

**Independent Auditor's Report on Quarterly Consolidated Financial Results and Consolidated Year Ended Results of JSW Energy Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
Board of Directors of JSW ENERGY LIMITED

We have audited the quarterly IND AS consolidated financial results of JSW ENERGY LIMITED for the quarter ended 31<sup>st</sup> March, 2017 and the consolidated results for the year ended 31<sup>st</sup> March, 2017, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated 05<sup>th</sup> July, 2016.

This statement is the responsibility of the company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these standalone financial statements based on our audit.

These consolidated quarterly financial results as well as the consolidated year end financial results have been prepared from consolidated interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (IND AS) for Interim Financial Reporting (IND AS 34), mandated under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

We have not audited the financial statements of five subsidiaries included in the consolidated quarterly financial results and consolidated year ended results, whose financial statements reflect total assets of ₹ 9,529.79 crore as at 31<sup>st</sup> March, 2017 and the total revenue of ₹ 773.09 crore for the quarter ended 31<sup>st</sup> March, 2017 and ₹ 4,101.63 crore for the year ended 31<sup>st</sup> March, 2017. These year end financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the reports of such other auditors.

We have not audited the financial statements of nineteen foreign subsidiaries and a joint venture company included in the consolidated financial statements, whose financial statements reflect total assets of ₹ 1,325.20 crore and ₹ 2,357.86 crore as at 31<sup>st</sup> March, 2017 respectively and the total revenue of ₹ 8.90 crore and ₹ 194.22 crore for the quarter ended 31<sup>st</sup> March, 2017 and ₹ 30.72 crore and ₹ 767.21 crore for the year ended 31<sup>st</sup> March, 2017 respectively. These financial statements have been certified by the Company's management and furnished to us, and our opinion, in so far as it relates to the amount included in respect of nineteen foreign subsidiary companies and a joint venture company, are based solely on these certified financial statements.

We have not audited the financial statements of an associate included in the consolidated financial statements, whose financial statements reflect the Group's share of loss of Nil for the quarter ended 31<sup>st</sup> March, 2017 and ₹ 2,357.86 crore for the year ended 31<sup>st</sup> March, 2017. The financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements is based solely on such unaudited financial statements.



In our opinion and to the best of our information and according to the explanations given to us, these consolidated quarterly financial results as well as the consolidated year ended results:

(i) includes the quarterly financial results and year ended results of the following entities:

- a) JSW Power Trading Company Limited
- b) Jaigad Power Transco Limited
- c) Raj West Power Limited
- d) Himachal Baspa Power Company Limited
- e) JSW Energy (Raigarh) Limited
- f) JSW Green Energy Limited
- g) JSW Energy (Kutehr) Limited
- h) JSW Energy Natural Resources (BVI) Limited
- i) JSW Energy Minerals Mauritius Limited
- j) JSW Energy Natural Resources Mauritius Limited
- k) JSW Energy Natural Resources Mauritius Limited
- l) JSW Energy Natural Resources South Africa (Pty) Limited
- m) South African Coal Mining Holdings Limited
- n) Royal Bafokeng Capital (Pty) Limited
- o) Mainsail Trading 55 Proprietary Limited
- p) Ilanga Coal Mines Proprietary Limited
- q) Jigmining Operations No 1 Proprietary Limited
- r) Jigmining Operations No 3 Proprietary Limited
- s) Sacm (Breyten) Proprietary Limited
- t) Sacm (Newcastle) Proprietary Limited
- u) South African Coal Mining Equipment Company Proprietary Limited
- v) South African Coal Mining Operations Proprietary Limited
- w) Umlabu Colliery Proprietary Limited
- x) Voorslag Coal Handling Proprietary Limited
- y) Yomhlaba Coal Proprietary Limited
- z) JSW Energy Natural Resource UK Limited
- aa) Minerals And Energy Swaziland (Pty) Ltd
- bb) Barmer Lignite Mining Company Limited
- cc) Toshiba JSW Power Systems Private Limited

(ii) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated 05<sup>th</sup> July, 2016 in this regard; and

(iii) give a true and fair view of the consolidated net profit including other comprehensive income and other financial information for the quarter ended 31<sup>st</sup> March, 2017 as well as the consolidated financial results for the year ended 31<sup>st</sup> March, 2017.



Place: Mumbai  
Date: April 29, 2017

For LODHA & CO.  
Chartered Accountants  
Firm Registration No: 301051E

  
A.M. Hariharan

Partner  
Membership No. 38323

# JSW ENERGY LIMITED

Registered Office : JSW Centre,  
Bandra Kurla Complex, Bandra (East), Mumbai 400051  
CIN: L74999MH1994PLC077041

Audited Consolidated Financial Results for the Quarter and Year Ended 31.03.2017

(₹ crore)

Sl.	Particulars	Quarter Ended			Year Ended	
		31.03.2017	31.12.2016	31.03.2016	31.03.2017	31.03.2016
		Audited	Unaudited	Audited	Audited	Audited
I	Revenue from Operations	1,862.08	1,904.30	2,530.71	8,283.43	9,824.49
II	Other Income	73.21	50.53	34.16	217.00	235.11
III	<b>Total Income (I+II)</b>	<b>1,935.29</b>	<b>1,954.83</b>	<b>2,564.87</b>	<b>8,480.43</b>	<b>10,059.60</b>
IV	Expenses:					
	a) Fuel Cost	1,005.15	994.75	1,200.88	3,907.22	4,377.35
	b) Purchase of Power	52.25	31.22	98.31	153.10	543.15
	c) Employee Benefits Expense	53.83	51.22	47.84	211.77	183.81
	d) Finance costs	396.98	422.92	437.13	1,684.75	1,498.11
	e) Depreciation and Amortisation Expense	237.86	244.40	236.12	969.15	854.25
	f) Other Expenses	163.99	169.58	206.69	666.98	694.08
	<b>Total Expenses (IV)</b>	<b>1,910.04</b>	<b>1,914.09</b>	<b>2,226.97</b>	<b>7,592.97</b>	<b>8,150.73</b>
V	<b>Profit/(loss) before exceptional items and tax (III - IV)</b>	<b>25.25</b>	<b>40.74</b>	<b>437.90</b>	<b>887.46</b>	<b>1,908.87</b>
VI	Share of Profit / (Loss) of an Associate / Joint Venture	2.16	2.15	(0.66)	4.08	(42.34)
VII	Exceptional items (Refer Note No 3 below)	-	-	-	-	(150.00)
VIII	<b>Profit/(loss) before tax (V + VI - VII)</b>	<b>27.41</b>	<b>42.89</b>	<b>437.24</b>	<b>891.52</b>	<b>2,016.53</b>
IX	Tax expense	2.65	24.93	137.30	269.01	556.26
X	<b>Profit/(loss) for the period (VIII - IX)</b>	<b>24.76</b>	<b>17.96</b>	<b>299.94</b>	<b>622.51</b>	<b>1,460.27</b>
	Attributable to:					
	Owners of the Company	23.72	21.39	295.50	629.03	1,447.36
	Non Controlling Interests	1.04	(3.43)	4.44	(6.52)	12.91
XI	Other Comprehensive Income					
	A.(i) Items that will not be reclassified to Profit or loss (net of taxes)	177.23	(71.33)	174.51	418.33	262.51
	B.(i) Items that will be reclassified to Profit or loss (net of taxes)	(0.74)	16.08	8.51	13.76	1.52
		<b>176.49</b>	<b>(55.25)</b>	<b>183.02</b>	<b>432.09</b>	<b>264.03</b>
XII	<b>Total Comprehensive Income for the period (X + XI)</b>	<b>201.25</b>	<b>(37.29)</b>	<b>482.96</b>	<b>1,054.60</b>	<b>1,724.30</b>
	Attributable to:					
	Owners of the Company	200.21	(33.88)	478.52	1,061.12	1,711.39
	Non Controlling Interests	1.04	(3.43)	4.44	(6.52)	12.91
XIII	<b>Paid-up Equity Share Capital (net of treasury shares)</b> (Face Value of ₹ 10 per share)	<b>1,627.95</b>	<b>1,627.62</b>	<b>1,626.79</b>	<b>1,627.95</b>	<b>1,626.79</b>
XIV	Other Equity				8,740.51	8,077.34
XV	Earnings per Share (not annualised)					
	- Basic EPS (₹)	0.15	0.13	1.82	3.86	8.90
	- Diluted EPS (₹)	0.15	0.13	1.82	3.86	8.90
	<b>Standalone information</b>					
	Total Income from Operations	1,012.98	913.79	1,599.20	4,040.97	5,862.63
	Profit/(Loss) before tax	25.65	(13.39)	491.34	336.88	1,563.08
	Profit/(Loss) after tax	2.45	(24.45)	379.52	194.75	1,182.07

**Notes :**

- 1 a) The Company has adopted Indian Accounting Standards (IND AS) from April 1, 2016, the above results have been prepared in compliance with IND AS. Further, the financial results for the quarter and year ended March 31, 2016 have been restated to comply with IND AS.  
b) Reconciliation of Net Profit and Equity between previously reported "Indian GAAP" and IND AS is as under:

(₹ Crore)

Particulars	Note Reference	Profit Reconciliation		Equity Reconciliation
		For the Quarter ended 31.03.2016	For the year ended 31.03.2016	As at 31.03.2016
<b>Net Profit / Equity under Previous GAAP</b>		<b>305.44</b>	<b>1,395.51</b>	<b>8,535.83</b>
Impact of Embedded lease accounting	(i)	(4.32)	18.85	5.97
Impact of Service concession accounting	(ii)	(11.77)	(25.86)	(25.86)
Net gain / (loss) on financial assets / liabilities fair valued through statement of profit and loss	(iii)	3.95	(4.43)	(36.58)
Amortisation of transaction cost on borrowings	(iv)	(0.38)	(7.75)	11.46
Capital Overhauling costs recognised as Property Plant and Equipment (PPE) (net)	(v)	(0.99)	13.26	13.26
Employee benefits – Actuarial (Gain) / Loss recognized in OCI	(vi)	1.32	1.32	1.32
Others	(vii)	(9.29)	12.36	62.73
Deferred taxes	(viii)	11.54	44.10	(2.96)
Proposed Dividend		-	-	381.70
<b>Net Profit for the period / Equity under Ind AS</b>		<b>295.50</b>	<b>1,447.36</b>	<b>8,956.87</b>
Net gain on financial assets fair value through other comprehensive Income	(iii)	175.83	263.83	747.06
Other Comprehensive Income (OCI)		7.19	0.20	0.20
<b>Total comprehensive Income / Equity under IND AS</b>		<b>478.52</b>	<b>1,711.39</b>	<b>9,704.13</b>



*[Handwritten Signature]*



- i) Embedded Lease: As per IND AS, Property, Plant and Equipment (PPE) relating to embedded lease arrangement has been de-recognised and shown at fair value as lease receivable.
- ii) Service concession arrangement: As per IND AS, PPE related to service concession arrangement has been de-recognised and classified as financial asset / intangible asset.
- iii) Fair valuation for Financial Assets and Financial Liabilities: The Company has valued financial assets (other than investment in subsidiaries, associate and joint venture which are accounted at cost) and Financial Liabilities, at fair value. Impact of fair value changes as on the date of transition, is recognised in opening reserves and changes there after are recognised in Statement of Profit and Loss Account or Other Comprehensive Income, as the case may be.
- iv) Loan processing fees / transaction cost: Under Ind AS such expenditure is considered for calculating effective interest rate and these costs are spread across the tenor of the respective loans. The impact for the periods subsequent to the date of transition is reflected in Statement of Profit and Loss.
- v) Capital overhauling costs earlier charged to Statement of Profit and Loss has been capitalised and amortised.
- vi) Employee benefits – actuarial gains and losses are recognised in other comprehensive income.
- vii) Other adjustments primarily represents exchange difference on translation of foreign operations transferred to OCI, Consolidation of ESOP Trust, Stock Compensation accounting, Equity method of accounting of Joint Venture, etc.
- viii) Deferred Tax: The impact of transition adjustments together with Ind AS mandate of using balance sheet approach (against profit and loss approach in the previous GAAP) for computation of deferred taxes has resulted in charge to Reserves, on the date of transition, with consequential impact to the Statement of Profit and Loss account for the subsequent periods.

2 Statement of Assets and Liabilities:

(₹ Crore)

Sl.	Particulars	As at	
		31.03.2017	31.03.2016
		Audited	Audited
<b>A</b>	<b>ASSETS</b>		
1	<b>Non-current assets:</b>		
	(a) Property, Plant and Equipment	17,876.50	18,653.33
	(b) Capital work-in-progress	528.90	320.61
	(c) Goodwill on Consolidation	644.86	645.83
	(d) Other Intangible assets	969.23	998.67
	(e) Financial Assets		
	(i) Investments	1,359.92	936.88
	(ii) Loans	1,137.49	813.10
	(iii) Other financial assets	1,649.56	1,621.65
	(f) Income tax assets (net)	257.52	132.06
	(g) Other non-current assets	87.70	122.05
	<b>Total Non - Current Assets</b>	<b>24,509.68</b>	<b>24,244.18</b>
2	<b>Current assets:</b>		
	(a) Inventories	596.74	635.83
	(b) Financial Assets		
	(i) Investments	218.90	75.39
	(ii) Trade receivables	2,182.75	2,906.34
	(iii) Cash and cash equivalents	590.71	238.55
	(iv) Bank Balances other than (iii) above	193.59	118.88
	(v) Loans	80.62	-
	(vi) Other financial assets	134.67	240.31
	(c) Other current assets	81.22	79.40
	<b>Total Current Assets</b>	<b>4,079.20</b>	<b>4,294.70</b>
	<b>Total Assets (1+2)</b>	<b>28,588.88</b>	<b>28,538.88</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
1	<b>Equity</b>		
	(a) Equity Share Capital	1,627.95	1,626.79
	(b) Other Equity	8,740.51	8,077.34
	<b>Equity attributable to owners of the Company</b>	<b>10,368.46</b>	<b>9,704.13</b>
	Non-controlling interests	2.37	1.40
	<b>Total Equity</b>	<b>10,370.83</b>	<b>9,705.53</b>
2	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	13,125.92	11,947.51
	(ii) Other financial liabilities	0.56	0.36
	(b) Provisions	47.11	39.38
	(c) Deferred tax liabilities (Net)	590.08	434.06
	(d) Other non-current liabilities	1.75	1.81
	<b>Total Non - Current Liabilities</b>	<b>13,755.42</b>	<b>12,423.12</b>
3	<b>Current liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	8.67	1,589.33
	(ii) Trade payables*	2,118.72	2,531.37
	(iii) Other financial liabilities	2,282.13	2,255.77
	(iv) Acceptances	-	-
	(b) Other current liabilities	44.00	21.85
	(c) Provisions	9.11	11.91
	<b>Total Current Liabilities</b>	<b>4,462.63</b>	<b>6,410.23</b>
	<b>Total Equity and Liabilities (1+2+3)</b>	<b>28,588.88</b>	<b>28,538.88</b>

\* including buyers credit

- 3 Compensation of ₹ 150 crore received by the Group during the year 2015-16, as per the terms of the Share Purchase Agreement, has been disclosed as an exceptional item.
- 4 During the quarter, the Group has received the order of CERC, determining the tariff of Karcham Wangtoo Plant and accordingly the Group has recognised revenue from sale of power under the respective power purchase agreements.
- 5 In terms of SEBI Circular CIR/CFD/CMD/56/2016 dated 27th May, 2016, the Group hereby declares that the Auditors have issued Audit Reports with unmodified opinion on Consolidated annual audited financial results for the year ended 31.03.2017.
- 6 The Board of Directors has recommended dividend of 5% (₹ 0.50 per equity share of ₹ 10 each) for the year 2016-17 subject to the approval of shareholders in the Annual General Meeting.
- 7 The above results have been reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on 29.04.2017.
- 8 The Group is engaged in only one segment viz. "Generation and Sale of Power" and as such there are no separate reportable segments as per IND AS – 108 "Operating Segments".
- 9 The figures for the corresponding periods in the previous periods have been regrouped and reclassified wherever necessary, to make them comparable with the figures for the current periods. The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the financial year.

Place : Mumbai  
Date : 29.04.2017



For and on behalf of the Board of Directors

Sanjay Sagar  
Jt. Managing Director & CEO  
[DIN: 00019489]

