



**NAVIGATING Challenges**  

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**Protecting VALUE**

ANNUAL REPORT 2016-17

ABRIDGED

# 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.

## Navigating Challenges. Protecting Value.

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 cooperative 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 offtake 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 and a sustainable focus on growth and value creation for all.

## 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 minimizing 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- 3140 MW; Hydel - 1391 MW) of power generation capacity with the vision to achieve 10,000 MW capacity by 2020. 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 interests 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.

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**21,631 MU**  
Net Generation

**₹8,480 cr**  
Turnover

**₹3,541 cr**  
EBITDA

**42%**  
EBITDA Margin

**₹629 cr**  
Profit After Tax

# 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 offtake 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 crores 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 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

# 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 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.



Building toilets for underprivileged in Ratnagiri, Maharashtra

## 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 robust 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 metres of water in the catchment and will benefit over 10,000 people.
- Planted around 5,300 species 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

(as on 31<sup>st</sup> March, 2017 )

## 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 22<sup>nd</sup> July, 2016)

Independent Director

### Ms. Tanvi Shete (w.e.f 22<sup>nd</sup> July, 2016)

Non Executive, Non Independent Director

## Chief Financial Officer

Mr. Jyoti Kumar Agarwal (w.e.f 1<sup>st</sup> February, 2017)

Mr. Pramod Menon (up to 31<sup>st</sup> January, 2017)

## Company Secretary

Ms. Monica Chopra (w.e.f 23<sup>rd</sup> January, 2017)

Mr. Sampath Madhavan (up to 30<sup>th</sup> 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

# 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, 13<sup>th</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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 23<sup>rd</sup> Annual General Meeting till the conclusion of the 28<sup>th</sup> 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 16<sup>th</sup> June, 2017 and who holds office up to date of this 23<sup>rd</sup> 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 16<sup>th</sup> 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 22<sup>nd</sup> July, 2016, and who holds office up to the date of this 23<sup>rd</sup> 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 22<sup>nd</sup> July, 2016 to 21<sup>st</sup> 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 22<sup>nd</sup> July, 2016, and who holds office up to date of this 23<sup>rd</sup> 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 31<sup>st</sup> 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 1<sup>st</sup> 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 1<sup>st</sup> April, 2017, on such terms and conditions on arm’s length basis, as may be agreed to by the Board.

RESOLVED FURTHER THAT the Board 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 22<sup>nd</sup> Annual General Meeting held on 21<sup>st</sup> 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.

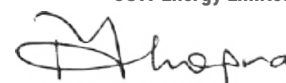
RESOLVED FURTHER THAT the Board be and is hereby authorised to dispose of such Bonds as are to be issued and are not subscribed on such terms and conditions as it may in its absolute discretion deem fit.

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  
13<sup>th</sup> June, 2017

**NOTES:**

1. The relative 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 inter alia 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 along with 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, 4<sup>th</sup> July, 2017 to Thursday, 13<sup>th</sup> 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, 11<sup>th</sup> 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, 3<sup>rd</sup> 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, 13<sup>th</sup> July, 2017.
11. The provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules), is 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 22<sup>nd</sup> Annual General Meeting held on 21<sup>st</sup> July, 2016, on the website of the IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in) and under "Investors Section" on the website of the Company viz. [www.jsw.in](http://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](http://www.jsw.in) duly filled in, to the Registrar and Share Transfer Agent of the Company i.e. Karvy Computershare Private Limited (Karvy). 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 23<sup>rd</sup> 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, 6<sup>th</sup> 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, 6<sup>th</sup> 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, 6<sup>th</sup> 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, 10<sup>th</sup> July, 2017**
- End of remote e-voting : 5.00 p.m. (IST) on Wednesday, 12<sup>th</sup> 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, 6<sup>th</sup> 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](mailto: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](http://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. 13<sup>th</sup> 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](http://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 1<sup>st</sup> 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. 1<sup>st</sup> April, 2014.

Lodha & Co., Chartered Accountants, Mumbai, have been the Statutory Auditors of the Company since 30<sup>th</sup> March, 1995, and were last appointed as the Statutory Auditors of the Company to hold office till the conclusion of this 23<sup>rd</sup> 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 23<sup>rd</sup> Annual General Meeting till the conclusion of its 6<sup>th</sup> 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 28<sup>th</sup> April, 2017 and 29<sup>th</sup> 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 23<sup>rd</sup> Annual General Meeting till the conclusion of the 28<sup>th</sup> 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 23<sup>rd</sup> Annual General Meeting till the conclusion of the 28<sup>th</sup> 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 13<sup>th</sup> June, 2017, appointed Mr. Prashant Jain as an Additional Director of the Company with effect from 16<sup>th</sup> June, 2017 and he holds office upto the date of this 23<sup>rd</sup> 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 remuneration 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 18<sup>th</sup> July, 2016, appointed Mr. Chitale as an Additional Director of the Company effective 22<sup>nd</sup> July, 2016 and he holds office up to the date of this 23<sup>rd</sup> 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 22<sup>nd</sup> July, 2016 to 21<sup>st</sup> 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](http://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 18<sup>th</sup> July, 2016, appointed Ms. Tanvi Shete as an Additional Director effective 22<sup>nd</sup> July, 2016, and she holds office up to the date of this 23<sup>rd</sup> 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 31<sup>st</sup> 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 29<sup>th</sup> 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 31<sup>st</sup> 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 20<sup>th</sup> Annual General Meeting held on 23<sup>rd</sup> 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 1<sup>st</sup> 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, 2060 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 7<sup>th</sup> 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 1<sup>st</sup> 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 28<sup>th</sup> 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 20<sup>th</sup> Annual General Meeting held on 23<sup>rd</sup> 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 1<sup>st</sup> 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 1<sup>st</sup> 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 28<sup>th</sup> 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 22<sup>nd</sup> Annual General Meeting held on 21<sup>st</sup> 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 22<sup>nd</sup> Annual General Meeting held on 21<sup>st</sup> July, 2016, for ₹7500 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 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 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 Director 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 Director 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 23<sup>rd</sup> 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	3 <sup>rd</sup> May, 1946	20 <sup>th</sup> October, 1949	14 <sup>th</sup> February, 1987	26 <sup>th</sup> September, 1971
Original Date of Appointment	21 <sup>st</sup> January, 2010	22 <sup>nd</sup> July, 2016	22 <sup>nd</sup> July, 2016	16 <sup>th</sup> June, 2017
Expertise in specific functional areas	<p>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 &amp; CEO in 1996 and Executive Vice-Chairman of Jindal Iron &amp; 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.</p>	<p>Mr. Chitale, aged 67 years, is a Senior Partner of M/s M.P. Chitale &amp; Co., Chartered Accountants, with offices at Mumbai and Pune. Mr. Chitale has extensive experience of Corporate Auditing, Commercial Dispute Resolution (Mediation / Conciliation &amp; Arbitration), Business negotiations and valuation.</p> <p>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).</p> <p>Mr. Chitale has served on various Expert Committees set up by organizations such as Institute of Chartered Accountants of India, Securities &amp; Exchange Board of India, Reserve Bank of India, Insurance Regulatory &amp; Development Authority, Indian Banks' Association. He is also a Member of Committees / Governing Councils of various Chambers of Commerce.</p>	<p>Ms. Tanvi Shete, aged 29 years, has been a Teach for India Fellow, having done a two-year fellowship program teaching underprivileged children in Mumbai.</p> <p>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 government schools.</p> <p>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.</p>	<p>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 &amp; Business Development, Domestic &amp; International M&amp;A, Information Technology &amp; Digitization, Investor Relations, Corporate &amp; Regulatory Affairs.</p> <p>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.</p>
Qualifications	<p>Bachelor's Degree in Commerce. Fellow Member of Institute of Chartered Accountants of India and the Institute of Company Secretaries of India.</p> <p>Chartered Accountant</p> <p>Graduate from American School of Bombay with a degree in Economics from New York University</p> <p>Mechanical Engineer</p>			



Name of Director	Mr. Nirmal Kumar Jain	Mr. Uday Chitale	Ms. Tanvi Shete	Mr. Prashant Jain
Directorship in other Indian Companies as on 31 <sup>st</sup> 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
Chairmanship / Membership of Committees in other Indian Companies as on 31 <sup>st</sup> March 2017*	<b>Audit Committee Member:</b> JSW Infrastructure Limited JSW Jaigarh Port Limited JSW Nandgaon Port Private Limited JSW Holdings Limited JSW Cement Limited Epsilon Carbon Private Limited <b>Stakeholders' Relationship Committee Chairman:</b> JSW Holdings Limited	<b>Audit Committee Member:</b> GMR Vemagiri Power Generation Limited Axis Mutual Fund Trustee Limited ICICI Prudential Pension Funds Management Company Limited ICICI Lombard General Insurance Company Limited <b>Audit Committee Chairman:</b> India Infradebt Limited Janalakshmi Financial Services Limited	Nil	Nil
No. 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  
 13<sup>th</sup> June, 2017

# 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 31<sup>st</sup> March, 2017.

## 1. Financial performance

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

Particulars	(₹ crore)			
	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 a 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 23<sup>rd</sup> 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](http://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 31<sup>st</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> March, 2017. BLMCL has incurred project cost of ₹ 2069.59 crores as at 31<sup>st</sup> 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 31<sup>st</sup> 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 27<sup>th</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> March, 2017.

#### Overseas Subsidiaries

##### H. JSW Energy Minerals Mauritius Limited (JEMML)

JEMML was incorporated on 19<sup>th</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> March, 2017.

JEMML has invested 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 31<sup>st</sup> March, 2017.

##### I. JSW Energy Natural Resources Mauritius Limited (JENRML)

JENRML was incorporated on 19<sup>th</sup> 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 31<sup>st</sup> March, 2017.

**J. JSW Energy Natural Resources South Africa (PTY) Limited (JSWNRSA)**

JSWNRSA 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 JSWNRSA. Further JSWNRSA 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 31<sup>st</sup> March, 2017.

During the year, Company has acquired 2.17% from minority shareholders against open offer. The Company's effective shareholding in SACMH stands to 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 31<sup>st</sup> March, 2017 stands at 69.44%.

**L. JSW Energy Natural Resources (BVI) Limited (JENRBL)**

JENRBL was incorporated on 3<sup>rd</sup> 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 4<sup>th</sup> April, 2017.

**M. JSW Energy Natural Resources UK Limited (JENRUKL)**

JENRUKL was incorporated on 12<sup>th</sup> 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 4<sup>th</sup> September, 2016 through JEMML acquiring 51% stake in equity, for setting up of power plant in the Kingdom of Swaziland.

JEMML has invested minimal amount (less than ₹1 lac) in its equity and advanced ₹2.59 crore as loan as on 31<sup>st</sup> 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 20<sup>th</sup> April, 2015 that had applied for striking off its name to the Registrar of Companies, has been struck off with effect from 16<sup>th</sup> September, 2016.

The performance and financial position of each of the subsidiaries, associates and joint venture companies for the year ended 31<sup>st</sup> 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](http://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](http://www.jsw.in/investors/energy).

**8. New Projects, Initiatives and Joint Ventures**

The Board of Directors had approved a Scheme of Arrangement under Section 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 31<sup>st</sup> 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 9<sup>th</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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 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 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](http://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 23<sup>rd</sup> 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 31<sup>st</sup> March, 2017 with regard to the ESOP 2010 and ESOS 2012 are provided in the link: [www.jsw.in/investors/energy](http://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 23<sup>rd</sup> 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 3<sup>rd</sup> May, 2016 to the eligible employees.

#### 16. Share Capital

The paid up Equity Share Capital as at 31<sup>st</sup> 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 1<sup>st</sup>) 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. 11<sup>th</sup> 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 22<sup>nd</sup> July, 2016 and who hold office upto the date of the forthcoming 23<sup>rd</sup> 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. It 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 23<sup>rd</sup> Annual General Meeting.

The above appointments and re-appointments form a part of the Notice of the forthcoming 23<sup>rd</sup> 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](http://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 30<sup>th</sup> July, 2016.

Mr. Pramod Menon ceased to be a Director – Finance upon his resignation at the close of business hours on 31<sup>st</sup> 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 23<sup>rd</sup> January, 2017.

Mr. Jyoti Kumar Agarwal was appointed as the Chief Financial Officer and was designated as a Key Managerial Personnel with effect from 1<sup>st</sup> 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 31<sup>st</sup> March, 2017 is available on the Company's Website viz. [www.jsw.in/investors/energy](http://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 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](http://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](http://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 23<sup>rd</sup> 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 31<sup>st</sup> March, 2017 are with unmodified opinion (unqualified). The observations made by the Statutory Auditors in their report for the financial year ended 31<sup>st</sup> 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 22<sup>nd</sup> Annual General Meeting held on 21<sup>st</sup> July, 2016, to hold office from the conclusion of that Annual General Meeting till the conclusion of the forthcoming 23<sup>rd</sup> 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 23<sup>rd</sup> Annual General Meeting till the conclusion of the 28<sup>th</sup> Annual General Meeting has been included in the Notice of the ensuing 23<sup>rd</sup> 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 23<sup>rd</sup> 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 31<sup>st</sup> 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.
- 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 0.59°C 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 0.62°C 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 KNm<sup>3</sup> 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 conveyer
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 refrbrushment 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**

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 to this Annual 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 employees of the Company.

For and on behalf of the Board of Directors

Mumbai  
29<sup>th</sup> April, 2017

**Sajjan Jindal**  
Chairman & Managing Director



# Annexure – A

## Dividend Distribution Policy

### PREFACE

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

#### 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 23<sup>rd</sup> 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 Dt. 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 Dt. 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 inter alia 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 Dt. 21.09.2006 Period 01.09.2009 to 31.08.2019. Power Purchase Agreement Dt. 26.04.2014 Period 01.04.2014 to 31.03.2039 O&M Agreement Dt. 17.08.2006 Valid up to 31.03.2019. O&M Agreement Dt. 15.05.2012 Valid up to 31.03.2019. Fuel and Water Supply Agreement Dt. 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  
29<sup>th</sup> April, 2017

**Sajjan Jindal**  
Chairman & Managing Director  
(DIN:00017762)



# Annexure – C

## Remuneration Policy

### PREFACE

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

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, inter alia, 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. Shalaja 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:
  - (a) Total amount to be spent for the financial year: 23.07
  - (b) Amount unspent, if any: 23.50
  - (c) Manner in which the amount spent during the financial year is detailed below: 0.43

Sr. No	2	3	4		5	6	7	8
			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				
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	6.57	Direct & Implementing Agencies: a. Father Agnel Institute b. District Industries Center at Recong Peo, Himachal Pradesh. c. Navnirmiti Eduquality Foundation (NEFI), 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 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		7.07	6.92	6.92	Direct & Implementing Agency: Spirulina Foundation & Borhuka Charitable Trust
3	Construction of individual and community toilets, waste management plan, providing bio toilet technology in Gram Panchayat	Swachh Bharat Abhiyan	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	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	b. Ratnagiri and Gadchiroli c. Kinnaur, d. Chamba State: a. Karnataka b. Maharashtra c. Himachal Pradesh	0.21	0.21	0.21	Direct and Implementing Agency: RFSP 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 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
	<b>Total</b>			<b>23.50</b>	<b>23.07</b>	<b>23.07</b>	

\* 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 31<sup>st</sup> 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
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# 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 31<sup>st</sup> 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 31<sup>st</sup> 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,  
The Members,  
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 31<sup>st</sup> 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	10 <sup>th</sup> 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)
5.	JSW Green Energy Limited JSW Centre Bandra Kurla Complex, Bandra (East) Mumbai-400051 Maharashtra, India	U40101MH2011PLC212214	Subsidiary	100.00	2(87)(ii)



Sl. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
6.	JSW Energy (Kutehr) Limited Des Raj Rana Building, 1 <sup>st</sup> 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 1 <sup>st</sup> 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)
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)

Sl. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
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)
<b>(A)</b>	<b>Promoter and Promoter Group</b>									
<b>(1)</b>	<b>Indian</b>									
(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
	<b>Sub-Total A(1) :</b>	<b>1,23,00,40,274</b>	<b>0</b>	<b>1,23,00,40,274</b>	<b>75.00</b>	<b>1,22,99,40,274</b>	<b>0</b>	<b>1,22,99,40,274</b>	<b>74.99</b>	<b>-0.01</b>
<b>(2)</b>	<b>Foreign</b>									
(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
	<b>Sub-Total A(2) :</b>	<b>370</b>	<b>0</b>	<b>370</b>	<b>0.00</b>	<b>370</b>	<b>0</b>	<b>370</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total A=A(1)+A(2)</b>	<b>1,23,00,40,644</b>	<b>0</b>	<b>1,23,00,40,644</b>	<b>75.00</b>	<b>1,22,99,40,644</b>	<b>0</b>	<b>1,22,99,40,644</b>	<b>74.99</b>	<b>-0.01</b>
<b>(B)</b>	<b>Public Shareholding</b>									
<b>(1)</b>	<b>Institutions</b>									
(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



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	
(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
	<b>Sub-Total B(1) :</b>	<b>23,74,92,846</b>	<b>0</b>	<b>23,74,92,846</b>	<b>14.48</b>	<b>23,48,85,953</b>	<b>0</b>	<b>23,48,85,953</b>	<b>14.32</b>	<b>-0.16</b>
<b>(2)</b>	<b>Non-Institutions</b>									
(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	5,804	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
	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
	<b>Sub-Total B(2) :</b>	<b>17,25,15,601</b>	<b>5,704</b>	<b>17,25,21,305</b>	<b>10.52</b>	<b>17,52,22,394</b>	<b>5,804</b>	<b>17,52,28,198</b>	<b>10.68</b>	<b>0.17</b>
	<b>Total B=B(1)+B(2) :</b>	<b>41,00,08,447</b>	<b>5,704</b>	<b>4,10,01,4,151</b>	<b>25.00</b>	<b>41,01,08,347</b>	<b>5,804</b>	<b>41,01,14,151</b>	<b>25.01</b>	<b>0.01</b>
	<b>Total (A+B) :</b>	<b>1,64,00,49,091</b>	<b>5,704</b>	<b>1,64,00,54,795</b>	<b>100.00</b>	<b>1,64,00,48,991</b>	<b>5,804</b>	<b>1,64,00,54,795</b>	<b>100.00</b>	<b>0.00</b>
(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
	<b>Grand Total (A+B+C) :</b>	<b>1,64,00,49,091</b>	<b>5,704</b>	<b>1,64,00,54,795</b>	<b>100.00</b>	<b>1,64,00,48,991</b>	<b>5,804</b>	<b>1,64,00,54,795</b>	<b>100.00</b>	

**(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
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
	<b>Total</b>	<b>1,23,00,40,644</b>	<b>75.00</b>	<b>35.79</b>	<b>1,22,99,40,644</b>	<b>74.99</b>	<b>38.62</b>	



### (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				
				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
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

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
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				
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				



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
5	Kantilal N Patel (JSW Energy Employee Welfare Trust where Mr. Kantilal N Patel is a Trustee)	1,32,68,673	0.81	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
				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				
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				

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
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
				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
<b>Indebtedness at the beginning of the financial year</b>				
(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
<b>Total (i+ii+iii)</b>	<b>35,52,57,10,822</b>	<b>15,00,00,00,000</b>	<b>-</b>	<b>50,52,57,10,822</b>
<b>Change in Indebtedness during the financial</b>				
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
<b>Net Change</b>	<b>-60,59,00,000</b>	<b>-15,00,00,00,000</b>	<b>-</b>	<b>-15,60,59,00,000</b>
<b>Indebtedness at the end of the financial year</b>				
(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
<b>Total (i+ii+iii)</b>	<b>34,90,54,28,408</b>	<b>-</b>	<b>-</b>	<b>34,90,54,28,408</b>

## 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
	<b>Total (A)</b>	<b>12,08,41,273</b>	<b>2,93,42,834</b>	<b>1,43,26,391</b>	<b>16,45,10,498</b>
	Ceiling as per the Act				33,69,54,044

\* upto 31<sup>st</sup> 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*	
<b>1.</b>	<b>Independent Directors</b>								
	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	-	-	-	-	-	-	-	-
	<b>Total (1)</b>	<b>31,10,000</b>	<b>25,00,000</b>	<b>26,50,000</b>	<b>21,27,760</b>	<b>4,90,000</b>	-	-	<b>1,08,77,760</b>
<b>2.</b>	<b>Other Non-Executive Directors</b>								
	• Fee for attending board / committee meetings	-	-	-	-	-	13,10,000	-	13,10,000
	• Commission	-	-	-	-	-	15,50,000	-	15,50,000
	• Others, please specify	-	-	-	-	-	-	-	-
	<b>Total (2)</b>	-	-	-	-	-	<b>28,60,000</b>	-	<b>28,60,000</b>
	<b>Total (B)=(1+2)</b>	<b>31,10,000</b>	<b>25,00,000</b>	<b>26,50,000</b>	<b>21,27,760</b>	<b>4,90,000</b>	<b>28,60,000</b>	-	<b>1,37,37,760</b>
	Total Managerial Remuneration								<b>17,82,48,258</b>
	Overall Ceiling as per the Act								<b>37,06,49,449</b>

\* from 22<sup>nd</sup> July, 2016

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

Sl. No.	Particulars of Remuneration				Total
		Chief Financial Officer (Mr. Jyoti Kumar Agarwal)*	Company Secretary (Ms. Monica Chopra)**	Company Secretary (Mr. S. Madhavan)***	
1.	<b>Gross salary</b>				
	(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	<b>59,98,994</b>
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	2,66,329	<b>2,66,329</b>
	(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	<b>2,16,815</b>
	<b>Total</b>	<b>30,15,262</b>	<b>13,51,324</b>	<b>21,15,552</b>	<b>64,82,138</b>

\* from 1<sup>st</sup> February, 2017\*\* from 23<sup>rd</sup> January, 2017\*\*\* upto 30<sup>th</sup> 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)
<b>A. Company</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. Directors</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. Other Officers in Default</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

# Annexure - G

Statement of 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	<b>Director</b> Mr. Sajjan Jindal, Chairman & Managing Director Mr. Sanjay Sagar, Jt. Managing Director & CEO Mr. Pramod Menon, Director (Finance) Mr. Nirmal Kumar Jain (NED) Mr. Chandan Bhattacharya (NED) Ms. Sheila Sangwan (NED) Ms. Shailaja Chandra (NED) Mr. Rakesh Nath (NED) Mr. Uday Chitale (NED) Ms. Tanvi Shete (NED)	<b>Ratio</b> 124.84:1.00 30.31:1.00 ^ 2.95:1.00 3.21:1.00 2.74:1.00 2.58:1.00 2.20:1.00 ^ ^^
	^ 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		
(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 Secretary Mr. Sajjan Jindal, Chairman & Managing Director Mr. Sanjay Sagar, Jt. Managing Director & CEO 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) Mr. Chandan Bhattacharya (NED) Ms. Sheila Sangwan (NED) Ms. Shailaja Chandra (NED) 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) Mr. Uday Chitale (NED) Date of Appointment - July 22, 2016 Ms. Tanvi Shete (NED) Date of Appointment - July 22, 2016	% Change 13.48% 12.44% # # # # 8.95% 9.12% 59.16% 26.18% 383.58% # ##
	# 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		
(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% (including 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	



# 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 31<sup>st</sup> 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	22 <sup>nd</sup> AGM held on 21 <sup>st</sup> 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
Mr. Nirmal Kumar Jain (DIN:00019442)	NED, NID	Director	10	Yes	8	5	1

Name of Director	Category\$	Position	Attendance at		Number of other Directorships and other Committee Membership(s) / Chairmanships(s)		
			Board Meetings	22 <sup>nd</sup> AGM held on 21 <sup>st</sup> July 2016	Other Directorships in Indian Companies#	Other Committee Memberships##	Other Committee Chairmanships##
Mr. Chandan Bhattacharya (DIN:01341570)	NED, ID	Director	10	Yes	1	0	1
Ms. Shailaja Chandra (DIN:03320688)		Director	10	Yes	5	4	Nil
Ms. Sheila Sangwan (DIN:01857875)		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 27<sup>th</sup> April, 2016 (2 meetings); 3<sup>rd</sup> May, 2016; 18<sup>th</sup> July, 2016; 21<sup>st</sup> July, 2016; 27<sup>th</sup> September, 2016; 26<sup>th</sup> October, 2016; 27<sup>th</sup> December, 2016; 23<sup>rd</sup> January, 2017 and 23<sup>rd</sup> March, 2017.

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

\* Appointed as Additional Director w.e.f. 22<sup>nd</sup> 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 23<sup>rd</sup> 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: 26<sup>th</sup> April, 2016; 27<sup>th</sup> April, 2016 (2 meetings); 18<sup>th</sup> July, 2016; 20<sup>th</sup> July, 2016; 21<sup>st</sup> July, 2016; 25<sup>th</sup> October, 2016; 26<sup>th</sup> October, 2016; 19<sup>th</sup> January, 2017; 23<sup>rd</sup> January, 2017 and 23<sup>rd</sup> 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. 27<sup>th</sup> 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 22<sup>nd</sup> Annual General Meeting held on 21<sup>st</sup> 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:

- 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;
- Review the quarterly reports submitted by the Registrar and Share Transfer Agent of the Company;
- Follow-up on the implementation of suggestions for improvement, if any;
- 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 26<sup>th</sup> April, 2016; 20<sup>th</sup> July, 2016; 25<sup>th</sup> October, 2016 and 19<sup>th</sup> 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. 27<sup>th</sup> 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
	<b>TOTAL</b>	<b>163</b>	<b>163</b>

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](mailto: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/energysy](http://www.jsw.in/investors/energysy). 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 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 3<sup>rd</sup> May, 2016; 18<sup>th</sup> July, 2016; 25<sup>th</sup> October, 2016; 13<sup>th</sup> January, 2017 and 23<sup>rd</sup> 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 22<sup>nd</sup> Annual General Meeting held on 21<sup>st</sup> 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 20<sup>th</sup> AGM held on 23<sup>rd</sup> 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 1<sup>st</sup> 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:

Name of the Director	Amount in ₹	
	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**	-	-
<b>Total</b>	<b>61,70,000</b>	<b>75,67,760</b>

\* Appointed as Director w.e.f. 22<sup>nd</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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	8 <sup>th</sup> November, 2011	52.35	8 <sup>th</sup> November, 2014	1,62,765	-	94,794	94,794	30 <sup>th</sup> September, 2017
	31 <sup>st</sup> October, 2012	60.90	31 <sup>st</sup> October, 2015	1,92,268	-	88,512	88,512	
2 JSWEL Scheme -2012	4 <sup>th</sup> October, 2012	65.00	4 <sup>th</sup> October, 2013	4,82,212	-	250,022	-	
3 JSWEL Plan-2016	3 <sup>rd</sup> May, 2016	53.68	a. 3 <sup>rd</sup> May, 2019 -50% options; b. 3 <sup>rd</sup> May, 2020 -balance 50% options	2,87,071	-	3,42,125	N.A	31 <sup>st</sup> March, 2026

Note:

- 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 2<sup>nd</sup> 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 31<sup>st</sup> 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:

- Helps in bringing an independent judgement to bear on the Board’s deliberations.
- Brings an objective view in the evaluation of the performance of board and management.
- Undertakes to regularly update and refresh his / her skills, knowledge and familiarity with the Company.
- Seeks appropriate clarification / information and, where necessary, takes appropriate professional advice and opinion of outside experts at the expense of the Company.
- Strives to attend all meetings of the Board of Directors / Board committees of which he / she is a member and general meetings.
- Communicates governance and ethical problems to the Chairman of the Board.
- Pays sufficient attention and ensures that adequate deliberations are held before approving related party transactions.
- Ensures that the Company has an adequate and functional vigil mechanism.
- Satisfies himself / herself on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible.
- Assists in determining appropriate policy of remuneration of executive directors, key managerial personnel and other employees.
- 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.
- Adheres to all other standards of the Code for Independent Directors as per the Schedule IV to the Act.
- Assists the Company in implementing the best corporate governance practices.
- 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
22 <sup>nd</sup>	21 <sup>st</sup> July, 2016	3.00 p.m.	Yashwantrao Chavan Pratisthan
21 <sup>st</sup>	22 <sup>nd</sup> July, 2015	3.00 p.m.	Y. B. Chavan Auditorium
20 <sup>th</sup>	23 <sup>rd</sup> July, 2014	3.00 p.m.	General Jagannath Bhosale Marg Mumbai – 400 021

Details of Special Resolutions passed in the previous 3 AGMs:

AGM	Particulars of Special Resolutions passed
22 <sup>nd</sup> AGM	<ul style="list-style-type: none"> <li>a. Issue of Secured/Unsecured Redeemable Non-Convertible Debentures upto ₹5,000 crore</li> <li>b. Approval for Further Issue of Securities not exceeding ₹7,500 crore</li> <li>c. Approval for Increase in Investment Limit.</li> </ul>
21 <sup>st</sup> AGM	<ul style="list-style-type: none"> <li>a. Approval for Issue of Non-Convertible Debentures upto ₹5,000 crore</li> <li>b. Approval for Issue of Securities not exceeding ₹7,500 crore</li> <li>c. Alteration of Articles of Association to align with Companies Act, 2013</li> </ul>
20 <sup>th</sup> AGM	<ul style="list-style-type: none"> <li>a. Approval of borrowing powers</li> <li>b. Approval for creation of hypothecations / mortgages and/or charges</li> <li>c. Commission to non-executive directors</li> <li>d. Contract with JSW Investment Private Limited for a license to use the 'JSW' brand</li> <li>e. Transactions with JSW Power Trading Company Limited</li> <li>f. Transactions with JSW International Tradecorp PTE. Limited</li> <li>g. Transactions with JSW Steel Limited</li> <li>h. Alteration of Articles of Association</li> <li>i. Issue of secured / unsecured redeemable non-convertible debentures</li> <li>j. Issue of equity shares</li> </ul>

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](http://www.jsw.in/investors/energy).

5.7 Details of Familiarisation Programmes for Independent Directors, is available on [www.jsw.in/investors/energy](http://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 31<sup>st</sup> 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](http://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](http://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](http://www.listing.bseindia.com) and [www.connect2nse.com](http://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, inter-alia, 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](http://www.jsw.in/investors/energy). The Business Responsibility Report is available on Company's website: [www.jsw.in/investors/energy](http://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:

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

**Financial Year:** 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2017

#### Financial Calendar 2017-18 (tentative):

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

#### Dates of Book Closure:

Tuesday, 4<sup>th</sup> July, 2017 to Thursday, 13<sup>th</sup> 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 31<sup>st</sup> March, 2017, subject to approval by the Members of the Company at the forthcoming 23<sup>rd</sup> Annual General Meeting.

#### Date of Dividend Payment:

On or before Friday, 11<sup>th</sup> 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 23<sup>rd</sup> Annual General Meeting, will be paid as under:

- 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, 3<sup>rd</sup> July, 2017 ; and
- To all those Members in respect of the Shares held in physical form on Thursday, 13<sup>th</sup> 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, 3<sup>rd</sup> 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 BSE and NSE
	High Price	Low Price	Volume	High Price	Low Price	Volume	
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

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.

### 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.

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 31<sup>st</sup> 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
<b>TOTAL:</b>		<b>1,25,694</b>	<b>100.00</b>	<b>1,64,00,54,795</b>	<b>100.00</b>

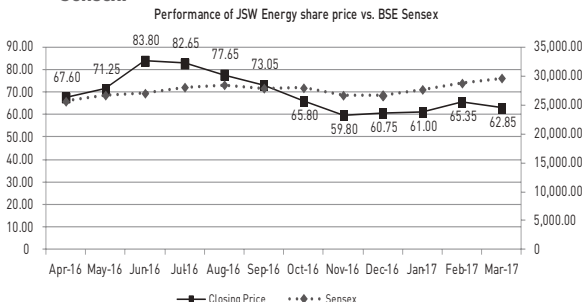
**8.7 Geographical Distribution of Shareholders as on 31<sup>st</sup> March, 2017:**

City	Electronic			Physical			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
<b>Total</b>	<b>1,25,679</b>	<b>1,64,00,48,991</b>	<b>100.00</b>	<b>15</b>	<b>5,804</b>	<b>0.00</b>	<b>1,25,694</b>	<b>1,64,00,54,795</b>	<b>100</b>

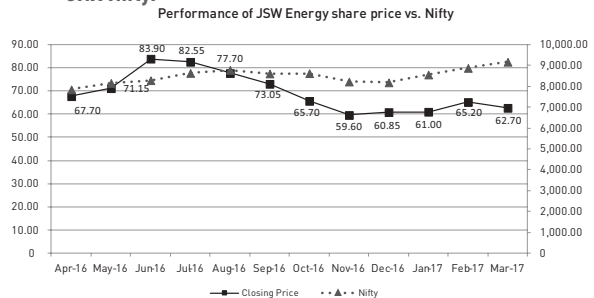
**8.8 Shareholding Pattern:**

Category	As on 31 <sup>st</sup> March, 2017			As on 31 <sup>st</sup> 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
<b>Total</b>	<b>1,25,694</b>	<b>1,64,00,54,795</b>	<b>100.00</b>	<b>1,07,953</b>	<b>1,64,00,54,795</b>	<b>100.00</b>

**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 31<sup>st</sup> 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
<b>Total:</b>	<b>1,27,78,45,517</b>	<b>77.91</b>

### 8.12 Corporate benefits to Shareholders (since IPO Listing):

#### A. Dividend declared:

Financial Year	Dividend Rate (%)	Dividend Declaration Date
2009-10	7.5%	15 <sup>th</sup> July, 2010
2010-11	10.00%	21 <sup>st</sup> July, 2011
2011-12	5.00%	20 <sup>th</sup> July, 2012
2012-13	20.00%	25 <sup>th</sup> July, 2013
2013-14	20.00%	23 <sup>rd</sup> July, 2014
2014-15	20.00%	22 <sup>nd</sup> July, 2015
2015-16	20.00%	21 <sup>st</sup> 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](http://www.jsw.in/investors/energy). The said information is also available on the Ministry of Corporate Affairs website [www.mca.gov.in](http://www.mca.gov.in).

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

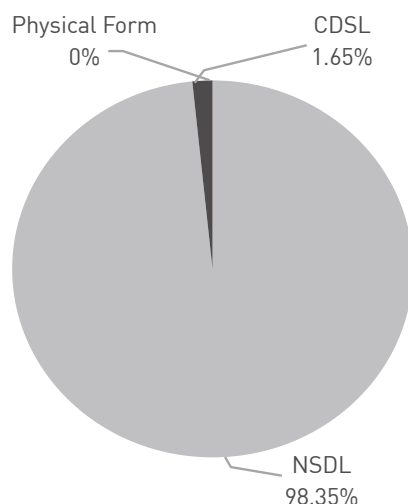
Financial Year	Date of Declaration of Dividend	Unclaimed Dividend Amount as on 31 <sup>st</sup> March, 2017 (Amount in ₹)	Due Date for transfer to IEPF
2009-10	15 <sup>th</sup> July, 2010	419,678	16 <sup>th</sup> August 2017
2010-11	21 <sup>st</sup> July, 2011	983,151	27 <sup>th</sup> August 2018
2011-12	20 <sup>th</sup> July, 2012	807,798	24 <sup>th</sup> August 2019
2012-13	25 <sup>th</sup> July, 2013	16,61,398	28 <sup>th</sup> August 2020
2013-14	23 <sup>rd</sup> July, 2014	21,09,392	26 <sup>th</sup> August 2021
2014-15	22 <sup>nd</sup> July, 2015	16,07,534	25 <sup>th</sup> August 2022
2015-16	21 <sup>st</sup> July, 2016	19,08,642	26 <sup>th</sup> 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
	<b>Total</b>	<b>1,25,694</b>	<b>1,64,00,54,795</b>	<b>100.00</b>



#### 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](http://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](mailto:einward.ris@karvy.com)  
Website: [www.karvy.com](http://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](mailto:jswel.investor@jsw.in)  
Website: [www.jsw.in](http://www.jsw.in)

**B. For Institutional Investors:**

Mr. Pritesh Vinay  
Vice President - Capital Markets and Group  
Investor Relations  
[pritesh.vinay@jsw.in](mailto: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](http://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 6<sup>th</sup> 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 its 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  
4<sup>th</sup> 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

17<sup>th</sup> Floor, Dalal Street

Mumbai 400 001

Tel : 022-2272 3333

Fax : 022-2272 3199

E-mail : [helpdesk@cdslindia.com](mailto:helpdesk@cdslindia.com)

Website : [www.cdslindia.com](http://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](http://www.jsw.in/investors/energy).

## DECLARATION AFFIRMING COMPLIANCE OF CODE OF CONDUCT

As provided under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for year ended 31<sup>st</sup> March, 2017.

For **JSW Energy Limited**

Mumbai  
29<sup>th</sup> April, 2017

**Sanjay Sagar**  
Jt. Managing Director and CEO

## CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,

The Members of JSW Energy Limited,

We have examined the compliance of conditions of Corporate Governance by JSW Energy Limited ('the Company'), for the year ended 31<sup>st</sup> March, 2017 as stipulated in Regulations 17-27 and clauses (b) to (i) of Regulation 46 (2) and para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the year 1 April, 2016 to 31 March, 2017.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above mentioned Listing Regulations, as applicable.

We further state that such compliance is neither an assurance as to the further viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Mumbai  
29<sup>th</sup> April, 2017

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



# Management Discussion & 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 HBPCCL (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
<b>World</b>	2.7	2.4	2.7	2.9
<b>Advanced Economies</b>	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
<b>Emerging and Developing Economies</b>	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.

All India Installed Capacity - Sector-wise (As on 31<sup>st</sup> 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
<b>Total</b>	<b>104.0</b>	<b>142.6</b>	<b>80.3</b>	<b>326.8</b>

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.

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 24x7 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's 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
<b>Total</b>		<b>21,631</b>		<b>22,064</b>

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

#### Vijayanagar

**Plant load factor:** In the year ended 31<sup>st</sup> 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.

**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 1<sup>st</sup> April, 2016. The date of transition from previous GAAP to IND AS is 1<sup>st</sup> April, 2015. The figures for the year ended 31<sup>st</sup> 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%
<b>Total</b>	<b>4,040.97</b>	<b>5,862.63</b>	<b>-31%</b>

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%
<b>Total</b>	<b>328.55</b>	<b>398.08</b>	<b>-17%</b>

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.

##### **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 ferro cement tank. Totally, 22 cement bandhara have been constructed so far.

#### **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

##### **Kuthar**

- 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 Navnirmithi 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

##### Kuthar

- 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

##### Kuthar

- 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

##### Kuthar

- 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

Category	₹ crore	
	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%
<b>TOTAL</b>	<b>32.33</b>	<b>100%</b>

#### 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.

# Independent Auditor's Report

ON THE ABRIDGED STANDALONE IND AS FINANCIAL STATEMENTS

## TO THE MEMBERS OF JSW ENERGY LIMITED Report on the Abridged Standalone Ind AS Financial Statements

The accompanying abridged standalone Ind AS financial statements of JSW Energy Limited ("the Company"), which comprise the Abridged Balance Sheet as at 31<sup>st</sup> March, 2017, the Abridged Statement of Profit and Loss (including Other Comprehensive Income), the Abridged Statement of Cash Flows, Abridged Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information, are derived from the audited financial statements of the Company for the year ended 31<sup>st</sup> March, 2017. We expressed an unmodified audit opinion on the audited financial statements vide our report dated 29<sup>th</sup> April, 2017.

The abridged standalone Ind AS financial statements do not contain all the disclosures required by the Companies Act, 2013 ("the Act") and the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rule, 2015 under Section 133 of the Act, as applied in the preparation of the audited financial statements of the Company. Reading the abridged standalone Ind AS financial statements, therefore, is not substitute for reading the audited financial statements of the Company.

## Management's Responsibility for the Abridged Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Rule 10 and Section 136 (1) of Companies (Accounts) Rules, 2014, of the Act which are based on the audited financial statements of the Company, prepared in accordance with the Indian

Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 under Section 133 of the Act and accounting principles generally accepted in India.

## Auditor's Responsibility

Our responsibility is to express an opinion on these abridged standalone Ind AS financial statements based on our procedures conducted in accordance with the Standard on Auditing (SA) 810, "Engagements to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid abridged Ind AS standalone financial statements prepared in accordance with Rule 10 and Section 136 (1) of Companies (Accounts) Rules, 2014, which are derived from the audited financial statements of the Company for the year ended 31<sup>st</sup> March, 2017, prepared in accordance with Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 under Section 133 of the Act and accounting principles generally accepted in India, are a fair summary of those financial statements.

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

**A. M. Hariharan**

Partner

Membership No. 38323

Place: Mumbai  
Date: 29<sup>th</sup> April, 2017



# 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 31<sup>st</sup> 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 31<sup>st</sup> 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.

### **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 31<sup>st</sup> March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> 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 8<sup>th</sup> November, 2016 to 30<sup>th</sup> 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: 29<sup>th</sup> 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 31<sup>st</sup> 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 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: 29<sup>th</sup> 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 31<sup>st</sup> 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.

### 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 31<sup>st</sup> 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: 29<sup>th</sup> April, 2017

# Abridged Balance Sheet

as at 31<sup>st</sup> March, 2017

Statement containing salient features of Balance Sheet as per Section 136 (1) of the Companies Act, 2013

Particulars	[₹ crore]		
	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>A. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	5,186.26	5,409.60	5,630.04
(b) Capital work-in-progress	474.85	282.06	256.04
(c) Other intangible assets	3.60	5.19	7.80
(d) Financial assets			
(i) Investments	5,212.05	6,644.73	2,220.04
(ii) Loans	1,383.03	1,071.51	848.52
(iii) Other financial assets	1,085.19	1,153.93	1,276.98
(e) Income tax asset (net)	222.06	162.47	281.63
(f) Other non-current assets	32.54	66.94	426.06
<b>Total non-current assets</b>	<b>13,599.58</b>	<b>14,796.43</b>	<b>10,947.11</b>
<b>2 Current assets</b>			
(a) Inventories	510.29	538.58	479.24
(b) Financial assets			
(i) Investments	154.11	24.02	1,380.34
(ii) Trade receivables	840.01	1,178.65	504.77
(iii) Cash and cash equivalents	15.18	127.16	195.81
(iv) Bank balances other than (iii) above	59.68	94.50	72.59
(v) Loans	82.10	-	2.00
(vi) Other financial assets	119.94	188.84	192.67
(c) Other current assets	37.09	25.99	19.25
<b>Total current assets</b>	<b>1,818.40</b>	<b>2,177.74</b>	<b>2,846.67</b>
<b>Total Assets</b>	<b>15,417.98</b>	<b>16,974.17</b>	<b>13,793.78</b>
<b>B. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	1,627.95	1,626.79	1,625.70
(b) Other equity	6,765.61	6,965.34	6,162.16
<b>Total equity</b>	<b>8,393.56</b>	<b>8,592.13</b>	<b>7,787.86</b>
<b>Liabilities</b>			
<b>1 Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	2,922.43	2,809.92	3,543.49
(ii) Other financial liabilities	0.62	10.51	9.89
(b) Provisions	13.87	11.43	10.01
(c) Deferred tax liabilities (net)	501.04	360.62	276.24
(d) Other non-current liabilities	1.74	1.82	1.87
<b>Total non-current liabilities</b>	<b>3,439.70</b>	<b>3,194.30</b>	<b>3,841.50</b>
<b>2 Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	-	1,500.00	-
(ii) Trade payables	1,911.20	2,220.92	1,426.49
(iii) Other financial liabilities	1,285.15	1,450.58	725.30
(b) Other current liabilities	384.03	9.61	8.04
(c) Provisions	4.34	6.63	4.59
<b>Total current liabilities</b>	<b>3,584.72</b>	<b>5,187.74</b>	<b>2,164.42</b>
<b>Total equity and liabilities</b>	<b>15,417.98</b>	<b>16,974.17</b>	<b>13,793.78</b>

Annexure I forming integral part of the abridged financial statements

Note: Complete Balance Sheet, Statement of Profit and Loss, other statements and notes thereto prepared as per the requirements of Division II to Schedule III to the Companies Act, 2013 are available at the Company's website at [www.jsw.in](http://www.jsw.in).

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: 29<sup>th</sup> April, 2017

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

**Sanjay Sagar**

Jt. Managing Director & CEO  
[DIN:00019489]

**Monica Chopra**

Company Secretary

**Sajjan Jindal**

Chairman and Managing Director  
[DIN:00017762]

**Jyoti Kumar Agarwal**

Chief Financial Officer  
Place: Mumbai  
Date: 29<sup>th</sup> April, 2017



# Abridged Statement of Profit and Loss

for the year ended 31<sup>st</sup> March, 2017

Statement containing salient features of Statement of Profit and Loss as per Section 136 (1) of the Companies Act, 2013

Particulars	(₹ crore)	
	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
<b>I</b> Revenue from operations	4,040.97	5,862.63
<b>II</b> Other income	328.55	398.08
<b>III Total income</b>	<b>4,369.52</b>	<b>6,260.71</b>
<b>IV</b> Expenses		
(a) Fuel cost	2,721.20	3,311.92
(b) Purchases of power	33.67	-
(c) Employee benefits expense	120.10	116.23
(d) Finance costs	533.04	644.08
(e) Depreciation and amortisation expense	363.90	353.52
(f) Other expenses	260.73	271.88
<b>Total expenses</b>	<b>4,032.64</b>	<b>4,697.63</b>
<b>V Profit before exceptional items and tax</b>	<b>336.88</b>	<b>1,563.08</b>
<b>VI</b> Exceptional items	-	-
<b>VII Profit before tax</b>	<b>336.88</b>	<b>1,563.08</b>
<b>VIII</b> Tax expense	142.13	381.01
<b>IX Profit for the year</b>	<b>194.75</b>	<b>1,182.07</b>
<b>X Other comprehensive income</b>		
(i) Items that will not be reclassified to profit or loss		
- Remeasurements of the net defined benefit liabilities / (asset)	0.22	(1.58)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.05)	-
<b>Other comprehensive income / (loss) for the year</b>	<b>0.17</b>	<b>(1.58)</b>
<b>XI Total comprehensive income for the year</b>	<b>194.92</b>	<b>1,180.49</b>
<b>XII Earnings per equity share of ₹ 10 each :</b>		
- Basic ₹	1.20	7.27
- Diluted ₹	1.20	7.27

## Annexure I forming integral part of the abridged financial statements

Note: Complete Balance Sheet, Statement of Profit and Loss, other statements and notes thereto prepared as per the requirements of Division II to Schedule III to the Companies Act, 2013 are available at the Company's website at [www.jsww.in](http://www.jsww.in).

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: 29<sup>th</sup> April, 2017

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

**Sanjay Sagar**

Jt. Managing Director & CEO  
[DIN:00019489]

**Monica Chopra**

Company Secretary

**Sajjan Jindal**

Chairman and Managing Director  
[DIN:00017762]

**Jyoti Kumar Agarwal**

Chief Financial Officer  
Place: Mumbai  
Date: 29<sup>th</sup> April, 2017

# Abridged Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2017

A. Equity share capital										(₹ crore)
<b>Balance as at 1<sup>st</sup> April, 2015</b>										<b>1,625.70</b>
Changes in equity share capital during the year - Treasury shares										1.09
<b>Balance as at 31<sup>st</sup> March, 2016</b>										<b>1,626.79</b>
Changes in equity share capital during the year - Treasury shares										1.16
<b>Balance as at 31<sup>st</sup> March, 2017</b>										<b>1,627.95</b>
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	Debt redemption reserve	Retained earnings	Actuarial gain / (loss) on defined benefit liabilities / (assets)			
<b>Balance as at 1<sup>st</sup> April, 2015</b>	<b>2,400.54</b>	<b>213.87</b>	<b>5.61</b>	<b>7.26</b>	<b>1,009.11</b>	<b>2,525.77</b>	-	<b>6,162.16</b>		
Profit for the year	-	-	-	-	-	1,182.07	-	1,182.07		
Other comprehensive income for the year	-	-	-	-	-	-	(1.58)	(1.58)		
<b>Total comprehensive income for the year</b>	-	-	-	-	-	<b>1,182.07</b>	<b>(1.58)</b>	<b>1,180.49</b>		
Dividends	-	-	-	-	-	(325.28)	-	(325.28)		
Tax on dividend	-	-	-	-	-	(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)	-	-	-	-		
<b>Balance at 31<sup>st</sup> March, 2016</b>	<b>2,396.22</b>	<b>213.95</b>	<b>19.86</b>	<b>8.92</b>	<b>494.59</b>	<b>3,833.38</b>	<b>(1.58)</b>	<b>6,965.34</b>		



# Abridged Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2017

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		
<b>Balance as at 1<sup>st</sup> April, 2016</b>	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
<b>Total comprehensive income for the year</b>	-	-	-	-	-	194.75	0.17	194.92
Dividends	-	-	-	-	-	(325.43)	-	(325.43)
Tax on dividend	-	-	-	-	-	(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	-	-
<b>Balance as at 31<sup>st</sup> March, 2017</b>	2,391.65	213.95	9.24	10.70	297.44	3,844.04	(1.41)	6,765.61

Annexure I forming integral part of the abridged 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: 29<sup>th</sup> April, 2017

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

**Sanjay Sagar**

Jt. Managing Director & CEO  
[DIN:00019489]

**Monica Chopra**

Company Secretary

**Sajjan Jindal**

Chairman and Managing Director  
[DIN:00017762]

**Jyoti Kumar Agarwal**

Chief Financial Officer  
Place: Mumbai  
Date: 29<sup>th</sup> April, 2017

# Abridged Statement of Cash Flows

For the year ended 31<sup>st</sup> March, 2017

	(₹ crore)	
	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
I Net cash flows from operating activities	1,011.96	2,261.05
II Net cash flows from / (used in) investing activities	1,487.50	[3,468.17]
III Net cash used in financing activities	[2,481.35]	[217.85]
<b>IV Net increase / (decrease) in cash and cash equivalents (I+II+III)</b>	<b>18.11</b>	<b>(1,424.97)</b>
V Cash and cash equivalents at the beginning of the year	151.18	1,576.15
<b>VI Cash and cash equivalents at the end of the year</b>	<b>169.29</b>	<b>151.18</b>

Annexure I forming integral part of the abridged 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: 29<sup>th</sup> April, 2017

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

**Sanjay Sagar**

Jt. Managing Director & CEO

[DIN:00019489]

**Monica Chopra**

Company Secretary

**Sajjan Jindal**

Chairman and Managing Director

[DIN:00017762]

**Jyoti Kumar Agarwal**

Chief Financial Officer

Place: Mumbai

Date: 29<sup>th</sup> April, 2017



# Notes to Abridged Financial Statements

## Annexure I

### 1 Basis of preparation:

These abridged financial statements have been prepared on the basis of the complete set of financial statements for the year ended 31<sup>st</sup> March, 2017, in accordance with the proviso to Sub-section (1) of Section 136 of the Companies Act, 2013 ("the Act") and Rule 10 of the Companies (Accounts) Rules, 2014.

### 2 Summary of Significant accounting policies:

The significant accounting policies used in preparing the annual financial statements in accordance with the Indian Accounting Standards ("IND AS") prescribed under Section 133 of the Act read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016 are set out in Note 3 to the annual financial statements.

### 3 Trade receivable [Refer note no 40 of the standalone financial statements]:

- 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 27<sup>th</sup> 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 1<sup>st</sup> 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 8<sup>th</sup> 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 23<sup>rd</sup> 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.

### 4 Non-current Investments [Refer note no 6 of the standalone financial statements]:

As at 31<sup>st</sup> March, 2017 the book value and market value of quoted investments is ₹ Nil (as at 31<sup>st</sup> March, 2016 ₹ Nil; as at 1<sup>st</sup> April, 2015 ₹ 0.75 crore).

### 5 Cash and cash equivalents [Refer note no 13A of the standalone financial statements]:

Particulars	(₹ crore)		
	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016	As at 1 <sup>st</sup> April 2015
(a) Balances with banks			
(i) In current accounts	12.66	81.53	29.07
(ii) In deposit accounts	-	45.55	166.05
(b) Cheques on hand	2.51	0.06	0.66
(c) Cash on hand	0.01	0.02	0.03
	<b>15.18</b>	<b>127.16</b>	<b>195.81</b>

**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 31<sup>st</sup> March, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	(in ₹)		
	SBNs*	Other denomination notes	Total
<b>Closing cash in hand as on 8<sup>th</sup> November, 2016</b>	2,07,500	63,959	2,71,459
(+) Permitted receipts	-	12,13,650	12,13,650
(-) Permitted payments	-	(8,86,931)	(8,86,931)
(-) Amount deposited in banks	(2,07,500)	(414)	(2,07,914)
<b>Closing cash in hand as on 30<sup>th</sup> December, 2016</b>	-	<b>3,90,264</b>	<b>3,90,264</b>

\* 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 8<sup>th</sup> November, 2016.

**6 Bank balances other than cash and cash equivalents [Refer note no 13B of the standalone financial statements]:**

Particulars	(₹ crore)		
	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016	As at 1 <sup>st</sup> April 2015
(a) Balances with banks			
(i) In deposit accounts	48.00	72.00	56.08
(b) 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
	<b>59.68</b>	<b>94.50</b>	<b>72.59</b>

**7 Revenue from operations [Refer note no 20 of the standalone financial statements] :**

Particulars	(₹ crore)	
	For the year ended 31 <sup>st</sup> March 2017	For the year ended 31 <sup>st</sup> March 2016
(a) Sale of power	3,823.31	5,643.71
(b) Income from embedded lease	62.91	66.97
(c) Sale of services :		
- Operator fee	148.17	145.15
- Other services	4.61	4.72
(d) Other operating revenue	1.97	2.08
	<b>4,040.97</b>	<b>5,862.63</b>



## 8 Contingent liabilities and commitments [Refer note no. 28 of the standalone financial statements]:

### (a) Contingent liabilities:

Particulars	(₹ crore)		
	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> 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 31<sup>st</sup> March, 2016 ₹ Nil & as at 1<sup>st</sup> 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 31<sup>st</sup> March, 2016 ₹ 69.71 crore & as at 1<sup>st</sup> 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 no 40 of the standalone financial statements).

### # Corporate guarantees given / Securities provided by the Company as at 31<sup>st</sup> March, 2017

Particulars	(₹ crore)		
	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>Corporate guarantees given : @</b>			
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 27(b)(iii)]	1,000.00	1,000.00	1,000.00
Himachal Baspa Power Company Limited	336.00	-	-
<b>Security provided (by way of Pledge of certain investments i.e. equity shares of) @</b>			
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:

Particulars	(₹ crore)		
	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> 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 7 <sup>th</sup> September, 2015 for acquisition of the 500 MW (2x250 MW) thermal power plant located at Bina, District Sagar in the State of Madhya Pradesh, the Company has subsequently entered into a definitive agreement on 18 <sup>th</sup> July, 2016 for the same. As on 31 <sup>st</sup> March 2017, a Corporate Guarantee of ₹ 1,000 crore as provided by the Company is outstanding against this transaction.			

- iii) On 3<sup>rd</sup> 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 31<sup>st</sup> March 2017.

#### 9 Business Combination [Refer note no. 29 of the standalone financial statements] :

During the year ended 31<sup>st</sup> 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:

Particulars	(₹ crore)
	Fair value recognised on acquisition
<b>Assets</b>	
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
<b>Total Assets</b>	<b>9,877.83</b>
<b>Liabilities</b>	
Trade payables	53.58
Other current liabilities	142.15
Borrowings	5,928.74
<b>Total Liabilities</b>	<b>6,124.47</b>
<b>Total identifiable net assets at fair value</b>	<b>3,753.36</b>
Contingent consideration payable	636.50
Net identifiable assets transferred in Business combination	4,389.86
<b>Purchase consideration discharged:</b>	
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
<b>Total consideration</b>	<b>4,389.86</b>
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 6<sup>th</sup> September, 2020.



## 10 Scheme of arrangement [Refer note no. 32 of the standalone financial statements]:

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 and JSW Green Energy Limited:

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 31<sup>st</sup> 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 9<sup>th</sup> 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.

## 11 Related Party Disclosures [Refer note no. 42 of the standalone financial statements]:

### 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 (w.e.f. 8 <sup>th</sup> 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. 4 <sup>th</sup> September, 2016)

**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 Systems 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 31 <sup>st</sup> January, 2017)
4	Mr. Sampath Madhavan - Company Secretary (Upto 30 <sup>th</sup> July, 2016)
5	Mr. Jyoti Kumar Agarwal - Chief Financial Officer (w.e.f. 1 <sup>st</sup> February, 2017)
6	Ms. Monica Chopra – Company Secretary (w.e.f. 23 <sup>rd</sup> 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. 23 <sup>rd</sup> July, 2015)
12	Mr. Uday Chitale - Independent Director (w.e.f. 22 <sup>nd</sup> July, 2016)



		(₹ crore)	
A	Transaction during the year	Current Year	Previous Year
<b>1</b>	<b>Sale of power/ material to :</b>		
	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
<b>2</b>	<b>Service rendered:</b>		
(i)	<b>Operator fee from :</b>		
	JSW Steel Limited	148.08	145.15
(ii)	<b>Other services:</b>		
	Toshiba JSW Power Systems Private Limited	4.50	4.50
	South West Mining Limited	1.33	1.92
<b>3</b>	<b>Purchase of fuel / goods :</b>		
	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	-
<b>4</b>	<b>Rebate on sale of power:</b>		
	JSW Power Trading Company Limited	6.88	17.93
<b>5</b>	<b>Service received from:</b>		
	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
<b>6</b>	<b>Interest received on overdue receivables:</b>		
	JSW Steel Limited	-	0.92
	JSW Power Trading Company Limited	0.10	3.53
	JSW Steel Coated Products Limited	0.04	*0.00
<b>7</b>	<b>Interest received on loan / debentures:</b>		
	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	-
<b>8</b>	<b>Rent paid / (received) (net):</b>		
	JSW Realty & Infrastructure Private Limited	0.53	0.25
	JSW Steel Limited	*[0.00]	*0.00

		(₹ crore)	
A	Transaction during the year	Current Year	Previous Year
	JSW Jaigarh Port Limited	*(0.00)	*(0.00)
	Jaigad PowerTransco Limited	*0.00	*(0.00)
	Gagan Trading Company Limited	1.22	1.10
<b>9</b>	<b>Donation / CSR expenses:</b>		
	JSW Foundation	2.24	1.60
	Jindal Vidya Mandir	1.33	0.74
	Heal Institute Private Limited	0.14	0.17
<b>10</b>	<b>Reimbursement received from / (paid to):</b>		
	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
	JSW Green Energy Limited	*0.00	*0.00
	JSW Global Business Solutions Limited	0.17	-
	JSW Energy (Kutehr) Limited	0.14	0.12
<b>11</b>	<b>Security deposit paid / (refund):</b>		
	JSW Steel Limited	-	0.33
	JSW IP Holdings Private Limited	0.90	-
	Gagan Trading Company Limited	(0.49)	(0.65)
<b>12</b>	<b>Capital advance paid / (refund) :</b>		
	Windsor Residency Private Limited	-	(75.00)
<b>13</b>	<b>Advance received from customer for power purchase:</b>		
	JSW Power Trading Company Limited	375.37	-
<b>14</b>	<b>Loan given to / (repaid) (net):</b>		
	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 Ltd	(3.57)	-
<b>15</b>	<b>Investment in equity share capital (including advance against equity share capital):</b>		
	Himachal Baspa Power Company Limited	5.69	-



		(₹ crore)	
A	Transaction during the year	Current Year	Previous Year
	JSW Energy (Raigarh) Limited	0.40	3.80
	JSW Energy (Kutehr) Limited	6.00	19.30
<b>16</b>	<b>Investment in debentures :</b>		
	Himachal Baspa Power Company Limited	340.00	-
<b>17</b>	<b>Redemption of debentures :</b>		
	Himachal Baspa Power Company Limited	(1,790.00)	(150.00)
<b>18</b>	<b>Security &amp; collateral provided to:</b>		
	Raj WestPower Limited	(8.19)	(233.25)
	Himachal Baspa Power Company Limited	(62.12)	398.12
	South West Mining Limited	(58.76)	(58.75)
<b>19</b>	<b>Sale of assets:</b>		
	JSW Jaigarh Port Limited	-	0.04
<b>20</b>	<b>Advertisement / branding expenses:</b>		
	Art India Publishing Company Private Limited	0.06	0.08
	JSW IP Holdings Private Limited	3.62	9.73
<b>21</b>	<b>Dividend received</b>		
	Jaigad PowerTransco Limited	10.18	28.89

\* Less than ₹1 lakh

		(₹ crore)		
B	Closing balances	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>1</b>	<b>Trade &amp; others (payables)/receivables (net)</b>			
	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
	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	-

(₹ crore)

B	Closing balances	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
	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	-	-
	JSW Global Business Solutions Limited	(0.58)	-	-
	JSW Green Private Limited	(0.07)	-	-
	Jindal Stainless Limited	0.01	-	-
	South West Mining Limited	-	*0.00	-
<b>2</b>	<b>Deposit with:</b>			
	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
<b>3</b>	<b>Lease deposit from:</b>			
	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
<b>4</b>	<b>Trade advance paid:</b>			
	JSW Realty & Infrastructure Private Limited	-	30.00	30.00
<b>5</b>	<b>Capital advance paid:</b>			
	Windsor Residency Private Limited	-	-	75.00
<b>6</b>	<b>Investment in equity share capital:</b>			
	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	-
<b>7</b>	<b>Investment in preference share capital:</b>			
	JSW Power Trading Company Limited	132.00	132.00	132.00
	JSW Realty & Infrastructure Private Limited	5.03	5.03	5.03
<b>8</b>	<b>Investment in debenture:</b>			
	Himachal Baspa Power Company Limited	900.00	2,350.00	-



			(₹ crore)	
B	Closing balances	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>9</b>	<b>Security &amp; collateral provided to:</b>			
	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
<b>10</b>	<b>Loans/advances to:</b>			
	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 Solutions Limited	4.85	2.18	-
	Jindal Steel & Power Limited	373.00	-	-
<b>11</b>	<b>Interest receivable on loan</b>			
	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 Solutions Limited	-	0.03	-
<b>12</b>	<b>Advance against equity</b>			
	JSW Energy (Raigarh) Limited	-	0.10	-

\* Less than ₹1 lakh

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

- 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.

**Notes:**

- i) No amounts in respect of related parties have been written off / written back during the year, nor has any provision been made for doubtful debts / receivables during the year, except as discussed above.
- ii) Related party relationships have been identified by the management and relied upon by the Auditors.
- iii) Related party 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 31<sup>st</sup> March, 2017, the Company has not recorded any loss allowances for transactions between the related parties.

**12 First-time Ind AS adoption reconciliations [Refer note no. 43 of the standalone financial statements]:**Effect of Ind AS adoption on the balance sheet as at 31<sup>st</sup> March, 2016 and 1<sup>st</sup> April, 2015:

<b>a) Balance sheet as at 1<sup>st</sup> April, 2015 (date of transition to IND AS)</b>				(₹ crore)
Particulars	Footnotes	IGAAP	Adjustments	IND AS
<b>A. ASSETS</b>				
<b>1 Non-current assets</b>				
(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
<b>Total non-current assets</b>		<b>11,215.38</b>	<b>(268.27)</b>	<b>10,947.11</b>
<b>2 Current assets</b>				
(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
<b>Total current assets</b>		<b>2,798.39</b>	<b>48.28</b>	<b>2,846.67</b>
<b>Total assets</b>		<b>14,013.77</b>	<b>(219.99)</b>	<b>13,793.78</b>
<b>B. EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(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
<b>Total equity</b>		<b>7,593.79</b>	<b>194.07</b>	<b>7,787.86</b>
<b>Liabilities</b>				
<b>1 Non-current liabilities</b>				
(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
<b>Total non-current liabilities</b>		<b>3,835.76</b>	<b>5.74</b>	<b>3,841.50</b>
<b>2 Current liabilities</b>				
(a) Financial liabilities	iv, v, vii			
(i) Trade payables		1,460.30	(33.81)	1,426.49
(ii) 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
<b>Total current liabilities</b>		<b>2,584.22</b>	<b>(419.81)</b>	<b>2,164.42</b>
<b>Total equity and liabilities</b>		<b>14,013.77</b>	<b>(219.99)</b>	<b>13,793.78</b>

**b) Balance sheet as at 31<sup>st</sup> March, 2016**

[₹ crore]

Particulars	Footnotes	IGAAP	Adjustments	IND AS
<b>A. ASSETS</b>				
<b>1 Non-current assets</b>				
(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
<b>Total non-current assets</b>		<b>14,300.62</b>	<b>495.81</b>	<b>14,796.43</b>
<b>2 Current assets</b>				
(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
<b>Total current assets</b>		<b>2,139.46</b>	<b>38.28</b>	<b>2,177.74</b>
<b>Total assets</b>		<b>16,440.08</b>	<b>534.09</b>	<b>16,974.17</b>
<b>B. EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(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
<b>Total equity</b>		<b>8,184.99</b>	<b>407.14</b>	<b>8,592.13</b>
<b>Liabilities</b>				
<b>1 Non-current liabilities</b>				
(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
<b>Total non-current liabilities</b>		<b>3,222.15</b>	<b>(27.85)</b>	<b>3,194.30</b>
<b>2 Current liabilities</b>				
(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
<b>Total current liabilities</b>		<b>5,032.94</b>	<b>154.81</b>	<b>5,187.74</b>
<b>Total equity and liabilities</b>		<b>16,440.08</b>	<b>534.09</b>	<b>16,974.17</b>

**c) Reconciliation of profit or loss for the year ended 31<sup>st</sup> March 2016**

(₹ crore)

Particulars	Footnotes	IGAAP	Adjustments	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
<b>III Total income</b>		<b>6,191.10</b>	<b>69.61</b>	<b>6,260.71</b>
<b>IV Expenses</b>				
(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
<b>Total Expenses</b>		<b>4,802.92</b>	<b>(105.29)</b>	<b>4,697.63</b>
<b>V Profit before tax</b>		<b>1,388.18</b>	<b>174.90</b>	<b>1,563.08</b>
VI Tax expense		422.33	(41.32)	381.01
<b>VII Profit for the year</b>		<b>965.85</b>	<b>216.22</b>	<b>1,182.07</b>
<b>VIII Other comprehensive income</b>	viii, xiii			
A (i) Items that will not be reclassified to profit or loss				
- Remeasurements of the net defined benefit liabilities / (assets)		-	(1.58)	(1.58)
IX Other comprehensive income for the year		-	(1.58)	(1.58)
<b>X Total comprehensive income for the year</b>		<b>965.85</b>	<b>214.64</b>	<b>1,180.49</b>

**(d) Reconciliation of equity for year ended 31<sup>st</sup> March, 2016 and 1<sup>st</sup> April, 2015**

(₹ crore)

Particulars	Footnotes	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>Equity under Previous GAAP</b>		<b>8,184.99</b>	<b>7,593.79</b>
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)
<b>Equity under IND AS</b>		<b>8,593.71</b>	<b>7,787.86</b>
Other Comprehensive Income	viii, xiii	(1.58)	-
<b>Total Equity under IND AS</b>		<b>8,592.13</b>	<b>7,787.86</b>

**(e) Reconciliation of cash flows for the year ended 31<sup>st</sup> March 2016**

(₹ crore)

Particulars	IGAAP	Adjustments	IND AS
Net cashflow from operating activities	2,263.64	(2.59)	2,261.05
Net cashflow from investing activities	(3,461.43)	(6.74)	(3,468.17)
Net cashflow from financing activities	(220.58)	2.73	(217.85)
<b>Net cash inflow / (Outflow)</b>	<b>(1,418.37)</b>	<b>(6.60)</b>	<b>(1,424.97)</b>

**(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 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.

**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.

**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 contingent 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 of 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 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 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 31<sup>st</sup> March, 2015 recorded for dividend has been derecognised against retained earnings on 1<sup>st</sup> April 2015. The proposed dividend for the year ended on 31<sup>st</sup> 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 31<sup>st</sup> March 2016. Share options which were granted before and still vesting at 1<sup>st</sup> April 2015, have been recognised as a separate component of equity in share based payments reserve against retained earnings at 1<sup>st</sup> 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 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.

**13 Operating Segments [Refer note no 46 of the standalone financial statements]:**

The Joint Managing Director and 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: 29<sup>th</sup> April, 2017

# Independent Auditor's Report

On the Abridged Consolidated IND AS financial statements

## TO THE MEMBERS OF JSW ENERGY LIMITED

### Report on the Consolidated Ind AS Financial Statements

The accompanying abridged Ind AS consolidated financial statements of JSW Energy Limited ("the Company"), which comprise the Abridged Consolidated Ind AS Balance Sheet as at 31<sup>st</sup> March, 2017, the Abridged Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Abridged Consolidated Statement of Cash Flows, Abridged Consolidated Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information, are derived from the audited financial statements of the Company for the year ended 31<sup>st</sup> March, 2017. We expressed an unmodified audit opinion on the audited financial statements vide our report dated 29<sup>th</sup> April, 2017.

The abridged consolidated Ind AS financial statements do not contain all the disclosures required by the Companies Act, 2013 ("the Act") and the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rule, 2015 under Section 133 of the Act, as applied in the preparation of the audited financial statements of the Company. Reading the abridged consolidated Ind AS financial statements, therefore, is not substitute for reading the audited consolidated financial statements of the Company.

### Management's Responsibility for the Abridged Consolidated Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Rule 10 and Section 136 (1) of Companies (Accounts) Rules, 2014, of the Act which are based on the audited financial statements of the Company, prepared in accordance with the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 under Section 133 of the Act and accounting principles generally accepted in India.

### Auditor's Responsibility

Our responsibility is to express an opinion on these abridged consolidated Ind AS financial statements based on our procedures conducted in accordance with the Standard on Auditing (SA) 810, "Engagements to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid abridged consolidated Ind AS financial statements prepared in accordance with Rule 10 and Section 136 (1) of Companies (Accounts) Rules, 2014, which are derived from the audited consolidated financial statements of the Company for the year ended 31<sup>st</sup> March, 2017, prepared in accordance with Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 under Section 133 of the Act and accounting principles generally accepted in India, are a fair summary of those financial statements.

### Other Matter

The Abridged consolidated Ind AS financial statements include audited financial statements of five subsidiary companies audited by other auditors and management certified financial statements of nineteen foreign subsidiaries, a joint venture and an associate.

For **LODHA & CO.**

Chartered Accountants  
Firm Registration No: 301051E

**A. M. Hariharan**

Partner  
Membership No. 38323

Place: Mumbai  
Date: 29<sup>th</sup> 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 31<sup>st</sup> 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 of the Group as at 31<sup>st</sup> 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 31<sup>st</sup> March, 2017 and total revenue for the year ended 31<sup>st</sup> 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 31<sup>st</sup> March, 2017 and total revenue for the year ended 31<sup>st</sup> 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 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, 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 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, 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 Section 143(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 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 31<sup>st</sup> 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 31<sup>st</sup> 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 8<sup>th</sup> November, 2016 to 30<sup>th</sup> 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: 29<sup>th</sup> 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 31<sup>st</sup> 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.

### 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 31<sup>st</sup> 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 insofar 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: 29<sup>th</sup> April, 2017

# Abridged Consolidated Balance Sheet

as at 31<sup>st</sup> March, 2017

(Statement containing salient features of Consolidated Balance Sheet as per section 136 (1) of the Companies Act, 2013)

Particulars	(₹ crore)		
	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>A ASSETS</b>			
<b>(1) Non current assets</b>			
(a) Property, plant and equipment	17,876.50	18,653.33	11,700.30
(b) Capital work-in-progress	526.90	320.61	291.54
(c) Goodwill on consolidation	644.86	645.83	9.66
(d) Other intangible assets	969.23	998.67	103.01
(e) Financial assets			
(i) Investments			
- Investments in an associate and joint venture	6.57	6.52	44.84
- Other investments	1,353.35	930.36	669.31
(ii) Loans	1,137.49	813.10	609.80
(iii) Other financial assets	1,649.56	1,621.65	1,383.33
(f) Income tax assets (net)	257.52	132.06	285.09
(g) Other non-current assets	87.70	122.05	475.48
<b>Total non - current assets</b>	<b>24,509.68</b>	<b>24,244.18</b>	<b>15,572.36</b>
<b>(2) Current assets</b>			
(a) Inventories	596.74	635.83	544.47
(b) Financial assets			
(i) Investments	218.90	75.39	1,392.56
(ii) Trade receivables	2,182.75	2,906.34	1,172.29
(iii) Cash and cash equivalents	590.71	238.55	278.08
(iv) Bank balances other than (iii) above	193.59	118.88	73.45
(v) Loans	80.62	-	-
(vi) Other financial assets	134.67	240.31	181.39
(c) Other current assets	81.22	79.40	38.30
<b>Total current assets</b>	<b>4,079.20</b>	<b>4,294.70</b>	<b>3,680.54</b>
<b>Total assets</b>	<b>28,588.88</b>	<b>28,538.88</b>	<b>19,252.90</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	1,627.95	1,626.79	1,625.70
(b) Other equity	8,740.51	8,077.34	6,706.79
<b>Equity attributable to owners of the Parent</b>	<b>10,368.46</b>	<b>9,704.13</b>	<b>8,332.49</b>
Non-controlling interests	2.37	1.40	47.64
<b>Total equity</b>	<b>10,370.83</b>	<b>9,705.53</b>	<b>8,380.13</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	13,125.92	11,947.51	7,505.78
(ii) Other financial liabilities	0.56	0.36	0.46
(b) Provisions	47.11	39.38	33.77
(c) Deferred tax liabilities (Net)	580.08	434.06	334.09
(d) Other non-current liabilities	1.75	1.81	1.87
<b>Total non - current liabilities</b>	<b>13,755.42</b>	<b>12,423.12</b>	<b>7,875.97</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	8.67	1,589.33	148.22
(ii) Trade payables	2,118.72	2,531.37	1,647.66
(iii) Other financial liabilities	2,282.13	2,255.77	1,177.61
(b) Other current liabilities	44.00	21.85	15.27
(c) Provisions	9.11	11.91	8.04
<b>Total current liabilities</b>	<b>4,462.63</b>	<b>6,410.23</b>	<b>2,996.80</b>
<b>Total equity and liabilities</b>	<b>28,588.88</b>	<b>28,538.88</b>	<b>19,252.90</b>

Annexure I forming integral part of the abridged consolidated financial statements

Note: Complete Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, other consolidated statements and notes thereto prepared as per the requirements of Division II to Schedule III to the Companies Act, 2013 are available at the Company's website at [www.jsw.in](http://www.jsw.in)

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: 29<sup>th</sup> April, 2017

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

**Sanjay Sagar**

Jt. Managing Director & CEO  
[DIN:00019489]

**Monica Chopra**

Company Secretary

**Sajjan Jindal**

Chairman and Managing Director  
[DIN:00017762]

**Jyoti Kumar Agarwal**

Chief Financial Officer

Place: Mumbai

Date: 29<sup>th</sup> April, 2017



# Abridged Consolidated Statement of Profit and Loss

for the year ended 31<sup>st</sup> March, 2017

(Statement containing salient features of Consolidated Statement of Profit and Loss as per section 136 (1) of the Companies Act, 2013)

Particulars	(₹ crore)	
	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
<b>I</b> Revenue from operations	8,263.43	9,824.49
<b>II</b> Other income	217.00	235.11
<b>III Total income</b>	<b>8,480.43</b>	<b>10,059.60</b>
<b>IV Expenses:</b>		
Fuel cost	3,907.22	4,377.35
Purchase of power	153.10	543.15
Employee benefits expense	211.77	183.81
Finance costs	1,684.75	1,498.11
Depreciation and amortisation expense	969.15	854.25
Other expenses	666.98	694.06
<b>Total expenses</b>	<b>7,592.97</b>	<b>8,150.73</b>
<b>V Profit before exceptional items and tax</b>	<b>887.46</b>	<b>1,908.87</b>
<b>VI</b> Share of profit / (loss) of an associate / joint venture	<b>4.06</b>	<b>(42.34)</b>
<b>VII</b> Exceptional items (Refer note 16)	-	(150.00)
<b>VIII Profit before tax</b>	<b>891.52</b>	<b>2,016.53</b>
<b>IX</b> Tax expense	269.01	556.26
<b>X Profit for the year</b>	<b>622.51</b>	<b>1,460.27</b>
<b>XI Attributable to:</b>		
Owners of the Parent	629.03	1,447.36
Non controlling interests	(6.52)	12.91
<b>XII Other comprehensive income</b>		
A. (i) Items that will not be reclassified to profit or loss		
(a) Remeasurements of the defined benefit liabilities / (asset)	(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
	<b>432.09</b>	<b>264.03</b>
<b>XIII Attributable to:</b>		
Owners of the Parent	432.09	264.03
Non controlling interests	*0.00	*0.00
<b>XIV Total comprehensive income for the year</b>	<b>1,054.60</b>	<b>1,724.30</b>
<b>Attributable to:</b>		
Owners of the Parent	1061.12	1,711.39
Non controlling interests	(6.52)	12.91
<b>XV Earnings per equity share of face value of ₹ 10 each</b>		
Basic (₹)	3.86	8.90
Diluted (₹)	3.86	8.90

Annexure I forming integral part of the abridged consolidated financial statements

\* Less than ₹1 Lakh

Note: Complete Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, other consolidated statements and notes thereto prepared as per the requirements of Division II to Schedule III to the Companies Act, 2013 are available at the Company's website at [www.jsw.in](http://www.jsw.in)

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: 29<sup>th</sup> April, 2017

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

**Sanjay Sagar**

Jt. Managing Director & CEO

[DIN:00019489]

**Monica Chopra**

Company Secretary

**Sajjan Jindal**

Chairman and Managing Director

[DIN:00017762]

**Jyoti Kumar Agarwal**

Chief Financial Officer

Place: Mumbai

Date: 29<sup>th</sup> April, 2017

# Abridged Consolidated Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2017

## A. Equity Share Capital

	(₹ crore)
<b>Balance as at 1<sup>st</sup> April 2015</b>	<b>1,625.70</b>
Changes in equity share capital during the year - Treasury shares	1.09
<b>Balance as at 31<sup>st</sup> March 2016</b>	<b>1,626.79</b>
Changes in equity share capital during the year - Treasury shares	1.16
<b>Balance as at 31<sup>st</sup> March 2017</b>	<b>1,627.95</b>

## B. Other Equity

Particulars	Attributable to Owners of Parent							Non-controlling interests	Total				
	Securities premium reserve	General reserve	Equity settled share based payment reserve	Reserves and Surplus	Contingency Reserve	Retained earnings	Items of other comprehensive income through other comprehensive income			Equity instrument through other comprehensive income	Foreign currency translation reserve	Actuarial Gain / (Loss) on defined benefit liabilities/ (assets)	Total Other equity
<b>Balance at 1<sup>st</sup> April, 2015</b>	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	264.03	*0.00	264.03
<b>Total comprehensive income for the year</b>	-	-	-	-	-	1,447.36	263.83	1.52	(1.32)	1,711.39	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	-	-	-	-	-	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
<b>Balance at 31<sup>st</sup> March, 2016</b>	<b>2,396.22</b>	<b>214.06</b>	<b>10.83</b>	<b>553.34</b>	<b>7.42</b>	<b>4,156.34</b>	<b>747.06</b>	<b>(6.62)</b>	<b>(1.32)</b>	<b>8,077.34</b>	<b>1.40</b>	<b>8,078.74</b>	



# Abridged Consolidated Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2017

Particulars	Attributable to Owners of Parent						Non-controlling interests	Total
	Securities premium reserve	General reserve	Reserves and Surplus	Contingency Reserve	Retained earnings	Items of other comprehensive income		
			Equity settled share based payment reserve	Debt Redemption Reserve	Equity instrument through comprehensive income	Foreign currency translation reserve	Actuarial Gain / (Loss) on defined benefit liabilities/ (assets)	
<b>Balance as at 1<sup>st</sup> April, 2016</b>	2,396.22	214.06	10.83	553.34	7.42	4,156.34	(1.32)	8,077.34
Profit for the year	-	-	-	-	-	629.03	-	629.03
Other comprehensive income for the year	-	-	-	-	-	419.35	13.76	432.09
<b>Total comprehensive income for the year</b>	-	-	-	-	-	629.03	(1.02)	1,054.60
Dividends	-	-	-	-	-	(321.85)	-	(321.85)
Tax on Dividends	-	-	-	-	-	(62.97)	-	(62.97)
Acquisition of interest in step-down subsidiaries	-	-	-	-	-	(15.71)	-	(15.71)
Consolidation of ESOP Trust	-	-	-	-	-	5.08	-	5.08
Unwinding of transaction cost on debentures issued	(4.57)	-	-	-	-	-	-	(4.57)
Transfers to / from retained earnings	-	-	-	(210.90)	1.38	209.52	-	-
Share based payments	-	-	1.93	-	-	-	-	1.93
<b>Balance at 31<sup>st</sup> March, 2017</b>	2,391.65	214.06	12.76	342.44	8.80	4,599.44	(2.34)	8,740.51

\* Less than ₹ 1 Lakh

Annexure I forming integral part of the abridged consolidated financial statements

As per our attached report of even date

**For Lodha & Co.**

Chartered Accountants

Firm Registration No. 301051E

**For and on behalf of 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]

**Jyoti Kumar Agarwal**

Chief Financial Officer

Place: Mumbai

Date: 29<sup>th</sup> April, 2017

Place: Mumbai

Date: 29<sup>th</sup> April, 2017

# Abridged Consolidated Statement of Cash Flows

for the year ended 31<sup>st</sup> March, 2017

	(₹ crore)	
	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
<b>I</b>	<b>Net cash flows generated from operating activities</b>	3,421.39
<b>II</b>	<b>Net cash flows used in investing activities</b>	(324.57)
<b>III</b>	<b>Net cash flows used in financing activities</b>	(2,601.15)
<b>IV</b>	<b>Net increase/(decrease) in cash and cash equivalents (I+II+III)</b>	<b>495.67</b>
<b>V</b>	<b>Cash and cash equivalents - at the beginning of the year</b>	1,670.64
	<b>Add: Pursuant to acquisition of hydro assets</b>	159.10
<b>VI</b>	<b>Cash and cash equivalents - at the end of the year</b>	<b>313.94</b>

Annexure I forming integral part of the abridged consolidated 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: 29<sup>th</sup> April, 2017

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

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

**Monica Chopra**  
Company Secretary

**Sajjan Jindal**  
Chairman and Managing Director  
[DIN:00017762]

**Jyoti Kumar Agarwal**  
Chief Financial Officer  
Place: Mumbai  
Date: 29<sup>th</sup> April, 2017



# Notes to Abridged Consolidated Financial Statements

## ANNEXURE I

### 1 Basis of preparation:

These abridged consolidated financial statements have been prepared on the basis of the complete set of consolidated financial statements for the year ended 31<sup>st</sup> March, 2017, in accordance with the proviso to sub-section (1) of section 136 of the Companies Act, 2013 ("the Act") and Rule 10 of the Companies (Accounts) Rules, 2014.

### 3 Composition of the Group:

[Note 28 of the consolidated financial statements]

### 2 Summary of Significant accounting policies:

The significant accounting policies used in preparing the annual consolidated financial statements in accordance with the Indian Accounting Standards ("IND AS") prescribed under section 133 of the Act read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016 are set out in Note 3 to the annual consolidated financial statements.

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 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>On the basis of audited financial statements:</b>					
<b>Subsidiaries:</b>					
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 8 <sup>th</sup> 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%
<b>On the basis of unaudited financial statements, certified by the Management:</b>					
<b>Subsidiaries:</b>					
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%

Particulars	Place of incorporation and operation	Nature of Business	Shareholding either directly or through subsidiaries/associates as at		
			As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
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%
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	Swaziland	Mining*	51.00%	-	-
<b>Joint Venture Company:</b>					
Barmer Lignite Mining Company Limited (BLMCL).	India	Lignite Mining	49.00%	49.00%	49.00%
<b>Associate:</b>					
Toshiba JSW Power Systems Private Limited (TJPSPL)	India	Turbine & generator manufacturing	22.52%	22.52%	22.52%

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 or significant influence over the said Joint Venture entity.

\* Yet to commence commercial operations  
@ Dissolved effective from 4<sup>th</sup> April, 2017

#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 31<sup>st</sup> 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 9<sup>th</sup> March, 2017 (Signed copy of the Order is yet to be received from NCLT). Pursuant to the sanction of scheme by NCLT, the Group 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 Group 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.

#### 4 Non-current Investments:

[Note 6 of the consolidated financial statements]

As at 31<sup>st</sup> March, 2017 the book value and market value of quoted investments is ₹ 1,318.12 crore (As at 31<sup>st</sup> March, 2016 ₹ 898.77 crore, As at 1<sup>st</sup> April, 2015 ₹ 635.68 crore).

#### 5 Trade Receivables:

[Note 34 of the consolidated financial statements]

- 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 27<sup>th</sup> 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 8<sup>th</sup> 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 28<sup>th</sup> 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 24<sup>th</sup> Feb, 2016 and Order dated 19<sup>th</sup> May, 2016 passed in Petition no 464 of 2014 and Petition no 383 of 2013 respectively.
- (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 29<sup>th</sup> April, 2016 received from Appellate Tribunal of Electricity and consequential Order dated 29<sup>th</sup> 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 10<sup>th</sup> 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 10<sup>th</sup> 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 16<sup>th</sup> Sep'2015 to 31<sup>st</sup> May'2016 towards:
- (a) Reduction in tariff from the original contracted rate of ₹ 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 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.

## 6 Revenue recognition:

[Note 29 of the consolidated financial statements]

- a) RWPL (the subsidiary operating the Barmer plant) has recognised Sales during the year based on the adhoc interim tariff allowed by Rajasthan Electricity Regulatory Commission (RERC) vide Order dated 31<sup>st</sup> March 2016. Pending determination of final tariff, the Company has provided true up for fuel price adjustment impact for the current financial year amounting to ₹ 42.56 crore (previous year ₹ 45.01) based on RERC Regulation. The same is subject to adjustment as per final Tariff determination by RERC.
- b) On 25<sup>th</sup> 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 24<sup>th</sup> 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) 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 17<sup>th</sup> 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 24<sup>th</sup> 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 19<sup>th</sup> November, 2013 have filed Review Petition before Hon'ble Appellate Tribunal of Electricity against the APTEL order dated 29<sup>th</sup> 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 30<sup>th</sup> 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 30<sup>th</sup> August, 2013. Hon'ble Appellate Tribunal vide order dated 20<sup>th</sup> 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 5<sup>th</sup> February, 2016 has upheld the Dispute Resolution petition filed by the Company 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 HBPCCL (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 4<sup>th</sup> June, 1997, Amendment No. 1 dated 7<sup>th</sup> January, 1998, executed between the company and HPSEBL.
- g) In case of Karcham Wangtoo Plant, 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 30<sup>th</sup> March, 2017 was received by the group and accordingly, LTPPA sales has been accounted as per the said Order. Besides, the Group is further examining the actions to be taken against the said Order.

## 7 Cash and cash equivalents

[Note 13A of the consolidated financial statements]

Particulars	(₹ crore)		
	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016	As at 1 <sup>st</sup> April 2015
(a) Balances with banks			
(i) In current & other accounts	56.28	185.59	111.30
(ii) In deposit accounts	531.83	52.81	166.05
(b) Cheques on hand	2.52	0.05	0.67
(c) Cash on hand	0.08	0.10	0.07
	<b>590.71</b>	<b>238.55</b>	<b>278.08</b>

### Disclosure on Specified Bank Notes (SBN's)

During the year, the Group had specified bank notes or other denomination notes as defined in the MCA notification G.S.R. 308(E) dated 31<sup>st</sup> March, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	(in ₹)		
	SBNs*	Other denomination notes	Total
<b>Closing cash in hand as on 8<sup>th</sup> November, 2016</b>	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
<b>Closing cash in hand as on 30<sup>th</sup> December, 2016</b>	-	<b>863,421</b>	<b>863,421</b>

\* 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 8<sup>th</sup> November, 2016.

## 8 Bank balances other than Cash and cash equivalents:

[Note 13B of the consolidated financial statements]

Particulars	(₹ crore)		
	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016	As at 1 <sup>st</sup> 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
(ii) Margin Money Accounts	37.35	45.21	15.87
	<b>193.59</b>	<b>118.88</b>	<b>73.45</b>

## 9 Revenue from Operations:

[Note 20 of the consolidated financial statements]

Particulars	(₹ crore)	
	For the year ended 31 <sup>st</sup> March 2017	For the year ended 31 <sup>st</sup> March 2016
(1) Sale of power:		
- own generation	7,812.19	8,925.65
- power traded	122.32	554.37
(2) Income from embedded 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
	<b>8,263.43</b>	<b>9,824.49</b>



## 10 Commitments

[Note 48 of the consolidated financial statements]

Particulars	(₹ crore)		
	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March 2016	As at 1 <sup>st</sup> April 2015
Commitments to contribute funds for the acquisition of property, plant and equipment (net of advances)	94.39	320.52	194.79
	<b>94.39</b>	<b>320.52</b>	<b>194.79</b>

- 1] Pursuant to the binding memorandum of understanding entered by the parent company with JPVL on September 7, 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 18<sup>th</sup> July, 2016 for the same. As on 31<sup>st</sup> March, 2017, a corporate guarantee of ₹ 1,000 crore as provided by the parent company is outstanding against this transaction.
- 2] On 3<sup>rd</sup> 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 & 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 31<sup>st</sup> 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:

Particulars	(₹ crore)		
	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March 2016	As at 1 <sup>st</sup> 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

## 11 Contingent liabilities

[Note 49 of the consolidated financial statements]

Particulars	(₹ crore)		
	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March 2016	As at 1 <sup>st</sup> April 2015
(1) Claims against the Group not acknowledged as debt <sup>a, b</sup>	153.61	128.08	1.24
(2) Guarantees excluding financial guarantees <sup>#</sup>	1,202.29	1,305.15	1,330.23
(3) 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) <sup>c</sup>	428.01	400.23	258.12
	<b>1,921.98</b>	<b>1,838.18</b>	<b>1,701.93</b>

- a) Includes ₹ 21.37 crore (as at 31<sup>st</sup> March, 2016 ₹ Nil, as at 1<sup>st</sup> 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 31<sup>st</sup> March, 2016 ₹ 127.84 crore, as at 1<sup>st</sup> 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 31<sup>st</sup> March, 2016 ₹ 69.71 crore, as at 1<sup>st</sup> 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 45 of the consolidated financial statements)

# Corporate Guarantees given by the Company as at 31<sup>st</sup> March, 2017

Particulars	(₹ crore)		
	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March 2016	As at 1 <sup>st</sup> April 2015
<b>Corporate Guarantees given</b> <sup>Ⓐ</sup> :			
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

<sup>Ⓐ</sup> 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:

Particulars	(₹ crore)		
	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March 2016	As at 1 <sup>st</sup> 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

The Group's share of the contingent liabilities relating to its associate, Toshiba JSW Power Systems Private Limited (TJPSPL), is as follows:

Particulars	(₹ crore)		
	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March 2016	As at 1 <sup>st</sup> April 2015
Contingent liabilities of the 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.

## 12 Business Combination:

[Note 45 of the consolidated financial statements]

During the year ended March 31, 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 8<sup>th</sup> 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 consolidated financial statements.

**The fair values of the identifiable assets acquired and liabilities recognised as at the date of acquisition were:**

Particulars	(₹ crore)
	Fair value recognised on acquisition
<b>Assets</b>	
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
	<b>9,877.83</b>
<b>Liabilities</b>	
Trade payables	53.58
Other current liabilities	142.15
Borrowings	5,928.74



Particulars	(₹ crore)
	Fair value recognised on acquisition
	<b>6,124.47</b>
<b>Total identifiable net assets at fair value</b>	<b>3,753.36</b>
Contingent consideration	636.50
<b>Net identifiable assets transferred in business combination</b>	<b>4,389.86</b>
<b>Purchase consideration discharged:</b>	
Equity shares [ 125,00,50,000 of ₹ 10 each ]	1,889.86
13% Redeemable non-convertible debentures [ 25,00,00,000 of ₹ 100 each ]	2,500.00
<b>Total consideration</b>	<b>4,389.86</b>
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 1091 MW Karcham Wangtoo HEP on or before 6<sup>th</sup> September, 2020.

#### Impact of acquisition on the results of the combined entity:

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 31<sup>st</sup> March, 2016.

Had these business combinations been effected at 1<sup>st</sup> 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.

### 13 Related party disclosure:

[Note 50 of the consolidated financial statements]

#### 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
<b>II</b>	<b>Joint Venture / Associate</b>
1	Barmer Lignite Mining Company Limited (Joint Venture)
2	MJSJ Coal Limited (Joint Venture)
3	Toshiba JSW Power Systems Private Limited (Associate)
<b>III</b>	<b>Key Managerial Personnel</b>
1	Mr. Sajjan Jindal – Chairman & Managing Director
2	Mr. Sanjay Sagar – Jt. Managing Director & CEO
3	Mr. Pramod Menon – Director Finance (Upto 31 <sup>st</sup> January, 2017)
4	Mr. Sampath Madhavan – Company Secretary (Upto 30 <sup>th</sup> July, 2016)
5	Mr. Jyoti Kumar Agarwal – Chief Financial Officer (w.e.f 1 <sup>st</sup> February, 2017)
6	Ms. Monica Chopra – Company Secretary (w.e.f 23 <sup>rd</sup> 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 23 <sup>rd</sup> July, 2015)
12	Mr. Uday Chitale – Independent Director (w.e.f 22 <sup>nd</sup> July, 2016)

		(₹ crore)	
B	Transaction during the year	Current Year	Previous Year
<b>1</b>	<b>Sale of power / materials</b>		
	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
<b>2</b>	<b>Sale of Renewable Energy Certificate</b>		
	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	-
<b>3</b>	<b>Interest received on overdue receivables</b>		
	JSW Steel Limited	-	0.92
	JSW Steel Coated Products Limited	0.04	*0.00



		(₹ crore)	
B	Transaction during the year	Current Year	Previous Year
<b>4</b>	<b>Dividend Received</b>		
	JSW Steel Limited	5.25	7.70
<b>5</b>	<b>Rebate on Sale of power</b>		
	JSW Steel Limited	-	*0.00
	JSW Cement Limited	-	*0.00
<b>6</b>	<b>Service Received</b>		
	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
<b>7</b>	<b>Service Rendered</b>		
	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
<b>8</b>	<b>Purchase of Power</b>		
	JSW Steel Limited	0.33	59.45
<b>9</b>	<b>Rebate on purchase of Power</b>		
	JSW Steel Limited	-	0.83
<b>10</b>	<b>Purchase of Fuel / Goods</b>		
	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
	Jindal Saw Limited	0.44	0.16
	Jindal Stainless Limited	0.08	-
	Jindal Stainless (Hisar) Limited	0.72	-
	Jindal Stainless Steelway Limited	0.01	-
<b>11</b>	<b>Rent Paid/(received)</b>		
	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	1.10
<b>12</b>	<b>Advertisement/Branding expense</b>		
	Art India Publishing Company Private Limited	0.06	0.08
	JSW IP Holdings Private Limited	7.57	14.05
<b>13</b>	<b>Security Deposit paid/(refund)</b>		
	JSW Steel Limited	-	0.33
	JSW IP Holdings Private Limited	1.42	-
	Gagan Trading Company Limited	[0.49]	[0.65]

		(₹ crore)	
B	Transaction during the year	Current Year	Previous Year
<b>14</b>	<b>Reimbursement received from / (paid to)</b>		
	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	-
<b>15</b>	<b>Subordinate Loan given</b>		
	Barmer Lignite Mining Company Limited	55.50	35.85
<b>16</b>	<b>Interest on subordinate loan given</b>		
	Barmer Lignite Mining Company Limited	50.98	46.53
<b>17</b>	<b>Loan given / (Repayment received) (net)</b>		
	South West Mining Limited	(45.00)	164.90
	JSW Global Business Solutions Limited	2.67	2.18
	Jindal Steel & Power Limited	373.00	-
<b>18</b>	<b>Interest on Loan given</b>		
	South West Mining Limited	27.83	21.20
	JSW Global Business Solutions Limited	0.37	0.03
	Jindal Steel & Power Limited	14.61	-
<b>19</b>	<b>Capital Advance paid / (Refund)</b>		
	Windsor Residency Private Limited	-	(75.00)
<b>20</b>	<b>Donations/CSR Expenses</b>		
	Jindal Vidya Mandir	1.33	0.74
	JSW Foundation	2.90	1.60
	Heal Institute Private Limited	0.14	0.17
<b>21</b>	<b>Sale of Assets</b>		
	JSW Jaigarh Port Limited	-	0.04
<b>22</b>	<b>Security and Collateral Provided to</b>		
	South West Mining Limited	(58.76)	(58.75)



		(₹ crore)		
C	Closing Balances	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>1</b>	<b>Trade &amp; others (payables)/receivables (net)</b>			
	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)	*0.00
	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 And 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	-	-
<b>2</b>	<b>Deposit With</b>			
	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
<b>3</b>	<b>Lease Deposit from</b>			
	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
<b>4</b>	<b>Advance recoverable</b>			
	JSW Realty & Infrastructure Private Limited	-	30.00	30.00
	Barmer Lignite Mining Company Limited	0.43	2.22	0.41
<b>5</b>	<b>Capital Advance paid</b>			
	Windsor Residency Private Limited	-	-	75.00

		(₹ crore)		
C	Closing Balances	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>6</b>	<b>Investment in Preference Share Capital</b>			
	JSW Realty & Infrastructure Private Limited	5.03	5.03	5.03
<b>7</b>	<b>Investment in Equity Shares</b>			
	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
<b>8</b>	<b>Subordinate Loan (including interest)</b>			
	Barmer Lignite Mining Company Limited	843.32	741.93	664.21
<b>9</b>	<b>Loan and Advances</b>			
	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 and Power Limited	373.00	-	-
<b>10</b>	<b>Interest receivable on Loan</b>			
	Jindal Steel and Power Limited	1.21	-	-
	JSW Global Business Solutions Limited	-	0.03	-
<b>11</b>	<b>Security &amp; Collateral Provided to</b>			
	South West Mining Limited	96.34	155.10	213.85

The remuneration to key managerial personnel during the year was as follows:

		(₹ crore)	
		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
		<b>18.47</b>	<b>16.45</b>

\* Less than ₹ 1 Lakh

- The above figures do not include provisions for gratuity and leave encashment as the same is not determinable.
- 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:**

- 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.
- Related party relationships have been identified by the management and relied upon by the Auditors.
- Related party transactions have been disclosed on basis of value of transactions in terms of the respective contracts.
- 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 31<sup>st</sup> March, 2017, the group has not recorded any loss allowances for transactions between the related parties.

**14 First-time Ind AS adoption reconciliations:**

[Note 51 of the consolidated financial statements]

Effect of Ind AS adoption on the consolidated balance sheet as at 31<sup>st</sup> March, 2016 and 1<sup>st</sup> April, 2015:

Balance Sheet as at 1<sup>st</sup> April 2015 (date of transition to Ind AS)

(₹ crore)

Particulars	Footnotes	IGAAP	Adjustments	Ind AS
<b>A] ASSETS</b>				
<b>(1) Non-current assets</b>				
(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
<b>Total non-current assets</b>		<b>15,752.68</b>	<b>(180.32)</b>	<b>15,572.36</b>
<b>(2) Current assets</b>				
(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
<b>Total current assets</b>		<b>3,663.18</b>	<b>17.36</b>	<b>3,680.54</b>
<b>Total assets</b>		<b>19,415.86</b>	<b>(162.96)</b>	<b>19,252.90</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(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
<b>Equity attributable to equity holders of the Parent</b>		<b>7,518.02</b>	<b>814.48</b>	<b>8,332.49</b>
Non-controlling interests	14	54.71	(7.07)	47.64
<b>Total equity</b>		<b>7,572.73</b>	<b>807.41</b>	<b>8,380.13</b>
<b>Liabilities</b>				
<b>1] Non-current liabilities</b>				
(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
<b>Total non-current liabilities</b>		<b>8,404.84</b>	<b>(528.87)</b>	<b>7,875.97</b>
<b>2] Current Liabilities</b>				
(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, 8, 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
<b>Total current liabilities</b>		<b>3,438.30</b>	<b>(441.50)</b>	<b>2,996.80</b>
<b>Total equity and liabilities</b>		<b>19,415.86</b>	<b>(162.96)</b>	<b>19,252.90</b>

Balance Sheet as at 31<sup>st</sup> March 2016 (contd...)

(₹ crore)

Particulars	Footnotes	IGAAP	Adjustments	Ind AS
<b>A] Assets</b>				
<b>(1) Non-current assets</b>				
(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
<b>Total non - current assets</b>		<b>23,895.63</b>	<b>348.55</b>	<b>24,244.18</b>
<b>(2) Current assets</b>				
(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
<b>Total current assets</b>		<b>4,307.95</b>	<b>(13.25)</b>	<b>4,294.70</b>
<b>Total assets</b>		<b>28,203.58</b>	<b>335.30</b>	<b>28,538.88</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(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
<b>Equity attributable to equity holders of the Parent</b>		<b>8,535.83</b>	<b>1,168.30</b>	<b>9,704.13</b>
Non-controlling interests	14	55.11	(53.71)	1.40
<b>Total equity</b>		<b>8,590.94</b>	<b>1,114.59</b>	<b>9,705.53</b>
<b>Liabilities</b>				
<b>1] Non-current liabilities</b>				
(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
<b>Total non - current liabilities</b>		<b>13,231.33</b>	<b>(808.21)</b>	<b>12,423.12</b>
<b>2] Current Liabilities</b>				
(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, 8, 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
<b>Total current liabilities</b>		<b>6,381.31</b>	<b>28.92</b>	<b>6,410.23</b>
<b>Total equity and liabilities</b>		<b>28,203.58</b>	<b>335.30</b>	<b>28,538.88</b>



### Group reconciliation of profit or loss for the year ended 31<sup>st</sup> March, 2016

					(₹ crore)
Particulars	Footnotes	IGAAP	Adjustments	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 (i) 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	
<b>Other comprehensive income for the year</b>		-	<b>264.03</b>	<b>264.03</b>	
<b>XII Total comprehensive income for the year</b>		<b>1,408.85</b>	<b>315.45</b>	<b>1,724.30</b>	

### Group reconciliation of equity for year ended 31<sup>st</sup> March, 2016 and 1<sup>st</sup> April, 2015

			(₹ crore)	
Particulars	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015		
<b>Equity under Previous GAAP</b>	<b>8,535.83</b>	<b>7,518.02</b>		
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	-		
<b>Equity under IND AS</b>	<b>9,704.13</b>	<b>8,332.49</b>		

Group reconciliation of cash flows for the year ended 31<sup>st</sup> March 2016

			(₹ crore)
Particulars	IGAAP	Adjustments	Ind AS
Net cash flow from operating activities	3,567.36	(29.74)	3,537.62
Net cash flow from investing activities	(3,465.67)	34.67	(3,431.00)
Net cash flow from financing activities	(1,598.15)	(24.27)	(1,622.42)
<b>Net cash inflow / (Outflow)</b>	<b>(1,496.46)</b>	<b>(19.34)</b>	<b>(1,515.80)</b>

**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 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.

**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 consolidated balance sheet, consolidated statement of Profit and Loss and consolidated statement of cash flows.

**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 subsidiaries, 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 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 and 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.

**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 contingent 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 of 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 31<sup>st</sup> March, 2015 recorded for dividend has been derecognised against retained earnings on 1<sup>st</sup> April, 2015. The proposed dividend for the year ended on 31<sup>st</sup> 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 31<sup>st</sup> March, 2016. Share options which were granted before and still vesting at 1<sup>st</sup> April, 2015, have been recognised as a separate component of equity in Equity settled share based payment reserve against retained earnings at 1<sup>st</sup> 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.

**15 Sale / purchase of Power:**

Under Previous GAAP, sale / purchase 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.

**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 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.

**15 Operating segment:**

[Note 41 of the consolidated financial statements]

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".

**16 Exceptional item includes:**

[Note 54 of the consolidated financial statements]

		(₹ crore)	
Sl No	Particulars	Current Year	Previous Year
(a)	Compensation received from JPVL as per terms of Securities Purchase Agreement.	-	150.00
	<b>Total</b>	<b>-</b>	<b>150.00</b>

**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: 29<sup>th</sup> April, 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
<b>Parent</b>								
1 JSW Energy Limited	80.95	8,393.56	31.28	194.75	0.04	0.17	18.48	194.92
<b>Subsidiaries</b>								
<b>Indian</b>								
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)
<b>Foreign</b>								
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	-	-	-	-	-	-	-	-
<b>Non-controlling interests in all subsidiaries</b>	0.02	2.37	1.05	6.52	-	-	0.62	6.52
<b>Associates (Investment as per the equity method)</b>								
<b>Indian</b>								
1 Toshiba JSW Power Systems Private Limited	(3.72)	(385.69)	-	-	-	-	-	-
<b>Joint ventures (Investment as per the equity method)</b>								
<b>Indian</b>								
1 Barmer Lignite Mining Company Limited	0.01	0.92	0.65	4.06	-	-	0.39	4.06
<b>Balance as at 31 March, 2017</b>	<b>100.00</b>	<b>10,370.83</b>	<b>100.00</b>	<b>622.51</b>	<b>100.00</b>	<b>432.09</b>	<b>100.00</b>	<b>1,054.60</b>

\* Less than ₹ 1 lakh

For and on behalf of the Board of Directors

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

**Monica Chopra**  
Company Secretary

**Sajjan Jindal**  
Chairman and Managing Director  
[DIN:00017762]

**Jyoti Kumar Agarwal**  
Chief Financial Officer

Place: Mumbai  
Date: 29<sup>th</sup> April, 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 salient features of the financial statement of Subsidiaries / Associate companies / Joint Ventures

### 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 relevant 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 West Power 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 Power Transco 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.) 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



## 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 relevant 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
17	Ilanga Coal Mines Limited	31st December	ZAR 1 = INR 4.79	*0.00	0.08	* (0.00)	(0.08)	-	-	-	-	-	-	69.44
18	SACM(Breyten) 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 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 Proprietary Limited	31st December	ZAR 1 = INR 4.79	*0.00	(11.65)	-	11.65	-	-	-	-	-	-	69.44
24	Jigmining Operations 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) Limited	31st December	ZAR 1 = INR 4.79	*0.00	-	*0.00	-	-	-	-	-	-	-	69.44

\* Less than ₹ 1 lakh

## 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	Network 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)
1	Barmer Lignite Mining Company Limited	31st March, 2016	98,00,000	9.80	A	NA	11.44	4.06	-
2	Toshiba JSW Turbine & Generator Private Limited	31st March, 2016	9,98,77,405	100.23	B	NA	(253.24)	-	-
3	MJSJ Coal Limited	31st March, 2016	1,04,61,000	10.46	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 network of the company.
- C) MJSJ Coal Limited has been excluded from consolidation, as the group does not 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**

<b>Sanjay Sagar</b> Jt. Managing Director & CEO [DIN:00019489]	<b>Sajjan Jindal</b> Chairman and Managing Director [DIN:00017762]
<b>Monica Chopra</b> Company Secretary	<b>Jyoti Kumar Agarwal</b> 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)
<b>REVENUE ACCOUNTS (₹ Crore)</b>					
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
<b>CAPITAL ACCOUNTS (₹ Crore)</b>					
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
<b>RATIOS</b>					
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)
<b>REVENUE ACCOUNTS (₹ Crore)</b>					
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
<b>CAPITAL ACCOUNTS (₹ Crore)</b>					
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
<b>RATIOS</b>					
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

# 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 1<sup>st</sup> Registered Holder** : .....

**Name of Joint Holder(s), if any** : .....

**Registered Address of the Sole /  
1<sup>st</sup> 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.]



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 23<sup>rd</sup> Annual General Meeting of the Company, to be held on Thursday, 13<sup>th</sup> July, 2017 at 3.00 p.m at Yashwantrao Chavan Pratishthan, 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
<b>Ordinary Business</b>			
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		
<b>Special Business</b>			
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



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.



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. ....

### 23<sup>rd</sup> ANNUAL GENERAL MEETING - 13<sup>th</sup> JULY, 2017

I certify that I am a Member/ Proxy for the Member of the Company.

I hereby record my presence at the **23<sup>rd</sup> Annual General Meeting** of the Company held on Thursday, 13<sup>th</sup> 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

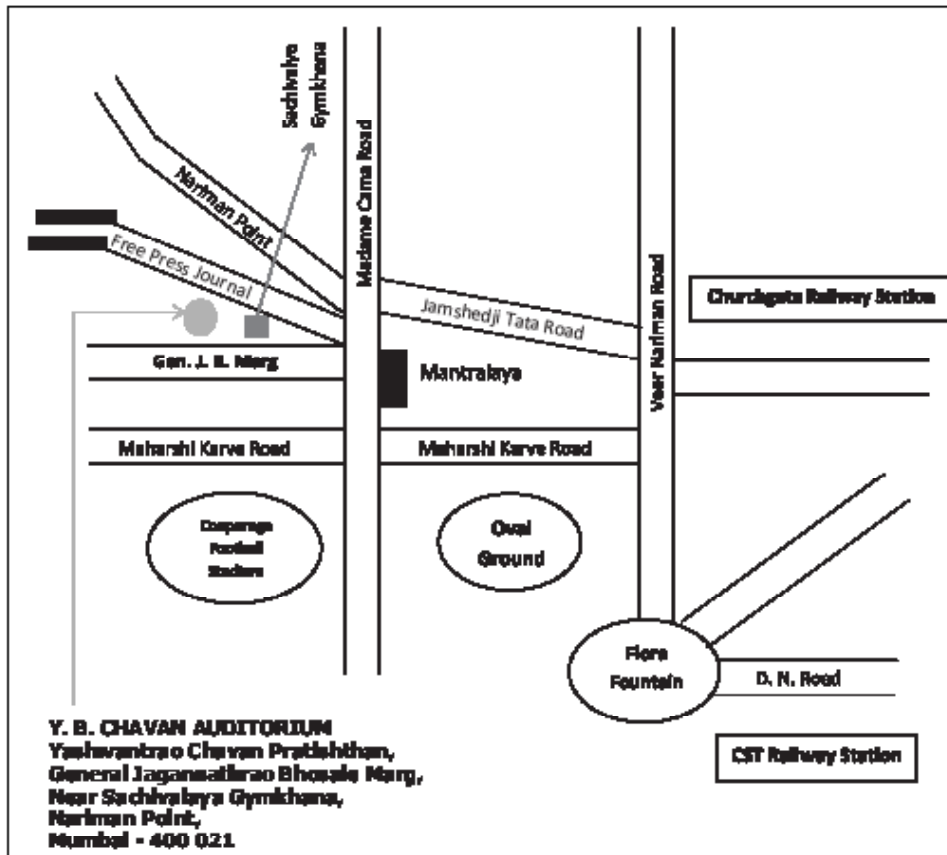
#### Notes:

- 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, 13<sup>TH</sup> 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](http://www.jsw.in)  
CIN: L74999MH1994PLC077041