share Based Employee Benefits) Regulations, 2014 ["SEBI (SBEB) Regulations"], the Nomination and Remuneration Committee has been designated as the Compensation Committee required to be constituted under the SEBI (SBEB) Regulations. Accordingly, the Nomination and Remuneration Committee has been renamed as the Compensation and Nomination & Remuneration Committee.

3.3.1 Terms of reference:

The terms of reference of the Committee, inter-alia, include the following:

1. To carry out evaluation of every Director's performance;
2. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and / or removal;
3. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
4. To formulate the criteria for evaluation of Independent Directors and the Board;
5. To recommend / review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria;
6. To carry out any other function as is mandated by the Board of Directors from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable;
7. To perform such other functions as may from time to time, be required by any statutory, contractual or other regulatory requirements to be attended to by the Committee.

3.3.2 Members and meeting details:

The Committee met 5 times during the year on 3rd May, 2016; 18th July, 2016; 25th October, 2016; 13th January, 2017 and 23rd March, 2017. The details of the Members and meetings attended by them are as given below:

Name of Director	Category	Number of meetings attended / held
Mr. Chandan Bhattacharya, Chairman	NED, ID	5 / 5
Ms. Sheila Sangwan	NED, ID	5 / 5
Mr. Rakesh Nath	NED, ID	5 / 5
Mr. Nirmal Kumar Jain	NED, NID	5 / 5

The Chairman of the Committee was present at the 22nd Annual General Meeting held on 21st July, 2016.

3.3.3 Remuneration Policy:

A. Non-Executive Directors:

The Non-Executive Directors (NEDs) are paid remuneration by way of commission and sitting fee. In terms of the Members approval obtained at the 20th AGM held on 23rd July, 2014, commission is paid every year at a rate not exceeding 1% of the net profits of the Company. The amount of commission payable to the NEDs is determined broadly on the following basis:

1. Lumpsum for contribution as Member of the Board;
2. Number of meetings of the Board and Audit Committee attended;
3. Role and responsibility as Chairman of the Audit Committee.

NEDs are paid sitting fee of ₹50,000/- and ₹30,000/- per meeting of the Board and Committees attended, respectively.

B. Executive Directors:

The remuneration package for the Executive Directors (EDs) is recommended by the Committee and approved by the Board, within the ceiling fixed by the Members. Annual increments usually effective 1st April as recommended by the Committee, are placed before the Board for approval. The Committee recommends the remuneration package taking into consideration the remuneration practices of companies of similar size and stature and the industry standards. The Directors' compensation is based on the appraisal system wherein their individual goals are linked to the organisational goals. The present remuneration structure of EDs comprises of salary, perquisites, allowances, variable pay, special pay and contributions to provident fund and gratuity.

C. Management Staff:

Remuneration of employees largely consists of basic salary, perquisites, allowances and performance incentives. The components of the total remuneration vary for different grades and are governed by industry patterns, qualifications and experience of the employees, responsibilities handled by them, their annual performance, etc. For the last few years, efforts have also been made to link the annual variable pay of employees with the performance of the Company. The variable pay policy links the performance pay of the employees with their individual and overall organisational performance on parameters aligned to the Company's objectives whereas Variable Production Incentive Bonus is linked to the respective Plant's parameters.

3.3.4 Details of Remuneration paid to Directors:

A. Payment to Non-Executive Directors:

The sitting fees paid to NEDs for attending the Board / Committee Meetings held during the year and commission paid is as under:

Amount in ₹

Name of the Director	Sitting fees	Commission @
Mr. Nirmal Kumar Jain	13,10,000	15,50,000
Mr. Chandan Bhattacharya	13,10,000	18,00,000
Ms. Sheila Sangwan	11,00,000	15,50,000
Ms. Shailaja Chandra	9,50,000	15,50,000
Mr. Rakesh Nath	10,10,000	11,17,760
Mr. Uday Chitale*	4,90,000	-
Ms. Tanvi Shete*#	-	-
Total	**61,70,000**	**75,67,760**

* Appointed as Director w.e.f. 22nd July, 2016

\# Not paid sitting fees or commission

The Independent Directors were not paid sitting fees for attending the separate meeting of Independent Directors.

Please refer to the disclosure on related party transactions in Notes to the Standalone Financial Statement for details of transactions in which Mr. Sajjan Jindal is concerned or interested. None of the other Non - Executive Directors has any other pecuniary interest in the Company.

B. Details of remuneration and perquisites paid and /or value as per the Income Tax Act, 1961 to the Managing Director and Executive Directors for FY 2016-17, their tenure and Stock Options held as at 31st March, 2017:

Name of Director	Position	Salary (₹ in crore)		Tenure	Notice Period	Share options held
		Fixed Pay	Performance Pay			
Mr. Sajjan Jindal	Chairman & Managing Director	12.08	-	5 years (till 31.12.2018)	-	Nil
Mr. Sanjay Sagar	Jt. Managing Director and CEO	2.23	0.70	5 years (till 20.07.2017)	3 months from either side or salary in lieu thereof.	Please see the table below
Mr. Pramod Menon*	Director- Finance	1.20	0.23	N.A.	N.A.	

* upto 31st January, 2017

Note:
Salary includes Basic Salary, House Rent Allowance, Bonus, use of Company's Car, Furniture & Equipment and Perquisites, the monetary value of which has been calculated in accordance with the provisions of the Income Tax Act, 1961 and Rules made thereunder but does not include Company's Contribution to Gratuity Fund, etc.

Plan	Grant Date	Exercise Price (₹)	Vesting Date	Mr. Sanjay Sagar		Mr. Pramod Menon		Expiry Period
				Options granted	Options exercised	Options granted	Options exercised	
1 JSWEL Plan-2010	8th November, 2011	52.35	8th November, 2014	1,62,765	-	94,794	94,794	30th September, 2017
	31st October, 2012	60.90	31st October, 2015	1,92,268	-	88,512	88,512	
2 JSWEL Scheme -2012	4th October, 2012	65.00	4th October, 2013	4,82,212	-	250,022	-	
3 JSWEL Plan-2016	3rd May, 2016	53.68	a. 3rd May, 2019 -50% options; b. 3rd May, 2020 –balance 50% options	2,87,071	-	3,42,125	N.A	31st March, 2026

Notes:

A. 1) JSWEL Employees Stock Ownership Plan-2010; 2) JSWEL Employees Mega Stock Ownership Scheme – 2012; 3)JSWEL Employees Stock Ownership Plan-2016

B. Options under "JSWEL Scheme-2012" and "JSWEL Plan-2010" were granted considering the ruling market price of the share of the Company on the date of grant and Options under "JSWEL Plan -2016" were granted at a discount of 20% to the then latest available closing market price of Company's share i.e. ₹67.10/- at the close of 2nd May, 2016 at National Stock Exchange of India Limited.

3.3.5 Details of shares held by Directors:

The Equity Shares held by the Directors of the Company as on 31st March, 2017, are given below:

Name of the Director	Number of Shares held
Mr. Sajjan Jindal	100
Ms. Sanjay Sagar	5,000
Mr. Nirmal Kumar Jain	5,000
Ms. Tanvi Shete	2,50,02,225

3.3.6 Performance Evaluation criteria for Independent Directors:

The Performance Evaluation criteria for Independent Directors, inter-alia, is as follows:

1. Helps in bringing an independent judgement to bear on the Board's deliberations.
2. Brings an objective view in the evaluation of the performance of board and management.
3. Undertakes to regularly update and refresh his / her skills, knowledge and familiarity with the Company.
4. Seeks appropriate clarification / information and, where necessary, takes appropriate professional advice and opinion of outside experts at the expense of the Company.
5. Strives to attend all meetings of the Board of Directors / Board committees of which he / she is a member and general meetings.
6. Communicates governance and ethical problems to the Chairman of the Board.
7. Pays sufficient attention and ensures that adequate deliberations are held before approving related party transactions.
8. Ensures that the Company has an adequate and functional vigil mechanism.
9. Satisfies himself / herself on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible.
10. Assists in determining appropriate policy of remuneration of executive directors, key managerial personnel and other employees.
11. Refrains from any action that may lead to loss of his / her independence and immediately informs the Board where circumstances arise which makes him / her lose independence.
12. Adheres to all other standards of the Code for Independent Directors as per the Schedule IV to the Act.
13. Assists the Company in implementing the best corporate governance practices.
14. Prepares for the Board meeting by reading the materials distributed before hand.

4. GENERAL MEETINGS

Annual General Meetings:

The details of date, time and location of last 3 AGMs are as under:

AGM	Date	Time	Venue
22nd	21st July, 2016	3.00 p.m.	Yashwantrao Chavan Pratisthan Y. B. Chavan Auditorium General Jagannath Bhosale Marg Mumbai – 400 021
21st	22nd July, 2015	3.00 p.m.	
20th	23rd July, 2014	3.00 p.m.	

Details of Special Resolutions passed in the previous 3 AGMs:

AGM		Particulars of Special Resolutions passed
22nd AGM	a.	Issue of Secured / Unsecured Redeemable Non-Convertible Debentures upto ₹5,000 crore
	b.	Approval for Further Issue of Securities not exceeding ₹7,500 crore
	c.	Approval for Increase in Investment Limit.
21st AGM	a.	Approval for Issue of Non-Convertible Debentures upto ₹5,000 crore
	b.	Approval for Issue of Securities not exceeding ₹7,500 crore
	c.	Alteration of Articles of Association to align with Companies Act, 2013

AGM	Particulars of Special Resolutions passed
20th AGM	a. Approval of borrowing powers b. Approval for creation of hypothecations / mortgages and/or charges c. Commission to non-executive directors d. Contract with JSW Investment Private Limited for a license to use the 'JSW' brand e. Transactions with JSW Power Trading Company Limited f. Transactions with JSW International Tradecorp PTE. Limited g. Transactions with JSW Steel Limited h. Alteration of Articles of Association i. Issue of secured / unsecured redeemable non-convertible debentures j. Issue of equity shares

During the year under review, no Special Resolution was passed through Postal Ballot. If required, Special Resolutions shall be passed by Postal Ballot during the year, in accordance with the prescribed procedure.

5. DISCLOSURES

5.1 There were no materially significant related party transactions that conflict with the interests of the Company at large.

5.2 There was no instance of non-compliance by the Company. No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last 3 years.

5.3 All mandatory requirements as per Chapter IV of the Listing Regulations have been complied with by the Company.

5.4 The Company has duly fulfilled the following discretionary requirements as prescribed in Schedule II Part E of the Listing Regulations:

a. The Auditors' Report on statutory Financial Statement of the Company is unmodified.

b. The Office of Chairman and Chief Executive Officer of the Company are held by different individuals.

c. As per the requirements, the Internal Auditor may report directly to the Audit Committee. The Internal Auditor of the Company briefs the Audit Committee through discussions and presentations covering observations, review comments and recommendations, etc.

5.5 The Company has formulated a 'Whistle Blower Policy' and has established a Vigil Mechanism. No personnel has been denied access to the Audit Committee in case of any concerns / grievances.

5.6 The Policy for 'Material' Subsidiaries and the Policy on dealing with Related Party Transactions are available on www.jsw.in/investors/energy.

5.7 Details of Familiarisation Programmes for Independent Directors, is available on www.jsw.in/investors/energy.

5.8 The Company has a commodity risk management policy. The Company also has adopted foreign exchange risk policy to mitigate the risk of foreign exchange price fluctuations.

5.9 The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Company (Indian Accounting Standards), Rules as amended by the Company (India AS) (Amendment) Rules, 2016.

5.10 In terms of Regulation 17(8) of the Listing Regulations, the Chief Executive Officer and the Chief Financial Officer furnished a certificate to the Board of Directors in the prescribed format for the year under review which has been reviewed by the Audit Committee and taken on record by the Board.

6. SUBSIDIARY COMPANIES MONITORING FRAMEWORK

All the subsidiary companies of the Company are Board managed with their Boards having the right and obligations to manage such companies in the best interest of their stakeholders. As a majority Shareholder, the Company at times nominates its representatives on the Boards of some subsidiary / associate companies. The Company monitors the performance of subsidiary companies, inter-alia, by the following means:

a) A copy of the Minutes of the meetings of the Board of Directors of the subsidiary companies is tabled before the Company's Board on a quarterly basis.

b) A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary companies is placed before the Company's Board.

c) Quarterly compliance reports issued by Director in-charge / Finance and Accounts Head / Company Secretary / HR Head are tabled before the Company's Board on a quarterly basis.

d) Subsidiary companies' financial results are also tabled before the Company's Audit Committee / Board on a quarterly basis.

Regulation 16(1)(c) of the Listing Regulations defines "material subsidiary" as a subsidiary, whose income or net worth exceeds 20% of the consolidated income or net worth respectively, of the listed holding company and its subsidiaries in immediately preceding accounting year.

In compliance of Regulation 24 of Listing Regulations, Ms. Sheila Sangwan, Independent Director is also an Independent Director on the Board of Raj WestPower Limited, an unlisted material subsidiary of the Company as on 31st March, 2017

7. MEANS OF COMMUNICATION

(i) Quarterly/Annual Results:
The quarterly and annual results of the Company are sent to the Stock Exchanges within the stipulated time after they are approved by the Board.

(ii) News Releases:
The quarterly and annual results of the Company are published in the prescribed proforma within 48 hours of the conclusion of the meeting of the Board in which they are considered, in atleast one English newspaper circulating in the whole or substantially the whole of India (usually Financial Express) and in one vernacular newspaper of the State where the Registered Office of the Company is situated (usually Navshakti).

(iii) Website:
The Company's website www.jsw.in contains a separate dedicated section "Investors" where latest information is available. The quarterly and annual results are posted on the website. Comprehensive information about the Company, its business and operations, press releases, shareholding pattern, corporate benefits, contact details, investor forms, etc. are posted on the website in compliance with Regulation 46 of the Listing Regulations.

(iv) Presentations to Analysts / Meets / Calls:
Presentations / Concalls were made to analysts / investors during FY 2016-17. The Presentations / Transcripts of the same are available on the Company's website: www.jsw.in/investors/energy.

(v) Online filings:
The Company electronically files data such as shareholding pattern, corporate governance report, quarterly and audited annual financial results, corporate announcements, etc. on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) online portal, viz. www.listing.bseindia.com and www.connect2nse.com respectively within the time frame prescribed in this regard.

(vi) SEBI Complaints Redressal System (SCORES):
The investors complaints are processed in a centralised web-based complaints redressal system. The salient features of this system are: centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

(vii) Annual Report:
The Annual Report containing, interalia, Audited Financial Statements (Standalone and Consolidated), Directors' Report, Auditors' Report and other important information is sent to the Members and others entitled thereto. The Management Discussion and Analysis forms a part of this Annual Report. The Annual Report is also available on the Company's website: www.jsw.in/investors/energy. The Business Responsibility Report is available on Company's website: www.jsw.in/investors/energy.

(viii) Chairman's Communique:
Printed copy of the Chairman's Speech is distributed to the Members at the Annual General Meeting.

8 GENERAL SHAREHOLDERS INFORMATION

8.1 Annual General Meeting:

Date and Time :	Thursday, 13th July, 2017 at 3.00 p.m.
Venue :	Yashwantrao Chavan Pratisthan Y. B. Chavan Auditorium General Jagannath Bhosale Marg Mumbai - 400 021

Financial Year: 1st April, 2016 to 31st March, 2017

Financial Calendar 2017-18 (tentative):

First quarter results	On or before 14th August, 2017
Second quarter results	On or before 14th November, 2017
Third quarter results	On or before 14th February, 2018
Annual results for the year 2017-18	On or before 30th May, 2018

Dates of Book Closure:
Tuesday, 4th July, 2017 to Thursday, 13th July, 2017 (both days inclusive).

Dividend Announcement:
The Board has recommended a dividend of ₹0.50 (5%) per share on the Equity Shares of the face value of ₹10 each for the year ended 31st March, 2017, subject to approval by the Members of the Company at the forthcoming 23rd Annual General Meeting.

Date of Dividend Payment:
On or before Friday, 11th August, 2017.

Dividend Eligibility:
The dividend on Equity Shares of the Company, as recommended by the Board upon declaration by the Members at the forthcoming 23rd Annual General Meeting, will be paid as under:

a. To all those beneficial owners in respect of the Shares held in electronic form as per the data made available by the National Securities Depository Limited and Central Depository Services (India) Limited as of the close of business hours on Monday, 3rd July, 2017; and

b. To all those Members in respect of the Shares held in physical form on Thursday, 13th July, 2017 (after giving effect to the valid transfers in respect of the Shares lodged with the Company on or before the close of business hours on Monday, 3rd July, 2017).

8.2 Listing on Stock Exchanges and Stock Codes:

The Company's Equity Shares are listed on the following Stock Exchanges in India:

Name	Address	Stock code
BSE	Phiroze Jeejeebhoy Towers, Dalal Street Mumbai - 400 001	533148
NSE	Exchange Plaza Bandra Kurla Complex Bandra (East) Mumbai - 400 051	JSWENERGY-EQ

ISIN for Equity Shares: INE121E01018

The privately placed Secured Redeemable Non-Convertible Debentures issued by the Company are listed on BSE and their ISINs are as follows:

INE121E07098 - 9.75% NCDs of ₹10 Lakhs each

INE121E07106 - 9.75% NCDs of ₹10 Lakhs each

INE121E07114 - 9.75% NCDs of ₹10 Lakhs each

INE121E07213 - 9.75% NCDs of ₹10 Lakhs each

INE121E07270 - 9.75% NCDs of ₹10 Lakhs each

INE121E07288 - 9.75% NCDs of ₹10 Lakhs each

INE121E07296 - 9.75% NCDs of ₹10 Lakhs each

INE121E07304 - 9.75% NCDs of ₹10 Lakhs each

INE121E07312 - 9.75% NCDs of ₹10 Lakhs each

INE121E07320 - 8.65% NCDs of ₹10 Lakhs each

Debenture Trustee:
IDBI Trusteeship Services Limited
Asian Building, Ground Floor
17, R. Kamani Marg
Ballard Estate
Mumbai - 400 001

The Company has paid Annual Listing Fees as applicable to BSE and NSE for the FY 2017-18.

8.3 Market Price Data:

The monthly high / low market price of the Company's Shares during the year 2016-17 on BSE and NSE, were as under:

Month	BSE			NSE			Total volume of
	High Price	Low Price	Volume	High Price	Low Price	Volume	BSE and NSE
April 16	74.00	63.50	51,57,502	73.60	63.50	5,15,21,980	5,66,79,482
May 16	74.05	65.80	46,48,143	74.40	65.75	3,95,90,041	4,42,38,184
June 16	86.20	68.15	1,35,99,399	86.50	68.15	1,10,83,2016	12,44,31,415
July 16	85.80	77.50	85,46,408	85.80	77.30	5,73,78,385	6,59,24,793
August 16	85.85	75.70	88,28,948	85.85	75.55	7,89,68,210	8,77,97,158
September 16	83.40	71.55	77,88,388	83.45	71.40	5,60,48,066	6,38,36,454
October 16	76.40	64.80	41,28,528	76.40	64.70	4,15,33,841	4,56,62,369
November 16	67.55	53.50	1,59,46,534	67.50	53.05	5,40,89,607	7,00,36,141
December 16	62.65	54.70	64,29,612	62.70	54.65	7,10,38,059	7,74,67,671
January 17	66.90	58.80	1,56,79,566	66.95	58.70	9,69,08,005	11,25,87,571
February 17	66.70	59.45	78,98,725	66.70	59.30	6,56,17,296	7,35,16,021
March 17	66.20	59.90	1,11,54,086	66.10	60.00	11,31,28,740	12,42,82,826

8.4 Registrar & Share Transfer Agent:

Karvy Computershare Private Limited (Karvy)
Unit: JSW Energy Limited
Karvy Selenium Tower B
Plot 31-32
Gachibowli Financial District
Nanakramguda
Hyderabad –500 032
Ph. Nos: 040 – 67161500
Fax No. 040 -23001153
E-mail: einward.ris@karvy.com
Website: www.karvy.com

8.5 Share Transfer System:

Share transfers in physical form can be lodged with Karvy at the above mentioned address. The transfer requests are processed within 15 days of receipt of the documents, if documents are found in order. Shares under objection are returned within 15 days. The Board has delegated the authority for approving transfers, transmissions, etc. of the Company's shares in physical form to the Stakeholders Relationship Committee. The decisions of Stakeholders Relationship Committee are placed at the subsequent Board Meeting. The Company obtains from a Company Secretary in Practice, a half yearly certificate of compliance with the share transfer formalities as required under Regulation 40 of the Listing Regulations and files a copy of the certificate with the Stock Exchanges.

During the year under review, no share transfers in physical form were lodged with Karvy.

8.6 Distribution of Shareholding:

The distribution of shareholding as on 31st March, 2017, is given below:

Sl. no.	Category (Shares)	Number of Holders	% to Holders	Number of Shares	% to Equity
1	1 - 5,000	1,23,785	98.48	4,51,25,995	2.75
2	5,001 - 10,000	986	0.78	74,61,669	0.46
3	10,001 - 20,000	393	0.31	57,65,562	0.35
4	20,001 - 30,000	160	0.13	40,10,410	0.24
5	30,001 - 40,000	68	0.05	23,86,938	0.15
6	40,001 - 50,000	45	0.04	20,33,193	0.12
7	50,001 - 1,00,000	74	0.06	52,66,936	0.32
8	1,00,001 and above	183	0.15	1,56,80,04,092	95.61
	TOTAL:	**1,25,694**	**100.00**	**1,64,00,54,795**	**100.00**

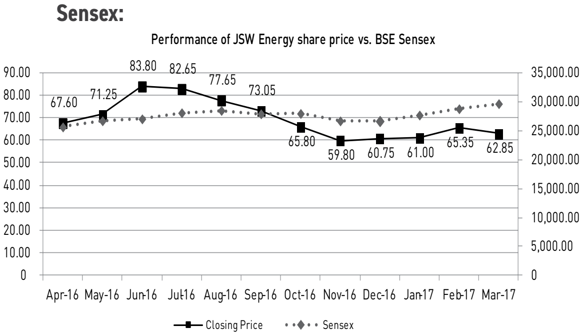
8.7 Geographical Distribution of Shareholders as on 31st March, 2017:

	City	Electronic			Physcial			Total		
		Cases	Shares	%	Cases	Shares	%	Cases	Shares	%
1	Ahmedabad	3,523	31,81,17,168	19.40	0	0	0.00	3,523	31,81,17,168	19.40
2	Bangalore	3,071	21,89,302	0.13	0	0	0.00	3,071	21,89,302	0.13
3	Mumbai	13,082	95,12,44,415	58.00	1	3	0.00	13,083	95,12,44,418	58.00
4	Calcutta	3,725	23,11,590	0.14	3	401	0.00	3,728	23,11,991	0.14
5	Chennai	2,597	12,50,208	0.08	0	0	0.00	2,597	12,50,208	0.08
6	Delhi	5,363	15,05,53,432	9.18	0	0	0.00	5,363	15,05,53,432	9.18
7	Hyderabad	1,931	11,70,962	0.07	0	0	0.00	1,931	11,70,962	0.07
8	Pune	1,855	8,14,647	0.05	1	100	0.00	1,856	8,14,747	0.05
9	Vadodara	1,649	5,51,309	0.03	0	0	0.00	1,649	5,51,309	0.03
10	Others	88,883	21,18,45,958	12.92	10	5,300	0.00	88,893	21,18,51,258	12.92
	Total	**1,25,679**	**1,64,00,48,991**	**100.00**	**15**	**5,804**	**0.00**	**1,25,694**	**1,64,00,54,795**	**100**

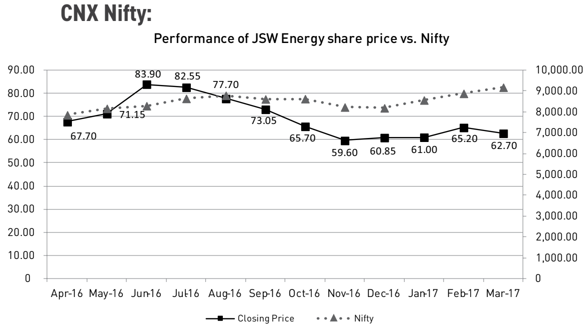
8.8 Shareholding Pattern:

Category	As on 31st March, 2017			As on 31st March, 2016		
	Number of holders	Number of shares	% of holding	Number of Holders	Number of Shares	% of Holding
Promoters	28	1,22,99,40,644	74.99	28	1,23,00,40,644	75.00
Non Resident Indians	1,400	27,61,914	0.17	1,220	18,82,218	0.11
Financial Institutional Investors	113	13,08,16,511	7.98	158	14,74,17,695	8.99
Foreign Bodies Corporate	2	7,13,13,060	4.35	2	10,30,78,590	6.29
Indian Financial Institutions	4	8,23,30,280	5.02	4	8,19,91,918	5.00
Indian Mutual Funds	25	2,10,26,991	1.28	18	80,51,118	0.49
Banks	2	7,12,171	0.04	1	32,115	0.00
Non Banking Financial Companies	8	1,32,055	0.01	0	0	0.00
Bodies Corporate	1,291	1,50,77,209	0.92	1,112	70,42,505	0.43
Public	1,19,490	8,22,88,849	5.02	1,02,658	5,83,76,205	3.56
Trust	5	7,150	0.00	7	37,450	0.00
Hindu Undivided Family	3,326	36,47,961	0.22	2,745	21,04,337	0.13
Total	**1,25,694**	**1,64,00,54,795**	**100.00**	**1,07,953**	**1,64,00,54,795**	**100.00**

8.9 Performance of closing share price in comparison to BSE Sensex:



8.10 Performance of closing share price in comparison to S & P CNX Nifty:



8.11 Top 10 Shareholders as on 31st March, 2017 as per data downloaded by Depositories:

Name of the Shareholder(s)	Number of Shares	% of Total Shareholding
Jsw Investments Private Limited	33,27,62,694	20.29
Sahyog Holdings Private Limited	23,50,82,000	14.33
Glebe Trading Private Limited	14,53,32,820	8.86
Jsl Limited	14,53,32,820	8.86
Jsw Steel Limited	9,14,74,090	5.58
Danta Enterprises Private Limited	8,55,99,613	5.22
Virtuous Tradecorp Private Limited	8,55,99,613	5.22
Life Insurance Corporation Of India	8,04,75,310	4.91
Steel Traders Limited	4,82,97,000	2.94
Blackrock Global Funds Asian Dragon Fund	2,78,89,557	1.70
Total:	**1,27,78,45,517**	**77.91**

8.12 Corporate benefits to Shareholders (since IPO Listing):

A. Dividend declared:

Financial Year	Dividend Rate (%)	Dividend Declaration Date
2009-10	7.5%	15th July, 2010
2010-11	10.00%	21st July, 2011
2011-12	5.00%	20th July, 2012
2012-13	20.00%	25th July, 2013
2013-14	20.00%	23rd July, 2014
2014-15	20.00%	22nd July, 2015
2015-16	20.00%	21st July, 2016

B. Unclaimed Amounts:

Under the provisions of Section 124 of the Companies Act, 2013, amounts that remain unclaimed for a period of seven (7) years are to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. To ensure maximum disbursement of unclaimed dividend amount, the Company has sent reminders to the concerned investors at appropriate intervals. Members can check the details of unclaimed dividend amount on the website of the Company: www.jsw.in/investors/energy. The said information is also available on the Ministry of Corporate Affairs website www.mca.gov.in.

The unclaimed amounts that are due for transfer to the IEPF are as follows:

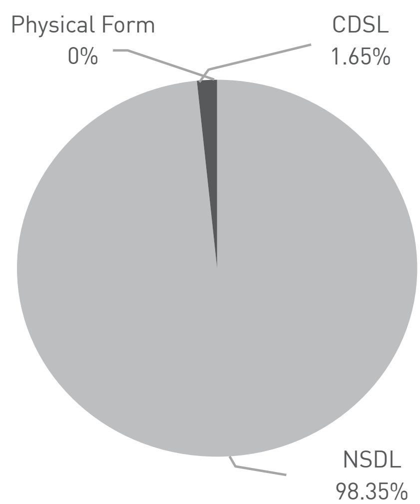
Financial Year	Date of Declaration of Dividend	Unclaimed Dividend Amount as on 31st March, 2017 (Amount in ₹)	Due Date for transfer to IEPF
2009-10	15th July, 2010	419,678	16th August 2017
2010-11	21st July, 2011	983,151	27th August 2018
2011-12	20th July, 2012	807,798	24th August 2019
2012-13	25th July, 2013	16,61,398	28th August 2020
2013-14	23rd July, 2014	21,09,392	26th August 2021
2014-15	22nd July, 2015	16,07,534	25th August 2022
2015-16	21st July,2016	19,08,642	26th August 2023

Members who have not claimed their dividend amount may approach Karvy for obtaining payments thereof immediately.

8.13 Dematerialisation of Shares and Liquidity:

The Company's Shares are compulsorily traded in dematerialised form. The Company has arrangements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for demat facility.

Sl. no.	Description	Cases	Shares	% Equity
1	PHYSICAL	15	5,804	0.00
2	NSDL	79,045	1,60,79,70,221	98.04
3	CDSL	46,634	3,20,78,770	1.96
	Total	**1,25,694**	**1,64,00,54,795**	**100.00**



Note:

Shares in physical form constitute a miniscule percentage of total Shares.

8.14 Register NECS Mandate and furnish correct Bank Account particulars with Company / Depository Participant (DP):

Members holding Shares in electronic form should ensure that correct and updated particulars of their Bank Account are available with the Depository Participant (DP) and Members holding Shares in physical form should provide the National Electronic Clearing Service (NECS) mandate to Karvy. This would facilitate in receiving dividend payment through electronic mode from the Company and avoid postal delays and loss in transit.

8.15 Green Initiative for Paperless Communications:

The Ministry of Corporate Affairs ("MCA") has undertaken a "Green Initiative in Corporate Governance" by allowing paperless compliances by companies through electronic mode. Accordingly, companies can now send various Notice(s) / Financial Statement / Annual Report / Documents, etc. to their Members through electronic mode to their registered e-mail address. To support this "Green Initiative" taken by the MCA and to contribute towards greener environment, Members are urged to register their e-mail address. Members holding Shares in demat mode can register their e-mail address / change their e-mail address with their DP or fill in the E-Communication Registration Form attached to this Annual Report and forward the same to Karvy in the event they have not done so earlier for receiving notices / documents through electronic mode. Members holding Shares in physical form can also avail the said facility by filling in the E-Communication Registration Form attached to this Annual Report and forwarding the same to Karvy. Alternatively, Members can download the Form from the Company's website: www.jsw.in/investors/energy.

8.16 Outstanding GDRs / ADRs or Warrants or any Convertible Instrument, conversion dates and likely impact on equity:

NIL

8.17 Shares in the Suspense Account

Disclosure with respect to Demat Suspense Account / Unclaimed Suspense account:

1) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year :
1 Shareholder holding 180 Shares

2) Number of shareholders who approached listed entity for transfer of shares from suspense account during the year : Nil

3) Number of shareholders to whom shares were transferred from suspense account during the year : Nil

4) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year :
1 Shareholder holding 180 Shares

5) Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

8.18 Registered Office:

JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

8.19 Plant Locations:

Vijayanagar: Post Box No. 9, Toranagallu, District Bellary – 583 123, Karnataka.

Ratnagiri: Village Nandiwade, Post Jaigad, Taluka & District Ratnagiri - 415 614, Maharashtra.

8.20 Address for Investor Correspondence:

A. For Retail Investors:

(i) Shares held in Demat form:

Investors' respective DP(s) and / or Karvy at the address mentioned at point (ii) below.

(ii) Shares held in Physical Form:

Karvy Computershare Private Limited
Unit: JSW Energy Limited
Karvy Selenium Tower B
Plot 31-32, Gachibowli
Financial District, Nanakramguda
Hyderabad –500032
Tel. Nos. 040 – 6716 1500
Fax No. 040 - 23001153
E-mail: einward.ris@karvy.com
Website: www.karvy.com.

(iii) Registered Office:

JSW Energy Limited
JSW Centre, Bandra Kurla Complex
Bandra (East), Mumbai 400 051.
Tel. No. 022-4286 1000
Fax. No. 022-4286 3000
E-mail: jswel.investor@jsw.in
Website: www.jsw.in

B. For Institutional Investors:

Mr. Pritesh Vinay
Vice President - Capital Markets and Group Investor Relations
pritesh.vinay@jsw.in

Mr. Subhra Das
Investor Relations
subhra.das@jsw.in

Contact Address:

JSW Centre, Bandra Kurla Complex
Bandra (East), Mumbai 400 051
Tel. No. 022-4286 1000
Fax. No. 022-4286 3000
Website: www.jsw.in.

C. **Designated e-mail id for Investor servicing:**
jswel.investor@jsw.in

D. **Toll Free Number of Karvy's exclusive call centre:**
1800-3454-001

E. **Web-based Query Redressal System:**
Facility has been extended by Karvy for redressal of Members' queries. The Members can visit http://karisma.karvy.com and click on "investors" option for query registration after free identity registration. After logging in, Members can submit their query in the "QUERIES" option provided on the website, which would give the grievance registration number. For accessing the status / response to their query, the same number can be used at the option "VIEW REPLY" after 24 hours. The Members can continue to post additional queries relating to the case till they are satisfied.

9. CORPORATE POLICIES / ETHICS

The Company adheres to the highest standards of business ethics, compliance with statutory and legal requirements and commitment to transparency in business dealings. A gist of Code of Conduct for Board Members and Senior Management and to regulate Insider Trading and also policies such as Whistle Blower Policy / Vigil Mechanism, Prevention of Sexual Harassment, is given below:

A. **Code of Conduct for Board Members and Senior Management:**
The Board of Directors of the Company adopted the Code of Conduct for its members and Senior Management personnel of the Company and the same is posted on the Company's website: www.jsw.in/investors/energy. The Code highlights corporate governance as the cornerstone for sustained management performance, for serving all the stakeholders and for instilling pride of association. The Code is applicable to all Directors and specified Senior Management Executives. The Code impresses upon Directors and Senior Management Executives to uphold the interest of the Company and its stakeholders and to endeavor to fulfil all the fiduciary obligations towards them. Another important principle on which the Code is based is that the Directors and Senior Management Executives shall act in accordance with the highest standard of honesty, integrity, fairness and ethical conduct and shall exercise utmost good faith, due care and integrity in performing their duties.

Declaration affirming compliance of Code of Conduct:
The Company has received confirmations from the Directors as well as Senior Management Executives regarding compliance of the Code of Conduct during the year under review. A declaration by the Jt. Managing Director and CEO affirming compliance of Board Members and Senior Management personnel to the Code is also annexed herewith.

B. **Code of Conduct to Regulate, Monitor and Report Trading by Insiders:**
In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended (the Regulations), the Board of the Directors of the Company has adopted a Code of Conduct to Regulate, Monitor and Report Trading by Insiders (the "Code") for prevention of Insider Trading. The Code lays down guidelines and procedures to be followed and disclosures to be made by Insiders, Connected Persons, Directors, Promoters, Key Managerial Personnel, Senior Management Personnel and certain staff whilst dealing in Shares of the Company. The Code contains regulations for preservation of unpublished price sensitive information, pre-clearance of trades. The Company Secretary has been appointed as the Compliance Officer and is responsible for adherence to the Code.

C. **Whistle Blower Policy / Vigil Mechanism**
The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour.

In line with the Whistle Blower Policy, any actual or potential violation, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. Accordingly, the Whistle Blower Policy adopted by the Company in line with Regulation 22 of Listing Regulations and Section 177(9) of the Act encourages all employees to report any suspected violations promptly and intends to investigate any good faith reports of violations. The Whistle Blower Policy / Vigil Mechanism specifies the procedure and reporting authority for reporting unethical behaviour, actual or suspected fraud or violation of the Code or any other unethical or improper activity including misuse or improper use of accounting policies and procedures resulting in misrepresentation of accounts and financial statements. The Company affirms that no employee has been denied access to the Ethics Counsellor / Audit Committee.

D. Policy for Prevention of Sexual Harassment:
The Company has adopted a comprehensive Prevention of Sexual Harassment Policy. The Company is an equal employment opportunity provider and is committed to creating a healthy working environment that enables employees to work without fear of prejudice, gender bias and sexual harassment. The Company also believes that all employees of the Company have the right to be treated with dignity. Sexual harassment at the work-place or other than work place, if involving employees, is a grave offence and is, therefore, punishable.

E. Reconciliation of Share Capital Audit Report:
Reconciliation of Share Capital Audit Report in terms of SEBI circular CIR/MRD/DP/30/2010 dated 6th September, 2010, confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with National Securities Depository Limited and Central Depository Services (India) Limited, is submitted to the Stock Exchanges where the shares of the Company are listed, on a quarterly basis.

F. Internal Checks and Balances:
Wide use of technology in the Company's financial reporting processes ensures robustness and integrity. The Company deploys a robust system of internal controls to allow optimal use and protection of assets, facilitate accurate and timely compilation of financial statements and management reports and ensure compliance with statutory laws, regulations and Company policies. The Board and the Management periodically review the findings and recommendations of the auditors and take corrective actions, wherever necessary.

G. Legal Compliance of the Company's Subsidiaries:
Periodical audit ensures that the Company's subsidiaries conduct it's business with high standards of legal, statutory and regulatory compliances. As per the compliance reports of the Management, there has been no material non-compliance with the applicable statutory requirements by the Company and its subsidiaries.

10. OTHER SHAREHOLDER INFORMATION

A. Corporate Identity Number (CIN):
The CIN allotted to the Company by the Ministry of Corporate Affairs, Government of India is L74999MH1994PLC077041.

B. Shares held in electronic form:
Members holding Shares in electronic form may please note that:

(i) Instructions regarding bank details which Members wish to have incorporated in dividend warrants must be submitted by them to their DPs. As per the regulations of NSDL and CDSL, the Company is obliged to print bank details on the dividend warrants, as furnished by them to the Company.

(ii) Instructions already given by Members for Shares held in physical form will not be automatically applicable to the dividend paid on Shares held in electronic form.

(iii) Instructions regarding change of address, nomination and power of attorney should be given directly to the DPs.

(iv) The Company provides NECS facilities for Shares held in electronic form and Members are urged to avail this facility.

C. Depository Services:

Members may write to the respective Depository or to Karvy for guidance on depository services.

National Securities Depository Limited
Trade World, "A" Wing
4th Floor, Kamala Mills Compound
Lower Parel
Mumbai 400 013
Tel No. 022-2499 4200
Fax No. 022-2497 6351
E-mail : info@nsdl.co.in
Website : www.nsdl.co.in

Central Depository Services (India) Limited

Phiroze Jeejeebhoy Towers
17th Floor, Dalal Street
Mumbai 400 001
Tel : 022-2272 3333
Fax : 022-2272 3199
E-mail : helpdesk@cdslindia.com
Website : www.cdslindia.com

D. Nomination Facility:

Members are entitled to make nominations in respect of Shares held by them. Members holding Shares in electronic form are requested to give the nomination request to their respective DPs directly. Members holding Shares in physical form and intending to make / change the nomination in respect of their Shares in the Company, may submit their requests to Karvy. Form for this purpose can be obtained from Karvy or downloaded from the Company's website: www.jsw.in/investors/energy.

Independent Auditors' Report

TO THE MEMBERS OF JSW ENERGY LIMITED

Report on the Standalone IND AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of JSW Energy Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash flows, the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Ind AS Financial Statements").

Management's Responsibility 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 Companies Act, 2013 ("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) prescribed under Section 133 of the Act and relevant rules thereunder.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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.

Opinion

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 Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2017 and its profit (financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Independent Auditors' Report

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A a statement on the matters specified in paragraph 3 and 4 of the Order.

As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

(c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows 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 Ind AS specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

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

(g) With respect to other matter to be included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 , in our opinion and to the best of our information and according to the explanations given to us :

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements- Refer Note No. 28 to the standalone Ind AS financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. The Company has provided requisite disclosure in its standalone Ind AS financial statements as to holding as well as dealings in Specified Bank Notes (SBN) during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with books of account maintained by the Company - Refer Note 13A to the standalone Ind AS financial statements

For **LODHA & CO.**
Chartered Accountants
Firm Registration No: 301051E

A. M. Hariharan
Partner
Membership No. 38323

Place: Mumbai
Date: 29th April, 2017

“Annexure A”

Annexure referred to in paragraph “Report on Other Legal and Regulatory Requirements” of our report to the Members of “the Company”for the year ended 31st March, 2017

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that:

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   b) The fixed assets have been verified in accordance with a phased program designed to cover all assets once in three years. The frequency of verification is considered reasonable, having regard to the size of the Company and nature of its fixed assets. Pursuant to the program, physical verification of fixed assets has been carried out during the year and no material discrepancies were noticed on such verification.

   c) Based on the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.

2. The inventory has been physically verified by the management at reasonable intervals during the year. The procedures of physical verification of the inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. As per the information and explanations given to us, discrepancies noticed on physical verification between the physical stocks and book records were not material.

3. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii) of the Order are not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act to the extent applicable, with respect to the loans and investments made, guarantees given and security provided.

5. No deposits have been accepted by the Company within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and Rules framed there under.

6. We have broadly reviewed the cost records maintained by the Company pursuant to the Order of the Central Government under sub- section (1) of Section 148 of the Act and are of the opinion that, prima facie, the prescribed records have been made and maintained. We are, however, not required to make a detailed examination of the records with a view to determine whether they are accurate or complete.

7. a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to the Company with appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

   b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues of income tax, sales tax, service tax, duty of customs, duty of

"Annexure A"

Annexure referred to in paragraph "Report on Other Legal and Regulatory Requirements" of our report to the Members of "the Company"for the year ended 31st March, 2017

excise, value added tax which have not been deposited on account of any dispute except those mentioned in the table below:

Name of the statute	Nature of dues	Period to which it relates	Amount (₹ in crore)	Forum where dispute is pending
Karnataka Electricity (Taxation on Consumption) Act, 1959	Electricity Tax	Financial Year 2012-13, 2013-14 & 2014-15	65.33	Department of Electrical Inspectorate, Karnataka
Finance Act, 1994	Service Tax	Financial year 2008-09 & 2009-10	0.82	CESTAT, Bangalore
The Customs Act, 1962	Custom Duty	Financial year 2011-12 & 2012-13	294.86	CESTAT Bangalore, Chennai, Mumbai

8. The Company has not defaulted in repayment of loans or borrowings to financial institutions, banks and dues to debenture holders during the year. The Company has not taken any loans or borrowings from Government during the year.

9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year or in the recent past. Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.

11. According to the information and explanations given to us and based on our examination of the records, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.

12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.

13. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, all transactions with the related party are in compliance with Section 177 and 188 of the Act and the details have been disclosed as required by the applicable Ind AS (Refer Note no 42 to the Standalone Ind AS Financial Statements).

14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, the provisions of clause 3(xiv) of the Order are not applicable to the Company.

15. Based on the information and explanations given to us, the Company has not entered into any non-cash transactions prescribed under Section 192 of the Act with directors or persons connected with them during the year.

16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **LODHA & CO.**
Chartered Accountants
Firm Registration No: 301051E

A. M. Hariharan
Partner
Membership No. 38323

Place: Mumbai
Date: 29th April, 2017

“Annexure B”

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 over financial reporting of JSW Energy Limited (“the Company”) as of 31st March, 2017 in conjunction with our audit of the Standalone Ind AS 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 company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

"Annexure B"

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, 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.

For **LODHA & CO.**
Chartered Accountants
Firm Registration No: 301051E

A. M. Hariharan
Partner
Membership No. 38323

Place: Mumbai
Date: 29th April, 2017

Balance Sheet

as at 31st March, 2017

₹ crore

Particulars	Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A. ASSETS				
1 Non-current assets				
(a) Property, plant and equipment	4A	5,186.26	5,409.60	5,630.04
(b) Capital work-in-progress	4B	474.85	282.06	256.04
(c) Other intangible assets	5	3.60	5.19	7.80
(d) Financial assets				
(i) Investments	6	5,212.05	6,644.73	2,220.04
(ii) Loans	7	1,383.03	1,071.51	848.52
(iii) Other financial assets	8	1,085.19	1,153.93	1,276.98
(e) Income tax assets (net)	9	222.06	162.47	281.63
(f) Other non-current assets	10	32.54	66.94	426.06
Total non - current assets		**13,599.58**	**14,796.43**	**10,947.11**
2 Current assets				
(a) Inventories	11	510.29	538.58	479.24
(b) Financial assets				
(i) Investments	6	154.11	24.02	1,380.34
(ii) Trade receivables	12	840.01	1,178.65	504.77
(iii) Cash and cash equivalents	13A	15.18	127.16	195.81
(iv) Bank balances other than (iii) above	13B	59.68	94.50	72.59
(v) Loans	7	82.10	-	2.00
(vi) Other financial assets	8	119.94	188.84	192.67
(c) Other current assets	10	37.09	25.99	19.25
Total current assets		**1,818.40**	**2,177.74**	**2,846.67**
Total assets		**15,417.98**	**16,974.17**	**13,793.78**
B. EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	14A	1,627.95	1,626.79	1,625.70
(b) Other equity	14B	6,765.61	6,965.34	6,162.16
Total equity		**8,393.56**	**8,592.13**	**7,787.86**
Liabilities				
1 Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	15	2,922.43	2,809.92	3,543.49
(ii) Other financial liabilities	16	0.62	10.51	9.89
(b) Provisions	18	13.87	11.43	10.01
(c) Deferred tax liabilities (net)	35(ii)	501.04	360.62	276.24
(d) Other non-current liabilities	17	1.74	1.82	1.87
Total non - current liabilities		**3,439.70**	**3,194.30**	**3,841.50**
2 Current liabilities				
(a) Financial liabilities				
(i) Borrowings	15	-	1,500.00	-
(ii) Trade payables	19	1,911.20	2,220.92	1,426.49
(iii) Other financial liabilities	16	1,285.15	1,450.58	725.30
(b) Other current liabilities	17	384.03	9.61	8.04
(c) Provisions	18	4.34	6.63	4.59
Total current liabilities		**3,584.72**	**5,187.74**	**2,164.42**
Total equity and liabilities		**15,417.98**	**16,974.17**	**13,793.78**
See accompanying notes to the financial statements				

As per our attached report of even date
For Lodha & Co.
Chartered Accountants
Firm Registration No. 301051E

For and on behalf of the Board of Directors

A. M. Hariharan
Partner
Membership No. 38323

Sanjay Sagar
Jt. Managing Director & CEO
[DIN: 00019489]

Sajjan Jindal
Chairman and Managing Director
[DIN: 00017762]

Monica Chopra
Company Secretary

Jyoti Kumar Agarwal
Chief Financial Officer

Place: Mumbai
Date: 29th April, 2017

Place: Mumbai
Date: 29th April, 2017

Statement of Profit and Loss

for the year ended 31st March, 2017

₹ crore

	Particulars	Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
I	Revenue from operations	20	4,040.97	5,862.63
II	Other income	21	328.55	398.08
III	**Total income**		**4,369.52**	**6,260.71**
IV	**Expenses**			
	(a) Fuel cost		2,721.20	3,311.92
	(b) Purchase of power		33.67	-
	(c) Employee benefits expense	22	120.10	116.23
	(d) Finance costs	23	533.04	644.08
	(e) Depreciation and amortisation expense	24	363.90	353.52
	(f) Other expenses	25	260.73	271.88
	Total expenses		**4,032.64**	**4,697.63**
V	**Proft before exceptional Items and tax**		**336.88**	**1,563.08**
VI	**Exceptional items**		**-**	**-**
VII	**Profit before tax**		**336.88**	**1,563.08**
VIII	Tax expense	26	142.13	381.01
IX	**Profit for the year**		**194.75**	**1,182.07**
	Other comprehensive income			
	(i) Items that will not be reclassified to profit or loss			
	- Remeasurements of the net defined benefit liabilities / (assets)		0.22	(1.58)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.05)	-
X	**Other comprehensive income / (loss) for the year**		**0.17**	**(1.58)**
XI	**Total comprehensive income for the year**		**194.92**	**1,180.49**
XII	**Earnings per equity share of ₹ 10 each**	36		
	Basic ₹		1.20	7.27
	Diluted ₹		1.20	7.27

See accompanying notes to the financial statements

As per our attached report of even date
For Lodha & Co.
Chartered Accountants
Firm Registration No. 301051E

A. M. Hariharan
Partner
Membership No. 38323

Place: Mumbai
Date: 29th April, 2017

For and on behalf of the Board of Directors

Sanjay Sagar
Jt. Managing Director & CEO
[DIN: 00019489]

Sajjan Jindal
Chairman and Managing Director
[DIN: 00017762]

Monica Chopra
Company Secretary

Jyoti Kumar Agarwal
Chief Financial Officer

Place: Mumbai
Date: 29th April, 2017

Statement of Changes in Equity

for the year ended 31st March, 2017

A. Equity share capital

₹ crore

Balance as at 1st April, 2015	**1,625.70**
Changes in equity share capital during the year - Treasury Shares	1.09
Balance as at 31st March, 2016	**1,626.79**
Changes in equity share capital during the year - Treasury Shares	1.16
Balance as at 31st March, 2017	**1,627.95**

Refer Note 14A for details of shares held by ESOP trust.

B. Other equity

₹ crore

Particulars	Reserves and surplus						Items of other comprehensive income	Total
	Securities premium reserve	General reserve	Foreign currency monetary items translation difference account	Equity settled share based payment reserve	Debenture redemption reserve	Retained earnings	Actuarial gain / (loss) on defined benefit liabilitites / (assets)	
Balance as at 1st April, 2015	**2,400.54**	**213.87**	**5.61**	**7.26**	**1,009.11**	**2,525.77**	**-**	**6,162.16**
Profit for the year	-	-	-	-	-	1,182.07	-	1,182.07
Other comprehensive income for the year	-	-	-	-	-	-	(1.58)	(1.58)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**1,182.07**	**(1.58)**	**1,180.49**
Dividends	-	-	-	-	-	(325.28)	-	(325.28)
Tax on dividends	-	-	-	-	-	(66.78)	-	(66.78)
Adjustments during the year	-	-	19.24	-	-	-	-	19.24
Amortised during the year	-	-	(4.99)	-	-	-	-	(4.99)
Share based payments	-	-	-	1.74	-	-	-	1.74
Consolidation of ESOP trust (Refer Note 43 (f))	-	-	-	-	-	3.08	-	3.08
Unwinding of transaction cost on debentures issued	(4.32)	-	-	-	-	-	-	(4.32)
Transfers to retained earnings	-	-	-	-	(514.52)	514.52	-	-
Transfers to general reserve	-	0.08	-	(0.08)	-	-	-	-
Balance at 31st March, 2016	**2,396.22**	**213.95**	**19.86**	**8.92**	**494.59**	**3,833.38**	**(1.58)**	**6,965.34**

Statement of Changes in Equity

for the year ended 31st March, 2017

₹ crore

Particulars	Reserves and surplus						Items of other comprehensive income	Total
	Securities premium reserve	General reserve	Foreign currency monetary items translation difference account	Equity settled share based payment reserve	Debenture redemption reserve	Retained earnings	Actuarial gain / (loss) on defined benefit liabilities / (assets)	
Balance as at 1st April, 2016	**2,396.22**	**213.95**	**19.86**	**8.92**	**494.59**	**3,833.38**	**(1.58)**	**6,965.34**
Profit for the year	-	-	-	-	-	194.75	-	194.75
Other comprehensive income for the year	-	-	-	-	-	-	0.17	0.17
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**194.75**	**0.17**	**194.92**
Dividends	-	-	-	-	-	(325.43)	-	(325.43)
Tax on dividends	-	-	-	-	-	(60.89)	-	(60.89)
Adjustments during the year	-	-	(7.58)	-	-	-	-	(7.58)
Amortised during the year	-	-	(3.04)	-	-	-	-	(3.04)
Share based payments	-	-	-	1.78	-	-	-	1.78
Consolidation of ESOP trust (Refer Note 43 (f))	-	-	-	-	-	5.08	-	5.08
Unwinding of transaction cost on debentures issued	(4.57)	-	-	-	-	-	-	(4.57)
Transfers to retained earnings	-	-	-	-	(197.15)	197.15	-	-
Balance as at 31st March, 2017	**2,391.65**	**213.95**	**9.24**	**10.70**	**297.44**	**3,844.04**	**(1.41)**	**6,765.61**

See accompanying notes to the financial statements

As per our attached report of even date
For Lodha & Co.
Chartered Accountants
Firm Registration No. 301051E

A. M. Hariharan
Partner
Membership No. 38323

Place: Mumbai
Date: 29th April, 2017

For and on behalf of the Board of Directors

Sanjay Sagar
Jt. Managing Director & CEO
[DIN: 00019489]

Sajjan Jindal
Chairman and Managing Director
[DIN: 00017762]

Monica Chopra
Company Secretary

Jyoti Kumar Agarwal
Chief Financial Officer

Place: Mumbai
Date: 29th April, 2017

Statement of Cash Flows

For The Year Ended 31st March, 2017

₹ crore

	Particulars	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
I	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit before Tax		**336.88**		**1,563.08**
	Adjusted for:				
	Depreciation and amortisation expense	364.26		353.87	
	Interest income	(302.08)		(294.30)	
	Finance costs	533.04		644.08	
	Impact of embedded lease accounting	58.82		58.16	
	Net (gain) / loss fair valuation of investments through profit and loss	(1.98)		6.26	
	Share based payments	1.78		1.74	
	Remeasurements of net defined benefit plans	0.22		(1.58)	
	Unwinding of security deposits	4.85		4.84	
	Net gain on sale of investments	(11.53)		(76.57)	
	Dividend Income	(10.18)		(28.90)	
	Bad debts written off	0.11		0.46	
	Loss on sale / discard of property, plant & equipment	0.07		2.63	
	Provision for non moving inventories	0.55		1.75	
	Preoperative expenses written off	3.36		5.34	
	Unrealised exchange gain	(7.33)		(4.38)	
			633.96		673.40
	Operating profit before working capital changes		**970.84**		**2,236.48**
	Adjustment for:				
	Trade receivables	338.54		(674.34)	
	Inventories	27.74		(61.09)	
	Loans, current & non current assets	(337.47)		92.78	
	Trade payables including advance received from customers	73.65		844.70	
			102.46		202.05
	Cash generated from operations		1,073.30		2,438.53
	Direct Taxes Paid (net)		(61.34)		(177.48)
	NET CASH FLOWS FROM OPERATING ACTIVITIES		**1,011.96**		**2,261.05**
II	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of property, plant & equipment (including CWIP & capital advances)		(322.54)		(63.17)
	Interest received		314.59		211.50
	Net gain on sale of investments		11.53		76.57
	Dividend income		10.18		28.90
	Investment in equity share capital of Subsidiaries		(12.18)		(1,350.18)
	Redemption of / (Investment in) Debentures of a Subsidiary		1,450.00		(2,350.00)
	Bank balances other than cash & cash equivalents		35.05		(22.13)
	Sale / Discard of property, plant & equipment		0.87		0.34
	NET CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES		**1,487.50**		**(3,468.17)**
III	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Borrowings (repaid) / taken		(1,563.84)		813.99
	Finance costs		(531.19)		(639.78)
	Dividend paid		(325.43)		(325.28)
	Dividend distribution tax		(60.89)		(66.78)
	NET CASH USED IN FINANCING ACTIVITIES		**(2,481.35)**		**(217.85)**
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (I+II+III)		**18.11**		**(1,424.97)**
	CASH AND CASH EQUIVALENTS - AT THE BEGINNING OF THE YEAR		**151.18**		**1,576.15**
	CASH AND CASH EQUIVALENTS - AT THE END OF THE YEAR (Refer Note 6 and 13A)		**169.29**		**151.18**
	See accompanying notes to the financial statements				

As per our attached report of even date
For Lodha & Co.
Chartered Accountants
Firm Registration No. 301051E

A. M. Hariharan
Partner
Membership No. 38323

Place: Mumbai
Date: 29th April, 2017

For and on behalf of the Board of Directors

Sanjay Sagar
Jt. Managing Director & CEO
[DIN: 00019489]

Sajjan Jindal
Chairman and Managing Director
[DIN: 00017762]

Monica Chopra
Company Secretary

Jyoti Kumar Agarwal
Chief Financial Officer

Place: Mumbai
Date: 29th April, 2017

Notes to Financial Statements

For The Year Ended 31st March, 2017

Note No. 1 - General Information:

a) JSW Energy Limited (the Company), is a public limited Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at JSW Centre Bandra Kurla Complex, Bandra East, Mumbai - 400 051.

b) The Company is primarily engaged in the business of generation of power, project management consultancy, operation & maintenance of power plants.

Note No. 2 - Statement of compliance:

a) The financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

b) Upto the year ended 31st March, 2016, the Company prepared its financial statements in accordance with the requirements of previous GAAP prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is 1st April, 2015. Refer Note 43 for the details of significant first-time adoption exemptions availed by the Company and an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, performance and cash flows.

Note No. 3 - Significant accounting policies:

a) Basis of preparation of financial statements

i) In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its Financial Statements as per the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Accounting Standards) Amendment Rules, 2016 with effect from 1st April, 2016. Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended 31st March, 2017, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Financial Statements". The figures for the previous year ended 31st March, 2016 and Opening Balance Sheet as on 1st April, 2015 have also been reinstated by the Management as per the requirements of Ind AS.

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

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

b) Use of estimates and judgements

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

ii) The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors

Notes to Financial Statements

For The Year Ended 31st March, 2017

(including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods. The critical accounting judgements and key estimates followed by the Company for preparation of financial statements is described in note 27.

c) Property, plant and equipment

i) 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. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to Statement of Profit and Loss in the period in which the costs are incurred.

ii) Major shutdown or overhaul expenditure is capitalised as the activities undertaken improve the economic benefits expected to arise from the asset.

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

iv) Assets in the course of construction are capitalised in the assets under capital work in progress account (CWIP). 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. Where an obligation (legal or constructive) exists to dismantle or remove an asset or restore a site to its former condition at the end of its useful life, the present value of the estimated cost of dismantling, removing or restoring the site is capitalized along with the cost of acquisition or construction upon completion and a corresponding liability is recognized. Revenue generated from production during the trial period is capitalised.

v) Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold or Leasehold land is stated at historical cost. Leasehold Land acquired by the Company, with an option in the lease deed, entitling the Company to purchase on outright basis after a certain period at no additional cost is not amortized.

d) Other Intangible assets

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

ii) Certain computer software costs are capitalized and recognised as intangible assets based on materiality, accounting prudence and significant benefits expected to flow therefrom for a period longer than one year.

e) Depreciation / Amortisation

i) Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method.

ii) Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any

Notes to Financial Statements

For The Year Ended 31st March, 2017

changes in estimate being accounted for on a prospective basis.

iii) Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

iv) Depreciation on tangible assets is provided as per the provisions of Part B of Schedule II of the Companies Act, 2013 based on useful life and residual value notified for accounting purposes by Electricity Regulatory Authorities.

v) Lease improvement costs are amortized over the period of the lease. Leasehold land acquired by the Company, with an option in the lease deed, entitling the Company to purchase on outright basis after a certain period at no additional cost is not amortized.

vi) Specialised software is amortised over an estimated useful life of 3 years.

vii) Estimated useful life of the assets are as follows:

Class of Property, plant and equipment	Useful life
Buildings	25 years
Plant and equipment	25 years
Furniture and fixtures	15 years
Vehicles	10 years
Office equipment	15 years

Useful life is either the period of time which the asset is expected to be used or the number of production or similar units expected to be obtained from the use of asset.

The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

f) Impairment of tangible and intangible assets other than goodwill

i) At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

ii) Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

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

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

v) When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable

Notes to Financial Statements

For The Year Ended 31st March, 2017

amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in Statement of Profit and Loss.

g) Borrowing costs

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

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

iii) The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

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

h) Cash and cash equivalents

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

i) Inventories

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

Inventories of stores, spare parts, coal, fuel and loose tools are stated at the lower of weighted average cost and net realizable value. Net realisable value represents the estimated selling price for inventories in the ordinary course of business less all estimated costs of completion and estimated costs necessary to make the sale.

j) Revenue recognition

i) Sale of Power

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

Revenue from sale of power / coal / other items is recognised when substantial risks and rewards of ownership is transferred to the buyer under the terms of the contract.

ii) Operator fee

Operator fees is accounted on accrual basis as and when the right to receive arises.

iii) Revenue from construction contracts

Revenue from construction contracts is recognised by applying percentage of completion method after providing for foreseeable losses, if any. Percentage of completion is determined as a proportion of the cost incurred up to the reporting date to the total estimated cost to complete. Foreseeable losses, if any, on the contracts is recognised as an expense in the period in which it is foreseen, irrespective of the stage of completion of the contract. While

Notes to Financial Statements

For The Year Ended 31st March, 2017

determining the amount of foreseeable loss, all elements of cost and related incidental income which is not included in contract revenue is taken into consideration. Contract is reflected at cost that is expected to be recoverable till such time the outcome of the contract cannot be ascertained reliably and at realisable value thereafter. Claims are accounted as income in the year of acceptance by customer.

iv) **Dividend and interest income**
Dividend income from investments is recognised 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).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

k) Foreign currency transactions and foreign operations

i) The functional currency of the Company and its subsidiaries is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

ii) In preparing the financial statements the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

iii) At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.

iv) Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

v) Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and

- exchange differences on transactions entered into in order to hedge certain foreign currency risks

- exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognized in the financial statements for the year ended 31st March 2016 prepared under previous GAAP, are capitalized as a part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / upto the date of settlement of such monetary item, whichever is earlier and charged to the Statement of Profit and Loss. The un-amortised exchange difference is carried under other equity as "Foreign currency monetary item translation difference account" net of tax effect thereon, where applicable. All exchange differences on foreign currency monetary items originating after March, 2016 including those relating to fixed assets are charged off to statement of profit and loss

Notes to Financial Statements

For The Year Ended 31st March, 2017

l) Employee benefits

The Company has following post-employment plans:

a) Defined benefit plans - gratuity

i) The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of defined benefit obligations at the end of the reporting period less fair value of plan assets. The defined benefit obligation is calculated annually by actuaries through actuarial valuation using the projected unit credit method.

ii) The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

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

iii) The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expenses in the statement of the profit & loss.

iv) Re-measurement comprising of actuarial gains and losses arising from

- Re-measurement of Actuarial(gains)/losses
- Return on plan assets, excluding amount recognized in effect of asset ceiling
- Re-measurement arising because of change in effect of asset ceiling are recognised in the period in which they occur directly in other comprehensive income. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

v) Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Company determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

b) Defined contribution plans - provident fund

i) Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund set up as trust and certain state plans like Employees' State Insurance. The Company's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

ii) A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

c) Short-term and other long-term employee benefits

i) A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

ii) Liabilities recognised in respect of short-term employee benefits are

Notes to Financial Statements

For The Year Ended 31st March, 2017

measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

iii) Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

iv) Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance sheet date determined based on an actuarial valuation.

m) Share-based payment arrangements

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

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

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

n) Taxation

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

a) Current tax

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

b) Deferred tax

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

Notes to Financial Statements

For The Year Ended 31st March, 2017

profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

2) Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

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

ii) Minimum Alternate Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

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

o) Earnings per share

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

Diluted earnings per share is computed by dividing the profit/(loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares

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For The Year Ended 31st March, 2017

considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

p) Provisions, contingencies and commitments

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

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

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

iv) A disclosure for contingent liabilities is made where there is-

a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

b) a present obligation that arises from past events but is not recognized because:

i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

ii) the amount of the obligation cannot be measured with sufficient reliability.

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

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

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

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

q) Financial instruments

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

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

Notes to Financial Statements

For The Year Ended 31st March, 2017

Financial assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

Subsequent measurement

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

(a) the entity's business model for managing the financial assets and

(b) the contractual cash flow characteristics of the financial asset.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as fair value through profit or loss on initial recognition)

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

All other financial assets are subsequently measured at fair value.

Effective interest method

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

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

Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity

Notes to Financial Statements

For The Year Ended 31st March, 2017

instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments.

A financial asset is held for trading if:

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

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

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

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

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

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

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

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

Notes to Financial Statements

For The Year Ended 31st March, 2017

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

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

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

Derecognition of financial assets

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

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

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

r) **Financial liabilities and equity instruments**

Classification as debt or equity

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

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an

Notes to Financial Statements

For The Year Ended 31st March, 2017

entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

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

Financial liabilities

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

Financial liabilities at FVTPL

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

A financial liability is classified as held for trading if:

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

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

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

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

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

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

Notes to Financial Statements

For The Year Ended 31st March, 2017

Financial liabilities subsequently measured at amortised cost

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

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

Derecognition of financial liabilities

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

s) Derivative financial instruments

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

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

Offsetting of financial instruments

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

Fair value measurement

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

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

i) In the principal market for the asset or liability, or

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

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

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

Notes to Financial Statements

For The Year Ended 31st March, 2017

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

t) **Reclassification of financial assets and liabilities:**
The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in the business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and the how they are accounted for:

Original Classification	Revised Classification	Accounting Treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in statement of profit and loss.
FVPTL	Amortised cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new gross carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new gross carrying amount. No other adjustment is required.
FCTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to statement of profit and loss at the reclassification date.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Notes to Financial Statements

For The Year Ended 31st March, 2017

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

u) Leases

A lease is classified at the inception date as a finance lease or an operating lease. Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. All other leases are classified as operating leases.

The Company as lessor:

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Company as lessee:

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments (discounted at the interest rate implicit in the lease or at the entity's incremental borrowing rate). The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Lease payments under an operating lease shall be recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

Accounting for arrangements in the nature of lease:

Under appendix C to Ind AS17, an entity may enter into an arrangement comprising a transaction or a series of related transactions, that do not take the legal form of lease but conveys a right to use an asset in return for a payment or series of payments. Arrangements meeting these criteria should be identified as either operating leases or finance leases.

For determining whether an arrangement is, or contains, a lease shall be based on the substance of the arrangement and requires an assessment of whether:

a) fulfilment of the arrangement is dependent on the use of specific asset or assets; and

b) the arrangement conveys a right to use the asset.

The Company enters into agreements, comprising a transaction or series of related transactions that does not take the legal form of a lease but conveys the right to use the asset in return for a payment or series of payments. In case of such arrangements, the Company applies the requirements of Ind AS 17 – Leases to the lease element of the arrangement. For the purpose of applying the requirements under Ind AS 17 – Leases, payments and other consideration required by the arrangement are separated at the inception of the arrangement into those for lease and those for other elements.

Notes to Financial Statements

For The Year Ended 31st March, 2017

Note No. 4 A- Property, plant and equipment

₹ crore

Particulars	Land - Freehold[a]	Land - Leasehold [b]	Buildings [d]	Plant and Equipment[c]	Office Equipment	Furniture and Fixtures	Vehicles	Leasehold Improvements	Total
I. Gross carrying value									
Balance as at 1st April, 2016	105.23	14.32	906.24	4,623.14	41.28	57.49	9.64	0.01	5,757.35
Additions	4.25	-	11.81	116.22	1.25	2.76	3.95	-	140.24
Disposals / discard	-	-	-	(2.76)	(0.03)	-	(0.43)	-	(3.22)
Balance as at 31st March, 2017	**109.48**	**14.32**	**918.05**	**4,736.60**	**42.50**	**60.25**	**13.16**	**0.01**	**5,894.37**
II. Accumulated depreciation									
Balance as at 1st April, 2016	-	-	30.72	309.93	2.74	3.59	0.77	-	347.75
Depreciation expense for the year	-	-	32.92	318.90	3.31	4.16	1.40	-	360.69
Eliminated on disposal / discard	-	-	-	(0.05)	(0.03)	-	(0.25)	-	(0.33)
Balance as at 31st March, 2017	**-**	**-**	**63.64**	**628.78**	**6.02**	**7.75**	**1.92**	**-**	**708.11**
III. Net carrying value as at 31st March, 2017 (I-II)	**109.48**	**14.32**	**854.41**	**4,107.82**	**36.48**	**52.50**	**11.24**	**0.01**	**5,186.26**

a) The Company has leased certain land aggregating to 77.61 acres (31st March, 2016 : 77.61 acres and 1st April, 2015 : 77.61 acres) to related parties for an amount aggregating to ₹ 2.31 crore (31st March, 2016 : ₹ 2.31 crore and 1st April, 2015 : ₹ 2.31 crore) for a period ranging from 25 to 99 years.

b) Leasehold Land acquired by the Company under lease deed entitles the Company to exercise the option to purchase on an outright basis after 10 years from the date of lease deed and there will be no further consideration payable at the time of conversion of the same from leasehold to freehold.

c) Includes net carrying value ₹ 100 (31st March, 2016 : ₹ 100 and 1st April, 2015 : ₹ 100) towards Company's share of water supply system constructed on land not owned by the Company.

d) Includes net carrying value ₹ 481.70 crore (31st March, 2016 : ₹ 492.77 crore and 1st April, 2015 : ₹ 467.69) being cost of office premises located at Mumbai, jointly owned (50%) with an Associate.

e) Refer Note 15 for the details in respect of certain property, plant and equipments hypothecated/mortgaged as security for borrowings.

Notes to Financial Statements

For The Year Ended 31st March, 2017

Note No. 4 A- Property, plant and equipment (contd..)

₹ crore

Particulars	Land - Freehold	Land - Leasehold	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Leasehold Improvements	Total
I. Deemed Cost									
Balance as at 1st April, 2015	102.67	14.32	850.55	4,560.38	40.10	54.13	7.88	0.01	5,630.04
Additions	2.58	-	56.29	66.19	1.71	3.78	2.61	-	133.16
Disposals / discard	(0.02)	-	(0.60)	(3.43)	(0.53)	(0.42)	(0.85)	-	(5.85)
Balance as at 31st March, 2016	**105.23**	**14.32**	**906.24**	**4,623.14**	**41.28**	**57.49**	**9.64**	**0.01**	**5,757.35**
II. Accumulated depreciation									
Balance as at 1st April, 2015	-	-	-	-	-	-	-	-	-
Depreciation expense for the year	-	-	31.29	311.03	3.13	3.94	1.23	-	350.62
Eliminated on disposal / discard	-	-	(0.57)	(1.10)	(0.39)	(0.35)	(0.46)	-	(2.87)
Balance as at 31st March, 2016	**-**	**-**	**30.72**	**309.93**	**2.74**	**3.59**	**0.77**	**-**	**347.75**
III. Net carrying value as at 31st March, 2016 (I-II)	**105.23**	**14.32**	**875.52**	**4,313.21**	**38.54**	**53.90**	**8.87**	**0.01**	**5,409.60**

The Company has availed the deemed cost exemption in relation to the property, plant and equipment on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer Note below for the gross block value and the accumulated depreciation on 1st April, 2015 under the previous GAAP

Deemed cost as on 1st April, 2015 :

₹ crore

Particulars	Land - Freehold	Land - Leasehold	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Leasehold Improvements	Total
Gross block as on 1st April, 2015	**102.67**	**14.32**	**927.60**	**6,646.38**	**49.09**	**62.09**	**11.83**	**0.40**	**7,814.38**
Accumulated depreciation till 1st April, 2015	-	-	77.05	2,086.00	8.99	7.96	3.95	0.39	2,184.34
Net block treated as deemed cost upon transition	**102.67**	**14.32**	**850.55**	**4,560.38**	**40.10**	**54.13**	**7.88**	**0.01**	**5,630.04**

Note No. 4 B- Capital work-in-progress

Capital work in progress & pre operative expenditure during construction period (pending allocation) relating to property, plant & equipment

	₹ crore
Balance as at 1st April, 2015	256.04
Balance as at 31st March, 2016	282.06
Balance as at 31st March, 2017	474.85

1) Includes ₹ 237.77 crore (31st March, 2016 ₹ 235.33 crore and 1st April, 2015 ₹ 231.85 core) expenses incurred for Kutehr Hydro Project.

2) Includes ₹ 220.25 crore (31st March, 2016 ₹ 24.22 crore and 1st April, 2015 ₹ 0.59 core) cost incurred for 400KV pooling station at Vijayanagar plant, of which borrowing costs of ₹ 7.50 crore (31st March, 2016 ₹ Nil and 1st April, 2015 ₹ Nil) capitalised.

Notes to Financial Statements

For The Year Ended 31st March, 2017

3) Amount transferred to property, plant & equipment during the year ₹ 14.20 crore (31st March 2016 : ₹ 12.45 crore)

4) Amount transferred to Statement of Profit and Loss during the year ₹ 3.36 crore (31st March 2016 : ₹ 5.34 crore)

Note No. 5 - Other intangible assets

₹ crore

Particulars		Computer Software	Total
I.	**Gross Carrying Value**		
	Balance as at 1st April, 2016	8.44	8.44
	Additions	1.99	1.99
	Disposals	-	-
	Balance as at 31st March, 2017	**10.43**	**10.43**
II.	**Accumulated Amortisation**		
	Balance as at 1st April, 2016	3.25	3.25
	Amortisation expense for the year	3.58	3.58
	Eliminated on disposal of assets	-	-
	Balance as at 31st March, 2017	**6.83**	**6.83**
III.	**Net carrying value as at 31st March, 2017 (I-II)**	**3.60**	**3.60**

₹ crore

Particulars		Computer Software	Total
I.	**Deemed Cost**		
	Balance as at 1st April, 2015	7.80	7.80
	Additions	0.64	0.64
	Disposals	-	-
	Balance as at 31st March, 2016	**8.44**	**8.44**
II.	**Accumulated amortisation**		
	Balance as at 1st April, 2015	-	-
	Amortisation expense for the year	3.25	3.25
	Eliminated on disposal of assets	-	-
	Balance as at 31st March, 2016	**3.25**	**3.25**
III.	**Net carrying value as at 31st March, 2016 (I-II)**	**5.19**	**5.19**

The Company has availed the deemed cost exemption in relation to the other intangible assets on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer Note below for the gross block value and the accumulated depreciation on 1st April, 2015 under the previous GAAP.

Deemed cost as on 1st April, 2015

₹ crore

Particulars	Computer Software	Total
Gross block as on 1st April, 2015	16.65	16.65
Accumulated amortisation till 1st April, 2015	8.85	8.85
Net block treated as deemed cost upon transition	7.80	7.80

Notes to Financial Statements

For The Year Ended 31st March, 2017

Note No. 6 - Investments

₹ crore

Particulars	No. of shares/ units	As at 31st March, 2017 Current	As at 31st March, 2017 Non Current	No. of shares/ units	As at 31st March, 2016 Current	As at 31st March, 2016 Non Current	No. of shares/ units	As at 1st April, 2015 Current	As at 1st April, 2015 Non Current
A. Unquoted investments									
I. Investment at Cost / Deemed cost									
a) Investments in Equity instruments									
Investment in Subsidiary Companies									
i) JSW Power Trading Company Limited (Equity Share of ₹ 10 each fully paid up) Refer Note 32	70,000,000	-	70.02	70,000,000	-	70.02	70,000,000	-	70.02
ii) Raj WestPower Limited (Equity Share of ₹ 10 each fully paid up) {of which 517,815,000 (31st March, 2016 : 517,815,000 and 1st April, 2015 : 517,815,000) shares pledged as security in favour of banks and financial institutions for loans granted to Raj WestPower Limited} Refer Note 28	1,726,050,000	-	1,726.05	1,726,050,000	-	1,726.05	1,726,050,000	-	1,726.05
iii) Jaigad PowerTransco Limited (Equity Share of ₹ 10 each fully paid up)	101,750,000	-	101.75	101,750,000	-	101.75	101,750,000	-	101.75
iv) JSW Energy (Raigarh) Limited (Equity Share of ₹ 10 each fully paid up)	113,832,300	-	113.83	113,332,300	-	113.33	109,632,300	-	109.63
v) JSW Green Energy Limited (Equity Share of ₹ 10 each fully paid up) Refer Note 32	50,000	-	0.05	50,000	-	0.05	50,000	-	0.05
vi) JSW Energy Mineral Mauritius Limited (Equity Share of USD 10 each fully paid up)	905,300	-	42.11	905,300	-	42.11	905,300	-	42.11
vii) JSW Energy (Kutehr) Limited (Equity Share of ₹ 10 each fully paid up)	29,015,000	-	29.02	23,015,000	-	23.02	3,715,000	-	3.72
viii) JSW Energy Natural Resources (BVI) Limited @# (Equity Share of USD 1 each fully paid up)	773,850	-	-	773,850	-	-	773,850	-	-

Notes to Financial Statements

For The Year Ended 31st March, 2017

₹ crore

Particulars	No. of shares/ units	As at 31st March, 2017 Current	Non Current	No. of shares/ units	As at 31st March, 2016 Current	Non Current	No. of shares/ units	As at 1st April, 2015 Current	Non Current
ix) Himachal Baspa Power Company Limited (Equity Share of ₹ 10 each fully paid up) {of which Nil (31st March, 2016 : 375,015,000 and 1st April, 2015 : Nil) shares pledged as security in favour of banks and financial institution for loans granted to Himachala Baspa Power Company Limited} Refer Note 28 & 29	1,250,050,000	-	2,046.01	1,250,050,000	-	2,046.01	-	-	-
Investment in an Associate Company									
i) Toshiba JSW Power Systems Private Limited (Equity Share of ₹ 10 each fully paid up)	99,877,405	-	100.23	99,877,405	-	100.23	99,877,405	-	100.23
Investment in Joint venture Company									
i) MJSJ Coal Limited # (Equity Share of ₹ 10 each fully paid up)	10,461,000	-	6.52	10,461,000	-	6.52	10,461,000	-	6.52
b) Investments in Debentures									
Investment in Subsidiary									
i) Himachal Baspa Power Company Limited (13% Unsecured Redeemable Non-Convertible Debenture of ₹ 100 each fully paid up)	90,000,000	-	900.00	235,000,000	-	2,350.00	-	-	-
II. Investments at amortised cost									
a) Investments in Government Security									
i) 6-Year National Savings Certificate (Pledged with Commercial Tax Department)	-	-	*0.00	-	-	*0.00	-	-	*0.00
III. Investments at Fair Value through Profit or Loss									
a) Investment in Other Equity Shares									
i) Power Exchange India Limited (Equity Shares of ₹ 10 each fully paid up)	1,250,000	-	1.25	1,250,000	-	1.25	1,250,000	-	1.25
b) Investments in Preference Shares									
Investment in Subsidiary									
i) JSW Power Trading Company Limited (10% Redeemable Non Cumulative Preference Shares of ₹ 10 each fully paid up)	132,000,000	-	73.37	132,000,000	-	62.72	132,000,000	-	56.45

Notes to Financial Statements

For The Year Ended 31st March, 2017

₹ crore

Particulars	No. of shares/ units	As at 31st March, 2017		No. of shares/ units	As at 31st March, 2016		No. of shares/ units	As at 1st April, 2015	
		Current	Non Current		Current	Non Current		Current	Non Current
Investment in Other Entities									
i) JSW Realty & Infrastructure Private Limited (Preference Shares of ₹ 100 each fully paid up)	503,000	-	1.84	503,000	-	1.67	503,000	-	1.51
c) Investments in Mutual Funds									
1) Birla Sun Life Mutual Fund									
Birla Sunlife Cash Plus Growth	767,930	20.02	-	618,455	15.01	-	1,414,139	31.82	-
Birla Sunlife FRF STP Growth	-	-	-	-	-	-	4,522,893	84.06	-
2) Reliance Mutual Fund									
Reliance Liquid Fund TP IP Growth	52,747	20.86	-	24,443	9.01	-	90,046	30.66	-
Reliance Liquid Fund Cash Growth	-	-	-	-	-	-	893,373	201.39	-
3) BNP Mutual Fund									
BNP Paribas Overnight Fund	60,234	15.00	-	-	-	-	-	-	-
4) SBI Mutual Fund									
SBI Premier Liquid Fund Growth	264,101	67.23	-	-	-	-	-	-	-
SBI Magnum Insta Cash Liquid Floater	-	-	-	-	-	-	210,705	50.43	-
SBI Magnum Insta Cash Growth	-	-	-	-	-	-	129,694	40.08	-
5) L&T Mutual Fund									
L& T Liquid Fund	67,440	15.00	-	-	-	-	445,174	50.45	-
6) Kotak Mutual Fund									
Kotak Floater Fund	60,081	16.00	-	-	-	-	596,019	169.07	-
7) IDFC Mutual Fund									
IDFC Money Manager Fund Treasury Plan Growth	-	-	-	-	-	-	45,353,305	100.63	-
8) UTI Mutual Fund									
UTI Liquid Fund Cash Plan Growth	-	-	-	-	-	-	65,549	15.01	-
9) IDBI Mutual Fund									
IDBI Liquid Fund Growth	-	-	-	-	-	-	136,717	20.46	-
10) ICICI Prudential Mutual Fund									
ICICI Prudential Savings Fund Growth	-	-	-	-	-	-	2,854,390	60.00	-
11) Axis Mutual Fund									
Axis Banking Debt Fund Growth	-	-	-	-	-	-	339,218	43.55	-
12) JP Morgan Mutual Fund									
JP Morgan India Liquid Fund Growth	-	-	-	-	-	-	22,161,401	40.13	-
13) Religare Mutual Fund									
Religare Invesco Liquid Fund Growth	-	-	-	-	-	-	729,036	140.14	-
14) Principal Mutual Fund									
Principal Cash Management Fund Growth	-	-	-	-	-	-	362,609	49.26	-

Notes to Financial Statements

For The Year Ended 31st March, 2017

₹ crore

Particulars	No. of shares/ units	As at 31st March, 2017 Current	As at 31st March, 2017 Non Current	No. of shares/ units	As at 31st March, 2016 Current	As at 31st March, 2016 Non Current	No. of shares/ units	As at 1st April, 2015 Current	As at 1st April, 2015 Non Current
15) Sundaram Mutual Fund									
Sundaram Money Fund Growth	-	-	-	-	-	-	26,329,434	77.62	-
16) Baroda Pioneer Mutual Fund									
Baroda Pioneer Liquid Fund Growth	-	-	-	-	-	-	218,563	35.03	-
Baroda Pioneer Treasury Advantage Fund Growth	-	-	-	-	-	-	314,192	50.35	-
17) DWS Mutual Fund									
DWS Insta Cash Plus Fund Growth	-	-	-	-	-	-	2,209,933	40.08	-
18) Pramerica Mutual Fund									
Pramerica Liquid Fund Growth	-	-	-	-	-	-	336,129	50.12	-
B. Quoted Investments									
I. Investments at Fair Value through profit and loss									
a) Investments in Equity Instruments									
Investment in Associate									
i) JSW Steel Limited (Equity Shares of ₹ 10 each fully paid up)	-	-	-	-	-	-	8,291	-	0.75
Total investments at carrying value		**154.11**	**5,212.05**		**24.02**	**6,644.73**		**1,380.34**	**2,220.04**
Aggregate market value of quoted investments		-	-		-	-		-	0.75
Aggregate amount of carrying value of unquoted investments		-	5,212.05		-	6,644.73		-	2,219.29
Aggregate amount of impairment in value of investments		-	-		-	-		-	-

* Less than ₹ 1 lakh

@ Dissolved with effect from 4th April, 2017

\# Net of provision for impairment (as on 1st April,2015):
- ₹ 3.63 crore for JSW Energy Natural Resources (BVI) Limited;
- ₹ 3.94 crore for MJSJ Coal Limited

Refer Note 15 for current investments (current assets) hypothecated as security for borrowings.

Notes to Financial Statements

For The Year Ended 31st March, 2017

Note No. 7 - Loans

₹ crore

Particulars	As at 31st March, 2017 Current	As at 31st March, 2017 Non Current	As at 31st March, 2016 Current	As at 31st March, 2016 Non Current	As at 1st April, 2015 Current	As at 1st April, 2015 Non Current
(1) Unsecured, considered good						
i) Loans to Subsidiaries	1.48	791.99	-	749.14	2.00	693.82
ii) Loans to Associates	80.62	591.04	-	322.37	-	154.70
	82.10	**1,383.03**	**-**	**1,071.51**	**2.00**	**848.52**
(2) Unsecured, considered doubtful						
i) Loans to Subsidiaries	2.60	84.29	-	86.90	-	86.36
Less : Provision for bad and doubtful loans	2.60	84.29	-	86.90	-	86.36
	-	-	-	-	-	-
	82.10	**1,383.03**	**-**	**1,071.51**	**2.00**	**848.52**

Name of Parties	31st March, 2017 Current	31st March, 2017 Non Current	31st March, 2016 Current	31st March, 2016 Non Current	1st April, 2015 Current	1st April, 2015 Non Current
1) Subsidiaries						
a) Raj WestPower Limited	-	546.44	-	490.94	2.00	455.09
	-	(546.44)	-	(490.94)	(2.00)	(455.09)
b) JSW Energy Mineral Mauritius Limited	-	329.84	-	341.08	-	321.84
	-	(355.10)	-	(341.09)	-	(321.85)
c) JSW Green Energy Limited	4.08	-	-	3.73	-	3.24
	(4.08)	-	-	(3.73)	-	(3.24)
2) Associates						
a) JSW Energy (Bengal) Limited	80.12	-	-	71.54	-	63.87
	(80.12)	-	-	(71.54)	-	(63.87)
b) South West Mining Limited	-	213.69	-	251.12	-	90.84
		(256.55)	-	(404.00)	-	(90.84)
c) JSW Global Business Solutions Limited	0.50	4.35	-	-	-	-
	(0.50)	(4.97)	-	-	-	-
d) Jindal Steel & Power Limited	-	373.00	-	-	-	-
	-	(373.00)	-	-	-	-

(Figures in brackets relate to maximum amount outstanding during the year)
All the above loans have been given for business purpose only.

Investment by JSW Energy Mineral Mauritius in Subsidiaries:

Particulars	As at 31st March, 2017 No of Shares	As at 31st March, 2016 No of Shares	As at 1st April, 2015 No of Shares
a) JSW Energy Natural Resources Mauritius Limited	43,500,000	43,500,000	43,500,000
b) JSW Energy Natural Resources UK Limited	1,000	1,000	1,000

Notes to Financial Statements

For The Year Ended 31st March, 2017

Note No. 8 - Other financial assets

₹ crore

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
(1) Finance lease receivable #	51.35	981.76	58.82	1,033.11	58.16	1,091.93
(2) Security deposits						
Unsecured, considered good						
i) Government/Semi-Government Authorities	4.06	63.54	66.02	10.23	51.27	10.65
ii) Related Parties	34.82	27.67	55.00	34.31	55.00	32.29
iii) Others	27.65	0.56	0.03	26.32	0.04	24.29
(3) Interest receivables						
i) Interest accrued on loans to related parties	1.21	11.66	7.69	49.73	24.68	117.81
ii) Interest accrued on deposits	0.85	-	1.28	-	3.52	-
(4) Other bank balances						
i) In margin money accounts	-	-	-	0.23	-	0.01
	119.94	**1,085.19**	**188.84**	**1,153.93**	**192.67**	**1,276.98**

Refer Note 41 for finance lease receivable towards arrangement in the nature of emebdded lease of SBU III Unit

Note No. 9 - Income tax assets (net)

₹ crore

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
(1) Advance Tax and Tax deducted at sources (Net of Provision as at 31st March, 2017 ₹ 1,781.84 crore; as at 31st March, 2016 ₹ 1,708.68 crore; as at 1st April, 2015 ₹ 1,409.66 crore)	-	22.52	-	34.38	-	153.54
(2) Minimum Alternate Tax credit entitlement	-	199.54	-	128.09	-	128.09
	-	**222.06**	**-**	**162.47**	**-**	**281.63**

Note No. 10 - Other non-current and current assets

₹ crore

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
(1) Capital advances	-	15.79	-	44.23	-	397.96
(2) Prepayments	36.70	15.47	25.93	17.98	18.21	22.77
(3) Balances with Government Authorities						
(i) VAT credit receivable	-	1.28	-	4.73	-	5.33
(ii) Service Tax credit receivable	0.03	-	0.06	-	0.63	-
(4) Others	0.36	-	-	-	0.41	-
	37.09	**32.54**	**25.99**	**66.94**	**19.25**	**426.06**

Notes to Financial Statements

For The Year Ended 31st March, 2017

Note No. 11 - Inventories

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(1) Raw materials - Stock of fuel (including in transit 31st March, 2017 ₹ 120.39 crore; (31st March, 2016 : ₹ 173.07 crore and 1st April, 2015 : ₹ 127.02 crore)	414.63	447.92	389.38
(2) Stores and spares (including in transit 31st March, 2017 ₹ 0.16 crore; (31st March, 2016 : ₹ 0.53 crore and 1st April, 2015 : ₹ 0.51 crore)	95.66	90.66	89.86
	510.29	**538.58**	**479.24**

Basis of Valuation : Refer Note: 3(i)

Refer Note 15 for Inventories hypothecated as security against certain bank borrowings.

Note No. 12 - Trade receivables

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unsecured, considered good	840.01	1,178.65	504.77
	840.01	**1,178.65**	**504.77**

Refer Note 15 for trade receivables hypothecated as security for borrowings.

Refer Note 40 for credit terms, ageing analysis and other relevant details related to trade receivables.

Note No. 13A - Cash and cash equivalents

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(1) Balances with banks			
(i) In current accounts	12.66	81.53	29.07
(ii) In deposit accounts	-	45.55	166.05
(2) Cheques on hand	2.51	0.06	0.66
(3) Cash on hand	0.01	0.02	0.03
	15.18	**127.16**	**195.81**

Disclosure on Specified Bank Notes (SBN's)

During the year, the Company had specified bank notes or other denomination notes as defined in the MCA notification G.S.R. 308(E) dated 31st March, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016, the denomination wise SBNs and other notes as per the notification is given below:

in ₹

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on 8th November, 2016	207,500	63,959	271,459
(+) Permitted receipts	-	1,213,650	1,213,650
(-) Permitted payments	-	(886,931)	(886,931)
(-) Amount deposited in Banks	(207,500)	(414)	(207,914)
Closing cash in hand as on 30th December, 2016	**-**	**390,264**	**390,264**

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

Notes to Financial Statements

For The Year Ended 31st March, 2017

Note No. 13B - Bank balances other than Cash and cash equivalents

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(1) Balances with banks			
(i) In deposit accounts	48.00	72.00	56.08
(2) Earmarked balances with banks			
(i) Unpaid dividends	0.95	0.78	0.65
(ii) Unclaimed share application money	-	0.01	0.01
(iii) Margin money accounts	10.73	21.71	15.85
	59.68	**94.50**	**72.59**

Note No. 14A - Equity share capital

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. of shares	₹ crore	No.of shares	₹ crore	No.of shares	₹ crore
Authorised:						
Equity shares of ₹ 10 each with voting rights	5,000,000,000	5,000.00	5,000,000,000	5,000.00	5,000,000,000	5,000.00
Issued, Subscribed and Fully Paid: (A)						
Equity shares of ₹ 10 each with voting rights	1,640,054,795	1,640.05	1,640,054,795	1,640.05	1,640,054,795	1,640.05
Treasury Shares held ESOP Trust (B) #						
Equity shares of ₹ 10 each with voting rights	(12,101,604)	(12.10)	(13,268,673)	(13.26)	(14,350,507)	(14.35)
Equity shares (net of treasury shares) - (A-B)	**1,627,953,191**	**1,627.95**	**1,626,786,122**	**1,626.79**	**1,625,704,288**	**1,625.70**

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

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	No of Shares	No of Shares	No of Shares
Balance as at the beginning and end of the year	1,640,054,795	1,640,054,795	1,640,054,795

b) Reconciliation of the number of Treasury Shares outstanding at the beginning and end of the year:

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	No of Shares	No of Shares	No of Shares
Balance as at the beginning of the year	**13,268,673**	**14,350,507**	**14,350,507**
Changes during the year	(1,167,069)	(1,081,834)	-
Balance as at the end of the year	**12,101,604**	**13,268,673**	**14,350,507**

c) Terms & Rights attached to equity shares :

i) The Company has only one class of equity shares having a par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pay dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the Shareholders in the ensuing Annual General Meeting.

(ii) In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to the shareholding. However, no such preferential amount exist currently.

Notes to Financial Statements

For The Year Ended 31st March, 2017

d) Details of shareholding more than 5%:

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	No of Shares	No of Shares	No of Shares
1 JSW Investments Private Limited	332,762,694	245,535,507	245,535,507
	20.29%	14.97%	14.97%
2 Sahyog Holdings Private Limited	235,082,000	256,799,044	256,799,044
	14.33%	15.66%	15.66%
3 JSL Limited	145,332,820	145,332,820	145,332,820
	8.86%	8.86%	8.86%
4 Glebe Trading Private Limited	145,332,820	145,332,820	145,332,820
	8.86%	8.86%	8.86%
5 JSW Steel Limited	91,474,090	91,474,090	91,474,090
	5.58%	5.58%	5.58%
6 Danta Enterprises Private Limited	85,599,613	85,599,613	85,599,613
	5.22%	5.22%	5.22%
7 Virtuous Tradecorp Private Limited	85,599,613	85,599,613	85,599,613
	5.22%	5.22%	5.22%

e) Dividend Paid and Proposed:

(i) The Board of Directors, in its meeting on 27th April, 2016, proposed a final dividend of ₹ 2.00 per equity share and the same was approved by the shareholders at the Annual General Meeting held on 21st July, 2016, this resulted in a cash outflow of ₹ 386.32 crore, including corporate dividend tax of ₹ 60.89 crore.

(ii) The Board of Directors, in its meeting on 29th April, 2017, have proposed a final dividend of ₹ 0.50 per equity share for the year ended 31st March, 2017. The proposal is subject to the approval of shareholders at the ensuing Annual General Meeting and if approved would result in a cash outflow of ₹ 86.60 crore, including dividend on treasury shares and corporate dividend tax of ₹ 4.60 crore.

Note for shares held by ESOP Trust : for details of shares reserved for issue under the stock option plan (ESOP) of the Company, Refer Note 43 (f).

Notes to Financial Statements

For The Year Ended 31st March, 2017

Note No. - 14B - Other equity

₹ crore

Particulars	Reserves and surplus						Items of other comprehensive income	Total
	Securities premium reserve	General reserve	Foreign currency monetary items translation difference account	Equity settled share based payment reserve	Debenture redemption reserve	Retained earnings	Actuarial gain / (loss) on defined benefit liabilitites / (assets)	
Balance as at 1st April, 2015	2,400.54	213.87	5.61	7.26	1,009.11	2,525.77	-	6,162.16
Profit for the year	-	-	-	-	-	1,182.07	-	1,182.07
Other comprehensive income for the year	-	-	-	-	-	-	(1.58)	(1.58)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**1,182.07**	**(1.58)**	**1,180.49**
Dividends	-	-	-	-	-	(325.28)	-	(325.28)
Tax on dividends	-	-	-	-	-	(66.78)	-	(66.78)
Adjustments during the year	-	-	19.24	-	-	-	-	19.24
Amortised during the year	-	-	(4.99)	-	-	-	-	(4.99)
Share based payments	-	-	-	1.74	-	-	-	1.74
Consolidation of ESOP Trust #	-	-	-	-	-	3.08	-	3.08
Unwinding of transaction cost on debentures issued	(4.32)	-	-	-	-	-	-	(4.32)
Transfers to retained earnings	-	-	-	-	(514.52)	514.52	-	-
Transfers to general reserve	-	0.08	-	(0.08)	-	-	-	-
Balance as at 31st March, 2016	**2,396.22**	**213.95**	**19.86**	**8.92**	**494.59**	**3,833.38**	**(1.58)**	**6,965.34**
Profit for the year	-	-	-	-	-	194.75	-	194.75
Other comprehensive income for the year	-	-	-	-	-	-	0.17	0.17
Total comprehensive income for the year	-	-	-	-	-	194.75	0.17	194.92
Dividends	-	-	-	-	-	(325.43)	-	(325.43)
Tax on dividends	-	-	-	-	-	(60.89)	-	(60.89)
Adjustments during the year	-	-	(7.58)	-	-	-	-	(7.58)
Amortised during the year	-	-	(3.04)	-	-	-	-	(3.04)
Share based payments	-	-	-	1.78	-	-	-	1.78
Consolidation of ESOP Trust #	-	-	-	-	-	5.08	-	5.08
Unwinding of transaction cost on debentures issued	(4.57)	-	-	-	-	-	-	(4.57)
Transfers to retained earnings	-	-	-	-	(197.15)	197.15	-	-
Balance as at 31st March, 2017	**2,391.65**	**213.95**	**9.24**	**10.70**	**297.44**	**3,844.04**	**(1.41)**	**6,765.61**

Note for shares held by ESOP Trust : for details of shares reserved for issue under the stock option plan (ESOP) of the Company, Refer Note 43 (f).

Notes to Financial Statements

For The Year Ended 31st March, 2017

Note No. 15 - Borrowings

₹ crore

Particulars	As at 31st March, 2017 Current	As at 31st March, 2017 Non Current	As at 31st March, 2016 Current	As at 31st March, 2016 Non Current	As at 1st April, 2015 Current	As at 1st April, 2015 Non Current
Measured at amortised cost						
(1) Secured Borrowings:						
(i) Debentures						
- Non convertible debentures	-	1,589.66	-	2,146.27	-	2,621.77
(ii) Term loans						
- From banks	-	1,292.13	-	610.63	-	803.63
- From financial institutions	-	40.64	-	53.02	-	118.09
(2) Unsecured Borrowings:						
(i) Term loan from a bank	-	-	1,500.00	-	-	-
	-	**2,922.43**	**1,500.00**	**2,809.92**	**-**	**3,543.49**

Notes:

1) Aggregate amount of installments due for payments within one year ₹ 541.64 crore, (31st March, 2016 : ₹ 714.74 crore and 1st April, 2015 : ₹ 659.64 core) have been grouped under "Current maturities of long-term debt". (Refer Note 16)

2) The secured borrowings are net of amortised cost of ₹ 18.00 crore (31st March, 2016 : ₹ 21.29 crore and 1st April, 2015 : ₹ 28.83 crore)

3) Terms of Redemption of Debentures:

a) 5,000 nos @ 8.65% Secured Redeemable Non-Convertible Debentures of ₹ 10 lakh each are redeemable at par in 3 yearly installments, first installment ₹ 100 crore, second and third installment ₹ 200 crore each, starting from 30th December, 2020 till 30th December, 2022.

b) 7,200 nos @ 9.75% Secured Redeemable Non Convertible Debentures of ₹ 10 lakh each are redeemable at par in 6 equal installments from 30th September, 2017 / 30th September, 2020 / 31st March, 2021 / 30th September, 2021 / 31st March, 2022 / 1st November, 2022.

c) 10,000 nos @ 9.75% Secured Redeemable Non-Convertible Debentures of ₹ 7 lakh each are redeemable at par in 7 half yearly equal installments from 20th July / 30th July / 16th August, 2017 till 20th July / 30th July / 16th August, 2020.

4) Terms of Repayment of Rupee Term Loans:

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
a) From Banks:			
2 - 3 Years	626.74	345.78	381.90
4 - 5 Years	452.99	268.34	300.69
6 - 10 Years	217.15	0.14	126.93
Total Borrowings from Banks	**1,296.88**	**614.26**	**809.52**
b) From Financial Institutions:			
2 - 3 Years	25.00	25.00	77.69
4 - 5 Years	15.64	25.00	25.00
6 - 10 Years	-	3.14	15.64
Total Borrowings from Financial Institutions	**40.64**	**53.14**	**118.33**

Notes to Financial Statements

For The Year Ended 31st March, 2017

5) Details of Security :

a) Debentures aggregating to ₹ 699.49 crore; (31st March, 2016 : ₹ 1,079.12 crore and 1st April, 2015 : ₹ 1,198.75 crore), mentioned in (1)(i) are secured on a pari passu basis by (a) a first ranking charge by way of legal mortgage on the freehold land of the Company situated at Mouje Maharajpura, Taluka Kadi, District Mehsana, in the state of Gujarat, (b) a first ranking charge by way of legal mortgage of immovable assets of the Company's SBU I & SBU II situated in the State of Karnataka, (c) a first ranking charge by way of hypothecation of moveable fixed assets of the Company's SBU I & SBU II.

b) Debentures aggregating to ₹ 709.15 crore (31st March, 2016 : ₹ 1,544.58 crore and 1st April, 2015 : ₹ 1,780.27 crore), mentioned in (1)(i) are secured on a pari passu basis by (a) a first ranking charge by way of legal mortgage on the freehold land of the Company situated at Mouje Maharajpura, Taluka Kadi, District Mehsana, in the state of Gujarat, (b) secured on a pari passu basis by a a first ranking charge by way of mortgage on fixed assets of SBU III (4 x 300 MW Power Plant situated at Dist. Ratnagiri, in the State of Maharashtra).

c) Debentures aggregating to ₹ 499.07 crore (31st March, 2016 : ₹ Nil and 1st April, 2015 : ₹ Nil), mentioned in 1 (i) are secured on a pari passu basis by (a) a first ranking charge by way of legal mortgage on the freehold land of the Company situated at village Chaferi, Ratnagiri, Maharashtra (b) a first ranking charge by way of hypothecation of moveable fixed assets of the Company's SBU I & SBU II.

d) Rupee Term Loan aggregating to ₹ 10.91 crore (31st March, 2016 : ₹ 59.28 crore and 1st April, 2015 : ₹ 109.22 crore) included in (1)(ii) is secured on a pari passu basis by (a) a first ranking charge by way of equitable mortgage of immovable assets of the Company's SBU I & SBU II situated in the State of Karnataka, (b) a first ranking charge by way of hypothecation of moveable fixed assets of the Company's SBU I & SBU II unit situated in the State of Karnataka, (c) a second ranking charge by way of hypothecation on the current assets of Company's SBU I & SBU II including stock and receivables (both present and future).

e) Rupee term loan aggregating to ₹ Nil (31st March, 2016 : ₹ 32.41 crore and 1st April, 2015 : ₹ 69.55 crore) included in (1)(ii) is secured on a pari passu basis by (a) a first ranking charge by way of equitable mortgage of immovable assets of the Company's SBU I & SBU II situated in the State of Karnataka, (b) a first ranking charge by way of hypothecation of moveable fixed assets of the Company's SBU I & II (c) a second ranking charge by way of hypothecation on the current assets of Company's SBU I & SBU II including stock and receivables (both present and future).

f) Rupee term loan included in 1 (ii) aggregating to ₹ 145.01 crore (31st March, 2016 : ₹ 180.38 crore and 1st April, 2015 : ₹ 215.73 crore) are secured on a pari passu basis by (a) first ranking charge by way of legal mortgage on the Company's SBU III (4x300 MW) immovable property both present and future situated in Ratnagiri, and (b) a first ranking charge by way of Hypothecation of moveable assets both present and future of Company's SBU III situated in Ratnagiri, Maharashtra. (c) second ranking charge on current assets of the Company's SBU III for rupee term loan included in 1 (ii) aggregating to ₹ 91.99 crore (31st March, 2016 : ₹ 114.91 crore and 1st April, 2015 : ₹ 137.80 crore).

g) Rupee term loan included in 1 (ii) aggregating to ₹ 1,400.42 crore (as at 31st March, 2016 - ₹ 628.89 crore, as at 1st April, 2015 - ₹ 764.12 crore) are secured on a pari passu basis by (a) first ranking charge by way of legal mortgage on Company's SBU III (4x300 MW) immovable property both present and future situated in Ratnagiri and an apartment in Mumbai (b) a first ranking charge by way of Hypothecation of moveable assets both present and future of the Company's SBU III situated in Ratnagiri, Maharashtra. (c) second ranking charge on current assets of the Company's SBU III for rupee term loan.

Notes to Financial Statements

For The Year Ended 31st March, 2017

h) Rupee term loan aggregating to ₹ Nil (31st March, 2016 : ₹ Nil crore and 1st April, 2015 : ₹ 65.50 crore) included in 1 (ii) is secured by first ranking charge on the Company's share (i.e.50%) in property being developed at Village Kole Kalyan, Taluka South Salsette, District of Mumbai suburban)

i) Working capital facility pertaining to SBU I are secured on a pari passu basis by (a) First Charge on the current assets of the Company (Present and future) pertaining to its SBU I (b) Second charge on the fixed assets of the company pertaining to its SBU I.

Working capital facility pertaining to SBU II are secured on a pari passu basis by (a) first charge on current assets (Present and future) of the company pertaining to its SBU II (b) a second charge on all fixed assets of the company pertaining to its SBU II.
Working capital facility pertaining to SBU III are secured on a pari passu basis by (a) first charge on current assets (Present and future) of the company pertaining to its SBU III (b) second charge on all fixed assets of the company pertaining to its SBU III.

Note No. 16 - Other financial liabilities

₹ crore

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
(1) Other Financial Liabilities Measured at Fair Value						
(i) Foreign currency forward contracts*	71.80	-	46.74	-	13.05	-
(2) Other Financial Liabilities Measured at Amortised Cost						
(i) Current maturities of long-term debt @	541.64	-	714.74	-	659.64	-
(ii) Consideration payable on business combination $	565.70	-	571.39	-	-	-
(iii) Interest accrued but not due on borrowings	26.48	-	27.91	-	28.75	-
(iv) Unpaid dividends#	0.95	-	0.78	-	0.65	-
(v) Lease deposits	-	0.62	-	0.67	-	0.91
(vi) Unclaimed share application money#	-	-	0.01	-	0.01	-
(vii) Other Liabilities						
- Payable for capital supplies/ services	68.16	-	77.78	-	23.07	-
- Other payables	10.42	-	11.23	9.84	0.13	8.98
	1,285.15	**0.62**	**1,450.58**	**10.51**	**725.30**	**9.89**

* Refer Note 38 for details and methodologies adopted for fair valuation of financial assets and liabilities.
@ Refer Note 15 for details of security
# No Amount due to be credited to Investor Education and Protection Fund
$ Refer Note 29 for Business combination

Notes to Financial Statements

For The Year Ended 31st March, 2017

Note No. 17 - Other non current and current liabilities

₹ crore

Particulars	As at 31st March, 2017 Current	As at 31st March, 2017 Non Current	As at 31st March, 2016 Current	As at 31st March, 2016 Non Current	As at 1st April, 2015 Current	As at 1st April, 2015 Non Current
(1) Advances received from customers						
i) From a related party	375.37	-	-	-	-	-
ii) From others	1.01	-	2.28	-	0.03	-
(2) Employee recoveries and employer contributions	1.34	-	0.45	-	2.18	-
(3) Statutory dues	6.25	-	6.82	-	5.77	-
(4) Others	0.06	1.74	0.06	1.82	0.06	1.87
	384.03	**1.74**	**9.61**	**1.82**	**8.04**	**1.87**

Note No. 18 - Provisions

₹ crore

Particulars	As at 31st March, 2017 Current	As at 31st March, 2017 Non Current	As at 31st March, 2016 Current	As at 31st March, 2016 Non Current	As at 1st April, 2015 Current	As at 1st April, 2015 Non Current
(1) Provision for employee benefits	4.34	13.87	6.63	11.43	3.38	10.01
(2) Other provisions	-	-	-	-	1.21	-
	4.34	**13.87**	**6.63**	**11.43**	**4.59**	**10.01**

Note No. 19 - Trade payables

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(1) Trade payables #	380.20	452.51	265.15
(2) Acceptances *	1,531.00	1,768.41	1,161.34
	1,911.20	**2,220.92**	**1,426.49**

Refer Note 34 for disclosure under Micro, Small and Medium Enterprises Development Act.

* Represents credit availed by the Company from banks for payment to suppliers for raw materials purchased by the Company. The arrangements are interest-bearing and are payable within one year.

Note No - 20 - Revenue from operations

₹ crore

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(1) Sale of power	3,823.31	5,643.71
(2) Income from embedded lease	62.91	66.97
(3) Sale of services:		
i) Operator fee	148.17	145.15
ii) Other services	4.61	4.72
(4) Other operating revenue	1.97	2.08
	4,040.97	**5,862.63**

Notes to Financial Statements

For The Year Ended 31st March, 2017

Note No - 21 - Other income

₹ crore

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(1) Interest Income		
(i) On loans	100.04	96.05
(ii) Bank deposits	6.14	8.19
(iii) Other financial assets	195.90	190.06
	302.08	**294.30**
(2) Other Income		
(i) Dividend income	10.18	28.90
(ii) Operating lease rental income	0.16	0.08
(iii) Net gain on sale of investments	11.53	76.57
(iv) Net gain/(loss) on fair valuation of investments through profit or loss	1.98	(6.26)
(v) Miscellaneous income	2.62	4.49
	26.47	**103.78**
	328.55	**398.08**

Note No. - 22 - Employee benefits expense

₹ crore

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(1) Salaries and wages	110.06	104.00
(2) Contribution to provident and other funds	4.55	4.33
(3) Share based payments #	1.78	1.74
(4) Staff welfare expenses	3.71	6.16
	120.10	**116.23**

Refer Note 33 for disclosure of Employee Stock Option plans.

Note No. - 23 - Finance costs

₹ crore

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(1) Interest expense	407.09	510.14
(2) Other borrowing costs	125.95	133.94
	533.04	**644.08**

Note No. - 24 - Depreciation and amortisation expense

₹ crore

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(1) Depreciation on property, plant and equipment	360.32	350.27
(2) Amortization on Intangible assets	3.58	3.25
	363.90	**353.52**

Notes to Financial Statements

For The Year Ended 31st March, 2017

Note No. - 25 - Other expenses

₹ crore

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(1) Stores and spares consumed	27.01	31.44
(2) Power & water	27.33	40.65
(3) Rent including lease rentals	6.44	6.56
(4) Repairs and maintenance	69.15	67.91
(5) Rates and taxes	8.81	9.58
(6) Insurance charges	9.82	10.89
(7) Net loss on foreign currency transactions (other than considered as finance costs)	0.03	0.67
(8) Legal and other professional charges	15.73	33.97
(9) Travelling expenses	11.37	12.14
(10) Loss on sale of property, plant & equipment	0.07	2.63
(11) Donation	0.19	0.07
(12) Contribution to political parties *	25.00	-
(13) Corporate social responsibility expenses @	23.07	22.79
(14) Bad debts written off	0.11	0.46
(15) Provision for non moving - stores & spares	-	1.75
(16) Other general expenses	36.60	30.37
	260.73	**271.88**

* ₹ 25.00 crore (Previous Year ₹ Nil) paid to Satya Electoral Trust

@ Refer Note 31 for details of Corporate Social Responsibility Expenditure.

Note No. - 26 - Tax expenses

₹ crore

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
1) Current Tax	73.16	296.63
2) Deferred Tax	140.42	84.38
3) Minimum Alternate Tax (MAT) credit availed	(71.45)	-
	142.13	**381.01**

Refer Note 35

Notes to Financial Statements

For The Year Ended 31st March, 2017

Note No. 27 - Critical accounting judgements and key sources of estimation uncertainty

In the course of applying the policies outlined in all notes under Section 3 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements in applying accounting policies.

Lease arrangements:

Significant judgement is required to apply lease accounting rules under Appendix C to Ind AS 17: 'Determining whether an arrangement contains a Lease'. In assessing the applicability to arrangements entered into by the Company, management has exercised judgement to evaluate the right to use the underlying assets, substance of the transaction including legally enforced arrangements and other significant terms and conditions of the arrangement to conclude whether the arrangement meet the criterion under Appendix C to Ind AS 17. Based on detailed evaluation, the management have determined that arrangement in relation to the Company's Ratnagiri Power Plant - 300 MW arrangement with Maharashtra State Electricity Distribution Company Limited ("MSEDCL") meets the criterion for recognition as finance lease arrangement. (Refer Note 41)

Key sources of estimation uncertainties:

Useful life and residual value of property, plant and equipment:

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

Impairment of property plant and equipment:

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

Recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is usually determined on the basis of discounted estimated future cash flows. This involves management estimates on anticipated commodity prices, market demand and supply, economic and regulatory environment, discount rates and other factors. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of assets.

Contingencies:

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

Fair value measurements:

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

Defined benefit plans:

The cost of defined benefit plan and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations and mortality rates etc. Due to the complexities involved in the

Notes to Financial Statements

For The Year Ended 31st March, 2017

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.

Share based payments:
Estimating fair value for share based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. This requires a reassessment of the estimates used at the end of each reporting period.

Contingent consideration:
The Company based on its best estimate determined the additional consideration is payable as per the terms of Securities Purchase Agreement to Jaiprakash Power Ventures Limited (JPVL) as detailed in business combination disclosure. Refer Note 29 for details.

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

Note No. 28 - Contingent Liabilities and Commitments:

a) Contingent Liabilities :

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a) Claims against the Company not acknowledged as debt $	23.08	-	-
(b) Guarantees excluding financial guarantees #	1,707.52	1,482.57	1,740.90
(c) Other money for which the Company is contingently liable			
- Pledge of Shares #	517.82	915.94	517.82
- Disputed Income Tax matters (including interest up to the date of demand, if any)	4.76	4.67	112.34
- Other disputed taxes / duties (Including penalty levied and interest up to the date of demand, if any) @	426.48	398.77	257.33

$ Includes ₹ 21.37 crore (as at 31st March, 2016 ₹ Nil & as at 1st April, 2015 ₹ Nil) refund claimed by Maharashtra State Electricity Distribution Company Limited (MSEDCL), towards incentive received by the Company for early commissioning of plant.

@ Includes ₹ 97.48 crore (as at 31st March, 2016 ₹ 69.71 crore & as at 1st April,2015 ₹ 67.30 crore) relating to Electricity Tax reimbursable from other parties.

The Company's pending litigations comprise mainly claims against the Company, property disputes, proceedings pending with Tax and other Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not reasonably expect the outcome of these proceedings to have a material impact on its financial statements. (Also Refer Note 40).

Notes to Financial Statements

For The Year Ended 31st March, 2017

 # Corporate Guarantees given / Securities provided by the Company as at 31st March, 2017

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Corporate Guarantees given: @			
Raj WestPower Limited	169.23	177.42	410.67
South West Mining Limited	96.34	155.10	213.85
Jaiprakash Power Ventures Limited [Refer Note 28(b)(ii) below]	1,000.00	1,000.00	1,000.00
Himachal Baspa Power Company Limited	336.00	-	-
Security provided (by way of Pledge of certain investments i.e. equity shares of)@			
Raj WestPower Limited	517.82	517.82	517.82
Himachal Baspa Power Company Limited	-	398.12	-

@ All the Corporate Guarantees / Securities have been given / provided for business purposes.

b) Commitments :

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
i) Estimated amount of Capital contracts remaining to be executed to the extent not provided for (net of advances)	68.23	291.50	143.84

ii) Pursuant to the binding Memorandum of Understanding entered by the Company with Jaiprakash Power Ventures Limited on 7th September, 2015 for acquisition of the 500 MW (2x250MW) thermal power plant located at Bina, District Sagar in the State of Madhya Pradesh, the Company has subsequently entered into a definitive agreement on 18th July, 2016 for the same. As on 31st March 2017, a Corporate Guarantee of ₹ 1,000 crore as provided by the Company is outstanding against this transaction.

iii) On 3rd May, 2016, the Company has entered into a definitive agreement to acquire the 1,000 MW (4x250 MW) thermal power plant located at Village Tamnar, District Raigarh in the State of Chhattisgarh from Jindal Steel and Power Limited. The transaction contemplates payment of an interest-bearing advance of ₹ 500 Crore against which an amount of ₹ 373 crore is disbursed and outstanding as on 31st March, 2017.

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For The Year Ended 31st March, 2017

Note No. 29 - Business combination:

During the year ended 31st March, 2016, the Company has acquired 100% stake in Himachal Baspa Power Company Limited (HBPCL), an unlisted entity, which has (i) 300 MW Baspa II and (ii) 1091 MW Karcham Wangtoo hydroelectric projects both located at Himachal Pradesh from Jaiprakash Power Ventures Limited (JPVL). Consequently, HBPCL has become a 100% subsidiary of the Company effective 8th September, 2015.

HBPCL was acquired so as to diversify its investment in Hydro business.

The fair values of the identifiable assets and liabilities of HBPCL as at the date of acquisition were:

₹ crore

Particulars	Fair value recognised on acquisition
Assets	
Property, plant and equipment	8,917.70
Cash and cash equivalents	159.10
Trade receivables	476.69
Inventories	31.32
Other current assets	287.84
Other non-current assets	5.18
Total Assets	**9,877.83**
Liabilities	
Trade payables	53.58
Other current liabilities	142.15
Borrowings	5,928.74
Total Liabilities	**6,124.47**
Total identifiable net assets at fair value	3,753.36
Contingent consideration payable	636.50
Net identifiable assets transferred in Business combination	**4,389.86**
Purchase consideration discharged:	
Equity shares (1,250,050,000 of ₹ 10 each)	1,889.86
13% Redeemable Non-convertible Debentures (250,000,000 of ₹ 100 each)	2,500.00
Total consideration	**4,389.86**
Transaction costs of the acquisition has been recognised as an expense in "Legal and other professional charges" in the Statement of Profit and Loss	8.61

Contingent consideration

As per the terms of Securities Purchase Agreement (SPA), amount aggregating to ₹ 636.50 crore payable to JPVL, upon happening of certain future events, towards trade receivables, entry tax and differential project cost, has been considered as contingent consideration. There will be probable cash outflows on account of the same.

As per the terms of the SPA, an additional consideration of ₹ 300 crore shall be payable to JPVL upon receipt of certain additional consents and approvals related to the installed capacity of 1,091 MW Karcham Wangtoo HEP on or before 6th September, 2020

Notes to Financial Statements

For The Year Ended 31st March, 2017

Note No. 30 – Operating lease

The Company has taken certain premises on non-cancellable operating lease arrangement. Rentals charged to Statement of Profit and Loss ₹ 2.25 crore (Previous Year ₹ 2.43 crore)

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
The total of Future Minimum lease payments under non-cancellable operating lease for each of the following period are as under.			
a) Not later than 1 year	1.36	1.28	1.69
b) Later than 1 year and not later than 5 years	* 0.00	1.34	2.59
c) Later than 5 years	-	-	-

* Less than ₹ 1 lakh

Note No. 31 – Details of Corporate Social Responsibility (CSR) Expenditure:

₹ crore

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Amount required to be spent as per Section 135 of the Act	23.50	22.74
Amount spent during the year on :		
(i) Construction / acquisition of an asset	6.32	7.72
(ii) On purchase other than (i) above	16.75	15.07
Total	**23.07**	**22.79**

Note No. 32 - Scheme of arrangement:

The Scheme of arrangement under Section 391 to 394 of the Companies Act, 1956 has been entered into between the Company and its subsidiaries, JSW Power Trading Company Limited (JSWPTC) and JSW Green Energy Limited (JSWGEL):

The Scheme provides for:

- Demerger of the Power Trading Business of JSWPTC to JSWGEL;
- Merger of remaining JSWPTC into the Parent Company;
- Appointed date – Closing hours of 31st March, 2015;
- The Scheme is subject to requisite consent, approval or permission of any statutory or other regulatory authorities.

The Scheme of arrangement has been sanctioned by the National Company Law Tribunal (NCLT) on 9th March, 2017 (Signed copy of the Order is yet to be received from NCLT). Pursuant to the sanction of scheme by NCLT, the Company has filed a petition with Central Electricity Regulatory Commission (CERC) for transfer of trading license from JSWPTC to JSWGEL.

On receipt of requisite approvals from CERC and after receipt of signed copy of Order from NCLT, the Company would be filing the Scheme with Registrar of Companies to make the scheme effective. However, there will be no impact on these financial statements, as the Scheme is not effective.

Note No. 33 - Employees Benefits:

(a) Defined contribution plans:

The Company has certain defined contribution plans in which both employee and employer contribute monthly, at the rate of 12% of basic salary, as per regulations to provident fund set up as trust and to the respective regional provident fund commissioner. The Company which contributes to the provident fund set up as a trust are liable for future provident fund benefits to the extent of its annual contribution and any shortfall

Notes to Financial Statements

For The Year Ended 31st March, 2017

in fund assets based on government specified minimum rates of return relating to current period service and recognises such contributions and shortfall, if any, as an expense for the year incurred.

(b) Defined benefits plans:

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

The Company has a policy on compensated absences with provisions on accumulation and encashment by the employees during employment or on separation from the Company due to death, retirement or resignation. The expected cost of compensated absences is determined by actuarial valuation performed by an independent actuary at the balance sheet date using projected unit credit method.

The plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

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

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31st March, 2017 by M/s K. A. Pandit Consultants & Actuaries. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

Notes to Financial Statements

For The Year Ended 31st March, 2017

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

₹ crore

Particulars	Amount
Defined benefit obligation as at 1st April, 2015	**7.59**
Interest cost	0.60
Current service cost	1.20
Benefits paid	(0.60)
Actuarial (Gains)/Loss	1.58
Defined benefit obligation as at 31st March, 2016	**10.38**
Interest cost	0.84
Current service cost	1.33
Benefits paid	(0.50)
Actuarial (Gains)/Loss	(0.20)
Defined benefit obligation as at 31st March, 2017	**11.85**

Changes in the defined benefit obligation and fair value of plan assets as at 31st March, 2017:

₹ crore

Particulars		Defined Benefit Obligation	Fair Value of Plan assets	Benefit Liability
	Opening Balance as on 1st April, 2016	**10.38**	**1.02**	**9.36**
Gratuity cost charged to Statement of Profit and Loss	Current service cost	1.33	-	1.33
	Net interest expense	0.84	0.08	0.76
	Sub-total included in Statement of Profit and Loss	**2.17**	0.08	**2.09**
	Benefits paid	(0.50)	(0.50)	-
Remeasurement gains/(losses) in other comprehensive income	Return on plan assets (excluding amounts included in net interest expense)	-	0.02	(0.02)
	Actuarial changes arising from changes in financial assumptions	0.63	-	0.63
	Experience adjustments	(0.83)	-	(0.83)
	Sub-total included in OCI	**(0.20)**	**0.02**	**(0.22)**
	Contributions by employer	-	2.51	(2.51)
	Closing Balance as on 31st March, 2017	**11.85**	**3.13**	**8.72**

Changes in the defined benefit obligation and fair value of plan assets as at 31st March, 2016:

₹ crore

Particulars		Defined Benefit Obligation	Fair Value of Plan assets	Benefit Liability
	Opening Balance as on 1st April, 2015	**7.59**	**1.49**	**6.10**
Gratuity cost charged to Statement of Profit and Loss	Current service cost	1.20	-	1.20
	Net interest expense	0.60	0.12	0.48
	Sub-total included in Statement of Profit and Loss	**1.80**	**0.12**	**1.68**
	Benefits paid	(0.60)	(0.60)	0.00
Remeasurement gains/(losses) in other comprehensive income	Return on plan assets (excluding amounts included in net interest expense)	-	0.01	(0.01)
	Actuarial changes arising from changes in financial assumptions	(0.12)	-	(0.12)
	Experience adjustments	1.71	-	1.71
	Sub-total included in OCI	1.59	0.01	1.58
	Contributions by employer	-	-	-
	Closing Balance as on 31st March, 2016	**10.38**	**1.02**	**9.36**

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For The Year Ended 31st March, 2017

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

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Insurer Managed Funds	100%	100%	100%

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

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	%	%	%
Discount rate	7.52	8.07	7.96
Future salary increases	6.00	6.00	6.00
Rate of Employee Turnover	2.00	2.00	2.00
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

A sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:

Particulars	As at 31st March, 2017	As at 31st March, 2016
Delta Effect of +1% Change in Rate of Discounting	(1.11)	(0.96)
Delta Effect of -1% Change in Rate of Discounting	1.30	1.12
Delta Effect of +1% Change in Rate of Salary Increase	1.31	1.13
Delta Effect of -1% Change in Rate of Salary Increase	(1.13)	(0.98)
Delta Effect of +1% Change in Rate of Employee Turnover	0.16	0.19
Delta Effect of -1% Change in Rate of Employee Turnover	(0.18)	(0.22)

The following are the maturity analysis of projected benefit obligations:

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016
Within the next 12 months (next annual reporting period)	0.56	0.48
Between 2 and 5 years	2.26	2.23
Between 5 and 10 years	5.30	5.07
Total expected payments	**8.12**	**7.78**

(c) Employee Share based Payment Plan

The Company has the share option plan schemes for permanent employees of the Company in the identified grades of employees for respective plans / schemes including any director except promoter or independent directors, nominee directors and non-executive directors or a director who either himself or through relatives or through anybody directly or indirectly holds more than 10% of the outstanding equity shares of the parent company.

A) For Normal Options - 'JSWEL EMPLOYEES STOCK OWNERSHIP PLAN – 2010' (ESOP Plan)

B) For Mega Options - 'JSWEL EMPLOYEES MEGA STOCK OWNERSHIP SCHEME – 2012' (ESOS Plan)

C) For Normal Options - 'JSWEL EMPLOYEES MEGA STOCK OWNERSHIP SCHEME - 2016' (ESOP Plan)

The award value shall be determined as percentage of Total Fixed Pay. The grant shall be at such price as may be determined by the ESOP Committee and shall be specified in the Grant letter. The option shall not be transferable and can be exercised only by the employees of the Company.

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For The Year Ended 31st March, 2017

The number of options to be granted to each eligible employees is determined by dividing the Award Value (amount equivalent to percentage of Annual Fix Pay) by the Fair Value of option provided. The Fair Value of option on the date of each grant is determined by using Black Scholes model.

The following table illustrates the number movements in share options during the year:

Normal Option - (JSWEL EMPLOYEES STOCK OWNERSHIP PLAN – 2010) (Grant Date: 8th November, 2011)

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016
Opening balance	21,16,272	23,39,264
Granted during the year	-	1,668
Forfeited during the year	-	-
Exercised during the year	4,34,587	2,24,660
Expired during the year	-	-
Closing balance	16,81,685	21,16,272
Exercisable options	16,81,685	21,16,272

Normal Option - (JSWEL EMPLOYEES STOCK OWNERSHIP PLAN – 2012) Grant Date: 31st October, 2012)

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016
Opening balance	33,95,474	36,88,159
Granted during the year	-	-
Forfeited during the year	-	82,418
Exercised during the year	3,85,427	2,10,267
Expired during the year	55,789	
Closing balance	29,54,258	33,95,474
Exercisable options	29,54,258	33,95,474

Mega Option - (JSWEL EMPLOYEES STOCK OWNERSHIP PLAN – 2012) (Grant Date: 4th October, 2012)

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016
Opening balance	47,70,377	53,73,784
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	2,39,516	6,03,407
Expired during the year	46,796	-
Closing balance	44,84,065	47,70,377
Exercisable options	44,84,065	47,70,377

Normal Option - (JSWEL EMPLOYEES STOCK OWNERSHIP PLAN – 2012) (Grant Date: 3rd May, 2016)

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016
Opening balance	-	-
Granted during the year	21,70,890	-
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Closing balance	21,70,890	-
Exercisable options	21,70,890	-

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For The Year Ended 31st March, 2017

The method of settlement for above grants are as below:

Particulars	Grant Date			
	8th November, 2011	31st October, 2012	4th October, 2012	3rd May, 2016
Vesting Period	3 Years	3 Years	1 Year	3/4 Years
Method of Settlement	Equity	Equity	Equity	Equity
Exercise Price (₹)	52.35	60.90	65	53.68
Fair Value (₹)	20.39	24.17	19.43	30.78
Dividend yield (%)	10.00%	5.00%	5.00%	20.00%
Expected volatility (%)	34.85%	39.65%	39.98%	46.32%/44.03%
Risk-free interest rate (%)	8.86%	8.09%	8.13%	7.40%/7.47%
Expected life of share options (years)	5	3	3	5/6
Weighted average exercise price (₹)	52.35	60.90	65	53.68
Pricing Formula	Exercise Price determined based on closing market price on the day prior to the Compensation Committee meeting on that exchange where higher shares are traded			Exercise Price determined at ₹ 53.68/- per share, was at a discount of 20% to the closing market price of Company's share i.e. ₹ 67.10/- at the close of 2nd May, 2016 at Exchange having highest trading volume.
Expected Option Life	The expected option life is assumed to be mid-way between the option vesting period and contractual term of the option			The expected option life is assumed to be mid-way between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The Expected option life is calculated as (Year to Vesting + Contractual Option term) /2.
Expected Volatility	Volatility was calculated using standard deviation of daily change in stock price.			Volatility was calculated using standard deviation of daily change in stock price. The historical period considered for volatility match the expected life of the option.
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	The following factors have been considered: (a) Share price (b) Exercise prices (c) Historical volatility (d) Expected option life (e) Dividend Yield			
Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.				
Model used	Black-Scholes Method			

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For The Year Ended 31st March, 2017

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

Note No. 34 - Disclosure under Micro, Small and Medium Enterprises Development Act:

The details of amounts outstanding to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
1. Principal amount due and remaining unpaid	-	-	-
2. Interest due on (1) above and the unpaid interest	-	-	-
3. Interest paid on all delayed payments under the MSMED Act.	-	-	-
4. Payment made beyond the appointed day during the year	-	-	-
5. Interest due and payable for the period of delay other than (3) above	-	-	-
6. Interest accrued and remaining unpaid	-	-	-
7. Amount of further interest remaining due and payable in succeeding years	-	-	-

Note No. 35 - Tax:

i) Income Tax:

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

₹ crore

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Profit before tax	**336.88**	**1,563.08**
Enacted tax rate (%)	34.608 %	34.608 %
Computed expected tax expense	116.60	540.95
Tax effect due to exempt income	(3.52)	-
Tax effect due to non taxable income	-	(10.00)
Tax effect due to tax holiday	(13.00)	(230.10)
Effect due to non deductible expenses	(1.25)	7.52
Effect of tax payable under MAT	(28.57)	106.56
Tax impact for reduction in expected tax holiday period	71.87	-
Income taxed at lower rate	-	(33.92)
Income tax expense recognised in Statement of Profit and Loss	**142.13**	**381.01**

ii) Deferred tax balances:

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

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Deferred tax assets	30.47	30.47	30.47
Deferred tax liabilities	(531.51)	(391.09)	(306.71)

Notes to Financial Statements

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

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
- Property Plant & Equipment	(514.44)	(374.02)	(306.71)
- Investment	(17.07)	(17.07)	-
- Provision for impairment in assets	30.47	30.47	30.47
Total	**(501.04)**	**(360.62)**	**(276.24)**

Note No. 36 - Earnings Per Share (Basic & Diluted):

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Profit for the year (₹ crore) - (A)	194.75	1,182.07
Weighted average number of equity shares for basic & diluted EPS - (B) (net of treasury shares)	1,62,79,53,191	1,62,67,86,122
Earnings Per Share – Basic and Diluted (₹) - (A/B)	1.20	7.27
Nominal value of an equity share (₹)	10	10

Note No. 37 - Remuneration to Auditors (excluding service tax):

₹ crore

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Audit Fees	0.44	0.40
Tax Audit Fees	0.11	0.10
Certification Fees	0.33	0.78
Reimbursement of Expenses	0.04	0.07
Total	**0.92**	**1.35**

Note No. 38 - Financial Instruments: Classifications and fair value measurements:

Fair value measurements

Particulars	Fair value as at			Fair value hierarchy	Valuation technique(s) and key input(s)
	31st March, 2017	31st March, 2016	1st April, 2015		
Financial assets :					
Investment in Mutual Fund	154.11	24.02	1,380.34	Level 2	Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Investment in Preference shares	75.21	64.39	57.96	Level 3	Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable
Financial liabilities :					
Forward Contract	71.80	46.74	13.05	Level 2	Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Notes to Financial Statements

For The Year Ended 31st March, 2017

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed in the following table, the management consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values

₹ crore

As at 31st March, 2017	Carrying value	Fair value		
		Level 1	Level 2	Level 3
Financial assets				
Financial assets carried at cost				
Investment in equity shares	4,236.84	-	-	-
Investment in debentures	900.00	-	1,025.49	-
Financial assets carried at fair value through profit or loss (FVTPL)				
Investment in mutual funds	154.11	-	154.11	-
Investment in preference shares	75.21	-	-	75.21
Financial assets at amortised cost:				
Investment in government securities	*0.00	-	-	-
Trade receivables	840.01	-	-	-
Cash and cash equivalents	15.18	-	-	-
Bank balances other than above	59.68	-	-	-
Loans & advances	1,465.13	-	-	1,462.91
Security deposits	158.30	-	-	159.05
Finance lease receivable	1,033.11	-	-	-
Interest receivables	13.72	-	-	-
Total	**8,951.29**	**-**	**1,179.60**	**1,697.17**
Financial liabilities				
Financial Liabilities carried at fair value through profit or loss (FVTPL)				
Foreign exchange forward contracts	71.80	-	71.80	-
Financial liabilities held at amortised cost:				
Acceptances (Buyers credit)	1,531.00	-	-	-
Trade payables	380.20	-	-	-
Payable for capital supplies	68.16	-	-	-
Interest accrued	26.48	-	-	-
Borrowings	3,464.07	-	-	3,479.88
Lease deposits	0.62	-	-	0.66
Other payables	577.07	-	-	577.07
Total	**6,119.40**	**-**	**71.80**	**4,057.61**

₹ crore

As at 31st March, 2016	Carrying value	Fair value		
		Level 1	Level 2	Level 3
Financial assets				
Financial assets carried at cost				
Investment in equity shares	4,230.34	-	-	-
Investment in debentures	2,350.00	-	2,669.89	-
Financial assets carried at fair value through profit or loss (FVTPL)				
Investment in mutual funds	24.02	-	24.02	-
Investment in preference shares	64.39	-	-	64.39
Financial assets at amortised cost:				
Investment in government securities	*0.00	-	-	-
Trade receivables	1,178.65	-	-	-
Cash and cash equivalents	127.16	-	-	-
Bank balances other than above	94.50	-	-	-
Loans & advances	1,071.51	-	-	1,072.05
Security deposits	191.91	-	-	191.68
Finance lease receivable	1,091.93	-	-	-
Interest receivables	58.70	-	-	-
Other bank balances	0.23	-	-	-
Total	**10,483.34**	**-**	**2,693.91**	**1,328.12**

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For The Year Ended 31st March, 2017

Financial liabilities				
Financial Liabilities carried at fair value through profit or loss (FVTPL)				
Foreign exchange forward contracts	46.74	-	46.74	-
Financial liabilities held at amortised cost:				
Acceptances (Buyers credit)	1,768.41	-	-	-
Trade payables	452.51	-	-	-
Payable for capital supplies	77.78	-	-	-
Interest accrued	27.91	-	-	-
Borrowings	5,024.66	-	-	5,066.05
Lease deposits	0.67	-	-	0.71
Other payables	593.25	-	-	593.13
Total	**7,991.93**	**-**	**46.74**	**5,659.89**

₹ crore

As at 1st April, 2015	Carrying value	Fair value		
		Level 1	Level 2	Level 3
Financial assets				
Financial assets carried at cost				
Investment in equity shares	2,162.08	-	-	-
Financial assets carried at fair value through profit or loss (FVTPL)				
Investment in mutual funds	1,380.34	-	1,380.34	-
Investment in preference shares	57.96	-	-	57.96
Financial assets at amortised cost:				
Investment in government securities	*0.00	-	-	-
Trade receivables	504.77	-	-	-
Cash and cash equivalents	195.81	-	-	-
Bank balances other than above	72.59	-	-	-
Loans & advances	850.52	-	-	850.95
Security deposits	173.54	-	-	172.45
Finance lease receivable	1,150.09	-	-	-
Interest receivables	146.01	-	-	-
Other bank balances	0.01	-	-	-
Total	**6,693.72**	**-**	**1,380.34**	**1,081.36**
Financial liabilities				
Financial Liabilities carried at fair value through profit or loss (FVTPL)				
Foreign exchange forward contracts	13.05	-	13.05	-
Financial liabilities held at amortised cost:				
Acceptances (Buyers credit)	1,161.34	-	-	-
Trade payables	265.15	-	-	-
Payable for capital supplies	23.07	-	-	-
Interest accrued	28.75	-	-	-
Borrowings	4,203.13	-	-	4,324.46
Lease deposits	0.91	-	-	0.95
Other payables	9.77	-	-	9.81
Total	**5,705.17**	**-**	**13.05**	**4,335.22**

* Less than ₹ 1 lakh

Notes to Financial Statements

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Note No. 39 - Capital management & Risk Management Strategies:

i) Capital management

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Company is not subject to any externally imposed capital requirements.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and align maturity profile of its debt commensurate with life of the asset and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

Gearing ratio

The Company monitors its capital using gearing ratio, which is net debt divided to total equity as given below:

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Debt @	3,464.07	5,024.66	4,203.13
Cash and bank balances (including current investment in liquid mutual fund held for sale)	217.29	223.18	1,632.23
Net debt	3,246.78	4,801.48	2,570.90
Total equity	8,393.56	8,592.13	7,787.86
Net debt to equity ratio	0.39	0.56	0.33

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

ii) Financial risk management objectives

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

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

Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilizing forward foreign exchange contracts and currency options.

Notes to Financial Statements

For The Year Ended 31st March, 2017

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period were as follows:

Particulars	USD (millions)	EURO (millions)	ZAR (millions)	GBP (millions)	INR (Crore)
As at 31st March, 2017					
A. Financial Liabilities					
Current liabilities					
Acceptances (Buyers credit)	236.13	-	-	-	1,531.00
Trade payables - Other than acceptances	28.70	-	-	-	186.08
Interest on buyers credit	0.71	-	-	-	4.64
Total financial liabilities - (A)	**265.54**	**-**	**-**	**-**	**1,721.72**
B. Financial Assets					
Non-current assets					
Loan and advances	50.87	-	-	-	329.83
Interest on loan	1.80	-	-	-	11.67
Investment in equity	9.83	-	-	-	45.74
Current assets					
Other advances	0.02	-	-	-	0.13
Total financial assets - (B)	**62.52**	**-**	**-**	**-**	**387.37**
Excess of financial liabilities over financial assets (A-B)	**203.02**	**-**	**-**	**-**	**1,334.35**
As at 31st March, 2016					
A. Financial Liabilities					
Current liabilities					
Acceptances (Buyers credit)	266.57	-	-	-	1,768.41
Trade payables - Other than acceptances	45.27	-	-	-	300.26
Interest on buyers credit	0.66	-	-	-	4.37
Total financial liabilities - (A)	**312.50**	**-**	**-**	**-**	**2,073.04**
B. Financial Assets					
Non-current assets					
Loan and advances	51.42	-	-	-	341.08
Interest on loan	1.16	-	-	-	7.69
Investment in equity	9.83	-	-	-	45.74
Current assets					
Other advances	1.02	-	-	*0.00	6.77
Total financial assets - (B)	63.43	-	-	*0.00	401.28
Excess of financial liabilities over financial assets (A-B)	**249.07**	**-**	**-**	***(0.00)**	**1,671.76**
As at 1st April, 2015					
A. Financial Liabilities					
Current liabilities					
Acceptances (Buyers credit)	185.54	-	-	-	1,161.34
Trade payables - Other than acceptances	20.86	-	-	-	130.59
Interest on buyers credit	0.28	-	-	-	1.78
Total financial liabilities - (A)	**206.68**	**-**	**-**	**-**	**1,293.71**
B. Financial Assets					
Non-current assets					
Loan and advances	51.42	-	-	-	321.84
Interest on loan	0.80	-	-	-	5.03
Investment in equity	9.83	-	-	-	45.74
Current assets					
Other advances	0.10	0.03	0.62	-	1.17
Total financial assets - (B)	**62.15**	**0.03**	**0.62**	**-**	**373.78**
Excess of financial liabilities over financial assets (A-B)	**144.53**	**(0.03)**	**(0.62)**	**-**	**919.93**

Notes to Financial Statements

For The Year Ended 31st March, 2017

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and foreign currency required at the settlement date of certain receivables/payables. The use of foreign currency forward contracts is governed by the Company's strategy approved by the board of directors, which provide principles on the use of such forward contracts consistent with the Company's risk management policy.

The Forward exchange contracts entered into by the Company and outstanding are as under:

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
No. of contracts	44	48	35
Equivalent to USD in millions	262.97	312.63	208.79
Average exchange rate (1 USD = ₹)	68.20	68.59	64.21
Equivalent (₹ in crore)	1,793.33	2,144.42	1,340.67
Fair value (₹crore)	1,721.53	2,097.68	1,327.62

Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

The Company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

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

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Fixed rate borrowings	1,960.73	2,689.18	3056.94
Floating rate borrowings	1,503.34	2,335.48	1146.19
Total borrowings	**3,464.07**	**5,024.66**	**4,203.13**

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's profit before tax for the year ended 31st March, 2017 would decrease/increase by ₹ 8.02 crore (for the year ended 31st March, 2016: decrease/increase by ₹ 5.62 crore). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure and the credit ratings of its counterparties are continuously monitored.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks provided by the Company. The Company's maximum exposure in this respect is the maximum amount the Company could have to pay if the guarantee is called on. No amount has been recognised in the financial position as financial liabilities. (Refer Note 40).

Notes to Financial Statements

For The Year Ended 31st March, 2017

iii) Unhedged Currency Risk position

The foreign currency exposure that have not been hedged by a derivative instrument or otherwise as at Balance sheet date are given below:

Particulars	Foreign Currency	Foreign currency equivalent			₹ crore		
		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Loan to foreign subsidiary including interest receivable	USD	5,26,69,118	5,25,79,082	5,22,22,952	341.50	348.77	326.87
Trade payable	USD	34,78,879	7,14,772	5,66,675	22.56	4.74	3.55
Interest on buyers credit	USD	-	-	2,84,891	-	-	1.78
Advance to vendors	USD	20,053	10,20,251	1,03,292	0.13	6.77	0.65
Advance to vendors	EURO	-	-	28,727	-	-	0.19
Advance to vendors	ZAR	-	-	6,17,999	-	-	0.33
Advance to vendors	GBP	-	175	-	-	* 0.00	-

* Less than ₹ 1 lakh

iv) Liquidity risk management

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

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

₹ crore

Particulars	< 1 year	1-5 years	> 5 years	Total
As at 31st March, 2017				
Non-current liabilities				
Term loans from Banks	-	1,075.12	217.01	1,292.13
Term loans from financial institutions	-	40.64	-	40.64
Debentures	-	1,270.06	319.60	1,589.66
Lease deposits	-	0.11	0.51	0.62
Total non-current liabilities	**-**	**2,385.93**	**537.12**	**2,923.05**
Current Liabilities				
Acceptances (Buyers credit)	1,531.00	-	-	1,531.00
Trade payables	380.20	-	-	380.20
Current maturities of long-term debt	541.64	-	-	541.64
Payable for Capital supplies	68.16	-	-	68.16
Interest accrued but not due on borrowings	26.48	-	-	26.48
Others	648.87	-	-	648.87
Total Current liabilities	**3,196.35**	**-**	**-**	**3,196.35**
Total Financial Liabilities	**3,196.35**	**2,385.93**	**537.12**	**6,119.40**

- The Company has hypothecated part of its trade receivables, loans, short term investments and cash and cash equivalents in order to fulfil certain collateral requirements for the banking facilities extended to the Company. There is obligation to release the hypothecation on these securities to the Company once these banking facilities are surrendered. (Refer Note 15)

Notes to Financial Statements

For The Year Ended 31st March, 2017

- The amount of guarantees given on behalf of other parties included in Note 28 represents the maximum amount the Company could be forced to settle for the full guaranteed amount. Based on the expectation at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the arrangement.

v) Foreign Currency Risk Sensitivity

A change of 5% in Foreign currency would have following impact in profit before tax

₹ crore

Particulars	2016-17		2015-16	
	5% increase	5% decrease	5% increase	5% decrease
Payable				
USD / INR	15.95	(15.95)	17.54	(17.54)

vi) Fuel Prices risk management

The Company is currently using imported coal from countries like Indonesia, South Africa, and Australia, among others. The interruption in the supply of coal due to regulatory changes, weather conditions in the sourcing country, strike by mine workers and closure of mines due to force majeure may impact the availability and/or cost of coal.

The Company regularly broadens the sources (countries/ vendors) and maintains optimum fuel mix and stock level. The Company further applies prudent hedging strategies to mitigate the risk of foreign exchange fluctuations

vii) Power Offtake risk management

With supply outpacing demand in the medium term, merchant tariffs have been under constant pressure, posing a severe challenge to the off take of merchant power. With the DISCOMS adhering to strict fiscal discipline there has been deferment of power procurement, resulting in reduced demand for power. In States like Maharashtra, the high cross subsidy surcharge has served as a big deterrent to the direct sale of power to industrial consumers. Transmission corridor related bottlenecks, especially pertaining to sales to the power deficit southern region has also served as a major dampener

The Company's focus is on enhancing the sale through long term PPAs and through captive route and ensuring an optimum mix of medium, short and long term arrangements. Further, the Company is tracking various opportunities for sale of power to utilities in the home states as well as others. Focus on ensuring an optimum mix of medium, short and long term arrangements.

Note No. 40- Trade Receivables:

The average credit period allowed to customers is in the range of 30-45 days.

Trade receivables disclosed above include amounts (see below for aged analysis) that are past due at the end of the reporting period for which the Company has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable.

Allowances, if any, for doubtful debts are recognised against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

Notes to Financial Statements

For The Year Ended 31st March, 2017

Age of receivables (net of provision):

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Within the credit period	448.64	853.18	466..91
1-30 days past due	161.24	49.85	2.81
31-60 days past due	126.89	231.57	1.91
61-90 days past due	8.53	17.11	1.99
91-180 days past due	70.58	2.34	8.52
181-365 days past due	-	2.81	0.72
More than one year	2.35	-	-
> 1 year to 2 years	-	-	16.56
More than 2 years to 3 years	-	16.44	-
More than 3 years	21.78	5.35	5.35
Total	**840.01**	**1,178.65**	**504.77**

i) The Company was supplying power to Karnataka Power Transmission Corporation Limited (KPTCL) on the basis of the rate approved by Government of Karnataka, which was incorporated in the Power Purchase Agreement (PPA), dated 27th November, 2000. On the application by KPTCL to Karnataka Electricity Regulatory Commission (KERC) for approval of PPA, KERC had passed Order in July, 2002 reducing the tariff retrospectively from 1st August, 2000. The Parent Company's appeal against the said Order has been decided in favour of the Company by the Honourable Karnataka High Court vide its Order dated 8th April, 2004. KPTCL and KERC filed Special Leave Petition before the Honourable Supreme Court challenging the Order of Honourable Karnataka High Court. As against the outstanding amount of ₹ 105.35 crore, in terms of the interim order dated 23rd January, 2007 of Honourable Supreme Court, KPTCL paid ₹100.00 crore against bank guarantee provided by the Company. The balance amount of ₹ 5.35 crore (Previous Year ₹ 5.35 crore) due from KPTCL is included in Trade Receivables and considered as good and recoverable.

ii) Maharashtra State Electricity Distribution Company Limited (MSEDCL) unilaterally deducted ₹ 16.44 crore, towards import of power, from the receivables of power supplies made by the Company, which is not in accordance with the provisions of Power Purchase Agreement. The Company has not accepted the claims of MSEDCL and filed a petition with Maharashtra Electricity Regulatory Commission (MERC). The case is pending with the MERC for adjudication. The trade receivables are considered good and hence no provision for doubtful debt is considered by the Company.

Note No. 41 - Finance lease receivables:

The Company has entered into a power purchase agreement ("PPA") on 23rd February, 2010 with Maharashtra State Electricity Distribution Company Limited for its Ratnagiri (SBU III) power plant unit of 300 MW. Such contract is for a term of 25 years from the date of commercial operation of the said unit. In respect of the said unit, entire capacity is tied up with the tariff which consists of capacity and energy charges. The Company is entitled to get the capacity charges after meeting the availability criterion as mentioned in the PPA.

Notes to Financial Statements

For The Year Ended 31st March, 2017

Amounts receivable under finance leases:

₹ crore

Particulars	Minimum lease payments			Present value of minimum lease payments		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Not later than one year	110.99	121.73	125.12	107.52	117.93	120.63
Later than one year and not later than five years	384.25	403.09	430.02	322.60	339.02	362.40
Later than five years	1,157.65	1,249.79	1,344.59	602.99	634.98	667.06
Total	**1,652.88**	**1,774.61**	**1,899.73**	**1,033.11**	**1,091.93**	**1,150.09**
Less: unearned finance income	619.77	682.68	749.64	-	-	-
Lease Receivable	1,033.11	1,091.93	1,150.09	1,033.11	1,091.93	1,150.09

Unguaranteed residual values of assets leased under finance leases at the end of the reporting period are estimated at ₹ 150.39 crore (at 31st March, 2016: ₹ 150.39 crore; at 1st April, 2015: ₹ 150.39 crore).

The interest rate inherent in the leases is determined at the contract date for the entire lease term. The average effective interest rate contracted is approximately 5.91% per annum (as at 31st March, 2016: 5.91% per annum; as at 1st April, 2015: 5.91% per annum).

Note No. 42 - Related Party Disclosures:

A.	**List of Related Parties**
i)	**Subsidiaries (control exists)**
1	JSW Power Trading Company Limited
2	Raj WestPower Limited
3	Jaigad PowerTransco Limited
4	JSW Energy (Raigarh) Limited
5	JSW Green Energy Limited
6	JSW Energy (Kutehr) Limited
7	JSW Energy Natural Resources (BVI) Limited
8	Himachal Baspa Power Company Limited (effective from 8th September 2015)
9	JSW Energy Minerals Mauritius Limited
10	JSW Energy Natural Resources Mauritius Limited
11	JSW Energy Natural Resources South Africa (Pty) Limited
12	South African Coal Mining Holdings Limited
13	Royal Bafokeng Capital (Pty) Limited
14	Ilanga Coal Mines Proprietary Limited
15	Jigmining Operations No.1 Proprietary Limited
16	Jigmining Operations No.3 Proprietary Limited
17	Mainsail Trading 55 (Pty) Limited
18	SACM (Breyten) Proprietary Limited
19	SACM (Newcastle) Proprietary Limited
20	South African Coal Mining Equipment Company Proprietary Limited
21	Umlabu Colliery Proprietary Limited
22	Voorslag Coal Handling Proprietary Limited
23	Yomhlaba Coal Proprietary Limited
24	South African Coal Mining Operations Proprietary Limited
25	JSW Energy Natural Resources UK Limited
26	Minerals & Energy Swaziland Proprietary Limited (w.e.f. 4th September, 2016)

Notes to Financial Statements

For The Year Ended 31st March, 2017

ii)	**Enterprises Over Which Key Management Personnel and Relatives of Such Personnel Exercise Significant Influence**
1	JSW Steel Limited
2	Jsoft Solutions Limited
3	JSW Cement Limited
4	JSW Realty & Infrastructure Private Limited
5	JSW Jaigarh Port Limited
6	JSW Infrastructure Limited
7	Windsor Residency Private Limited
8	South West Port Limited
9	South West Mining Limited
10	JSW Green Private Limited
11	JSW Foundation
12	Jindal Vidya Mandir
13	Amba River Coke Limited
14	JSW International Trade Corp Pte Limited
15	JSW Steel Coated Products Limited
16	Jindal Saw Limited
17	JSW Global Business Solutions Limited
18	Jindal Steel & Power Limited
19	Art India Publishing Company Private Limited
20	JSW IP Holdings Private Limited
21	Heal Institute Private Limited
22	Gagan Trading Company Limited
iii)	**Joint Venture / Associates**
1	Barmer Lignite Mining Company Limited (Joint Venture)
2	MJSJ Coal Limited (Joint Venture)
3	Toshiba JSW Power System Private Limited (Associate)
iv)	**Key Managerial Personnel**
1	Mr. Sajjan Jindal – Chairman & Managing Director
2	Mr. Sanjay Sagar – Jt. Managing Director & CEO
3	Mr. Pramod Menon – Director Finance (upto 31st January, 2017)
4	Mr. Sampath Madhavan - Company Secretary (upto 30th July, 2016)
5	Mr. Jyoti Kumar Agarwal - Chief Financial Officer (w.e.f. from 1st February, 2017)
6	Ms. Monica Chopra – Company Secretary (w.e.f. from 23rd January, 2017)
7	Mr. Nirmal Kumar Jain - Non-Executive Director Non-Independent Director
8	Mr. Chandan Bhattacharya - Independent Director
9	Ms. Sheila Sangwan - Independent Director
10	Ms. Shailaja Chandra - Independent Director
11	Mr. Rakesh Nath - Independent Director (w.e.f. from 23rd July, 2015)
12	Mr. Uday Chitale - Independent Director (w.e.f. from 22nd July, 2016)

B. Transaction during the year

₹ crore

	Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
1	**Sale of power/ material to**		
	JSW Steel Limited	1,709.98	832.58
	JSW Power Trading Company Limited	770.09	3,435.03
	JSW Cement Limited	46.15	21.27
	JSW Steel Coated Products Limited	87.50	73.04
	Amba River Coke Limited	125.65	107.82

Notes to Financial Statements

For The Year Ended 31st March, 2017

₹ crore

	Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
2	**Service rendered:**		
i)	**Operator fee from :**		
	JSW Steel Limited	148.08	145.15
ii)	**Other services:**		
	Toshiba JSW Power Systems Private Limited	4.50	4.50
	South West Mining Limited	1.33	1.92
3	**Purchase of fuel / goods :**		
	JSW Steel Limited	380.45	143.48
	JSW Cement Limited	1.66	2.06
	Jindal Steel & Power Limited	1.09	-
	JSW International Trade Corp Pte Limited	1,866.06	2,532.59
	JSW Power Trading Company Limited	28.04	-
4	**Rebate on sale of power:**		
	JSW Power Trading Company Limited	6.88	17.93
5	**Service received from:**		
	JSoft Solutions Limited	-	2.68
	South West Port Limited	22.20	32.04
	JSW Jaigarh Port Limited	169.04	164.17
	JSW Green Private Limited	0.84	0.84
	Jindal Steel & Power Limited	0.15	0.18
	JSW Global Business Solutions Limited	1.91	*0.00
	Amba River Coke Limited	-	0.43
6	**Interest received on overdue receivables:**		
	JSW Steel Limited	-	0.92
	JSW Power Trading Company Limited	0.10	3.53
	JSW Steel Coated Products Limited	0.04	*0.00
7	**Interest received on loan / debentures:**		
	JSW Energy Minerals Mauritius Limited	4.27	2.34
	Raj WestPower Limited	50.83	44.75
	South West Mining Limited	27.83	21.20
	JSW Global Business Solutions Limited	0.37	0.03
	Himachal Baspa Power Company Limited	163.60	26.64
	Jindal Steel & Power Limited	14.61	-
8	**Rent paid / (received) (net):**		
	JSW Realty & Infrastructure Private Limited	0.53	0.25
	JSW Steel Limited	*(0.00)	*0.00
	JSW Jaigarh Port Limited	*(0.00)	*(0.00)
	Jaigad PowerTransco Limited	*0.00	*(0.00)
	Gagan Trading Company Limited	1.22	1.10
9	**Donation / CSR expenses:**		
	JSW Foundation	2.24	1.60
	Jindal Vidya Mandir	1.33	0.74
	Heal Institute Private Limited	0.14	0.17
10	**Reimbursement received from / (paid To):**		
	JSW Energy (Raigarh) Limited	0.01	0.01
	Raj WestPower Limited	3.67	2.67
	Jaigad PowerTransco Limited	0.07	0.09
	JSW Power Trading Company Limited	3.31	(1.01)
	JSW Steel Limited	50.40	9.47
	JSW Cement Limited	1.27	-
	JSW Jaigarh Port Limited	*0.00	-
	South West Mining Limited	0.01	(0.01)
	JSW Infrastructure Limited		0.02
	JSW Steel Coated Products Limited	0.37	(0.24)
	JSW Steel & Power Limited	-	*0.00
	Himachal Baspa Power Company Limited	0.45	0.15

Notes to Financial Statements

For The Year Ended 31st March, 2017

₹ crore

	Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	JSW Green Energy Limited	*0.00	*0.00
	JSW Global Business Solutions Limited	0.17	-
	JSW Energy (Kutehr) Limited	0.14	0.12
11	**Security deposit paid / (refund):**		
	JSW Steel Limited	-	0.33
	JSW IP Holdings Private Limited	0.90	-
	Gagan Trading Company Limited	(0.49)	(0.65)
12	**Capital advance paid / (refund) :**		
	Windsor Residency Private Limited	-	(75.00)
13	**Advance received from customer for power purchase:**		
	JSW Power Trading Company Limited	375.37	-
14	**Loan given to / (repaid) (net):**		
	JSW Global Business Solutions Limited	2.67	2.18
	Raj WestPower Limited	55.50	33.85
	JSW Green Energy Limited	0.01	-
	South West Mining Limited	(45.00)	164.90
	Jindal Steel & Power Limited	373.00	-
	JSW Energy Minerals Mauritius Limited	(3.57)	-
15	**Investment in equity share capital: (including advance against equity share capital)**		
	Himachal Baspa Power Company Limited	5.69	-
	JSW Energy (Raigarh) Limited	0.40	3.80
	JSW Energy (Kutehr) Limited	6.00	19.30
16	**Investment in debentures :**		
	Himachal Baspa Power Company Limited	340.00	-
17	**Redemption of debentures :**		
	Himachal Baspa Power Company Limited	(1,790.00)	(150.00)
18	**Security & collateral provided to:**		
	Raj WestPower Limited	(8.19)	(233.25)
	Himachal Baspa Power Company Limited	(62.12)	398.12
	South West Mining Limited	(58.76)	(58.75)
19	**Sale of assets:**		
	JSW Jaigarh Port Limited	-	0.04
20	**Advertisement / branding expenses:**		
	Art India Publishing Co Private Limited	0.06	0.08
	JSW IP Holdings Private Limited	3.62	9.73
21	**Dividend received**		
	Jaigad PowerTransco Limited	10.18	28.89

* Less Than ₹ 1 lakh

C. Closing Balances

₹ crore

	Particulars	As at 31st March, 2017	As At 31st March, 2016	As At 1st April, 2015
1	**Trade & others (payables)/receivables (net)**			
	JSW Steel Limited	229.20	142.50	71.21
	JSW Power Trading Company Limited	(375.37)	731.78	314.58
	JSW Cement Limited	6.18	3.03	2.15
	Jaigad PowerTransco Limited	0.02	*0.00	0.01
	Toshiba JSW Power Systems Private Limited	7.08	6.29	4.61
	JSW Jaigarh Port Limited	(36.02)	(34.29)	(7.11)
	JSL Lifestyle Limited	*(0.00)	*(0.00)	-
	JSW Steel Coated Products Limited	8.42	6.52	3.48
	JSW Projects Limited	-	-	0.12

Notes to Financial Statements

For The Year Ended 31st March, 2017

₹ crore

Particulars		As at 31st March, 2017	As At 31st March, 2016	As At 1st April, 2015
	JSoft Solutions Limited	(1.09)	(0.95)	(0.48)
	JSW Bengal Steel Limited	0.08	0.08	0.08
	JSW Energy (Bengal) Limited	0.02	0.02	0.02
	JSW Infrastructure Limited	0.02	0.02	(0.35)
	JSW International Trade Corp Pte Limited	(114.59)	(301.32)	(129.04)
	Amba River Coke Limited	13.15	9.32	8.58
	JSW Investments Private Limited	-	-	2.21
	JSW Foundation	(0.18)	(0.33)	-
	South West Port Limited	(2.26)	(2.08)	-
	Raj WestPower Limited	(11.07)	(10.59)	(11.83)
	Himachal Baspa Power Company Limited	(0.01)	0.05	-
	JSW Green Energy Limited	* 0.00	* 0.00	-
	JSW IP Holdings Private Limited	2.21	1.93	-
	JSW Realty & Infrastructure Private Limited	(0.19)	-	-
	Heal Institute Private. Limited.	(0.02)	-	-
	Jindal Steel & Power Limited	0.12	-	-
	MJSJ Coal Limited	0.02	0.02	0.02
	JSW Global Business Solutions Limited	(0.58)	-	-
	JSW Green Private Limited	(0.07)	-	-
	Jindal Stainless Limited	0.01	-	-
	South West Mining Limited	-	*0.00	-
2	**Deposit with:**			
	JSW Steel Limited	6.82	6.82	6.49
	JSW Realty & Infrastructure Private Limited	8.75	8.75	8.75
	JSW Jaigarh Port Limited	53.50	53.50	53.50
	JSW IP Holdings Private Limited	0.90	-	-
	Gagan Trading Company Limited	10.61	11.10	11.75
3	**Lease deposit from:**			
	JSW Steel Limited	0.29	0.29	0.29
	Jaigad PowerTransco Limited	0.50	0.50	0.50
	JSW Jaigarh Port Limited	1.30	1.30	1.30
	JSW Infrastructure Limited	0.35	0.35	0.35
	Jindal Vidya Mandir	0.02	0.02	0.02
4	**Trade advance paid:**			
	JSW Realty & Infrastructure Private Limited	-	30.00	30.00
5	**Capital advance paid:**			
	Windsor Residency Private Limited	-	-	75.00
6	**Investment in equity share capital:**			
	JSW Power Trading Company Limited	70.02	70.02	70.02
	Raj WestPower Limited	1,726.05	1,726.05	1,726.05
	Jaigad PowerTransco Limited	101.75	101.75	101.75
	JSW Energy (Raigarh) Limited	113.83	113.33	109.63
	JSW Energy (Kutehr) Limited	29.02	23.02	3.72
	JSW Green Energy Limited	0.05	0.05	0.05
	JSW Energy Mineral Mauritius Limited	42.11	42.11	42.11
	JSW Energy Natural Resources (BVI) Limited	3.63	3.63	3.63
	Toshiba JSW Power Systems Private Limited	100.23	100.23	100.23
	MJSJ Coal Limited	10.46	10.46	10.46
	Himachal Baspa Power Company Limited	1,332.77	1,327.08	-

Notes to Financial Statements

For The Year Ended 31st March, 2017

₹ crore

Particulars		As at 31st March, 2017	As At 31st March, 2016	As At 1st April, 2015
7	**Investment in preference share capital:**			
	JSW Power Trading Company Limited	132.00	132.00	132.00
	JSW Realty & Infrastructure Private Limited	5.03	5.03	5.03
8	**Investment in debentures:**			
	Himachal Baspa Power Company Limited	900.00	2,350.00	-
9	**Security & collateral provided to:**			
	Raj WestPower Limited	687.05	695.24	928.49
	Himachal Baspa Power Company Limited	336.00	398.12	-
	South West Mining Limited	96.34	155.10	213.85
10	**Loans / advances to:**			
	JSW Energy Minerals Mauritius Limited	329.84	341.09	321.85
	Raj WestPower Limited	546.44	490.94	457.09
	JSW Green Energy Limited	4.08	4.07	4.07
	JSW Energy (Bengal) Limited	80.12	80.12	80.12
	South West Mining Limited	225.00	270.00	105.10
	JSW Global Business Solution Limited	4.85	2.18	-
	Jindal Steel & Power Limited	373.00	-	-
11	**Interest receivable on loan:**			
	JSW Energy Minerals Mauritius Limited	11.67	7.69	5.03
	Raj WestPower Limited	* 0.00	49.73	137.46
	Jindal Steel & Power Limited	1.21	-	-
	JSW Global Business Solution Limited	-	0.03	
12	**Advance against equity:**			
	JSW Energy (Raigarh) Limited	-	0.10	-

* Less Than ₹ 1 lakh

D. The remuneration to key managerial personnel during the year was as follows:

₹ crore

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
1. Short-term benefits	16.29	14.47
2. Post-employment benefits	0.81	0.79
3. Sitting Fees	0.62	0.41
4. Commission to Directors	0.76	0.78

a) The above figures do not include provisions for gratuity and leave encashment as the same is not determinable.

b) The Company has accrued ₹ 0.54 crore in respect of employee stock options granted to Joint Managing Director & CEO, Director (Finance), and Company Secretary. The same has not been considered as managerial remuneration of the current year.

Note:

i) No amounts in respect of related parties have been written off / written back during the year, nor has any provision been made for doubtful debts / receivables during the year, except as discussed above

ii) Related party relationships have been identified by the management and relied upon by the Auditors

Notes to Financial Statements

For The Year Ended 31st March, 2017

iii) Related party transactions have been disclosed on basis of value of transactions in terms of the respective contracts.

iv) Terms and conditions of sales and purchases: the sales and purchases transactions among the related parties are in the ordinary course of business based on normal commercial terms, conditions, market rates and memorandum of understanding signed with the related parties. For the year ended 31st March, 2017, the Company has not recorded any loss allowances for transactions between the related parties.

Note No. 43 - Disclosure as per Ind AS 101 First-time adoption of Indian Accounting Standards:

(a) Overall principle:

The Company has prepared the opening balance sheet as per Ind AS as of 1st April, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities.

However, this principle is subject to certain mandatory exceptions and certain optional exemptions availed by the Company as detailed below:

Mandatory exceptions and optional exemptions

Classification of debt instruments:

The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

Past business combinations:

The Company has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date of 1st April, 2015.

Deemed cost for property, plant and equipment and intangible assets:

The Company has elected to continue with the carrying value of all of its plant and equipment, capital work-in-progress and intangible assets recognised as of 1st April, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Determining whether an arrangement contains a lease:

The Company has applied Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

Exchange differences arising on long-term foreign currency monetary items:

Under previous GAAP, the Company had opted to defer/ capitalize exchange differences arising on long-term foreign currency monetary items in accordance with paragraph 46A of AS 11. The Company has now availed Ind AS 101 option whereby a first time adopter can continue its previous GAAP policy for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the previous GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period i.e 1st April, 2016.

Classification and measurement of financial assets:

The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

Derecognition of financial assets and liabilities:

The Company has applied the derecognition requirements of financial assets and financial liabilities

Notes to Financial Statements

For The Year Ended 31st March, 2017

prospectively for transactions occurring on or after 1st April, 2015 (the transition date).

Impairment of financial assets:

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date.

Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

Share based payments:

Ind AS 102 Share based Payment has not been applied to equity instruments in share-based payment transactions that vested before 1st April, 2015.

(b) First-time Ind AS adoption reconciliations:

Effect of Ind AS adoption on the balance sheet as at 31st March, 2016 and 1st April, 2015:

a) Balance sheet as at 1st April, 2015 (date of transition to Ind AS)

₹ crore

Particulars	Footnotes	IGAAP	Adjustment	Ind AS
A. Assets				
1 Non-current assets				
(a) Property, plant and equipment	i, x,	6,806.34	(1,176.30)	5,630.04
(b) Capital work-in-progress		256.04	-	256.04
(c) Other intangible assets		7.80	-	7.80
(d) Financial assets	i, ii, iii, v, vi			
(i) Investments		2,298.36	(78.32)	2,220.04
(ii) Loans		945.25	(96.73)	848.52
(iii) Other financial assets		214.82	1,062.16	1,276.98
(e) Income tax assets (net)		281.63	-	281.63
(f) Other non-current assets		405.14	20.92	426.06
Total non - current assets		**11,215.38**	**(268.27)**	**10,947.11**
2 Current assets				
(a) Inventories		479.24	-	479.24
(b) Financial assets	i, ii, iii, v, vi			
(i) Investments		1,373.96	6.38	1,380.34
(ii) Trade Receivables		504.77	-	504.77
(iii) Cash and cash equivalents		195.54	0.27	195.81
(iv) Bank balances other than (iii) above		72.59	-	72.59
(v) Loans		2.00	-	2.00
(vi) Other financial assets		134.51	58.16	192.67
(c) Other current assets		35.78	(16.53)	19.25
Total current assets		**2,798.39**	**48.28**	**2,846.67**
Total assets		**14,013.77**	**(219.99)**	**13,793.78**
B. EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	xiv,	1,640.05	(14.35)	1,625.70
(b) Other equity	i-xi, xiii-xiv	5,953.74	208.42	6,162.16
Total equity		**7,593.79**	**194.07**	**7,787.86**
Liabilities				

Notes to Financial Statements

For The Year Ended 31st March, 2017

₹ crore

Particulars	Footnotes	IGAAP	Adjustment	Ind AS
1 Non-current liabilities				
(a) Financial liabilities	iv, v, vii			
(i) Borrowings		3,567.85	(24.36)	3,543.49
(ii) Other financial liabilities		2.98	6.91	9.89
(b) Provisions		10.01	-	10.01
(c) Deferred tax liabilities (Net)	xi	254.92	21.32	276.24
(d) Other non-current liabilities		-	1.87	1.87
Total non - current liabilities		**3,835.76**	**5.74**	**3,841.50**
2 Current liabilities				
(a) Financial liabilities	iv, v, vii			
(i) Borrowings		-	-	-
(ii) Trade payables		1,460.30	(33.81)	1,426.49
(iii) Other financial liabilities		1,044.73	(319.43)	725.30
(b) Provisions		4.59	-	4.59
(c) Other current liabilities		74.60	(66.57)	8.04
Total current liabilities		**2,584.22**	**(419.81)**	**2164.42**
Total equity and liabilities		**14,013.77**	**(219.99)**	**13.793.78**

b) Balance sheet as at 31st March, 2016

₹ crore

Particulars	Footnotes	IGAAP	Adjustment	Ind AS
A. Assets				
1 Non-current assets				
(a) Property, plant and equipment	i, x	6,500.40	(1,090.80)	5,409.60
(b) Capital work-in-progress		282.06	-	282.06
(c) Other intangible assets		5.19	-	5.19
(d) Financial assets	i, ii, iii, v, vi			
(i) Investments		5,998.44	646.29	6,644.73
(ii) Loans		1,155.25	(83.74)	1,071.51
(iii) Other financial assets		146.24	1,007.69	1,153.93
(e) Income tax assets (net)		162.47	-	162.47
(f) Other non-current assets		50.56	16.38	66.94
Total non - current assets		**14,300.62**	**495.81**	**14,796.43**
2 Current assets				
(a) Inventories		538.58	-	538.58
(b) Financial assets	i, ii, iii, v, vi			
(i) Investments		24.00	0.02	24.02
(ii) Trade Receivables		1,178.65	-	1,178.65
(iii) Cash and cash equivalents		127.14	0.02	127.16
(iv) Bank balances other than (iii) above		94.50	-	94.50
(v) Other financial assets		130.02	58.82	188.84
(c) Other current assets		46.57	(20.58)	25.99
Total current assets		**2,139.46**	**38.28**	**2,177.74**
Total assets		**16,440.08**	**534.09**	**16,974.17**
B. EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	xiv	1,640.05	(13.26)	1,626.79
(b) Other equity	i-xi, xiii-xiv	6,544.94	420.40	6,965.34
Total equity		**8,184.99**	**407.14**	**8,592.13**
Liabilities				

Notes to Financial Statements

For The Year Ended 31st March, 2017

₹ crore

Particulars	Footnotes	IGAAP	Adjustment	Ind AS
1 Non-current liabilities				
(a) Financial liabilities	iv, v, vii			
(i) Borrowings		2,827.39	(17.47)	2,809.92
(ii) Other financial liabilities		2.71	7.80	10.51
(b) Provisions		11.43	-	11.43
(c) Deferred tax liabilities (Net)	xi	380.62	(20.00)	360.62
(d) Other non-current liabilities		-	1.82	1.82
Total non - current liabilities		**3,222.15**	**(27.85)**	**3,194.30**
2 Current liabilities				
(a) Financial liabilities	iv, v, vii			
(i) Borrowings		1,500.00	-	1,500.00
(ii) Trade payables		2,291.58	(70.66)	2,220.92
(iii) Other financial liabilities		1,164.27	286.31	1,450.58
(b) Provisions		6.63	-	6.63
(c) Other current liabilities		70.45	(60.83)	9.61
Total current liabilities		**5,032.94**	**154.81**	**5,187.74**
Total equity and liabilities		**16,440.08**	**534.09**	**16,974.17**

(c) Company reconciliation of profit or loss for the year ended 31st March 2016

₹ crore

Particulars	Footnotes	IGAAP	Adjustment	Ind AS
I Revenue from operations	i, xii	5,959.43	(96.80)	5,862.63
II Other income	ii, iii, iv, v, vi	231.67	166.41	398.08
III Total income		**6,191.10**	**69.61**	**6,260.71**
IV Expenses				
(a) Fuel cost		3,311.92	-	3,311.92
(b) Employee benefits expense	viii, ix	116.07	0.16	116.23
(c) Finance costs	iv	638.95	5.14	644.08
(d) Depreciation and amortisation expense	i, x	429.91	(76.39)	353.52
(e) Other expenses	ii, iv, xiv	306.08	(34.20)	271.88
Total expenses		**4,802.92**	**(105.29)**	**4,697.63**
V Profit before tax		**1,388.18**	**174.90**	**1,563.08**
VI Tax expense		422.33	(41.32)	381.01
VII Profit for the year		**965.85**	**216.22**	**1,182.07**
VIII Other comprehensive income	viii, xiii			
(i) Items that will not be reclassified to profit or loss				
(a) Re-measurements of the net defined benefit liabilities / (assets)		-	(1.58)	(1.58)
IX Other comprehensive income for the year		**-**	**(1.58)**	**(1.58)**
X Total comprehensive income for the year		**965.85**	**214.64**	**1,180.49**

Notes to Financial Statements

For The Year Ended 31st March, 2017

(d) Company reconciliation of equity for year ended 31st March, 2016 and 1st April, 2015

₹ crore

Particulars	Footnotes	As at 31st March, 2016	As at 1st April, 2015
Equity under Previous GAAP		**8,184.99**	**7,593.79**
Impact of Embedded lease accounting	i	5.97	(12.87)
Deemed Investment in Equity	vi	156.14	-
Capital Overhauling costs recognised as Property Plant and Equipment (PPE) - (net)	x	7.65	-
Net gain / (loss) on financial assets and liabilities fair valued through Statement of Profit and Loss	ii, iii, iv	(158.45)	(167.66)
Amortisation of transaction cost on borrowings	v	8.80	15.48
Employee benefits – Actuarial (Gain) / Loss recognised in other comprehensive income	viii	1.58	-
Deferred taxes	xi	20.00	(21.32)
Others	v	(8.61)	-
Proposed dividend (including dividend distribution tax)	vii	388.91	394.79
Elimination of equity share capital (treasury shares) held by ESOP trust (due to consolidation of ESOP Trust)	xiv	(13.27)	(14.35)
Equity under Ind AS		**8,593.71**	**7,787.86**
Other Comprehensive Income	viii, xiii	(1.58)	-
Total Equity under IND AS		**8,592.13**	**7,787.86**

(e) Reconciliation of cash flows for the year ended 31 March 2016

₹ Crore

Particulars	IGAAP	Adjustment	Ind AS
Net cash flow from operating activities	2,263.64	(2.59)	2,261.05
Net cash flow from investing activities	(3,461.43)	(6.74)	(3,468.17)
Net cash flow from financing activities	(220.58)	2.73	(217.85)
Net cash inflow / (Outflow)	**(1,418.37)**	**(6.60)**	**(1,424.97)**

(f) Footnotes to the above reconciliations

i. Arrangements in the nature of lease:

Under the Previous GAAP, the Property Plant and Equipment (PPE) related to thermal power plants were capitalised and depreciation was accordingly charged to statement of profit and loss. Under INDAS, PPE related to one of the units, considered as embedded lease arrangement, has been de-recognised and shown as lease receivable at fair value.

ii. Financial assets at amortised cost:

Certain financial assets held on with objective to collect contractual cash flows in the nature of interest and principal have been recognised at amortised cost on transition date as against historical cost under the previous GAAP with the difference been adjusted to the opening retained earnings.

iii. Fair valuation of investments:

Investments in preference shares / mutual funds have been measured at fair value through profit or loss as against cost less diminution of other than temporary nature, if any, under the previous GAAP. Certain equity investments (other than investments in subsidiaries, joint ventures and associates) have been measured at fair value.

Notes to Financial Statements

For The Year Ended 31st March, 2017

iv. **Financial liabilities and related transaction cost at amortised cost:**
Borrowings and other financial liabilities which were recognised at historical cost under previous GAAP have been recognised at amortised cost under IND AS with the difference been adjusted to opening retained earnings. Under Previous GAAP, transaction costs incurred in connection with borrowings are amortised upfront and charged to statement of profit or loss or capitalised. Under IND AS, transaction costs are deducted from the initial recognition amount of the financial liability and charged to statement of profit or loss over the tenure of the borrowings using the effective interest rate method.

v. **Business acquisitions:**
Under IND AS, the cost of acquisition has to include the fair value of contingent consideration also. Accordingly, investment in equity of subsidiary has been increased with a corresponding increase in liability for continent consideration payable. Under the Previous GAAP, the transaction cost of the business acquisitions were added to the cost of Investment. Under IND AS, the transaction cost of the business acquisitions is required to be charged to Statement Profit and Loss.

vi. **Deemed investment in equity:**
As per IND AS, waiver off interest on investment in debentures of a wholly owned subsidiary has been considered as deemed equity by the Company.

vii. **Proposed Divided:**
Under previous GAAP, proposed dividends including DDT are recognised as a liability in the period to which they relate, irrespective of when they are declared. Under IND AS, a proposed dividend is recognised as a liability in the period in which it is declared by the company, usually when approved by the shareholders in a general meeting, or paid.

In the case of the Company, the declaration of dividend occurs after period end. Therefore, the liability for the year ended on 31st March, 2015 recorded for dividend has been derecognised against retained earnings on 1st April 2015. The proposed dividend for the year ended on 31st March, 2016 recognized under previous GAAP was reduced from other payables and with a corresponding impact in the retained earnings.

viii. **Defined benefit liabilities:**
Under IND AS, re-measurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit and loss in previous GAAP.

ix. **Share-based payments:**
Under Previous GAAP, the Company recognised only the intrinsic value for the long-term incentive plan as an expense. IND AS requires the fair value of the share options to be determined using an appropriate pricing model recognised over the vesting period. An additional expense has been recognised in profit or loss for the year ended 31st March 2016. Share options which were granted before and still vesting at 1st April 2015, have been recognised as a separate component of equity in share based payments reserve against retained earnings at 1st April 2015.

x. **Depreciation of property, plant and equipment:**
IND AS 16 requires the cost of major inspections/overhauling to be capitalised and depreciated separately over the period till the next major inspection/overhauling. Under previous GAAP the same is charged to statement of profit and loss in the period in which it was incurred.

xi. **Deferred tax:**
Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. IND AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences

Notes to Financial Statements

For The Year Ended 31st March, 2017

between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of IND AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Previous GAAP.

xii. Sale of Power:
Under Previous GAAP, sale of power was presented gross of rebates and discounts. However, under IND AS, sale of power is net of all rebates and discounts. Thus sale of power under IND AS has decreased with a corresponding decrease in other expense.

xiii. Other comprehensive income:
Under IND AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes re-measurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

xiv. Consolidation of Employee Welfare Trust:
Employee Welfare Trust, financed through interest free loans by the Company and warehousing the shares which have not been vested yet, for distribution to employees of the Company has resulted into line by line addition of all the assets and liabilities by reducing equity share capital of the company with face value of such treasury shares and adjusting the difference, if any, into other equity..

xv. Statement of cash flows:
The transition from Previous GAAP to IND AS has not had a material impact on the statement of cash flows, except as disclosed above.

Note No. 44 - The Company is yet to receive balance confirmations in respect of certain financial assets and financial liabilities. The Management does not expect any material difference affecting the current year's financial statements due to the same.

Note No. 45 - Approval of financial statements:
The financial statements were approved for issue by the Board of Directors on 29th April, 2017.

Note No. 46 - Operating segments
The Joint Managing Director & Chief Executive Officer of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators, however the Company is primarily engaged in only one segment viz., "Generation and Sale of power" and that most of the operations are in India. Hence the Company does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

For and on behalf of the Board of Directors

Sanjay Sagar
Jt. Managing Director & CEO
[DIN: 00019489]

Sajjan Jindal
Chairman and Managing Director
[DIN: 00017762]

Monica Chopra
Company Secretary

Jyoti Kumar Agarwal
Chief Financial Officer

Place: Mumbai
Date: 29th April, 2017

Independent Auditors' Report

TO THE MEMBERS OF JSW ENERGY LIMITED

Report on the Consolidated IND AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of JSW Energy Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries collectively referred to as "the Group"), share in a joint venture and an associate, which comprise the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information hereinafter referred to as 'the Consolidated Ind AS Financial Statements'.

Management's Responsibility for the Consolidated IND AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including Other comprehensive income, consolidated cash flows statement and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act and relevant rules thereunder.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Group's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (A) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS, of the consolidated financial position

Independent Auditors' Report

of the Group as at 31st March, 2017 and its consolidated financial performance (including other comprehensive income), consolidated statement of cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

A. We did not audit the financial statements of five subsidiary companies whose financial statements reflect total assets of ₹ 9,529.79 crore as at 31st March, 2017 and total revenue for the year ended 31st March, 2017 of ₹ 4,101.63 crore and net cash flows amounting to ₹ 422.55 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

B. (i) We did not audit the financial statements of nineteen foreign subsidiary companies whose financial statements reflect total assets of ₹ 1,325.20 crore as at 31st March, 2017 and total revenue for the year ended 31st March, 2017 of ₹ 8.90 crore, as considered in the consolidated financial statements. The financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements.

(ii) We did not audit the financial statements of a joint venture in India included in the consolidated financial statements, whose financial statements reflect the Group's share of profit of ₹ 4.06 crore for the year ended 31st March, 2017. The financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this joint venture and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid joint venture, is based solely on such unaudited financial statements.

(iii) We did not audit the financial statements of an associate included in the consolidated financial statements, whose financial statements reflect the Group's share of NIL for the year ended 31st March, 2017. The financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid associate, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management are based on unaudited financial statements.

(iv) As explained by the management, adjustments as may be required to the aforesaid unaudited financial statements are not expected to be significant and would be carried out upon completion of respective audits.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section143(3) of the Act, we report, to the extent applicable, 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 of

Independent Auditors' Report

the aforesaid consolidated Ind AS financial statements

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31st March, 2017 from being appointed as a Director of the Company in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; and

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities– Refer Note No. 49 to the consolidated Ind AS financial statements.

ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company and its subsidiaries incorporated in India.

iv. The Group has disclosed in the Consolidated Ind AS financial statements as to holding as well as dealings in Specified Bank Notes (SBN) during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with books of account maintained by the Group- Refer Note 13 A to the standalone Ind AS financial statements.

For **LODHA & CO.**
Chartered Accountants
Firm Registration No: 301051E

A. M. Hariharan
Partner
Membership No. 38323

Place: Mumbai
Date: 29th April, 2017

"Annexure A"

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Group as of and for the year ended 31st March, 2017, we have audited the internal financial controls over financial reporting of **JSW ENERGY LIMITED** ("the Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Holding company, its subsidiary companies, an associate company and a jointly controlled company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group 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 Group's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

"Annexure A"

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Group 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.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in sofar as it relates to five subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **LODHA & CO.**
Chartered Accountants
Firm Registration No: 301051E

A. M. Hariharan
Partner
Membership No. 38323

Place: Mumbai
Date: 29th April, 2017

Consolidated Balance Sheet

as at 31st March, 2017

₹ crore

Particulars	Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A. ASSETS				
1 Non-current assets				
(a) Property, plant and equipment	4A	17,876.50	18,653.33	11,700.30
(b) Capital work-in-progress	4B	526.90	320.61	291.54
(c) Goodwill on consolidation		644.86	645.83	9.66
(d) Other intangible assets	5	969.23	998.67	103.01
(e) Financial assets				
(i) Investments	6			
- Investments in an associate and joint venture		6.57	6.52	44.84
- Other investments		1,353.35	930.36	669.31
(ii) Loans	7	1,137.49	813.10	609.80
(iii) Other financial assets	8	1,649.56	1,621.65	1,383.33
(f) Income tax assets (net)	9	257.52	132.06	285.09
(g) Other non-current assets	10	87.70	122.05	475.48
Total non - current assets		**24,509.68**	**24,244.18**	**15,572.36**
2 Current assets				
(a) Inventories	11	596.74	635.83	544.47
(b) Financial assets				
(i) Investments	6	218.90	75.39	1,392.56
(ii) Trade receivables	12	2,182.75	2,906.34	1,172.29
(iii) Cash and cash equivalents	13A	590.71	238.55	278.08
(iv) Bank balances other than (iii) above	13B	193.59	118.88	73.45
(v) Loans	7	80.62	-	-
(vi) Other financial assets	8	134.67	240.31	181.39
(c) Other current assets	10	81.22	79.40	38.30
Total current assets		**4,079.20**	**4,294.70**	**3,680.54**
Total assets		**28,588.88**	**28,538.88**	**19,252.90**
B. EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	14A	1,627.95	1,626.79	1,625.70
(b) Other equity	14B	8,740.51	8,077.34	6,706.79
Equity attributable to owners of the parent		**10,368.46**	**9,704.13**	**8,332.49**
Non-controlling interests		2.37	1.40	47.64
Total equity		**10,370.83**	**9,705.53**	**8,380.13**
Liabilities				
1 Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	15	13,125.92	11,947.51	7,505.78
(ii) Other financial liabilities	16	0.56	0.36	0.46
(b) Provisions	17	47.11	39.38	33.77
(c) Deferred tax liabilities (net)		580.08	434.06	334.09
(d) Other non-current liabilities	18	1.75	1.81	1.87
Total non - current liabilities		**13,755.42**	**12,423.12**	**7,875.97**
2 Current liabilities				
(a) Financial liabilities				
(i) Borrowings	15	8.67	1,589.33	148.22
(ii) Trade payables	19	2,118.72	2,531.37	1,647.66
(iii) Other financial liabilities	16	2,282.13	2,255.77	1,177.61
(b) Other current liabilities	18	44.00	21.85	15.27
(c) Provisions	17	9.11	11.91	8.04
Total current liabilities		**4,462.63**	**6,410.23**	**2,996.80**
Total equity and liabilities		**28,588.88**	**28,538.88**	**19,252.90**

See accompanying notes to the financial statements

As per our attached report of even date
For Lodha & Co.
Chartered Accountants
Firm Registration No. 301051E

A. M. Hariharan
Partner
Membership No. 38323

Place: Mumbai
Date: 29th April, 2017

For and on behalf of the Board of Directors

Sanjay Sagar
Jt. Managing Director & CEO
[DIN: 00019489]

Sajjan Jindal
Chairman and Managing Director
[DIN: 00017762]

Monica Chopra
Company Secretary

Jyoti Kumar Agarwal
Chief Financial Officer

Place: Mumbai
Date: 29th April, 2017

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2017

₹ crore

	Particulars	Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
I	Revenue from operations	20	8,263.43	9,824.49
II	Other income	21	217.00	235.11
III	**Total income**		**8,480.43**	**10,059.60**
IV	**Expenses**			
	(a) Fuel cost		3,907.22	4,377.35
	(b) Purchase of power		153.10	543.15
	(c) Employee benefits expense	22	211.77	183.81
	(d) Finance costs	23	1,684.75	1,498.11
	(e) Depreciation and amortisation expense	24	969.15	854.25
	(f) Other expenses	25	666.98	694.06
	Total expenses		**7,592.97**	**8,150.73**
V	**Profit before exceptional Items and tax**		**887.46**	**1,908.87**
VI	Share of profit / (loss) of an associate / joint venture		4.06	(42.34)
VII	Exceptional items	54	-	(150.00)
VIII	**Profit before tax**		**891.52**	**2,016.53**
IX	Tax expense	26	269.01	556.26
X	**Profit for the year**		**622.51**	**1,460.27**
XI	**Attributable to:**			
	Owners of the parent		629.03	1,447.36
	Non controlling interests		(6.52)	12.91
XII	**Other comprehensive income**			
	A (i) Items that will not be reclassified to profit or loss			
	(a) Remeasurements of the net defined benefit liabilities / (assets)		(1.29)	(1.32)
	(b) Equity instruments through other comprehensive income		419.35	263.83
	(ii) Income tax relating to items that will not be reclassified to profit or loss		0.27	-
	B (i) Items that will be reclassified to profit or loss			
	(a) Exchange differences in translating the financial statements of foreign operations		13.76	1.52
			432.09	**264.03**
XIII	**Attributable to:**			
	Owners of the parent		432.09	264.03
	Non controlling interests		*0.00	*0.00
XIV	**Total comprehensive income for the year**		**1,054.60**	**1,724.30**
	Attributable to:			
	Owners of the parent		1,061.12	1,711.39
	Non controlling interests		(6.52)	12.91
XV	**Earnings per equity share of ₹ 10 each**	42		
	Basic (₹)		3.86	8.90
	Diluted (₹)		3.86	8.90
	See accompanying notes to the financial statements			

* Less than ₹ 1 lakh

As per our attached report of even date
For Lodha & Co.
Chartered Accountants
Firm Registration No. 301051E

A. M. Hariharan
Partner
Membership No. 38323

Place: Mumbai
Date: 29th April, 2017

For and on behalf of the Board of Directors

Sanjay Sagar
Jt. Managing Director & CEO
[DIN: 00019489]

Sajjan Jindal
Chairman and Managing Director
[DIN: 00017762]

Monica Chopra
Company Secretary

Jyoti Kumar Agarwal
Chief Financial Officer

Place: Mumbai
Date: 29th April, 2017

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2017

A] Equity share capital [a]

	₹ crore
Balance as at 1st April 2015	**1,625.70**
Changes in equity share capital during the year - Treasury shares	1.09
Balance as at 31st March 2016	**1,626.79**
Changes in equity share capital during the year - Treasury shares	1.16
Balance as at 31st March 2017	**1,627.95**

a) Refer note 14A for details of shares held by the ESOP trust

B] Other Equity

₹ crore

Particulars	Attributable to owners of parent										Non-controlling interests	Total
	Reserves and Surplus						Items of other comprehensive income			Total other equity		
	Securities premium reserve	General reserve	Equity settled share based payment reserve	Debenture Redemption Reserve	Contingency Reserve	Retained earnings	Equity instrument through other comprehensive income	Foreign currency translation reserve	Actuarial Gain / (Loss) on defined benefit liabilities / (assets)			
Balance at 1st April, 2015	**2,400.54**	**213.96**	**8.81**	**1,009.11**	**6.03**	**2,612.40**	**483.23**	**(27.30)**	**-**	**6,706.79**	**47.64**	**6,754.43**
Profit for the year	-	-	-	-	-	1,447.36	-	-	-	1,447.36	12.91	1,460.27
Other comprehensive income for the year	-	-	-	-	-	-	263.83	1.52	(1.32)	264.03	*0.00	264.03
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**1,447.36**	**263.83**	**1.52**	**(1.32)**	**1,711.39**	**12.91**	**1,724.30**
Dividends	-	-	-	-	-	(324.80)	-	-	-	(324.80)	(10.15)	(334.95)
Tax on Dividends	-	-	-	-	-	(72.40)	-	-	-	(72.40)	(2.80)	(75.20)
Disposal of interest in a step-down subsidiary	-	-	-	-	-	36.32	-	19.16	-	55.48	(46.20)	9.28
Consolidation of ESOP Trust [a]	-	-	-	-	-	3.08	-	-	-	3.08	-	3.08
Unwinding of transaction cost on debentures issued	(4.32)	-	-	-	-	-	-	-	-	(4.32)	-	(4.32)
Transfers to / from retained earnings	-	-	-	(455.77)	1.39	454.38	-	-	-	-	-	-
Transfers to General Reserve	-	0.10	(0.10)	-	-	-	-	-	-	-	-	-
Share based payments	-	-	2.12	-	-	-	-	-	-	2.12	-	2.12
Balance at 31st March, 2016	**2,396.22**	**214.06**	**10.83**	**553.34**	**7.42**	**4,156.34**	**747.06**	**(6.62)**	**(1.32)**	**8,077.34**	**1.40**	**8,078.74**

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2017

₹ crore

Particulars	Attributable to owners of parent										Non-controlling interests	Total
	Reserves and Surplus						Items of other comprehensive income			Total other equity		
	Securities premium reserve	General reserve	Equity settled share based payment reserve	Debenture Redemption Reserve	Contingency Reserve	Retained earnings	Equity instrument through other comprehensive income	Foreign currency translation reserve	Actuarial Gain / (Loss) on defined benefit liabilities / (assets)			
Balance as at 1st April, 2016	**2,396.22**	**214.06**	**10.83**	**553.34**	**7.42**	**4,156.34**	**747.06**	**(6.62)**	**(1.32)**	**8,077.34**	**1.40**	**8,078.74**
Profit for the year	-	-	-	-	-	629.03	-	-	-	629.03	(6.52)	622.51
Other comprehensive income for the year	-	-	-	-	-	-	419.35	13.76	(1.02)	432.09	*0.00	432.09
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**629.03**	**419.35**	**13.76**	**(1.02)**	**1,061.12**	**(6.52)**	**1,054.60**
Dividends	-	-	-	-	-	(321.85)	-	-	-	(321.85)	(7.15)	(329.00)
Tax on Dividends	-	-	-	-	-	(62.97)	-	-	-	(62.97)	(0.73)	(63.70)
Acquisition of interest in step-down subsidiaries	-	-	-	-	-	(15.71)	-	0.14	-	(15.57)	15.37	(0.20)
Consolidation of ESOP Trust [a]	-	-	-	-	-	5.08	-	-	-	5.08	-	5.08
Unwinding of transaction cost on debentures issued	(4.57)	-	-	-	-	-	-	-	-	(4.57)	-	(4.57)
Transfers to / from retained earnings	-	-	-	(210.90)	1.38	209.52	-	-	-	-	-	-
Share based payments	-	-	1.93	-	-	-	-	-	-	1.93	-	1.93
Balance at 31st March, 2017	**2,391.65**	**214.06**	**12.76**	**342.44**	**8.80**	**4,599.44**	**1,166.41**	**7.28**	**(2.34)**	**8,740.51**	**2.37**	**8,742.88**

See accompanying notes to the financial statements

* Less than ₹ 1 Lakh

a) Refer note 51 for impact of consolidation of ESOP trust

As per our attached report of even date
For Lodha & Co.
Chartered Accountants
Firm Registration No. 301051E

A. M. Hariharan
Partner
Membership No. 38323

Place: Mumbai
Date: 29th April, 2017

For and on behalf of the Board of Directors

Sanjay Sagar
Jt. Managing Director & CEO
[DIN: 00019489]

Sajjan Jindal
Chairman and Managing Director
[DIN: 00017762]

Monica Chopra
Company Secretary

Jyoti Kumar Agarwal
Chief Financial Officer

Place: Mumbai
Date: 29th April, 2017

Consolidated Statement of Cash Flows

For The Year Ended 31st March, 2017

₹ crore

Particulars	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
I. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax		**891.52**		**2,016.53**
Adjusted for:				
Depreciation / amortisation	969.15		854.25	
Finance costs	1,684.75		1,498.11	
Interest income	(151.73)		(135.26)	
Dividend income	(5.25)		(7.71)	
Income from investments	(32.35)		(78.27)	
Share of (profit)/losses of associate and joint venture	(4.06)		42.34	
Net gain/(loss) arising on financial assets designated as at FVTPL	(0.45)		5.14	
Impact of embedded lease accounting	58.82		58.16	
Impact of service concession arrangement accounting	49.77		35.39	
Remeasurements of the defined benefit liabilities / (asset)	(1.29)		(1.32)	
Employee share based payment	1.93		2.12	
Unwinding of discount on security deposit	4.91		4.90	
Loss on sale / discard of property, plant and equipment	0.12		2.65	
Pre-operative expenses written off	3.36		5.34	
Bad debts written off	0.11		0.48	
Unrealised foreign exchange loss	6.85		22.16	
Provision for non-moving inventories	0.55		1.75	
Inventory Written Off	1.53		-	
		2,586.72		2,310.23
Operating profit before working capital changes		**3,478.24**		**4,326.76**
Adjustments for:				
Trade receivables	723.48		(1,265.31)	
Trade payables and other liabilities	(297.64)		849.51	
Loans, advances & other assets	(281.58)		(13.84)	
Inventories	37.56		(60.56)	
		181.82		(490.20)
Cash generated from operations		**3,660.06**		**3,836.56**
Direct taxes paid (net)		(238.67)		(298.94)
NET CASH GENERATED FROM OPERATING ACTIVITIES		**3,421.39**		**3,537.62**
II CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment (including CWIP and capital advances)		(371.51)		(34.88)
Sale / discard of property, plant and equipment		2.97		0.28
Interest income		81.02		88.28
Dividend income		5.25		7.71
Income from sale of investments		32.35		78.27
Acquisition of Hydro assets (net)		-		(3,520.63)
Investments in Government securities		(1.79)		(1.38)
Bank balances other than cash & cash equivalents		(72.86)		(48.65)
NET CASH USED IN INVESTING ACTIVITIES		**(324.57)**		**(3,431.00)**
III. CASH FLOW FROM FINANCING ACTIVITIES				
Borrowing (repaid) / taken (net)		(528.86)		276.78
Finance costs		(1,679.59)		(1,489.05)
Dividend paid (including tax on dividend)		(392.70)		(410.15)
NET CASH USED IN FINANCING ACTIVITIES		**(2,601.15)**		**(1,622.42)**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (I+II+III)		**495.67**		**(1,515.80)**
CASH AND CASH EQUIVALENTS - AT THE BEGINNING OF THE YEAR		**313.94**		**1,670.64**
ADD: PURSUANT TO ACQUISITION OF HYDRO ASSETS		-		**159.10**
CASH AND CASH EQUIVALENTS - AT THE END OF THE YEAR (Refer Note 6 & 13A)		**809.61**		**313.94**

See accompanying notes to the financial statements

As per our attached report of even date
For Lodha & Co.
Chartered Accountants
Firm Registration No. 301051E

A. M. Hariharan
Partner
Membership No. 38323

Place: Mumbai
Date: 29th April, 2017

For and on behalf of the Board of Directors

Sanjay Sagar
Jt. Managing Director & CEO
[DIN: 00019489]

Sajjan Jindal
Chairman and Managing Director
[DIN: 00017762]

Monica Chopra
Company Secretary

Jyoti Kumar Agarwal
Chief Financial Officer

Place: Mumbai
Date: 29th April, 2017

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

Note No. 1 - General information:

The consolidated financial statements comprise financial statements of JSW Energy Limited ("the Parent Company") and its subsidiaries (hereinafter referred to as "the Group") for the year ended 31st March, 2017.

The Parent Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai - 400 051.

The Group is primarily engaged in the business of generation and transmission of power, project management consultancy, operation & maintenance of power plants, power trading and coal / lignite mining. Information on the Group's structure is provided in Note 28.

Note No. 2 - Statement of compliance:

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

Upto the year ended 31st March, 2016, the Group prepared its financial statements in accordance with the requirements of previous GAAP prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014. These are the Group's first Ind AS financial statements. The date of transition to Ind AS is 1st April, 2015. Refer Note 51 for the details of significant first-time adoption exemptions availed by the Group and an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, performance and cash flows.

Note No. 3 - Significant accounting policies:

3.1 Basis of preparation of consolidated financial statements:

In accordance with the notification issued by the Ministry of Corporate Affairs, the Parent Company is required to prepare its consolidated financial statements as per the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Accounting Standards) Amendment Rules, 2016 with effect from 1st April, 2016. Accordingly, the Group has prepared these Consolidated Financial Statements which comprise the Consolidated Balance Sheet as at 31st March , 2017, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended 31st March, 2017, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Consolidated Financial Statements" or "financial statements"). The figures for the previous year ended 31st March, 2016 and Opening Balance Sheet as on 1st April, 2015 have also been reinstated by the Management as per the requirements of Ind AS.

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

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

3.2 Basis of consolidation:

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries and associates as at 31st March 2017.

Subsidiaries:

Subsidiaries are all entities over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

The group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of controls listed above. The group considers all relevant facts and circumstances in assessing whether it has power over the investee, including:

- The size of Group's holding of voting rights;
- Potential voting rights held by the Group;
- Rights arising from other contractual arrangements.

Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the Group losses control of the subsidiary.

Consolidation procedure:
Subsidiaries:

(a) Combine, on line by line basis like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the Parent's investment in each subsidiary and the Parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and property, plant and equipment (PPE), are eliminated in full). Intra-group losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intra-group transactions.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31st March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Changes in the Group's ownership interest in existing subsidiaries:
Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the group.

When the Group loses control of a subsidiary, a gain or loss is recognised in consolidated statement of profit and loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests.

All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Business Combinations:
Business combinations are accounted for using acquisition method. The cost of acquisition is measured as the aggregate of the consideration transferred, measured at fair value on date of acquisition and the amount of non-controlling interest.

The consideration transferred for the acquisition comprises the:

(a) Fair value of assets transferred

(b) Liabilities incurred to the former owners of the acquired business

(c) Equity instruments issued by the Group

(d) Fair value of any asset or liability resulting from a contingent consideration arrangement.

For each business combination, the Group elects whether it measures the non-controlling interest either at fair value or at the proportionate share of the acquiree's identifiable net assets.

At the acquisition date, the Group measure and recognises, separately from goodwill, the identifiable assets acquired and identifiable liabilities assumed at their fair value. It classifies or designate the identifiable assets acquired and liabilities assumed as necessary to apply other Ind AS subsequently. Further the Group make those classification or designations on the basis of the contractual terms, economic conditions, its operating and accounting policies and other conditions as they exist at the acquisition date.

Acquisition cost incurred are expensed, as incurred, in the consolidated statement of profit & loss.

The excess of the

- Consideration transferred;
- Amount of any non-controlling interest in the acquired entity; and
- Acquisition date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserves provided the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date and reassessment also results in excess of fair value of net assets acquired over

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

the consideration transferred. In other cases, bargain purchase gain is recognised directly in equity as capital reserves.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration that:

(i) is within the scope of Ind AS 109 is measured at fair value at each reporting date and changes in fair value is recognised in consolidated statement of profit and loss in accordance with Ind AS 109.

(ii) is not within the scope of Ind AS 109 is measured at fair value at each reporting date and changes in fair value is recognised in consolidated statement of consolidated statement of profit and loss .

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in the Consolidated Statement of Profit and Loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Business Combinations involving entities or businesses under common control are accounted using the pooling of interest method.

Goodwill:
Goodwill arising on an acquisition of a business is initially recognized at cost at the date of acquisition. After initial recognition, goodwill is measured at cost less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or group of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in consolidated statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Investments in associates and joint ventures:
An associate is an entity over which the Group has significant influences but not control or joint

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

control. This is generally the case where the Group holds between 20% to 50% of the voting rights or the Group has power to participate in the financial and operating policy decision of the investee. Investments in associate are accounted for using equity method accounting.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105 – Non-current Assets Held for Sale and Discontinued Operations.

Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate or a joint venture.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale.

Distributions received from an associate or a joint venture reduce the carrying amount of the investment. Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transactions provides evidence of an impairment of the assets transferred.

Interest in joint operations:
A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a group entity undertakes its activities under

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

joint operations, the group as a joint operator recognises following in relation to its interest in joint operations:

- its assets and liabilities, including its share of any assets or liabilities held jointly;
- its revenue from the sale of its share of output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including it share of any expenses incurred jointly.

The group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the Ind AS applicable to the particular assets, liabilities, revenues and expenses.

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a sale or contribution of assets), the group is considered to be conducting the transaction with the other parties to the joint operations, and gains and losses resulting from the transactions are recognised in the group's consolidated financial statements only to the extent of other parties' interests in the joint operation.

When the group entity transacts with a joint operation in which a group is a joint operator (such as purchase of assets), the group does not recognise its share of the gains and losses until it resells those assets to a third party.

3.3 Use of estimates & judgements:

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

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

The critical accounting judgements and key estimates followed by the group for preparation of consolidated financial statements is described in note 27.

3.4 Property, plant and equipment:

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to consolidated statement of profit and loss in the period in which the costs are incurred. Major shutdown or overhaul expenditure is capitalised as the activities are undertaken improves the economic benefits expected to arise from the asset.

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

Assets in the course of construction are capitalised in the assets under capital work in progress account (CWIP). At the point when an

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

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

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold or Leasehold land is stated at historical cost. Leasehold Land acquired by the Group, with an option in the lease deed, entitling the Group to purchase on outright basis after a certain period at no additional cost is not amortized.

3.5 Intangible assets:

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

Certain computer software costs are capitalized and recognized as Intangible assets based on materiality, accounting prudence and significant benefits expected to flow therefrom for a period longer than one year.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

3.6 Depreciation & amortisation:

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method.

Amortisation of intangible assets is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

In respect of Thermal Power Generating and Transmission Companies, depreciation on tangible assets is provided as per the provisions of Part B of Schedule II of the Companies Act, 2013 based on useful life and residual value notified for accounting purposes by Electricity Regulatory Authorities.

In case Hydro Power generating Companies, depreciation on tangible assets is provided as per the provisions of Part A of Schedule II of the Companies Act, 2013.

In case of others, depreciation on tangible assets is provided as per the provisions of Part C of Schedule II of the Companies Act, 2013 based on useful life and residual value specified therein.

Lease Improvement Costs are amortized over the period of the lease. Leasehold Land acquired by the Group, with an option in the lease deed, entitling the Group to purchase on outright basis after a certain period at no additional cost is not amortized.

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

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

Estimated useful lives of the assets are as follows:

Class of Property, Plant and Equipment	Thermal Power and Transmission Companies	Hydro Power
	Useful life in Years	
Buildings	25	60 (bridges 30 yrs.)
Plant and Equipment	25	15-40
Furniture and fixtures	15 - 25	10
Vehicles	10	8
Office equipment	6 - 25	5

In case of foreign subsidiaries, depreciation / amortisation is charged on a systematic basis over the estimated useful lives of the assets, after taking into account the estimated residual value of the assets. Useful life is either the period of time which the asset is expected to be used or the number of production or similar units expected to be obtained from the use of asset.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

3.7 Impairment of tangible and intangible assets other than goodwill:

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

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

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

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in Consolidated Statement of Profit or Loss.

3.8 Borrowing costs:

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

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

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

The Group determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Group borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditure on that asset.

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

3.9 Cash and cash equivalents:

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

3.10 Inventories:

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

Inventories of stores, spare parts, coal, fuel and loose tools are stated at the lower of weighted average cost or net realizable value. Net realisable value represents the estimated selling price for inventories less all estimated cost of completion and cost necessary to make the sale.

3.11 Revenue recognition:

Sale of Power:

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

Revenue from sale of power / coal / other items is recognised when substantial risks and rewards of ownership is transferred to the buyer under the terms of the contract.

Transmission Income is accounted for on accrual basis for the period of operation of the transmission line computed based on the approved Annual Revenue Requirement (ARR) or where the ARR is not approved, on the basis of the tariff order. Where neither the ARR nor the tariff order are approved, transmission income is accounted as per Maharashtra Electricity Regulatory Commission (MERC) Multi Year Tariff Regulations where under, transmission income is computed by taking the total cost, contingency provision and Return on Equity (ROE) @ 15.5% on post-tax basis and after grossing up with the applicable income taxes for the purpose of revenue. Any difference between the total annual revenue recognised as aforesaid and the annual revenue as approved by MERC in respect of ARR / Truing up Petition filed is adjusted / recognised during the accounting period in which approval of the ARR / Truing up Petition, as the case may be, is received from MERC.

Revenue from construction contracts:

Revenue from construction contracts is recognised by applying percentage of completion method after providing for foreseeable losses, if any. Percentage of completion is determined as a proportion of the cost incurred upto the reporting date to the total estimated cost to complete. Foreseeable losses, if any, on the contracts is recognised as an expense in the period in which it is foreseen, irrespective of the stage of completion of the contract. While determining the amount of foreseeable loss, all elements of cost and related incidental income which is not included in contract revenue is taken into consideration. Contract is reflected at cost that is expected to be recoverable till such time the outcome of the contract cannot be ascertained reliably and at realisable value thereafter. Claims are accounted as income in the year of acceptance

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

by customer.

Operator fee:
Operator fees is accounted on accrual basis as and when the right to receive arises.

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

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Interest / Surcharge on delayed payments / overdue trade receivables is recognised when significant certainty as to measurability / collectibility exists.

3.12 Foreign currency transactions and foreign operation:
The functional currency of the Parent Company and its subsidiaries is determined on the basis of the primary economic environment in which it operates. The functional currency of the Parent Company is Indian Rupee (INR).

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

Exchange differences on monetary items are recognised in consolidated statement of profit and loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

- exchange differences on transactions entered into in order to hedge certain foreign currency risks;

- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items; and

- exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognized in the financial statements for the year ended 31st March, 2016 prepared under previous GAAP, are capitalized as a part of the depreciable PPE to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable PPE, the exchange difference is amortised over the maturity period / upto the date of settlement of such monetary item, whichever is earlier and charged to the Consolidated Statement of Profit and Loss. The un-amortised exchange difference is carried under other equity as "Foreign currency monetary item translation difference account" net of tax effect thereon, where applicable. All exchange differences on foreign currency monetary items originating after 31st March, 2016 including those relating

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to PPE are charged off to consolidated statement of profit and loss

For the purpose of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into INR using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

3.13 Employee benefits:

The Group has following post-employment plans:

a) **Defined-benefit plan - Gratuity**

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of defined benefit obligations at the end of the reporting period less fair value of plan assets. The defined benefit obligations is calculated annually by actuaries through actuarial valuation using the projected unit credit method.

The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

(i) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and

(ii) Net interest expense or income

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expenses in the consolidated statement of the profit and loss.

Re-measurement comprising of actuarial gains and losses arising from

(i) Re-measurement of Actuarial (gains)/ losses

(ii) Return on plan assets, excluding amount recognized in effect of asset ceiling

(iii) Re-measurement arising because of change in effect of asset ceiling are recognised in the period in which they occur directly in other comprehensive income. Re-measurement are not reclassified to profit or loss in subsequent periods.

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Group determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the consolidated statement of profit and loss, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

b) **Defined-contribution plan - Provident Fund**

Under defined contribution plans, provident fund, the Group pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident

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fund setup as trust / Regional Provident Fund Commissioner and certain state plans like Employees' State Insurance. The Group's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits
A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance sheet date determined based on an actuarial valuation.

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

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

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

3.15 Taxation:
Income tax comprises current and deferred tax. Income tax expense is recognized in the Consolidated Statement of Profit and Loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

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

Minimum Alternate Tax:
Minimum Alternate Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be

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recognised as an asset, the said asset is created by way of a credit to the consolidated statement of profit and loss. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Group will pay normal income-tax during the specified period.

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

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

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

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

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

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

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operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

3.17 Provisions , Contingencies and Commitments:

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

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

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

A disclosure for contingent liabilities is made where there is :

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

(b) a present obligation that arises from past events but is not recognized because:

(i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) the amount of the obligation cannot be measured with sufficient reliability.

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

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

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

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

3.18 Financial instruments:

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

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

Financial assets:

Financial assets are recognised when the group becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Consolidated Statement of Profit and Loss.

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

(a) the entity's business model for managing the financial assets and

(b) the contractual cash flow characteristics of the financial asset.

Classification of financial assets:
Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

All other financial assets are subsequently measured at fair value.

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

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in Consolidated Statement of Profit and Loss and is included in the "Other income" line item.

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

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comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

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

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

Financial assets at fair value through profit or loss (FVTPL):
Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

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

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instrument as at FVTPL.

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

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

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

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

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portfolio of trade receivables.

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

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

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

Derecognition of financial assets

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

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

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

3.19 Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

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issue costs.

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

Financial liabilities

All Financial liabilities are measured at amortized cost using effective interest method or fair value through profit and loss.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

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

A financial liability is classified as held for trading if:

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

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

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

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

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

Gains or losses on financial guarantee contracts

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and loan commitments issued by the Group that are designated by the Group as at fair value through profit or loss are recognised in Consolidated Statement of Profit and Loss.

Financial liabilities subsequently measured at amortised cost

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

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

Derecognition of financial liabilities

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

3.20 Derivative financial instruments:

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

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

Offsetting of financial instruments

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

Fair Value measurement:

The Group 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

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

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 Group 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

3.21 Reclassification of financial assets and liabilities

The group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the group's operations. Such change are evident to external parties. A change in the business model occurs when the group either begins or ceases to perform an activity that is significant to its operations. If the group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in the business model. The group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and the how they are accounted for:

Original Classification	Revised Classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in consolidated statement of profit and loss.
FVPTL	Amortised cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.

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Original Classification	Revised Classification	Accounting treatment
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new gross carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new gross carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to consolidated statement of profit and loss at the reclassification date.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.22 Leases :

A lease is classified at the inception date as a finance lease or an operating lease. Leases under which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. All other leases are classified as operating leases.

The Group as lessor:

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Group as lessee:

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments (discounted at the interest rate implicit in the lease or at the entity's incremental borrowing rate). The corresponding liability to the lessor is included in the consolidated balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Consolidated Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Lease payments under an operating lease shall be recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the

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lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

Accounting for arrangements in the nature of lease:
Under Appendix C to Ind AS 17, an entity may enter into an arrangement comprising a transaction or a series of related transactions, that do not take the legal form of lease but conveys a right to use an asset in return for a payment or series of payments. Arrangements meeting these criteria should be identified as either operating leases or finance leases.

For determining whether an arrangement is, or contains, a lease shall be based on the substance of the arrangement and requires an assessment of whether:

(a) fulfilment of the arrangement is dependent on the use of specific asset or assets; and

(b) the arrangement conveys a right to use the asset.

The Group enters into agreements, comprising a transaction or series of related transactions that does not take the legal form of a lease but conveys the right to use the asset in return for a payment or series of payments. In case of such arrangements, the Group applies the requirements of 'Ind AS 17 – Leases' to the lease element of the arrangement. For the purpose of applying the requirements under 'Ind AS 17 – Leases', payments and other consideration required by the arrangement are separated at the inception of the arrangement into those for lease and those for other elements.

3.23 Service concession arrangements:
Under Appendix A to Ind AS 11 – Service Concession Arrangements applies to public-to-private service concession arrangements if:

(a) the grantor controls or regulates what services the operator must provide with the infrastructure, to whom it must provide them, and at what prices: and

(b) the grantor controls through ownership, beneficial entitlement or otherwise any significant residual interest in the infrastructure at the end of the term of the arrangement

(c) Is the infrastructure constructed or acquired by the operator from a third party for the purpose of the service arrangement OR is the infrastructure existing infrastructure of the grantor to which the operator is given access for the purpose of the service arrangement ?

Infrastructure used in a public-to-private service concession arrangement for its entire useful life (whole life of assets) is within the scope of this Appendix if the conditions in (a) above are met.

These arrangements are accounted on the basis of below mentioned models depending on the nature of consideration and relevant contract law.

Financial asset model:
The Financial asset model is used when the Group, being an operator, has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services. Unconditional contractual right is established when the grantor contractually guarantee to pay the operator (a) specific or determinable amount;(b) the shortfall, if any, between amounts received from the users of the public services and specified or determinable amounts.

Intangible asset model:
The intangible asset model is used to the extent that the Group, being an operator, receives a right (a license) to charge users of the public service. A right to charge users of a public services is not an unconditional right to receive cash because the amounts are contingent on to the extent that public uses the services. Both type of arrangements may exist within a single contract to the extent that the grantor has given an unconditional guarantee of payment for the construction and the operation i.e. considered as a Financial asset and to the extent that the operator has to rely on the public using the service in order to obtain payment, the operation has an

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intangible asset. If the Group (being an operator) performs more than one service (i.e., construction or upgrade services and operation services) under a single contract or arrangement, consideration received or receivable is allocated by reference to the relative fair values of the services delivered, when the amounts are separately identifiable.

The group manages concession arrangements which include power supply from one of it's hydro power plant. The Group maintains and services the infrastructure during the concession period. These concession arrangements set out rights and obligations related to the infrastructure and the services to be provided.

The right to consideration gives rise to an intangible asset and financial receivable and accordingly, both the intangible asset and financial receivable models are applied.

Income from the concession arrangements earned under the intangible asset model consists of the (i) Fair Value of the contract revenue, which is deemed to be fair value of consideration transferred to acquire the asset; and (ii) payments actually received from the users. The intangible asset is amortized over its expected useful life in a way that reflects the pattern in which the asset's economic benefits are consumed by the Group, starting from the date when the right to operate starts to be used. Based on these principles, the intangible asset is amortized in line with the actual usage of the specific public facility, with a maximum of the duration of the concession.

Financial receivable is recorded at a fair value of guaranteed residual value to be received at the end of the concession period. This receivable is subsequently measured at amortised cost.

Any asset carried under concession arrangements is derecognised on disposal or when no future economic benefits are expected from its future use or disposal or when the contractual rights to the financial asset expire.

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Note No. 4 A- Property, plant and equipment

₹ crore

Particulars	Land - Freehold [a,f]	Land - Leasehold [b,f]	Buildings [c]	Plant and Equipment [d]	Office Equipment	Furniture and Fixtures	Vehicles	Leasehold Improvements	Total
I. Gross carrying value									
Balance as at 1st April, 2016	**238.09**	**25.38**	**1,760.10**	**17,328.70**	**47.10**	**63.71**	**11.35**	**0.01**	**19,474.44**
Additions	4.79	-	16.05	128.97	1.82	3.23	6.02	-	160.88
Disposals / discards	-	-	-	(2.91)	(0.03)	(0.13)	(0.44)	-	(3.51)
Effect of foreign currency exchange difference	0.42	-	2.73	2.54	*0.00	0.09	0.04	-	5.82
Others-Asset written off	-	-	-	(5.07)	-	-	-	-	(5.07)
Balance as at 31st March, 2017	**243.30**	**25.38**	**1,778.88**	**17,452.23**	**48.89**	**66.90**	**16.97**	**0.01**	**19,632.56**
II. Accumulated depreciation									
Balance as at 1st April, 2016	**-**	**0.40**	**59.20**	**752.65**	**3.97**	**3.99**	**0.90**	**-**	**821.11**
Depreciation expense for the year	-	0.31	65.78	854.42	4.44	4.78	1.98	-	931.71
Eliminated on disposals / discards	-	-	-	(0.05)	(0.04)	(0.09)	(0.24)	-	(0.42)
Effect of foreign currency exchange difference	-	-	1.14	2.45	*0.00	0.05	0.02	-	3.66
Balance as at 31st March, 2017	**-**	**0.71**	**126.12**	**1,609.47**	**8.37**	**8.73**	**2.66**	**-**	**1,756.06**
III. Net carrying value as at 31st March, 2017 (I-II)	**243.30**	**24.67**	**1,652.76**	**15,842.76**	**40.52**	**58.17**	**14.31**	**0.01**	**17,876.50**

* Less than ₹ 1 Lakh

Notes:

a. The Group has leased certain land aggregating to 77.61 acres (as at 31st March, 2016 - 77.61 acres, as at 1st April, 2015 - 77.61 acres) to related parties for an amount aggregating to ₹ 2.31 crore (as at 31st March, 2016 - ₹ 2.31 crore, as at 1st April, 2015 - ₹ 2.31 crore) for a period ranging from 25 to 99 years.

b. Leasehold Land includes certain land acquired by the Group under lease deed entitles the Group to exercise the option to purchase on an outright basis after 10 years from the date of lease deed and there will be no further consideration payable at the time of conversion of the same from leasehold to freehold.

c. Includes net carrying value of ₹ 481.70 crore (as at 31st March, 2016 - ₹ 492.77 crore, as at 1st April, 2015 - ₹ 467.69 crore) being cost of office premises located at Mumbai, jointly owned (50%) with an Associate.

d. Includes net carrying value of ₹ 100 (as at 31st March, 2016 - ₹ 100, as at 1st April, 2015 - ₹ 100) towards Group's share of Water Supply System constructed on land not owned by the Group.

e. Additions include Borrowing costs of ₹ Nil (as at 31st March, 2016 - ₹ 4.48 crore, as at 1st April, 2015 - ₹ 34.37 crore) and foreign exchange loss of ₹ 0.80 crore (as at 31st March, 2016 - ₹ 3.06 crore, as at 1st April, 2015 - ₹ 2.15 crore).

f. Transfer of title/deeds in case of freehold and leasehold land in the name of subsidiary company, HBPCL, is in process.

g. Refer note 15 for the details in respect of certain property, plant and equipment hypothecated / mortgaged as security for borrowings.

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

Note No. 4 A- Property, plant and equipment (contd...)

₹ crore

Particulars	Land - Freehold	Land - Leasehold	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Leasehold Improve-ments	Total
I. Deemed Cost									
Balance as at 1st April, 2015	**156.09**	**16.61**	**1,671.15**	**9,745.71**	**42.32**	**59.64**	**8.77**	**0.01**	**11,700.30**
Additions	5.54	-	62.31	97.42	2.64	4.44	2.76	-	175.11
Additions through business combination	77.40	8.77	33.32	7,503.69	2.67	0.26	1.04	-	7,627.15
Disposals / discards	(0.02)	-	(0.60)	(3.43)	(0.53)	(0.42)	(0.94)	-	(5.94)
Effect of foreign currency exchange difference	(0.92)	-	(5.98)	(5.58)	* (0.00)	(0.21)	(0.08)	-	(12.77)
Others-Asset written off	-	-	(0.10)	(9.11)	-	-	(0.20)	-	(9.41)
Balance as at 31st March, 2016	**238.09**	**25.38**	**1,760.10**	**17,328.70**	**47.10**	**63.71**	**11.35**	**0.01**	**19,474.44**
II. Accumulated depreciation									
Balance as at 1st April, 2015	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation expense for the year	-	0.40	62.16	758.96	4.36	4.45	1.54	-	831.87
Eliminated on disposals / discards	-	-	(0.57)	(1.10)	(0.39)	(0.35)	(0.60)	-	(3.01)
Effect of foreign currency exchange difference	-	-	(2.39)	(5.21)	* (0.00)	(0.11)	(0.04)	-	(7.75)
Balance as at 31st March, 2016	**-**	**0.40**	**59.20**	**752.65**	**3.97**	**3.99**	**0.90**	**-**	**821.11**
III. Net carrying value as at 31st March, 2016 (I-II)	**238.09**	**24.98**	**1,700.90**	**16,576.05**	**43.13**	**59.72**	**10.45**	**0.01**	**18,653.33**

* Less than ₹ 1 Lakh

The Group has availed the deemed cost exemption in relation to the property, plant and equipment on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated depreciation on 1st April, 2015 under the previous GAAP.

Deemed Cost as on 1st April, 2015

₹ crore

Particulars	Land - Freehold	Land - Leasehold	Buildings	Plant and Equipment	Office Equip-ment	Furniture and Fixtures	Vehicles	Leasehold Improvements	Total
Gross block as on 1st April, 2015	156.09	16.69	1,846.31	12,857.37	52.01	69.80	13.72	0.40	15,012.39
Accumulated depreciation till 1st April, 2015	-	0.08	175.16	3,111.66	9.69	10.16	4.95	0.39	3,312.09
Net block treated as deemed cost upon transition	**156.09**	**16.61**	**1,671.15**	**9,745.71**	**42.32**	**59.64**	**8.77**	**0.01**	**11,700.30**

Note No. 4 B- Capital work-in-progress

Capital work in progress & pre operative expenditure during construction period (pending allocation) relating to property, plant & equipment

₹ Crore

Balance as at 1st April, 2015	291.54
Balance as at 31st March, 2016	320.61
Balance as at 31st March, 2017	526.90

Notes :

1) Includes ₹ 259.13 crore (as at 31st March, 2016 ₹ 251.83 crore, as at 1st April, 2015 ₹ 233.26 core) cost incurred for Kutehr hydro project in Himachal Pradesh.

2) Includes ₹ 220.25 crore (as at 31st March, 2016 ₹ 24.22 crore, as at 1st April, 2015 ₹ 0.59 core) cost incurred for 400KV pooling station at Vijayanagar plant, of which borrowing costs of ₹ 7.50 crore (as at 31st March, 2016 ₹ Nil, as at 1st April, 2015 ₹ Nil crore) capitalised.

3) Includes ₹ 23.59 crore (as at 31st March, 2016 ₹ 23.19 crore, as at 1st April, 2015 ₹ 22.64 core) cost incurred for Ragairh project in Chattishgarh.

4) Amount transferred to property, plant & equipment during the year ₹ 22.85 crore (as at 31st March, 2016 ₹ 32.82 crore)

5) Amount transferred to statement of profit and loss during the year ₹ 3.36 crore (as at 31st March, 2016 ₹ 5.34 crore)

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For The Year Ended 31st March, 2017

Note No. 5 - Other intangible assets

₹ crore

Particulars	Computer Software	Mineral Rights	Service Concession Arrangement Intangibles	Total
I. Gross carrying value				
Balance as at 1st April, 2016	**10.27**	**80.82**	**930.75**	**1,021.84**
Additions	1.99	-	-	1.99
Effect of foreign currency exchange differences	-	5.85	-	5.85
Others	0.20	-	0.02	0.22
Balance as at 31st March, 2017	**12.46**	**86.67**	**930.77**	**1,029.90**
II. Accumulated amortisation and impairment				
Balance as at 1st April, 2016	3.82	-	19.35	23.17
Amortisation expense for the year	4.26	-	33.24	37.50
Effect of foreign currency exchange differences	-	-	-	6.83
Balance as at 31st March, 2017	**8.08**	**-**	**52.59**	**60.67**
III. Net carrying value as at 31st March, 2017 (I-II)	**4.38**	**86.67**	**878.18**	**969.23**

Refer note 15 for the details of certain intangible assets hypothecated / mortgaged as security for borrowings.

₹ crore

Particulars	Computer Software	Mineral Rights	Service Concession Arrangement Intangibles	Total
I. Deemed Cost				
Balance as at 1st April, 2015	**9.37**	**93.64**	**-**	**103.01**
Additions through business combination	-	-	930.75	930.75
Additions	0.90	-	-	0.90
Effect of foreign currency exchange differences	-	(12.82)	-	(12.82)
Balance as at 31st March, 2016	**10.27**	**80.82**	**930.75**	**1,021.84**
II. Accumulated amortisation and impairment				
Balance as at 1st April, 2015	-	-	-	-
Amortisation expense for the year	3.82	-	19.35	23.17
Effect of foreign currency exchange differences	-	-	-	-
Balance as at 31st March, 2016	**3.82**	**-**	**19.35**	**23.17**
III. Net carrying value as at 31st March, 2016 (I-II)	**6.45**	**80.82**	**911.40**	**998.67**

The Group has availed the deemed cost exemption in relation to the intangible assets on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated amortisation on 1st April, 2015 under the previous GAAP.

Deemed cost as on 1st April, 2015

₹ crore

Particulars	Computer Software	Mineral Rights	Service Concession Arrangement Intangibles	Total
Gross block as on 1st April, 2015	18.76	203.05	-	221.81
Accumulated amortisation till 1st April, 2015	9.39	109.41	-	118.80
Net block treated as deemed cost upon transition	9.37	93.64	-	103.01

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Note No. 6 - Investments

₹ crore

Particulars	As at 31st March, 2017			As at 31st March, 2016			As at 1st April, 2015		
	No of Shares / Units	Current	Non Current	No of Shares / Units	Current	Non Current	No of Shares / Units	Current	Non Current
A Unquoted investments									
I. Investments at cost [Deemed Cost]									
- Investments in equity instruments									
- of associate									
(a) Equity Shares of ₹ 10 each fully paid up of Toshiba JSW Power Systems Private Limited [a]	99,877,405	-	100.23	99,877,405	-	100.23	99,877,405	-	100.23
Less: Share of loss of an associate	-	-	100.23	-	-	100.23	-	-	62.89
(i)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**37.34**
- of joint ventures									
(a) Equity Shares of ₹ 10 each fully paid up of MJSJ Coal Limited [b]	10,461,000	-	6.52	10,461,000	-	6.52	10,461,000	-	6.52
(b) Equity Share of ₹ 10 each fully paid up of Barmer Lignite Mining Company Limited [c]	9,800,000	-	9.80	9,800,000	-	9.80	9,800,000	-	9.80
Less: Share of loss of a joint venture	-	-	9.75	-	-	9.80	-	-	8.82
	-	**-**	**0.05**	**-**	**-**	**-**	**-**	**-**	**0.98**
(ii)	**-**	**-**	**6.57**	**-**	**-**	**6.52**	**-**	**-**	**7.50**
Total Investment at cost [Deemed Cost] (i + ii)		**-**	**6.57**		**-**	**6.52**		**-**	**44.84**
II. Investments at amortised cost									
- Investments in Government Securities [d]		-	7.94		-	6.11		-	4.73
Total Investment at amortised Cost	**-**	**-**	**7.94**	**-**	**-**	**6.11**	**-**	**-**	**4.73**
III. Investments at fair value through profit or loss									
(a) Investments in equity instruments									
- of other entities									
(a) Equity Shares of ₹ 10 each fully paid up of Power Exchange India Limited	1,250,000	-	1.25	1,250,000	-	1.25	1,250,000	-	1.25

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₹ crore

Particulars	As at 31st March, 2017			As at 31st March, 2016			As at 1st April, 2015		
	No of Shares / Units	Current	Non Current	No of Shares / Units	Current	Non Current	No of Shares / Units	Current	Non Current
(b) Equity Shares of Rand 10,100 each fully paid up of Richard Bay Coal Terminal Company Limited	5,000	-	24.20	5,000	-	22.56	5,000	-	26.14
(b) Investments in preference shares									
- of other entities									
(a) 10% Redeemable Non - Cumulative Preference Shares of ₹ 100 each fully paid up of JSW Realty & Infrastructure Private Limited	503,000	-	1.84	503,000	-	1.67	503,000	-	1.51
(c) Investments in mutual funds									
1) Birla Sun Life Mutual Fund									
Birla Sunlife Cash Plus Growth	767,930	20.02	-	618,455	15.01	-	1,414,139	31.82	-
Birla Sunlife FRF STP Growth	-	-	-	-	-	-	4,522,893	84.06	-
2) Reliance Mutual Fund									
Reliance Liquid Fund TP IP Growth	52,747	20.86	-	40,775	15.03	-	107,975	36.77	-
Reliance Liquid Fund Cash Growth	-	-	-	-	-	-	893,373	201.39	-
3) BNP Mutual Fund									
BNP Paribas Overnight Fund	60,234	15.00	-	-	-	-	-	-	-
4) SBI Mutual Fund									
SBI Premier Liquid Fund Growth	324,814	82.68	-	-	-	-	-	-	-
SBI Magnum Insta Cash Liquid Floater	-	-	-	-	-	-	210,705	50.43	-
SBI Magnum Insta Cash Growth	-	-	-	-	-	-	129,694	40.08	-
5) L&T Mutual Fund									
L& T Liquid Fund	67,440	15.00	-	-	-		445,174	50.45	-
6) Kotak Mutual Fund									
Kotak Floater Fund	60,081	16.00	-	-	-	-	596,019	169.07	-

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₹ crore

Particulars	As at 31st March, 2017			As at 31st March, 2016			As at 1st April, 2015		
	No of Shares / Units	Current	Non Current	No of Shares / Units	Current	Non Current	No of Shares / Units	Current	Non Current
7) IDFC Mutual Fund									
IDFC Money Manager Fund Treasury Plan Growth	-	-	-	-	-	-	45,353,305	100.63	-
8) UTI Mutual Fund									
UTI Liquid Fund Cash Plan Growth	-	-	-	-	-	-	65,549	15.01	-
UTI Money Market Fund Growth	-	49.34	-	267,983	45.35	-	39,087	6.11	-
9) IDBI Mutual Fund									
IDBI Liquid Fund Growth	-	-	-	-	-	-	136,717	20.46	-
10) ICICI Prudential Mutual Fund									
ICICI Prudential Savings Fund Growth	-	-	-	-	-	-	2,854,390	60.00	-
11) Axis Mutual Fund									
Axis Banking Debt Fund Growth	-	-	-	-	-	-	339,218	43.55	-
12) JP Morgan Mutual Fund									
JP Morgan India Liquid Fund Growth	-	-	-	-	-	-	22,161,401	40.13	-
13) Religare Mutual Fund									
Religare Invesco Liquid Fund Growth	-	-	-	-	-	-	729,036	140.14	-
14) Principal Mutual Fund									
Principal Cash Management Fund Growth	-	-	-	-	-	-	362,609	49.26	-
15) Sundaram Mutual Fund									
Sundaram Money Fund Growth	-	-	-	-	-	-	26,329,434	77.62	-
16) Baroda Pioneer Mutual Fund		-							
Baroda Pioneer Liquid Fund Growth	-	-	-	-	-	-	218,563	35.03	-
Baroda Pioneer Treasury Advantage Fund Growth	-	-	-	-	-	-	314,192	50.35	-

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₹ crore

Particulars	As at 31st March, 2017			As at 31st March, 2016			As at 1st April, 2015		
	No of Shares / Units	Current	Non Current	No of Shares / Units	Current	Non Current	No of Shares / Units	Current	Non Current
17) DWS Mutual Fund									
DWS Insta Cash Plus Fund Growth	-	-	-	-	-	-	2,209,933	40.08	-
18) Pramerica Mutual Fund									
Pramerica Liquid Fund Growth	-	-	-	-	-	-	336,129	50.12	-
Total Investment at Fair Value through Profit or Loss		**218.90**	**27.29**		**75.39**	**25.48**		**1,392.56**	**28.90**
B Quoted Investments									
I. Investments at fair value through other comprehensive income									
(a) Equity shares of ₹ 1 each [as at 31st March 2016 - ₹ 10 each, as at 1st April, 2015 - ₹ 10 each] fully paid up of JSW Steel Limited	70,038,350	-	1,318.12	7,003,835	-	898.77	7,003,835	-	635.68
Total Investment at Fair Value through Other Comprehensive Income		**-**	**1,318.12**		**-**	**898.77**		**-**	**635.68**
Total investments at carrying value		**218.90**	**1,359.92**		**75.39**	**936.88**		**1,392.56**	**714.15**
Aggregate market value of quoted investments		-	1,318.12		-	898.77		-	635.68
Aggregate amount of carrying value of unquoted investments		218.90	41.80		75.39	38.12		1,392.56	78.47

a) Refer note 30 for summarised financial information of associate, Toshiba JSW Power Systems Private Limited.

b) Net of provision of ₹ 3.94 crore

c) Refer note 31 for summarised financial information of joint venture, Barmer Lignite Mining Company Limited.

d) Investment in government securities of ₹ 7.93 crore (as at 31st March, 2016 - ₹ 6.11 crore, as at 1st April, 2015 ₹ 4.73 crore) is towards contingency reserve created by the group.

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

Note No. 7 - Loans

₹ crore

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
Unsecured, considered good						
- Loans to related parties	80.62	1,137.49	-	813.10	-	609.80
	80.62	**1,137.49**	**-**	**813.10**	**-**	**609.80**

Note No. 8 - Other financial assets

₹ crore

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
(1) Finance lease receivable [a]	51.35	981.76	58.82	1,033.11	58.16	1,091.93
(2) Service concession receivable [b]	-	176.45	-	161.10	-	-
(3) Security deposits						
Unsecured, considered good						
(i) Government/Semi-Government Authorities	4.06	106.18	66.02	53.21	51.27	14.64
(ii) Others	62.47	29.84	62.01	61.25	62.36	57.69
	66.53	136.02	128.03	114.46	113.63	72.33
(4) Interest receivables						
(i) Interest accrued on loans to related parties	1.21	296.87	* 0.00	250.99	-	209.11
(ii) Interest accrued on deposits	4.02	-	2.12	-	3.52	-
(iii) Interest accrued on investments	0.09	-	0.05	-	0.04	-
	5.32	296.87	2.17	250.99	3.56	209.11
(5) Other loans and advances						
- Unsecured, considered good	11.47	56.79	51.29	58.63	6.04	9.95
(6) Other bank balances						
- In Margin money accounts	-	1.67	-	3.36	-	0.01
	134.67	**1,649.56**	**240.31**	**1,621.65**	**181.39**	**1,383.33**

* Less than ₹ 1 Lakh

a) Refer note 35 for finance lease receivable towards arrangement in the nature of embedded lease of SBUIII Unit of Parent Company.

b) Refer note 36 for service concession receivable towards service concession arrangement of Baspa Unit of subsidiary company, Himachal Baspa Power Company Limited (HBPCL).

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

Note No. 9 - Income tax assets (net)

₹ crore

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
(1) Advance tax and tax deducted at sources (Net of provision for tax as at 31st March, 2017 - ₹ 2,160.72 crore, as at 31st March, 2016 - ₹ 2,052.42 crore, as at 1st April, 2015 - ₹ 1,595.09 crore)	-	57.98	-	3.97	-	157.00
(2) Minimum alternate tax credit entitlement	-	199.54	-	128.09	-	128.09
	-	**257.52**	**-**	**132.06**	**-**	**285.09**

Note No. 10 - Other non-current and current assets

₹ crore

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
(1) Capital advances	-	70.99	-	99.35	-	447.01
(2) Prepayments	59.06	15.44	49.73	17.97	22.30	23.14
(3) Balances with Government Authorities						
(i) VAT credit receivable	19.81	1.27	19.77	4.73	-	5.33
(ii) Service tax credit receivable	0.03	-	0.07	-	0.72	
(4) Others	2.32	-	9.83	-	15.28	-
	81.22	**87.70**	**79.40**	**122.05**	**38.30**	**475.48**

Note No. 11 - Inventories

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(1) Raw materials - Stock of fuel (including in transit as at 31st March, 2017 - ₹ 120.39 crore; as at 31st March, 2016 - ₹ 173.07 crore, as at 1st April, 2015 - ₹ 127.02 crore)	455.86	490.87	425.53
(2) Stock-in-trade	-	1.53	1.53
(3) Stores and spares (including in transit as at 31st March, 2017 -₹ 0.16 crore; as at 31st March, 2016 - ₹ 0.53 crore, as at 1st April, 2015 - ₹ 0.51 crore)	140.88	143.43	117.41
	596.74	**635.83**	**544.47**

Basis of valuation: Refer note 3.10

Refer note 15 for Inventories hypothecated as security against certain bank borrowings.

Inventory of ₹ 1.53 crore (as at 31st March, 2016 ₹ Nil, as at 1st April, 2015 ₹ Nil) was written off during the year.

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

Note No. 12 - Trade receivables

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unsecured, considered good	2,182.75	2,906.34	1,172.29
	2,182.75	**2,906.34**	**1,172.29**

Refer note 15 for trade receivables hypothecated as security for borrowings.
Refer note 34 for credit terms, ageing analysis and other relevant details related to trade receivables.

Note No. 13A - Cash and cash equivalents

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(1) Balances with banks			
(i) In current accounts	56.28	185.59	111.30
(ii) In deposit accounts	531.83	52.81	166.05
(2) Cheques on hand	2.52	0.05	0.66
(3) Cash on hand	0.08	0.10	0.07
	590.71	**238.55**	**278.08**

Disclosure on Specified Bank Notes (SBN's)

During the year, the Company had specified bank notes or other denomination notes as defined in the MCA notification G.S.R. 308(E) dated 31st March, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016, the denomination wise SBNs and other notes as per the notification is given below:

in ₹

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on 8th November, 2016	530,500	209,492	739,992
(+) Permitted receipts	112,000	2,295,969	2,407,969
(-) Permitted payments	-	1,641,626	1,641,626
(-) Amount deposited in Banks	642,500	414	642,914
Closing cash in hand as on 30th December, 2016	**-**	**863,421**	**863,421**

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

Note No. 13B - Bank balances other than Cash and cash equivalents

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(1) Balances with banks			
(i) In deposit accounts	155.29	72.89	56.92
(2) Earmarked balances with banks			
(i) Unpaid dividends	0.95	0.78	0.65
(ii) Unclaimed share application money	-	0.01	0.01
(iii) Margin money accounts	37.35	45.20	15.87
	193.59	**118.88**	**73.45**

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

Note No. - 14A - Equity share capital

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. of shares	₹ crore	No.of shares	₹ crore	No.of shares	₹ crore
Authorised:						
Equity shares of ₹ 10 each with voting rights	5,000,000,000	5,000.00	5,000,000,000	5,000.00	5,000,000,000	5,000.00
Issued, Subscribed and Fully Paid: (A)						
Equity shares of ₹ 10 each with voting rights	1,640,054,795	1,640.05	1,640,054,795	1,640.05	1,640,054,795	1,640.05
Treasury Shares held ESOP Trust (B) #						
Equity shares of ₹ 10 each with voting rights	(12,101,604)	(12.10)	(13,268,673)	(13.26)	(14,350,507)	(14.35)
Equity shares (net of treasury shares) - (A-B)	1,627,953,191	1,627.95	1,626,786,122	1,626.79	1,625,704,288	1,625.70

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

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	No of Shares	No of Shares	No of Shares
Balance as at the beginning and end of the year	1,640,054,795	1,640,054,795	1,640,054,795

b) Reconciliation of the number of Treasury Shares outstanding at the beginning and end of the year:

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	No of Shares	No of Shares	No of Shares
Balance as at the beginning of the year	13,268,673	14,350,507	14,350,507
Changes during the year	(1,167,069)	(1,081,834)	-
Balance as at the end of the year	12,101,604	13,268,673	14,350,507

c) Terms & Rights attached to equity shares :

(i) The Parent Company has only one class of equity shares having a par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. The Parent Company declares and pay dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the Shareholders in the ensuing Annual General Meeting.

(ii) In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Parent Company after distribution of all preferential amount, in proportion to the shareholding. However, no such preferential amount exists currently.

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

d) Details of shareholding more than 5%

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	No. of shares	No.of shares	No.of shares
1 JSW Investments Private Limited	332,762,694	245,535,507	245,535,507
	20.29%	14.97%	14.97%
2 Sahyog Holdings Private Limited	235,082,000	256,799,044	256,799,044
	14.33%	15.66%	15.66%
3 JSL Limited	145,332,820	145,332,820	145,332,820
	8.86%	8.86%	8.86%
4 Glebe Trading Private Limited	145,332,820	145,332,820	145,332,820
	8.86%	8.86%	8.86%
5 JSW Steel Limited	91,474,090	91,474,090	91,474,090
	5.58%	5.58%	5.58%
6 Danta Enterprises Private Limited	85,599,613	85,599,613	85,599,613
	5.22%	5.22%	5.22%
7 Virtuous Tradecorp Private Limited	85,599,613	85,599,613	85,599,613
	5.22%	5.22%	5.22%

e) Dividend Paid and Proposed:

i) The Board of Directors, in its meeting on 27th April, 2016, proposed a final dividend of ₹ 2.00/- per equity share and the same was approved by the shareholders at the Annual General Meeting held on 21st July, 2016, this resulted in a cash outflow of ₹ 386.32 crore, including corporate dividend tax of ₹ 60.89 crore.

ii) The Board of Directors, in its meeting on 29th April, 2017, have proposed a final dividend of ₹ 0.50 /- per equity share for the financial year ended 31st March, 2017. The proposal is subject to the approval of shareholders at the ensuing Annual General Meeting and if approved would result in a cash outflow of approximately ₹ 86.60 crore, including dividend on treasury shares and corporate dividend tax of ₹ 4.60 crore.

Note for shares held by ESOP trust: For details of shares reserved for issue under the stock option plan (ESOP) of the parent company, refer note 51.

Note No. - 14B - Other equity

₹ crore

Particulars	Attributable to owners of parent										Non-controlling interests	Total
	Reserves and Surplus						Items of other comprehensive income			Total other equity		
	Securities premium reserve	General reserve	Equity settled share based payment reserve	Debenture Redemption Reserve	Contingency Reserve [a]	Retained earnings	Equity instrument through other comprehensive income	Foreign currency translation reserve	Actuarial Gain / (Loss) on defined benefit liabilities / (assets)			
Balance at 1st April, 2015	**2,400.54**	**213.96**	**8.81**	**1,009.11**	**6.03**	**2,612.40**	**483.23**	**(27.30)**	**-**	**6,706.79**	**47.64**	**6,754.43**
Profit for the year	-	-	-	-	-	1,447.36	-	-	-	1,447.36	12.91	1,460.27
Other comprehensive income for the year	-	-	-	-	-	-	263.83	1.52	(1.32)	264.03	*0.00	264.03
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**1,447.36**	**263.83**	**1.52**	**(1.32)**	**1,711.39**	**12.91**	**1,724.30**
Dividends	-	-	-	-	-	(324.80)	-	-	-	(324.80)	(10.15)	(334.95)
Tax on Dividends	-	-	-	-	-	(72.40)	-	-	-	(72.40)	(2.80)	(75.20)
Disposal of interest in a step-down subsidiary	-	-	-	-	-	36.32	-	19.16	-	55.48	(46.20)	9.28
Consolidation of ESOP Trust [b]	-	-	-	-	-	3.08	-	-	-	3.08	-	3.08
Unwinding of transaction cost on debentures issued	(4.32)	-	-	-	-	-	-	-	-	(4.32)	-	(4.32)
Transfers to / from retained earnings	-	-	-	(455.77)	1.39	454.38	-	-	-	-	-	-
Transfers to General Reserve	-	0.10	(0.10)	-	-	-	-	-	-	-	-	-
Share based payments	-	-	2.12	-	-	-	-	-	-	2.12	-	2.12
Balance at 31st March, 2016	**2,396.22**	**214.06**	**10.83**	**553.34**	**7.42**	**4,156.34**	**747.06**	**(6.62)**	**(1.32)**	**8,077.34**	**1.40**	**8,078.74**
Balance as at 1st April, 2016	**2,396.22**	**214.06**	**10.83**	**553.34**	**7.42**	**4,156.34**	**747.06**	**(6.62)**	**(1.32)**	**8,077.34**	**1.40**	**8,078.74**
Profit for the year	-	-	-	-	-	629.03	-	-	-	629.03	(6.52)	622.51
Other comprehensive income for the year	-	-	-	-	-	-	419.35	13.76	(1.02)	432.09	*0.00	432.09
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**629.03**	**419.35**	**13.76**	**(1.02)**	**1,061.12**	**(6.52)**	**1,054.60**
Dividends	-	-	-	-	-	(321.85)	-	-	-	(321.85)	(7.15)	(329.00)
Tax on Dividends	-	-	-	-	-	(62.97)	-	-	-	(62.97)	(0.73)	(63.70)
Acquisition of interest in step-down subsidiaries	-	-	-	-	-	(15.71)	-	0.14	-	(15.57)	15.37	(0.20)
Consolidation of ESOP Trust [b]	-	-	-	-	-	5.08	-	-	-	5.08	-	5.08
Unwinding of transaction cost on debentures issued	(4.57)	-	-	-	-	-	-	-	-	(4.57)	-	(4.57)
Transfers to / from retained earnings	-	-	-	(210.90)	1.38	209.52	-	-	-	-	-	-
Share based payments	-	-	1.93	-	-	-	-	-	-	1.93	-	1.93
Balance at 31st March, 2017	**2,391.65**	**214.06**	**12.76**	**342.44**	**8.80**	**4,599.44**	**1,166.41**	**7.28**	**(2.34)**	**8,740.51**	**2.37**	**8,742.88**

* Less than ₹ 1 Lakh

a) The contingency reserve has been created out of profit of a subsidiary company, JPTL, as per MERC Regulations. The reserve can be utilised by the group for the purpose of future losses, which may arise from uninsured risks.

b) Refer note 51 for impact of consolidation of ESOP trust

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

Note No. 15 - Borrowings

₹ crore

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
Measured at amortised cost						
I. Secured Borrowings:						
(1) Debentures						
(i) Non convertible debentures	-	1,589.66	-	2,146.27	-	2,621.77
(2) Term loans						
(i) From banks	-	10,689.02	-	9,038.64	-	4,248.29
(ii) From financial institutions	-	847.24	-	755.97	-	628.04
(3) Loans repayable on demand from Banks						
(i) Working capital demand loans					60.00	
(ii) Cash credit facilities			89.33		88.22	
	-	**13,125.92**	**89.33**	**11,940.87**	**148.22**	**7,498.10**
II. Unsecured Borrowings:						
(1) Term loan from bank	-	-	1,500.00	-	-	-
(2) Other loans	8.67	-	-	6.64	-	7.68
	8.67	**-**	**1,500.00**	**6.64**	**-**	**7.68**
	8.67	**13,125.92**	**1,589.33**	**11,947.51**	**148.22**	**7,505.78**

1] Aggregate amount of Installments due for payments within one year ₹ 1,214.68 crore (as at 31st March, 2016 - ₹ 1,325.40 crore, as at 1st April, 2015 - ₹ 1,054.79 crore) have been grouped under "Current maturities of long-term debt" (Refer note 16)

2] The secured borrowings are net of amortised cost of ₹ 93.85 crore (as at 31st March, 2016 - ₹ 109.75 crore, at 1st April, 2015 - ₹ 57.66 crore)

3] Terms of Redemption of Debentures :

a) 5,000 nos @ 8.65% Secured Redeemable Non-Convertible Debentures of ₹ 10 lakh each are redeemable at par in 3 yearly installments, first installment ₹ 100 crore, second and third instalment ₹ 200 crore each starting from 30th December, 2020 till 30th December, 2022.

b) 7,200 nos. @ 9.75% Secured Redeemable Non-Convertible Debentures of ₹ 10 lakh each are redeemable at par in 6 equal installments from 30th September, 2017 / 30th September, 2020 / 31st March, 2021 / 30th September, 2021 / 31st March, 2022 / 1st November, 2022.

c) 10,000 nos. @ 9.75% Secured Redeemable Non-Convertible Debentures of ₹ 7 lakh each are redeemable at par in 7 half yearly equal installments from 20th July, 2017 / 30th July, 2017 / 16th August, 2017 till 20th July, 2020 / 30th July, 2020 / 16th August, 2020.

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

4) Terms of Repayment of Rupee Term Loans:

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
a) From Banks:			
2 - 3 Years	1,869.50	1,461.26	1,089.06
4 - 5 Years	1,917.56	1,464.57	1,010.51
6 - 10 Years	2,631.45	2,689.92	2,177.70
Above 10 Years	4,341.39	3,502.90	-
Total Borrowings from Banks	**10,759.90**	**9,118.65**	**4,277.27**
b) From Financial Institutions:			
2 - 3 Years	188.93	175.45	204.57
4 - 5 Years	187.79	179.09	158.00
6 - 10 Years	195.42	236.02	265.70
Above 10 Years	278.44	169.24	-
Total Borrowings from Financial Institutions	**850.57**	**759.80**	**628.27**

i) Details of Security :

a) Debentures aggregating to ₹ 699.49 crore (as at 31st March, 2016 - ₹ 1,079.12 crore, as at 1st April, 2015 - ₹ 1,198.75 crore), mentioned in [(I) (1) (i)] are secured on a pari passu basis by (a) a first ranking charge by way of legal mortgage on the freehold land of the Parent Company situated at Mouje Maharajpura, Taluka Kadi, District Mehsana, in the state of Gujarat, (b) a first ranking charge by way of legal mortgage of immovable assets of the Parent Company's SBU I & SBU II situated in the State of Karnataka, (c) a first ranking charge by way of hypothecation of moveable fixed assets of the Parent Company's SBU I & SBU II.

b) Debentures aggregating to ₹ 709.15 crore (as at 31st March, 2016 - ₹ 1,544.58 crore, as at 1st April, 2015 - ₹ 1,780.27 crore), mentioned in [(I) (1) (i)] are secured on a pari passu basis by (a) a first ranking charge by way of legal mortgage on the freehold land of the Parent Company situated at Mouje Maharajpura, Taluka Kadi, District Mehsana, in the state of Gujarat, (b) secured on a pari passu basis by a first ranking charge by way of mortgage on fixed assets of SBU III (4 x 300 MW Power Plant situated at Dist. Ratnagiri, in the State of Maharashtra).

c) Debentures aggregating to ₹ 499.07 crore (as at 31st March, 2016 - ₹ Nil, as at 1st April, 2015 - ₹ Nil), mentioned in [(I) (1) (i)] are secured on a pari passu basis by (a) a first ranking charge by way of legal mortgage on the freehold land of the Parent Company situated at village Chaferi, Ratnagiri, Maharashtra, (b) a first ranking charge by way of hypothecation of moveable fixed assets of the Parent Company's SBU I & SBU II.

d) Rupee Term Loan aggregating to ₹ 10.91 crore (as at 31st March, 2016 - ₹ 59.28 crore, as at 1st April, 2015 - ₹ 109.22 crore) included in [(I) (2) (i)] are secured on a pari passu basis by (a) a first ranking charge by way of equitable mortgage of immovable assets of the Parent Company's SBU I & SBU II situated in the State of Karnataka, (b) a first ranking charge by way of hypothecation of moveable fixed assets of the Parent Company's SBU I & SBU II unit situated in the State of Karnataka, (c) a second ranking charge by way of hypothecation on the current assets of Parent Company's SBU I & SBU II including stock and receivables (both present and future).

e) Rupee Term Loan aggregating to ₹ Nil (as at 31st March, 2016 - ₹ 32.41 crore, as at 1st April, 2015 - ₹ 69.55 crore) included in [(I) (2) (i)] is secured on a pari passu basis by (a) a first ranking charge by way of equitable mortgage of immovable assets of the Parent Company's SBU I & SBU II situated in the State of Karnataka, (b) a first ranking charge by way of hypothecation of moveable fixed

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assets of the Parent Company's SBU I & II (c) a second ranking charge by way of hypothecation on the current assets of Parent Company's SBU I & SBU II including stock and receivables (both present and future).

f) Rupee term loan aggregating to ₹ Nil (as at 31st March, 2016 - ₹ Nil, as at 1st April, 2015 - ₹ 65.50 crore) included in [(I) (2) (ii)] is secured by first ranking charge on the Parent Company's share (i.e.50%) in property being developed at Village Kole Kalyan, Taluka South Salsette, District of Mumbai suburban.

g) Rupee term loan included in [(I) (2) (i) & (ii)] aggregating of ₹ 145.01 crore (as at 31st March, 2016 - ₹ 180.38 crore, as at 1st April, 2015 - ₹ 215.73 crore) are secured on a pari passu basis by (a) first ranking charge by way of legal mortgage on the Parent Company's SBU III (4x300 MW) immovable property both present and future situated in Ratnagiri (b) a first ranking charge by way of Hypothecation of moveable assets both present and future of Parent Company's SBU III situated in Ratnagiri, Maharashtra. (c) second ranking charge on current assets of the Company's SBU III for rupee term loan included in [(I) (2)(i)] aggregating of ₹ 91.99 crore (as at 31st March, 2016 - ₹ 114.91 crore, as at 1st April, 2015 - ₹ 137.80 crore).

h) Rupee term loan included in [(I) (2) (i) & (ii)] aggregating of ₹ 1,400.42 crore (as at 31st March, 2016 - ₹ 628.89 crore, as at 1st April, 2015 - ₹ 764.12 crore) are secured on a pari passu basis by (a) first ranking charge by way of legal mortgage on Parent Company's SBU III (4x300 MW) immovable property both present and future situated in Ratnagiri and an apartment in Mumbai (b) a first ranking charge by way of Hypothecation of moveable assets both present and future of the Parent Company's SBU III situated in Ratnagiri, Maharashtra. (c) second ranking charge on current assets of the Parent Company's SBU III for rupee term loan..

i) Rupee Term Loan included in [(I) (2) (i) & (ii)] aggregating of ₹ 3,371.98 crore (as at 31st March, 2016 - ₹ 3,770.40 crore, as at 1st April, 2015 - ₹ 4,043.62 crore) are secured on a pari passu by a first ranking mortgage and charge over the following assets, rights and contracts of the subsidiary company, RWPL, : a)all the tangible, intangible, immovable and movable assets, b) all revenues and receivables, c) all the rights, title and interest under each of the Project Documents.

j) Rupee Term Loan included in [(I) (2) (i)] aggregating of ₹ 246.17 crore (as at 31st March, 2016 - ₹ 276.32 crore, as at 1st April, 2015 - ₹ 306.13 crore) are secured by
(a) a first ranking mortgage on the immovable assets of the subsidiary company, JPTL.
(b) a first charge by way of hypothecation of moveable assets of the subsidiary company, JPTL.
(c) a first charge on receivables and interest in all the bank accounts including the Trust and Retention Accounts and intangible assets of the subsidiary company, JPTL.
(d) assignment of all rights, title etc., in the subsidiary company's project documents, insurance contracts, letter of credit and any other form of security held by the subsidiary company, JPTL.

k) Rupee Term Loan aggregating to ₹ 6,316.75 crore (as at 31st March, 2016 - ₹ 5,242.83 crore, as at 1st April, 2015 - ₹ Nil) included in [(I) (2) (i) & (ii)] are secured on a pari passu basis by (a) a first charge by way of mortgage on all immovable assets of the Karcham Wangtoo project of the subsidiary company, HBPCL, (b) a first charge on all moveable assets of the Karcham Wangtoo project by way of deed of hypothecation, (c) a first charge on all project related documents licenses, permits, approvals, rights, titles, interest etc pertaining to the Karcham Wangtoo project, and (d) first charge on book debts, operating cash flows, receivable, commissions & revenue (both present & future) and bank accounts of the Karcham Wangtoo project.

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For The Year Ended 31st March, 2017

l) Rupee Term Loan aggregating to ₹ 941.64 crore (as at 31st March, 2016 - ₹ 452.07 crore, as at 1st April, 2015 - ₹ Nil) included in [(I) (2) (i) & (ii)] are secured on a pari passu basis by (a) a first charge by way of mortgage on all immovable assets of the Baspa II project of the subsidiary company, HBPCL, (b) a first charge on all moveable assets of the Baspa II project by way of deed of hypothecation, (c) a first charge on all project related documents licenses, permits, approvals, rights, titles, interest etc pertaining to the Baspa II project, and (d) first charge on book debts, operating cash flows, receivable, commissions & revenue and bank accounts of the Baspa II project.

m) Working capital facility pertaining to SBU I are secured on a pari passu basis by (a) First Charge on the current assets of the Parent Company (Present and future) pertaining to its SBU I (b) Second charge on the fixed assets of the parent company pertaining to its SBU I.

Working capital facility pertaining to SBU II are secured on a pari passu basis by (a) first charge on current assets (Present and future) of the parent company pertaining to its SBU II (b) a second charge on all fixed assets of the parent company pertaining to its SBU II.

Working capital facility pertaining to SBU III are secured on a pari passu basis by (a) first charge on current assets (Present and future) of the parent company pertaining to its SBU III (b) second charge on all fixed assets of the parent company pertaining to its SBU III.

n) Working Capital Demand Loan & Cash Credit aggregating to ₹ Nil (as at 31st March, 2016 - ₹ 59.31 crore, as at 1st April, 2015 - ₹ 148.22 crore), mentioned in [(I) (3) (i) & (ii)] are secured on a pari passu basis by a first ranking mortgage and charge over : a) all the tangible, intangible, immovable and movable assets of RWPL, b) all revenues and receivables of RWPL., c) all the rights, title and interest under each of the Project Documents of RWPL..

o) Working capital loan of ₹ Nil (as at 31st March, 2016 - ₹ 30.02 crore, as at 1st April, 2015 - ₹ Nil), secured on a pari passu basis by (a) a first charge on all immovable assets of the Karcham Wangtoo hydro electric plant of the Subsidiary Company, HBPCL (the Project), (both present & future) (b) a first charge on all moveable assets of the Project, (both present & future) (c) Charge on all intangible assets including but not limited to the goodwill, undertaking and uncalled capital of the borrower (d) a first charge on all project related documents licenses, permits, approvals, rights, titles, interest etc pertaining to the Project, (e) a first charge on book debts, operating cash flows, receivable, commissions & revenue (both present & future) of the Project and on bank accounts of the Project.

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Note No. 16 - Other financial liabilities

₹ crore

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
I. Other Financial Liabilities Measured at Fair Value						
(1) Foreign currency forward contracts	71.80	-	46.74	-	13.04	
	71.80	**-**	**46.74**	**-**	**13.04**	**-**
II. Other Financial Liabilities Measured at Amortised Cost						
(1) Deposits received from dealers	-	0.01	-	0.13	-	-
(2) Lease deposits	-	0.55	-	0.23	-	0.46
(3) Current maturities of long-term debt [a]	1,214.68	-	1,325.40	-	1,054.79	-
(4) Interest accrued but not due on borrowings	26.90	-	29.83	-	31.42	-
(5) Unpaid dividends [b]	0.95	-	0.78	-	0.65	-
(6) Unclaimed share application money[b]	-	-	0.01	-	0.01	-
(7) Security deposits	0.12	-	0.22	-	0.27	-
(8) Revenue adjustments due to tariff order	227.25	-	68.20	-	-	-
(9) Payable for capital supplies/ services	174.73	-	202.18	-	77.28	-
(10) Contingent consideration payable on business combination [c]	565.70	-	571.39	-	-	-
(11) Other payables	-	-	11.03	-	0.14	-
	2,210.33	**0.56**	**2,209.03**	**0.36**	**1,164.56**	**0.46**
	2,282.13	**0.56**	**2,255.77**	**0.36**	**1,177.61**	**0.46**

a) Refer note 15 for the details of borrowings repayment terms and security charge.

b) No amount due to be credited to Investor Education and Protection Fund.

c) Refer note 45 for the details of contingent consideration recognised on business combination of Himachal Baspa Power Company Limited (HBPCL).

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

Note No. 17 - Provisions

₹ crore

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
(1) Provision for employee benefits	7.23	21.36	9.48	16.88	5.22	12.37
(2) Other provisions [a]	1.88	25.75	2.43	22.50	2.82	21.40
	9.11	**47.11**	**11.91**	**39.38**	**8.04**	**33.77**

a) Refer note 38 for details of movement in provision of decommissioning and environmental rehabilitation.

Note No. 18 - Other non current and current liabilities

₹ crore

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
(1) Advances received from customers	20.82	-	3.00	-	0.19	-
(2) Employee Recoveries and Employer Contributions	1.82	-	0.68	-	2.19	-
(3) Statutory Dues	21.29	-	18.11	-	9.86	-
(4) Others	0.07	1.75	0.06	1.81	3.03	1.87
	44.00	**1.75**	**21.85**	**1.81**	**15.27**	**1.87**

Note No. 19 - Trade payables

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(1) Trade payables [a]	587.72	732.96	421.33
(2) Acceptances [b]	1,531.00	1,798.41	1,226.33
	2,118.72	**2,531.37**	**1,647.66**

a) Refer Note 55 for disclosure under Micro, Small and Medium Enterprises Development Act.

b) Acceptances represents primarily credit availed by the Group from banks for payment to suppliers for raw materials purchased by the group. The arrangements are interest-bearing and are payable within one year.

Note No - 20 - Revenue from operations

₹ crore

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(1) Sale of power :		
Own generation	7,812.19	8,925.65
Power traded	122.32	554.37
(2) Income from Embeded lease	62.91	66.96
(3) Income from Service concession arrangement	21.20	13.50
(4) Sale of Services:		
Operator fees	148.17	145.15
Other services	4.61	4.72
(5) Income from Transmission	89.94	111.65
(6) Other operating revenue	2.09	2.49
	8,263.43	**9,824.49**

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

Note No - 21 - Other income

₹ crore

Particulars			For the year ended 31st March, 2017	For the year ended 31st March, 2016
I.	**Interest Income**			
	(1)	On loans	100.88	52.14
	(2)	On Bank deposits	19.32	16.21
	(3)	On Other financial assets	31.53	66.91
			151.73	**135.26**
II.	**Other Income**			
	(1)	Dividend Income	5.25	7.71
	(2)	Net gain on sale of investments	32.35	78.27
	(3)	Net gain/(loss) arising on financial assets designated as at fair value through profit or loss	0.45	(5.14)
	(4)	Miscellaneous Income	27.22	19.01
			65.27	**99.85**
			217.00	**235.11**

Note No. - 22 - Employee benefits expense

₹ crore

Particulars		For the year ended 31st March, 2017	For the year ended 31st March, 2016
(1)	Salaries and wages [a]	194.11	165.69
(2)	Contribution to provident and other funds [a]	7.63	6.64
(3)	Share-based payments [b]	1.93	2.12
(4)	Staff welfare expenses	8.10	9.36
		211.77	**183.81**

a) Refer note 43 for the details of defined benefit plan and defined contribution plan of the group.

b) Refer note 44 for the details disclosure of employee stock options plans of the group.

Note No. - 23 - Finance costs

₹ crore

Particulars		For the year ended 31st March, 2017	For the year ended 31st March, 2016
(1)	Interest expense	1,560.33	1,358.71
(2)	Other borrowing costs	124.42	139.40
		1,684.75	**1,498.11**

Note No. - 24 - Depreciation and amortisation expense

₹ crore

Particulars		For the year ended 31st March, 2017	For the year ended 31st March, 2016
(1)	Depreciation on property, plant and equipment	931.65	831.08
(2)	Amortization on Intangible assets	37.50	23.17
		969.15	**854.25**

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

Note No. - 25 - Other expenses

₹ crore

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(1) Stores and spares consumed	81.37	87.26
(2) Power & water	62.41	73.41
(3) Rent including lease rentals	12.58	9.40
(4) Repairs and maintenance	153.45	146.87
(5) Rates and taxes	10.82	10.89
(6) Insurance charges	35.08	27.23
(7) Net loss on foreign currency transactions (other than considered as finance costs)	14.22	27.22
(8) Legal and other professional charges	21.35	39.16
(9) Travelling expenses	15.34	16.28
(10) Loss on sale of property, plant and equipment	0.12	2.65
(11) Donation	0.19	0.23
(12) Contribution to political parties [a]	30.00	-
(13) Corporate social responsibility expenses [b]	32.33	28.75
(14) Open access charges	99.21	150.19
(15) Exchange commission	29.57	10.34
(16) Bad debts written off	0.11	0.48
(17) Provision for non moving stores & spares	-	1.75
(18) Inventory written off	1.53	-
(19) Other general expenses	67.30	61.95
	666.98	**694.06**

a) Includes ₹ 25 crore (Previous Year ₹ Nil) paid to Satya Electoral Trust and ₹ 5 crore (Previous Year ₹ Nil) paid to Indian National Congress.

b) Refer note 47 for details of corporate social responsibility expenditure incurred by the group.

Note No. - 26 - Tax expense

₹ crore

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(1) Current Tax	196.10	451.97
(2) Deferred Tax	144.71	104.29
(3) Minimum Alternate Tax credit availed	(71.80)	-
	269.01	**556.26**

Refer note 40 for reconciliation of income tax expense

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

Note No. 27 - Critical accounting judgements and key sources of estimation uncertainty

In the course of applying the policies outlined in all notes under section 3 above, the group is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements in applying accounting policies

Service concession arrangements

The management have assessed applicability of Appendix A of Ind AS 11: Service Concession Arrangements with respect to its power plant and transmission assets portfolio. In assessing the applicability, they have exercised significant judgment in relation to the underlying ownership of the assets, terms of implementation agreements, ability to pledge or sell the underlying assets, terms of transmission licence, provisions of Electricity Act, 2003 and power purchase agreements entered with the grantor, ability to determine prices, useful lives of the assets, assessment of right to guaranteed cash etc. Based on detailed evaluation, the management have determined that arrangement in relation to the Group's Baspa power plant (300 MW) meets the criterion for recognition as service concession arrangements. (Refer note 36).

Lease arrangements

Significant judgement is required to apply lease accounting rules under Appendix C to Ind AS 17: 'Determining whether an arrangement contains a Lease'. In assessing the applicability to arrangements entered into by the Group, management has exercised judgement to evaluate the right to use the underlying assets, substance of the transaction including legally enforced arrangements and other significant terms and conditions of the arrangement to conclude whether the arrangement to conclude whether the arrangements meet the criterion under Appendix C to Ind AS 17.

Based on detailed evaluation, the management have determined that arrangement in relation to the Group's Ratnagiri Power Plant - 300 MW arrangement with Maharashtra State Electricity Distribution Company Limited ("MSEDCL") meets the criterion for recognition as finance lease arrangement. (Refer note 35).

Classification of BLMCL as a Joint Venture

BLMCL is a limited liability company whose legal form confers separation between the parties to the joint arrangement and BLMCL itself. The Group holds 49 % equity in BLMCL through a subsidiary. In terms of minimum quorum in board meetings and for passing any resolution in board meetings, consent of both the parties is required. Further, there are no other circumstances that indicate that the parties to the joint arrangement have rights to the assets and obligations for the liabilities of the joint arrangement. Accordingly, BLMCL is classified as a joint venture of the Group.

Regulatory deferral accounts

The Group has not adopted Ind as 114 'Regulatory deferral accounts' since in previous GAAP, guidance note on Guidance Note on Accounting for the Rate Regulated Activities, issued by the Institute of Chartered Accountants of India (ICAI) was not adopted.

Revenue Recognition

The group has evaluated the provisions of Ind AS 18 for recognition of revenue and considered reasonably certain to recognised revenue on the basis of factors detailed in note 29.

Key sources of estimation uncertainties

Useful lives and residual value of property, plant and equipment

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

Impairment of property plant and equipment

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is usually determined on the basis of discounted estimated future cash flows. This involves management estimates on anticipated commodity prices, market demand and supply, economic and regulatory environment, discount rates and other factors. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of assets.

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

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

Impairment of investments in an associate
Determining whether the investment in associate is impaired requires an estimate in the value in use of investment. In considering the value in use, the management have anticipated the future business orders, operating margins and other factors of the underlying businesses / operations of the investee company. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of investment.

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

Shared based payments
Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. This requires a reassessment of the estimates used at the end of each reporting period.

Contingent consideration
The Group based on it's best estimate determined the additional consideration is payable as per the terms of Securities Purchase Agreement to Jaiprakash Power Ventures Limited (JPVL) as detailed in business combination disclosure. Refer Note 45 for details.

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

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Note No. 28: Composition of the Group

Information about the composition of the Group at the end of the reporting period is as follows:

Particulars	Place of incorporation and operation	Nature of Business	Shareholding either directly or through subsidiaries/associates as at		
			As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
On the basis of audited financial statements:					
Subsidiaries:					
JSW Power Trading Company Limited (JSWPTC)#	India	Power Trading	100.00%	100.00%	100.00%
Jaigad PowerTransco Limited (JPTL)	India	Power Transmission	74.00%	74.00%	74.00%
Raj WestPower Limited (RWPL)	India	Power Generation	100.00%	100.00%	100.00%
Himachal Baspa Power Company Limited (HBPCL) [Effective 8th Sept,2015]	India	Power Generation	100.00%	100.00%	-
JSW Energy (Raigarh) Limited (JSWRL)	India	Power Generation*	100.00%	100.00%	100.00%
JSW Green Energy Limited (JSWGEL)#	India	Trading activity	100.00%	100.00%	100.00%
JSW Energy (Kutehr) Limited (JSWEKL)	India	Power Generation*	100.00%	100.00%	100.00%
JSW Energy Natural Resources (BVI) Limited (JSWNRBL)@	British Virgin Islands	Investment Entity	100.00%	100.00%	100.00%
On the basis of unaudited financial statements, certified by the Management:					
Subsidiaries:					
JSW Energy Minerals Mauritius Limited (JSWEMML)	Mauritius	Investment Entity	100.00%	100.00%	100.00%
JSW Energy Natural Resources Mauritius Limited (JSWNRML)	Mauritius	Investment Entity	100.00%	100.00%	100.00%
JSW Energy Natural Resources South Africa (Pty) Limited (JSWENRSAL)	South Africa	Investment Entity	100.00%	100.00%	100.00%
South African Coal Mining Holdings Limited (SACMH)	South Africa	Coal mining & ancillary activities	69.44%	67.27%	93.27%
Royal Bafokeng Capital (Pty) Limited (RBC)	South Africa	Investment Entity	100.00%	100.00%	100.00%
Mainsail Trading 55 Proprietary Limited. (MTPL)	South Africa	Investment Entity	100.00%	100.00%	100.00%
Ilanga Coal Mines Proprietary Limited	South Africa	Coal mining & ancillary activities	69.44%	67.27%	93.27%
Jigmining Operations No 1 Proprietary Limited	South Africa	Coal mining & ancillary activities	69.44%	67.27%	93.27%
Jigmining Operations No 3 Proprietary Limited	South Africa	Coal mining & ancillary activities	69.44%	67.27%	93.27%

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For The Year Ended 31st March, 2017

Particulars	Place of incorporation and operation	Nature of Business	Shareholding either directly or through subsidiaries/associates as at		
			As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
SACM (Breyten) Proprietary Limited	South Africa	Coal mining & ancillary activities	69.44%	67.27%	93.27%
SACM (Newcastle) Proprietary Limited	South Africa	Coal mining & ancillary activities	69.44%	67.27%	93.27%
South African Coal Mining Equipment Company Proprietary Limited	South Africa	Coal mining & ancillary activities	69.44%	67.27%	93.27%
South African Coal Mining Operations Proprietary Limited	South Africa	Coal mining & ancillary activities	69.44%	67.27%	93.27%
Umlabu Colliery Proprietary Limited	South Africa	Coal mining & ancillary activities	69.44%	67.27%	93.27%
Voorslag Coal Handling Proprietary Limited	South Africa	Coal mining & ancillary activities	69.44%	67.27%	93.27%
Yomhlaba Coal Proprietary Limited	South Africa	Coal mining & ancillary activities	69.44%	67.27%	93.27%
JSW Energy Natural Resource UK Limited	United Kingdom	Investment Entity	100.00%	100.00%	100.00%
Minerals & Energy Swaziland Proprietary Limited [Effective 4th Sept,2016]	Swaziland	Mining *	51.00%	-	-
Joint Venture Company:					
Barmer Lignite Mining Company Limited (BLMCL).	India	Lignite Mining	49.00%	49.00%	49.00%
Associate:					
Toshiba JSW Power Systems Private Limited (TJPSPL)	India	Turbine & generator manufacturing	22.52%	22.52%	22.52%

* Yet to commence commercial operations.

@ Dissolved with effective from 4th April, 2017.

MJSJ Coal Limited has been excluded from consolidation and for disclosure of interest in accordance with relevant accounting standards, as the group does not have any joint control and significant influence over the said Joint Venture entity.

The scheme of arrangement under Section 391 to 394 of the Companies Act, 1956 has been entered in to between the Parent Company and its subsidiaries, JSWPTC and JSWGEL. The scheme provides for:

- Demerger of the Power Trading Business of JSWPTC to JSWGEL;
- Merger of remaining JSWPTC into the Parent Company
- Appointed date – Closing hours of 31st March, 2015
- The Scheme is subject to requisite consent, approval or permission or any statutory or other regulatory authorities.

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

The Scheme of arrangement has been sanctioned by the National Company Law Tribunal (NCLT) on 9th March, 2017 (Signed copy of the Order is yet to be received from NCLT). Pursuant to the sanction of scheme by NCLT, the Company has filed a petition with Central Electricity Regulatory Commission (CERC) for transfer of trading license from JSWPTC to JSWGEL.

On receipt of requisite approvals from CERC and after receipt of signed copy of Order from NCLT, the Groupwould be filing the Scheme with Registrar of Companies to make the scheme effective. However, there will be no impact on these financial statements, as the scheme is not effective.

Note No. 29: Revenue recognition

(a) RWPL (the subsidiary operating the Barmer plant) has recognised Sales during the year based on the adhoc tariff allowed by Rajasthan Electricity Regulatory Commission (RERC) vide Order dated 31st March, 2016. Pending determination of final tariff, the Company has provided truing up and for fuel price adjustment impact for the current financial year amounting to ₹ 42.56 crore (previous year ₹ 45.01 crore) based on RERC Regulation. The same is subject to adjustment as per final Tariff determination by RERC.

(b) On 25th June, 2014, RWPL filed a comprehensive tariff petition no 464/2014 for determination of Final Tariff of the Power Plant for FY 2009-10 to FY 2013-14 and Annual Performance Review (true up) for FY 2009-10 and FY 2010-11 based on audited accounts before RERC.

RERC vide order dated 24th February, 2016 has determined the final capital cost and tariff of Barmer Power Plant for the period from FY 2009-10 to FY 2013-14 along with true up of Annual Revenue Requirement for FY 2009-10 and FY 2010-11. In the above order RERC has rejected/disallowed certain expenditures. Aggrieved by the above order and certain findings of RERC towards disallowance of capital cost and some other aspects, RWPL has filed an Appeal before Appellate Tribunal of Electricity. Meanwhile, RWPL has made a net provision of ₹ 134.26 crore (previous year ₹ 23.18 crore] in the books in respect of the above Order.

(c) RWPL has filed an Appeal before the Hon'ble Appellate Tribunal for Electricity (APTEL) against the order of Rajasthan Electricity Regulatory Commission (RERC) dated 17th October, 2012 fixing a ceiling on the first year tariff at ₹ 2.43 per unit as per Power Purchase Agreement (PPA) which provides that first year tariff shall be less than first year tariff of Giral (₹ 2.43 /unit). Further, RERC has decided that first year tariff shall be applicable for entire project covered in PPA and not the units commissioned in the first year only. Hon'ble Appellate Tribunal vide order dated 29th October, 2013 has disposed the above Appeal in favour of RWPL, stating that first year shall be first year of operation of plant with lignite i.e. FY 2011-12 and allowing that the tariff for the first year shall be less than the final first year tariff of Giral Project as determined by the State Commission. Accordingly, RERC, in its Order dated 24th February, 2016 has restricted the first year tariff (First year tariff on lignite – FY 2011-12) at ₹ 3.34/kWh for Unit no 1,2 & 4 and ₹ 3.246 kWh for Unit no 3 being one paisa less than first year tariff of Giral Project given by its Order dated 12th August, 2015 i.e. ₹ 3.35/kWh. The Rajasthan Discoms on 19th November, 2013 have filed Review Petition before Hon'ble Appellate Tribunal of Electricity against the APTEL order dated 29th October, 2013. The above Review Petition has been dismissed by APTEL Authority by order dated 9th May, 2013. Further, Rajasthan Discoms have also filed second Appeal before the Hon'ble Supreme Court. The second Appeal has been admitted by Hon'ble Supreme Court and is pending for adjudication and disposal.

(d) RWPL has filed an Appeal before the Hon'ble Appellate Tribunal for Electricity (APTEL) against the Provisional Tariff Order dated 30th August, 2013 passed by Rajasthan Electricity Regulatory Commission (RERC) for determination of provisional tariff of RWPL Generating Station for financial year 2012-13. In the said Appeal, the Company has sought relief from the Hon'ble APTEL for inclusion of certain items of capital expenditures which were not considered by the Hon'ble Commission in its order dated 30th August, 2013. Hon'ble Appellate Tribunal vide order dated 20th November, 2015 has disposed the above Appeal partially in favour of RWPL. A second appeal against this Order on certain findings is currently pending before the Hon'ble Supreme Court.

(e) RERC vide its Order dated 5th February, 2016 has upheld the Dispute Resolution petition filed by the Company

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u/s 86(1)(f) of the Electricity Act, 2003, pertaining to Late Payment Surcharge (LPS) on delayed payments by the Discoms and directed the Discoms to examine the same. During the year, RWPL has received the LPS claim from the Discoms aggregating to ₹ 134.90 crore for the period from FY 2011-12 to FY 2016-17.

(f) In case of HBPCL (the subsidiary operating the Baspa II and Karcham Wangtoo Plant), revenue from sale of power w.r.t Baspa II, is accounted for on the basis of billing to Himachal Pradesh State Electricity Board Limited (HPSEBL) as per Tariff approved by Himachal Pradesh Electricity Regulatory Commission (HPERC) in accordance with the provisions of the Long Term Power Purchase Agreement (LTPPA) dated 4th June, 1997, Amendment No. 1 dated 7th January, 1998, executed between the company and HPSEBL.

(g) In case of Karcham Wangtoo Plant of HBPCL, revenue from sale of power is accounted as under:

For the financial year 2015-16, LTPPA sales were accounted for on the basis of invoices billed to procurer in accordance with the tariff petition filed with CERC. Pending receipt of the final Order from CERC, the procurer has been acknowledging the dues as per invoices and settling payments against the same on the basis of mutually agreed rate with the difference to be settled on receipt of the final tariff Order.

During the financial year 2016-17, CERC Order dated 30th March, 2017 was received by the group and accordingly, LTPPA sales has been accounted as per the said Order. Besides, the Group is examining the actions to be taken against the said Order.

Note No. 30: Investment in an associate:

Details and financial information of an associate

Name of associate	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest / voting rights held by the Group		
			As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Toshiba JSW Power Systems Private Limited	Manufacturer of Turbine and Generator	India	22.52%	22.52%	22.52%

The above associate is accounted for using the equity method in these consolidated financial statements.

Summarised financial information of an associate

The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with Ind AS adjusted by the Group for equity accounting purposes.

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Non-current assets	1,162.28	892.59	1,835.35
Current assets	913.76	927.46	1,163.16
Non-current liabilities	2,648.79	1,334.01	1,561.61
Current liabilities	1,139.91	2,003.55	1,324.22

₹ crore

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Revenue	1,029.07	578.18
Profit / (loss) for the year	(221.00)	(1,605.02)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	(221.00)	(1,605.02)
Dividends received during the year	-	-

Reconciliation of the above summarised financial information to the carrying amount of the interest in Toshiba JSW Power

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Systems Private Limited recognised in the consolidated financial statements:

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Net assets of the associate	(1,712.66)	(1,517.50)	112.68
Proportion of the Group's ownership interest	22.52%	22.52%	22.52%
Share of Loss of Associate adjusted	-	100.23	62.89
Carrying amount of the Group's interest	-	-	37.34

Note No. 31: Investment in a joint venture:

Details and financial information of a joint venture company

Name of joint venture	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest / voting rights held by the Group		
			As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Barmer Lignite Mining Company Limited	Lignite Mining	India	49.00%	49.00%	49.00%

The above joint venture is accounted for using the equity method in these consolidated financial statements.

Summarised financial information of joint venture

The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with Ind AS adjusted by the Group for equity accounting purposes.

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Non-current assets	2,193.95	1,988.53	1,880.34
Current assets	163.91	208.98	153.96
Non-current liabilities	2,104.16	1,979.21	1,870.44
Current liabilities	251.82	224.82	160.07

₹ crore

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Revenue	763.44	807.40
Profit / (loss) for the year	10.07	(10.30)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	10.07	(10.30)
Dividends received during the year	-	-

Reconciliation of the above summarised financial information to the carrying amount of the interest in Barmer Lignite Mining Company Limited recognised in the consolidated financial statements:

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Net assets of the associate	1.88	(6.52)	3.78
Proportion of the Group's ownership interest	49%	49%	49%
Share of Loss of Associate adjusted	9.75	9.80	8.82
Carrying amount of the Group's interest	0.05	-	0.98

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Note No. 32 - Financial Instruments: Classifications and fair value measurements:

Fair value measurements

Particulars	Fair value as at			Fair value hierarchy	Valuation technique(s) and key input(s)
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015		
Financial assets :					
Investment in equity instruments of JSW Steel Limited	1,318.12	898.77	635.68	Level 1	Quoted bid prices in an active market.
Investment in Mutual Funds	218.90	75.39	1,392.56	Level 2	Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Investment in equity / preference shares	27.29	25.48	28.90	Level 3	Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable
Financial liabilities :					
Foreign currency forward contracts	71.80	46.74	13.04	Level 2	Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed in the following table, the management consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values

₹ crore

As at 31st March, 2017	Carrying Value	Level 1	Level 2	Level 3
Financial assets				
Financial assets carried at Cost				
Investment in equity instruments	6.57	-	-	-
Financial assets carried at fair value through profit or loss (FVTPL)				
Investment in equity instruments	25.45	-	-	25.45
Investment in preference shares	1.84	-	-	1.84
Investment in mutual fund units	218.90	-	218.90	-
Financial assets carried at amortised cost				
Investments in government securities	7.94	-	-	7.94
Trade receivables	2,182.75	-	-	-
Cash and cash equivalents	590.71	-	-	-
Bank balances other than above	193.59	-	-	-
Loans & advances	1,288.04	-	-	1,294.63
Security deposits	202.55	-	-	203.35
Finance Lease Receivable	1,033.11	-	-	-
Service concession receivable	176.45	-	-	-
Interest Receivables	302.19	-	-	-
Financial Assets measured at FVTOCI				
Investment in equity instruments of JSW Steel Limited	1,318.12	1,318.12	-	-
Total Financial Assets	**7,548.21**	**1,318.12**	**218.90**	**1,533.21**

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₹ crore

As at 31st March, 2017	Carrying Value	Level 1	Level 2	Level 3
Financial liabilities				
Financial Liabilities carried at fair value through profit or loss (FVTPL)				
Foreign currency forward contracts	71.80	-	71.80	-
Financial liabilities carried at amortised cost:				
Borrowings	14,349.27	-	-	14,348.10
Interest accrued but not due on borrowings	26.90	-	-	-
Trade Payables	587.72	-	-	-
Acceptances	1,531.00	-	-	-
Rent and Other Deposits	0.68	-	-	0.79
Other Payables	793.90	-	-	-
Payable for capital supplies/services	174.73	-	-	-
Total Financial liabilities	**17,536.00**	**-**	**71.80**	**14,348.89**

₹ crore

As at 31st March, 2016	Carrying value	Level 1	Level 2	Level 3
Financial assets				
Financial assets carried at Cost				
Investment in equity instruments	6.52	-	-	-
Financial assets carried at fair value through profit or loss (FVTPL)				
Investment in equity instruments	23.81	-	-	23.81
Investment in preference shares	1.67	-	-	1.67
Investment in mutual fund units	75.39	-	75.39	-
Financial assets carried at amortised cost				
Investments in government securities	6.11	-	-	6.11
Trade receivables	2,906.34	-	-	-
Cash and cash equivalents	238.55	-	-	-
Bank balances other than above	118.88	-	-	-
Loans & advances	926.37	-	-	934.00
Security deposits	242.49	-	-	242.20
Finance Lease Receivable	1,091.93	-	-	-
Service concession receivable	161.10	-	-	-
Interest Receivables	253.16	-	-	-
Financial Assets measured at FVTOCI				
Investment in equity instruments of JSW Steel Limited	898.77	898.77	-	-
Total Financial assets	**6,951.11**	**898.77**	**75.39**	**1,207.79**
Financial liabilities				
Financial Liabilities carried at fair value through profit or loss (FVTPL)				
Foreign currency forward contracts	46.74	-	46.74	-
Financial Liabilities carried at amortised cost				
Borrowings	14,862.24	-	-	14,889.50
Interest accrued but not due on borrowings	29.83	-	-	-
Trade Payables	732.96	-	-	-
Acceptances	1,798.41	-	-	-
Rent and Other Deposits	0.58	-	-	0.56
Other Payables	651.40	-	-	-
Payable for capital supplies/services	202.18	-	-	-
Total Financial liabilities	**18,324.33**	**-**	**46.74**	**14,890.06**

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₹ crore

As at 1st April, 2015	Carrying value	Level 1	Level 2	Level 3
Financial assets				
Financial assets carried at Cost				
Investment in equity instruments	44.84	-	-	-
Financial assets carried at fair value through profit or loss (FVTPL)				
Investment in equity instruments	27.39	-	-	27.39
Investment in preference shares	1.51	-	-	1.51
Investment in mutual fund units	1,392.56	-	1,392.56	-
Financial assets carried at amortised cost				
Investments in government securities	4.73	-	-	-
Trade receivables	1,172.29	-	-	-
Cash and cash equivalents	278.08	-	-	-
Bank balances other than above	73.45	-	-	-
Loans & advances	625.80	-	-	625.61
Security deposits	185.96	-	-	195.19
Finance Lease Receivable	1,150.09	-	-	-
Interest Receivables	212.67	-	-	-
Financial Assets measured at FVTOCI				
Investment in equity instruments of JSW Steel Limited	635.68	635.68		
Total Financial assets	**5,805.05**	**635.68**	**1,392.56**	**849.70**
Financial liabilities				
Financial Liabilities carried at fair value				
through profit or loss (FVTPL)				
Foreign currency forward contracts	13.04	-	13.04	-
Financial Liabilities carried at amortised cost				
Borrowings	8,708.79	-	-	8,814.72
Interest accrued but not due on borrowings	31.42	-	-	-
Trade Payables	421.33	-	-	-
Acceptances	1,226.33	-	-	-
Rent and Other Deposits	0.73	-	-	0.62
Other Payables	0.80	-	-	-
Payable for capital supplies/services	77.28	-	-	-
Total Financial liabilities	**10,479.74**	**-**	**13.04**	**8,815.34**

Note No. 33 - Capital Management & Risk Management Strategies:

1) Capital management

The Group being in a capital intensive industry, its objective is to maintain a strong credit rating healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Group's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Group has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Group is not subject to any externally imposed capital requirements.

The Group regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and align maturity profile of its debt commensurate with life of the assets, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

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Gearing ratio

The Group monitors its capital using gearing ratio, which is net debt divided to total equity as given below:

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Debt @	14,349.27	14,862.24	8,708.79
Cash and bank balances (including current investment in liquid mutual fund held for sale)	965.81	386.83	1,727.55
Net debt	13,383.46	14,475.41	6,981.24
Total equity	10,368.46	9,704.13	8,332.49
Net debt to equity ratio	1.29	1.49	0.84

@ Debt is defined as long-term and short-term borrowings.

2) Financial risk management objectives

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

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

Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilizing forward foreign exchange contracts and currency options as suitable.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	USD (millions)	EURO (millions)	ZAR (millions)	GBP (millions)	INR (Crore)
As at 31st March, 2017					
A. Financial Liabilities					
Non-current liabilities					
Borrowings	5.20	-	-	-	33.74
Current liabilities					
Trade payables	28.71	-	-	-	186.12
Acceptances	236.13	-	-	-	1,531.00
Current maturities of long-term debt	1.04	-	-	-	6.75
Interest accrued	0.06	-	-	-	0.41
Interest on buyers credit	0.71	-	-	-	4.64
Total financial liabilities - (A)	**271.85**	**-**	**-**	**-**	**1,762.66**
B. Financial Assets					
Current assets					
Other advances	0.02	-	-	-	0.13
Total financial assets - (B)	**0.02**	**-**	**-**	**-**	**0.13**
Excess of financial liabilities over financial assets (A-B)	**271.83**	**-**	**-**	**-**	**1,762.53**

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Particulars	USD (millions)	EURO (millions)	ZAR (millions)	GBP (millions)	INR (Crore)
As at 31st March, 2016					
A. Financial Liabilities					
Non-current liabilities					
Borrowings	6.24	-	-	-	41.42
Current liabilities					
Trade payables	45.29	-	-	-	300.44
Acceptances	266.57	-	-	-	1,768.41
Current maturities of long-term debt	1.04	-	-	-	6.90
Interest accrued	0.07	-	-	-	0.47
Interest on buyers credit	0.66	-	-	-	4.37
Total financial liabilities - (A)	**319.87**	**-**	**-**	**-**	**2,122.01**
B. Financial Assets					
Current assets					
Other advances	0.99	*0.00	-	*0.00	6.59
Total financial assets - (B)	**0.99**	*** 0.00**	**-**	***0.00**	**6.59**
Excess of financial liabilities over financial assets (A-B)	**318.88**	***(0.00)**	**-**	***(0.00)**	**2,115.42**
As at 1st April, 2015					
A. Financial Liabilities					
Non-current liabilities					
Borrowings	7.29	-	-	-	45.60
Current liabilities					
Trade payables	20.90	-	-	-	130.86
Acceptances	185.54	-	-	-	1,161.34
Current maturities of long-term debt	1.04	-	-	-	6.51
Interest accrued	0.07	-	-	-	0.45
Interest on buyers credit	0.28	-	-	-	1.78
Total financial liabilities - (A)	**215.14**	**-**	**-**	**-**	**1,346.54**
B. Financial Assets					
Current assets					
Other advances	0.10	0.03	0.62	-	1.17
Total financial assets - (B)	**0.10**	**0.03**	**0.62**	**-**	**1.17**
Excess of financial liabilities over financial assets (A-B)	**215.04**	**(0.03)**	**(0.62)**	**-**	**1,345.37**

* Less than ₹ 1 lakh

The Group uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and foreign currency required at the settlement date of certain receivables/ payables. The use of foreign currency forward contracts is governed by the Group's strategy approved by the board of directors, which provide principles on the use of such forward contracts consistent with the group's risk management policy.

The Forward exchange contracts entered into by the Group and outstanding are as under:

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
No. of contracts	44	48	35
Equivalent to USD in millions	262.97	312.63	208.79
Average exchange rate (1 USD = ₹)	68.20	68.59	64.21
Equivalent (₹ in crore)	1,793.33	2,144.42	1,340.67
Fair value (₹crore)	1,721.53	2,097.68	1,327.62

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Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group's exposure to the risk of changes in market interest rates relates primarily to the group's long-term debt obligations with floating interest rates. The risk is managed by the group by maintaining an appropriate mix between fixed and floating rate borrowings.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

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

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Fixed rate borrowings	2,089.18	2,834.88	3,214.64
Floating rate borrowings	12,251.42	11,938.03	5,345.93
Total borrowings	**14,340.60**	**14,772.90**	**8,560.57**

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit before tax for the year ended 31st March, 2017 would decrease/increase by ₹ 34.80 crore (for the year ended 31st March, 2016: decrease/increase by ₹ 10.69 crore). This is mainly attributable to the group's exposure to interest rates on its variable rate borrowings.

Credit risk management

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the group. The group has adopted a policy of only dealing with credit worthy counter parties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The group's exposure and the credit ratings of its counter parties are continuously monitored. (Refer note 34)

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

3) Unhedged Currency Risk position

Particulars	Foreign Currency	Foreign currency equivalent			₹ crore		
		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Secured Loan	USD	6,244,368	7,285,096	8,325,824	40.49	48.32	52.11
Interest accrued but not due on secured loan	USD	63711	70,514	71,328	0.41	0.47	0.45
Interest accrued but not due on buyer's credit	USD	-	-	284,891	-	-	1.78
Trade payable	USD	3,484,694	741,357	608,547	22.60	4.92	3.81
Advance to vendors	USD	20,053	1,021,021	104,041	0.13	6.78	0.65
Advance to vendors	EURO	-	1,248	28,727	-	0.01	0.19
Advance to vendors	ZAR	-	-	617,999	-	-	0.33
Advance to vendors	GBP	-	175	-	-	* 0.00	-

* Less than ₹ 1 lakh

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4) Liquidity risk management

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

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

₹ crore

Particulars	< 1 year	1-5 years	> 5 years	Total
Non-current liabilities				
Borrowings	-	5,738.54	7,387.38	13,125.92
Lease and other Deposits	-	0.12	0.45	0.56
Total non-current liabilities	**-**	**5,738.66**	**7,387.83**	**13,126.49**
Current Liabilities				
Borrowings	8.67	-	-	8.67
Foreign currency forward contracts	71.80	-	-	71.80
Trade payables	587.72	-	-	587.72
Acceptances	1,531.00	-	-	1,531.00
Current maturities of long-term debt	1,214.68	-	-	1,214.68
Security Deposits	0.12	-	-	0.12
Payable for capital supplies/services	174.73	-	-	174.73
Interest accrued	26.90			26.90
Unpaid dividends	0.95	-	-	0.95
Revenue adjustments due to tariff order	227.25			227.25
Contingent consideration payable on business combination	565.70			565.70
Total Current liabilities	**4,409.51**	**-**	**-**	**4,409.51**
Total Financial Liabilities	**4,409.51**	**5,738.66**	**7,387.83**	**17,536.00**

- The Group has hypothecated part of its trade receivables, loans, short term investments and cash and cash equivalents in order to fulfil certain collateral requirements for the banking facilities extended to the Group. There is obligation to release the hypothecation on these securities to the group once these banking facilities are surrendered. (Refer note 15)
- The amount of guarantees given on behalf of other parties included in Note 49 represents the maximum amount the group could be forced to settle for the full guaranteed amount. Based on the expectation at the end of the reporting period, the group considers that it is more likely than not that such an amount will not be payable under the arrangement.

5) Foreign Currency Risk Sensitivity

A change of 5% in Foreign currency would have following impact in profit before tax

₹ crore

Particulars	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
	5% increase	5% decrease	5% increase	5% decrease
USD	13.90	(13.90)	15.09	(15.09)

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6) Market Risk - Price Risk

The group's exposure to equity price risk arises from investments held by the group and classified in the balance sheet at fair value through OCI.

The table below summarizes the impact of increases / decreases of the BSE India on the group's equity and gain/(loss) for the period. The analysis is based on the assumption that the index has increased / decreased by 5% with all other variables held constant, and that the group's equity instruments moved in line with the index.

Impact on Profit before tax

₹ crore

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
BSE Sensex 30 - Increase 5%	65.91	44.94
BSE Sensex 30 - decrease 5%	(65.91)	(44.94)

7) Fuel Prices risk management

The group is currently using imported coal from countries like Indonesia, South Africa, and Australia, among others. The interruption in the supply of coal due to regulatory changes, weather conditions in the sourcing country, strike by mine workers and closure of mines due to force majeure may impact the availability and/or cost of coal.

The group regularly broadens the sources (countries/ vendors) and maintains optimum fuel mix and stock level. The group further applies prudent hedging strategies to mitigate the risk of foreign exchange fluctuations.

8) Power Offtake risk management

With supply outpacing demand in the medium term, merchant tariffs have been under constant pressure, posing a severe challenge to the off take of merchant power. With the DISCOMS adhering to strict fiscal discipline there has been deferment of power procurement, resulting in reduced demand for power. In States like Maharashtra, the high cross subsidy surcharge has served as a big deterrent to the direct sale of power to industrial consumers. Transmission corridor related bottlenecks, especially pertaining to sales to the power deficit southern region has also served as a major dampener.

The group's focus is on enhancing the sale through long term PPAs and through captive route and ensuring an optimum mix of medium, short and long term arrangements. Further, the group is tracking various opportunities for sale of power to utilities in the home states as well as others.

Notes No. 34: Trade Receivables

The average credit period allowed to customers is in the range of 30-45 days.

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

Trade receivables disclosed include amounts (see below for aged analysis) that are past due at the end of the reporting period for which the group has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable.

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Allowances, if any, for doubtful debts are recognised against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position. In determining the allowances for doubtful trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

Age of receivables (net of provisions):

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Within the credit period	771.65	1,389.49	998.21
1-30 days past due	212.27	408.96	21.92
31-60 days past due	179.69	280.68	13.16
61-90 days past due	56.63	255.52	13.39
91-180 days past due	57.04	130.82	31.57
181-365 days past due	411.22	110.99	0.72
More than one year			
1 year to 2 years	243.23	264.92	48.74
2 years to 3 years	164.68	16.44	-
More than 3 years	86.34	48.53	44.58
Total borrowings	**2,182.75**	**2,906.34**	**1,172.29**

1] (a) The Parent Company was supplying power to Karnataka Power Transmission Corporation Limited (KPTCL) on the basis of the rate approved by Government of Karnataka, which was incorporated in the Power Purchase Agreement (PPA), dated 27th November, 2000. On the application by KPTCL to Karnataka Electricity Regulatory Commission (KERC) for approval of PPA, KERC had passed Order in July, 2002 reducing the tariff retrospectively from 1st August, 2000. The Parent Company's appeal against the said Order has been decided in favour of the Parent Company by the Honourable Karnataka High Court vide its Order dated 8th April, 2004. KPTCL and KERC filed Special Leave Petition before the Honourable Supreme Court challenging the Order of Honourable Karnataka High Court. As against the outstanding amount of ₹ 105.35 crore, in terms of the interim order dated 23rd January, 2007 of Honourable Supreme Court, KPTCL paid ₹100.00 crore against bank guarantee provided by the Parent Company. The balance amount of ₹ 5.35 crore (Previous Year ₹ 5.35 crore) due from KPTCL is included in Trade Receivables and considered as good and recoverable.

(b) Maharashtra State Electricity Distribution Company Limited (MSEDCL) unilaterally deducted ₹ 16.44 crore, towards import of power, from the receivables of power supplies made by the Parent Company, which is not in accordance with the provisions of Power Purchase Agreement. The Parent Company has not accepted the claims of MSEDCL and filed a petition with Maharashtra Electricity Regulatory Commission (MERC). The case is pending with the MERC for adjudication. The trade receivables are considered good and hence no provision for doubtful debt is considered by the Parent Company.

2] (a) RWPL is reasonably certain about realisation of ₹ 39.21 crore receivable from Rajasthan DISCOMS on account of Fuel Price Adjustment on the basis of the Dispute Resolution Petition filed u/s 86(1)(f) on 28th March, 2013 with the Rajasthan Electricity Regulatory Commission (RERC) as the issues which are in dispute with the Discoms raised in the above petition has been decided in favour of Company by RERC vide order dated 24th Feb, 2016 and order dated 19th May, 2016 passed in Petition no 464 of 2014 and Petition no 383 of 2013 respectively.

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(b) RWPL is reasonably certain about realisation of ₹ 33.67 crore for the FY 2014-15 from Rajasthan Discoms on account of Change in law due to increase in clean energy cess on lignite on the basis of the favourable order dated 29th April, 2016 received from Appellate Tribunal of Electricity and consequential order dated 29th June, 2016 received from RERC.

(c) RWPL is also reasonably certain about realisation of ₹ 14.32 Crore for the FY 2015-16 from Rajasthan Discoms on account of Change in law due to increase in clean energy cess and rate of VAT on lignite on the basis of the favourable order dated 10th December, 2015 received from Appellate Tribunal of Electricity.

(d) Further, RWPL is also reasonably certain about realisation of ₹ 4.58 crore and ₹ 19.38 crore for the FY 2014-15 & FY 2015-16 respectively from Rajasthan Discoms on account of Change in law due to impositions of new levies towards District Mineral Foundation Trust (DMFT) & National Mineral Exploration Trust (NMET); and consequential increase in allied taxes on the basis of the provisions made in PPA with respect to "change in law" and Hon'ble APTEL judgement dated 10th December, 2015 wherein Hon'ble Tribunal have adjudicated that BLMCL has to be compensated for any increase in the statutory levies.

3] Claims have been raised against the JSWPTC by PCKL & its subsidiaries (Discoms) in respect of the sale of power JSWPTC to Discoms during the period from 16th September, 2015 to 31st May, 2016 towards:

(a) Reduction in tariff from the original contracted rate of Rs 5.08 per Kwh as fixed by the Government of Karnataka under section 11(a) of the Electricity Act, 2003 (Act) to ₹ 4.67 per Kwh determined by KERC under section 11(b) of the Act, the said rate differential aggregating a sum of ₹ 43.13 crore.

(b) Payment of compensation of amount of ₹ 90.19 crore being claimed by Discoms as receivable by JSWPTC from Telangana & Andhra Pradesh Discoms for lesser take off contracted quantum of power by the said Telangana & Andhra Pradesh Discoms for aforesaid period.

The above claims have been adjusted by the Discoms against the amount owed by them to JSWPTC towards sale of power by JSWPTC.

JSWPTC has disputed said order of KERC reducing the tariff & has filed an appeal before the Appellate Tribunal (APTEL) in this behalf. APTEL has since stayed the order of tariff reduction by KERC & the matter is presently pending adjudication. The Discoms claim of ₹ 90.19 crore also has been disputed by JSWPTC, the same being untenable under law. JSWPTC is confident of the pending appeal before APTEL being decided in its favour & that no compensation as claimed is at all payable. Accordingly, no provision in the accounts for the aforesaid claims of Discoms has been considered necessary and the amount of ₹ 133.32 crore due from Discoms is included in Trade receivables and considered as good and recoverable.

Notes No. 35: Finance lease receivables

The Group has entered into a power purchase agreement ("PPA") on 23rd February, 2010 with Maharashtra State Electricity Distribution Company Limited for it's Ratnagiri (SBU III) power plant unit of 300 MW. Such contract is for a term of 25 years from the date of commercial operation of the said unit. In respect of the said unit, entire capacity is tied up with the tariff which consists of capacity and energy charges. The Group is entitled to get the capacity charges after meeting the availability criterion as mentioned in the PPA. Such lease is denominated in Indian Rupees.

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Amounts receivable under finance leases:

₹ crore

Particulars	Minimum lease payments			Present value of minimum lease payments		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Not later than one year	110.99	121.73	125.12	107.52	117.93	120.63
Later than one year and not later than five years	384.25	403.09	430.02	322.60	339.02	362.40
Later than five years	1,157.65	1,249.79	1,344.59	602.99	634.98	667.06
Total MLP	**1,652.88**	**1,774.61**	**1,899.73**	**1,033.11**	**1,091.93**	**1,150.09**
Less: unearned finance income	619.77	682.68	749.64	-	-	-
Lease Receivable	**1,033.11**	**1,091.93**	**1,150.09**	**1,033.11**	**1,091.93**	**1,150.09**

Unguaranteed residual values of assets leased under finance leases at the end of the reporting period are estimated at ₹ 150.39 crore (as at 31st March, 2016: ₹ 150.39 crore ; as at 1st April, 2015: ₹ 150.39 crore).

The interest rate inherent in the leases is determined at the contract date for the entire lease term. The average effective interest rate contracted is approximately 5.91% per annum (as at 31st March, 2016: 5.91% per annum; as at 1st April, 2015: 5.91% per annum).

Notes No. 36: Service concession arrangement

The Group has entered into an arrangement with Himachal Pradesh State Electricity Board ("HPSEB" or "the Board") in relation to it's 300 MW Baspa Hydro Power Plant ("Baspa Power Plant") to provide power supply on the following basis:

- 12% of the Baspa Power Plant capacity to be provided free of cost to HPSEB.

- Balance 88 % of the Baspa Power Plant capacity at the tariff which consists of capacity charges, primary energy charges, incentive of secondary energy, incentive in case plant availability is greater than 90%

The term of the arrangement is for 40 years, further extendable by 20 years. In case HPSEB grants the Company further extension of 20 years, it shall have the right to continue purchasing power from the projects on the same terms of conditions. The Board has the option to purchase the Project at the end of the term of the Agreement at the buyout price determined in terms of Schedule II to the Agreement. Clause 3(a) of Schedule II to the Agreement provides that the Board shall purchase all the assets of the Baspa Power Plant including land, buildings, civil structures, plant and equipment, spare parts, records and drawings except for cash and bank balances.

Based on the aforesaid tariff structure, the right to consideration gives rise to an intangible asset and financial asset receivable and accordingly, both the intangible asset and financial asset receivable models are applied.

On the acquisition date, the hydro business reclassified PP&E of ₹1,366.56 crore and advance against depreciation of ₹ 236.23 crore at the existing carrying value to the financial asset of ₹ 199.58 crore and intangible asset of ₹ 930.75 crore. In respect of capital expenditure incurred during financial year 2015-2016, the hydro business has derecognized the PP&E and recognized financial assets and intangible assets in line with the accounting policy on SCA.

The depreciation of ₹ 28.92 crore on PP&E under previous GAAP has been reversed as the financial assets and intangible assets are recognized under Ind AS. Further the amortization of ₹ 19.39 crore on intangible assets have been provided and the financial assets are carried at amortised cost by accretion of interest income of ₹ 13.50 crore at effective interest rate and reversal of revenue from sale of power of ₹ 48.89 crore during the the year ended 31st March, 2016.

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Note No. 37 - Non-controlling interests:

₹ crore

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Balance at beginning of year	1.40	47.64
Share of profit/(Loss) for the year	(6.52)	12.90
Distribution of Proposed dividend and DDT	(7.88)	(12.94)
Changes in interest of step down subsidiaries	15.37	(46.20)
Balance at end of year	**2.37**	**1.40**

Details of non-wholly owned subsidiaries that have non-controlling interests

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

₹ crore

Name of subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		Profit (loss) allocated to non-controlling interests		Accumulated non-controlling interests	
		As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2017	As at 31st March, 2016
Jaigad PowerTransco Limited	India	26%	26%	7.30	13.27	59.14	59.73
South Africa Coal Mining Holdings (Pty) Limited	South Africa	30.56%	32.73%	(13.82)	(0.37)	(56.43)	(58.33)
Minerals & Energy Swaziland Propriety Limited	Swaziland	51%	Nil	-	-	(0.34)	-
Total				**(6.52)**	**12.90**	**2.37**	**1.40**

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

₹ crore

Jaigad PowerTransco Limited	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Non-current assets	391.36	423.34	451.08
Current assets	94.61	77.71	75.91
Non-current liabilities	216.34	246.49	276.33
Current liabilities	42.15	38.60	38.72
Equity attributable to owners of the Company	168.33	156.23	156.83
Non-controlling interests	59.14	59.73	55.10

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₹ crore

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Revenue	98.65	131.45
Expenses	62.91	66.49
Profit for the year	28.07	51.02
Profit attributable to owners of the Company	20.77	37.75
Profit attributable to the non-controlling interests	7.30	13.27
Profit for the year	28.07	51.02
Other comprehensive income attributable to owners of the Company	(0.01)	*(0.00)
Other comprehensive income attributable to the non-controlling interests	*(0.00)	*(0.00)
Other comprehensive income for the year	(0.01)	*(0.00)
Total comprehensive income attributable to owners of the Company	20.76	37.75
Total comprehensive income attributable to the non-controlling interests	7.30	13.26
Total comprehensive income for the year	28.06	51.02
Dividends paid to non-controlling interests	3.58	10.15

₹ crore

South Africa Coal Mining Holdings (Pty) Limited	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Non-current assets	136.02	133.51	158.13
Current assets	7.07	2.12	1.44
Non-current liabilities	322.17	310.08	321.10
Current liabilities	5.57	3.76	2.48
Equity attributable to owners of the Company	(128.22)	(119.88)	(152.97)
Non-controlling interests	(56.43)	(58.33)	(11.04)

₹ crore

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Revenue	16.31	8.66
Expenses	53.38	44.89
Loss for the year	(45.21)	(1.13)
Loss attributable to owners of the Company	(31.40)	(0.76)
Loss attributable to the non-controlling interests	(13.82)	(0.37)
Loss for the year	(45.21)	(1.13)
Other comprehensive income attributable to owners of the Company	-	-
Other comprehensive income attributable to the non-controlling interests	-	-
Other comprehensive income for the year	-	-
Total comprehensive income attributable to owners of the Company	(31.40)	(0.76)
Total comprehensive income attributable to the non-controlling interests	(13.82)	(0.37)
Total comprehensive income for the year	(45.21)	(1.13)
Dividends paid to non-controlling interests	-	-

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For The Year Ended 31st March, 2017

₹ crore

Minerals & Energy Swaziland Proprietary Limited	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Non-current assets	9.10	-	-
Current assets	*(0.00)	-	-
Non-current liabilities	9.78	-	-
Current liabilities	0.03	-	-
Equity attributable to owners of the Company	(0.36)	-	-
Non-controlling interests	(0.34)	-	-

₹ crore

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Revenue	-	-
Expenses	*0.00	-
Profit (loss) for the year	*(0.00)	-
Profit (loss) attributable to owners of the Company	*(0.00)	-
Profit (loss) attributable to the non-controlling interests	*(0.00)	-
Profit (loss) for the year	*(0.00)	-
Other comprehensive income attributable to owners of the Company	-	-
Other comprehensive income attributable to the non-controlling interests	-	-
Other comprehensive income for the year	-	-
Total comprehensive income attributable to owners of the Company	*(0.00)	-
Total comprehensive income attributable to the non-controlling interests	*(0.00)	-
Total comprehensive income for the year	*(0.00)	-
Dividends paid to non-controlling interests	-	-

* Less than ₹ 1 lakh

Note No. 38 - Provision for decommissioning and environmental rehabilitation:

₹ crore

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Opening Balance	20.81	22.92
Additional provisions recognised	3.44	1.02
Exchange rate fluctuation effect	1.50	(3.13)
Closing Balance	25.75	20.81

The provision for mine restoration, decommissioning and environmental rehabilitation represents the present value of the management's best estimate of the future outflow of economic benefits that will be required under the Group's obligations under local legislation. The estimate has been made on the basis of historical trends and may vary as a result of future escalation of labour and overhead costs.

Note No. 39 - Deferred tax balances:

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

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Deferred tax assets	31.20	30.72	33.04
Deferred tax liabilities	(945.13)	(733.50)	(538.09)
Recoverable in Future Tariff	333.85	268.72	170.96
	(580.08)	**(434.06)**	**(334.09)**

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

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

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Deferred tax in relation to :			
Tax losses (revenue in nature)	*0.00	0.02	2.32
Property Plant & Equipment	(453.85)	(212.48)	(479.74)
Intangible assets	(454.84)	(481.10)	(32.42)
Investment	(36.45)	(39.97)	(25.68)
Provision for diminution in assets	30.47	30.47	30.47
Others	0.74	0.29	-
Recoverable in future tariff	333.85	268.72	170.96
Deferred Tax Liabilities	**(580.08)**	**(434.06)**	**(334.09)**

* Less than ₹ 1 lakh

Note No. 40 - Income tax:

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

₹ crore

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Profit before tax (Excluding share of gain/(loss) of an associate or joint venture)	887.46	2,058.87
Enacted tax rate	34.608%	34.608%
Income tax expense	**307.13**	**712.53**
Tax effect due to exempt income	(5.26)	(12.61)
Tax effect due to tax holiday	(71.15)	(269.44)
Effect of non deductible expenses	6.39	71.82
Effect of tax payable under MAT	20.09	183.55
Tax impact for reduction in tax holiday period	71.87	-
Effect of set off unused tax losses not recognised as deferred tax earlier	-	(5.17)
Effect of differential tax rate -foreign	5.16	7.19
Effect of differential tax rate -domestic	-	(33.92)
Others	(0.10)	0.06
Recoverable in future tariff	(65.13)	(97.76)
	(38.12)	**(156.27)**
Income tax expense recognised in profit or loss	**269.01**	**556.26**

Note No. 41 - Operating segment:

The Joint Managing Director & Chief Executive Officer of the group has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the group's performance and allocates resources based on an analysis of various performance indicators, however the group is primarily engaged in only one segment viz., "Generation and Sale of power" and that most of the operations are in India. Hence the group does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

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Note No. 42 - Earnings per share (Basic and Diluted):

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Profit attributable to equity holders of the parent company ₹ crore [A]	629.03	1,447.36
Weighted average number of Equity shares for basic & diluted EPS [B] (net of treasury shares)	1,627,953,191	1,626,786,122
Earnings Per Share - Basic & Diluted [₹] - [A/B]	3.86	8.90
Nominal value of an equity share [₹]	10	10

Note No. 43 - Employee benefit plans:

Defined contribution plans:

The group has certain defined contribution plans in which both employee and employer contribute monthly at the rate of 12% of basic salary as per regulations to provident fund set up as trust and to the respective regional provident fund commissioner. The group which contributes to the provident fund set up as a trust are liable for future provident fund benefits to the extent of its annual contribution and any shortfall in fund assets based on government specified minimum rates of return relating to current period service and recognises such contributions and any shortfall, if any, as an expense for the year incurred.

Defined benefits plans:

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

The group has a policy on compensated absences with provisions on accumulation and encashment by the employees during employment or on separation from the group due to death, retirement or resignation. The expected cost of compensated absences is determined by actuarial valuation performed by an independent actuary at the balance sheet date using projected unit credit method.

The plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

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

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31st March, 2017 by M/S K. A. Pandit Consultants & Actuaries. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

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

₹ crore

Particulars	Amount
Defined benefit obligation at 1st April, 2015	**11.50**
Interest cost	0.86
Current service cost	2.02
Benefits paid	(0.71)
Actuarial (Gains)/Loss	1.34
Defined benefit obligation at 31st March, 2016	**15.01**
Interest cost	1.21
Current service cost	2.09
Benefits paid	(0.90)
Actuarial (Gains)/Loss	1.33
Defined benefit obligation at 31st March, 2017	**18.73**

Changes in the defined benefit obligation and fair value of plan assets as at 31st March 2017:

₹ crore

Particulars		Defined Benefit Obligation	Fair Value of Plan assets	Benefit Liability
	Opening Balance as on 1st April, 2016	**15.01**	**1.32**	**13.68**
Gratuity cost charged to Consolidated Statement of Profit and Loss	Service cost	2.09	-	2.09
	Net interest expense	1.21	0.11	1.10
	Sub-total included in Consolidated Statement of Profit and Loss	**3.30**	**0.11**	**3.19**
	Benefits paid	(0.90)	(0.90)	-
Remeasurement gains/(losses) in other comprehensive income	Return on plan assets (excluding amounts included in net interest expense)	-	0.03	(0.03)
	Actuarial changes arising from changes in financial assumptions	1.07	-	1.07
	Experience adjustments	0.25	-	0.25
	Sub-total included in OCI	**1.33**	**0.03**	**1.29**
	Contributions by employer	-	3.67	(3.67)
	Closing Balance as on 31st March, 2017	**18.73**	**4.23**	**14.50**

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Changes in the defined benefit obligation and fair value of plan assets as at 31st March, 2016:

₹ crore

Particulars		Defined Benefit Obligation	Fair Value of Plan assets	Benefit Liability
	Opening Balance as on 1st April, 2015	**11.50**	**1.88**	**9.63**
Gratuity cost charged to Consolidated Statement of Profit and Loss	Service cost	2.02	-	2.02
	Net interest expense	0.86	0.15	0.71
	Sub-total included in Consolidated Statement of Profit and Loss	**2.88**	**0.15**	**2.73**
	Benefits paid	(0.71)	(0.71)	-
Remeasurement gains/(losses) in other comprehensive income	Return on plan assets (excluding amounts included in net interest expense)	-	0.01	(0.01)
	Actuarial changes arising from changes in financial assumptions	(0.06)	-	(0.06)
	Experience adjustments	1.40	-	1.40
	Sub-total included in OCI	**1.34**	**0.01**	**1.32**
	Contributions by employer	-	-	-
	Closing Balance as on 31st March, 2016	**15.01**	**1.32**	**13.68**

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

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Insurer Managed Funds	100%	100%	100%

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

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	%	%	%
Discount rate:	7.49%	8.05%	7.96%
Future salary increases:	6%	6%	6%
Rate of Employee Turnover	2%	2%	2%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:

Particulars	As at 31st March, 2017	As at 31st March, 2016
Delta Effect of +1% Change in Rate of Discounting	(1.82)	(1.44)
Delta Effect of -1% Change in Rate of Discounting	2.16	1.70
Delta Effect of +1% Change in Rate of Salary Increase	2.17	1.72
Delta Effect of -1% Change in Rate of Salary Increase	(1.86)	(1.48)
Delta Effect of +1% Change in Rate of Employee Turnover	0.26	0.28
Delta Effect of -1% Change in Rate of Employee Turnover	(0.29)	(0.33)

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The following are the maturity analysis of projected benefit obligations:

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016
Within the next 12 months (next annual reporting period)	0.87	0.65
Between 2 and 5 years	3.70	3.20
Between 5 and 10 years	7.84	6.99
Total expected payments	**12.41**	**10.84**

Note No. 44 - Share-based payments

The Group has the stock option plan schemes for permanent employees of the group in the identified grades of employees for respective plans / schemes including any director except promoter or independent directors, nominee directors and non-executive directors or a director who either himself or through relatives or through anybody directly or indirectly holds more than 10% of the outstanding equity shares of the parent company.

A) For Normal Options - 'JSWEL EMPLOYEES STOCK OWNERSHIP PLAN – 2010' (ESOP Plan)

B) For Mega Options - 'JSWEL EMPLOYEES MEGA STOCK OWNERSHIP SCHEME – 2012' (ESOS Plan)

C) For Normal Options - 'JSWEL EMPLOYEES STOCK OWNERSHIP PLAN - 2016' (ESOP Plan)

The award value shall be determined as percentage of Total Fixed Pay. The grant shall be at such price as may be determined by the ESOP Committee and shall be specified in the Grant letter. The option shall not be transferable and can be exercised only by the employees of the Group.

The number of options to be granted to each eligible employees is determined by dividing the Award Value (amount equivalent to percentage of Annual Fix Pay) by the Fair Value of option provided. The Fair Value of option on the date of each grant is determined by using Black Scholes model.

The following table illustrates the number movements in share options during the year:

JSWEL EMPLOYEES STOCK OWNERSHIP PLAN - 2010 (Grant Date: 8th November, 2011)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Outstanding at 1st April	2,425,163	2,669,894
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	465,505	244,731
Expired during the year	1,270	-
Outstanding at 31st March	1,958,388	2,425,163
Exercisable at 31st March	1,958,388	2,425,163

JSWEL EMPLOYEES STOCK OWNERSHIP PLAN - 2012 (Grant Date: 31st October, 2012)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Outstanding at 1st April	4,174,635	4,485,546
Granted during the year	-	-
Forfeited during the year	-	87,814
Exercised during the year	455,107	223,097
Expired during the year	57,838	-
Outstanding at 31st March	3,661,690	4,174,635
Exercisable at 31st March	3,661,690	4,174,635

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

JSWEL EMPLOYEES STOCK OWNERSHIP PLAN - 2012 (Grant Date: 4th October, 2012)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Outstanding at 1st April	5,586,107	6,197,514
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	246,457	611,407
Expired during the year	53,197	-
Outstanding at 31st March	5,286,453	5,586,107
Exercisable at 31st March	5,286,453	5,586,107

JSWEL EMPLOYEES STOCK OWNERSHIP PLAN - 2012 (Grant Date: 3rd May, 2016)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Outstanding at 1st April	-	-
Granted during the year	2,447,355	-
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at 31st March	2,447,355	-
Exercisable at 31st March	2,447,355	-

The method of settlement for above grants are as below:

Particulars	Grant Date			
	8th November, 2011	31st October, 2012	4th October, 2012	3rd May, 2016
Vesting Period	3 Years	3 Years	1 Year	3/4 Years
Method of Settlement	Equity	Equity	Equity	Equity
Exercise Price (₹)	52.35	60.90	65.00	53.68
Fair Value (₹)	20.39	24.17	19.43	30.78
Dividend yield (%)	10.00%	5.00%	5.00%	20.00%
Expected volatility (%)	34.85%	39.65%	39.98%	46.32%/44.03%
Risk-free interest rate (%)	8.86%	8.09%	8.13%	7.40%/7.47%
Expected life of share options (years)	5	3	3	5/6 years
Weighted average exercise price (₹)	52.35	60.90	65.00	53.68
Pricing Formula	Exercise Price determined based on closing market price on the day prior to the Compensation Committee meeting on that exchange where higher shares are traded			Exercise Price determined at ₹ 53.68 (Rupees Fifty Three and Sixty Eight paise only) per share, was at a discount of 20% to the closing market price of Parent Company's share i.e. ₹ 67.10/- at the close of 2nd May, 2016 at Exchange having highest trading volume.

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

Particulars	Grant Date			
	8th November, 2011	31st October, 2012	4th October, 2012	3rd May, 2016
Expected Option Life	The expected option life is assumed to be mid-way between the option vesting period and contractual term of the option			The expected option life is assumed to be mid-way between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The Expected option life is calculated as (Year to Vesting + Contractual Option term) /2.
Expected Volatility	Volatility was calculated using standard deviation of daily change in stock price.			Volatility was calculated using standard deviation of daily change in stock price. The historical period considered for volatility match the expected life of the option.
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	The following factors have been considered: (a) Share price (b) Exercise prices (c) Historical volatility (d) Expected option life (e) Dividend Yield			
Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.				
Model used	Black-Scholes Method			

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

Note No. 45 - Business Combination:

During the year ended 31st March, 2016, the group has acquired 100% stake in Himachal Baspa Power Company Limited (HBPCL), an unlisted company, which has (i) 300 MW Baspa II and (ii) 1091 MW Karcham Wangtoo hydroelectric projects both located at Himachal Pradesh from Jaiprakash Power Ventures Limited (JPVL). Consequently, HBPCL has become a 100% subsidiary of the Company effective 8th September, 2015.

The said hydro business acquisition is strategic in nature as it provides the group with the benefit of a diversified portfolio in hydro power business. The acquisition has been accounted by applying the acquisition method and accordingly the underlying assets, liabilities, equity, income, expenses and cash flows of HBPCL have been combined after giving effect to necessary adjustments in the Consolidated Financial Statements.

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

The fair values of the identifiable assets acquired and liabilities recognised as at the date of acquisition were:

₹ crore

Particulars	Fair value recognised on acquisition
Assets	
Property, plant and equipment	8,917.70
Cash and cash equivalents	159.10
Trade receivables	476.69
Inventories	31.32
Other current assets	287.84
Other non-current assets	5.18
	9,877.83
Liabilities	
Trade payables	53.58
Other current liabilities	142.15
Borrowings	5,928.74
	6,124.47
Total identifiable net assets at fair value	**3,753.36**
Contingent consideration	636.50
Net identifiable assets transferred in business combination	**4,389.86**
Purchase consideration discharged:	
Equity shares [1,25,00,50,000 of ₹ 10 each]	1,889.86
13% Redeemable non-convertible debentures [25,00,00,000 of ₹ 100 each]	2,500.00
Total consideration	**4,389.86**
Transaction costs of the acquisition has been recognised as an expense in "legal and other professional charges" in the consolidated statement of profit and loss	8.61
Net cash acquired with the subsidiary	159.10

At the date of acquisition, the fair value and carrying value of the trade receivables was ₹ 476.69 crore

Contingent consideration

As per the terms of Securities Purchase Agreement, contingent consideration aggregating to ₹ 636.50 crore is payable to JPVL, towards trade receivables, entry tax and differential project cost. There will be probable cash outflows on account of this contingent upon happening of certain future events.

As per the terms of Securities Purchase Agreement, an additional consideration of ₹ 300 crore shall be payable to JPVL upon receipt of certain additional consents and approvals related to the installed capacity of 1,091 MW Karcham Wangtoo HEP on or before 6th September, 2020.

Impact of acquisition on the results of the Group:

Revenue of ₹ 744.84 crore and loss before tax of ₹ 27.32 crore attributable to the hydro business acquired during FY 2015-16 has been considered in the consolidated statement of profit and loss for the year ended 31st March, 2016.

Had these business combinations been effected at 1st April, 2015, the revenue of the hydro business would have been ₹ 1,685.21 crore, and the profit before tax for the year would have been ₹ 481.25 crore.

Accordingly, figures of previous year are not comparable with those of current year.

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

Note No. 46 - Operating Lease:

The Group, as a lessee, has entered into operating leases on certain for right to use office premises, Building, Guest Houses. The group has paid ₹ 4.17 crore (31st March, 2016: ₹ 3.63 crore) during the year towards minimum lease payment.

Future minimum rentals payable under non-cancellable operating leases as follows:

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Within one year	2.36	1.99	2.66
After one year but not more than five years	0.32	2.05	3.40
More than five years	-	-	-
Total	**2.68**	**4.04**	**6.06**

Note No. 47 - Details of Corporate Social Responsibility (CSR) Expenditure:

₹ crore

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Amount required to be spent as per Section 135 of the Act	32.75	28.71
Amount spend during the year on:		
(i) Construction / acquisition of an asset	6.32	7.72
(ii) On purpose other than (i) above	26.00	21.04
Total	**32.33**	**28.75**

Note No. 48 - Commitments:

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Commitments to contribute funds for the acquisition of property, plant and equipment (net of advances)	94.39	320.52	194.79
	94.39	**320.52**	**194.79**

1] Pursuant to the binding memorandum of understanding entered by the parent company with JPVL on 7th September, 2015 for acquisition of the 500 MW (2x250MW) thermal power plant located at Bina, District Sagar in the state of Madhya Pradesh, the parent company has subsequently entered into a definitive agreement on 18th July, 2016 for the same. As on 31st March, 2017, a corporate guarantee of ₹ 1,000 crore as provided by the parent company is outstanding against this transaction.

2] On 3rd May, 2016, the parent company has entered into a definitive agreement to acquire the 1,000 MW (4x250 MW) thermal power plant located at Village Tamnar, District Raigarh in the state of Chattisgarh from Jindal Steel and Power Limited (JSPL). The transaction contemplates payment of an interest bearing advance of ₹ 500 crore against which an amount of ₹ 373 crore is disbursed and outstanding as on 31st March, 2017.

The Group's share of the capital commitments made jointly with other joint venturers relating to its joint venture (BLMCL) is as follows:

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Commitments to contribute funds for the acquisition of property, plant and equipment (net of advances)	0.25	1.18	3.76
The group's share in the commitment.	0.12	0.58	1.84

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

Note No. 49 - Contingent liabilities:

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a) Claims against the Group not acknowledged as debt [a, b]	153.61	128.08	1.24
(b) Guarantees excluding financial guarantees #	1,202.29	1,305.15	1,330.23
(c) Other money for which the company is contingently liable			
- Disputed Income Tax matters (including interest up to the date of demand, if any)	4.77	4.72	112.34
- Other disputed taxes / duties(Including penalty levied and interest up to the date of demand, if any) [c]	428.01	400.23	258.12
	1,921.98	**1,838.18**	**1,701.93**

a) Includes ₹ 21.37 crore (as at 31st March, 2016 ₹ Nil, as at 1st April, 2015 ₹ Nil) refund claimed by Maharashtra State Electricity Distribution Company Limited (MSEDCL), towards incentive received for early commissioning of plant.

b) Includes ₹ 127.84 crore (as at 31st March, 2016 ₹ 127.84 crore, as at 1st April, 2015 ₹ Nil) survey and investigation expenses claimed by Himachal Pradesh State Electricity Board (HPSEB), reimbursable from other parties

c) includes ₹ 97.48 crore (as at 31st March, 2016 ₹ 69.71 crore, as at 1st April,2015 ₹ 67.30 crore) related to Electricity tax, reimbursable from other parties.

The group's pending litigations comprise mainly claims against the Group, property disputes, tariff disputes, proceedings pending with Tax and other Authorities. The group has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its consolidated financial statements. The group does not reasonably expect the outcome of these proceedings to have a material impact on its consolidated financial statements. (Also Refer note 34)

Corporate Guarantees given by the Group as at 31st March, 2017

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Corporate Guarantees given @ :			
South West Mining Limited (SWML)	96.34	155.10	213.85
Jaiprakash Power Ventures Limited (JPVL)_	1,000.00	1,000.00	1,000.00

@ All the Corporate Guarantees have been given for business purposes.

The Group's share of the contingent liabilities relating to its joint venture (BLMCL) is as follows:

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Contingent liabilities of the joint venture	282.37	185.79	54.80
The group's share in the contingent liability	138.36	91.04	26.85

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

The Group's share of the contingent liabilities relating to its associate, Toshiba JSW Power Systems Private Limited (TJPSPL) is as follows:

₹ crore

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Contingent liabilities of an associate	15.33	9.99	3.63
The group's share in the contingent liability*	3.45	2.25	0.82

* As per the terms of the agreement, the Group's share in the gain / (loss) of TJPSPL is limited to its share in its equity.

Note No. 50 - Related Party Disclosures:

A) List of Related Parties

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

I	**Enterprises over which key management personnel and relatives of such personnel exercise significant influence**
1	JSW Steel Limited
2	JSoft Solutions Limited
3	JSW Cement Limited
4	JSW Realty & Infrastructure Private Limited
5	JSW Jaigarh Port Limited
6	JSW Infrastructure Limited
7	Windsor Residency Private Limited
8	South West Port Limited
9	South West Mining Limited
10	JSW Green Private Limited
11	JSW Foundation
12	Jindal Vidya Mandir
13	Amba River Coke Limited
14	JSW International Trade Corp Pte Limited
15	JSW Steel Coated Products Limited
16	Jindal Saw Limited
17	JSW Global Business Solutions Limited
18	Jindal Steel & Power Limited
19	Art India Publishing Company Private Limited
20	JSW IP Holdings Private Limited
21	Heal Institute Private Limited
22	Maharashtra State Electricity Transmission Company Limited
23	Rajasthan State Mines & Minerals Limited
24	Jindal Stainless Limited
25	Jindal Stainless (Hisar) Limited
26	Jindal Stainless Steelway Limited
27	Gagan Trading Company Limited
II	**Joint Venture / Associate**
1	Barmer Lignite Mining Company Limited (Joint Venture)
2	MJSJ Coal Limited (Joint Venture)
3	Toshiba JSW Power Systems Private Limited (Associate)
III	**Key Managerial Personnel**
1	Mr. Sajjan Jindal – Chairman & Managing Director
2	Mr. Sanjay Sagar – Jt. Managing Director & CEO
3	Mr. Pramod Menon – Director Finance (Upto 31st January, 2017)
4	Mr. Sampath Madhavan - Company Secretary (Upto 30th July, 2016)

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

5	Mr. Jyoti Kumar Agarwal - Chief Financial Officer (w.e.f. 1st February, 2017)
6	Ms. Monica Chopra – Company Secretary (w.e.f. 23rd January, 2017)
7	Mr. Nirmal Kumar Jain - Non-Executive Non-Independent Director
8	Mr. Chandan Bhattacharya - Independent Director
9	Ms. Sheila Sangwan - Independent Director
10	Ms. Shailaja Chandra - Independent Director
11	Mr. Rakesh Nath - Independent Director (w.e.f. 23rd July, 2015)
12	Mr. Uday Chitale - Independent Director (w.e.f. 22nd July, 2016)

B) Transaction during the year

₹ crore

	Particulars	Current Year	Previous Year
1	**Sale of power / materials**		
	JSW Steel Limited	1,725.16	832.98
	JSW Cement Limited	59.49	21.27
	JSW Steel Coated Products Limited	87.50	73.04
	Amba River Coke Limited	125.65	107.82
	Jindal Saw Limited	-	55.77
2	**Sale of Renewable Energy Certificate**		
	JSW Steel Coated Products Limited	1.83	4.69
	Jindal Saw Limited	-	3.36
	Amba River Coke Limited	3.04	-
	JSW Cement Limited	0.74	-
3	**Interest received on overdue receivables**		
	JSW Steel Limited	-	0.92
	JSW Steel Coated Products Limited	0.04	*0.00
4	**Dividend Received**		
	JSW Steel Limited	5.25	7.70
5	**Rebate on Sale of power**		
	JSW Steel Limited	-	*0.00
	JSW Cement Limited	-	*0.00
6	**Service Received**		
	JSoft Solutions Limited	-	2.69
	JSW Jaigarh Port Limited	169.04	164.17
	South West Mining limited	1.23	2.70
	South West Port Limited	22.20	32.04
	JSW Green Private Limited	0.84	0.84
	Amba River Coke Limited	-	0.43
	Jindal Steel & Power Limited	0.15	0.18
	JSW Global Business Solutions Limited	2.61	*0.00
	Maharashtra State Electricity Transmission Company Limited	0.33	0.36
7	**Service Rendered**		
	JSW Steel Limited	148.08	145.15
	Toshiba JSW Power Systems Private Limited	4.50	4.50
	South West Mining Limited	1.33	1.92
8	**Purchase of Power**		
	JSW Steel Limited	0.33	59.45
9	**Rebate on purchase of Power**		
	JSW Steel Limited	-	0.83
10	**Purchase of Fuel / Goods**		
	JSW Steel Limited	381.44	144.82
	JSW Cement Limited	1.66	2.06
	JSW International Trade Corp Pte Limited	1,866.06	2,532.59
	Barmer Lignite Mining Company Limited	1,158.47	1,052.73
	Jindal Steel & Power Limited	1.42	0.36
	Rajasthan State Mines & minerals Limited	11.37	8.17

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For The Year Ended 31st March, 2017

₹ crore

	Particulars	Current Year	Previous Year
	Jindal Saw Limited	0.44	0.16
	Jindal Stainless Limited	0.08	-
	Jindal Stainless (Hisar) Limited	0.72	-
	Jindal Stainless Steelway Limited	0.01	-
11	**Rent Paid/(received)**		
	JSW Realty & Infrastructure Private Limited	0.53	0.25
	JSW Steel Limited	0.88	0.96
	JSW Jaigarh Port Limited	*(0.00)	*(0.00)
	Gagan Trading Company Limited	1.22	-
12	**Advertisement/Branding expense**		
	Art India Publishing Company Private Limited	0.06	0.08
	JSW IP Holdings Private Limited	7.57	14.05
13	**Security Deposit paid/(refund)**		
	JSW Steel Limited	-	0.33
	JSW IP Holdings Private Limited	1.42	-
	Gagan Trading Company Limited	(0.49)	(0.65)
14	**Reimbursement received from / (paid to)**		
	JSW Steel Limited	49.65	9.52
	Barmer Lignite Mining Company Limited	1.80	1.81
	JSW Cement Limited	1.27	-
	JSW Steel Coated Products Limited	0.37	(0.24)
	JSW Infrastructure Limited	-	0.02
	JSW Jaigarh Port Limited	*0.00	-
	South West Mining Limited	(0.01)	(0.03)
	Jindal Steel & Power limited	-	*0.00
	Jindal Vidya Mandir	(0.31)	-
	JSW Global Business Solutions Limited	0.58	-
15	**Subordinate Loan given**		
	Barmer Lignite Mining Company Limited	55.50	35.85
16	**Interest on subordinate loan given**		
	Barmer Lignite Mining Company Limited	50.98	46.53
17	**Loan given / (Repayment received) (net)**		
	South West Mining Limited	(45.00)	164.90
	JSW Global Business Solutions Limited	2.67	2.18
	Jindal Steel & Power Limited	373.00	-
18	**Interest on Loan given**		
	South West Mining Limited	27.83	21.20
	JSW Global Business Solutions Limited	0.37	0.03
	Jindal Steel & Power Limited	14.61	-
19	**Capital Advance paid / (Refund)**		
	Windsor Residency Private Limited	-	(75.00)
20	**Donations/CSR Expenses**		
	Jindal Vidya Mandir	1.33	0.74
	JSW Foundation	2.90	1.60
	Heal Institute Private Limited	0.14	0.17
21	**Sale of Assets**		
	JSW Jaigarh Port Limited	-	0.04
22	**Security and Collateral Provided to**		
	South West Mining Limited	(58.76)	(58.75)

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

C) Closing Balances

₹ crore

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
1	**Trade and Other (Payables) / Receivables**			
	JSW Steel Limited	226.35	93.68	73.10
	JSW Energy (Bengal) Limited	0.02	0.02	0.02
	JSW Cement Limited	5.11	3.03	2.15
	JSW Jaigarh Port Limited	(36.02)	(34.29)	(7.11)
	JSW International Trade Corp Pte Limited	(114.59)	(301.32)	(129.04)
	Toshiba JSW Power Systems Private Limited	7.08	6.29	4.61
	Barmer Lignite Mining Company Limited	(71.50)	(109.27)	(119.60)
	JSW Foundation	(0.18)	(0.33)	-
	JSW Investments Private Limited	-	-	3.13
	JSW IP Holdings Private Limited	3.53	2.41	-
	Jindal Saw Limited	0.39	2.51	0.82
	Amba River Coke Limited	13.15	9.32	8.58
	South West Mining Limited	(0.13)	(1.08)	(0.15)
	JSW Infrastructure limited	0.02	0.02	(0.35)
	JSW Bengal Steel limited	0.08	0.08	0.08
	JSL Lifestyle Limited	*(0.00)	*(0.00)	-
	JSW Steel Coated Product Limited	4.00	6.49	3.53
	JSW Project Limited	-	-	0.12
	JSoft Solutions Limited	(1.09)	(0.95)	(0.48)
	South West Port Limited	(2.26)	(2.08)	-
	Rajasthan State Mines & Minerals Limited	0.06	(0.16)	(0.01)
	JSW Global Business Solutions Limited	(1.20)	-	-
	Jindal Steel & Power Limited	0.16	0.09	0.03
	Maharashtra State Electricity Transmission Company Limited	(0.08)	(6.71)	(6.70)
	JSW Realty & Infrastructure Private Limited	(0.19)	-	-
	Heal Institute Private Limited	(0.02)	-	-
	MJSJ Coal Limited	0.02	0.02	0.02
	JSW Green Private Limited	(0.07)	-	-
	Jindal Stainless Limited	0.01	-	-
2	**Deposit With**			
	JSW Steel Limited	6.82	7.27	6.94
	JSW Realty & Infrastructure Private Limited	8.75	8.75	8.75
	JSW Jaigarh Port Limited	53.50	53.50	53.50
	JSW IP Holdings Private Limited	1.42	-	-
	Gagan Trading Company Limited	10.61	11.10	11.75
3	**Lease Deposit from**			
	JSW Steel Limited	0.29	0.29	0.29
	JSW Infrastructure Limited	0.35	0.35	0.35
	JSW Jaigarh Port Limited	1.30	1.30	1.30
	Jindal Vidya Mandir	0.02	0.02	0.02
4	**Advance recoverable**			
	JSW Realty & Infrastructure Private Limited	-	30.00	30.00
	Barmer Lignite Mining Company Limited	0.43	2.22	0.41
5	**Capital Advance paid**			
	Windsor Residency Private Limited	-	-	75.00
6	**Investment in Preference Share Capital**			
	JSW Realty & Infrastructure Private Limited	5.03	5.03	5.03

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

₹ crore

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
7	**Investment in Equity Shares**			
	JSW Steel Limited	151.70	151.70	151.70
	Toshiba JSW Power Systems Private Limited	100.23	100.23	100.23
	MJSJ Coal Limited	10.46	10.46	10.46
8	**Subordinate Loan (including interest)**			
	Barmer Lignite Mining Company Limited	843.32	741.93	664.21
9	**Loan and Advances**			
	South West Mining Limited	225.00	270.00	105.10
	JSW Energy (Bengal) Limited	80.12	80.12	80.12
	JSW Global Business Solutions Limited	4.85	2.18	-
	JSW IP Holdings Private Limited	1.06	-	-
	Jindal Steel & Power Limited	373.00	-	-
10	**Interest receivable on Loan**			
	Jindal Steel & Power Limited	1.21	-	-
	JSW Global Business Solutions Limited	-	0.03	-
11	**Security & Collateral Provided to**			
	South West Mining Limited	96.34	155.10	213.85

d) The remuneration to key managerial personnel during the year was as follows:

₹ crore

Particulars	Current Year	Previous Year
1. Short-term benefits	16.29	14.47
2. Post-employment benefits	0.81	0.79
3. Sitting Fees	0.62	0.41
4. Commission to Directors	0.76	0.78
	18.47	16.45

* Less than ₹ 1 Lakh

1. The above figures donot include provisions for gratuity and leave encashment as the same is not determinable.

2. The group has accrued ₹ 0.54 crore in respect of employee stock options granted to Joint Managing Director & CEO, Director (Finance), and Company Secretary. The same has not been considered as managerial remuneration of the current year.

Note:

1. No amounts in respect of related parties have been written off / written back during the year, nor has any provision been made for doubtful debts / receivables during the year, except as discussed above.

2. Related party relationships have been identified by the management and relied upon by the Auditors.

3. Related party transactions have been disclosed on basis of value of transactions in terms of the respective contracts.

4. Terms and conditions of sales and purchases: the sales and purchases transactions among the related parties are in the ordinary course of business based on normal commercial terms, conditions, market rates and memorandum of understanding signed with the related parties. For the year ended 31st March, 2017, the group has not recorded any loss allowances for transactions between the related parties.

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

Note No. 51 - Disclosure as per Ind AS 101 First-time adoption of Indian Accounting Standards

Overall principle

The Group has prepared the opening consolidated balance sheet as per Ind AS as of 1st April, 2015 (the transition date) by

- recognising all assets and liabilities whose recognition is required by Ind AS,
- not recognising items of assets or liabilities which are not permitted by Ind AS,
- by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and
- and applying Ind AS in measurement of recognised assets and liabilities.

However, this principle is subject to the certain mandatory and optional exemptions availed by the Group as detailed below:

Mandatory exceptions and optional exemptions

(a) Classification of debt instruments:

The group has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

(b) Past business combinations:

The Group has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date of 1st April, 2015.

(c) Deemed cost for property, plant and equipment and intangible assets:

The Group has elected to continue with the carrying value of all of its plant and equipment, capital work in progress and intangible assets recognised as of 1st April, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

(d) Determining whether an arrangement contains a lease:

The Group has applied Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

(e) Exchange differences arising on long-term foreign currency monetary items:

Under previous GAAP, the Group had opted to defer/ capitalize exchange differences arising on long-term foreign currency monetary items in accordance with paragraph 46A of AS 11. The Group has now availed Ind AS 101 option whereby a first time adopter can continue its Previous GAAP policy for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the Previous GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period i.e. 1st April, 2016.

(f) Classification and measurement of financial assets:

The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

(g) Derecognition of financial assets and liabilities:

The group has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1st April, 2015 (the transition date).

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

(h) Impairment of financial assets:

The group has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date.

Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

(i) Share based payments:

Ind AS 102 Share-based Payment has not been applied to equity instruments in share-based payment transactions that vested before 1st April, 2015.

(j) Non-controlling interest:

The following requirements of Ind AS 110 are applied prospectively from the date of transition i.e. 1st April, 2015 to Ind AS:

- To attribute total comprehensive income to non-controlling interests irrespective of whether this results in a deficit balance.
- To treat changes in a parents ownership interest as equity transactions.

(k) Accounting for Investment in Barmer Lignite Mining Company Limited ("BLMCL"):

BLMCL was accounted for using the proportionate consolidation method under previous GAAP whereas it needs to be accounted using the equity method under Ind AS. Therefore, as required by Ind AS 101, the Group has:-

- On the transition date, recognised investment in BLMCL by measuring it at the aggregate of the carrying amount of the assets and liabilities that the Group had proportionately consolidated under previous GAAP as of the transition date;
- This investment amount has been deemed to be the cost of investment at initial recognition;
- The Group has tested the investment in BLMCL for impairment as of the transition date;
- After initial recognition at the transition date, the Group has accounted for BLMCL using the equity method in accordance with Ind AS 28;

(l) Accounting for changes in parent's ownership in a subsidiary that does not result in loss of control:

The group has accounted for changes in a parent's ownership in a subsidiary that does not result in a loss of control in accordance with Ind AS 110, prospectively from the date of transition.

(m) Equity investments at FVTOCI:

The Group has designated investment in equity shares of JSW Steel Limited as at FVTOCI on the basis of facts and circumstances that existed at the transition date.

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

First-time Ind AS adoption reconciliations:

Effect of Ind AS adoption on the consolidated balance sheet as at 31st March, 2016 and 1st April, 2015:

Consolidated Balance Sheet as at 1 April 2015 (date of transition to Ind AS)

₹ crore

Particulars	Footnotes	IGAAP	Adjustment	Ind AS
A] ASSETS				
(1) Non-current assets				
(a) Property, plant and equipment	1, 2, 3, 11	12,948.49	(1,248.19)	11,700.30
(b) Capital work-in-progress		453.58	(162.04)	291.54
(c) Goodwill on consolidation		9.66	-	9.66
(d) Other intangible assets	2, 3	232.53	(129.52)	103.01
(e) Financial assets				
(i) Investments	3, 5, 7	232.72	481.43	714.15
(ii) Loans	3, 4	495.07	114.73	609.80
(iii) Other Financial assets	1, 2, 3, 4	219.59	1,163.74	1,383.33
(f) Income tax assets (net)	3	281.22	3.87	285.09
(g) Other non-current assets	3	879.82	(404.34)	475.48
Total non - current assets		**15,752.68**	**(180.32)**	**15,572.36**
(2) Current assets				
(a) Inventories	3	548.26	(3.79)	544.47
(b) Financial assets				
(i) Investments	5	1,386.12	6.44	1,392.56
(ii) Trade receivables		1,172.29	-	1,172.29
(iii) Cash and cash equivalents	3	277.94	0.14	278.08
(iv) Bank balances other than (iii) above	3	85.01	(11.56)	73.45
(v) Other financial assets	1, 2, 3	138.48	42.91	181.39
(c) Other current assets	3	55.08	(16.78)	38.30
Total current assets		**3,663.18**	**17.36**	**3,680.54**
Total assets		**19,415.86**	**(162.96)**	**19,252.90**
B] EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	19	1,640.05	(14.35)	1,625.70
(b) Other equity	1- 6, 8, 10-14, 16-19	5,877.96	828.83	6,706.79
Equity attributable to equity holders of the Parent		**7,518.02**	**814.48**	**8,332.49**
Non-controlling interests	14	54.71	(7.07)	47.64
Total equity		**7,572.73**	**807.41**	**8,380.13**
Liabilities				
1] Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	3, 6	8,062.35	(556.57)	7,505.78
(ii) Other financial liabilities	3, 6	13.99	(13.53)	0.46
(b) Provisions		33.77	-	33.77
(c) Deferred tax liabilities (net)	3, 12	292.97	41.12	334.09
(d) Other non-current liabilities	2, 3	1.76	0.11	1.87
Total non - current liabilities		**8,404.84**	**(528.87)**	**7,875.97**
2] Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	6	148.22	-	148.22
(ii) Trade payables	3	1,662.34	(14.68)	1,647.66
(iii) Other financial liabilities	3, 6, 7, 13	1,527.04	(349.43)	1,177.61
(b) Other current liabilities	2, 3, 8	92.66	(77.39)	15.27
(c) Provisions		8.04	-	8.04
Total current liabilities		**3,438.30**	**(441.50)**	**2,996.80**
Total equity and liabilities		**19,415.86**	**(162.96)**	**19,252.90**

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

Consolidated Balance Sheet as at 31st March, 2016

₹ crore

Particulars	Footnotes	IGAAP	Adjustment	Ind AS
A] ASSETS				
(1) Non-current assets				
(a) Property, plant and equipment	1, 2, 3, 11	21,291.53	(2,638.20)	18,653.33
(b) Capital work-in-progress		726.46	(405.85)	320.61
(c) Goodwill on consolidation		83.05	562.78	645.83
(d) Other intangible assets	2, 3	208.75	789.92	998.67
(e) Financial assets				
(i) Investments	3, 5, 7	193.18	743.70	936.88
(ii) Loans	3, 4	667.95	145.15	813.10
(iii) Other Financial assets	1, 2, 3, 4	409.44	1,212.21	1,621.65
(f) Income tax assets (net)	3	126.12	5.94	132.06
(g) Other non-current assets	3	189.15	(67.10)	122.05
Total non - current assets		**23,895.63**	**348.55**	**24,244.18**
(2) Current assets				
(a) Inventories	3	649.40	(13.57)	635.83
(b) Financial assets				
(i) Investments	5	75.26	0.13	75.39
(ii) Trade receivables		2,906.34	-	2,906.34
(iii) Cash and cash equivalents	3	251.45	(12.90)	238.55
(iv) Bank balances other than (iii) above	3	140.04	(21.15)	118.88
(v) Other financial assets	1, 2, 3	186.22	54.09	240.31
(c) Other current assets	3	99.25	(19.85)	79.40
Total current assets		**4,307.95**	**(13.25)**	**4,294.70**
Total assets		**28,203.58**	**335.30**	**28,538.88**
B] EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	19	1,640.05	(13.26)	1,626.79
(b) Other equity	1- 6, 8, 10-14, 16-19	6,895.78	1,181.56	8,077.34
Equity attributable to equity holders of the Parent		**8,535.83**	**1,168.30**	**9,704.13**
Non-controlling interests	14	55.11	(53.71)	1.40
Total equity		**8,590.94**	**1,114.59**	**9,705.53**
Liabilities				
1] Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	3, 6	12,559.19	(611.68)	11,947.51
(ii) Other financial liabilities	3, 6	22.53	(22.17)	0.36
(b) Provisions		35.36	4.02	39.38
(c) Deferred tax liabilities (net)	3, 12	438.29	(4.23)	434.06
(d) Other non-current liabilities	2, 3	175.96	(174.15)	1.81
Total non - current liabilities		**13,231.33**	**(808.21)**	**12,423.12**
2] Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	6	1,589.33	-	1,589.33
(ii) Trade payables	3	2,594.38	(63.01)	2,531.37
(iii) Other financial liabilities	3, 6, 7, 13	2,016.41	239.36	2,255.77
(b) Other current liabilities	2, 3, 8	169.28	(147.43)	21.85
(c) Provisions		11.91	-	11.91
Total current liabilities		**6,381.31**	**28.92**	**6,410.23**
Total equity and liabilities		**28,203.58**	**335.30**	**28,538.88**

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

Group reconciliation of profit or loss for the year ended 31st March, 2016

₹ crore

	Particulars	Footnotes	IGAAP	Adjustment	Ind AS
I	Revenue from operations	1, 2, 3, 15	9,968.94	(144.45)	9,824.49
II	Other income	3, 4, 5, 6, 15, 18, 19	200.17	34.94	235.11
III	**Total income**		**10,169.11**	**(109.51)**	**10,059.60**
IV	**Expenses**				
	(a) Fuel Cost	3	4,329.93	47.42	4,377.35
	(b) Purchase of power	15	549.37	(6.22)	543.15
	(c) Employee benefits expense	3, 9, 10	183.77	0.04	183.81
	(d) Finance costs	3, 6, 13	1,503.15	(5.04)	1,498.11
	(e) Depreciation and amortisation expense	1, 2, 3, 11	950.16	(95.91)	854.25
	(f) Other expenses	3, 15, 19	751.41	(57.35)	694.06
	Total Expenses		**8,267.79**	**(117.06)**	**8,150.73**
V	**Profit before exceptional item and tax**		**1,901.32**	**7.55**	**1,908.87**
VI	Share of profit / (loss) of an associate / joint venture		(37.34)	(5.00)	(42.34)
VII	Exceptional Item		(150.00)	-	(150.00)
VIII	**Profit before tax**		**2,013.98**	**2.55**	**2,016.53**
IX	Tax expense	3, 12	605.13	(48.87)	556.26
X	**Profit for the year**		**1,408.85**	**51.42**	**1,460.27**
XI	**Other comprehensive income**	16			
	A (i) Items that will not be reclassified to profit or loss				
	(a) Remeasurements of the net defined benefit liabilities / (assets)	9	-	(1.32)	(1.32)
	(b) Equity instruments through other comprehensive income	5	-	263.83	263.83
	B (ii) Items that will be reclassified to profit or loss				
	(a) Exchange differences in translating the financial statements of foreign operations	17	-	1.52	1.52
	Other comprehensive income for the year		**-**	**264.03**	**264.03**
XII	**Total comprehensive income for the year**		**1,408.85**	**315.45**	**1,724.30**

Group reconciliation of equity for year ended 31st March, 2016 and 1st April, 2015

₹ crore

Particulars	As at 31st March, 2016	As at 1st April, 2015
Equity under Previous GAAP	**8,535.83**	**7,518.02**
Impact of Embedded lease accounting	5.97	(12.88)
Impact of Service concession accounting	(25.86)	-
Net gain / (loss) on financial assets / liabilities fair valued through statement of profit and loss	(36.58)	(32.15)
Amortisation of transaction cost on borrowings	11.46	23.52
Capital Overhauling costs recognised as Property Plant and Equipment (PPE) (net)	13.26	-
Employee benefits – Actuarial (Gain) / Loss recognized in OCI	1.32	-
Others	62.73	5.02
Deferred taxes	(2.96)	(47.06)
Proposed Dividend	391.70	394.79
Net gain / (loss) on financial assets fair value through other comprehensive Income	747.06	483.23
Other Comprehensive Income (OCI)	0.20	-
Equity under IND AS	**9,704.13**	**8,332.49**

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

Group reconciliation of cash flows for the year ended 31st March, 2016

₹ crore

Particulars	IGAAP	Adjustment	Ind AS
Net cashflow from operating activities	3,567.36	(29.74)	3,537.62
Net cashflow from investing activities	(3,465.67)	34.67	(3,431.00)
Net cashflow from financing activities	(1,598.15)	(24.27)	(1,622.42)
Net cash inflow / (Outflow)	**(1,496.46)**	**(19.34)**	**(1,515.80)**

Footnotes to the above reconciliations

1. **Arrangements in the nature of lease:**
   Under the Previous GAAP, the Property Plant and Equipment (PPE) related to thermal power plants were capitalised and depreciation was accordingly charged to Consolidated Statement of Profit and Loss. Under Ind AS, PPE related to one of the units, considered as embedded lease arrangement, has been de-recognised and shown as lease receivable at fair value.

2. **Service Concession arrangement:**
   Under the Previous GAAP, PPE related to hydro power plant were capitalised and depreciation was charged to consolidated statement profit and loss. Under Ind AS, PPE related to one of the hydro power plant considered as service concession arrangement, has been de-recognised and shown as intangible asset and financial asset receivable.

3. **Joint Venture**
   The group holds 49% interest in BLMCL and exercises joint control over the entity. Under Indian-GAAP group has proportionately consolidated its interest in the BLMCL in the Consolidated Financial Statement. On transition to Ind AS the group has assessed and determined that BLMCL is its JV under Ind AS 111 Joint Arrangements. Therefore, it needs to be accounted for using the equity method as against proportionate consolidation. For the application of equity method, the initial investment is measured as the aggregate of Ind AS amount of assets and liabilities that the group had previously proportionately consolidated including any goodwill arising on acquisition. Derecognition of proportionately consolidated BLMCL has resulted in change in balance sheet, statement of profit and loss and cash flow statement.

4. **Financial assets at amortised cost:**
   Certain financial assets held on with objective to collect contractual cash flows in the nature of interest and principal have been recognised at amortised cost on transition date as against historical cost under the previous GAAP with the difference been adjusted to the opening retained earnings.

5. **Fair Valuation of Investments**
   Investments in preference shares / mutual funds have been measured at fair value through profit or loss as against cost less diminution of other than temporary nature, if any, under the previous GAAP. Certain equity investments (other than investments in joint ventures and associates) have been measured at fair value through OCI.

6. **Financial liabilities and related transaction cost at amortised cost:**
   Borrowings and other financial liabilities which were recognised at historical cost under previous GAAP have been recognised at amortised cost under IND AS with the difference adjusted to opening retained earnings. Under Previous GAAP, transaction costs incurred in connection with borrowings are amortised upfront and charged to statement of profit or loss or capitalised. Under IND AS, transaction costs are deducted from the initial recognition amount of the financial liability and charged to Consolidated Statement of Profit and Loss over the tenure of the borrowings using the effective interest rate method.

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

7. **Business acquisitions:**
Under IND AS, the cost of acquisition has to include the fair value of contingent consideration also. Accordingly, investment in equity of subsidiary has been increased with a corresponding increase in liability for continent consideration payable. Under the Previous GAAP, the transaction cost of the business acquisitions were added to the cost of Investment. Under IND AS, the transaction cost of the business acquisitions is required to be charged to Consolidated Statement Profit and Loss.

8. **Proposed Dividend**
"Under Previous GAAP, proposed dividends including DDT are recognised as a liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, a proposed dividend is recognised as a liability in the period in which it is declared by the company, usually when approved by shareholders in a general meeting, or paid.
In the case of the Group, the declaration of dividend occurs after period end. Therefore, the liability for the year ended on 31st March, 2015 recorded for dividend has been derecognised against retained earnings on 1st April, 2015. The proposed dividend for the year ended on 31st March, 2016 recognized under Previous GAAP was reduced from other payables and with a corresponding impact in the retained earnings."

9. **Defined benefit liabilities**
Under IND AS, re-measurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of Consolidated Statement of Profit and Loss in previous GAAP.

10. **Share-based payments**
Under Previous GAAP, the Group recognised only the intrinsic value for the long-term incentive plan as an expense. Ind AS requires the fair value of the share options to be determined using an appropriate pricing model recognised over the vesting period. An additional expense has been recognised in Consolidated Statement of Profit and Loss for the year ended 31st March, 2016. Share options which were granted before and still vesting at 1st April, 2015, have been recognised as a separate component of equity in Equity settled share based payment reserve against retained earnings at 1st April, 2015.

11. **Depreciation of property, plant and equipment**
IND AS 16 requires the cost of major inspections/overhauling to be capitalised and depreciated separately over the period till the next major inspection/overhauling. Under previous GAAP the same is charged to Consolidated Statement of Profit and Loss in the period in which it was incurred.

12. **Deferred tax**
"Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Previous GAAP."

13. **Fair Valuation of Foreign exchange forward contracts**
The fair value of forward foreign exchange contracts is recognised under Ind AS, and was not recognised under Previous GAAP.

14. **Non-Controlling interests**
Under Previous GAAP, the non-controlling interests holders did not contribute in the losses of the subsidiary company. Under Ind AS, the proportionate losses has been transferred to non-controlling interests since it being contributors to gains or losses of the subsidiary company.

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

15. **Sale / Purchase of Power**
Under Previous GAAP, sale / purchase of power was presented gross of rebates and discounts. However, under Ind AS, sale / purchase of power is net of all rebates and discounts. Thus sale / purchase of power under Ind AS has decreased with a corresponding decrease in other expense / income.

16. **Other comprehensive income:**
Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes re-measurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

17. **Foreign currency translation**
Under Previous GAAP, the Group recognised translation differences on foreign operations in a separate component of equity. Under Ind AS, the exchange differences on account of translation of foreign operations has been accounted through other comprehensive income.

18. **Reversal of loss on divestment of stake in foreign operations.**
Under Previous GAAP, the Group recognised loss on sale of stake in foreign operations. Under Ind AS, since the sale of stake did not result into loss of control the loss has been reversed and transferred to consolidated reserves.

19. **Consolidation of Employee Welfare Trust**
Employee Welfare Trust, financed through interest free loans by the company and warehousing the shares which have not been vested yet, for distribution to employees of the company has resulted into line by line addition of all the assets and liabilities by reducing equity share capital of the company with face value of such treasury shares and adjusting the difference, if any, into the other equity.

20. **Statement of cash flows:**
The transition from Previous GAAP to Ind AS has not had a material impact on the statement of cash flows, except as disclosed above.

Note No. 52 - The Group is yet to receive balance confirmations in respect to certain financial assets and liabilities. The management does not expect any material difference affecting to current year's financial statements due to the same.

Note No. 53 - Approval of financial statements:

The financial statements were approved for issue by the Board of Directors on 29th April 2017.

Note No. 54 - Exceptional item includes:

₹ crore

	Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a)	Compensation received from JPVL as per terms of Securities Purchase Agreement.	-	150.00
	Total	**-**	**150.00**

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

Note No. 55 - Disclosure under Micro, Small and Medium Enterprises Development Act:

The details of amounts outstanding to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:

₹ crore

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
1	Principal amount outstanding but not due	1.71	2.48	2.50
2	Principal amount due and remaining unpaid	-	-	-
3	Interest due on (2) above and the unpaid interest	-	-	-
4	Interest paid on all delayed payments under the MSMED Act.	-	-	-
5	Payment made beyond the appointed day during the year	-	-	-
6	Interest due and payable for the period of delay other than (4) above	-	-	-
7	Interest accrued and remaining unpaid	-	-	-
8	Amount of further interest remaining due and payable in succeeding years	-	-	-

For and on behalf of the Board of Directors

Sanjay Sagar
Jt. Managing Director & CEO
[DIN: 00019489]

Sajjan Jindal
Chairman and Managing Director
[DIN: 00017762]

Monica Chopra
Company Secretary

Jyoti Kumar Agarwal
Chief Financial Officer

Place: Mumbai
Date: 29th April, 2017

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

Annexure A - Disclosure of additional information as required by Division II of Schedule III to the Companies Act, 2013:

Name of the entity in the group		Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in total Comprehensive income	
		As % of consolidated net assets	₹ crore	As % of consolidated profit and loss	₹ crore	As % of consolidated other comprehensive income	₹ crore	As % of total comprehensive income	₹ crore
Parent									
1	JSW Energy Limited	80.95	8,393.56	31.28	194.75	0.04	0.17	18.48	194.92
Subsidiaries									
Indian									
1	Raj WestPower Limited	27.68	2,869.76	46.45	289.14	(0.11)	(0.49)	27.37	288.65
2	Himachal Baspa Power Company Limited	14.00	1,451.85	21.10	131.37	(0.16)	(0.68)	12.39	130.68
3	JSW Power Trading Company Limited	13.26	1,375.17	(0.47)	(2.94)	97.05	419.34	39.48	416.40
4	Jaigad PowerTransco Limited	2.19	227.47	4.51	28.07	(0.00)	(0.01)	2.66	28.06
5	JSW Energy (Raigarh) Limited	1.07	110.74	(0.02)	(0.14)	-	-	(0.01)	(0.14)
6	JSW Energy (Kutehr) Limited	0.26	26.88	(0.01)	(0.08)	-	-	(0.01)	(0.08)
7	JSW Green Energy Limited	(0.04)	(4.07)	(0.32)	(1.97)	-	-	(0.19)	(1.97)
Foreign									
1	JSW Energy Minerals Mauritius Limited	0.51	52.60	(0.51)	(3.17)	-	-	(0.30)	(3.17)
2	JSW Energy Natural Resources Mauritius Limited	0.37	38.10	(0.02)	(0.14)	-	-	(0.01)	(0.14)
3	JSW Energy Natural Resources South Africa Limited	(0.08)	(8.29)	0.81	5.04	-	-	0.48	5.04
4	Royal Bafokeng Capital (Pty) Limited	(0.10)	(10.32)	-	-	-	-	-	-
5	Mainsail Trading 55(Pty) Limited	(0.41)	(42.58)	0.17	1.06	-	-	0.10	1.06
6	South African Coal Mining Holdings Limited	(0.64)	(66.49)	(0.40)	(2.47)	-	-	(0.23)	(2.47)
7	Ilanga Coal Mines Proprietary Limited	0.00	0.08	-	-	-	-	-	-
8	SACM (Breyten) Proprietary Limited	(0.76)	(78.43)	(3.44)	(21.43)	-	-	(2.03)	(21.43)
9	South African Coal Mining Equipment Company Proprietary Limited	(0.00)	(0.15)	-	-	-	-	-	-
10	South African Coal Mining Operations Proprietary Limited	0.00	0.01	(0.19)	(1.19)	-	-	(0.11)	(1.19)
11	Umlabu Colliery Proprietary Limited	(1.30)	(134.31)	2.40	14.97	-	-	1.42	14.97
12	Voorslag Coal Handling Proprietary Limited	(0.01)	(1.16)	-	-	-	-	-	-
13	Jigmining Operations No. 1 Proprietary Limited	(0.11)	(11.65)	-	-	-	-	-	-
14	Jigmining Operations No. 3 Proprietary Limited	(0.03)	(2.98)	-	-	-	-	-	-
15	Yomhlaba Coal Proprietary Limited	(0.29)	(29.68)	-	-	-	-	-	-
16	SACM (Newcastle) Proprietary Limited	0.00	* 0.00	-	-	-	-	-	-
17	JSW Energy Natural Resources UK Limited	0.00	0.20	0.00	0.02	-	-	0.00	0.02
18	Minerals & Energy Swaziland Proprietary Limited	0.00	*0.00	(0.00)	*(0.00)	-	-	(0.00)	*(0.00)
19	JSW Energy Natural Resources (BVI) Limited	-	-	-	-	-	-	-	-

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	₹ crore	As % of consolidated profit and loss	₹ crore	As % of consolidated other comprehensive income	₹ crore	As % of total comprehensive income	₹ crore
Non-controlling interests in all subsidiaries	0.02	2.37	1.05	6.52	-	-	0.62	6.52
Associates (Investment as per the equity method)								
Indian								
1 Toshiba JSW Power Systems Private Limited	(3.72)	385.69	-	-	-	-	-	-
Joint ventures (Investment as per the equity method)								
Indian								
1 Barmer Lignite Mining Company Limited	0.01	0.92	0.65	4.06	-	-	0.39	4.06
Balance as at 31 March, 2017	100.00	10,370.83	100.00	622.51	100.00	432.09	100.00	1,054.60

* Less than ₹ 1 Lakh

For and on behalf of the Board of Directors

Sanjay Sagar
Jt. Managing Director & CEO
[DIN: 00019489]

Sajjan Jindal
Chairman and Managing Director
[DIN: 00017762]

Monica Chopra
Company Secretary

Jyoti Kumar Agarwal
Chief Financial Officer

Place: Mumbai
Date: 29th April, 2017

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

Annexure - B

Form AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing sailent features of the financial statement of Subsidiaries / Associate companies / Joint Ventures

₹ crore

Part A: Subsidiaries

Sl. No.	Name of the Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the revelant Financial year in the case of foreign subsidiaries	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of shareholding
1	Raj WestPower Limited			1,726.05	1,143.71	7,140.29	4,280.33	9.80	2,566.58	367.93	78.79	289.14	-	100.00
2	JSW Power Trading Company Limited			70.00	1,305.17	546.72	489.67	1,318.12	1,436.35	(6.90)	(3.95)	(2.94)	-	100.00
3	Jaigad PowerTransco Limited			137.50	89.97	413.24	258.49	72.72	98.65	35.75	7.68	28.07	13.75	74.00
4	JSW Energy (Raigarh) Limited			113.83	(3.10)	110.87	0.13	-	0.01	(0.14)	*0.00	(0.14)	-	100.00
5	JSW Green Energy Limited			0.05	(4.12)	0.02	4.09	-	-	(1.97)	-	(1.97)	-	100.00
6	JSW Energy (Kutehr) Limited			29.02	(2.13)	28.86	1.98	-	0.05	(0.08)	-	(0.08)	-	100.00
7	Himachal Baspa Power Company Limited			1,250.05	201.80	9,807.06	8,355.20	-	1,481.37	174.55	43.18	131.37	-	100.00
8	JSW Energy Minerals Mauritius Limited		USD 1 = INR 64.84	58.70	(6.09)	354.88	341.53	39.25	1.11	(3.17)	-	(3.17)	-	100.00
9	JSW Energy Natural Resources Mauritius Limited		USD 1 = INR 64.84	38.90	(0.80)	351.02	351.55	38.64	1.10	(0.14)	-	(0.14)	-	100.00
10	JSW Energy Natural Resources (B.V.I) Limited		USD 1 = INR 64.84	5.02	(5.02)	-	-	-	-	-	-	-	-	100.00
11	JSW Energy Natural Resources UK Limited		GBP 1 = INR 80.88	0.08	0.12	0.20	-	-	0.06	0.02	-	0.02	-	100.00
12	Minerals & Energy Swaziland Proprietary Limited		SZL 1 - INR 4.99	*0.00	*(0.00)	0.03	9.80	-	-	*(0.00)	-	*(0.00)	-	51.00
13	JSW Energy Natural Resources South Africa Limited	31st December	ZAR 1 = INR 4.79	20.84	(29.13)	299.85	346.51	38.38	9.88	5.04	-	5.04	-	100.00
14	Royal Bafokeng Capital (Pty) Ltd	31st December	ZAR 1 = INR 4.79	*0.00	(10.32)	0.01	45.48	35.16	-	-	-	-	-	100.00
15	Mainsail Trading 55 (Pty) Ltd	31st December	ZAR 1 = INR 4.79	*0.00	(42.58)	12.73	58.18	2.87	1.09	1.06	-	1.06	-	100.00
16	South African Coal Mining Holdings Limited	31st December	ZAR 1 = INR 4.79	112.06	(178.55)	-	90.68	24.20	-	(2.47)	-	(2.47)	-	69.44
17	Ilanga Coal Mines Proprietary Limited	31st December	ZAR 1 = INR 4.79	*0.00	0.08	*(0.00)	(0.08)	-	-	-	-	-	-	69.44
18	SACM(Breyten) Proprietary Limited	31st December	ZAR 1 = INR 4.79	*0.00	(78.43)	128.38	206.81	-	-	(21.43)	-	(21.43)	-	69.44
19	South African Coal Mining Equipment Company Proprietary Limited	31st December	ZAR 1 = INR 4.79	*0.00	(0.15)	-	0.15	-	-	-	-	-	-	69.44
20	South African Coal Mining Operations Proprietary Limited	31st December	ZAR 1 = INR 4.79	*0.00	0.01	0.01	-	-	-	(1.19)	-	(1.19)	-	69.44
21	Umlabu Colliery Proprietary Limited	31st December	ZAR 1 = INR 4.79	*0.00	(134.31)	108.46	242.77	-	8.43	14.40	(0.56)	14.97	-	69.44
22	Voorslag Coal Handling Proprietary Limited	31st December	ZAR 1 = INR 4.79	*0.00	(1.16)	-	1.16	-	-	-	-	-	-	69.44
23	Jigmining Operations No 1 Proprietary Limited	31st December	ZAR 1 = INR 4.79	*0.00	(11.65)	-	11.65	-	-	-	-	-	-	69.44
24	Jigmining Operations No 3 Proprietary Limited	31st December	ZAR 1 = INR 4.79	*0.00	(2.98)	-	2.98	-	-	-	-	-	-	69.44
25	Yomhlaba Coal Proprietary Limited	31st December	ZAR 1 = INR 4.79	4.31	(33.99)	-	29.68	-	-	-	-	-	-	69.44
26	SACM (Newcastle) Proprietary Limited	31st December	ZAR 1 = INR 4.79	*0.00	-	*0.00	-	-	-	-	-	-	-	69.44

* Less than ₹ 1 Lakh

Notes to Consolidated Financial Statements

For The Year Ended 31st March, 2017

Names of Subsidiaries which are yet to commence operations

Sl. No.	Name of the Subsidiary
1	JSW Energy (Raigarh) Limited
2	JSW Energy (Kutehr) Limited

Part B : Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl No.	Name of Associates / Joint ventures	Latest audited Balance Sheet Date	Shares of Associate / Joint Ventures held by the company on the year end			Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ crore)	Profit / (Loss) for the year	
			No.	Amount of Investment in Associates / Joint Venture (₹ crore)	Extent of Holding %				Considered in Consolidation (₹ crore)	Not Considered in Consolidation (₹ crore)
1	Barmer Lignite Mining Company Limited	31st March, 2016	9,800,000	9.80	49.00%	A	NA	11.44	4.06	-
2	Toshiba JSW Power Systems Private Limited	31st March, 2016	99,877,405	100.23	22.52%	B	NA	(253.24)	-	-
3	MJSJ Coal Limited	31st March, 2016	10,461,000	10.46	11.00%	C	C	10.35	-	-

Note A) The Group holds 49% shareholding in the joint venture company.

B) There is significant influence due to % of holding in the networth of the company.

C) MJSJ Coal Limited has been excluded from consolidation, as the group doesnot have any control over the joint venture company.

Names of Associates / Joint Ventures which are yet to commence operations

Sl. No.	Name of the Joint Venture
1	MJSJ Coal Limited

For and on behalf of the Board of Directors

Sanjay Sagar
Jt. Managing Director & CEO
[DIN: 00019489]

Sajjan Jindal
Chairman and Managing Director
[DIN: 00017762]

Monica Chopra
Company Secretary

Jyoti Kumar Agarwal
Chief Financial Officer

Place: Mumbai
Date: 29th April, 2017

FINANCIAL HIGHLIGHTS

(Standalone)

	2012-13 (IGAAP)	2013-14 (IGAAP)	2014-15 (IGAAP)	2015-16 (IND AS)	2016-17 (IND AS)
REVENUE ACCOUNTS (₹ Crore)					
Revenue from Operations	6,396.45	5,802.61	6,331.95	5,862.63	4,040.97
Other Income	304.78	254.94	293.70	398.08	328.55
Total Income	6,701.23	6,057.55	6,625.65	6,260.71	4,369.52
EBIDTA before exceptional items	2,410.52	2,267.57	2,396.38	2,560.68	1,233.82
Depreciation & amortisation expense	424.94	452.85	420.83	353.52	363.90
Finance Costs	571.80	627.55	585.64	644.08	533.04
Exceptional items	169.95	370.21	34.23	-	-
Profit before Tax	1,243.83	816.96	1,355.68	1,563.08	336.88
Tax Expense	250.80	214.48	361.13	381.01	142.13
Profit for the year	993.03	602.48	994.55	1,182.07	194.75
CAPITAL ACCOUNTS (₹ Crore)					
Net carrying value of Property, plant & equipment and other intangibles	6,946.02	6,909.33	6,814.14	5,414.79	5,189.86
Capital Work in Progress (including capital advances)	887.20	551.17	654.00	326.29	490.64
Total Debt	5,409.82	4,939.05	4,231.96	5,024.66	3,464.07
Long Term Debt	5,289.82	4,819.06	4,231.96	3,524.66	3,464.07
Short Term Debt	120.00	119.99	-	1,500.00	-
Equity Share Capital (Net of Treasury Shares)	1,640.05	1,640.05	1,640.05	1,626.79	1,627.95
Other Equity	5,133.19	5,362.62	5,953.74	6,965.34	6,765.61
Total Equity	6,773.24	7,002.67	7,593.79	8,592.13	8,393.56
RATIOS					
Book Value Per Share (₹)	41.30	42.70	46.30	52.39	51.18
Market Price Per Share (₹)	54.70	59.25	119.20	69.55	62.70
Earning Per Share (Basic & Diluted) (₹)	6.05	3.67	6.06	7.27	1.20
Market Capitalisation (₹ Crore)	8,971.10	9,717.32	19,549.45	11,406.58	10,283.14
Equity Dividend Per Share (₹)	2.00	2.00	2.00	2.00	0.50
Fixed Assets Turnover Ratio	0.90	0.82	0.91	1.05	0.75
EBIDTA Margin	36.0%	37.4%	36.2%	40.9%	28.2%
Interest Coverage Ratio	3.47	2.89	3.37	3.43	1.63
Net Debt Equity Ratio	0.68	0.56	0.34	0.56	0.39
Long Term Debt to EBIDTA	2.19	2.13	1.77	1.38	2.81

FINANCIAL HIGHLIGHTS

(Consolidated)

	2012-13 (IGAAP)	2013-14 (IGAAP)	2014-15 (IGAAP)	2015-16 (IND AS)	2016-17 (IND AS)
REVENUE ACCOUNTS (₹ Crore)					
Revenue from Operations	8,934.30	8,705.42	9,380.16	9,824.49	8,263.43
Other Income	213.43	202.21	230.11	235.11	217.00
Total Income	9,147.73	8,907.63	9,610.27	10,059.60	8,480.43
EBIDTA before exceptional items	3,006.62	3,453.61	3,853.52	4,261.23	3,541.36
Depreciation & amortisation expense	661.53	809.95	789.76	854.25	969.15
Finance Costs	962.79	1,205.94	1,137.46	1,498.11	1,684.75
Exceptional items	196.59	377.69	34.23	(150.00)	-
Profit before Tax	1,185.71	1,060.03	1,892.07	2,016.53	891.52
Tax Expense	273.31	283.60	514.99	556.26	269.01
Share of Profit/(Loss) of Associate/Joint Venture Company	11.68	16.59	19.00	(42.34)	4.06
Non controlling interests	2.93	(5.10)	(8.57)	12.91	(6.52)
Profit for the year attributable to Owners of the Company	903.65	754.74	1,349.51	1,447.36	629.03
CAPITAL ACCOUNTS (₹ Crore)					
Net carrying value of Property, plant & equipment and other intangibles	13,896.88	13,624.11	13,181.02	19,651.99	18,845.73
Capital Work in Progress (including capital advances)	1,567.20	1,125.89	1,326.23	419.96	597.89
Total Debt	10,376.55	10,106.45	9,294.10	14,862.23	14,349.27
Long Term Debt	9,729.79	9,898.76	9,145.88	13,272.90	14,340.61
Short Term Debt	646.76	207.69	148.22	1,589.33	8.67
Equity Share Capital (Net of Treasury Shares)	1,640.05	1,640.05	1,640.05	1,626.79	1,627.95
Other Equity	4,563.71	4,931.12	5,877.97	8,077.34	8,740.51
Total Equity attributable to Owners of the Company	6,203.76	6,571.17	7,518.02	9,704.13	10,368.46
RATIOS					
Book Value Per Share (₹)	37.83	40.07	45.84	59.17	63.22
Market Price Per Share (₹)	54.70	59.25	119.20	69.55	62.70
Earning Per Share (Basic & Diluted) (₹)	5.51	4.60	8.23	8.90	3.86
Market Capitalisation (₹ Crore)	8,971.10	9,717.32	19,549.45	11,406.58	10,283.14
Equity Dividend Per Share (₹)	2.00	2.00	2.00	2.00	0.50
Fixed Assets Turnover Ratio	0.63	0.63	0.70	0.49	0.43
EBIDTA Margin	32.9%	38.8%	40.1%	42.4%	41.8%
Interest Coverage Ratio	2.44	2.19	2.69	2.27	1.53
Net Debt Equity Ratio	1.52	1.36	1.01	1.49	1.29
Long Term Debt to EBIDTA	3.24	2.87	2.37	3.11	4.05

Notice

NOTICE is hereby given that the Twenty Third Annual General Meeting of the Members of JSW Energy Limited will be held at Yashwantrao Chavan Pratisthan, Y. B. Chavan Auditorium, General Jagannath Bhosale Marg, Mumbai - 400021 on Thursday, 13th July, 2017 at 3.00 p.m.to transact the following business:

ORDINARY BUSINESS

1. **Adoption of the annual audited Financial Statement and Reports thereon**

   To receive, consider and adopt:

   a. the audited Financial Statement of the Company for the financial year ended 31st March, 2017, together with the reports of the Board of Directors and the Auditors thereon.

   b. the audited Consolidated Financial Statement of the Company and its subsidiaries for the financial year ended 31st March, 2017, together with the report of the Auditors thereon.

2. **Declaration of Dividend**

   To declare a dividend on Equity Shares.

   The Board of Directors has recommended a dividend of ₹0.50 (i.e.5%) per Equity Share of ₹10.

3. **Appointment of a Director in place of one retiring by rotation**

   To appoint a Director in place of Mr. Nirmal Kumar Jain (DIN: 00019442) who retires by rotation and, being eligible, offers himself for re-appointment.

4. **Appointment of Statutory Auditors**

   To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 139, 140 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof and pursuant to the recommendation of the Audit Committee and the Board of Directors, Deloitte Haskins & Sells LLP, Chartered Accountants, Firm Registration No. 117366W/W-100018, be and are hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this 23rd Annual General Meeting till the conclusion of the 28th Annual General Meeting of the Company (subject to ratification of their appointment by Members at every intervening Annual General Meeting) at such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS

5. **Appointment of Mr. Prashant Jain as a Director**

   To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s) or re-enactment thereof, Mr. Prashant Jain (DIN: 01281621), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 16th June, 2017 and who holds office up to date of this 23rd Annual General Meeting of the Company in terms of Section 161 of the Act and who is eligible for appointment as a Director and in respect of whom the Company has received a notice in writing along with a deposit of ₹1,00,000 from a Member proposing Mr. Jain's candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

6. **Appointment of Mr. Prashant Jain as a Whole-time Director**

   To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V to the Act, including any statutory modification(s) or re-enactment thereof, consent of the Members be and is hereby accorded to the appointment of Mr. Prashant Jain (DIN: 01281621) as a Whole-time Director of the Company designated as 'Joint Managing Director and Chief Executive Officer' of the Company for a period of 5 years with effect from 16th June, 2017, on the terms and conditions as set out in the Explanatory Statement."

7. **Appointment of Mr. Uday Chitale as an Independent Director**
To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s) or re-enactment thereof, Mr. Uday Chitale (DIN: 00043268) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 22nd July, 2016, and who holds office up to the date of this 23rd Annual General Meeting in terms of Section 161 of the Act and who is eligible for appointment as a Director and in respect of whom the Company has received a notice in writing along with a deposit of ₹1,00,000 from a Member proposing Mr. Chitale's candidature for the office of Director, be and is hereby appointed as a Director of the Company."

"RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment thereof, Mr. Chitale, who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 years from 22nd July, 2016 to 21st July, 2021."

8. **Appointment of Ms. Tanvi Shete as a Non-Executive Director**
To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s) or re-enactment thereof, Ms. Tanvi Shete (DIN: 07565435), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 22nd July, 2016, and who holds office up to date of this 23rd Annual General Meeting of the Company in terms of Section 161 of the Act and who is eligible for appointment as a Director and in respect of whom the Company has received a notice in writing along with a deposit of ₹1,00,000 from a Member proposing Ms. Shete's candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

9. **Ratification of the remuneration of Cost Auditor**
To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof, the remuneration of ₹1,50,000 plus service tax as applicable and reimbursement of actual travel and out of pocket expenses as approved by the Board of Directors of the Company, to be paid to S. R. Bhargave & Co., Cost Accountants, for the conduct of the audit of the cost accounting records of the Company, for the financial year ending 31st March, 2018, be and is hereby ratified and confirmed."

10. **Approval for Material Related Party Transactions with JSW International Tradecorp Pte. Limited**
To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT subject to the provisions of Section 177 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and Regulation 23 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment thereof, consent of the Members be and is hereby accorded for the Company to enter into various transactions for procuring imported thermal coal in the ordinary course of its business for an aggregate value of ₹9,000 Crore (Rupees Nine Thousand Crore) over a period of 36 months starting from 1st April, 2017 with JSW International Tradecorp Pte. Limited, Singapore, a JSW group company, on such terms and conditions on arm's length basis, as may be agreed to by the Board of Directors.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds and things and to take all such steps as may be necessary for the purpose of giving effect to this Resolution."

11. **Approval for Material Related Party Transactions with JSW Steel limited**
To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT subject to the provisions of Section 177 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and Regulation 23 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment thereof, consent of the Members be and is hereby accorded for the Company to enter into various transactions in the ordinary course of its business with JSW Steel Limited, a Promoter group company, for an aggregate value of ₹8,000 Crore (Rupees Eight Thousand Crore) over a period of 36 months starting from 1st April, 2017, on such terms and conditions on arm's length basis, as may be agreed to by the Board of Directors.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds and things and to take all such steps as may be necessary for the purpose of giving effect to this Resolution."

12. **Issue of Non-Convertible Debentures, etc.**
To consider, and if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 23, 42, 71 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, including any statutory modification(s) or re-enactment thereof, and subject to applicable Regulations, Rules and Guidelines prescribed by the Securities and Exchange Board of India and subject to the provisions of the Memorandum and Articles of Association of the Company, consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any committee(s) constituted / to be constituted by the Board to exercise the powers conferred on the Board by this Resolution), for making offer(s) or invitation(s) to subscribe to secured / unsecured, redeemable non-convertible debentures, in one or more tranches, aggregating to ₹5,000 Crore (Rupees Five Thousand Crore) during the year, on a private placement basis, on such terms and conditions as the Board may, from time to time, determine and consider proper and most beneficial to the Company including as to timing of the issue, the consideration for the issue, utilization of the issue proceeds and all matters connected with or incidental thereto.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and execute all such acts, deeds and things and to take all such steps as may be necessary for the purpose of giving effect to this Resolution."

13. **Issue of Equity Shares, etc.**
To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT in supersession of the Special Resolution passed by the Members of the Company at the 22nd Annual General Meeting held on 21st July, 2016 and pursuant to the provisions of Sections 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013, ("the Act") and the Companies (Share Capital and Debentures) Rules, 2014, including any statutory modification(s) or re-enactment thereof, all other applicable Laws and Regulations including the Foreign Exchange Management Act, 1999 ("FEMA"), the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 including any statutory modification(s) or re-enactment thereof, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended and modified from time to time, the Depository Receipts Scheme, 2014 and such other Statutes, Notifications, Clarifications, Circulars, Guidelines, Rules and Regulations as may be applicable, as amended from time to time, issued by the Government of India ("GOI"), the Reserve Bank of India ("RBI"), the Securities and Exchange Board of India ("SEBI") including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "SEBI Regulations"), Stock Exchanges and any other appropriate authorities, whether in India or abroad to the extent applicable and in accordance with the enabling provisions in the Memorandum and Articles of Association of the Company and / or stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") and subject to such approvals, consents, permissions and sanctions, if any, of the GOI, SEBI, RBI, Stock Exchanges and any other relevant statutory / governmental authority (the "Relevant Authorities") as may be required and applicable and further subject to such terms and conditions as may be prescribed or imposed by any of the Relevant Authorities while granting such approvals, consents, permissions and sanctions as may be necessary, consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any committee(s) constituted / to be constituted by the Board to exercise the powers conferred on the Board by this Resolution) to create, issue, offer and allot (including with provisions for reservation on firm and / or competitive basis, of such part of issue and for such categories of persons as may be permitted), such number of equity shares of the Company (the "Equity Shares") and / or Equity Shares through depository receipts including American Depository Receipts ("ADRs"), Global Depository Receipts ("GDRs") and / or Foreign Currency Convertible Bonds ("FCCBs"), Fully Convertible Debentures ("FCDs"), Partly Convertible Debentures ("PCDs"), Optionally Convertible Debentures ("OCDs"), Non-Convertible Debentures with warrants and / or other securities convertible into Equity Shares at a later date, at the option of the Company and / or the holder(s) of such securities or with or without detachable warrants with a right exercisable by the warrant holders to convert or subscribe to the Equity Shares or otherwise, in registered or bearer form, whether rupee denominated or denominated in foreign currency (collectively referred as "Securities") or any combination of Securities, as the Board at its sole discretion or in consultation with Underwriters, Merchant Bankers, Financial Advisors or Legal Advisors may at any time decide, by way of one or more public or private offerings in domestic and / or one or more international market(s), with or without a green shoe option, or issued / allotted through Qualified Institutional Placement ('QIP') in accordance with the SEBI Regulations, or by any one or more combinations of the above or otherwise and at such time or times and in one or more tranches, whether rupee denominated or denominated in foreign currency, at such price or prices, at market price or at a discount or premium to market price in terms of applicable regulations, to any eligible investors, including residents and / or non-residents and / or qualified institutional buyers and / or institutions / banks and / or incorporated bodies and / or individuals and / or trustees and / or stabilizing agent or otherwise, whether or not such investors are Members of the Company, as may be deemed appropriate by the Board and as permitted under applicable laws and regulations (the "Investors"), for an aggregate amount not exceeding ₹7,500 Crore (Rupees Seven Thousand Five Hundred Crore Only) on such terms and conditions and in such manner as the Board may in its sole discretion decide including the timing of the issue(s) / offering(s), the Investors to whom the Securities are to be issued, terms of issue, issue price, number of Securities to be issued, the Stock Exchanges on which such Securities will be listed, finalization of allotment of the Securities on the basis of the subscriptions received including details on face value, premium, rate of interest, redemption period, manner of redemption, amount of premium on redemption, the ratio / number of Equity Shares to be allotted on redemption / conversion, period of conversion, fixing of record date or book closure dates, etc., as the case may be applicable, prescribe any terms or a combination of terms in respect of the Securities in accordance with local and / or international practices including conditions in relation to offer, early redemption of Securities, debt service payments, voting rights, variation of price and all such terms as are provided in domestic and / or international offerings and any other matter in connection with, or incidental to the issue, in consultation with the Merchant Bankers or other Advisors or otherwise, together with any amendments or modifications thereto ("the Issue").

RESOLVED FURTHER THAT the Securities to be created, issued, offered and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company and the Equity Shares to be allotted in terms of this Resolution shall rank pari passu in all respects with the existing equity shares of the Company.

RESOLVED FURTHER THAT if the Issue or any part thereof is made by way of a Qualified Institutional Placement (QIP) pursuant to Chapter VIII of the SEBI (ICDR) Regulations, the allotment of Securities (or any combination of the Securities as decided by the Board) shall be only to Qualified Institutional Buyers as defined under the SEBI Regulations, such Securities shall be fully paid up and the allotment of such Securities shall be completed within 12 months from the date of this Resolution or such other time as may be allowed under the SEBI (ICDR) Regulations from time to time, at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VIII of the SEBI (ICDR) Regulations. The Company may, in accordance with applicable law, also offer a discount of not more than 5% or such percentage as permitted under applicable law on the price calculated in accordance with the pricing formula provided under the SEBI Regulations.

RESOLVED FURTHER THAT in the event of issue of Securities by way of a QIP in terms of Chapter VIII of the SEBI (ICDR) Regulations, the 'Relevant Date' shall mean the "Relevant Date" as defined under Regulation 81(c) of SEBI (ICDR) Regulations, on the basis of which the price of the Securities shall be determined as specified under SEBI (ICDR) Regulations, subject to any relevant provisions of applicable Laws, Rules and Regulations as amended from time to time, in relation to the proposed issue of the Specified Securities.

RESOLVED FURTHER THAT in the event the Securities are proposed to be issued as FCCBs, pursuant to the provisions of the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 and other applicable pricing provisions issued by the Ministry of Finance, the relevant date for the purpose of pricing of the Securities to be issued pursuant to such issue shall be the date of the meeting in which the Board or duly authorised Committee decides to open such issue after the date of this Resolution.

RESOLVED FURTHER THAT in the event the Securities are proposed to be issued as ADRs or GDRs, the pricing of the Securities and the relevant date, if any, for the purpose of pricing of the Securities to be issued pursuant to such issue shall be determined in accordance with the provisions of applicable law including the provisions of the Depository Receipts Scheme, 2014, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 and such other Notifications, Clarifications, Circulars, Guidelines, Rules and Regulations issued by Relevant Authorities (including any statutory modifications, amendments or re-enactment thereof).

RESOLVED FURTHER THAT the issue to the holders of the Securities, which are convertible into or exchangeable with Equity Shares at a later date shall be, inter alia, subject to the following terms and conditions:

(a) in the event of the Company making a bonus issue by way of capitalization of its profits or reserves prior to the allotment of the Equity Shares, the number of Equity Shares to be allotted shall stand augmented in the same proportion in which the equity share capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced pro tanto;

(b) in the event of the Company making a rights offer by issue of Equity Shares prior to the allotment of the Equity Shares, the entitlement to the Equity Shares will stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered to the holders of the Securities at the same price at which they are offered to the existing Members;

(c) in the event of merger, amalgamation, takeover or any other re-organization or restructuring or any such corporate action, the number of Equity Shares, the price and the time period as aforesaid shall be suitably adjusted; and

(d) in the event of consolidation and / or division of outstanding Equity Shares into smaller number of Equity Shares (including by way of stock split) or re-classification of the Securities into other securities and / or involvement in such other event or circumstances which in the opinion of concerned Stock Exchange requires such adjustments, necessary adjustments will be made.

RESOLVED FURTHER THAT without prejudice to the generality of the above, subject to applicable laws and subject to approval, consents, permissions, if any of any governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approval or permissions by such governmental authority or regulatory institution, the aforesaid Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevalent market practices in the capital markets including but not limited to the terms and conditions relating to variation of the price or period of conversion of the Securities into Equity Shares or for issue of additional Securities and such of these Securities to be issued, if not subscribed, may be disposed of by the Board, in such manner and / or on such terms including offering or placing them with banks / financial institutions / mutual funds or otherwise, as the Board may deem fit and proper in its absolute discretion, subject to applicable Laws, Rules and Regulations.

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolutions and any issue, offer and allotment of Securities, the Board be and is hereby authorized to take all such actions, give such directions and to do all such acts, deeds, things and matters connected therewith, as it may, in its absolute discretion deem necessary, desirable or incidental thereto including without limitation to the determination of terms and conditions for issuance of Securities including the number of Securities that may be offered in domestic and international markets and proportion thereof, timing for issuance of such Securities and shall be entitled to vary, modify or alter any of the terms and conditions as it may deem expedient, the entering into and executing arrangements / agreements for managing, underwriting, marketing, listing of Securities, trading, appointment of Merchant Banker(s), Advisor(s), Registrar(s), Paying and Conversion Agent(s) and any other Advisors, Professionals, Intermediaries and all such Agencies as may be involved or concerned in such offerings of Securities and to issue and sign all deeds, documents, instruments and writings and to pay any fees, commission, costs, charges and other outgoings in relation thereto and to settle all questions whether in India or abroad, for the issue and executing other agreements, including any amendments or supplements thereto, as necessary or appropriate and to finalise, approve and issue any document(s), including but not limited to prospectus and / or letter of offer and / or circular and / or Placement Document, documents and agreements including conducting all requisite filings with GOI, RBI, SEBI, Stock Exchanges, if required and any other Relevant Authority in India or outside, and to give such directions that may be necessary in regard to or in connection with any such issue, offer and allotment of Securities and utilization of the issue proceeds, as it may, in its absolute discretion, deem fit, without being required to seek any further consent or approval of the Members or otherwise, to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution, and accordingly any such action, decision or direction of the Board shall be binding on all the Members of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Equity Shares or Securities or instruments representing the same, as described above, the Board be and is hereby authorised on behalf of the Company to seek listing of any or all of such Securities on one or more Stock Exchanges in India or outside India and the listing of Equity Shares underlying the ADRs and / or GDRs on the Stock Exchanges in India."

14. Authority to raise funds through Bonds

To consider, and if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 23, 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014 made thereunder, the provisions of the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Transfer or Issue of any Foreign Security) Regulations, 2004, the Foreign Exchange Management (Borrowing or Lending in Foreign Exchange) Regulations, 2000, the External Commercial Borrowings Guidelines of the Reserve Bank of India ("RBI") as also of any other applicable Laws, Rules, Regulations and Guidelines (including any amendment thereto or re-enactment thereof) and the enabling provisions in the Memorandum and Articles of Association of the Company and the SEBI (Listing Obligation Disclosure Requirement), 2015 and in accordance with the Regulations and Guidelines issued by and subject to all such approvals, consents, permissions and sanctions of the Government of India, RBI, Securities and Exchange Board of India (SEBI) and all other appropriate and / or concerned authorities and subject to such conditions and modifications, as may be prescribed by any of them while granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall include any committee(s), which the Board may have constituted or hereafter constitute in this behalf to exercise the powers conferred on the Board by this Resolution), which the Board be and is hereby authorised to accept, if it thinks fit in the interest of the Company, consent of the Company be and is hereby accorded to the Board to create, offer, issue, and allot such number of non-convertible bonds denominated in foreign currency or Indian currency ("Bonds"), for an aggregate sum of upto USD 750 Million

(United States Dollars Seven Hundred and Fifty Million only) or its equivalent in Indian or any other currency(ies), inclusive of such premium as may be determined by the Board, in the course of an international offering, in one or more foreign market(s), to all eligible investors including foreign / non-resident investors (whether Institutions / Incorporated Bodies / Mutual Funds / Trusts / Foreign Institutional Investors / Banks and / or otherwise, whether or not such investors are Members of the Company), through an offering circular and / or private placement basis or through such offerings as may be permitted in accordance with applicable law, at such time or times, in one or more tranches, at such price or prices, at a discount or a premium to market price in such manner and on such terms and conditions as may be deemed appropriate by the Board at the time of such issue or allotment considering the prevailing market conditions and other relevant factors, wherever necessary in consultation with the Lead Managers, Underwriters and Advisors.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid issue of Bonds in international offering may have all or any term or combination of terms or conditions in accordance with applicable regulations, prevalent market practices, including but not limited to the terms and conditions relating to payment of interest, premium on redemption at the option of the Company and / or holders of the Bonds.

RESOLVED FURTHER THAT the Board may enter into any arrangement with any Agency or Body for the issue of the Bonds, in registered or bearer form with such features and attributes as are prevalent in international markets for instruments of this nature and to provide for the tradability or free transferability thereof as per the prevailing practices and regulations in international capital market.

RESOLVED FURTHER THAT subject to applicable law, the Bonds issued in international offering(s) shall be deemed to have been made abroad and / or in the International Market and / or at the place of issue of the Bonds and shall be governed by the applicable laws.

RESOLVED FURTHER THAT the Board be and is hereby authorised to dispose of such Bonds as are to be issued and are not subscribed on such terms and conditions as it may in its absolute discretion deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint such Consultants, Lead Managers, Underwriters, Guarantors, Depositories, Custodians, Registrars, Trustees, Bankers, Solicitors, Lawyers, Merchant Bankers and any such Agencies and Intermediaries as may be involved or concerned in such offerings of Bonds and to remunerate all such agencies by way of commission, brokerage, fees or the like, and to enter into or execute agreements / arrangements with any such agency or intermediary and also to seek the listing of such Bonds in one or more Stock Exchanges and the admission of the Bonds in Depositories outside India.

RESOLVED FURTHER THAT the Board be and is hereby authorised to finalise the mode, terms and timing of the issue(s) including the class of investors to whom the Bonds are to be offered, issued and allotted, to the exclusion of all other categories of investors, the number of Bonds to be allotted in each tranche, issue price, face value, premium amounts on issue / redemptions of the Bonds, rates of interest, period as it may in its absolute discretion deem fit.

RESOLVED FURTHER THAT for the purpose of giving effect to any issue or allotment of Bonds, as described herein above, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may at its absolute discretion deem necessary or desirable."

By order of the Board of Directors
JSW Energy Limited

Monica Chopra
Company Secretary

Registered Office:
JSW Energy Limited
JSW Centre
Bandra Kurla Complex
Bandra (East)
Mumbai – 400051

Mumbai
13th June, 2017

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business given in the Notice is annexed hereto.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY / PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as Proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company. A Member holding more than 10% of the total share capital of the Company may appoint a single person as a Proxy and such person cannot act as a Proxy for any other person or Member.

3. The instrument of proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of companies, societies etc., must be supported by an appropriate resolution / authority, as applicable.

4. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send to the Company a duly certified copy of the resolution authorizing their representatives to attend and vote on their behalf at the meeting.

5. Route map giving directions to the venue of the meeting is annexed to the Notice.

6. The business set out in the Notice will be transacted interalia through remote e-voting system, the facility of which is being provided by the Company.

   Instructions and other information relating to e-voting are given in this Notice. The communication relating to remote e-voting which would contain details about User ID and password is sent alongwith the Notice.

7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

8. Members / Proxies are requested to bring the Attendance Slip duly filled in for attending the meeting.

9. Members who hold Shares in electronic form are requested to write their DP ID and Client ID numbers and those who hold Shares in physical form are requested to write their Folio number in the Attendance Slip for attending the meeting to facilitate identification of membership at the meeting.

10. (a) The Company has notified closure of Register of Members and Share Transfer Books from Tuesday, 4th July, 2017 to Thursday, 13th July, 2017 (both days inclusive) for determining the names of the Members eligible for dividend on Equity Shares, if declared at the Meeting.

    (b) The dividend on Equity Shares, if declared at the Meeting, will be paid on or before Friday, 11th August, 2017; in respect of the shares held in dematerialized form, the dividend will be paid to Members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as at the close of business hours on Monday, 3rd July, 2017 and to those Members who hold shares in physical form and whose names appear on the Company's Register of Members as on Thursday, 13th July, 2017 .

11. The provisions of the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules), are applicable to the Company. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends in respect of the financial years from 2009-10, as on the last date of the 22nd Annual General Meeting held on 21st July, 2016, on the website of the IEPF viz. www.iepf.gov.in and under "Investors Section" on the website of the Company viz. www.jsw.in.

12. Pursuant to the provisions of Section 124 of the Companies Act, 2013, the amount of refund / dividend remaining unpaid or unclaimed for a period of 7 years from the date of transfer to the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Accordingly, unpaid or unclaimed amount in respect of the IPO Refund Account has been duly transferred to the IEPF.

13. Members who have not en-cashed the dividend from the financial year 2009-10, are requested to contact the Company's Registrar and Share Transfer Agent – Karvy Computershare Private Limited, at the earliest.

14. Members are requested to note that Shares on which dividend remains unpaid or unclaimed for 7 consecutive years, will be transferred to the IEPF as per Section 124 of the Companies Act, 2013 and the relevant Rules thereunder.

15. Members holding Shares in electronic form may note that the bank particulars registered against their respective Depository Accounts will be used by the Company for payment of dividend. Members who wish to change their bank accounts may advise their respective Depository Participants (DPs) about such change. The Company or its Registrar and Share Transfer Agent cannot act on any direct request from such Members for change / deletion of such bank details.

    Members holding Shares in physical form are requested to send their NECS Mandate Form in the format available for download on the Company's website www.jsw.in duly filled in, to the Registrar and Share Transfer Agent of the Company i.e. Karvy Computershare Private Limited. In order to provide protection against fraudulent encashment of dividend warrants, Members holding Shares in physical form are requested to intimate the Company under the signature of the Sole / First joint holder, the following information which will be used by the Company for dividend payments:

    I. Name of Sole / First joint holder and Folio No.

    II. Particulars of Bank account viz:
        i. Name of the Bank.
        ii. Name of Branch.
        iii. Bank Account number allotted by the Bank.
        iv. Nine Digits MICR code of Bank.
        v. Account Type, whether Savings Bank (SB) or Current Account (CA).
        vi. Complete address of the Bank with Pin Code Number.
        vii. Cancelled cheque leaf of the aforesaid Bank Account.

16. Members are requested to intimate the Registrar and Share Transfer Agents of the Company - Karvy Computershare Private Limited, Unit: JSW Energy Limited, Karvy Selenium Tower B, Plot. No.31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad –500032, immediately of any change in their address in respect of Equity Shares held in physical mode and to their DPs for Equity Shares held in dematerialized form.

17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DPs. Members holding shares in physical form can submit their PAN details to the Company / Karvy.

18. Members who have not registered their e-mail address so far, are requested to register the same for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

19. All the documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Company's Registered Office at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 on all working days of the Company between 11.00 a.m. and 1.00 p.m. upto the date of the 23rd Annual General Meeting.

20. Members desirous of having any information regarding Accounts of the Company are requested to address their queries to the Vice President – Accounts at the Company's Registered Office at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai 400051 or e-mail the queries to jswel.investor@jsw.in with "Query on Accounts" in the subject line, atleast 7 days before the date of the meeting, so that requisite information is made available at the meeting.

21. Information and other instructions relating to remote e-voting are as under:

    i. In terms of Section 108 of the Companies, Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the Company is providing the facility to its Members holding shares as on Cut-off Date ["Cut-off Date" means a date not earlier than 7 days before the date of general meeting for determining the eligibility to vote by electronic means or in the general meeting], i.e. Thursday, 6th July, 2017 to exercise their right to vote on Resolutions proposed to be passed in the meeting by electronic means.

Members may cast their votes using an electronic voting system from a place other than the venue of the meeting ("remote e-voting") Details of the process and manner of remote e-voting along with the User ID and Password is being sent to all the Members along with the Notice.

ii. The facility for voting through voting paper shall be made available at the venue of the meeting and only the Members attending the meeting who have not cast their vote through remote e-voting shall be entitled to vote at the meeting.

iii. Members who have cast their vote through remote e-voting may also attend the meeting but shall not be entitled to cast their vote again, at the meeting.

iv. The Company has engaged the services of Karvy ("Karvy") as the Agency to provide e-voting facility.

v. Voting rights of the Members shall be in proportion to their share of the paid up equity share capital of the Company, as on the Cut-off Date, i.e. Thursday, 6th July, 2017.

vi. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date, i.e. Thursday, 6th July, 2017 only shall be entitled to avail the facility of remote e-voting / voting by electronic means or by voting paper at the meeting.

vii. The remote e-voting facility will be available during the following period:

Commencement of remote e-voting: 9.00 a.m. (IST) on Monday, 10th July, 2017

End of remote e-voting : 5.00 p.m. (IST) on Wednesday, 12th July, 2017

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy upon expiry of aforesaid period.

viii. The Board of Directors of the Company has appointed Mr. Shreyans Jain, Proprietor of Shreyans Jain & Co., Company Secretaries (Membership Number. FCS 9801), as a Scrutinizer to scrutinize the remote e-voting and voting through electronic means / voting papers process in a fair and transparent manner and he has communicated his willingness to be appointed and will be present at the meeting for same purpose.

ix. Any person who becomes a Member of the Company after dispatch of the Notice of the Meeting and holding shares as on the Cut-off Date i.e. Thursday, 6th July, 2017 may obtain the User ID and password in the manner as mentioned below:

a) If the mobile number of the Member is registered against Folio No. / DP ID Client ID, the Member may send SMS: MYEPWD ←space→ E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

Example for NSDL:
MYEPWD ←SPACE→ IN12345612345678

Example for CDSL :
MYEPWD ←SPACE→ 1402345612345678

Example for Physical:
MYEPWD ←SPACE→ XXXX1234567890

b) If e-mail address or mobile number of the Member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.karvy.com, the Member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

c) Member may call Karvy's toll free number 1-800-3454-001 or send an e-mail request to evoting@karvy.com.

If the Member is already registered with Karvy e-voting platform, he can use his existing User ID and password for casting his vote through remote e-voting.

x. The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the meeting, make a consolidated Scrutinizer's Report and submit the same to the Chairman or the Company Secretary. The results declared along with the consolidated Scrutinizer's Report shall be placed on the website of the Company www.jsw.in and on the website of Karvy https://evoting.karvy.com. The results shall be communicated to the Stock Exchanges simultaneously.

xi. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the meeting, i.e. 13th July, 2017.

xii. Information and other instructions relating to remote e-voting are as under:

A. In case of Members receiving an email from Karvy [for Members whose email IDs are registered with the Company / Depository Participant(s)]

(i) Launch internet browser by typing the following URL for e-voting: https://evoting.karvy.com/

(ii) Enter the login credentials i.e., USER ID and password mentioned. Your Folio No / DP ID / Client ID will be your USER ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

Enter the verification code (Captcha) i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

(iii) After entering the details appropriately, click on LOGIN.

(iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

(v) Login again with the new credentials.

(vi) On successful login, system will prompt to select the 'EVEN' (E-voting Event Number) i.e., the Company's name 'JSW Energy Limited'.

(vii) On the voting page, you will see the 'Resolution Description' and against the same, the option 'FOR / AGAINST / ABSTAIN' from voting.

(viii) Enter the number of shares (which represents number of votes) under 'FOR / AGAINST / ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR / AGAINST' taken together should not exceed your total shareholding. If the shareholder does not want to cast his / her vote, select 'ABSTAIN' and the shares will not be counted under either head.

(ix) Members holding multiple folios / demat account shall choose the voting process separately for each folios / demat account.

(x) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

(xi) After selecting the Resolution you have decided to vote on, click on 'SUBMIT'. A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else click on 'CANCEL' to modify your vote.

(xii) Once you 'CONFIRM' your vote on the Resolution, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

(xiii) Corporate / Institutional Members (other than Individuals, HUF, NRI, etc) are required to send a scanned certified true copy (PDF format) of the relevant Board Resolution / Power of Attorney / Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer's E-mail ID: shreyanscs@gmail.com with a copy to evoting@karvy.com and jswel.investor@jsw.in.

B. In case of Members receiving physical copy of the Notice by post [for Members whose email IDs are not registered with the Depository Participant(s) / Company]:

1. User ID and initial Password as provided.

2. Please follow all steps from Sr. No. (i) to (xiii) as mentioned in (A) above, to cast your vote.

C. Once the vote on a Resolution is cast by a Member, the Member shall not be allowed to change it subsequently or cast the vote again.

D. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of https://evoting.karvy.com or contact Mr. Varghese P A of Karvy at 040-67161500 or at 1800 345 4001 (toll free).

22. As a green initiative, copies of Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copy to the meeting.

23. The Annual Report for FY 2016-2017 of the Company circulated to the Members of the Company is available on the Company's website at www.jsw.in.

24. Item No. 4 of the Notice

Appointment of Statutory Auditors

As per Section 139(2) of the Companies Act, 2013 (hereinafter referred to as 'the Act') which has come into effect from 1st April 2014, a listed company cannot appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years each. An audit firm which has completed the two terms is not eligible for reappointment as auditor of the Company for five years from the completion of such term. Rule 6(3)(i) of the Companies (Audit and Auditors) Rules, 2014, provides that the period for which the firm has held office as auditor prior to the commencement of the Act shall be taken into account for calculating the period of ten consecutive years.

Every existing company is required to comply with the provisions of Section 139(2) of the Act not later than the date of the first Annual General Meeting of the company held after three years from the date of commencement of the Act i.e. 1st April, 2014.

Lodha & Co., Chartered Accountants, Mumbai, have been the Statutory Auditors of the Company since 30th March, 1995, and were last appointed as the Statutory Auditors of the Company to hold office till the conclusion of this 23rd Annual General Meeting.

Lodha & Co., Chartered Accountants, have completed their term and tenure as envisaged in Section 139 of the Act making them ineligible for appointment as Statutory Auditors. Further, as per the Section 139 (1) of the Act, the Statutory Auditors shall hold office from the conclusion of this 23rd Annual General Meeting till the conclusion of its 6th Annual General Meeting thereafter. Such appointment shall be placed before the Members for ratification at every intervening Annual General Meeting.

The Audit Committee and the Board of Directors of Company at its meeting held on 28th April, 2017 and 29th April, 2017, respectively, have recommended to the Members the appointment of Deloitte Haskins & Sells LLP, as the Statutory Auditors of the Company for a period of 5 years from the conclusion of this 23rd Annual General Meeting till the conclusion of the 28th Annual General Meeting. The Company has received a certificate under Section 141(3) of the Act read with Rule 10 of the Companies (Audit and Auditors) Rules, 2014 from Deloitte, Haskins & Sells LLP, Chartered Accountants, Mumbai, confirming their eligibility to be appointed as the Auditors of the Company and that they are free from any disqualifications and that they do not violate the limits as specified under the Act.

Consent of the Members is sought for the appointment of Deloitte Haskins & Sells LLP, as the Statutory Auditors of the Company for a period of 5 years, from the conclusion of this 23rd Annual General Meeting till the conclusion of the 28th Annual General Meeting at a remuneration to be determined by the Board of Directors.

Your Directors recommend the Resolution for approval by the Members.

None of the Directors, the Key Managerial Personnel of the Company and their relatives, have any concern or interest, financial or otherwise, in the Resolution.

Statement pursuant to Section 102 (1) of the Companies Act, 2013

This Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

Items No. 5 and 6

Based on the recommendation of the Compensation and Nomination & Remuneration Committee, the Board of Directors at its meeting held on 13th June, 2017, appointed Mr. Prashant Jain as an Additional Director of the Company with effect from 16th June, 2017 and he holds office upto the date of this 23rd Annual General Meeting pursuant to the provisions of Section 161 (1) of the Companies Act, 2013. At the same meeting, the Board of Directors appointed Mr. Prashant Jain as a Whole-time Director designated as 'Joint Managing Director and Chief Executive Officer' for a period of 5 years, subject to the approval of the Members.

Mr. Jain, aged about 45 years, is a Mechanical Engineer with over 2 decades of rich experience in the areas of Policy Advocacy, Corporate Strategy & Business Development, Domestic & International M&A, Information Technology & Digitization, Investor Relations, Corporate & Regulatory Affairs. Mr. Jain is a persuasive professional with strong techno-commercial acumen and a proven proficiency in executing key business initiatives and strategies across businesses within JSW group. As required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, his brief resume is furnished and forms a part of this Notice.

Mr. Jain has conveyed his consent to act as a Director of the Company and made the necessary disclosures and declarations. The Company has received a notice in writing from a Member proposing the candidature of Mr. Jain for the office of Director of the Company along with a deposit of the requisite amount under Section 160 of the Companies Act, 2013. Mr. Jain is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

The present terms and conditions of appointment of Mr. Jain, as approved by the Board of Directors upon recommendation of the Compensation and Nomination & Remuneration Committee, are as under:

1. **Remuneration:**
   i) Remuneration of Mr. Jain will be so fixed by the Board of Directors from time to time after taking into account the recommendations of the Compensation and Nomination & Remuneration Committee, such that the salary and the aggregate value of all perquisites and allowances like furnished accommodation or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs; bonus; performance incentive; ESOPs; reimbursement of expenses incurred for travelling, boarding and lodging during business trips, entertainment expenses actually and properly incurred for the Company's business, medical reimbursement, club fees and leave travel concession for himself and his family, medical insurance and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and Mr. Jain shall not exceed the overall ceiling on remuneration approved by the Members in General Meeting. Your Directors have recommended a ceiling on remuneration of ₹50,00,000/- (Rupees Fifty Lakh) per month.

   ii) For the purposes of calculating the above ceiling, perquisites shall be evaluated as per Income Tax Act, 1961 wherever applicable. In the absence of any such Act, perquisites shall be evaluated at actual cost.

iii) Subject to the overall limits on managerial remuneration prescribed under the Companies Act, 2013, the perquisite value computed in terms of the Income Tax Act, 1961, upon exercise by Mr. Jain of the options to be granted to him, shall not be included in the overall ceiling on renumeration payable to him.

iv) Provision for use of the Company's car for official duties and telephone at residence (including payment for local calls and long distance official calls) shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.

v) Company's contribution to Provident Fund and Superannuation or Annuity fund, to the extent these either singly or together are not taxable under the Income Tax Act, 1961 gratuity payable as per the rules of the Company and encashment of leave at the end of his tenure, shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

vi) Mr. Jain shall not be entitled to sitting fees for attending the meetings of the Board of Directors or any committee thereof.

2. Minimum Remuneration

Notwithstanding anything hereinabove, where in any financial year during the currency of Mr. Jain's tenure as a Whole-time Director, the Company has no profits or its profits are inadequate, the Company will pay the remuneration that he is then entitled to as Minimum Remuneration.

Your Directors recommend the Resolutions for approval by the Members.

Except Mr. Prashant Jain, none of the Directors, the Key Managerial Personnel of the Company and their relatives, have any concern or interest, financial or otherwise, in the Resolutions.

Item No. 7

Considering the recommendation of the Compensation and Nomination & Remuneration Committee, the Board of Directors at its meeting held on 18th July, 2016, appointed Mr. Chitale as an Additional Director of the Company effective 22nd July, 2016 and he holds office up to the date of this 23rd Annual General Meeting pursuant to the provisions of Section 161 (1) of the Companies Act, 2013 ("the Act").

The Company has received a notice in writing from a Member under the provisions of Section 160 of the Act along with the requisite deposit proposing the candidature of Mr. Chitale for the office of Director. Mr. Chitale has informed the Company that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act. Accordingly, it is proposed to appoint Mr. Chitale as a Director of the Company.

As required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, his brief resume is furnished and forms a part of this Notice.

Mr. Chitale has given a declaration that he meets with the criteria of independence as prescribed under Section 149 (6) of the Act and under Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board of Directors, Mr. Chitale fulfils the conditions for his appointment as an Independent Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Chitale is independent of the Management. Accordingly, it is proposed to appoint Mr. Chitale as an Independent Director for a term of 5 consecutive years from 22nd July, 2016 to 21st July, 2021, in terms of Section 149 and other applicable provisions of the Act and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Pursuant to the provisions of Section 149 (13) of the Act, Mr. Chitale will not be liable to retire by rotation. A copy of the draft letter of appointment of Mr. Chitale as an Independent Director stating the terms and conditions, is available for inspection by the Members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days of the Company and the same is also available on the Company's website www.jsw.in.

As per Section 152 of the Act and the Rules thereunder, a Director can be appointed with the approval of the Members in the General Meeting. Accordingly, the approval of the Members is sought for the appointment of Mr. Chitale as an Independent Director.

The Board considers that the proposed appointment of Mr. Uday Chitale as a Director, given his vast experience and knowledge in diverse areas, will be in the best interest of the Company.

Your Directors recommend the Resolutions for approval by the Members.

Except Mr. Uday Chitale, none of the Directors, the Key Managerial Personnel of the Company and their relatives, have any concern or interest, financial or otherwise, in the Resolutions.

Item No. 8
Considering the recommendation of the Compensation and Nomination & Remuneration Committee, the Board of Directors at its meeting held on 18th July, 2016, appointed Ms. Tanvi Shete as an Additional Director effective 22nd July, 2016, and she holds office up to the date of this 23rd Annual General Meeting pursuant to the provisions of Section 161 (1) of the Companies Act, 2013 ("the Act").

The Company has received a notice in writing from a Member under the provisions of Section 160 of the Act, along with the requisite deposit, proposing the candidature of Ms. Shete for the office of Director.

Ms. Shete is not disqualified from being appointed as a Director in terms of Section 164 of the Act. The Board considers that the proposed appointment of Ms. Shete as a Non-Executive Director, will be in the best interest of the Company and bring diversity to the composition of the Board.

As required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, her brief resume is furnished and forms a part of this Notice.

As per Section 152 of the Act and the Rules thereunder, a Director can be appointed with the approval of the Members in the General Meeting. Accordingly, the approval of the Members is sought for the appointment of Ms. Shete as a Non-Executive Director.

Your Directors recommend the Resolution for approval by the Members.

Except Ms. Tanvi Shete and Mr. Sajjan Jindal, Chairman and Managing Director of the Company being Ms. Shete's father, none of the Directors, the Key Managerial Personnel of the Company and their relatives, have any concern or interest, financial or otherwise, in the Resolution.

Item No.9
As per Notification dated 31st December, 2014 issued by the Ministry of Corporate Affairs, the Companies (Cost Records and Audit) Rules, 2014, provisions relating to auditing of cost accounting records are applicable to the Company.

S. R. Bhargave & Co., Cost Accountants (Firm), has been conducting the audit of the cost accounting records of the Company since past many years. The Firm has, as required under Section 141 of the Companies Act, 2013, consented to act as the Cost Auditor of the Company for the financial year 2017-18 and confirmed its eligibility to conduct the audit of the cost accounting records of the Company.

Accordingly, on the recommendation of the Audit Committee, the Board of Directors, at its meeting held on 29th April, 2017, approved appointment of S. R. Bhargave & Co., Cost Accountants, for the conduct of the audit of the cost accounting records of the Company, at a remuneration of ₹1,50,000 plus service tax as applicable and reimbursement of actual travel and out of pocket expenses for the financial year ending 31st March, 2018, subject to ratification by the Members pursuant to the provisions of Section 148 (3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditor) Rules, 2014.

Your Directors recommend the Resolution for ratification by the Members.

None of the Directors, the Key Managerial Personnel of the Company and their relatives, have any concern or interest, financial or otherwise, in the Resolution.

Item No. 10
At the 20th Annual General Meeting held on 23rd July, 2014, Members had accorded approval for the Company to enter into an agreement / transactions for an aggregate value of ₹9,000 crore over a period of 36 months starting from 1st April, 2014, with JSW International Tradecorp Pte. Limited (JSWITPL), Singapore, a JSW group

company, for procuring imported thermal coal in the ordinary course of business and on an arm's length basis.

Pursuant to the said approval, transactions aggregating to ₹6,293 crore were entered into during the period of 36 months.

Out of the 3,140 MW of thermal generation capacity, 2,060 MW is primarily based on imported coal for which the Company will need to import about 6.5 to 7 mpta of imported coal every year. At the same time, other verticals of JSW group have also seen significant increase in the volume of business with significant reliance on imports. Considering the substantial requirement of imported thermal coal for the group and in turn to consolidate the procurement of thermal coal aimed at bringing in efficiency of time and costs, a dedicated team had been created for procuring imported coal under JSW International Tradecorp Pte. Limited (JSWITPL) in Singapore for the entire group. This is expected to enable the business verticals to focus on the core business with the procurement of thermal coal being handled on consolidated basis by a separate group company which will be able to negotiate better deals on consolidated volumes, develop better understanding of coal markets, besides reducing the overhead as also financing costs. Accordingly, your Company had entered into an agreement with JSWITPL, a Promoter group company, on 7th March, 2014, for procurement of quality thermal coal originating from Indonesia, South Africa, Australia and Mozambique and other parts of the world, which is still in force / ongoing. The aforesaid arrangement is expected to benefit your Company in the form of reduced overheads and better planning and leveraging of group requirement for cost advantage.

The value of the transactions proposed to be undertaken on an arm's length basis and in the ordinary course of business with JSWITPL with effect from 1st April, 2017 over a period of 36 months, based on the business plan for 3 years duly extrapolated and marked appropriately for any exigencies and price variation, is expected to be ₹9,000 crore.

The transaction, which is at arm's length, and in the ordinary course of business of the Company, being a related party transaction, was approved by the Audit Committee at its meeting held on 28th April, 2017, in terms of Section 177 of the Companies Act, 2013.

Even though approval of the Members would not be required under the provisions of the Companies Act, 2013 for transactions which are in the ordinary course of the Company's business and are at arm's length, the related party transaction envisaged in this Resolution is considered material as per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, being in excess of 10% of the annual consolidated turnover of the Company and, hence, approval of the Members is sought.

In terms of Section 102 of the Companies Act, 2013, the shareholding interest of the Directors / Key Managerial Personnel of the Company and their relatives in JSWITPL to the extent that such shareholding is in excess of 2%, is set out below:

a) JSWITPL is a wholly owned subsidiary of Reynold Traders Private Limited (RTPL), a promoter group company.

b) Ms. Sangita Jindal, wife of Mr. Sajjan Jindal (Promoter and Chairman and Managing Director of the Company), holds 31,97,500 shares representing 99.92% of the total Equity Share capital of RTPL while Ms. Tarini Jindal Handa, daughter of Mr. Sajjan Jindal (Promoter and Chairman and Managing Director of the Company) holds the balance 2,500 shares representing 0.08% of the total Equity Share capital of RTPL.

All related parties shall abstain from voting on this Resolution, irrespective of whether they are a party to the transaction or not.

Your Directors recommend the Resolution for approval by the Members.

Except for Mr. Sajjan Jindal, Ms. Tanvi Shete and their relatives, none of the Directors, Key Managerial Personnel of the Company and their relatives, have any concern or interest, financial or otherwise in the Resolution.

Item No. 11

The Company, in the ordinary course of its business and on an arm's length basis, undertakes sale of power and other materials, supplies power under a conversion agreement, provides operation and maintenance services, etc. to JSW Steel Limited (JSWSL), a Promoter group company and also purchases from JSWSL fuel, steel and other materials, receives / avails services, etc, besides reimbursement of expenses paid on each other's behalf.

At the 20th Annual General Meeting held on 23rd July, 2014, the Members had accorded approval for the Company to enter into various transactions with JSWSL for an aggregate value of ₹7,500 crore over a period of 36 months starting from 1st April, 2014.

Pursuant to the said approval, transactions aggregating to ₹5,009 crore were entered into during the period of 36 months.

The value of the transactions proposed to be undertaken on an arm's length basis and in the ordinary course of business with JSWSL with effect from 1st April, 2017 over a period of 36 months, based on the business plan for 3 years duly extrapolated and marked appropriately for any exigencies and price variation, is expected to be for ₹8,000 crore.

The transaction, which is at arm's length, and in the ordinary course of business of the Company, being a related party transaction, was approved by the Audit Committee at its meeting held on 28th April, 2017, in terms of section 177 of the Companies Act, 2013.

Even though approval of the Members would not be required under the provisions of the Companies Act, 2013 for transactions which are in the ordinary course of the Company's business and are at arm's length, the related party transaction envisaged in this Resolution is considered material as per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, being in excess of 10% of the annual consolidated turnover of the Company and, hence, approval of the Members is sought.

In terms of Section 102 of the Companies Act, 2013, the shareholding interest of the Directors / Key Managerial Personnel of the Company and their relatives, in JSW Steel Limited (JSWSL) to the extent that such shareholding by each of them is in excess of 2%, is set out below:

Sr. No.	Name of the Director / Key Managerial Personnel of the Company	Number of shares held in excess of 2% in JSW Steel Limited	%
1.	JSW Holdings Limited	17,57,94,230	7.27
2.	Sahyog Holdings Private Limited	10,99,22,360	4.55
3.	Danta Enterprises Private Limited	6,03,68,250	2.50
4.	Virtuous Tradecorp Private Limited	6,03,68,250	2.50

All related parties shall abstain from voting on this Resolution, irrespective of whether they are a party to the transaction or not.

Your Directors recommend the Resolution for approval by the Members.

Except for Mr. Sajjan Jindal, Ms. Tanvi Shete and their relatives, none of the Directors, Key Managerial Personnel of the Company and their relatives, have any concern or interest, financial or otherwise in the Resolution.

Item No. 12

In terms of Section 42 of the Companies Act, 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company shall not make a private placement of its securities unless the proposed offer of securities or invitation to subscribe to the securities has been previously approved by the members of the company by a special resolution. In case of an offer or invitation to subscribe to non-convertible debentures on private placement basis, the company can obtain previous approval of its members by means of a special resolution once a year for all the offers or invitations for such non-convertible debentures during the year.

Accordingly, a Special Resolution was passed by the Members at the 22nd Annual General Meeting held on 21st July, 2016 for an amount of ₹5000 Crore, which was valid for one year and pursuant to which, your Company issued non-convertible debentures on private placement basis for ₹500 Crore (Rupees Five hundred Crore).

In order to augment the long term resources for financing, inter alia, the ongoing capital expenditure, for general corporate purposes, etc. the Company may offer or invite subscription to secured / unsecured redeemable non-convertible debentures, in one or more tranches on a private placement basis.

Accordingly, an enabling Resolution, as set out at Item No. 12 of the Notice, is being proposed to borrow funds by offer or invitation to subscribe to secured / unsecured redeemable non-convertible debentures for an amount not exceeding ₹5,000 Crore (Rupees Five Thousand Crore only). This Resolution would be valid for all the offers or invitations for such non-convertible debentures made till the date of the next Annual General Meeting.

The number of debentures to be offered, the parties to whom and the price at which, the debentures are to be offered, will be determined by the Board of Directors of the Company in accordance with applicable law and in consultation with the advisors.

Your Directors recommend the Resolution for approval by the Members.

None of the Directors, the Key Managerial Personnel of the Company and their relatives, have any concern or interest, financial or otherwise, in the Resolution.

Item No. 13

To fund the requirements of capital and revenue expenditure including working capital, to meet long term capital requirements of the Company and its subsidiaries, joint ventures and affiliates, including investment in subsidiaries (including overseas subsidiaries), joint ventures and affiliates, including repayment of debt, towards strengthening the balance sheet of the Company and other general corporate purposes, it is proposed to enable the Board to create, issue, offer and allot Equity Shares, Global Depository Receipts, American Depository Receipts, Foreign Currency Convertible Bonds, Convertible Debentures, Non-Convertible Debentures with warrants and such other securities as stated in the Resolution (the "Securities") at such price as may be deemed appropriate by the Board of Directors at its absolute discretion including the discretion to determine the categories of Investors to whom the issue, offer, and allotment shall be made considering the prevalent market conditions and other relevant factors and wherever necessary, in consultation with Merchant Bankers, Advisors, Underwriters, etc., inclusive of such premium, as may be determined by the Board of Directors in one or more tranche(s), subject to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (the "SEBI Regulations") and other applicable laws, rules and regulations.

An enabling Resolution was passed by the Members at the 22nd Annual General Meeting held on 21st July, 2016, for ₹7,500 Crore which was valid for 12 months and pursuant to which, no amount was raised by the Company.

The Company is in the midst of pursuing various growth opportunities including organic and inorganic opportunities and the Board of Directors believes that it would be necessary to raise funds.

The proposed Resolution enables the Board of Directors to issue Securities for an aggregate amount not exceeding ₹7,500 Crore (Rupees Seven Thousand Five Hundred Crore only) or its equivalent in any foreign currency.

The Special Resolution also authorizes the Board of Directors of the Company to undertake a Qualified Institutional Placement ("QIP") to Qualified Institutional Buyers ("QIBs") in the manner prescribed under Chapter VIII of the SEBI (ICDR) Regulations for raising capital. The pricing of the Specified Securities to be issued to QIBs pursuant to the SEBI (ICDR) Regulations shall be freely determined subject to such price not being less than the price calculated in accordance with Chapter VIII of the SEBI (ICDR) Regulations. The Company may, in accordance with applicable law, offer a discount of not more than 5% or such percentage as permitted under applicable law on the price determined in accordance with Chapter VIII of the SEBI (ICDR) Regulations. The "Relevant Date" for this purpose will mean "Relevant Date" as defined under regulation 81(c) of SEBI (ICDR) Regulations .

The detailed terms and conditions for the offer will be determined by the Board of Directors in consultation with the Advisors, Merchant Bankers, Underwriters and such other authority or authorities as may be required to be consulted by the Company considering the prevalent market conditions from time to time and in accordance with the applicable provisions of law, rules and regulations and other relevant factors.

The Equity Shares allotted or arising out of conversion of any Securities would be listed. The issue / allotment / conversion of Securities would be subject to the receipt of regulatory approvals, if any. Further the conversion of Securities held by foreign investors, into Equity Shares would be subject to the permissible foreign shareholding limits / cap specified by Reserve Bank of India from time to time.

Section 62(1)(a) of the Companies Act, 2013, provides, inter alia, that when it is proposed to increase the issued capital of a company by allotment of further equity shares, such further equity shares shall be offered to the existing shareholders of such company in the manner laid down therein unless the shareholders by way of a special resolution in a general meeting decide otherwise. Since, the Special Resolution proposed in the Notice may result in the issue of Equity Shares of the Company to persons other than existing shareholders of the Company, consent is being sought pursuant to the provisions of Section 62(1)(c) and other applicable provisions of the Companies Act, 2013 as well as applicable Rules thereunder and the provisions of the Listing Regulations.

The Special Resolution as set out at Item No. 13 of the Notice, if passed, will have the effect of permitting the Board of Directors to issue and allot Securities to Investors, who may or may not be existing shareholders of the Company in the manner as set out in Resolution. The Board of Directors believes that the proposed Special Resolution is in the interest of the Company.

Your Directors recommend the Resolution for approval by the Members.

None of the Directors, the Key Managerial Personnel of the Company and their relatives, have any concern or interest, financial or otherwise, in the Resolution.

Item No. 14

It is in the interest of the Company to pro-actively arrange long-term funding to meet the planned capital expenditure and for other corporate purposes, including refinancing of expensive debt to reduce interest costs and to meet any unlikely shortfall due to unforeseen circumstances.

It is proposed that the Board of Directors be authorised by way of enabling Resolutions as at Item No. 14 of this Notice, to raise additional long term resources to part finance the Company's capital expenditure needs and / or for other general corporate purposes, including refinancing of expensive debt, depending upon market dynamics by way of issue of non-convertible foreign currency denominated bonds not exceeding US $ 750 Million (United States Dollar Seven Hundred and Fifty Million only) and / or masala bonds denominated in equivalent Indian currency in the aggregate in the international capital market.

The detailed terms and conditions for the offer will be determined by the Board of Directors in consultation with the Advisors, Merchant Bankers, Underwriters and such other authority or authorities as may be required to be consulted by the Company considering the prevalent market conditions from time to time and in accordance with the applicable provisions of law, rules and regulations and other relevant factors.

The end use of the issue proceeds will be in compliance with applicable laws and regulations.

Your Directors recommend the Resolution for approval by the Members.

None of the Directors, the Key Managerial Personnel of the Company and their relatives, have any concern or interest, financial or otherwise, in the Resolution.

Pursuant to Regulation 36 of the Listing Regulations, the details for the Directors proposed to be appointed / re-appointed at the ensuing 23rd Annual General Meeting are given below:

Name of Director	**Mr. Nirmal Kumar Jain**	**Mr. Uday Chitale**	**Ms. Tanvi Shete**	**Mr. Prashant Jain**
Date of Birth	3rd May, 1946	20th October, 1949	14th February, 1987	26th September, 1971
Original Date of Appointment	21st January, 2010	22nd July, 2016	22nd July, 2016	16th June, 2017
Expertise in specific functional areas	Mr. Jain, aged 71 years, who joined the JSW Group in 1992, held positions of increasing responsibilities including as Director-Finance in 1994, Deputy MD & CEO in 1996 and Executive Vice-Chairman of Jindal Iron & Steel Co. Ltd. Mr. Jain has over four decades of wide experience in the areas of mergers and acquisition, finance, law and capital restructuring. His deep knowledge and astute eye for all aspects of business have helped establish JSW as a still-rapidly growing diversified conglomerate.	Mr. Chitale, aged 68 years, is a Senior Partner of M/s M.P. Chitale & Co., Chartered Accountants, with offices at Mumbai and Pune. Mr. Chitale has extensive experience of Corporate Auditing, Commercial Dispute Resolution (Mediation / Conciliation & Arbitration), Business negotiations and valuation. He is also on the panel of Arbitrators of Leading Institutions in India and abroad and on the panel of resource persons of the Hon'ble Bombay High Court for implementing the scheme of court annexed Alternate Dispute Resolution (ADR). Mr. Chitale has served on various Expert Committees set up by organizations such as Institute of Chartered Accountants of India, Securities & Exchange Board of India, Reserve Bank of India, Insurance Regulatory & Development Authority, Indian Banks' Association. He is also a Member of Committees / Governing Councils of various Chambers of Commerce.	Ms. Tanvi Shete, aged 30 years, has been a Teach for India Fellow, having done a two-year fellowship program teaching underprivileged children in Mumbai. She has also worked at Akanksha Foundation which is a non-profit organisation with a mission to provide children from low-income communities with a high-quality education, enabling them to maximize their potential and transform their lives. She was the Vice Principal for one of their schools. She is actively involved with the JSW Foundation. She is the Managing Trustee of the Jindal Education Trust looking after all the education initiatives including seven JSW managed schools.	Mr. Jain, aged about 45 years, is a Mechanical Engineer with over 2 decades of rich experience in the areas of Policy Advocacy, Corporate Strategy & Business Development, Domestic & International M&A, Information Technology & Digitization, Investor Relations, Corporate & Regulatory Affairs. Mr. Jain is a persuasive professional with strong techno-commercial acumen and a proven proficiency in executing key business initiatives and strategies in driving business operations encompassing steel, cement, power and infrastructure sector.
Qualifications	Bachelor's Degree in Commerce. Fellow Member of Institute of Chartered Accountants of India and the Institute of Company Secretaries of India.	Chartered Accountant	Graduate from American School of Bombay with a degree in Economics from New York University	Mechanical Engineer
Directorship in other Indian Companies as on 31st March 2017	1) JSW Holdings Limited 2) Epsilon Carbon Private Limited 3) JSW Cement Limited 4) Toshiba JSW Power Systems Private Limited 5) Raj WestPower Limited 6) JSW Power Trading Company Limited 7) JSW Infrastructure Limited 8) JSW Jaigarh Port Limited 9) JSW Industrial Gases Private Limited 10) JSW Nandgaon Port Private Limited 11) Himachal Baspa Power Company Limited	1) India Infradebt Limited 2) ICICI Prudential Pension Funds Management Company Limited 3) Axis Mutual Fund Trustee Limited 4) Janalakshmi Financial Services Limited 5) Indian Council for Dispute Resolution 6) ICICI Lombard General Insurance Company Limited 7) DFK Consulting Services (India)Private Limited 8) GMR Vemagiri Power Generation Limited	Nil	1) JSW Bengal Steel Limited 2) JSW Jharkhand Steel Limited 3) Rohne Coal Company Private Limited 4) Janakalyan Electoral Trust

Name of Director	Mr. Nirmal Kumar Jain	Mr. Uday Chitale	Ms. Tanvi Shete	Mr. Prashant Jain
Chairmanship / Membership of Committees in other Indian Companies as on 31st March 2017*	**Audit Committee Member:** JSW Infrastructure Limited JSW Jaigarh Port Limited JSW Nandgaon Port Private Limited JSW Holdings Limited JSW Cement Limited Epsilon Carbon Private Limited **Stakeholders' Relationship Committee Chairman:** JSW Holdings Limited	**Audit Committee Member:** GMR Vemagiri Power Generation Limited Axis Mutual Fund Trustee Limited ICICI Prudential Pension Funds Management Company Limited ICICI Lombard General Insurance Company Limited **Audit Committee Chairman:** India Infradebt Limited Janalakshmi Financial Services Limited	Nil	Nil
Number of Equity Shares held in the Company	5,000	Nil	2,50,02,225	Nil
Relationship between Directors inter-se	None	None	Daughter of Mr. Sajjan Jindal, Chairman and Managing Director	None

*only two committees namely Audit Committee and Stakeholders Relationship Committee have been considered.

By order of the Board of Directors
JSW Energy Limited

Monica Chopra
Company Secretary

Registered Office:
JSW Energy Limited
JSW Centre, Bandra Kurla Complex
Bandra (East), Mumbai – 400051

Mumbai
13th June, 2017

E-Communication Registration Form

To,
Karvy Computershare Private Limited
Unit: JSW Energy Limited
Karvy Selenium Tower B, Plot 31-32, Gachibowli
Financial District, Nanakramguda, Hyderabad –500032
Ph. Nos: 040-67161500
Fax No. 040- 23001153
E-mail: einward.ris@karvy.com
Website: www.karvy.com

GREEN INITIATIVE IN CORPORATE GOVERNANCE

I / We hereby exercise my /our option to receive all Notices / Documents, etc. from the Company including Notice of General Meetings, Audited Financial Statements, Directors' Report, Auditors' Report, Postal Ballot Notices, etc. in electronic mode. Please register my e-mail ID as given below, in your records, for sending the communications:

DP ID & Client ID / Folio No. : ....

Name of 1st Registered Holder : ....

Name of Joint Holder(s), if any : ....

Registered Address of the Sole / 1st Registered Holder : ....

....

....

....

E-mail ID (to be registered) : ....

....

Date : .... Signature : ....

Notes:

1. The above form may be used for registering the E-mail IDs by those Members who have not got their E-mail id registered.
2. Members holding shares in electronic mode are requested to have their e-mail addresses registered with their respective Depository Participants.
3. Members holding shares in physical mode are requested to send the duly filled and signed form to the Company's Registrar, as mentioned above.
4. Members are requested to keep their Depository Participants / Company's Registrar-Karvy Computershare Private Limited, informed as and when there is any change in the e-mail address.
5. The form is also available on the website of the Company www.jsw.in under the Section 'Investor information'.
6. On registration, all the communications will be sent to the E-mail ID registered.

Form No. MGT-11
Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014.]

JSW ENERGY LIMITED

Regd Office: JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
Phone: +91 22 4286 1000 Fax: +91 22 4286 3000, website: www.jsw.in
CIN: L74999MH1994PLC077041

Name of the Member(s)	
Registered Address:	
Email Id:	
Folio No. / Client Id:	
DP ID:	

I / We, being the member(s) of .... shares of JSW Energy Limited, hereby appoint

1. Name.. Email Id: ....

   Address..

   ....Signature:..

   or failing him / her

2. Name.. Email Id: ....

   Address..

   ....Signature:..

   or failing him / her

3. Name.. Email Id: ....

   Address..

   ....Signature:..

as my / our Proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 23rd Annual General Meeting of the Company, to be held on Thursday, 13th July, 2017 at 3.00 p.m at Yashwantrao Chavan Pratisthan, Y. B. Chavan Auditorium, General Jagannath Bhosale Marg, Mumbai - 400 021 and at adjournment thereof in respect of such Resolution as mentioned overleaf:

Resolution Number	Resolution	Vote (See Note 3)	
		For	Against
Ordinary Business			
1.	Adoption of the annual audited Financial Statement and Reports thereon		
2.	Declaration of Dividend		
3.	Appointment of a Director in place of one retiring by rotation		
4.	Appointment of the Statutory Auditors		
Special Business			
5.	Appointment of Mr. Prashant Jain as a Director		
6.	Appointment of Mr. Prashant Jain as a Whole-time Director		
7.	Appointment of Mr. Uday Chitale as an Independent Director		
8.	Appointment of Ms. Tanvi Shete as a Non-Executive Director		
9.	Ratification of the remuneration of Cost Auditor		
10.	Approval for Material Related Party Transactions with JSW International Tradecorp Pte. Limited		
11.	Approval for Material Related Party Transactions with JSW Steel Limited		
12.	Issue of Non-Convertible Debentures, etc.		
13.	Issue of Equity Shares, etc.		
14.	Authority to raise funds through Bonds		

Signed this .... day of ...., 2017

Affix
Revenue
Stamp

Signature of Shareholder

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office at JSW Centre, JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051, not less than 48 hours before the scheduled time of the meeting.

2. A person can act as Proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. A Member holding more than 10% of the total share capital of the Company may appoint a single person as a Proxy and such person cannot act as a Proxy for any other Member.

3. Please put a "X" in the appropriate column against the Resolutions indicated in the Box. If you leave the "For" or "Against" column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he / she may deem appropriate.

JSW ENERGY LIMITED
Regd Office: JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
Phone: +91 22 4286 1000 Fax: +91 22 4286 3000, website: www.jsw.in
CIN: L74999MH1994PLC077041

Attendance Slip

*Regd. Folio No. ....

DP. ID. ....

Client ID. ....

23rd ANNUAL GENERAL MEETING – 13th JULY, 2017

I certify that I am a Member/ Proxy for the Member of the Company.

I hereby record my presence at the **23rd Annual General Meeting** of the Company held on Thursday, 13th July, 2017 at 3.00 p.m at Yashwantrao Chavan Pratisthan, Y. B. Chavan Auditorium, General Jagannath Bhosale Marg, Mumbai - 400 021.

....

** Member's / Proxy's Name in Block Letters

** Member's / Proxy's Signature

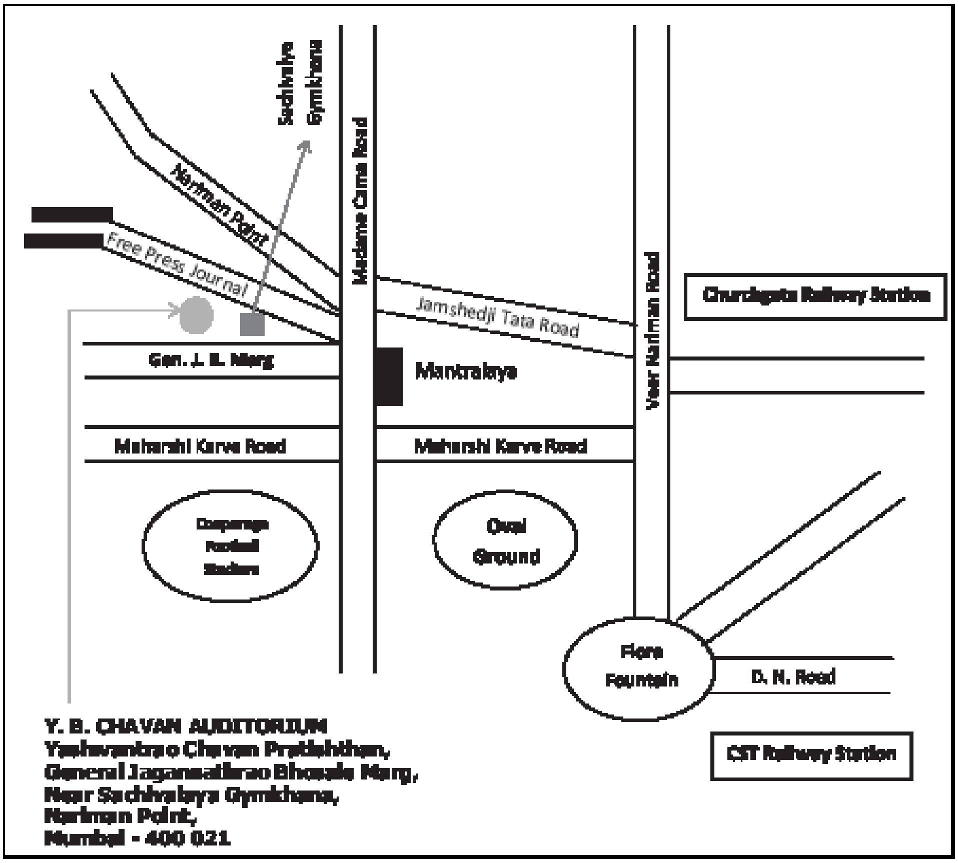
Notes:

- Member / Proxy must bring the Attendance Slip to the Meeting and hand it over, duly signed, at the registration counter.
- The copy of the Notice may please be brought to the Meeting Hall.

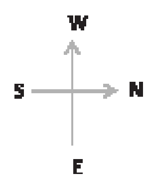
*Applicable only in case of Members holding shares in physical form.

**Strike out whichever is not applicable

ROUTE MAP TO VENUE OF THE ANNUAL GENERAL MEETING ON THURSDAY, 13TH JULY 2017, AT 3.00 P.M.



Not to scale



Awards and Accolades

CEO of the Year
– World HRD Congress

Best Infrastructure Brands
– Economic Times

Power & Energy Persona Award – Overall Sector Excellence
– ENERTIA Foundation

RoSPA Health & Safety Awards
to Vijayanagar – The Royal Society for the Prevention of Accidents, Birmingham

National Award for Excellence in Water Management
to Ratnagiri– Confederation of Indian Industries (CII)

Golden Peacock Award for Environment Management
to Vijayanagar – Institute of Directors

Best Infrastructure Brands to JSW Energy Ltd.
by **Economic Times**

CEO of the Year awarded to Mr. Sanjay Sagar
by **World HRD Congress**

Golden Peacock Award for Environment Management
2016 to JSW Energy, Vijayanagar by **Institute of Directors**

Power & Energy Persona Award – Overall Sector
Excellence to Mr. Sanjay Sagar by **ENERTIA Foundation**

If Undelivered please return to

JSW Energy Limited
JSW Centre,
Bandra Kurla Complex,
Bandra (E)
Mumbai - 400051

Tel: 022 4286 1000
Fax: 022 4286 1000
Website: www.jsw.in
CIN: L74999MH1994PLC077041