Energy Limited
Regd. Office: JSW Centre,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051,

CIN: L74999MH1994PLC077041
Phone: 022-4286 1000
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SEC/ JSWEL
20th August, 2018

The Secretary **BSE Limited** Phiroze Jeejeebhoy Towers Dalal Street Mumbai 400 001	**The Secretary** **National Stock Exchange of India Limited** "Exchange Plaza" Bandra – Kurla Complex Bandra (E) Mumbai – 400 051
Scrip Code: 533148	**Scrip Code: JSWENERGY- EQ**
Fax No.: 022 - 2272 2037 / 39	Fax No.: 022 - 2659 8237 / 38

Sub.: **Submission of the Annual Report for FY 2017-18 under Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')**

Pursuant to Regulation 34(1) of the Listing Regulations, we hereby submit the Annual Report of the Company for FY 2017-18.

You are requested to take note of the above.

Yours faithfully,

For **JSW Energy Limited**

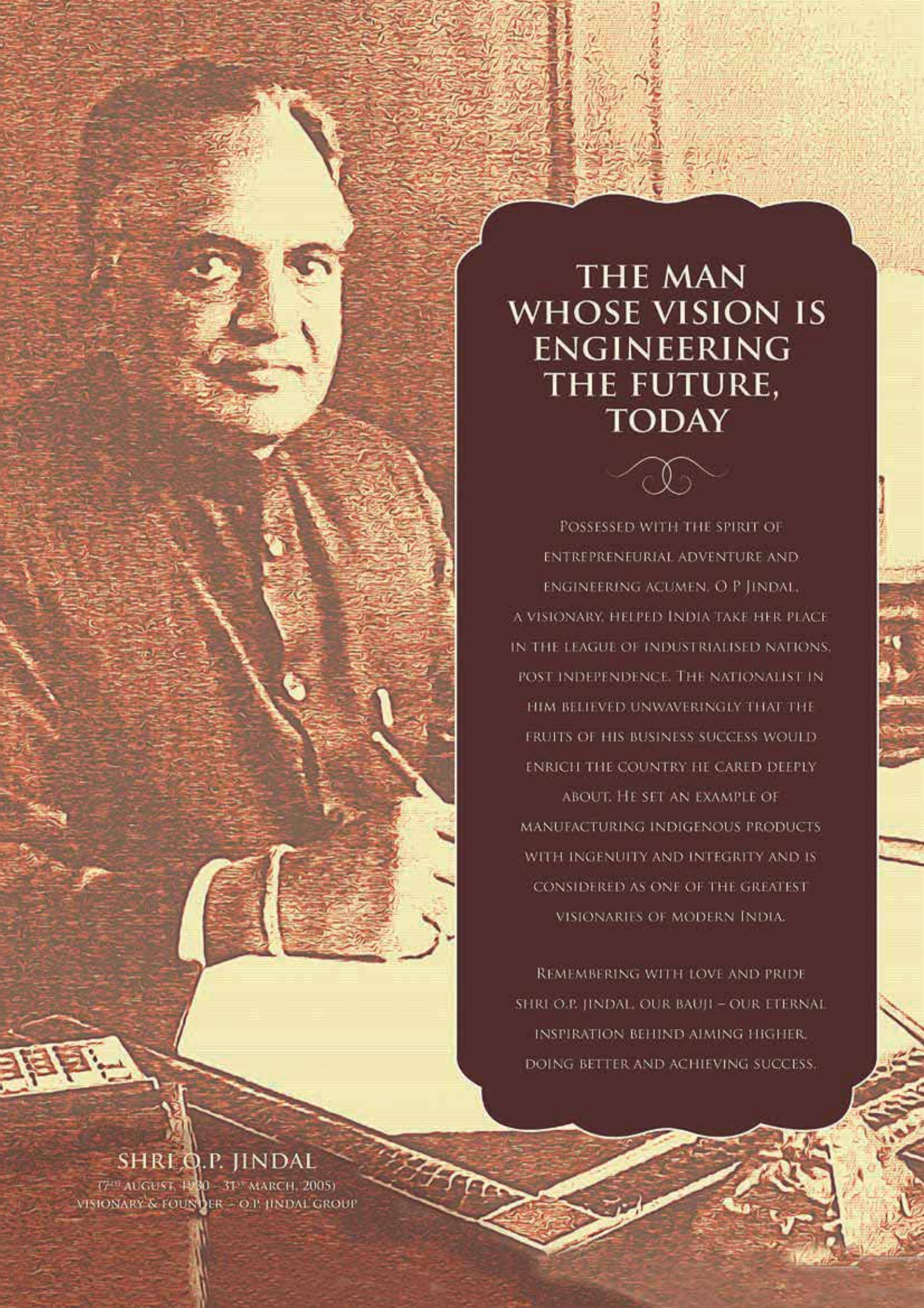
Monica Chopra
Company Secretary & Compliance Officer

RENEWED FOCUS RENEWED ENERGY



Annual Report
2017-18

JSW Energy



THE MAN WHOSE VISION IS ENGINEERING THE FUTURE, TODAY

Possessed with the spirit of entrepreneurial adventure and engineering acumen, O P Jindal, a visionary, helped India take her place in the league of industrialised nations, post independence. The nationalist in him believed unwaveringly that the fruits of his business success would enrich the country he cared deeply about. He set an example of manufacturing indigenous products with ingenuity and integrity and is considered as one of the greatest visionaries of modern India.

Remembering with love and pride Shri O.P. Jindal, our Bauji – our eternal inspiration behind aiming higher, doing better and achieving success.

SHRI O.P. JINDAL

(7th August, 1930 – 31st March, 2005)

Visionary & Founder – O.P. Jindal Group

Key Highlights of FY2017-18

Net Power Generation

21.82 BN UNITS

EBITDA

₹3,228 CR

Turnover

₹8,514 CR

EBITDA Margin

38%

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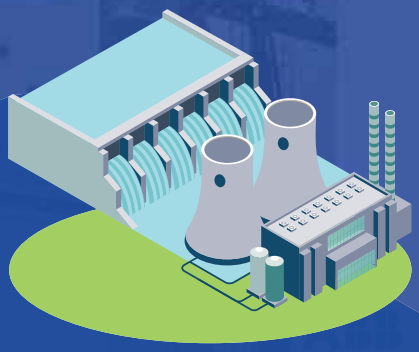
Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements – written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions.

We have tried, wherever possible, to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future event or otherwise.

Renewed Focus. Renewed Energy.

JSW Energy is one of the few energy generation companies in India to have overcome headwinds and maintain long-term stability. With total capacity of 4,531 MW, we have a diversified presence across thermal as well as hydel power sectors.



In the last fiscal, we grew our hydro plant's load factor (PLF) and locked long-term PPAs that ensured stable demand and growth. Our robust governance and operational efficiency is continually improving business performance.

We have also made strategic changes in our business plans in sync with the evolving dynamics of the Indian power industry. As the Indian Government provides impetus to the renewable energy sector, we at JSW Energy see this is as a significant growth opportunity. JSW Energy has also resolved to lead the next phase of mobility through electric vehicles.

As we embark on this new path that leads to a new India, we are confident our renewed focus will fortify our promise to light up the developing parts of the country and enable us to power ahead with our committed values and sustainable business practices.



About JSW Energy Limited

JSW Energy Limited, the power utility arm of the JSW Group, commenced its journey in the early years of economic liberalisation in India. With a culture of high performance and teamwork, the Company has leveraged opportunities and grown sustainably.

Over the years, the Company has set benchmarks of operational excellence in the power sector and implemented cutting-edge innovation to minimise environmental footprint. Of the 4,531 MW power generation capacity JSW Energy operates, thermal power accounts for 3,140 MW and hydel 1,391 MW.

With a strategic approach to expand across geographies, diversify the fuel mix and sign long-term power offtake arrangements, the Company has adequately de-risked the business.

In the last fiscal, the Company announced foray into the renewables sector with plans to install solar power systems and solar PV module manufacturing capacity. JSW Energy has also announced its entry into Electric Vehicles (EV) manufacturing and has signed MOUs with Gujarat and Maharashtra Governments for setting up the units. The Company's presence extends across India and includes interest in a coal mining Company in South Africa.

With a renewed focus and robust operations, JSW Energy is setting new benchmarks in the power sector.



Our Existing Businesses



Power Generation

Current operational capacity 4,531 MW



Power Transmission

Two 400 KV operational transmission lines (JV with MSETCL)



Mining

Jalipa and Kapurdi lignite mines with combined capacity of 9 MTPA are operational, capable of meeting entire lignite requirement of 1,080 MW power plant of RWPL



Power Trading

Engaged in power trading since June 2006, handled trading volume of 3.5 billion units this year



Equipment Manufacturing

JV with Toshiba Corp for manufacturing of supercritical steam turbine generators

Power Plants and Operational Capacity

Vijayanagar

860 MW

Fuel Source: Gas and thermal coal
Power Offtake: Long-term PPA and Merchant

Baspa II & Karcham Wangtoo

300 MW & 1,091 MW

Fuel Source: Hydro
Power Offtake: Long-term PPA

Barmer

1,080 MW

Fuel Source: Captive lignite mines of BLMCL
Power Offtake: Long-term PPA

Ratnagiri

1,200 MW

Fuel Source: Thermal coal
Power Offtake: Long-term PPA and Merchant

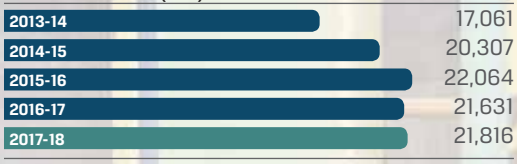
Key Performance Highlights

Turnover (₹ in crore)



₹8,514 CR

Net Generation (Mu)



21,816 MU

EBIDTA (₹ in crore)



₹3,228 CR

EBIDTA Margin (%)



37.9%

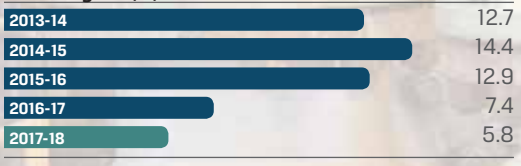
PAT* (₹ in crore)



₹496 CR

* Before exceptional items

PAT Margin* (%)

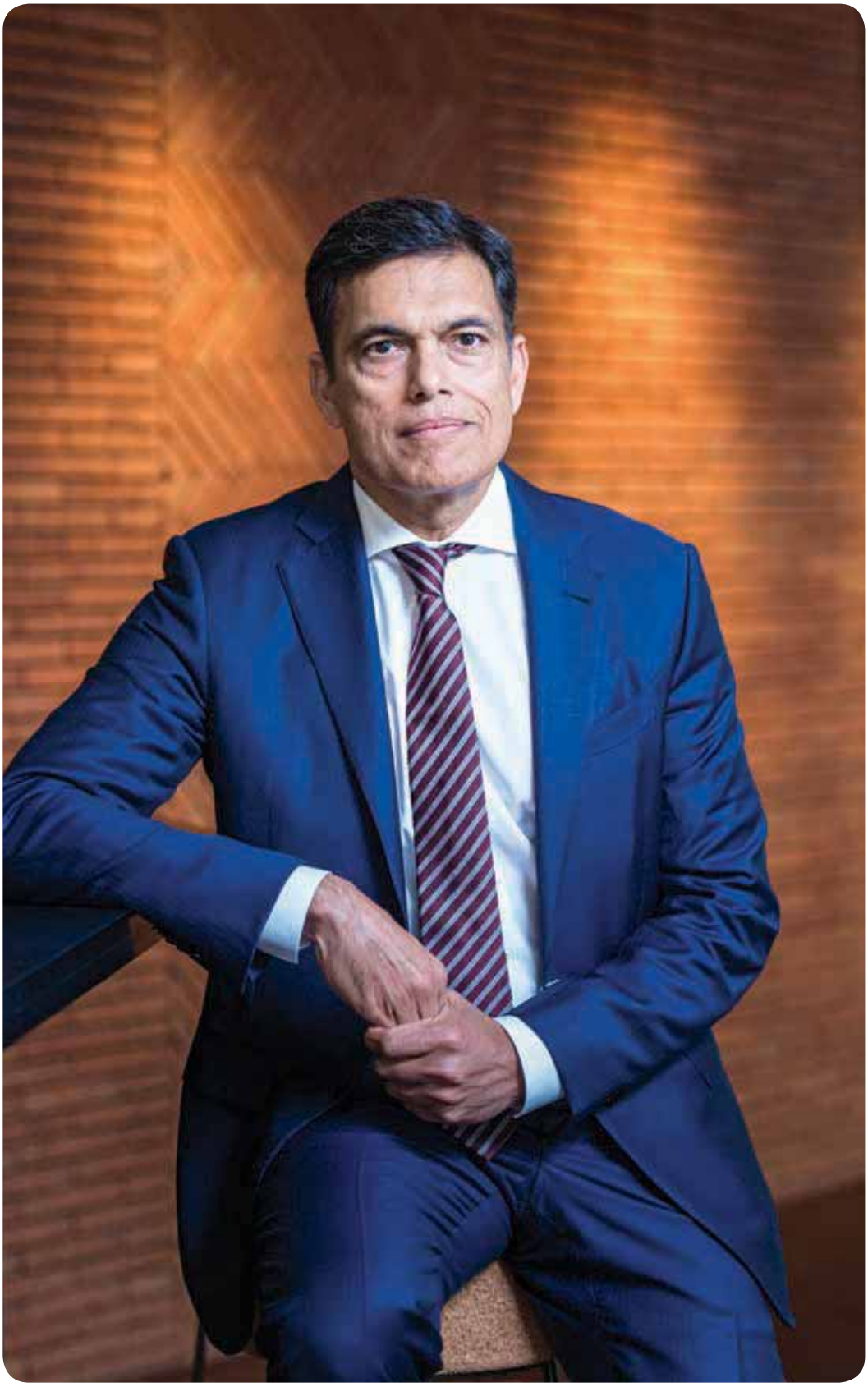


5.8%

* Before exceptional items



Chairman and Managing Director's Message



Dear Shareholders,

JSW Energy has been committed to the objective of developing our nation and creating value for all stakeholders. By pursuing operational excellence and efficient capital allocation we have been able to successfully turn every challenge into opportunity, thereby building and growing a strong and sustainable energy business.

The year FY2017-18 was marked by a significant pick up in power demand, led by an improvement in the overall economic environment. Going forward, we expect the growth momentum to continue, led by government's infrastructure push and various structural policy reforms which should augur well for power demand growth. The downside risks to India's growth to watch out for would be spike in crude oil prices and rising interest rates.

With limited thermal capacity addition, incremental power demand is likely to be fulfilled by rising PLFs in thermal stations and the rapidly growing renewable energy segment, where the size of the opportunity is substantial.

FY2017-18 in perspective

Over the past year, we have substantially deleveraged our balance sheet, improved operational efficiencies and created a platform for future growth.

JSW Energy strengthened its business substantially in FY2017-18. The Company's long-term PPA proportion in overall offtake mix went up from 64.5% at the beginning of the year to 75% by the end of the year with additional long-term PPAs of 462 MW contracted during the year. This is a commendable achievement considering that very few long-term PPAs have been signed in the power sector over the last few years. As a result, our hydropower business, housed in Himachal Baspa Power Company Limited, is now 100% tied-up in its offtake, joining its fellow subsidiary, Raj WestPower Limited is enjoying this enviable position. The Company also secured group captive contracts of 86 MW for its Ratnagiri plant, enabling the long-term PPA proportion for this plant to reach close to 72%.

The Karcham-Wangtoo hydropower plant clocked its highest ever generation since its commissioning. Operations at the other plants were broadly satisfactory with the exception of Vijayanagar, where the plant generation was affected by erratic schedule. The Company also faced cost pressure due to rising imported coal prices.

Continued innovation, manpower productivity improvement and focus on Total Quality Management helped us reduce our O&M costs by almost 9% while enhancing safety and security of our operations.

JSW Energy has one of the strongest balance sheets in the power sector in India. The Company's consolidated net debt to equity ratio declined from 1.29x to 1.02x led by proactive prepayments, scheduled repayments and intensive working capital management. The Company also implemented an aggressive plan of receivables collection during the year. Proactive refinancing, upgrade in credit ratings of subsidiaries and a general decline in interest rates, led to the weighted average cost of debt lowering by 114 bps during the year.

Exciting growth plans launched

In its endeavour to become a futuristic organisation with focus on sustainable development, the Company has decided to enter the business of Electric Vehicle (EV) manufacturing including associated businesses of electric battery/storage systems and charging infrastructure.

EVs represent a disruptive trend in the automobile industry and provide a level playing field for a new entrant such as JSW Energy since incumbents, saddled with their legacy business, are stripped of any advantage. Given the concerted push by the government to switch over from internal combustion engine technology to electric battery

Chairman and Managing Director's Message

In its endeavour to become a futuristic organisation with focus on sustainable development, the Company has decided to enter the business of Electric Vehicle (EV) manufacturing including associated businesses of electric battery/storage systems and charging infrastructure.

technology and in line with the 'Make in India' vision that the Prime Minister has outlined, the Company intends to launch its own electric vehicles.

The Company has taken various steps in this direction in the past year: A dedicated team has been formed for strategy and product development comprising of several auto industry experts; MOUs have been signed with two State Governments for setting up plant facilities; and discussions are progressing with various technology and design engineering providers and leading global OEMs for suitable partnerships to roll this forward. The Company intends to leverage on this huge and revolutionary growth opportunity – at the same time any capital expenditure shall be done maintaining the JSW Group ethos and principles of prudent capital allocation, risk mitigation and financial discipline.

The Government of India and the power industry are focusing on building and growing the renewable energy segment due to sustainability considerations and climate change obligations. The cost competitiveness of renewable energy has also undergone a sea change and is now at near parity with that of conventional energy. Attracted by this large and growing opportunity, the Company has announced plans to enter this segment based on a calibrated and cautious approach.

Moreover, the introduction of the Insolvency and Bankruptcy Code has been a landmark economic reform for India. The power sector has been one of the largest contributors to the country's stressed assets in recent years. With a mix of commissioned and under-construction projects, these assets face a wide gamut of financial, operational and regulatory challenges, including but not limited to cost-overruns, absence of fuel supply arrangements/coal supply shortage, lack of power offtake agreements, inability of promoters to infuse equity and working capital constraints. These circumstances are likely to lead to a consolidation of the sector over the coming months, and JSW Energy will be actively looking for appropriate opportunities in this space.

Considering all these growth initiatives, it is prudent to conserve cash and the Board has thereby recommended not distributing any dividend for FY2017-18.

In its existing business, JSW Energy intends to further increase the long-term PPA proportion in the offtake mix over the next 18 to 24 months. We will continue to look out for value accretive acquisitions whilst being prudent and patient in waiting for the right opportunity.

Outlook

Over the next 3 to 5 years, we expect power demand to grow steadily considering the various measures undertaken by the Government of India, viz. the UDAY scheme, 'Power for All' by 2019 initiative and the 'Saubhaghya' scheme. Post UDAY scheme, we have seen the financial health and liquidity profile of the discoms recover substantially. The country achieved electrification of all its villages by end of April 2018 which is expected to lay the ground for enhanced power demand from rural India going forward.

With these positive prospects and limited capacity addition going forward, power sector PLFs may firm up over the medium to long-term. We are also likely to see increased consolidation in the power sector which will further aid the demand-supply balancing. However, higher coal prices and constrained domestic coal availability, especially for private sector power plants, continue to remain key concerns for the sector.

In its existing business, JSW Energy intends to further increase the long-term PPA proportion in the offtake mix over the next 18 to 24 months. We will continue to look out for value accretive acquisitions whilst being prudent and patient in waiting for the right opportunity.

We remain fully committed towards contributing to, and empowering, our society. Our purposeful CSR engagements and initiatives are geared, *inter alia*, towards enabling an inclusive growth and being sensitive towards the environment.

I am grateful to the various State Governments and the Central Government for creating an enabling environment and would also like to thank our investors, regulators, bankers, rating agencies, customers, suppliers, advisors, employees and all other stakeholders for their wholehearted support and co-operation in building the franchise of JSW Energy. I hope to continue to have their support in our journey towards taking your Company to even greater heights.

Best wishes,

Sajjan Jindal

Chairman and Managing Director

Our Value Creation Model

Inputs

Total Equity

₹1,640 CR

Borrowings

₹11,883 CR

Total Cash

₹648 CR

Plants

Vijayanagar, Ratnagiri, Barmer, Baspa and Karcham Wangtoo

Key Relationships

Customers, Suppliers, Distributors & agents

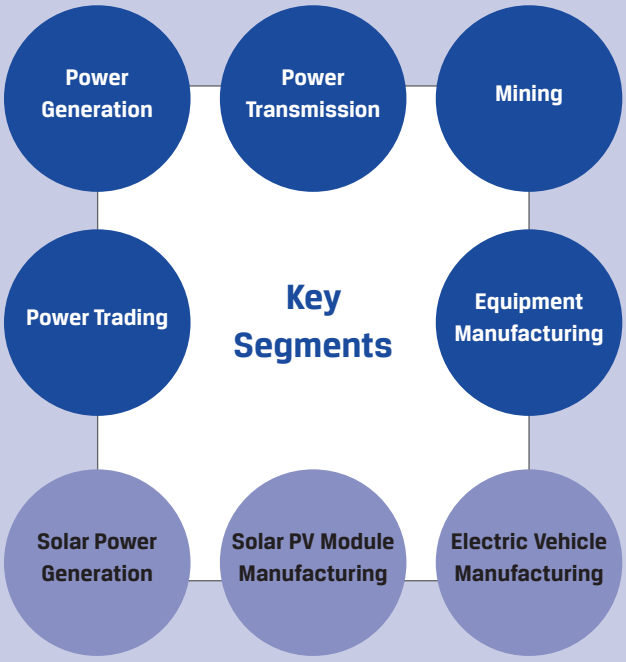
Industrial partners for secondary raw materials

Professionals Working

825 NOS.

Business Activities

- Planning
- Raw Material Procurement
- Design & Development
- Production
- Sales





Strategic Focus Areas

Selective Growth

- Efficient capital allocation for organic growth
- Pursue selective inorganic opportunities that can enhance cash flows and RoE accretive

Diversification

- Increase proportion of long-term PPAs
- Diversify fuel mix and source – thermal, hydro and renewable
- Expand geographical footprint

Resource Optimisation

- Committed to a robust mix of sustainable technologies
- Best-in-class equipment sourcing and maintenance
- Focused on prudent O&M practices and higher plant efficiencies

Strengthen Presence Across Value Chain

- Continue to evaluate opportunities across the value chain-from mining, equipment manufacturing, generation, transmission and distribution

Prudent Balance Sheet Management

- Retain prudent financial profile
- Manage growth and debt profile to capture sustainable growth opportunities

Outcomes

Customers

- Reliable and cost competitive product/service

Society

- Sustainable operations
- Benefits of CSR
- Income taxes paid

Shareholders

- Wealth creation

Employees

- Motivated team with high levels of work satisfaction
- Suitable career progression

Retailers & Vendors

- New businesses
- Long-term partnerships

Government

- Long-term partnership
- Contribution to exchequer

Outputs

Turnover

₹8,514 CR

EBITDA

₹3,228 CR

PAT*

₹496 CR

* Before exceptional items

Return on Sales*

5.8%

* Before exceptional items

Megatrends



Decentralisation of Power Generation

Decentralisation consists of small plants or even micro-generators that produce power close to its point of use rather than relying on a central, distributed power grid. This could take the form of an industrial solar plant or small, domestic units such as solar panels or wind turbines attached to homes. The shift towards decentralisation can be seen in many countries and is being implemented to improve efficiency in supplying electricity to remote locations.



$300 billion

Investment in mini-grids and supportive policies could serve 450 million people by 2030

Digitalisation and Smart Grids

The pace of digitalisation in energy is increasing. Investment in digital technologies, most importantly in smart grids, by energy companies has risen sharply over the last few years. Smart grids, with its unique features, has the potential to reduce the projected peak demand increases by up to 24% across some of the major regions of the world. The ambitious renewable energy targets of countries such as China and India are expected to drive the smart grids market in the future.

Under the Government of India's National Smart Grid Mission (NSGM), 17 pilot projects, including 13 pilot projects with an evaluated project cost of ₹939.65 crore with Government support of ₹340.88 crore, are under various stages of implementation across the country. Over a million consumers are expected to benefit upon completion of these projects.

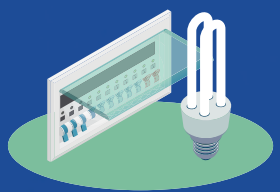


1 million

consumers expected to benefit from NSGM

Promoting Energy Efficiency

The National Mission for Enhanced Energy Efficiency was launched a decade ago to enhance adoption of energy efficient measures and devices. In 2015, Unnat Jeevan by Affordable LEDs for All (UJALA) programme was launched to promote the use of more efficient LED lighting for households. The scheme targets replacing 770 million LED lights in a three-year period which is expected to result in annual energy savings of 105 bn kWh and reduce peak load by 20,000 MW. This is also expected to reduce annual GHG emissions by 79 million tonnes of CO_2.



40%

of the target LEDs distributed

39.2 bn kWh

energy saved per year

Moving towards Renewable Energy

The Indian Government has undertaken many initiatives to incentivise and encourage generation of Renewable Energy (RE) in the country. As per the National Electricity Plan (NEP), the country aims to achieve 175 GW of renewable energy capacity by FY2021-22. Continuous improvement in technology have resulted in cost parity of RE and thermal power which has augmented RE capacity addition in the country. At present, India has close to 70 GW of installed renewable energy capacity, about 12.5 GW is under implementation and bids have been received for almost 25.5 GW.



100 GW

solar power targeted by GoI under NEP

Burgeoning Merchant Market

The merchant power markets have played a pivotal role in improving energy security of the country. The power exchanges have enabled supply of power from surplus to deficit regions thereby bridging the demand supply deficit. As of May 2018, the cumulative volume traded through Power exchanges (including spot market, short-term and medium-term contracts) has grown to approximately 9% of total electricity generated in the country.

At present, over 440 power generators and 4,000 industrial consumer trade in Indian Energy Exchange (IEX)



44.9 BN kWh

traded volumes at IEX, grew at a 9.2% CAGR between FY2013-14 and FY2017-18

Megatrends

Electrification of Transport

The global automotive industry is undergoing a transformation to battery powered Electric Vehicle from Internal Combustion Engine (ICE) technologies. The electrification of automobiles is compelling and inevitable as multiple factors continue to drive this change:

1. Technological advances resulting in falling battery prices
2. Economies of scale lowering production cost, and
3. Supportive Government policies and initiatives, particularly in China.

The ripple effects of this disruption are being experienced in the Indian market. The move toward electric mobility in India requires mobilising lot of moving blocks, from building a policy framework to drive EV adoption (including standards and regulations around interfaces such specifications for charging points) to kick-starting the EV ecosystem by investing in infrastructure and public transportation. The utilities sector is also set to change with EV disruption.



Shift to EV will augment the demand for electricity and provide impetus to the renewable energy sector to cater to the growth in power demand. The combination of vehicle electrification with new methods of mobility will define the demand for electricity in the future.

Changes in Demand

The demographics of emerging economies are likely to change consumption and work patterns. However, energy growth in the OECD (Organisation for Economic Cooperation and Development) countries, has not increased at the same pace.

Strong economic growth will mean the emerging economies, the non-OECD countries, are likely to account for nearly all of the energy growth in the coming decades.

Shared Mobility

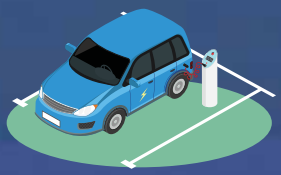
The global transportation industry is facing one of the major disruptions in the form of shared mobility mainly due to rapid urbanisation. At present, shared miles (taxis + ride-sharing firms, excluding car rental) account for less than 4% of global miles travelled and is estimated to reach 7% of total miles traveled by 2020 and 26% of miles traveled by 2030.

India offers the right mix of ingredients to become one of the largest markets for shared mobility in the world. It has large clusters of population, a young demographic profile which is well connected to the internet and rising discretionary income. The following four drivers will boost shared mobility in India:

Large populated cities: India has 50 cities that have populations of more than a million. Large clusters of the population are the first prerequisite for successful shared mobility foray.

Public Infrastructure ramp-up is slow: Public Infrastructure is not in pace with the growing demand, thus pushing consumers towards private modes of transport.

Smartphone penetration/Internet access: India is home to the third largest internet user base (after US and China) in the world, aiding to develop connectivity-based solutions for fleet aggregators.



Favourable demographic profile: India has a population of 1.3 bn, and as per the World Bank 850 mn people are below the age of 35. The younger population adapts faster to new trends and is less likely to own a car, thus could easily adapt to new ways of mobility.

Source: Morgan Stanley Research

Strategic Priorities

Efficient Capital Allocation and Execution Capabilities

Objective

Leveraging upon strong project execution and project management expertise, and infrastructure

Achievements during the year

Reduction in interest and O&M expenses

Portfolio of Efficient Operating Assets

Objective

Among the best-run power plants in India across the power sector

Achievements during the year

Consolidated net generation of 21.8 billion units

Karcham-Wangtoo plant recorded highest-ever generation since commissioning





Diversified Fuel Tie-up

Objective

Lower fuel risk

Achievements during the year

Secured permission for domestic coal usage at Vijayanagar and Ratnagiri plants

Robust Financial Profile

Objective

Maintain healthy margins and return ratios

Achievements during the year

Debt gearing declined to ~1.02
Reduction in cost of debt to 9.03% at the end of Q4FY18

Long-term Offtake Arrangements

Objective

Resilience to sector dynamics

Achievements during the year

Long-term PPA (LTPPA) proportion at 75% in Q4FY18, up from 69.3% in Q3FY18

Strong Balance Sheet for Future Growth

JSW Energy continues to be one of the few power generating companies in India with a strong balance sheet which augurs well for our future growth strategies. While most industry players are grappling with financial challenges, we have consistently maintained the strength of our balance sheet.

This has partly been the outcome of business decisions we took over the last few years. Our plants have remained operationally efficient and have further strengthened our financials.

Our consolidated net debt to equity ratio declined from 1.29x in FY2016-17 to 1.02x at the close of the financial year. This was achieved through proactive prepayments, scheduled repayments and intensive working capital management.

We also implemented an aggressive plan of receivables collections because of which debtor days were cut down by 35 over the previous year's level and the receivables level was sharply brought down by ₹1,032 crore. Owing to astute refinancing, upgrade in credit ratings of subsidiaries and the general decline in interest rates, the weighted average cost of debt was lowered by 114 bps during the year.



EBITDA Margin (%)

2015-16	42.4
2016-17	41.8
2017-18	37.9

37.9%

Return on Average Net Worth* (%)

2015-16	15.1
2016-17	6.3
2017-18	4.6

4.6%

* Before exceptional items

EPS* (₹ per share)

2015-16	7.91
2016-17	3.86
2017-18	3.02

₹3.02

* Before exceptional items



Net debt (₹ in crore)	
2013-14	8,921
2014-15	7,574
2015-16	14,430
2016-17	13,384
2017-18	11,278

Net debt to equity (X)	
2013-14	1.36
2014-15	1.01
2015-16	1.49
2016-17	1.29
2017-18	1.02

Constant Focus on Operational Excellence

At JSW Energy we are consistently improving the efficiency of our plants to create long-term value for stakeholders. Our overall net generation remained stable during the fiscal and future growth prospects have been fortified with addition of new long-term PPAs. The Heat Rate showed a marked improvement at all the plant locations and there was also a significant improvement in the auxiliary consumption, reflecting an overall increase in plant efficiency and productivity.

Long-term Contracts

One of our biggest operational strengths has been long-term PPAs. Our long-term PPA proportion increased from 64.5% at the beginning of the year to 75% by year end in which, our hydropower business situated in Himachal Pradesh contributed in a big way.

Himachal Baspa Power Company Limited and Raj WestPower Limited are now fully tied up in long-term PPAs. We also secured group captive contracts of 86 MW for our Ratnagiri plant, enabling the long-term PPA proportion for this plant to reach close to 72%.

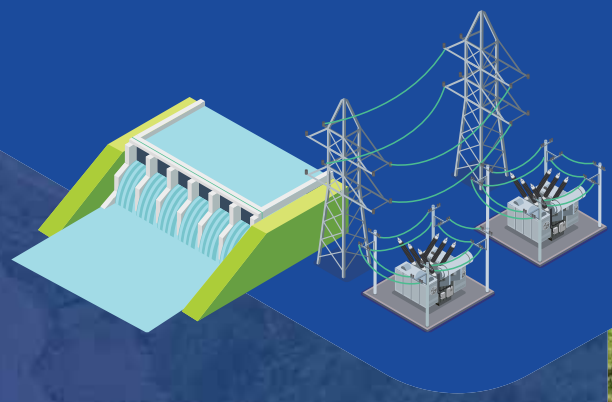
In our existing business, JSW Energy intends to push further towards increasing its long-term PPA proportion over the medium-term, by catering to the enhanced power requirements of JSW Steel's Dolvi unit after the completion of its ongoing 5 MTPA capacity expansion.

Net Generation

The consolidated net generation across our plants remained flat at 21.8 billion units. This was partly affected by inadequate schedule at our Vijayanagar plant. Moreover, we faced cost pressure due to rising imported coal prices, leading to 21% Y-o-Y rise in unit fuel cost in the standalone entity.

Among the bright spots in the fiscal was our hydro energy plant, Karcham-Wangtoo in Himachal Pradesh, which reported its highest-ever generation since its commissioning in 2011.





Annual Plant-wise Net Generation (MU)

Ratnagiri	2016-17	6,064
	2017-18	6,111
Vijayanagar	2016-17	4,070
	2017-18	3,703
Barmer	2016-17	5,826
	2017-18	6,140
Hydro	2016-17	5,671
	2017-18	5,862
Total	2016-17	21,631
	2017-18	21,816

Plant-wise PLF

Ratnagiri*	2016-17	70.30%
	2017-18	68.50%
Vijayanagar	2016-17	58.61%
	2017-18	53.27%
Barmer*	2016-17	84.35%
	2017-18	84.32%
Hydro	2016-17	50.19%
	2017-18	51.87%

*Deemed PLF. Hydro net generation numbers includes free power to HPSEB

O & M Cost

Our O & M costs have declined pursuant to a strong focus on cost optimisation and rigorous cost control. Manpower costs have increased marginally Y-o-Y reflecting an overall improvement in productivity.

Diversifying into Cleaner Energy

India's electricity sector is an exciting phase, with changes aimed at achieving a new energy model with higher penetration of renewables, more dynamism and greater importance of customers.

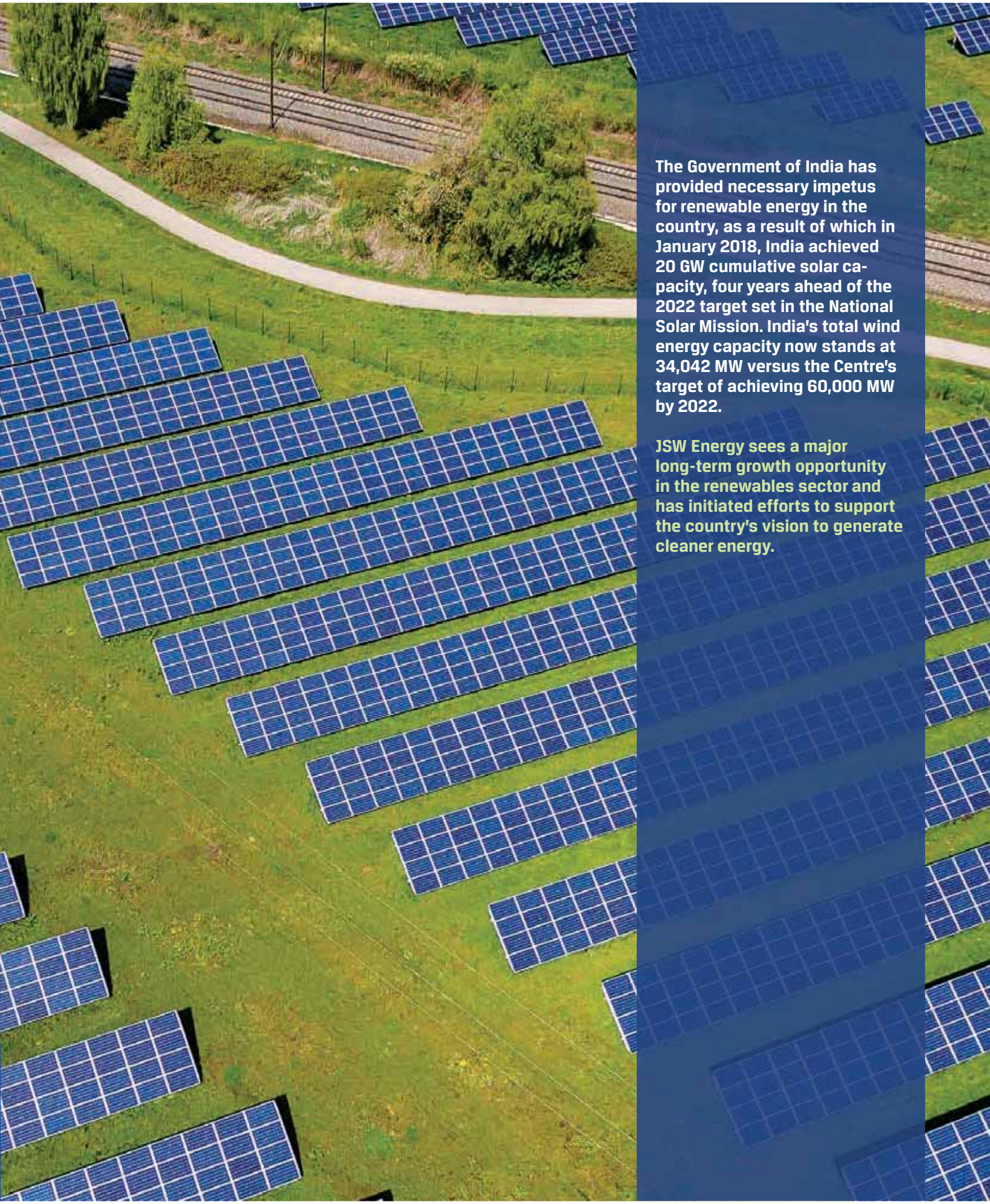
The Centre has been consistently launching policies that create avenues for power generation enterprises to enter the renewable energy sector with low risk margin. The Government of India's 'Power for All' goal, the Saubhagya Scheme to reach unconnected households and Ujwal DISCOM Assurance Yojana (UDAY), have led to improvement in the power demand-supply situation. The industry has witnessed marginal improvement in PLF across thermal power plants and enhanced capacity addition in the renewable energy sector.

Encouragingly, in FY2017-18, the renewable energy sector continued to drive the capacity addition with 11.8 GW. As per National Energy Policy (NEP), India's target is to increase the renewables installed capacity from ~70 GW in FY2017-18 to ~175 GW by FY2021-22, aided by improving economics and regulatory push.



~175 GW

The Government of India's target to increase the renewables installed capacity by FY2021-22



The Government of India has provided necessary impetus for renewable energy in the country, as a result of which in January 2018, India achieved 20 GW cumulative solar capacity, four years ahead of the 2022 target set in the National Solar Mission. India's total wind energy capacity now stands at 34,042 MW versus the Centre's target of achieving 60,000 MW by 2022.

JSW Energy sees a major long-term growth opportunity in the renewables sector and has initiated efforts to support the country's vision to generate cleaner energy.

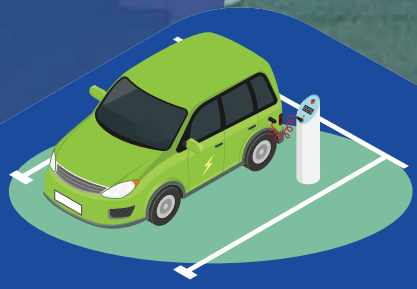
Building Smarter Mobility for the Future

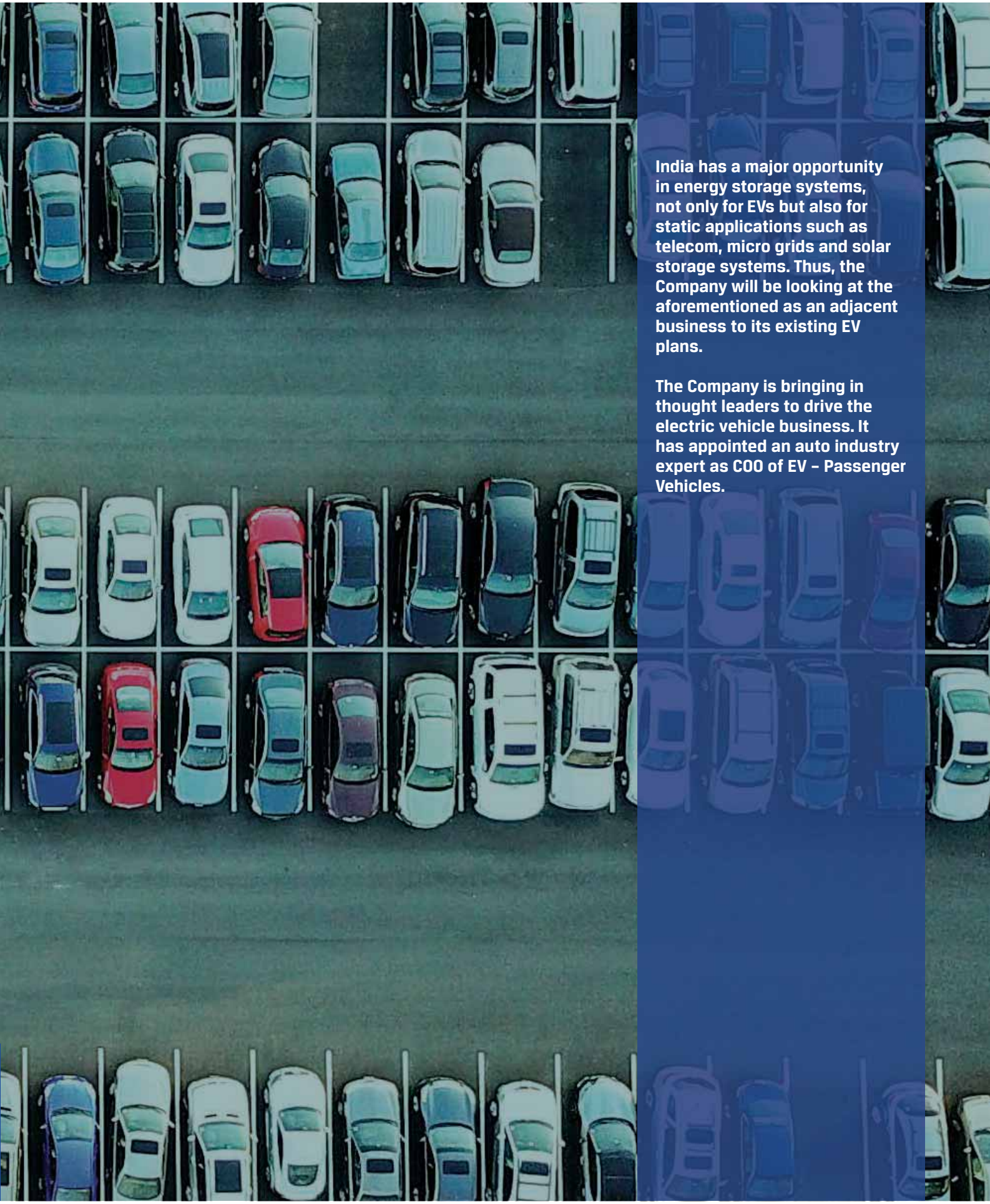
Increasing urbanisation across the globe has led to rise in vehicle density, which is depleting fuel resources and causing an increase in emissions. Economies across the world are looking for an alternative way to sustain the mobility needs of the urban population, and electric vehicles (EVs) are a reliable and scalable solution. The Indian Government has also initiated measures to encourage manufacturing of EVs in the country.

With over 4 million passenger cars produced in the previous fiscal, the Indian passenger car segment is expected to scale new heights in the near-term with EVs in the mix.

To boost manufacturing of hybrid and electric vehicles in India, the Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India (FAME) scheme was launched in 2015. The government had allocated ₹ 795 crores under FAME Phase-I and provided demand incentive subsidy up to ₹ 1.38 lakhs for cars and up to ₹ 1 crore for commercial vehicles. FAME Phase-II has been announced, wherein, more supportive policy structure is expected for EVs.

JSW Energy has decided to ride on this wave of EV disruption and foray into the business of Electric Vehicle and charging infrastructure. The Company has signed MOUs with the State Governments of Gujarat and Maharashtra for setting up manufacturing facilities..





India has a major opportunity in energy storage systems, not only for EVs but also for static applications such as telecom, micro grids and solar storage systems. Thus, the Company will be looking at the aforementioned as an adjacent business to its existing EV plans.

The Company is bringing in thought leaders to drive the electric vehicle business. It has appointed an auto industry expert as COO of EV – Passenger Vehicles.

Board of Directors



Mr. Sajjan Jindal
Chairman & Managing Director

An accomplished Business Leader and a second generation entrepreneur, Mr. Sajjan Jindal had the foresight to lead the Steel industry and JSW in particular on a transformational journey, contributing significantly to India's growth philosophy.

A mechanical engineer, Mr. Jindal led the JSW Group through some of its most exciting phases, including JSW Steel and JSW Energy going public in 1995 and 2009-10, respectively. Today, the Group takes pride in expanding the business landscape across Infrastructure, Sports and Cement, with the Group's revenues over USD 13 billion for the year ended March 31, 2018.

A firm believer of the 'Make in India' philosophy, Mr. Jindal has been awarded at global platforms for his contribution and commendable work. He has been recently awarded the JRD Tata Award 2017 for 'Excellence in Corporate Leadership in Metallurgical industry.' He was also awarded the '2014 National Metallurgist Award: Industry' instituted by the Ministry of Steel, Government of India. His keenness to give back to the society and a desire to improve the 'lives of individuals', led to the existence of JSW Foundation which is committed to provide the means to empower individuals to bridge the socio-economic divide and contribute to the creation of a more equitable and sustainable community.

The Foundation is proud to have touched the lives of over 1 million people by providing them with opportunities for a bright and sustainable future.

A renowned and respected practitioner of sustainable business practices, Mr. Jindal is a noted member of the Executive Committee of the World Steel Association (WSA), President of Indian Steel Association (ISA) as well as the former President of the Institute of Steel Development & Growth (INSDAG). He is also a Council member of the Indian Institute of Metals.



Mr. Prashant Jain
Joint Managing Director & CEO

Mr. Jain is a Mechanical Engineer with more than 26 years of rich experience in Operations, Projects Execution and Management, Corporate Strategy and Policy Advocacy. He is a persuasive professional with strong techno-commercial acumen and a proven proficiency in executing key business initiatives and strategies. Some of his notable achievements with the JSW Group include steering the strategic collaboration with JFE, raising over USD 1 billion Investment in JSW Steel Limited and helping JSW Steel in the acquisition of Ispat Industries Limited (now JSW Steel Dolvi Unit). Prior to being appointed in the current role, he was responsible for developing corporate strategy, forging joint Ventures, M&A, overseeing corporate affairs, information technology and investor relations for The JSW Group.



Mr. Jyoti Kumar Agarwal
Director – Finance

Mr. Agarwal is a Chartered Accountant, Master of Business Administration (MBA) from IIM, Calcutta, and a Chartered Financial Analyst. Mr. Agarwal has over 17 years of rich and varied professional experience across corporate finance, asset management, investment banking, treasury and foreign exchange management, having worked with reputed Indian and multinational corporations. Prior to joining the Company, Mr. Agarwal was Vice President (Finance) with JSW Steel Limited.



Mr. Nirmal Kumar Jain
Non-Executive Director

Mr. Jain holds a Bachelor's degree in Commerce and is a Fellow Member of The Institute of Chartered Accountants of India and The Institute of Company Secretaries of India. He has over 44 years of experience in diverse areas including that of mergers and acquisitions, finance, legal, capital structuring etc.

Mr. Jain, who joined JSW Group in 1992, has held positions of increasing responsibilities in the Group. He was the Executive Vice Chairman of JSW Energy Limited till his retirement on 31st August, 2013, while continuing as a Director. He is also the Director/Chairman of other JSW Group Companies.

Mr. Jain has contributed tremendously in many areas, including leading the JSW Group in its new ventures in Energy, Infrastructure, Cement, apart from leading various successful assignments for Steel business. His deep knowledge and astute eye for all aspects of the business have helped establish JSW as a still-rapidly-growing diversified conglomerate.

Mr. Jain is associated with several social & cultural organisations.



Ms. Tanvi Shete
Non-Executive Director

Ms. Shete is a graduate from New York University with a degree in economics. She has been a Teach for India Fellow, having done a two-year fellowship programme teaching underprivileged children in Mumbai. She has also worked at Akanksha Foundation which is a non-profit organisation with a mission to provide children from low-income communities with a high-quality education, enabling them to maximise their potential and transform their lives.

Ms. Shete is actively involved with the JSW Foundation and is the Managing Trustee of the Jindal Education Trust looking after all the education initiatives including 8 JSW managed schools.

Board of Directors



Mr. Chandan Bhattacharya
Independent Director

Mr. Bhattacharya is an arts graduate from Calcutta University and also a Certified Associate of Indian Institute of Bankers (CAIIB).

Mr. Bhattacharya is the former Managing Director of State Bank of India. He was the Chairman of Finance and Banking Committee of the Indian Merchants' Chamber, Mumbai. He has also served as a Member of Securities Appellate Tribunal (SAT) for 2 years. Thereafter he worked with international banking giants like Societe Generale, the French banking group, and Rabo Bank, the Dutch banking group, as advisor for India and South Asia operations. Concurrently, he worked with McKinsey & Co. for 7 years as advisor for financial sector practices in India and South Asia.

Mr. Bhattacharya has a wide experience of 5 decades in banking and financial sector in India.

He is also on the Board of other reputed companies.



Ms. Shailaja Chandra
Independent Director

Ms. Chandra, an M.Sc in Economics from UK, was a member of the Indian Administrative Service (IAS) and a career civil servant having held assignments in the Ministries of Defence, Power and Health besides having experience of working in three Indian States and Union Territories. She distinguished herself as Delhi's only woman Chief Secretary under whose administrative leadership, privatisation of power distribution in Delhi and introduction of the largest fleet of CNG run buses in the world, was successfully co-ordinated.

Ms. Chandra has been awarded two academic fellowships by the Institute of Advanced Studies, Nantes, France and by the Shiv Nadar University. She is a prolific writer and a Public Policy commentator in national newspapers and on television.



Ms. Sheila Sangwan
Independent Director

Ms. Sangwan was a member of the Indian Revenue Service (Customs and Central Excise) and former member (Central Board of Excise & Customs), Ex-officio Special Secretary, Department of Revenue, Ministry of Finance. She has had a distinguished career spanning 37 years in government service with diverse exposure ranging across tax administration, policy formulation, implementation, general administration and finance.

Ms. Sangwan is the recipient of 'Presidential Award' for Specially Distinguished Record of Service.



Mr. Rakesh Nath
Independent Director

Mr. Nath has over 4 decades of varied experience in the Power sector. He was the Technical Member of the Appellate Tribunal for Electricity (APTEL); Chairperson, Central Electricity Authority and Ex-Officio Secretary to Government of India; and Whole-time Director of Power Trading Corporation. He has also been Chairman, Bhakra Beas Management Board and Member Secretary of Northern and Western Regional Electricity Boards.



Mr. Sattiraju Seshagiri Rao
Independent Director

Mr. Rao holds a Bachelor's degree in Electrical Engineering and a Master's degree in Business Administration. He has over 45 years of vast experience in professionally managed, state owned, joint venture with multi-national and private sector power companies in areas of power generation, EHV transmission and power systems. Mr. Rao was the first JMD & CEO of the Company having served for 15 years. Mr. Rao is also on the Board of Directors of other reputed companies.

Risk Management

	Responsibility	Function	Key Activities
Board Apex Body	Strategy, Performance and Risk Management	Business units, Countries and Support units	Oversee Risk Strategy
Senior Management Centre	Policy and Monitoring	Corporate Oversight and Control Functions	Mitigation and Contingency Planning
	Risk Management Committee Facilitate Discussions and Conception of Solution Status Monitoring		
Departmental Heads Risk Owners	Independent Assurance	Department Audit	Risk Identification



Principal risk	Material matters	Mitigation strategy
Price and Demand Risks	Changes in the price of electricity	We sell energy via PPAs at: i) Regulated tariff; or ii) Fixed price
	Changes in energy commodity prices	Offset the uncertainty via diversification of fuel and purchase/sale agreements
	Demand fluctuation	Higher or lower growth in annual demand has a moderate short-term impact on the Company's results, given the characteristics of the generation facilities and the structure of the long-term power purchase agreements
Financial Risks	Change in interest rate	Continuous change in financing mix including by refinancing and appropriate fixed rate instruments such as NCDs
	Exchange rate volatility	We fully hedge all foreign currency exposure
Operational Risks	Multi-location manufacturing facilities	Make necessary investments, apply essential quality systems, plan and monitor day-to-day functioning, train staff, and finally obtain appropriate casualty and civil liability insurance
People and Social Risks	Failure to attract and retain talent	JSW Energy believes in inclusive growth and employee engagement is an important aspect. We continue to enjoy one of the lowest employee attrition rate in the country
	Healthy relationship with the respective local communities	We focus on holistic development of our communities We have empowered many lives through our social intervention programmes

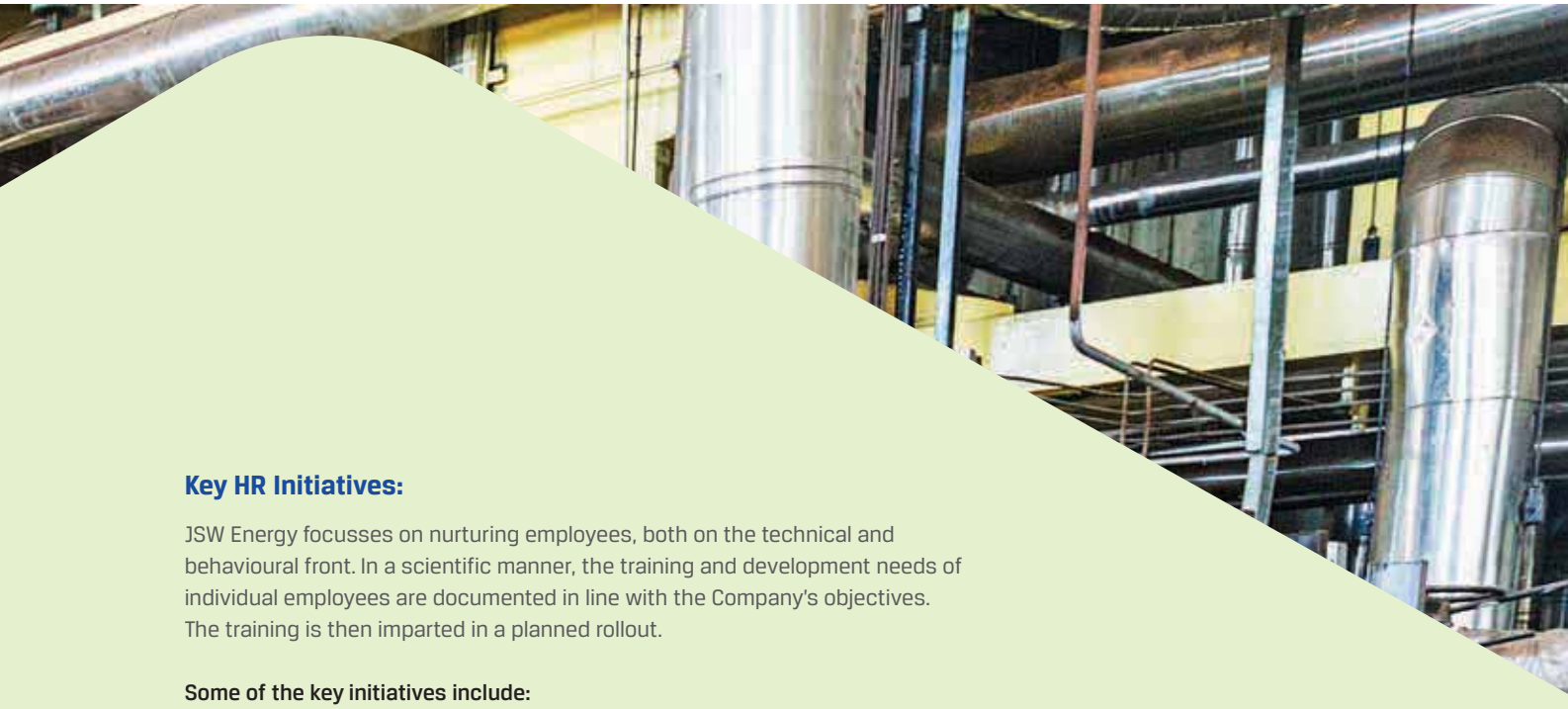
Enabling Our People

We at JSW Energy believe that our team is crucial to the growth of the organisation and to our goal of creating value for all our stakeholders.

Their skills and expertise are critical to developing and executing strategies, delivering results, building relationships and securing our Company's reputation.

Our human resources management philosophy focusses on empowering our employees with learning and development opportunities and enabling their all-round growth. At JSW Energy, human resources management follows an integrated approach to link People, Strategy and Performance.





Key HR Initiatives:

JSW Energy focusses on nurturing employees, both on the technical and behavioural front. In a scientific manner, the training and development needs of individual employees are documented in line with the Company's objectives. The training is then imparted in a planned rollout.

Some of the key initiatives include:

Chairman's Rolling Trophy

In keeping with the Company's 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 Programme

With a vision of expansion in existing and new business verticals, there is a strong focus on scouting for in-house leaders and developing and nurturing them as future team leaders. Under the Future-Fit programme, 63 executives across all levels underwent year-long developmental training from the worlds' best institutes, including ISB and Cornell University, to hone their leadership skills and sharpen their capabilities with the latest business tools and tackles.

Peer Group Meet

At JSW Energy, peer groups from various departments of different plants meet at regular frequency and discuss their best practices and seek solutions for different technical issues. This has emerged as a very good knowledge sharing platform, and everyone participates in resolving the problems of each and every plant.

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 provide support to the engineers at all three locations – Barmer, Vijayanagar and Ratnagiri with tailormade special programmes to address their real-time issues. The centre also conducts open programmes for other corporate organisations and witness high percentage of attendance and encouraging feedback.

Empowering Communities

The JSW Foundation drives the CSR intervention on the Company's behalf, right from planning to the implementation of the programmes. The Board has also facilitated a separate body to oversee the implementation and study the overall impact of the interventions. All our CSR initiatives are approved by the CSR committee and they are reviewed periodically at different levels.

Taking a note of the importance of synergy and interdependence at different levels, JSW Energy has adopted a number of intervention strategies that combine working with multiple stakeholders as well as directly, depending on the appropriateness.

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

- Improving Living Conditions
- Promoting Social Development
- Addressing Social Inequalities
- Promoting Art and Culture
- Rural Development
- Promotion of Sports
- Promoting Swachh Bharat









Corporate Information

Board of Directors

Mr. Sajjan Jindal
Chairman & Managing Director

Mr. Prashant Jain
Joint Managing Director & CEO
(w.e.f. 16th June, 2017)

Mr. Jyoti Kumar Agarwal
Director - Finance
(w.e.f. 11th August, 2017)

Mr. Nirmal Kumar Jain
Non-Executive Director

Ms. Tanvi Shete
Non-Executive Director

Mr. Chandan Bhattacharya
Independent Director

Ms. Shailaja Chandra
Independent Director

Ms. Sheila Sangwan
Independent Director

Mr. Rakesh Nath
Independent Director

Mr. Sattiraju Seshagiri Rao
Independent Director
(w.e.f. 3rd May, 2018)

Mr. Sanjay Sagar
Joint Managing Director & CEO
(upto 15th June, 2017)

Mr. Uday Chitale
Independent Director
(upto 22nd April, 2018)

Company Secretary

Ms. Monica Chopra

Senior Management

Mr. Sharad Mahendra
Executive Vice President – Energy Business

Mr. Girish Deshpande
Director – Technical

Mr. Satish Jindal
Chief Executive Officer – Power Trading

Mr. Vijay Sinha
Head – Human Resource

Mr. Gyan Bhadra Kumar
Head – Hydro & Renewable

Mr. Aditya Agarwal
Head – Thermal

Mr. Surya Prakash
Head of Plant – Vijayanagar

Mr. Yatish Chhabra
Head of Plant – Ratnagiri

Mr. Perveen Puri
Head of Plant – Himachal

Mr. Veeresh Devaramani
Head of Plant – Barmer

Mr. Jayapraksh Nair
Financial Controller

Auditors

Deloitte Haskins & Sells LLP,
Chartered Accountants

Bankers

Axis Bank Limited
Canara Bank
ICICI Bank Limited
IDBI Bank Limited
IDFC Bank Limited
IndusInd Bank Limited
Kotak Mahindra Bank
Mizohu Bank India
Punjab National Bank
State Bank of India
Vijaya Bank
Yes Bank Limited

Registered Office

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

Plant Locations

Vijayanagar Plant
Post Box No. 9
Toranagallu - 583 123
Bellary District 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 172 104
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 - 500 032
Tel. No. 040 - 67161500
Fax No. 040 - 23001153
E-mail: einward.ris@karvy.com
Website: www.karvy.com

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Management Discussion and Analysis





In FY2017-18, JSW Energy further consolidated its leadership position in the Indian power sector by de-risking its business and strengthening its balance sheet. This has now created a sound platform for pursuing the various growth opportunities that the Company has embarked upon.

A part of the JSW Group, the Company is engaged in power generation, power transmission, mining, power trading and equipment manufacturing. It has operational generation capacity of 4,531 MW spread over the States of Karnataka, Maharashtra, Rajasthan and Himachal Pradesh besides transmission assets in Maharashtra and mining assets in Rajasthan in joint ventures.



Management Discussion and Analysis

Global Economy

According to the World Bank, Global GDP growth is estimated to have picked up from 2.4% in 2016 to 3.1% in 2017, which is an improvement over the earlier forecast of 2.7% for 2017. The forces shaping global growth in the year 2017 - those operating over short-term and those operating over long-term - point to a gradual recovery on account of the slow but steady normalisation of macroeconomic conditions in several emerging markets that had been experiencing deep recessions.

The broad-based recovery in 2017 was aided by a rebound in investment and trade against the backdrop of benign financing conditions, generally accommodative policies, improved confidence, and the dissipating impact of the earlier commodity price collapse. World Bank expects global GDP growth rate to sustain at 3.1% in 2018 led by generally robust conditions even though manufacturing and trade activity have seen some softening in recent months. Growth in advanced economies is expected to moderate slightly to 2.2% in 2018 from 2.3% in 2017, as central banks gradually remove their post-crisis accommodation and the upturn in investment growth stabilises. Growth in emerging market and developing economies as a whole is projected to strengthen to 4.5% in 2018 from 4.3% in 2017, as activity in commodity export continues to recover amid firming prices.

However, post 2018, global growth is expected to edge down gradually to 2.9% in 2020 as global slack dissipates, trade and investment moderates, and financing conditions tighten. The global outlook is still subject to substantial downside risks, including the possibility of financial stress, increased protectionism, and rising geopolitical tensions. Industries particularly need to keep a lookout for longer-term risks and challenges associated with subdued productivity and potential growth. Focus should now turn to the structural policies needed to boost longer-term productivity and living standards.

According to World Bank, growth in the East Asia and the Pacific region is forecasted to slip to 6.3% in 2018 from an estimated 6.6% in 2017. A structural slowdown in China is seen offsetting a modest cyclical pickup in the rest of the region. In South Asia, growth is expected to pick up to 6.9% in 2018, up from 6.6% in 2017 led by India which is estimated to clock GDP growth of 7.3% in 2018 (6.7% in 2017).

Indian Economy

The 2017-18 economic survey of the Indian government indicates that the worst is behind for the Indian economy. The first half of FY2017-18 was adversely impacted by the lingering after effects of demonetisation and teething problems with GST introduction. However, growth picked up in later half as the effects of these factors receded and Indian exports were boosted by global economic pick up. Sentiment received a boost with India's rank in terms of 'Ease of Doing Business' accorded by World Bank rising sharply by 30 spots. India's sovereign rating was also upgraded from Baa3 to Baa2 by Moody's in November 2017 citing India's continued progress on economic and institutional reforms over time which is expected to enhance India's growth potential. This was the first such rating upgrade by Moody's in the last 14 years.

The survey expects GDP growth rate to pick up to 7.0%-7.5% in FY19, up from an estimate of 6.75% for FY18 led by the structural policy reforms undertaken by the Government of India. The country is also likely to benefit from the resolution of financially stressed assets under the aegis of the Insolvency & Bankruptcy Code (IBC) going forward. The downside risks to India's growth are trade protectionism, spike in crude oil prices and tighter global monetary conditions.

7.5%

GDP growth rate to pick up to 7.0%-7.5% in FY19, up from an estimate of 6.75% for FY18



Thermal Coal Perspective

Global Perspective

As per the BP Energy Outlook 2018, growth in global coal consumption in 2017 slowed sharply relative to the past, with falls in China and OECD offset by increasing demand in India and other emerging Asian economies.

Going forward, as per the BP Energy Outlook 2018, global coal demand is expected to be flat, in sharp contrast to the past 25 years, during which coal was the largest source of energy growth. Much of the slowdown is driven by China, where coal consumption is estimated to be broadly flat over the next 10 years or so, before declining thereafter. The country has been steadily moving towards cleaner, lower-carbon fuels as an alternative to coal. Despite this, China remains the world's largest market for coal, and is expected to account for 40% of global coal demand in 2040.

Coal demand within the OECD is projected to decline going forward, largely driven by environmental policies, except in the US where the availability of low-cost natural gas is the main factor driving out coal. In contrast, coal demand within India and other emerging Asian economies is expected to increase, as the fuel continues to industrialise and electrify their economies. India is the largest growth market for coal, with its share of global coal demand estimated to increase by more than double from a little over 10% in 2016 to around a quarter by 2040.

Indian Perspective

India used approximately 902 million tonnes (MT) of coal in FY2017-18 (Source: CARE Ratings, dated May 15, 2018). The domestic coal production was 689 MT and the balance 213 MT was imported. For FY2017-18, the total offtake of Coal India Limited (CIL) was 580.3 MT, a growth of 6.8% over FY2016-17 offtake. However, this was below the target of 600 MT. Production for FY2017-18 was 567.4 MT which represented a sluggish growth of 2.4% over FY2016-17 levels. The supply to power sector was 454.3 MT in FY2017-18, a growth of 6.8% Y-o-Y. Going forward, Coal India targets to achieve production of 1 billion tonnes by 2020. However, considering the current growth trajectory this target appears to be stretched.

Indian Power Sector

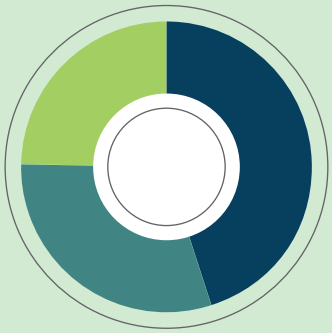
Power is one of the most essential components of infrastructure crucial for economic growth and welfare of a nation like India. Both renewable and conventional sources of fuel have a role to play in sustaining the country's growth story. Coal continues to remain the backbone of the power sector and the economy in general, chiefly due to its contribution to total power sector and the multiplier effect it has on the economy. At the same time, coal-based plants have been facing a number of challenges including shortage of domestic coal for private sector players and rise in imported coal prices since the lows of end 2015. Weak financial health of power distribution companies hinders power offtake. This situation is further impaired by rampant power theft and poor distribution infrastructure in the country.

Electricity demand in the country has been increasing gradually and is expected to rise further in the years to come. In order to meet the escalating demand, power capacity addition accelerated recording a CAGR of 10% from FY2011-12 to FY2016-17 exceeding the targets set in for this period. The average annual capacity addition during this period was about 25 GW. However, FY2017-18 has seen a sharp decline in the pace of capacity addition which fell to 17.2 GW, a decline of ~31% Y-o-Y.

Capacity Review

Sector-wise Installed Capacity (as on 31st March, 2018)

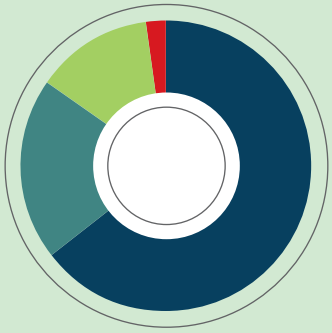
344.0 GW



+12,903 MW*	155.5 GW#
+8 MW*	104.0 GW#
+4,259 MW*	84.5 GW#

	(%)
Private	45.2
State	30.2
Central	24.6

Mode-wise Installed Capacity (as on 31st March, 2018)



+4,577 MW*	222.9 GW#
+11,778 MW*	69 GW#
+815 MW*	45.3 GW#
	6.8 GW#

	(%)
Thermal	64.8
RES	20.1
Hydro	13.2
Nuclear	2.0

Source: CEA
Refers to total installed capacity of respective segments
* Y-o-Y change during the financial year

Management Discussion and Analysis

Capacity Review (contd.)

In FY2017-18, net capacity addition was 17.2 GW, a decline of ~31% Y-o-Y. Renewable energy sector continued to drive the capacity addition with 11.8 GW, however it fell short of 20.2 GW target for this fiscal.

Installed Capacity as on 31st March, 2018

In GW	Thermal	Nuclear	Hydro	RES	Total
State	72.1	0.0	29.9	2.0	104.0
Private	86.6	0.0	3.4	65.5	155.5
Central	64.2	6.8	12.0	1.5	84.5
Total	**222.9**	**6.8**	**45.3**	**69.0**	**344.0**

About 80% or 9.4 GW of this RE capacity addition was contributed by solar power. Wind power capacity addition saw a 67% Y-o-Y decline to 1.8 GW. Net thermal capacity addition was down from 7.7 GW last fiscal to 4.6 GW this year. Hydro-power capacity increased by only 0.8 GW. Nuclear power saw no capacity addition.

Sector-wise capacity addition was led by private sector at 12.9 GW (mainly in RE segment), followed by central sector at 4.3 GW, and state sector at merely 0.01 GW (mainly in thermal segment). In this fiscal, 2.5 GW capacity was retired, 0.25 GW was de-rated and 1.3 GW capacity changed its status from IPP to CPP.

At the end of March 2018, overall installed capacity stood at 344 GW. In this period, share of coal-based capacity saw a decline from 59% to 57%. Nuclear power remained at 2%. Share of hydro power decreased marginally to 13%. Solar power increased its share from 4% to 6% while wind power stayed at 10%.

All India Power Generation

Gross Generation	FY17 (BUs)	FY18 (BUs)	Y-o-Y %
Thermal	994	1,037	4.3%
Hydro	122	126	3.1%
RES	82	102	24.9%
Others	44	43	(0.9%)
Total	**1,242**	**1,308**	**5.4%**

PLF (%)	FY17	FY18
Thermal	59.8%	60.7%
Central	71.3%	72.4%
State	54.4%	56.9%
Private	55.9%	**55.1%**

FY2017-18 witnessed a robust growth in total power generation at 5.4% Y-o-Y. All India generation stood at 1,308 BUs, up from 1,242 BUs last fiscal. Power generated from thermal segment, which accounts for 80% of the total generation, registered a 4.3% Y-o-Y growth while nuclear and import from Bhutan together saw a decline of about 1%. Hydro power generation saw a modest growth at 3.1%. Renewable energy segment contributed 8% to overall generation with a strong growth rate of 24.9%.

Slowdown in new thermal capacity addition and recovery in demand growth led to improvement in overall thermal PLF from 59.8% to 60.7% this fiscal. However, supply side constraints due to lower availability of coal in H2-FY2017-18 and rise in share of generation from RE segment had an adverse effect on private sector PLFs.

India Demand and Supply Position in FY 2017-18

Region	Demand (BUs)	Y-o-Y%	Supply (BUs)	Y-o-Y%	Deficit (BUs)	Deficit as % of Demand
North	372	6.5%	366	6.5%	6.2	1.7%
West	368	6.7%	368	6.7%	0.3	0.1%
South	320	4.8%	320	4.8%	0.6	0.2%
East	137	6.8%	135	6.8%	1.0	0.8%
North-East	16	7.1%	16	7.1%	0.5	2.8%
All-India	1,213	6.2%	1,204	6.0%	8.6	0.7%



QoQ Demand Growth rates

Region	FY17				FY18			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
North	8.9%	0.4%	0.2%	0.8%	4.2%	9.1%	6.4%	6.2%
West	8.7%	(1.0%)	(6.5%)	(1.8%)	5.2%	3.5%	11.3%	6.8%
South	7.3%	2.0%	12.4%	3.4%	5.0%	3.4%	1.0%	9.5%
East	6.9%	4.2%	0.4%	(1.7%)	7.1%	6.1%	5.0%	9.1%
NE	2.9%	6.6%	3.8%	4.5%	12.2%	11.5%	8.2%	(4.1%)
All-India	8.1%	0.9%	1.0%	0.5%	5.1%	5.8%	6.3%	7.5%

Total power demand in India grew at 6.2% Y-o-Y in FY18 with growth rate picking up every quarter. While significant, this growth did come against a relatively low base last fiscal, when demand grew at just 2.6% Y-o-Y. Uttar Pradesh, Telangana, Gujarat, Maharashtra, Chhattisgarh, Andhra Pradesh and Madhya Pradesh were the major contributors to this uptick in demand.

South region, which grew fastest in FY17, was the only region to witness slowdown in growth from last fiscal. North-east region saw the highest growth at 7.1% Y-o-Y, while North and West registered 6.5% Y-o-Y growth each. South saw a modest growth at 4.8% Y-o-Y.

Cumulative deficits rose by 13% Y-o-Y to 8.6 BUs this fiscal. Deficit increased in North by 10% Y-o-Y. Other regions also witnessed increase in deficit but on a lower base. Peak deficit in FY18 rose 27% Y-o-Y to ~3.3 GW.

Indian Merchant Power Market

The merchant market staged a recovery in spot power prices in FY2017-18, underpinned by growing power demand coupled with slowdown in thermal capacity addition and shortage in domestic coal supply. The average Market Clearing Price (MCP) at Indian Energy Exchange (IEX) rose 35% Y-o-Y to ₹ 3.26/kWh in FY2017-18.

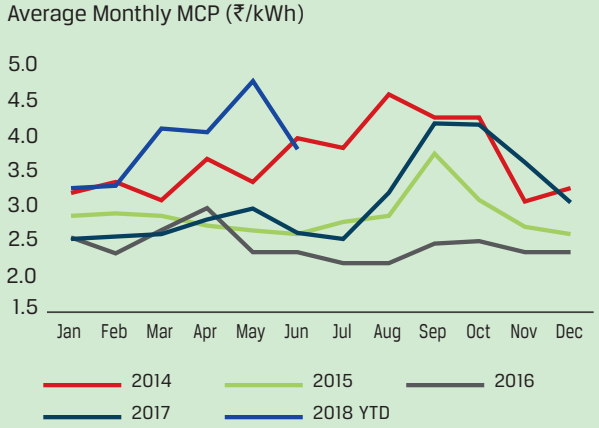
IEX Average MCP	₹/kWh
FY15	3.51
FY16	2.73
FY17	2.42
FY18	3.26

6.2%

y-o-y Growth of total Power Demand in India for FY18

Average Monthly Merchant Tariff (₹/kWh)

Merchant Market Tariff Trend



Government Initiatives

a) National Electricity Plan

The CEA has published the National Electricity Plan in January 2018, which expects power demand to grow at healthy CAGR of 6.2% in the 13th five year plan (FY2018-22). The plan expects the total installed capacity to reach 479.4 GW by the end of FY2021-22. This includes the thermal capacity of around 243 GW, Hydro capacity of 51.3 GW, Nuclear capacity of 10 GW and rest contributed by the Renewable segment.

b) UDAY

Under the UDAY scheme for revival of DISCOMs, announced in November 2015, concerted efforts over the last two fiscals have resulted in parameters such as debt restructuring and feeder metering showing relatively better performance, while parameters such as AT&C losses, revenue gap, and smart metering are currently lagging. The scheme has already addressed 86% of targeted bond issuance as at the end of FY18. As per the provisional data for March 2018, in the last two years, post UDAY: (1) State distribution (discom)

Management Discussion and Analysis

losses witnessed a massive 70% reduction to ₹ 173.5 billion (2) AT&C (technical & commercial) losses went down to 19% from 24% but below target of 17.7% and (3) the gap between ACS & ARR (cost & tariff rate) reduced by 57% to ₹ 0.24 per unit (kwh).

Jammu & Kashmir, Rajasthan, Punjab, Uttar Pradesh, Madhya Pradesh, Jharkhand, Puducherry and Goa are a few major states/UTs that have missed the target for curbing AT&C losses.

PARAMETERS	UOM	Pre-UDAY	Post-UDAY	
			As on 25th April , 2018	Target by 31st March, 2019
Bond issuance	₹ Lakh Cr.	–	2.32	2.69
ACS – ARR (Revenue gap) (on subsidy booked basis)	₹/unit	1	0.24	0.00
AT&C Losses	%	24	19	15
Feeder Segregation	%	55	62	100
Connectivity to non-accessible house holds	%	74	83	100
Feeder Metering (Urban; Rural)	%	87	100; 100	100; 100
DT Metering (Urban; Rural)	%	47	58; 50	100; 100
Smart Metering (›500kwh)	%	2	3	100

c) SAUBHAGYA

In September 2017, the Government of India launched a new household electrification scheme, 'Saubhaya' (short for The Pradhan Mantri Sahaj Bijli Har Ghar Yojana) to achieve electrification of all eligible/willing households, both urban and rural. Under this scheme, free electricity connections are provided to below poverty line (BPL) households, while other households have to pay ₹ 500 for the connection. The total outlay of the scheme was pegged at ₹ 163 billion, with rural share of ₹ 140 bn and urban share of ₹ 23 billion. The funding is largely from Government of India to the various States/UTs who will be implementing this scheme. The target is electrification of around 37 mn households by 31st December 31, 2018. Post the launch of the scheme, government has currently electrified about 20.2% of the targeted households. Government expects to create 28,000 MW and additional energy of 80 BU (6.6% of overall demand) through this scheme.

Sector Challenges

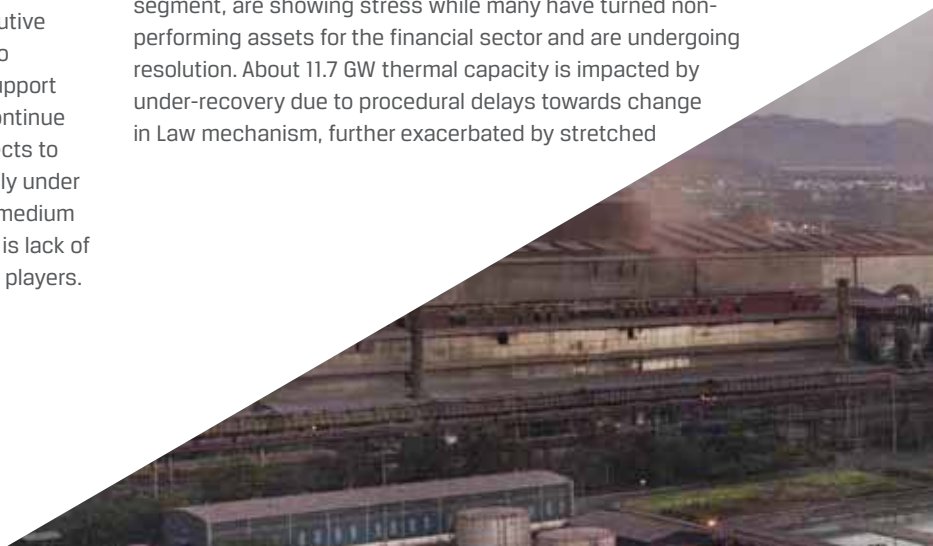
India's thermal power capacity has been hit hard due to shortage of domestic coal supply in the recent past. This is primarily evident in the private sector where plant load factors have been declining for the past two consecutive years. The supply side was largely constrained due to inadequate mining and transport infrastructure to support the increasing coal demand. Logistics hurdles will continue to impact the sector in the near-term; however, projects to improve rail connectivity and rake availability currently under implementation are expected to alleviate this in the medium to long-term. Another challenge grappling the sector is lack of new power purchase agreements for private thermal players.

Over the past 12-15 months, average global coal prices have witnessed a sharp increase attributable to strong Asian demand and tight supplies. Given, about one-fourth of India's installed capacity is either partially or fully dependent on imported coal, rising coal prices will impact the viability of these plants.

Since July 2017, merchant market tariffs have been on an upward trend, on account of demand-supply mismatches, mainly stemming from unavailability of domestic coal and transport infrastructure issues.

In the renewable energy space, threat of imposition of import duty on solar modules have hampered bidding activity for solar energy projects. Nevertheless, tariffs discovered during bidding have remained below ₹ 3/ kWh. The sharp decline in tariffs is adversely impacting the economics of renewable projects. The challenge of maintaining stability of the power grid also accompanies incremental renewable energy capacity installations.

A number of power sector projects, primarily in thermal segment, are showing stress while many have turned non-performing assets for the financial sector and are undergoing resolution. About 11.7 GW thermal capacity is impacted by under-recovery due to procedural delays towards change in Law mechanism, further exacerbated by stretched



receivables from Discoms. Absence of domestic coal linkage and long-term Power Purchase Agreements (PPAs) have adversely affected projects of ~19.7 GW capacity. The sector is laden with about ₹ 1.8 lakh crore in outstanding debt. Several stressed power assets are likely to be subject to resolution under the Insolvency and Bankruptcy Code, 2016 going forward.

Capacity in GW	Installed	Under-construction
Project stressed due to Under-recovery	11.7	-
Projects without PPA	19.7	20.7
Stressed Projects with imported coal	9.8	-
Stressed Gas based projects	10.6	2.4
Total Stressed Capacity	**51.8**	**23.1**

Outlook

Indian power demand growth picked up sharply to 6.1% in FY2017-18 from a meagre 2.6% growth in FY2016-17.

The 2018 Union Budget proposals are also pro-growth with focus on rural development and infrastructure. The government has outlined ~21% Y-o-Y increase in funds for infrastructure in FY19. Led by this and the various reforms, including GST, Indian GDP growth is likely to remain buoyant in the short to medium-term.

Over the next 3 to 5 years, we expect power demand to grow steadily considering the expected pick up in GDP growth and the various macroeconomic reforms and measures taken by the government – steady operational improvement under UDAY Scheme, 'Power for All by 2019' initiative and the 'Saubhagya' scheme, to name a few.

With limited capacity addition, which is likely to be significantly below targets, PLFs may firm up over the medium to long-term. This may also provide more visibility on signing of new long-term PPAs. We are also likely to see consolidation in the power sector in this phase which will further aid the demand-supply balancing. However, higher coal prices and constrained availability of coal, especially for private sector power plants, continue to remain key concerns to watch for.

The Government of India has released its roadmap to achieve 175 GW capacity in renewable energy by 2022, which includes 100 GW of solar power and 60 GW of wind power. The Union Government of India is preparing a 'rent a roof' policy for supporting its target of generating 40 GW of power through solar rooftop projects by 2022.

~21%

y-o-y increase in funds for infrastructure in FY19





Hydro Policy

India's hydro capacity potential, as assessed by Central Electricity Authority (CEA), is about 149 GW. Out of this about 35% or close to 52 GW is operational/ under construction. In the coming months, the government plans to announce a new hydro policy for reviving the sector. The key proposals under draft New Hydro Policy 2017 include reclassifying all hydro energy projects under renewable energy segment, introducing Hydro Power Obligation (HPO) benefit to projects attaining commercial operation (COD) within a specified period and providing 4% interest subvention during construction for up to 7 years and for 3 years after the start of COD to all hydro power projects above 25 MW. The cumulative cost of the scheme adds up to ₹ 16,709 crore for supporting 40 stalled hydro energy projects with 11,639 MW capacity.

The state of Himachal Pradesh constitutes close to one-fourth of India's total hydel power capacity. Its harnessable power potential lies second to the state of Arunachal Pradesh in the country, at approximately 19 GW, of which 62% or 11.6 GW is operational / under construction. The state in the month of May 2018 amended its Hydro Power policy which will boost execution of 737 stalled projects with total capacity of about 5.1 GW. Furthermore, it will facilitate allotment of 300 new projects aggregating to about 2.2 GW. These amendments defer 12% free power obligation during the first 12 years to later periods in the allotted projects. Power from projects with capacity upto 10 MW will be mandatorily purchased by the state Discom. Also, wheeling/open access charges will not be levied on projects upto 25 MW capacity.

Renewable Energy (RE)

With the vision to provide clean and affordable energy to all, the Government of India (GoI) has set an ambitious target of 175 GW power from renewable energy (RE) sources by 2022. The cumulative investment in renewable energy in the last four years surpassed USD 42 billion. Coupled with policy and regulatory support, this has enabled creation of a favourable energy ecosystem for project developers, generators, investors, consumers and the entire nation.

Solar energy has been at the forefront of RE capacity growth. In the recent past, global solar PV module prices have seen a declining trend and panel efficiencies have continued to improve with advancements in technology. The falling capital costs and hence lower cost of generation, is providing impetus to installation of solar power projects. At the end of FY2017-18, the total installed solar capacity stood at about 22.32 GW comprising ground mounted (20.58 GW), roof top (1.06 GW) and off-grid SPV systems (0.67 GW). India is aiming to add about 40 GW from large scale installation in solar parks. Over 26 GW of capacity has been sanctioned for 41 solar parks in 21 states.



To meet the impending demand for solar panels, the government has introduced various supportive policies and schemes. In line with the 'Make in India' mission, the GoI in May 2018 issued a tender for setting up solar PV cell and module manufacturing capacities linked with assured offtake of 20 GW. This development will spur domestic manufacturing industry and promote commercialisation of solar PV technologies.

The launch of International Solar Alliance (ISA) in March 2018 was a momentous achievement for India. Headquartered in India, ISA has set a target to achieve 1 Tera-watt of solar energy capacity by 2030 by bringing 121 sun-rich nations under the alliance. The five programmes of action selected by ISA include rural and decentralised applications, access to affordable finance, establishment of mini-grids, rooftop installations and solar e-mobility.

Infrastructure challenges such as grid-instability and power evacuation arise with booming renewable energy sector. To mitigate these, total investments of ₹ 10,141 crores are being incurred by state governments for building transmission lines (9,400 ckms) and sub-stations (approximately 19,000 MVA) under the National Green Corridor Program, set to complete by March 2020.

Electric Vehicle, Energy Storage and Charging Infrastructure

The Indian automobile industry is at the dawn of a new era. The time is ripe for an industry transformation to battery operated Electric Vehicles (EV). India aims to achieve 30% Onew sales from EV segment by 2030 to ensure energy security, reduce its import bill, curb its greenhouse gas emissions and move towards a clean and sustainable future for mobility.

With a USD 70 billion market, Indian automobile industry is one of the largest in the world and accounts for about 6% of the country's Gross Domestic Product (GDP). In FY2017-18, the industry produced and domestically sold about 29 million (including 2 and 3 wheelers; Source: SIAM) and 25 million vehicles respectively, and over 4 million vehicles were exported. The passenger and commercial vehicle segments produced over 4 million and 0.9 million vehicles respectively. EV is gradually picking up in demand starting with public transport electric buses followed by commercial and passenger cars. Shared mobility has already disrupted the Indian market and stands to gain plentiful from lower TCO (total cost of ownership) of electric vehicles.

It is expected that EV will have a lower total cost than ICE (Internal Combustion Engine) vehicles by 2023-2025. This will be achieved by battery technology enhancement and economies of scale benefits, while ICE vehicles will be forced to continue adding cost in order to meet stringent emission and safety requirements. The Company's entry into the EV business at this stage will properly position it to play a key role in the Indian automobile industry.

In addition, supply side stimulus by State and Central governments in the form of public policies and schemes on Electric Vehicle manufacturing, such as incentives linked to land, labour and environmental clearances, tax exemptions and capital schemes like soft loan are providing stimulus to domestic automobile manufacturers as well as suppliers. On the demand side these include direct consumer subsidies, waiver of registration fees, road tax, parking charges and GST (goods and service tax) refunds. Parallel to EV production, a key requisite is a robust EV infrastructure. In April 2018, the government announced that setting-up charging stations for electric vehicles will not require any license under the provisions of Electricity Act, 2003. This will facilitate faster adoption of charging infrastructure across the country.

Investments are also needed for developing robust R&D facilities for vehicle, battery technology and energy storage. Accelerating innovation will help bringing better operating efficiency. The energy storage systems industry is at a nascent stage in India but sees wide potential for deployment across telecom, grid applications, power generation, electric vehicles and other commercial & industrial applications.

The Government has also been focusing on creating impetus for large-scale transformation of conventional passenger vehicles into electric vehicles (EVs). The centre is concentrating on creating an enabling framework for EVs. Such initiatives are expected to open new avenues of growth for auto industry.



Management Discussion and Analysis

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, prudent power off-take arrangements with a resolute commitment to sustainable business practices and inclusive growth.

Competitive Advantages

Efficient Operating Assets

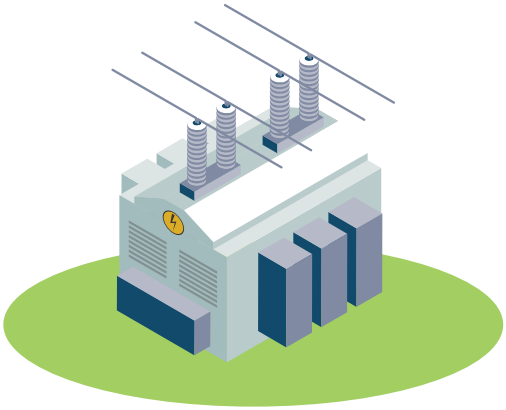
JSW Energy has boasted of the best run thermal power plants in India on a consistent basis. The Company's prudent governance and benchmark O&M practice has resulted in consistently higher PLFs vis-à-vis average PLFs of other private players.

Efficient Capital Allocation

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

Robust Balance Sheet

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



Future Growth Strategies

1) **Inorganic Growth Strategies**

The power sector is reeling under a consolidation wave. Following the notification issued by Reserve Bank of India dated 12th February, 2018 on resolution of stressed assets, many of these assets are likely to come under the purview of the Insolvency and Bankruptcy Code in due course, thereby providing attractive acquisition opportunities to the Company. To ensure that the Company continues to deliver a lucrative return to its shareholders, the opportunity assessment framework involves key parameters such as security and proximity of fuel supply from domestic sources and visibility on power offtake by long-term power purchase agreements.

2) **Solar Energy Business**

JSW Energy has decided to venture in RE sector with a focus on solar energy. The Company's two-pronged strategy includes setting-up: (a) solar power generation plants, and (b) solar PV module manufacturing capacities.

Solar Power Generation:

In FY2018-19, the Company intends to set up solar power systems encompassing ground mounted, rooftop and floating based technologies. These are low gestation and high return projects and would establish a strong presence for JSW Energy in the renewable energy segment while staying away from the ferocious competitive dynamics of bid-out solar projects.

Solar Panel Manufacturing

Synergistic with the solar generation facilities, the Company intend to establish its presence in PV module manufacturing facilities. However, the capital allocation decision would be arrived post evaluating the risk-return dynamics carefully.

3) **Electric Vehicles, Storage Battery and Charging Infrastructure**

JSW Energy has decided to enter into Electric Vehicle (EV) manufacturing and the associated businesses of manufacture of electrical battery/storage systems and charging infrastructure. The Company plans to enter both passenger and commercial vehicle segments. Facilities for energy storage systems will be set-up parallel to vehicle production. The charging infrastructure business would be adjacent to the Company's existing business and also has deep synergies with the EV and energy storage segments.

Various steps have been taken in this direction by the Company in the past year: a dedicated team has been formed for strategy and product development, MoUs have been signed with two state Governments for setting-up manufacturing capacities and discussions are also progressing with various technology and design engineering partners for suitable tie-ups.

JSW Energy aims to build a product portfolio, tailored for the Indian market. The products will encompass features from the best of the worlds – a state of the art styling, robust engineering development work aligned with global standards, and the latest technology into electrification. The Company aim to introduce this innovative concept through global styling and engineering service providers, albeit competitively priced considering the price conscious Indian markets.

In addition, the Company will establish an Industrial Manufacturing Complex, encompassing all key shops like, press, body, painting, general assembly, and battery. The implementation will take into account the lean manufacturing concept, aligned to meet the Indian market demand, as well as potential future export needs.

By combining the best of the product and manufacturing strategy, and the business efficiency which is inherent to the JSW group, the Company will launch a winning brand that will maximise the value proposition to its end users.

Having said that, the Company will be approaching these ambitious plans in a prudent manner and ensure that the balance sheet remains robust. Further, the capex would be incurred in a calibrated manner, subject to meeting key programme milestones per vehicle development process so as to ensure that the projects are implemented with comprehensive risk and return assessment.

Operational Review

In FY 2017-18, JSW Energy's net generation stood at 21,816 MUs versus 21,631 MUs in the previous year. Despite a slowdown in the demand cycle, the Company could maintain the total income from operations at ₹ 8,048.96 crore, as against ₹ 8,263.43 crore in the previous year.

The deemed Plant Load Factor was at 64.53% for FY2017-18 as against 65.57% for FY2016-17.



Management Discussion and Analysis

Plant-wise PLF and Net Generation

Plant	2016-17		2017-18	
	PLF (%)	Net Generation (MU)	PLF (%)	Net Generation (MU)
Vijayanagar	58.61%	4,070	53.27%	3,703
Ratnagiri (deemed PLF)	70.30%	6,064	68.50%	6,111
Barmer (deemed PLF)	84.35%	5,826	84.32%	6,140
Himachal Pradesh (Hydro)	50.19%	5,671	51.87%	5,862
Total		**21,631**		**21,816**

Operational Performance during 2017-18

Thermal Power Plants

Vijayanagar

Plant load factor: In the year ended March 31, the plant achieved an average PLF of 53.27% as against 58.61% in the previous year.

Total net power generated: 3,703 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 68.50% in FY2017-18 as against an average deemed PLF of 70.30%in the previous year.

Total net power generated: 6,111 MUs

Power Sales: Primarily to CPP consumers and MSEDCL

Key strengths of the plant

- Located near the Jaigad port thus saving on coal transportation cost
- Nearly 47% of the capacity has been tied up with CPP Consumers ensuring recovery of its fixed cost, including ROE to that extent

Barmer

Plant load factor: In the FY2017-18, the plant achieved an average deemed PLF of 84.32% as against an average deemed PLF of 84.35% in the previous year.

Total net power generated: 6,140 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, including ROE

Hydro Power Plants

Baspa-II

Plant load factor: The plant achieved an average PLF of 50.86% for the FY2017-18 as against 51.09% in the previous year.

Total net power generated: 1,322 MUs

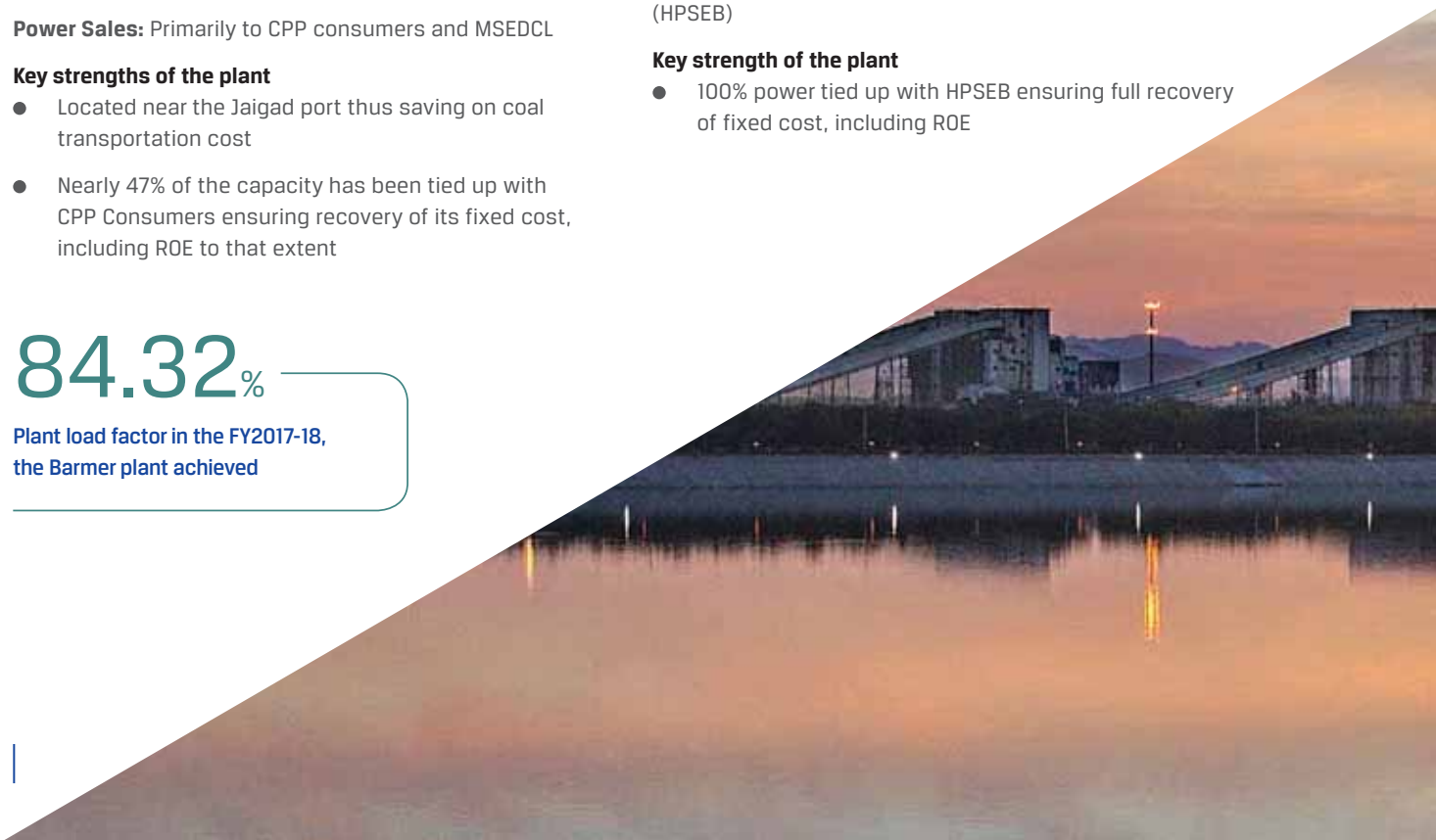
Power Sold to: Himachal Pradesh State Electricity Board (HPSEB)

Key strength of the plant

- 100% power tied up with HPSEB ensuring full recovery of fixed cost, including ROE

84.32%

Plant load factor in the FY2017-18, the Barmer plant achieved



Karcham Wangtoo

Plant load factor: The plant achieved an average PLF of 52.18% for the FY2017-18 as against 49.91% in the previous year.

Total power generated: 4,540 MUs

Power Sold to: Uttar Pradesh, Rajasthan, Haryana and Punjab (commenced in FY2019) through long-term PPA with PTC India Ltd

Key strength of the plant

- Long-term PPA for 100% capacity tied up with various DISCOMS under CERC regulations.

Financial Review

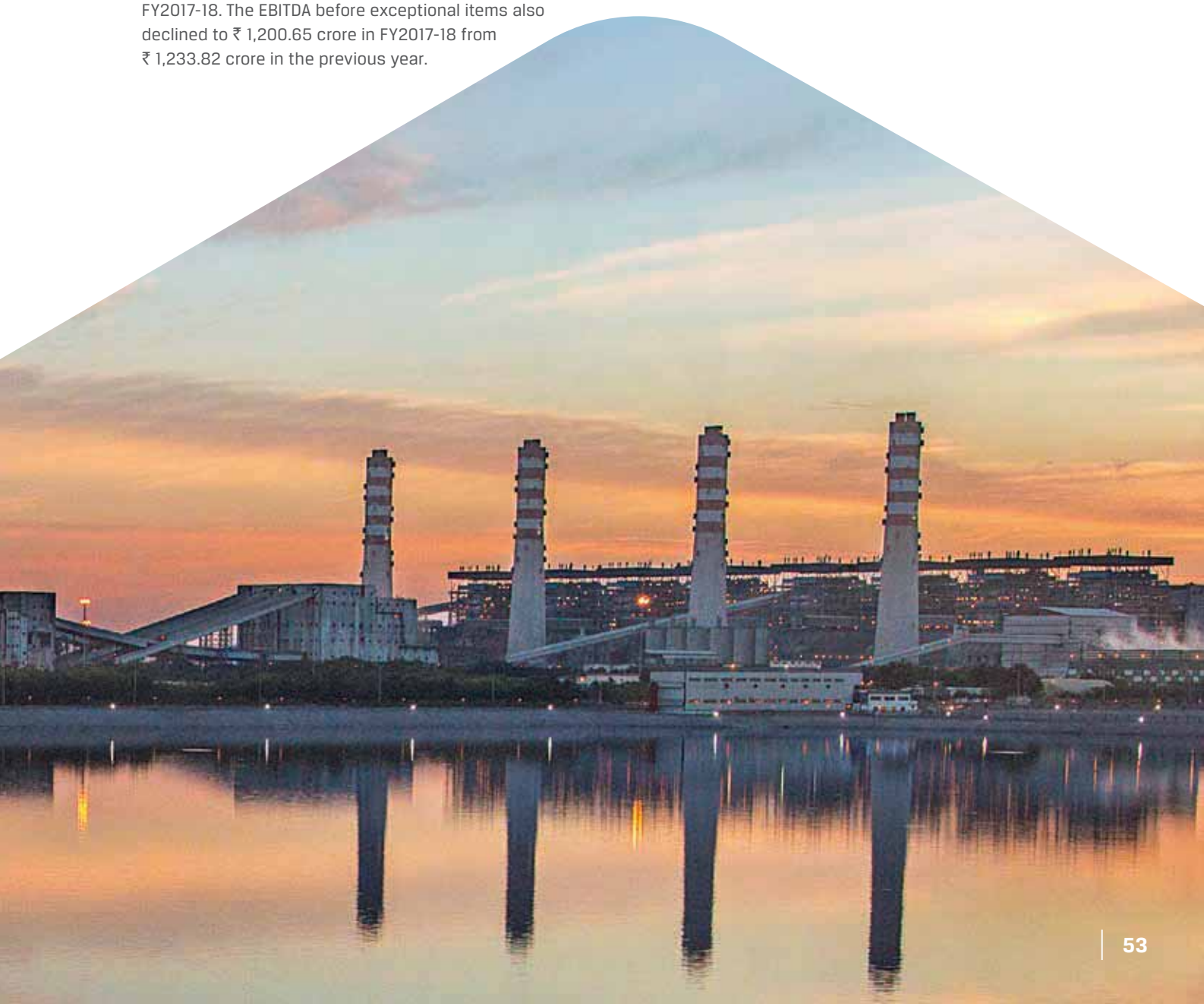
Standalone Financial Performance

On the back of increasing raw material cost, lower PLF and exceptional item provisions primarily related to advance provided to Jaiprakash Power Ventures Ltd. (JPVL), the Company's standalone PAT reduced from ₹ 194.75 crore in FY2016-17 to loss after tax of ₹ 444.28 crore in FY2017-18. The EBITDA before exceptional items also declined to ₹ 1,200.65 crore in FY2017-18 from ₹ 1,233.82 crore in the previous year.

EBITDA and Profit after Tax (PAT)

Parameters	2016-17	2017-18	% Change
EBITDA before exceptional items	1,233.82	1,200.65	(3%)
Profit/(Loss) for the year	194.75	(444.28)	NM

Revenue from sales of power has increased on a Year-on-Year basis due to higher sales realisations. In FY2017-18, the sale of power increased to ₹ 3,986.43 crore from ₹ 3,823.31 crore in the previous year. The finance lease income has reduced from ₹ 62.91 crore to ₹ 59.63 crore due to progressive reduction in finance lease receivables for units falling under embedded lease. Revenue from sale of services has increased from ₹ 152.78 crore in FY2016-17 to ₹ 163.24 crore in FY2017-18, due to higher operator fees realised from O&M services.



Management Discussion and Analysis

Revenue from Operations

₹ crore

Parameters	2016-17	2017-18	% Change
Sale of Power	3,823.31	3,986.43	4%
Interest income on assets under finance lease	62.91	59.63	(5%)
Sale of Services	152.78	163.24	7%
Other Operating Revenue	1.97	2.75	40%
Total	**4,040.97**	**4,212.05**	**4%**

Other income increased in the current fiscal, primarily on account of higher interest and dividend income.

Other Income

₹ crore

Parameters	2016-17	2017-18	% Change
Interest Income	302.08	380.87	26%
Dividend income from long-term investments	10.18	61.55	505%
Net gain on Sale of Current Investments	11.53	17.43	51%
Other non-operating Income	4.76	33.86	611%
Total	**328.55**	**493.71**	**50%**

Fuel cost on a Y-o-Y basis has increased primarily due to higher international prices of coal compared to the previous year.

Cost of Fuel

₹ crore

Parameters	2016-17	2017-18	% Change
Cost of Fuel	2,721.20	3,149.31	16%

Employee Benefit Expense is lower on a Y-o-Y basis due to reduction in overall headcount. The Company has been able to reduce finance costs primarily due to net reduction in loan liability and refinancing the loan at lower cost.

Expenses

₹ crore

Parameters	2016-17	2017-18	% Change
Employee Benefit Expense	120.10	107.00	(11)%
Finance Costs	533.04	476.21	(11)%
Depreciation and Amortisation Expense	363.90	364.21	-
Other Expenses	260.73	248.80	(5)%

Consolidated Financial Review

A decline in generation and a rise in international coal prices have impacted JSW Energy's consolidated financial performance besides the provisions related to the advance to JPVL. In FY 2017-18, the Company's total Income from operations declined by 2.60% and stood at ₹ 8,048.96 crore as against ₹ 8,263.43 crore over the previous year. The Company has earned an EBITDA (before exceptional items) of ₹ 3,277.56 crore, down by ₹ 313.80 crore over the previous year primarily due to drop in generation at Vijayanagar and Ratnagiri power plants and increase in international coal prices. This was partly compensated by higher merchant realisation and increase in generation at Barmer plant and Hydro project. The Company earned a Consolidated Profit of ₹ 77.97 crore during the year as against ₹ 629.03 crore in the previous year. Its total comprehensive income for the year thus stands at ₹ 775.09 crore as against ₹ 1,061.12 crore in the previous year.





The Consolidated Net Worth and Consolidated Net Debt as on March 31, 2018 were ₹ 11,109.70 crore and ₹ 11,278.25 crore respectively, resulting in a Net Debt to Equity ratio of 1.0 2 times.

₹ crore

Parameters	2016-17	2017-18	% Change
Revenue from Operations	8,263.43	8,048.96	(3%)
Other Income	217.00	465.02	114%
Fuel Cost	3,907.22	4,338.87	11%
Purchase of Power	153.10	74.58	(51%)
Employee benefits expense	211.77	215.09	2%
Finance costs	1,684.75	1,455.91	(14%)
Depreciation and amortisation expense	969.15	966.08	(0%)
Other expenses	666.98	657.88	(1%)

EBITDA and Profit after Tax

₹ crore

Parameters	2016-17	2017-18	% Change
EBITDA before exceptional items	3,541.36	3,227.56	(9%)
Profit for the year	629.03	77.97	(88%)
Other comprehensive income	432.09	697.12	61%
Total comprehensive income	1,061.12	775.09	(27%)

Risk Management

The Company has been following the globally recognised Committee of Sponsoring Organisations (COSO) framework of Risk Management to proactively manage risks and opportunities that impact organisational 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 prioritisation of initiatives and allocation of resources in line with enterprise objectives.
- Independent review through risk based audit.

Management Discussion and Analysis



Power Off-take

Merchant tariffs tend to be volatile, fluctuating with small changes in demand-supply. With the DISCOMS adhering to strict fiscal discipline leading to deferment of power procurement, power demand has taken a hit. 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

The 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, strikes by mine workers, and 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 and stock level. Further, it is planning to utilise domestic coal in its coal mix at its 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 all necessary approvals from the Ministry of Environment, Forest and Climate Change, to blend upto 50% domestic coal for the Vijayanagar plant and upto 25% for the Ratnagiri plant as well as the consent to operate for the same.

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

Creating a new benchmark every year with improved productivity as well as building capability to lead and attain competitive advantage, HR has been at the fulcrum of the business and driving the agenda of the organisation. The year 2017-18 has been exciting with our foray into Electric Vehicle business and Renewable Energy. Linking people, strategy and performance; Human Resources at JSW Energy embarked upon the following HR interventions in the year 2017-18:

Key HR Initiatives

Future Fit Leaders

JSW Energy has always laid emphasis on developing and grooming leaders in-house so that Leadership positions are occupied by High Potential talents of the Organisation. Keeping this in view, JSW collaborated with Cornell University; ISB, Hyderabad and IIM, Ahmedabad for imparting Management Development Programmes to these High Potential Talents.

Capability Development
Redeploying internal talent to support our foray into Electric Vehicle and Renewable Energy and reskilling them in the new areas was one of the major HR Interventions during the year. Systemic job rotation proved beneficial in meeting the initial requirements of these two new verticals. These were supported by Learning interventions viz. Finance for Non-Finance, Business Communication and MDPs.

Umang
As in the previous years, JSW Energy continued with its efforts on fostering employee inclusion and engagement through various celebrations like month-end birthday celebration, out-bound training programmes, sports and game activities for employees and their families. Besides, there were regular town-hall meetings by senior leadership team with cross-section of employees in all the locations to strengthen the two-way communication.

Total Quality Management
JSW Energy embarked on the journey of Total Quality Management (TQM) by launching various TQM Councils and initiating quality certification programme for all its 800+ Managerial employees with an objective to qualify for Deming award. JSW Energy has launched TQM initiative across all its locations.

Job Rotation & Career Opportunity to Inhouse Talents
As a part of building the organisation and providing opportunities to the employees for growth and development, employees from our different Plant locations have been posted in the upcoming businesses of Electric Vehicles and Solar Power in FY18. The year FY18 witnessed a lot of job rotation at different levels of employees. Internal mobility of our employees has not only helped in spreading best practices across our different locations but also provided exciting opportunities to inhouse talents.

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 the local communities.

With a strong belief in inclusive growth and engaging communities to achieve equal social and economic opportunities, JSW Energy has been 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 its Profit towards a special corpus for Corporate Social Responsibility as per the categories specified in 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 body has been created for the Company, which 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 levels.

Taking a note of the importance of synergy and interdependence at different levels, JSW Energy has adopted a number of intervention strategies that combine working with multi-stakeholders as well as directly, depending on the appropriateness. The strategies adopted in this regard are as follows:

- Priority is given to the villages in the immediate vicinity of the plant location, 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 programmes might be expanded beyond this geographical purview (Indirect Influence Zone or IIZ) and scaled up
- All interventions are formulated based on need assessment using different quantitative and qualitative methods that lead to measurable impact and are implemented either directly or in partnership with Government and civil society groups at various levels
- All interventions are adopted based on concurrent evaluation and knowledge management through process documentation and sharing
- Social mobilisation, advocacy at various levels, and/or appropriate policy changes form part of the interventions in each sector

Management Discussion and Analysis

JSW ENERGY Group Achievements for FY 2017-18

Key Highlights

Improving Living Conditions

Vijayanagar

A) Soil and Water Conservation through watershed management in association with ICRISAT (Hyderabad)

- 487 farmers benefitted from additional net storage capacity of 25,000m^3 ground water
- 3,500 farmers benefitted from various capacity building and exposure on new practices
- Average yield increased by 12-25% through improved practices and improved variety of seeds, which are now available locally
- Farmers are adopting dairy as an additional source of income and there are around 1,200 cows in the villages, which, in turn, shall help in the soil quality improvement in times to come
- Through tree plantation activities; nearly 19,000 horticulture trees, around 20,000 bund trees, 2,000 road side trees and 4,125 teak trees are being planted through community participation
- Women farmers are provided vegetable seeds and they are growing vegetables through treated waste water, thereby addressing the nutritional issue as well as increasing their income.

B) Health Care

- Physical infrastructure improvement work was undertaken in Public Health Centre at Toranagallu by providing Generators, Water Filters and solar power backup. This has increased the in-patients in all the centres.
- Drinking water facility was provided by installation of RO Plants in surrounding villages

Ratnagiri

A) Agriculture initiatives

- 168 farmers are now growing paddy by using Direct Seed Sowing Method (SRT). The technology reduces back breaking labour by 50% and cost of production by 40%. It also stops emission and greenhouse gases and improves soil fertility. The average yields have increased from 3.53 ton/Hectare to 7.57 ton/Hectare

3,500

farmers benefitted from various capacity building and exposure on new practices

- 200 Farmers trained in new paddy cultivation methods, vegetable crops and spices plantation by Trainer Sh. Dyaneshwar Bodake, Founder of Abhinav Farmers Club Pune.
- 30 Farmers trained in Bush pepper plantation at Sathkhondi by Trainer Dr. Vaibhav Shinde
- 15 farmers were trained on Integrated farming system at Abhinav Farmers club Hinjewadi, Pune by Abhinav farmers club team.
- 6 farmers planted Banana in 1.37 Hac. barren land thereby converting it into cultivatable one.
- 13 Farmers cultivated Ginger in 1.86 Hac with expected yield of at least 40 tonnes
- Under Livestock development project, 16 farmers from Panchkroshi took interest in organic farming and six farmers purchased Gir cow from Gujarat which provides high A2 quality milk yield
- Hydroponic fodder (fodder grown using hydroponics technology) to feed farm animals is an alternative to the conventional method of green fodder production. Green fodders produced by using seeds without soil but in water or nutrient rich solutions are known as hydroponics green fodder. Compared to conventional methods of growing fodder, hydroponic fodder requires lesser space and produces highly nutritious fodder than soil farming. The capacity of the unit set up is 30-40 kg green fodder per day
- Provided Technology support to increase the income of farmers, land productivity, and safekeeping of crops
- Provided drip irrigation system to 8 farmers in 2 Hac and 2 Water pumps at Chaferi and Niwli
- 15 farmers involved in vegetable crop cultivation/ plantation
- Under Watershed Management, constructed 2 cement bandharas and one spring development with the water storage capacity of 2,000 cum at Patilwadi and Sathkhondi villages
- Vermi compost pit constructed to produce superior quality manure to feed the soil

B) Health initiatives

- JSW URJA PHC provided regular health care services: OPD - 16373, IPD - 190, Lab test - 738 and specialist consultants services - 190 beneficiaries
- Blood donation camp conducted at URJA PHC - 73 units of blood collected
- Under Community health initiatives, 2 health camps were conducted at (Panchakroshi) villages with 178 beneficiaries. Also school health check-up camp conducted at 15 primary schools and anganwadis benefiting 370 students

- Conducted m-Mitra programme for underprivileged communities in Ratnagiri, to reduce mortality and morbidity in mothers, children and neonates and thus improving their well-being

Mumbai Corporate

- Village Social Transformation Project- 39 villages were identified on basis of low HDI. 9 organisations including JSWF on board has committed ₹ 10 crore support for next 3 years; 15 RDFs are deployed as programme coordinators

Outcomes

- Facilitated Drinking water provision, school toilet repairs, soil testing kits, educational infrastructure, NTFP processing, repairs of anganwadis, solar electrification etc. with expenditure of ₹ 1.15 crore so far
- Helped 10 youths to start solar lights assembly & sales business
- Mobilised Anganwadis & schools to champion the liquor ban activities

HBPCL Sholtu

- Three Government Community Health Centres and Three Primary Health Centres were upgraded with equipments such as X-Ray Machine, Auto Analyser, Incubators, Dental Chair, and Microscopes
- Constructed Postmortem Room & developed site at PHC Tapri. Renovated CHC Sangla & Katgaon to improve the medical care facilities in the area
- Frist Aid kits with Fourfold stretcher were distributed to all 20 Gram Panchayats of DIZ. Also trainings were provided to all Asha Workers of DIZ
- Distributed 6,000 Plants of improved variety of Apple like Red Chief and Orgeon Spur to 240 House Holds of the weaker section of Community so as to uplift their livelihood
- Developed a Community Apple Orchard cum Training Centre at Gram Panchayat Brua by planting 350 apple plants
- Provided 1.50 Km of 3" HDPE pipe & pump for implementing Drinking Water Scheme to village Chagaon benefitting 75 House Holds
- Provided 1.0 Km 3" HDPE pipeline & Submersible Pump for Gram Panchayat Kamroo for implementing irrigation scheme

RWPL Barmer

- Installed Borewell-Hand-pump at 23 rural habitations of 10 Gram Panchayats to provide drinking water
- Piped water supply of 3.5 lakh litre/day to a cluster of 4 villages
- Extended support to Mukhyamantri Jal Swavalamban Abhiyan (MJSA - Phase III)
- Distributed Spirulina to eradicate malnutrition among 1,272 identified underweight children and 506 lactating women of 70 Anganwadi Centres of Barmer block
- Conducted 10 Medical Camps to address seasonal ailments of the community benefitting 514 people
- Conducted 120 Alternative Medicine Camps benefitting more than 4,000 people
- Provided 24x7 referral services through ambulance
- Electrified labour ward and emergency room at Community Health centre, Bishala

Promoting Social Development

Vijayanagar

- To ensure cleanliness and hygiene, steel plates and glasses were provided to 9,000 students in 45 schools
- Ensured regular mid-day meals to reach over 30,000 school students through Akshaya Patra
- Commissioned a 2 tonne Boiler, Chimney, PRS, Interconnecting Ducting Piping, Softener, 50 kwh Solar Power Project, Parking Shed for Trucks, and 6C um/hr RO Plant
- Model School Toilets were constructed in three villages at Veniveeraura, Sandur and P. K. Hilli
- Supported government schools by creating platform for science centres
- Organised District Level Science Competition for 8,000 students from over 100 schools participated in the competition
- Undertook minor repair works at Ankalamma School
- Setting up of skill School in association with National Skill Development Council (NSDC) is under process
- Conducted AVISHKAR – Science Exhibition/Competition for 40 school Children around Toranagallu; Total 9,000 children participated

Ratnagiri

- Income generation programme – Income generation trainings were given to 6 SHGs in this year. SHGs were involved in the production of various food items and plate manufacturing with the betel nut leaf
- Training on Shewai making and other bakery products were also given to the SHG members. Various exposure visits were conducted at different industries and NGOs. The reported sale amount of the SHGs was ₹1,23,772

Management Discussion and Analysis

Income Status of SHG's in 2017-18

No.	SHG name	Product	Sale amount (in ₹)
1	Navjivan	Betel nut plates	27,586
2.	Mahalaxsmi	Shengdanaladdu & decorative	6,000
3.	Pahel	Shewai	49,144
4.	Disha	Agarbatti/kulith pith	2,000
5.	Kadsidheswar	Modak	10,500
6.	SHGs stall		18,272
7.	Bhagwati SHG	Stall at Jaigad Fort	10,000
	Total		**1,23,772**

- Trainings and exposure visits: During the year, conducted Kokam syrup making training for 20 women, Cake making training for 2 women, and Nutrition food training for 153 women

C) Education initiatives

- Conducted upgradation of ZP Schools, repairing work at Sandelavgan school, and construction of Kitchen garden at 2 schools
- Conducted Quality education programme, and various competitions such as poem writing, table writing and text reading
- Constructed Bore wells at three schools for drinking water
- 6 students of class 10th and 12th were felicitated with cash award of ₹ 20,000/- at Jaigad high school
- JSW Jindal Vidya Mandir provided quality education in CBSE syllabus to 543 students of Jaigad panchkoshi villages

D) O P J Centre for Vocational Training – Building skills and entrepreneurship

- The Company is committed to maintain the trust of our community and stakeholder by providing them employment opportunity through skill development programme with partnership of Fr. Agnel Institute for Technical Training & Entrepreneurship Development (AITTED), the renowned organisation for technical skills in Mumbai
- OPJC has facility of Computer lab for 20 students for Non-voice BPO, separate Audio visual room and LCD cum group discussion room in the premises
- Following trades are at present in running
  - 61 girls trained in Non voice BPO
  - 25 Dress Making & Fashion Designing
  - 36 boys Marine Fitter trade
  - 101 for BPO operations
  - Total revenue in the year 2017-18- ₹ 92 Lakhs

HBPCL Sholtu

- Constructed new buildings for three Government Schools, renovated a Government School and provided a mid-day meal kitchen
- Improved the Computer lab with 22 new Computers & installed 32 CCTV Cameras at JVM, Sholtu
- Pre-school education-intensive Workshop for Anganwadi Sevikas and supervisors of all 78 Aanganwadi centre's of DIZ with the support of NGO Navnirmiti and ICDS dept. Provided learning Material for the Children. 6 Aanganwadis were converted to Model Aanganwadis
- Life Skill and Adolescent Education Programme conducted in 26 Government Schools of DIZ benefitting 1,113 girl children
- Conducted Women empowerment & awareness Camps through Paryas

RWPL Barmer

- Installed Mini Science Lab at 14 schools to provide experiment oriented learning for school children
- Provided scholarship to 29 students of 4 villages of DIZ to facilitate their technical education
- Conducted 'Theatre In Education' initiative in 10 schools to provide orientation on learning through theatrical art
- Facilitated additional teachers in three Govt. schools
- Screened Films for Children in six schools benefitting more than 550 students
- Conducted Applique, embroidery, patchwork and designing training to 91 women SHG members of Bhadresh Gram Panchayat
- Conducted Computer orientation training to 177 boys and girls at 06 Computer centres
- Conducted Three months training course on tailoring work to 194 village women at 06 training centres
- Constructed a Vocational Training Centre at Bhadresh village
- Constructed a stadium at Govt. Sr. Sec. School, Bhadresh

Addressing Environment Concerns

Ratnagiri

- Supported 12 bio gas units at 8 villages of Ratnagiri area. The capacity of each unit is 2 cum, which is sufficient for a family of 5 members. Cost of a unit is about ₹ 35,000/, out of which ₹ 10,000/- is supported by JSW
- Facilitated a 9-member group who installed one pallet plant in this financial year

HBPCL Sholtu

- Installed 92 Solar Street Lights in 12 Gram Panchayats of DIZ, so as to promote use of Renewable Energy
- Installed & Commissioned 1,000 kg capacity Solid Waste Management Unit at District Head Quarter Reckong Peo
- Planted 6,000 saplings of various species like Chilgoza, Cheer, Weeping Willow, Robinia, Apricot, Deodar etc. in FY2017-18 with the participation of local residents

RWPL Barmer

- Developed 3 Community Pasture Land (60 bighas each) at 3 Gram Panchayats
- Developed 3 Orchard & kitchen gardening (2 bighas each) at Bhadresh Gram Panchayat
- Provided 5 goats & 1 buck of improved breed at Kapurdi GP to pilot livelihood from goat rearing
- Extended Support in Mukhyamantri Jal Swavalamban Abhiyan
- Para-vet cum Artificial Insemination vocational training imparted to 36 rural youth

Preserving National Heritage

RWPL Barmer

- Helped in Restoring houses, lanes/square and shrine to the ancient period (400 years old)
- Restored various Stepwells in the vicinity
- Constructed tourism friendly infrastructures like Cafeteria, admininstrative and security block, parking and souvenir shop, heritage lights, tents, signage, benches, water cooler with RO and garbage bins
- Constructed Sub-station and requisite electrical fitting
- Conserved folk music & traditional art of Barmer - provided training to 120 children of 2 Gram Panchayats

Promoting Sports Development

Ratnagiri

With the support of JSW Foundation,

- 2 children were selected at state level for athletics competition
- 13 Girls won district level competitions
- 12 children participated at international karate championship and won 2 gold, 6 silver and 10 bronze in various categories
- 2 Students were selected for State level Competition in distance running

Mumbai Corporate

- JSW Energy supported and identified meritorious sport persons from rural areas in boxing
- 6 boxers of JSW Sports Excellence Program competed at national/ international level & 35 IIS boxers were supported for training

JSW Sports Boxing Program Achievements

Vikas Krishnan Yadav – (69 kg)

- Gold at the 21st Commonwealth Games, Gold Coast
- Gold and the Best Boxer Award at the Strandja Cup, Bulgaria

Satish Kumar – (91 kg)

- Silver at the 21st Commonwealth Games, Gold Coast
- Gold at the 34th International Boxing Championships, Kazakhstan
- Silver at the 1st India Open International Boxing Tournament, Delhi
- Gold at the Elite Men's National Boxing Championships, Vishakhapatnam

Dheeraj Rangi – (64 kg)

- Gold at the Men's Elite National Boxing Championships, Vishakhapatnam

Manisha Moun – (54 kg)

- Gold at the 1st India Open International Boxing Tournament, Delhi
- Silver in the 2nd Elite Women's Boxing Championships, Rohtak
- Gold at the All India University Championships

Soonu Poonia – (57 kg)

- Bronze at the All India University Championships

Astha Pawa – (75 kg)

- Gold at the 2018 Youth Women's National Championships, Rohtak

Niharika Gonella – (75 kg)

- Silver at the 2018 Youth Women's National Championships, Rohtak

Manjeet – (60 kg)

- Bronze at the 2018 Youth Women's National Championships, Rohtak

HBPCL Sholtu

- Distributed Cricket kits to Youth Clubs of 5 Gram Panchayats and Boxing Equipment to 35 Boxing Trainees of Sangla

Rural Development Projects

Vijayanagar

- Constructed Road from Old Gate to Over bridge at Toranagallu Railway Station area
- Constructed Drainage and Internal Road at Nearby Railway Station area, Toranagallu

Management Discussion and Analysis

- Installed LED Street Lights from Old Gate to Over bridge at Toranagallu Railway Station area
- Helped Commissioning of RO Plant of 1,000 Cum at Toranagallu

Ratnagiri

- Conducted School repairing work at Sandelavgan School
- Constructed Bore wells at seven locations
- Constructed Community hall at Nandiwade village
- Constructed Road at Patilwadi village, and Nandiwade village

HBPCL Sholtu

- Installed 4 High Mast Lights at Gram panchayats of Chansoo, Punang and Katgaon
- Constructed Village Paths at Gram Panchayats Punang & Panvi of 600m length.
- Developed Playground at Gram panchayat Kilba.
- Constructed Kalamanch (Performance Stage) at Sangla
- Installed CCTV cameras at Tapri and JSH Sholtu
- Constructed 750 metre road (undertaken through HPPWD) for Kilba panchayat
- Renovated Cremation Shed at Gram Panchayat Chansoo

RWPL Barmer

- Installed 371 nos. solar street lights in 8 habitations of 4 Gram Panchayats
- Constructed 2 community halls and 1 classroom at Govt. School in Bhadresh Gram Pachayat
- Repaired 4 community halls of different habitations at Bhadresh and Bishala Gram Panchayats
- Repaired of Kalakar Bhawan at Bhadresh Gram Panchayat

Swachh Bharat Mission

Ratnagiri

- Constructed Community toilet at Khandala – beneficiaries around 5,000 people per month

HBPCL Sholtu

- Installed 9 Institutional and 4 Community Bio Toilets in the area. 500 school students & four Gram panchayats directly benefitted
- Installed 4 Bio Digesters of total capacity of 17,000 litres at crowded areas of DIZ. 25 households of village Chagaon & 500 people of Chansoo & Katgaon villages directly benefitted
- Conducted 13 Swachh Bharat Abhiyaan Drives in and around project area with participation of Local residents, Youth Clubs, Mahila Mandals etc. so as to spread awareness regarding cleanliness

RWPL Barmer

- Constructed 145 individual household toilets and 2 new school toilet blocks in 4 Gram Panchayats

Key Achievements: JAIGAD POWER TRANSCO LIMITED - CHIPLUN

Improving Living Condition

- Continuing the Company's efforts to achieve Mission Safe Motherhood objectives in Coverage of Helwak PHC. As a part of this mission, a MoU with KIMS was extended up to FY2018-19 for providing services of OBG and pediatrician specialist visit to Helwak PHC & treating critical delivery cases of PHC-Helwak at KIMS-Karad. In FY2017-18, total 128 no. of UGC scans undertaken at KIMS-Karad. Further, 328 pregnant women were screened during medical camp at Helwak PHC & 230 children also checked by paediatrician specialist during camp. Total annual expenditure towards medical programme is ₹ 6 lakh
- Donated various medical equipment's to PHC Sawarde, which will benefit population of around 39,000 in surrounding 20 villages as well as at Abaloli PHC's in which around 35,000 people in surrounding 34 villages benefited by getting better medical facilities. Total expenditure incurred is ₹ 1.60 lakh for procurement of medical equipment
- Provided water filters for safe drinking water in 10 ZP Schools and Anganwadi's in DIZ area. The total benefitted students were 351. A total amount of ₹ 14,990/- was spent towards purchase of water filters
- Provided 4 Water tanks with storage capacity of 5,000 litre each to 2 villages at Durgawadi & Shiwane (Dhebewadi) which benefitted a population of 550 and for two ZP schools at Khandotri & Shiwane which benefitted a student population of 117. This initiative, which cost ₹ 82,500/- helped to increase water storage in the dry season to some extent. In addition, Submersible Pump was fitted on borewell at village Durgawadi which benefitted a population of 752

Promoting Social Development

Chiplun JPTL

- Roof repairing work carried out at ZP-School, Village - Manjotri, which is situated in a very remote area in Chiplun taluka
- Constructed barbed wire fencing wall at two ZP schools at Dongalewadi and Natoshivarekarwadi, both located in Patan Taluka, which has improved students' safety (57 students)

- Intervened in ZP schools to implement digital classrooms concept by providing 15 Desktops (benefitted students – 629) and 5 LCD projectors (benefitted students – 183) in the DIZ area of JPTL at a cost of ₹ 7.08 lakh

Addressing Environmental Issues

Chiplun-JPTL

- 11 Solar kits with each set having 4 Tube Lights and a Fan donated to 6 ZP-Schools, which benefitted schools and reduced electricity bills. Total students benefitted with this initiative was 210
- 12 Solar Street light sets installed in two villages (Adare & Durgawadi) which benefitted a population of around 1,350

Swachh Bharat Abhiyan

Chiplun-JPTL

- Two School toilets were constructed for better sanitation facilities in Vahal and Lendori ZP School benefitting 111 boys & 106 girls

Rural Development Projects

Chiplun – JPTL

- Constructed Laterite pathway to approach village water source at Manjotri making it convenient for local villagers (population of around 200) to commute from household to common water source (well) in the rainy season
- Constructed all weather road of 850 Mtr length X 3 Mtr width, which benefited a population of 1,600 of four adjoining villages by way of increased mobility. Total amount spent for the road construction ₹ 21.68 lakh
- Constructed water tank with storage capacity of approx. 10 lakh litres. Now, a total of 5 villages will be free from dependency on water tankers benefitting a population of 215 & 400 cattle stock. Total amount spent to promote 'Jalayukt Shivar Abhiyan' as directed by Hon. District Collector-Ratnagiri was ₹ 23.21 lakh

JSW Energy Group CSR Expenditure Break-up

Category	Investment in ₹ Cr. (FY2017-18)	% of total investment
Improving Living Conditions	7.71	24%
Promoting Social Development	7.56	23%
Addressing Social Inequalities	0.08	0%
Addressing Environmental Issues	1.22	4%
Preserving national Heritage	4.28	13%
Promotion of Sports	2.70	8%
Rural Development Projects	6.27	19%
Swachcha Bharat Abhiyan	1.15	4%
Administration & Capacity Building	1.57	5%
Total	**32.53**	**100%**

Internal Control Systems and Audit

Overview

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

Internal Control

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

- Adequate documentation of policies, guidelines, authority and approval procedures covering all the important functions of the Company
- Deployment of an ERP system which covers most of its operations, and is supported by a clearly defined online 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 as well as 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 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

Management Discussion and Analysis



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 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 that reports 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 emerging industry trends and 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, and 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 organisation structure, insider trading policy, HR policy, IT security policy, treasury policy and business continuity, and disaster recovery plan). The Company has also prepared Standard Operating Procedures (SOP) for each of its processes like procure to pay, order to cash, hire to retire, treasury, fixed assets, inventory, manufacturing operations etc.

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

Directors' Report

To the Members,

Your Directors are pleased to present the 24th Annual Report and the audited Financial Statement of your Company for the year ended on 31st March, 2018.

1. Financial performance

The financial performance of the Company for the year ended on 31st March, 2018, is as summarised below:

(₹ crore)

Particulars	Standalone		Consolidated	
	2017-18	2016-17	2017-18	2016-17
Total Income	4,705.76	4,369.52	8,513.98	8,480.43
Profit before Interest, Depreciation, Tax and Exceptional items	1,200.65	1,233.82	3,227.56	3,541.36
Finance Cost	476.21	533.04	1,455.91	1,684.75
Depreciation and Amortisation expense	364.21	363.90	966.08	969.15
Share of Profit/(Loss) of an Associate/Joint venture	0	0	(49.49)	4.06
Exceptional items	659.18	0	417.94	0
Profit before Tax	(298.95)	336.88	338.14	891.52
Tax expense	145.33	142.13	253.23	269.01
Profit for the year attributable to: Owners of the Company	(444.28)	194.75	77.97	629.03
Profit for the year attributable to: Non-controlling interest	-	-	6.94	(6.52)
Other Comprehensive Income	700.06	0.17	697.12	432.09
Total Comprehensive Income (attributable to owners of the Company)	255.78	194.92	775.09	1,061.12
Total Comprehensive Income (attributable to Non-controlling interest of the Company)	-	-	6.94	(6.52)

2. Result of operations and the state of affairs

Standalone

- The total revenue of the Company for fiscal 2018 stood at ₹ 4,705.76 crore as against ₹ 4,369.52 crore for fiscal 2017 showing an increase of 7.70%.
- The EBIDTA (before exceptional items) decreased by 2.69% from ₹ 1,233.82 crore in fiscal 2017 to ₹ 1,200.65 crore in fiscal 2018.
- Profit after tax reduced from ₹ 194.75 crore in fiscal 2017 to loss after tax of ₹ 444.28 crore in fiscal 2018.
- The net worth of the Company increased to ₹ 9,877.47 crore at the end of fiscal 2018 from ₹ 8,393.56 crore at the end of fiscal 2017.
- The net debt gearing of the Company was at 0.30 times as at the end of fiscal 2018 compared to 0.39 times at the end of fiscal 2017.

Your Company has achieved a net debt reduction of ₹ 302 crore in FY 2017-18 and cost of long-term debt reduced by 114 bps p.a. in FY 2017-18.

Consolidated

- The consolidated total revenue of the Company for the fiscal 2018 stood at ₹ 8,513.98 crore as against ₹ 8,480.43 crore for fiscal 2017 showing an increase of 0.40%.
- The consolidated EBIDTA (before exceptional items) decreased from ₹ 3,541.36 crore in fiscal 2017 to ₹ 3,227.56 crore in fiscal 2018 showing a decrease of 8.86%.
- The consolidated profit for the year decreased from ₹ 629.03 crore in fiscal 2017 to ₹ 77.97 crore in fiscal 2018 showing a decrease of 87.60%.
- The consolidated net worth of your Company increased from ₹ 10,368.46 crore at the end of fiscal 2017 to ₹ 11,109.70 crore in fiscal 2018 showing an increase of 7.15%.
- The consolidated net debt gearing of the Company is 1.02 times as at end of fiscal 2018 compared to 1.29 times in fiscal 2017.

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. Reserves

The Company proposes to transfer an amount of ₹ 141.61 crore from the Debenture Redemption Reserve to Surplus. An amount of ₹ 155.83 crore is proposed to be retained in the Surplus.

4. Dividend

Considering the Company's growth plans, your Directors have decided not to recommend any dividend for FY 2017-18 [₹ 0.50 per share (5%) in previous year].

5. Financial Statement

The audited Standalone and Consolidated Financial Statement of the Company, which forms a part of this Annual Report, have been prepared in accordance with the provisions of the Companies Act, 2013, Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the prevailing Indian Accounting Standards.

6. Subsidiaries

The details of subsidiary companies as at 31st March, 2018, are as follows:

Domestic Subsidiaries

A. Raj WestPower Limited (RWPL)

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 and advanced ₹ 567.64 crore as loan to RWPL as at 31st March, 2018.

RWPL sources lignite from Barmer Lignite Mining Company Limited, 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 84.32% and a Plant Load Factor (PLF) of 72.47% with a gross generation of 6,856 million units. It's net generation (after auxiliary consumption) of 6,140 million units was sold to Discoms generating a total revenue of ₹ 2,288.86 crore and a profit after tax of ₹ 134.35 crore on a standalone basis and a profit after tax of ₹ 84.86 crore on consolidated basis during the FY 2017-18.

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 Ad-hoc / Interim Tariff based on which, RWPL has continued to raise its bills and recognise revenue in its books.

Barmer Lignite Mining Company Limited (BLMCL)

BLMCL is a 51: 49 joint venture between Rajasthan State Mines and Minerals Limited (RSMML), a Government of Rajasthan enterprise and RWPL. It 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 ₹ 567.64 crore, as on 31st March, 2018. BLMCL has incurred project cost of ₹ 2,146.38 crore as at 31st March, 2018, which is subjected to audit.

BLMCL has a mining lease for Kapurdi and Jalipa Lignite mines. The Ministry of Environment, Forest and Climate Change had, in September, 2014, approved the enhanced mining of lignite from Kapurdi mines to 7 MTPA for a period of 4 years. Jalipa Mines has achieved commercial operations with effect from 1st November, 2017. BLMCL has achieved production of 6 million tonnes of lignite from Kapurdi Mines and 0.11 million tonnes of lignite from Jalipa Mines in FY 2018. BLMCL supplied its entire lignite production from Kapurdi and Jalipa Lignite Mines to meet the total requirement of RWPL's power plant.

The transfer price of lignite is determined by RERC. While RERC is 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 for both the mines.

B. Jaigad PowerTransco Limited (JPTL)

JPTL, a 74:26 joint venture between the Company and Maharashtra State Electricity Transmission Company Limited, 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 as at 31st March, 2018 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. On 29th November, 2017, JPTL filed petitions with MERC for approval of Truing

Up of ARR for FY 2015-16 and FY 2016–17, Provisional Truing up of FY 2017-18 and revised projection of FY 2018-19 and FY 2019-20 in accordance with MERC MYT Regulations 2011 & 2015.

JPTL has maintained a high availability of the transmission system at 99.63% for FY 2017-18. JPTL has generated total revenue of ₹ 91.57 crore and net profit after tax of ₹ 26.82 crore during the FY 2017-18. The Board of JPTL has declared an interim dividend of 15% and recommended a final dividend of 10% for FY 2017-18.

C. Himachal Baspa Power Company Limited (HBPCL)

The strategic acquisition of the hydro-electric power plants at Karcham and Baspa in FY 2015-16, marked the Company's foray in hydro power generation. The Company has invested ₹ 2,046.01 crore as equity as at 31st March, 2018 in HBPCL.

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 1,100 MW (10% overload) and design energy is 4,131 MUs for 1,000 MW capacity.

During the year ended 31st March, 2018, the Karcham plant achieved a Plant Load Factor of 52.18% with gross generation of 4,570.63 million units and a net generation of 3,995.55 million units after auxiliary consumption and free power supply to Government of Himachal Pradesh (GoHP) (12%). Out of the net generation, it has sold 2,330.75 million units to PTC India Limited under a long-term Power Purchase Agreement. 1,664.80 million units have been sold to Indian Energy Exchange (IEX) and other buyers under short term agreements. The plant generated total revenue of ₹ 1,216.48 crore during the FY 2017-18.

During the year ended 31st March, 2018, HBPCL has successfully secured PPAs aggregating to 376 MW, to be supplied from the Karcham Plant. This consists of supply of 176 MW to Haryana Power Purchase Centre under a PPA with PTC India Limited and 200 MW to Punjab State Power Corporation Limited under the original PPA for 704 MW.

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 1,213 million units for 300 MW capacity which comes to 1,050 million units (Net) after auxiliary consumption and free power to GoHP (12%).

During the year ended 31st March, 2018, the Baspa plant achieved a Plant Load Factor of 51.87% with gross generation of 1,336.65 million units and net generation of 1,163.36 million units (net) after auxiliary consumption and free power to GoHP (12%). Out of the net generation, it has sold 1,163.36 million units to Himachal Pradesh State Electricity Board Limited and generated total revenue of ₹ 184.45 crore during the FY 2017-18.

D. JSW Green Energy Limited (JSWGEL)

JSWGEL was incorporated as a wholly owned subsidiary of the Company for developing the renewable arm of the Company. The Company has invested ₹ 70.05 crore as equity and advanced ₹ 4.08 crore as loan to JSWGEL as at 31st March, 2018.

Pursuant to the Scheme of Arrangement approved by the National Company Law Tribunal, the power trading business of the erstwhile JSW Power Trading Company Limited (JSWPTC) has been demerged into JSWGEL and its remaining business has been merged with JSW Energy Limited from the Appointed Date i.e. closing hours of 31st March 2015. The Effective Date of the Scheme was 19th February, 2018. Consequently, the trading licence held by the erstwhile JSWPTC was transferred to JSWGEL pursuant to which, JSWGEL has commenced trading in power procured from the Company and its associates as well as third party suppliers / generators.

JSWGEL (erstwhile JSWPTC) achieved a total trading volume of 3,546 million units generating a total revenue of ₹ 1,411.89 crore with profit after tax of ₹ 0.05 crore. Trading volume has reduced by 13% on account of the Company undertaking direct sale of major quantum of power from its plants to customers. JSWGEL has facilitated its Group Company's plants for supplying power directly to the utilities / industry.

While JSWGEL has obtained membership of Power Exchange of India Limited, it has applied for membership to India Energy Exchange Limited.

E. JSW Energy (Raigarh) Limited (JSWERL)

JSWERL, a wholly owned subsidiary of the Company, was incorporated for setting up a coal based 1,320 MW power plant in Raigarh District, Chhattisgarh. The Project Cost is estimated at ₹ 6,500 crore and is proposed to be financed

with a debt equity ratio of 75:25. 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. JSWERL is yet to commence operations.

The Company has invested ₹ 113.83 crore as equity and advanced ₹ 0.35 crore as loan to JSWERL as at 31st March, 2018.

F. JSW Energy (Kutehr) Limited (JSWEKL)

JSWEKL was incorporated as a wholly owned subsidiary of the Company as a special purpose vehicle 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. JSWEKL is yet to commence operations.

The Company has invested ₹ 29.02 crore as equity contribution as at 31st March, 2018 in JSWEKL.

G. JSW Solar Limited (JSWSL)

During the year under review, the Company incorporated JSWSL, a 100% subsidiary in the renewable energy space, on 1st January, 2018 and its first financial year will end on 31st March, 2019.

The Company has invested ₹ 0.01 crore as equity as at 31st March, 2018 in JSWSL.

H. JSW Electric Vehicles Private Limited (JSWEVL)

The Company has diversified its business to foray into electric vehicles, energy storage systems and charging infrastructure.

To fuel this diversification strategy, the Company, during the year under review, acquired 100% stake in to undertake manufacturing of electric vehicles, energy storage systems. JSWEVL was incorporated on 18th July, 2017. The consolidated results of the Company include the financials of JSWEVL for the first financial year ended on 31st March, 2018.

The Company has invested ₹ 0.01 crore as equity as at 31st March, 2018 in JSWEVL.

Overseas Subsidiaries

A. JSW Energy Minerals Mauritius Limited (JEMML)

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

The Company has equity investment of ₹ 42.11 crore in JEMML and advanced ₹ 343.76 crore as loan as on 31st March, 2018. It has downstream equity investment of ₹ 39.03 crore in JSW Energy Natural Resources Mauritius Limited (JENRML) and advanced ₹ 346.93 crore as loan as on 31st March, 2018 for acquiring and developing coal mining assets in South Africa.

JENRML has invested a minimal amount (less than ₹ 50,000) in the equity of Minerals & Energy Swaziland Proprietary Limited (MESPL) and has advanced ₹ 2.60 crore as loan to MESPL as on 31st March, 2018.

The Company has initiated the process of liquidating JEMML by consolidating its operation in one Mauritius Company viz. JSW Energy Natural Resources Mauritius Limited.

B. JSW Energy Natural Resources Mauritius Limited (JENRML)

JENRML was incorporated on 19th April, 2010 in Mauritius as a wholly owned subsidiary of JEMML for overseas acquisition of coal assets. It has downstream investment of ₹ 38.76 crore in equity of JSW Energy Natural Resources South Africa (PTY) Limited and advanced ₹ 342.84 crore as loan as on 31st March, 2018. The Company has initiated the process of transferring the equity investment and advances provided by JEMML to JENRML in its books pursuant to proposed liquidation of JEMML. Investment made in the equity and advances provided to MESPL by JEMML shall be transferred in to JENRML pursuant to proposed liquidation of JEMML.

C. JSW Energy Natural Resources South Africa (PTY) Limited (JSWNRSAL)

JSWNRSAL has invested an amount of ₹ 28.43 crore in acquiring equity of Royal Bafokeng Capital (Proprietary) Limited (RBC) and ₹ 8.70 crore in acquiring equity of Mainsail Trading 55 Proprietary Limited (Mainsail), wholly owned subsidiaries of JSWNRSAL. Further JSWNRSAL has invested an amount of ₹ 7.19 crore in equity of South African Coal Mining Holdings Limited (SACMH) and advanced ₹ 296.39 crore as loan to its subsidiaries as on 31st March, 2018.

D. South African Coal Mining Holdings Limited (SACMH)

SACMH is utilising its logistical and infrastructural assets to generate rental income to offset the costs incurred while mining operations remain suspended. The mines are presently under care and maintenance pending receipt of requisite licences in the new mining area. The effective shareholding of the Company in SACMH as at 31st March, 2018 stands at 69.44%.

E. Minerals & Energy Swaziland Proprietary Limited (MESPL)

MESPL was acquired on 4th September, 2016 through JEMML acquiring 51% stake in MESPL's equity, for setting up of power plant in the Kingdom of Swaziland.

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

During the year under review, the below mentioned subsidiaries have been wound up / liquidated / ceased to exist in accordance with the local legal statutory requirements:

A. JSW Power Trading Company Limited (JSWPTC)

B. JSW Energy Natural Resources UK Limited (JENRUKL)

C. JSW Energy Natural Resources (BVI) Limited (JENRBL)

D. Ilanga Coal Mines Proprietary Limited

E. Voorslag Coal Handling Proprietary Limited

F. SACM (Newcastle) Proprietary Limited

G. Jigmining Operations 3 Proprietary Limited

The performance and financial position of each of the subsidiaries, associates and joint venture companies for the year ended 31st March, 2018 in the prescribed format AOC-1 is attached as Annexure B to the Consolidated Financial Statement of the Company and forms a part of this 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 website of the Company at the link www.jsw.in/investors/energy.

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

8. New Projects, Initiatives and Joint Ventures

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

Toshiba JSW 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.

Toshiba Corporation has undergone corporate restructuring as a result of which its entire energy business stands transferred to its new subsidiary, Toshiba Energy Systems & Solutions Corporation (TESSC). To support the operations of Toshiba JSW, TESSC is proposing capital infusion of ₹ 1,100 crore in Toshiba JSW.

Power Exchange of India Limited (PXIL)

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. JSWGEL is also a member of PXIL.

The Company has invested ₹ 1.25 crore in PXIL.

9. Non-Convertible Debentures / Deposits

During the year ended 31st March, 2018, your Company has redeemed / repaid Non-Convertible Debentures amounting to ₹ 920 crore. The redemption / repayment is in accordance with the terms of the respective issues.

Also, during the year ended 31st March 2018, 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 8.40% p.a. with redemption at the end of 3 years. The NCDs are listed on the WDM segment of BSE Limited.

The Company has neither accepted nor renewed any deposits 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 Controls Systems and Internal Financial Controls related to Financial Statement

The details in respect of internal controls and internal financial control and their adequacy are included in the Management Discussion and Analysis, which forms a part of this Report.

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 website of the Company at the link: www.jsw.in/investors/energy.

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

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. 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 A to this Report.

15. Disclosure under the Employees Stock Option Plan and Scheme

During the year under review, the JSWEL Employees Stock Option Plan 2010 (ESOP 2010) and JSWEL Employees Mega Stock Option Scheme 2012 (ESOS 2012) were terminated on the Closing Date of 30th September, 2017 and any Stock Options that remained unexercised after the Closing Date, have automatically lapsed.

The Board of Directors of the Company, at its meeting held on 20th January, 2016, formulated the JSWEL Employees Stock Ownership Plan – 2016 (Plan 2016), to be implemented through the JSW Energy Employees ESOP Trust (Trust).

A total of 60,00,000 (Sixty Lakhs) options would be available for grant to the eligible employees of the Company and its Indian Subsidiaries, including Whole-time Directors.

The Compensation Committee at its meeting held on 3rd May, 2016 granted 24,47,355 options, being the first grant under Plan 2016, to the eligible employees of the Company and its Indian Subsidiaries, including Whole-time Directors. The grant of options to the then Whole-time Directors of the Company was approved by the Nomination & Remuneration Committee and the Board. 24,94,660 options, being the second grant under Plan 2016, were granted by the Compensation and Nomination & Remuneration Committee at its meeting held on 20th May, 2017 under Plan 2016 to the eligible employees of the Company and its Indian Subsidiaries, including Whole-time Directors. Mr. Jyoti Kumar Agarwal, Director – Finance, has been granted 87,252 options.

As per the Plan 2016, 50% of the granted options will vest at the end of the third year and the balance 50% at the end of the fourth year.

The applicable disclosures as stipulated under the Securities and Exchange Board of India (Share Based Employee Benefits), Regulations, 2014 ('SEBI (SBEB) Regulations') for the year ended 31st March, 2018, with regard to the ESOP 2010, ESOS 2012 and ESOP 2016 are provided on the website of the Company at the link: www.jsw.in/investors/energy and forms a part of this Report.

Voting rights on the shares, if any, as may be issued to employees under the aforesaid ESOP Plans are to be exercised by them directly or through their appointed proxy; hence, the disclosure stipulated under Section 67(3) of the Companies Act, 2013, is not applicable.

There is no material change in the aforesaid ESOP Plans and the same are in compliance with the SEBI (SBEB) Regulations.

The certificate from the Statutory Auditors of the Company, that the Scheme has been implemented in accordance with the SEBI (SBEB) Regulations and with the Resolution passed by the Members, would be placed at the forthcoming 24th Annual General Meeting for inspection by the Members.

16. Share Capital

The Paid up Equity Share Capital as at 31st March, 2018 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 and 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 (₹ 3,711 crore) and Non-Convertible Debentures (₹ 2,920 crore) of the Company. The outlook was indicated as 'Negative'.

The rating for the short-term bank facilities (₹ 4,652 crore) and proposed Commercial Papers (₹ 700 crore) has been reaffirmed at 'CARE A1+' (A One Plus).

18. Awards

During the year, the Company received the following awards:

Vijayanagar

1. 'National Energy Management Award' for 'Excellence in Energy Management' by Confederation of Indian Industries (CII)
2. 'Safety Award' (2nd prize) for Best Safe Power Boiler, 2017 by Department of Factories, Boilers, Industrial Safety and Health, Government of Karnataka
3. 'RoSPA Award' (Silver Award) for occupational Health and Safety Performance by The Royal Society for the Prevention of Accidents, United Kingdom for maintaining high level of safety practices
4. Power Award for Innovation in Energy Conservation by Independent Power Purchase Producers Association of India (IPPAI)
5. Power Award for outstanding contribution in turning ideas and policies into reality by Government of Karnataka

Ratnagiri

1. Golden Peacock National Quality Award-2017 (Winner) for overall quality of work by Institute of Directors, New Delhi
2. SEEM National Energy Management Award-2016 (Gold) for efforts taken in Energy Conservation by the Society of Energy Engineers & Managers
3. MEDA State Level Award for Excellence in Energy Conservation & Management for 2015-16 by MEDA (Maharashtra Energy Development Energy-A Govt. of Maharashtra Institution)
4. Outstanding Achiever in Power Sector Award for Innovation in Energy Conservation by Independent Power Purchase Producers Association of India (IPPAI)
5. Outstanding Achiever in Power Sector Award for Innovation in Fuel Storage (New Alternate Fuel)-Pyrolysis System by Independent Power Purchase Producers Association of India (IPPAI)
6. Five Star (Very Good) Rating for pollution control measures from Maharashtra Pollution Control Board on the basis of Particulate Matter Emission

19. Directors and Key Managerial Personnel

During the year under review, Mr. Prashant Jain was appointed as the Joint Managing Director and CEO of the Company with effect from 16th June, 2017. Mr. Sanjay Sagar resigned as the Joint Managing Director and CEO of the Company with effect from the close of business hours on 15th June, 2017. Your Directors place on record their appreciation for valuable services rendered by Mr. Sagar.

Mr. Uday Chitale, Independent Director, resigned as a Director with effect from 23rd April, 2018. Your Directors place on record their appreciation for valuable services rendered by Mr. Chitale.

Re-appointment / Appointment

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Ms. Tanvi Shete (DIN: 07565435) retires by rotation at the forthcoming 24th Annual General Meeting and, being eligible, offers herself for re-appointment.

On the recommendation of the Compensation and Nomination & Remuneration Committee, the Board appointed Mr. Jyoti Kumar Agarwal (DIN: 01911652) as an Additional Director with effect from 11th August, 2017 to hold office upto the date of the forthcoming 24th Annual General Meeting. Subject to the approval of the Members, the Board also appointed Mr. Jyoti Kumar Agarwal as a Whole-time Director (designated as Director - Finance) for a term of 5 years with effect from 11th August, 2017 till 10th August, 2022.

On the recommendation of the Compensation and Nomination & Remuneration Committee, the Board appointed Mr. Sattiraju Seshagiri Rao (DIN: 00150816) as an Additional Director with effect

from 3rd May, 2018 to hold office upto the date of the forthcoming 24th Annual General Meeting. Subject to the approval of the Members, the Board also appointed Mr. Sattiraju Seshagiri Rao as an Independent Director for a term of 3 years with effect from 3rd May, 2018 till 2nd May, 2021.

The above appointments and re-appointments form a part of the Notice of the forthcoming 24th Annual General Meeting, and the Resolutions are recommended for your approval.

Profiles of these Directors, as required by Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Clause 1.2.5 of the Secretarial Standards - 2, are given in the Notice of the forthcoming 24th Annual General Meeting.

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 the subsidiary companies.

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

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

Mr. Sanjay Sagar ceased to be a Key Managerial Personnel (Joint Managing Director & CEO) upon his resignation at the close of business hours on 15th June, 2017.

Mr. Prashant Jain was appointed as a Key Managerial Personnel in his capacity of Joint Managing Director & CEO of the Company with effect from 16th June, 2017.

20. Corporate Governance Report

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

The requisite Certificate from Deloitte, Haskins & Sells LLP., 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 the Corporate Governance Report.

21. Business Responsibility Report

As mandated by Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility Report of the Company for the year ended 31st March, 2018 is available on the website of the Company at the link: www.jsw.in/investors/energy.

22. 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 and loss 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;

(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; and

(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.

23. Disclosures related to Company Policies

A. Nomination Policy

The Company has devised a 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 Compensation and Nomination & 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. 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, KMP 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 annexed as Annexure B and forms a part of this Report.

C. Corporate Social Responsibility Policy

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

The Corporate Social Responsibility Policy *inter alia* strives to address the issues related from antenatal stage of life up to the reproductive age of 45 years under the theme 'Janam se Janani Tak, JSW Aap ke Saath' through a process of social inclusion.

The Company has adopted a strategy for working directly or through JSW Foundation or in partnership, as appropriate, and is committed to allocating at least 2% of average net profit of the last 3 years as required under Companies Act, 2013 towards Corporate Social Responsibility for the activities covered by categories mentioned in Schedule VII of the Companies Act, 2013.

In line with the approach and strategy, the Company plans interventions *inter alia* in the field of health, education, livelihood, vocational education, women empowerment, environment sustainability and responsible citizenship.

The CSR Policy of the Company is available on the website of the Company at the link: www.jsw.in/investors/ energy.

During the year, the Company has spent the entire mandated amount of ₹ 20.25 crore on CSR activities. Please refer to the Management Discussion and Analysis section for further details.

The Annual Report on CSR activities is annexed as Annexure C and forms a part of this Report.

D. 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 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 is available on the website of the Company at the link: www.jsw.in/ investors/energy.

E. Risk Management Policy

The Board 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 recognises that the emerging and identified risks need to be managed and mitigated to –

- Protect its shareholders and other stakeholder's interest,
- Achieve its business objective and
- Enable sustainable growth.

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 and 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) Decided strategies are executed with focus on action.

f) Risks arising out of unintended consequences of decisions or actions related to performance, operations, compliance, incidents, processes, systems are monitored and managed appropriately.

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

h) 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.

F. Policy for Annual Performance Evaluation of Directors, Committees and Board

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, 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 criteria specified in this Policy, evaluation of performance during FY 2017-18 was carried out by the Compensation and Nomination & Remuneration Committee, of the Individual Directors while the Board carried out performance evaluation of Independent Directors, its own performance and that of the working of its Committees.

A Meeting of the Independent Directors, with Mr. Chandan Bhattacharya as the Lead Director, was held on 27th March, 2018, 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, feedback is shared with the Directors on the outcome of the evaluation process.

G. Material Subsidiary Policy

The Policy for determining Material Subsidiaries may be accessed on the website of the Company at the link: www.jsw.in/investors/energy.

H. Dividend Distribution Policy

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, top 500 listed entities based on market capitalisation are required to formulate a Dividend Distribution Policy. The Board has approved and adopted a Dividend Distribution Policy which is annexed as Annexure D and forms a part of this Report and the same is available on the website of the Company at the link: http://www.jsw.in/investors/energy/jsw-energy-corporate-governance-policies.

24. Meetings of the Board

During the year, the Board of Directors met 10 times. For details of the meetings of the Board, please refer to the Corporate Governance Report which forms a part of this Annual Report.

25. Auditors and Auditors Reports

a. Statutory Auditors

The Statutory Auditors have issued Audit Reports with unmodified opinion on the Standalone and Consolidated Financial Statements of the Company for the year ended 31st March, 2018. The observations made by the Statutory Auditors in their report for the financial year ended 31st March, 2018 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.

Deloitte Haskins & Sells LLP., Chartered Accountants, Mumbai, were appointed as the Statutory Auditors of the Company from the conclusion of the previous (23rd) Annual General Meeting till the conclusion of the 28th Annual General Meeting, subject to ratification of their appointment by the Members at every intervening Annual General Meeting.

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 continue 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 ratification of appointment of Deloitte, Haskins & Sells LLP, Chartered Accountants, Mumbai as the Statutory Auditors has been included in the Notice of the forthcoming 24th Annual General Meeting of the Company and the Resolution is recommended for your approval.

b. Secretarial Auditor

The Board had appointed S. Srinivasan and Co., Company Secretaries, to carry out a Secretarial Audit for the financial year 2017-18.

The Secretarial Audit Report issued by S. Srinivasan and Co., Company Secretaries for the financial year 2017-18 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 is annexed as Annexure E and 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 S.R. Bhargave & Co., Cost Accountants, to conduct the audit of the cost records of the Company for the financial year 2018-19. 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 S. R. Bhargave & Co., Cost Accountants to conduct the audit of cost records of the Company for the financial year 2018-19 has been included in the Notice of the forthcoming 24th Annual General Meeting of the Company and the Resolution is recommended for your approval.

26. Extract of Annual Return

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, an extract of the Annual Return for the financial year ended 31st March, 2018 made under the provisions of Section 92(3) of the Act is annexed as Annexure F and forms a part of this Report.

27. Environment Norms

As a conscious effort to maintain the best standards, the Company has deployed state of the art technology to prevent / minimise pollution at all its power plants.

Ministry of Environment, Forest and Climate Change in December, 2015, revised environment emission norms with more stringent emission parameter limits for the operating and under implementation power plants in the country. The parameters have been revised for Particulate Matter, Sulphur Dioxide (So2), Nitrogen Oxides (No2), Sp. Water Consumption (Cum/MWh), Mandatory Environmental Discharge, etc. The current deadline for achieving the revised norms is December 2022.

In keeping with its responsibility towards protecting the ecology, the Company has already complied with most of the revised norms and is in the process of complying with the balance norms well within the deadline.

28. 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

1. SBU-2 ESP Power consumption optimisation by changing the operating mode and duty ratio in both 300MW units resulted in recurring saving of 500Kwh.
2. SBU-1 Unit-2, Reduction of power consumption of ID fan motors by installing variable frequency drives (VFD) and spacer coupling shaft resulted in recurring saving of 400KWh.
3. SBU-2 Units, reduction of CEP Power consumption by implementing VFD Auto Operation on optimised header pressure resulted in recurring saving of 280Kwh.
4. SBU-2 Units, during part load operation of the plant and to optimise the auxiliary power consumption, one CW pump was stopped resulted in saving of 1430KWh.
5. SBU-1 Unit, during part load operation of the plant and full gas firing conditions, stopping of one PA fan and mills resulted in saving of power 265KWh.
6. 1800 Nos of LEDs were retrofitted in place of the existing HPSV lamps, resulted in saving of 90Kwh
7. SBU-1 Unit, reduction of ESP power consumption by changing charge ratio resulted in saving of 82Kwh
8. SBU-2 Unit, seal air fan power consumption reduced by optimising the seal air header pressure resulted in saving of 30Kwh.
9. SBU-1 and 2, reduction of oil consumption by 9KL per cold start-up by cut-in gas burners and optimising the start-up time
10. Improvement of SBU-1 Unit-1 heat rate by 50KCal/Kwh by identifying and arresting the air-ingress into the condenser using the new methodology of condenser steam pressurisation test.

Ratnagiri

1. Replacement of ID fan hydraulic coupling with spacer coupling shaft between motor and fan, resulted in savings of 567 kWh per hour. Approx. reduction of 0.19% of aux power at full load.
2. Lowered both sides of hot water manifold of Unit-4 cooling tower to improve the cooling tower performance. This has resulted in improvement of 0.60 Deg.C in cold water temperature, resulting in improvement of 4.27 kCal/kWh Turbine heat rate.

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

Vijayanagar: -Nil

Ratnagiri: - Nil

(iii) The capital investment on energy conservation equipment:

For the steps taken in 28(A)(i) above, capital investment are

Vijayanagar: - ₹ 7.83 crore

Ratnagiri: - ₹ 2.38 crore.

(B) Technology absorption –

(i) The efforts made towards technology absorption;

Vijayanagar

1. SBU - 2 Unit - 2 Electrostatic Precipitator (ESP) spike electrodes replaced with spiral electrodes.
2. SBU-1 Unit-2 Distributed control system (DCS) R&M (Renovation and modernisation) with latest State of Art Symphony Plus Technology.
3. Nitrogen blanketing for HP Bypass system to avoid moisture ingress.

4. Carried out 56 numbers of logic/structural modifications in plant which has resulted in enhanced plant performance and safety.
5. SBU-2 Unit-2 one mill, the conventional rollers were replaced by Sinter Cast rollers.
6. 300MW Units mill gear box internals were developed indigenously.
7. 400KV switchyard pantograph isolators are replaced with improved version of scissor design.

Ratnagiri

1. Changing Unit-4 Turbine insulation from alumina-silicate to Ceramic MAT insulation.
2. Installation of CO analyser in Unit-1.

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

Vijayanagar

1. Improved ESP performance and availability.
2. Improvement in plant availability and performance. Control system life extension for 15 years. Reduced electronic foot print and reduced power consumption of DCS.
3. Improved oil quality and reduction in spare consumption.
4. Reduction of safety Hazard and enhanced plant performance.
5. Enhanced the mill grindability and roller life.
6. Optimised Spares' cost.
7. Reduced down time and improved plant availability.

Ratnagiri

1. Reduction in Heat Loss.
2. Optimum air requirement for combustion which resulted in aux. power consumption.
3. Improvement in turbine oil quality reduced abnormality in turbine bearings.

(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 2017-18.

Ratnagiri

As such the Company did not carry out any basic R & D work during the year 2017-18.

(v) Future Plan

Vijayanagar

1. Replacement of cooling tower fills with new technology to avoid silt deposition and improved efficiency.
2. Firing of domestic coal blended with imported coal.

Ratnagiri

1. Unit-1 HPH-6 refurbishment.
2. Erection and commissioning of RO Plant.
3. Replacement of 12 CT fans with energy efficient fans.
4. Installation of online CO analyser in one Unit.
5. Installation of ash analyser.
6. Installation of auto sampler for coal sample collection for quality analysis.
7. One additional line for ash conveying for ESP 3, 4, 5 and 6 field hoppers for each pass. Field no 3 and 6 hoppers ash will be conveyed from existing line & field no 4 and 5 ash will be conveyed by new line. This will improve ash conveying cycle in view of high ash coal utilisation.
8. Installation of CCTV for Security and Plant Surveillance.
9. Installation of STP analyser at Jaiwadi Township.

(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	2,133.57
b)	Stores, Spares and Plant & Equipment	3.92
c)	Furniture and Fixtures	-
d)	Travelling Expenses	0.12
e)	Legal and Professional	1.16
f)	Interest and Finance charges	29.35
g)	Membership fee	0.05
h)	Other expenses	0.01
i)	Dividend	1.90

29. Particulars of Employees and Related Disclosures

Disclosure 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 is annexed as Annexure G and forms a part of this Report.

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure H and forms a part of this Report.

Pursuant to the requirements under the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has enacted a Policy and constituted Internal Complaints Committees. Your Directors state that during the year under review, no cases were filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. To build awareness in this area, the Company has been conducting induction / refresher programmes in the organisation on a continuous basis.

30. 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.

For and on behalf of the Board of Directors

Sajjan Jindal
Chairman & Managing Director

Mumbai, 3rd May, 2018

Annexure - A

FORM NO. AOC – 2

(Pursuant to clause (h) of sub – section (3) of section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014

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

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

2. Details of material contracts or arrangements or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the Values, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
JSW Power Trading Company Limited (Wholly owned Subsidiary of the Company)	Sale of Power, Rebate for prompt payment etc.,	Memorandum of Understanding Dated: 05.12.2006 Period: 01.04.2006 till cancellation.	JSW Energy Limited shall supply power to JSW Power Trading Company Limited which in turn shall sell the same to customers across India (For details of transactions during the year Refer Note 40 of Standalone Financial Statements)	-	Nil
JSW International Tradecorp Pte. Limited (Promoter Group Company)	Purchase of Quality Thermal Coal	Umbrella Agreement Dated: 07.03.2014 Period: 3 years from the date of agreement which will be automatically extended for additional 2 years.	Purchase of quality thermal coal originating *inter alia* from Indonesia, South Africa, Australia and Mozambique (For details of transactions during the year Refer Note 40 of Standalone Financial Statements)	-	Nil
JSW Steel Limited (Promoter Group Company)	Sale of Power & other materials, O&M services, Purchase of fuel & other materials, etc.	Power Purchase Agreement Dated: 21.09.2006 Period 01.09.2009 to 31.08.2019. Power Purchase Agreement Dated: 02.05.2015 Period 01.04.2015 to 31.03.2040 O&M Agreement Dated: 17.08.2006 Valid up to 31.03.2019. O&M Agreement Dated: 15.05.2012 Valid up to 31.03.2019. Fuel and Water Supply Agreement Dated: 12.12.2001 Period 01.08.2001 to 31.07.2031	Sale of Power & other materials, O&M services, etc to JSW Steel Limited (JSWSL) and also purchase from JSWSL fuel & other materials, steel, receive / avail services, etc, besides reimbursement of expenses paid on each other's behalf, allocating common corporate expenditure. (For details of transactions during the year Refer Note 40 of Standalone Financial Statements)	-	Nil

For and on behalf of the Board of Directors

Mumbai
3rd May, 2018

Sajjan Jindal
Chairman & Managing Director
(DIN:00017762)

Annexure - B
Remuneration Policy

PREFACE

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

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

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

I. Objectives of remuneration policy:

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

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

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

iii. Remuneration is linked to performance;

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

II. Applicability:

The Policy is applicable to

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

III. Key definitions:

- 'Board' means Board of Directors of the Company.
- 'Directors' mean Directors of the Company.
- 'Committee' means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
- 'Company' means JSW Energy Limited.
- 'Independent Director' means a director referred to in Section 149 (6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.
- 'Key Managerial Personnel (KMP)' means-
  - (i) the Chief Executive Officer or the Managing Director or the Manager
  - (ii) the Company Secretary
  - (iii) the Whole-Time Director
  - (iv) the Chief Financial Officer
  - (v) Such other officer as may be prescribed under the applicable statutory provisions / regulations.
- 'Remuneration' means remuneration as defined under Section 2(78) of the Companies Act, 2013 including any amendment thereof.

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

IV. Remuneration components:

The remuneration includes fixed and variable pay and retirement benefits, wherever applicable.

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

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

V. Policy:

General:

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

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

3. Where any insurance is taken by the Company on behalf of its Managing Director/ Whole-time Director / Executive Director, Chief Executive Officer, Chief Financial Officer, 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 - C

Annual Report on 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 programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programmes.

   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 link:http://www.jsw.in/investors/energy/jsw-energy-corporate-governance-policies

   Refer Section: Corporate Social Responsibility in this Report

2. CSR Committee:

   The Company has constituted a CSR Committee to fulfill, interalia, its Corporate Social responsibility. The composition of the Committee is as follows:

   Ms. Sheila Sangwan, Chairperson, Mr. Sanjay Sagar [upto 15.06.2017], Mr. Prashant Jain [from 16.06.2017], Mr. Nirmal Kumar Jain, Mr. Chandan Bhattacharya and Ms. Shailaja Chandra

		₹ crore
3.	Average net profit of the Company for last three financial years.	1,011.46
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above).	20.23
5.	Details of CSR spent during the financial year:	20.25
	(a) Total amount to be spent for the financial year;	20.23
	(b) Amount unspent, if any;	Nil
	(c) Manner in which the amount spent during the financial year is detailed below:	

1	2	3	4	5	6	7	8
Sr. No	**CSR project or activity identified**	**Sector in which the project is covered**	**Projects or programmes (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken**	**Amount outlay (budget) project or programmes wise**	**Amount spent on the projects or programmes Sub-heads: (1) Direct expenditure on projects or programmes (2) Overheads:**	**Cumulative expenditure upto the reporting period**	**Amount spent Direct or through implementing agency**
1.	Providing Vocational Training Through OPJVTC, Providing quality education to students by financial aid to school to meet operational expenses, Promoting higher education by scholarships to rural students, 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	4.01	3.91	3.91	Direct & Implementing Agencies: a. Father Agnel Institute b. District Industries Center at Recong Peo, Himachal Pradesh. c. Navnirmiti Eduquality Foundation (NEF), Mumbai, Maharashtra,

1	2	3	4	5	6	7	8
Sr. No	**CSR project or activity identified**	**Sector in which the project is covered**	**Projects or programmes (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken**	**Amount outlay (budget) project or programmes wise**	**Amount spent on the projects or programmes Sub-heads: (1) Direct expenditure on projects or programmes (2) Overheads:**	**Cumulative expenditure upto the reporting period**	**Amount spent Direct or through implementing agency**
2.	Mission against Malnutrition, providing nutrition supplements at schools and aganwadies, providing training & technology support for agriculture improvement to farmers, soil conservation and organic farming, promoting health care including safe drinking water & eye camps	Improving Living Conditions	Area: a. Sandur Taluka & Kudalgi Taluka, b. local area of Jaigad Panchkroshi, c. DIZ of Hydro Plant, d.Kutehr HEP - Bharmore Block, District: a. Bellary b. Ratnagiri and Gadchiroli c. Kinnaur, d. Chamba State: a. Karnataka b. Maharashtra c. Himachal Pradesh	6.60	6.71	6.71	Direct & Implementing Agency: a. International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) b. Spirulina Foundation & Bhoruka Charitable Trust
3.	Construction of individual and community toilets, waste management plan, providing bio toilet technology in Gram Panchayat	Swachh Bharat Abhiyan		0.45	0.45	0.45	Direct
4.	Building infrastructure, support and trainings for income generation program such as mango and cashew canning units etc, supporting Livelihood activities under women empowerment programme	Addressing Social Inequalities		0.08	0.08	0.08	Direct and Implementing Agency: RFSPL Mumbai
5.	Watershed management and promoting use of renewable energy	Addressing Environmental Issues		0.63	0.62	0.62	Direct
6.	Restoration of Heritage	Preserving national Heritage		0.01	0.01	0.01	Direct
7.	Sports infrastructure development and providing equipments, financial support for local sports and taluka level sports, boxing ring installation	Promotion of Sports		2.83	2.70	2.70	Direct
8.	Projects undertaken under Rural Development by providing and Improving infrastructure facilities, drinking/ domestic water supply, road repair, installation of transformer/ street lights / high lights, etc.	Rural Development		4.61	4.77	4.77	Direct
9.	Administration & Capacity Building Expenses	Administration & Overheads Expenses		1.01	1.00	1.00	Direct
	Total			20.23	20.25	20.25	

6. In case the Company has failed to spend the two percent 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 Directors' Report: Not Applicable

7. A responsibility statement of the CSR Committee that the implementations 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

Prashant Jain
Jt. Managing Director & CEO
DIN:01281621

Annexure - D

Dividend Distribution Policy

PREFACE

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

1. Objective

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

2. Effective Date

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

3. Regulatory Framework

The Securities and 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 capitalisation 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 capitalisation 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 in the aforesaid sections 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 utilisation of retained earnings

Retained earnings may be utilised 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 and Exchange Board of India or such other regulatory authority as may be authorised, 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 - E
Secretarial Audit Report

Form No. MR- 3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2018

[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,
Maharashtra- 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 bearing CIN: L74999MH1994PLC077041 (hereinafter called the Company). The 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 authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 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 the Company for the financial year ended on 31st March, 2018, 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') as may be appropriately applicable for the period under review:-

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

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

   f. 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;

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and

vi. All other relevant applicable laws including those specifically 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, SS-2 and SS-3 issued and notified by the Institute of Company Secretaries of India has been generally complied with by the Company during the financial year under review;

- **SEBI (Listing Obligations and Disclosure 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 Disclosure Requirements), 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, 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 at least 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 decision has been carried through in the Board Meetings while there were no dissenting members' views.

I further report that, 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.

I further report, that 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:

1. The Company has acquired equity shares of JSW Electric Vehicles Private Limited to make it a wholly owned subsidiary for venturing into the business of Electric Vehicles, Energy Storage Systems and associated activities.
2. The Company has entered into MoUs with the Government of Gujarat/Maharashtra for setting up facilities for the manufacturing of Electric Vehicles, Electrical Battery/ Energy Storage Solutions and charging infrastructure.
3. During the year the Company has formed a wholly-owned subsidiary JSW Solar Limited to own and develop renewable energy projects on turnkey basis.
4. The Scheme of Arrangement with JSW Power Trading Company Limited (wholly owned subsidiary) and JSW Green Energy Limited (wholly owned subsidiary),has become effective during the year pursuant to the approval received from the National Company Law Tribunal (NCLT) and Central Electricity Regulatory Commission, the concerned regulatory authority.
5. The Company has terminated the proposed acquisition of 500MW (2x250 MW) thermal power plant located at Bina, District Sagar in the state of Madhya Pradesh ('Bina project') from Jaiprakash Power Ventures Limited with the lapsing of the Long Stop Date.
6. During the year the Company has extended a corporate loan of ₹1000 crore to Jaiprakash Ventures Private Limited.
7. The Company has allotted 5000 nos @ 8.40% Non-Convertible Debentures on 20th September, 2017 through private placement.

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

S. Srinivasan
Senior Partner
FCS: 2286
CP. No: 748

Place : Mumbai
Date: 26.04.2018

Annexure A

To,
The Members
JSW ENERGY LIMITED
JSW Centre,
Bandra-Kurla Complex,
Bandra (East), Mumbai,
Maharashtra- 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 these 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. Where ever required, we have obtained the Management representation 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.

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

S. Srinivasan
Senior Partner
FCS: 2286
CP. No: 748

Place : Mumbai
Date: 26.04.2018

Annexure - F

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and Other Details

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

II. Principal Business Activities of the Company

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

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

III. Particulars of Holding, Subsidiary and Associate Companies

Sl. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	Raj WestPower Limited JSW Centre Bandra-Kurla Complex, Bandra (East) Mumbai-400051 Maharashtra, India	U31102MH1996PLC185098	Subsidiary	100.00	2(87)(ii)
2.	Jaigad PowerTransco Limited JSW Centre Bandra-Kurla Complex, Bandra (East) Mumbai-400051 Maharashtra, India	U40102MH2008PLC181433	Subsidiary	74.00	2(87)(ii)
3.	JSW Energy (Raigarh) Limited JSW Centre Bandra-Kurla Complex, Bandra (East) Mumbai-400051 Maharashtra, India	U40103MH2009PLC195362	Subsidiary	100.00	2(87)(ii)
4.	JSW Green Energy Limited JSW Centre Bandra-Kurla Complex, Bandra (East) Mumbai-400051 Maharashtra, India	U40101MH2011PLC212214	Subsidiary	100.00	2(87)(ii)
5.	JSW Energy (Kutehr) Limited Des Raj Rana Building, 1st Floor Village & Post Office-Karain Chamba -176318 Himachal Pradesh, India	U40101HP2013PLC000345	Subsidiary	100.00	2(87)(ii)
6.	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)
7.	JSW Solar Limited JSW Centre Bandra-Kurla Complex, Bandra (East) Mumbai-400051 Maharashtra, India	U40200MH2018PLC303547	Subsidiary	100.00	2(87)(ii)
8.	JSW Electric Vehicles Private Limited Jindal Mansion 5A, Dr. G. Deshmukh Marg Mumbai - 400026 Maharashtra, India	U35999MH2017PTC297470	Subsidiary	100.00	2(87)(ii)

Sl. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
9.	JSW Energy Minerals Mauritius Limited International Financial Services Limited IFS Court, Bank Street, TwentyEight Cybercity, Ebene 72201, Mauritius	--	Subsidiary	100.00	2(87)(ii)
10.	JSW Energy Natural Resources Mauritius Limited International Financial Services Limited IFS Court, Bank Street, TwentyEight Cybercity, Ebene 72201, Mauritius	--	Subsidiary	100.00	2(87)(ii)
11.	JSW Energy Natural Resources South Africa Limited Postnet Suite 1717, Private Bag X9013, Ermelo, 2350 Fax: 00 27 (0) 86 550 4872	--	Subsidiary	100.00	2(87)(ii)
12.	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)
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.	Minerals & Energy Swaziland Proprietary Limited 146 Sheffield Road, Mbabane Kingdom of Swaziland	--	Subsidiary	51.00	2(87)(ii)
16.	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)
17.	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)
18.	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)
19.	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)
20.	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)
21.	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)
22.	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(87)(ii)

IV. Share Holding Pattern (Equity Share Capital breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category Code	Category of Shareholder	Number of Shares held at the beginning of the year				Number of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	**Promoter and Promoter Group**									
(1)	**INDIAN**									
	(a) Individual /HUF	7,53,07,245	0	7,53,07,245	4.59	7,53,07,245	0	7,53,07,245	4.59	0.00
	(b) Central Government/ State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
	(c) Bodies Corporate	115,46,33,029	0	115,46,33,029	70.40	115,45,92,529	0	115,45,92,529	70.40	0.00
	(d) Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
	(e) Others	0	0	0	0.00	600	0	600	0.00	0.00
	Sub-Total A(1):	**122,99,40,274**	**0**	**122,99,40,274**	**74.99**	**122,99,00,374**	**0**	**122,99,00,374**	**74.99**	**0.00**
(2)	**FOREIGN**									
	(a) Individuals (NRIs/ Foreign Individuals)	370	0	370	0.00	370	0	370	0.00	0.00
	(b) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
	(c) Institutions	0	0	0	0.00	0	0	0	0.00	0.00
	(d) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	(e) Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(2):	**370**	**0**	**370**	**0.00**	**370**	**0**	**370**	**0.00**	**0.00**
	Total A=A(1)+A(2)	**122,99,40,644**	**0**	**122,99,40,644**	**74.99**	**122,99,00,744**	**0**	**122,99,00,744**	**74.99**	**0.00**
(B)	**Public Shareholding**									
(1)	**INSTITUTIONS**									
	(a) Mutual Funds /UTI	2,10,26,991	0	2,10,26,991	1.28	4,91,63,687	0	4,91,63,687	3.00	-1.72
	(b) Financial Institutions /Banks	8,30,42,451	0	8,30,42,451	5.06	8,39,23,162	0	8,39,23,162	5.12	-0.05
	(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	13,08,16,511	0	13,08,16,511	7.98	9,91,19,454	0	9,91,19,454	6.04	1.94
	(g) Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
	(h) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	(i) Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(1):	**23,48,85,953**	**0**	**23,48,85,953**	**14.32**	**23,22,06,303**	**0**	**23,22,06,303**	**14.16**	**0.17**
(2)	**Non-Institutions**									
	(a) Bodies Corporate	1,52,09,264	0	1,52,09,264	0.93	4,17,88,425	0	4,17,88,425	2.55	-1.62
	(b) Individuals:									
	(i) Individuals holding nominal share capital upto ₹ 2 lakh	5,26,49,844	5804	5,26,55,648	3.21	6,88,31,767	3904	6,88,35,671	4.20	-0.99
	(ii) Individuals holding nominal share capital in excess of ₹ 2 lakh	2,66,51,100	0	2,66,51,100	1.63	4,64,09,433	0	4,64,09,433	2.83	-1.20
	(c) Others									
	Clearing Members	66,30,062	0	66,30,062	0.40	15,04,859	0	15,04,859	0.09	0.31
	Foreign Bodies	7,13,13,060	0	7,13,13,060	4.35	1,49,16,657	0	1,49,16,657	0.91	3.44
	IEPF	0	0	0	0.00	8,386	0	8,386	0.00	0.00
	Non Resident Indians	24,34,645	0	24,34,645	0.15	36,38,178	0	36,38,178	0.22	-0.07

Category Code	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)
	NRI Non-Repatriation	3,27,269	0	3,27,269	0.02	7,88,827	0	7,88,827	0.05	-0.03
	Trusts	7,150	0	7,150	0.00	57,312	0	57,312	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(2):	**17,52,22,394**	**5,804**	**17,52,28,198**	**10.68**	**17,79,43,844**	**3,904**	**17,79,47,748**	**10.85**	**-0.17**
	Total B=B(1)+B(2):	**41,01,08,347**	**5,804**	**41,01,14,151**	**25.01**	**41,01,50,147**	**3,904**	**41,01,54,051**	**25.01**	**0.00**
	Total (A+B):	**164,00,48,991**	**5,804**	**164,00,54,795**	**100.00**	**164,00,50,891**	**3,904**	**164,00,54,795**	**100.00**	**0.00**
(C)	Shares held by custodians, against which Depository Receipts have been issued									
(1)	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
(2)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	Grand Total (A+B+C):	**164,00,48,991**	**5,804**	**164,00,54,795**	**100.00**	**164,00,50,891**	**3,904**	**164,00,54,795**	**100.00**	

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year		% change in Shareholding during the year
		Number of Shares	% of Total Shares	%of Shares Pledged / encumbered to Total Shares	Number of Shares	% of Total Shares	%of Shares Pledged / encumbered to Total Shares
1.	JSW Investments Private Limited	33,27,62,694	20.29	80.38	33,27,62,694	20.29	64.34	0.00
2.	Indusglobe Multiventures Private Limited	2,17,17,044	1.32	0.00	25,67,98,944	15.66	55.28	14.33
3.	JSL Limited	14,53,32,820	8.86	6.88	14,53,32,820	8.86	0.00	0.00
4.	Glebe Trading Private Limited	14,53,32,820	8.86	58.50	14,53,32,820	8.86	52.36	0.00
5.	Virtuous Tradecorp Private Limited	8,55,99,613	5.22	56.95	8,55,99,613	5.22	94.69	0.00
6.	Danta Enterprises Private Limited	8,55,99,613	5.22	71.50	8,55,99,613	5.22	80.86	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.	Amba River Coke Limited	57,54,640	0.35	0.00	57,54,640	0.35	0.00	0.00
13.	JSW Steel Coated Products Limited	43,76,770	0.27	0.00	43,76,770	0.27	0.00	0.00
14.	JSW Cement Limited	15,59,610	0.10	0.00	15,59,610	0.10	0.00	0.00
15.	Saroj Bhartia	1,00,000	0.01	0.00	1,00,000	0.01	0.00	0.00
16.	Nirmala Goyal	1,00,000	0.01	0.00	1,00,000	0.01	0.00	0.00
17.	Urmila Bhuwalka	1,00,000	0.01	100.00	1,00,000	0.01	100.00	0.00
18.	JSW Holdings Limited	445	0.00	0.00	445	0.00	0.00	0.00
19.	Prithvi Raj Jindal	370	0.00	0.00	370	0.00	0.00	0.00
20.	Nalwa Sons Investments Limited	370	0.00	0.00	370	0.00	0.00	0.00
21.	Ratan Jindal	370	0.00	0.00	370	0.00	0.00	0.00
22.	Sahyog Holdings Private Limited	23,50,82,000	14.33	68.43	100	0.00	0.00	-14.33
23.	Sajjan Jindal	100	0.00	0.00	100	0.00	0.00	0.00
24.	Sajjan Jindal (Trustee for Sajjan Jindal Family Trust)	0	0.00	0.00	100	0.00	0.00	0.00
25.	Sajjan Jindal (Trustee for Sajjan Jindal Lineage Trust)	0	0.00	0.00	100	0.00	0.00	0.00
26.	Sajjan Jindal (Trustee for Sangita Jindal Family Trust)	0	0.00	0.00	100	0.00	0.00	0.00
27.	Sajjan Jindal (Trustee for Tarini Jindal Family Trust)	0	0.00	0.00	100	0.00	0.00	0.00
28.	Sajjan Jindal (Trustee for Tanvi Jindal Family Trust)	0	0.00	0.00	100	0.00	0.00	0.00
29.	Sajjan Jindal (Trustee for Parth Jindal Family Trust)	0	0.00	0.00	100	0.00	0.00	0.00
30.	Sangita Jindal	100	0.00	0.00	100	0.00	0.00	0.00
31.	Narmada Fintrade Private Limited	40,500	0.00	0.00	0	0.00	0.00	0.00
	Total	**122,99,40,644**	**74.99**		**122,99,00,744**	**74.99**		

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

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

Sl. No.	Name	Shareholding at the beginning of the year					Cumulative Shareholding during the Year	
		Number of shares	% of Total Shares of the Company	Date	Increase / Decrease in Shareholding	Reason	Number of shares	% of total Shares of the Company
1.	Indusglobe Multiventures Private Limited	2,17,17,044	1.32	01.04.2017				
				07.04.2017	6,00,00,000	Purchase	8,17,17044	4.98
				05.05.2017	3,00,00,000	Purchase	11,17,17,044	6.81
				12.05.2017	10,30,62,900	Purchase	21,47,79,944	13.10
				19.05.2017	2,15,00,000	Purchase	23,62,79,944	14.41
				30.06.2017	2,05,19,000	Purchase	25,67,98,944	15.66
				31.03.2018			25,67,98,944	15.66
2.	Sahyog Holdings Private Limited	23,50,82,000	14.33	01.04.2017				
				07.04.2017	-6,00,00,000	Sale	17,50,82,000	10.66
				05.05.2017	-3,00,00,000	Sale	14,50,82,000	8.85
				12.05.2017	-10,3062,900	Sale	4,20,19,100	2.56
				19.05.2017	-2,15,00,000	Sale	2,05,19,100	1.25
				30.06.2017	-2,05,19,000	Sale	100	0.00
				31.03.2018			100	0.00
3.	Narmada Fintrade Private Limited	40,500	0.00	01.04.2017				
				23.06.2017	-40,500	Sale	0	0.00
				31.03.2018			0	0.00

(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				Cumulative Shareholding during the Year		
		Number of Shares	% of Total Shares	Date	Increase / Decrease in Shareholding	Reason	Number of Shares	% of Total Shares
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	Aquarius India Opportunities Fund	32,06,976	0.20	01.04.2017				
				07.04.2017	-2,00,000	Sale	30,06,976	0.18
				21.04.2017	3,00,000	Purchase	33,06,976	0.20
				28.04.2017	2,50,000	Purchase	35,56,976	0.22
				05.05.2017	4,50,000	Purchase	40,06,976	0.24
				12.05.2017	6,48,740	Purchase	46,55,716	0.28
				26.05.2017	45,50,000	Purchase	92,05,716	0.56
				02.06.2017	24,44,441	Purchase	1,16,50,157	0.71
				09.06.2017	8,05,820	Purchase	1,24,55,977	0.76
				16.06.2017	13,58,748	Purchase	1,38,14,725	0.84
				23.06.2017	8,83,867	Purchase	1,46,98,592	0.90
				30.06.2017	2,20,241	Purchase	1,49,18,833	0.91
				21.07.2017	2,00,000	Purchase	1,51,18,833	0.92
				18.08.2017	1,50,000	Purchase	1,52,68,833	0.93
				10.11.2017	2,00,000	Purchase	1,54,68,833	0.94
				17.11.2017	52,489	Purchase	1,55,21,322	0.95
				24.11.2017	1,50,000	Purchase	1,56,71,322	0.96
				01.12.2017	2,24,226	Purchase	1,58,95,548	0.97
				08.12.2017	2,00,000	Purchase	1,60,95,548	0.98
				15.12.2017	1,06,915	Purchase	1,62,02,463	0.99

Sl. No.	Name	Shareholding at the beginning of the year				Cumulative Shareholding during the Year		
		Number of Shares	% of Total Shares	Date	Increase / Decrease in Shareholding	Reason	Number of Shares	% of Total Shares
				12.01.2018	1,00,000	Purchase	1,63,02,463	0.99
				19.01.2018	1,00,000	Purchase	1,64,02,463	1.00
				26.01.2018	2,50,000	Purchase	1,66,52,463	1.01
				02.02.2018	5,00,000	Purchase	1,71,52,463	1.05
				09.02.2018	20,30,000	Purchase	1,91,82,463	1.17
				16.02.2018	8,00,000	Purchase	1,99,82,463	1.22
				23.02.2018	5,33,807	Purchase	2,05,16,270	1.25
				02.03.2018	1,62,267	Purchase	2,06,78,537	1.26
				09.03.2018	4,82,817	Purchase	2,11,61,354	1.29
				16.03.2018	2,54,621	Purchase	2,14,15,975	1.31
				23.03.2018	5,58,209	Purchase	2,19,74,184	1.34
				31.03.2018	0	-	2,19,74,184	1.34
3	Reliance Capital Trustee Company Limited A/C Reliance Growth Fund	0	0.00	01.04.2017				
				12.01.2018	6,94,671	Purchase	6,94,671	0.04
				19.01.2018	49,00,000	Purchase	55,94,671	0.34
				26.01.2018	39,86,500	Purchase	95,81,171	0.58
				02.02.2018	15,98,274	Purchase	1,11,79,445	0.68
				09.02.2018	19,55,700	Purchase	1,31,35,145	0.80
				16.03.2018	19,28,941	Purchase	1,50,64,086	0.92
				31.03.2018	0	-	1,50,64,086	0.92
4	Steel Traders Limited	4,82,97,000	2.94	01.04.2017				
				07.04.2017	-32,00,000	Sale	4,50,97,000	2.75
				14.04.2017	-32,00,000	Sale	4,18,97,000	2.55
				21.04.2017	-24,00,000	Sale	3,94,97,000	2.41
				28.04.2017	-17,00,000	Sale	3,77,97,000	2.30
				12.05.2017	-27,00,000	Sale	3,50,97,000	2.14
				19.05.2017	-24,00,000	Sale	3,26,97,000	1.99
				23.06.2017	-13,00,000	Sale	3,13,97,000	1.91
				30.06.2017	-5,50,000	Sale	3,08,47,000	1.88
				07.07.2017	-25,00,000	Sale	2,83,47,000	1.73
				14.07.2017	-1,00,000	Sale	2,82,47,000	1.72
				28.07.2017	-21,50,000	Sale	2,60,97,000	1.59
				01.09.2017	-20,00,191	Sale	2,40,96,809	1.47
				08.09.2017	-23,36,900	Sale	2,17,59,909	1.33
				15.09.2017	-7,30,523	Sale	2,10,29,386	1.28
				22.09.2017	-5,72,043	Sale	2,04,57,343	1.25
				10.11.2017	-5,59,404	Sale	1,98,97,939	1.21
				01.12.2017	-4,24,226	Sale	1,94,73,713	1.19
				08.12.2017	-5,00,000	Sale	1,89,73,713	1.16
				22.12.2017	-3,50,000	Sale	1,86,23,713	1.14
				05.01.2018	-20,00,000	Sale	1,66,23,713	1.01
				12.01.2018	-10,61,241	Sale	1,55,62,472	0.95
				23.02.2018	-2,95,084	Sale	1,52,67,388	0.93
				09.03.2018	-2,933	Sale	1,52,64,455	0.93
				16.03.2018	-3,47,798	Sale	1,49,16,657	0.91
				31.03.2018	0	-	1,49,16,657	0.91

Sl. No.	Name	Shareholding at the beginning of the year					Cumulative Shareholding during the Year	
		Number of Shares	% of Total Shares	Date	Increase / Decrease in Shareholding	Reason	Number of Shares	% of Total Shares
5	Reliance Capital Trustee Company Limited A/C – Reliance Regular Saving Fund – Balanced Option	0	0.00	01.04.2017				
				19.01.2018	39,41,979	Purchase	39,41,979	0.24
				26.01.2018	40,64,300	Purchase	80,06,279	0.49
				02.02.2018	44,11,400	Purchase	1,24,17,679	0.76
				09.02.2018	6,66,700	Purchase	1,30,84,379	0.80
				16.02.2018	4,25,000	Purchase	1,35,09,379	0.82
				31.03.2018	0	-	1,35,09,379	0.82
6	The Indiaman Fund (Mauritius) Limited	72,33,293	0.44	01.04.2017				
				05.05.2017	15,20,000	Purchase	87,53,293	0.53
				12.05.2017	8,56,764	Purchase	96,10,057	0.59
				02.06.2017	1,00,000	Purchase	97,10,057	0.59
				09.06.2017	2,89,943	Purchase	1,00,00,000	0.61
				21.07.2017	82,718	Purchase	1,00,82,718	0.61
				18.08.2017	4,93,846	Purchase	1,05,76,564	0.64
				25.08.2017	19,69,035	Purchase	1,25,45,599	0.76
				10.11.2017	50,000	Purchase	1,25,95,599	0.77
				17.11.2017	10,000	Purchase	1,26,05,599	0.77
				08.12.2017	3,10,000	Purchase	1,29,15,599	0.79
				15.12.2017	1,80,000	Purchase	1,30,95,599	0.80
				12.01.2018	50,000	Purchase	1,31,45,599	0.80
				23.02.2018	1,50,000	Purchase	1,32,95,599	0.81
				31.03.2018	0	-	1,32,95,599	0.81
7	Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Fund	70,49,998	0.43	01.04.2017				
				07-04-2017	1,07,256	Purchase	71,57,254	0.44
				28-04-2017	9,840	Purchase	71,67,094	0.44
				05-05-2017	78,720	Purchase	72,45,814	0.44
				12-05-2017	24,600	Purchase	72,70,414	0.44
				19-05-2017	53,136	Purchase	73,23,550	0.45
				02-06-2017	21,648	Purchase	73,45,198	0.45
				07-07-2017	34,440	Purchase	73,79,638	0.45
				14-07-2017	24,600	Purchase	74,04,238	0.45
				04-08-2017	21,648	Purchase	74,25,886	0.45
				11-08-2017	28,536	Purchase	74,54,422	0.45
				01-09-2017	35,424	Purchase	74,89,846	0.46
				08-09-2017	50,184	Purchase	75,40,030	0.46
				15-09-2017	45,264	Purchase	75,85,294	0.46
				06-10-2017	29,520	Purchase	76,14,814	0.46
				13-10-2017	30,504	Purchase	76,45,318	0.47
				20-10-2017	22,632	Purchase	76,67,950	0.47
				27-10-2017	20,664	Purchase	76,88,614	0.47
				22-12-2017	-11,830	Sale	76,76,784	0.47
				26-01-2018	42,770	Purchase	77,19,554	0.47
				02-02-2018	38,220	Purchase	77,57,774	0.47
				23-03-2018	-77,57,774	Sale	0	0
				23.03.2018	77,57,774	Purchase	77,57,774	0.47
				30.03.2018	-34,150	Sale	77,23,624	0.47
				31.03.2018	0	-	77,23,624	0.47

Sl. No.	Name	Shareholding at the beginning of the year					Cumulative Shareholding during the Year	
		Number of Shares	% of Total Shares	Date	Increase / Decrease in Shareholding	Reason	Number of Shares	% of Total Shares
8	HSBC Global Investment Funds – Indian Equity	0	0.00	01.04.2018				
				22-12-2017	4,70,889	Purchase	4,70,889	0.03
				26-01-2018	18,66,462	Purchase	23,37,351	0.14
				02-02-2018	45,03,321	Purchase	68,40,672	0.42
				23-03-2018	10,423	Purchase	68,51,095	0.42
				30-03-2018	5,93,086	Purchase	74,44,181	0.45
				31-03-2018	0	-	74,44,181	0.45
9	SBI Magnum Multiplier Fund	0	0.00	01.04.2017				
				05-01-2018	6,65,120	Purchase	6,65,120	0.04
				12-01-2018	34,97,454	Purchase	41,62,574	0.25
				19-01-2018	10,72,555	Purchase	52,35,129	0.32
				26-01-2018	12,64,871	Purchase	65,00,000	0.40
				31-03-2018	0	-	65,00,000	0.40
10	Dimensional Emerging Markets Value Fund	63,59,674	0.39	01.04.2017				
				07.04.2017	-1,93,213	Sale	61,66,461	0.38
				28.04.2017	-7,15,320	Sale	54,51,141	0.33
				31.03.2018	0	-	54,51,141	0.33

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name	Shareholding at the beginning of the year					Cumulative Shareholding during the Year	
		Number of Shares	% of Total Shares of the Company	Date	Increase / Decrease in shareholding	Reason	Number of Shares	% of Total Shares of the Company
1.	Mr. Sajjan Jindal	100	0.00	01.04.2017				
				31.03.2018	-	-	100	0.00
2.	Mr. Sanjay Sagar*	5,000	0.00	01.04.2017				
				31.03.2018	-	-	5,000	0.00
3.	Mr. Prashant Jain**	-	-	01.04.2017				
				27.07.2017	} 25,00,000	Purchase		
				28.07.2017				
				31.03.2018	-	-	25,00,000	0.15
4.	Mr. Nirmal Kumar Jain	5,000	0.00	01.04.2017				
				31.03.2018	-	-	5,000	0.00
5.	Ms. Tanvi Shete	2,50,02,225	1.52	01.04.2017				
				31.03.2018	-	-	2,50,02,225	1.52

* Ceased to be a Director with effect from 16th June, 2017

**Appointed as a Director with effect from 16th June, 2017

V. Indebtedness

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

₹ crore

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	3,464.07	-	-	3,464.07
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	26.48	-	-	26.48
Total (i+ii+iii)	3,490.55	-	-	3,490.55
Change in Indebtedness during the financial year				
● Addition	2,061.34	-	-	2,061.34
● Reduction	2,401.55	-	-	2,401.55
● Amortised borrowing cost	13.00	-	-	13.00
● Foreign Exchange movement	3.32	-	-	3.32
Net Change in Principal	-323.89	-	-	-323.89
Net Change in Interest	24.21	-	-	24.21
Indebtedness at the end of the financial year				
(i) Principal Amount	3,140.18	-		3,140.18
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	50.69	-	-	50.69
Total (i+ii+iii)	**3,190.86**	**-**	**-**	**3,190.86**

VI. Remuneration of Directors and Key Managerial Personnel

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

(Amount in ₹)

Sl. no.	Particulars of Remuneration	Name of MD / WTD / Manager				Total Amount
		Mr. Sajjan Jindal	Mr. Prashant Jain	Mr. Jyoti Kumar Agarwal	Mr. Sanjay Sagar	
1.	Gross salary					
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10,00,96,200	1,66,32,376	2,06,82,308	47,42,389	14,21,53,273
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	1,15,71,428	26,129	-	18,86,411	1,34,83,968
(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	5,98,111	5,82,612	187,005	78,47,728
	Total (A)	**11,81,47,628**	**1,72,56,616**	**2,12,64,920**	**68,15,805**	**16,34,84,969**
	Ceiling as per the Act					38,73,13,100

B. Remuneration to other Directors

(Amount in ₹)

Sl. no.	Particulars of Remuneration	Name of Directors							Total Amount
		Mr. Chandan Bhattacharya	Ms. Shailaja Chandra	Ms. Sheila Sangwan	Mr. Rakesh Nath	Mr. Uday Chitale	Mr. Nirmal Kumar Jain	Ms. Tanvi Shete	
1.	**Independent Directors**								
	• Fee for attending board / committee meetings	11,20,000	8,20,000	9,70,000	9,10,000	8,50,000	-	-	46,70,000
	• Commission	20,50,000	17,75,000	17,75,000	17,75,000	10,68,150	-	-	84,43,150
	• Others, please specify						-	-	
	Total (1)	**31,70,000**	**25,95,000**	**27,45,000**	**26,85,000**	**19,18,150**	**-**	**-**	**1,31,13,150**
2.	**Other Non-Executive Directors**								
	• Fee for attending board / committee meetings	-	-	-	-	-	11,20,000	-	11,20,000
	• Commission						17,75,000		17,75,000
	• Others, please specify	-	-	-	-	-	-	-	
	Total (2)	**-**	**-**	**-**	**-**	**-**	**28,95,000**	**-**	**28,95,000**
	Total (B)=(1+2)	**31,70,000**	**25,95,000**	**27,45,000**	**26,85,000**	**19,18,150**	**28,95,000**	**-**	**1,60,08,150**
	Total Managerial Remuneration								17,94,93,119
	Overall Ceiling as per the Act								42,60,44,410

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

(Amount in ₹)

Sl. no.	Particulars of Remuneration	Ms. Monica Chopra Company Secretary
1.	Gross salary	73,24,161
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-
(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	2,63,362
	Total	**75,87,523**

VII. Penalties / Punishment/ Compounding of Offences:

There were no penalties / punishment / compounding of offences during the year ended 31st March, 2018.

Annexure - G

Disclosure of remuneration under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the 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.	**Director**	**Ratio**
		Mr. Sajjan Jindal, Chairman & Managing Director	122.02:1.00
		Mr. Prashant Jain, Jt. Managing Director & CEO	22.50:1.00
		Mr. Jyoti Kumar Agarwal, Director Finance	22.03:1.00
	In respect of Non-Executive Directors, the comparison is based on their respective actual remuneration during FY '18 in the capacity of Director	Mr. N K Jain (NED)	3.30:1.00
		Mr. Chandan Bhattacharya (NED)	3.58:1.00
		Ms. Shailaja Chandra (NED)	2.91:1.00
		Ms. Sheila Sangwan (NED)	3.10:1.00
		Mr. Rakesh Nath (NED)	3.02:1.00
		Mr. Uday Chitale (NED)	2.21:1.00
		Ms. Tanvi Shete (NED)	Not Applicable ^
	^ No remnuneration paid 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.	Director, Chief Executive Officer, Chief Financial Officer and Company Secretary	% Change
		Mr. Sajjan Jindal, Chairman & Managing Director	Nil
		Mr. Sanjay Sagar, Jt. Managing Director & CEO (upto June 15, 2017)	#
	In respect of Non-Executive Directors, the % change shown is based on their respective actual remuneration during FY '17 & FY '18	Mr. Prashant Jain, Jt. Managing Director & CEO with effect from - June 16, 2017	#
		Mr. Jyoti Kumar Agarwal, Director - Finance (C.F.O. with effect from February 01, 2017 Director - Finance with effect from August 11, 2017)	##
		Ms. Monica Chopra, Company Secretary (with effect from January 23, 2017)	##
		Mr. Nirmal Kumar Jain (NED)	11.56%
		Mr. Chandan Bhattacharya (NED)	11.43%
		Ms. Shailaja Chandra (NED)	12.69%
		Ms. Sheila Sangwan (NED)	13.43%
		Mr. Rakesh Nath (NED)	37.57%
		Mr. Uday Chitale (NED) (with effect from July 22, 2016)	##
		Ms. Tanvi Shete (NED) (with effect from July 22, 2016)	^
	# The disclosures with respect to increase in remuneration are not given as the tenure of Directors/KMPs were only for the part of FY-2017-18. ## The disclosures with respect to increase in remuneration are not given as the tenure of Directors/KMPs were only for the part of FY-2016-17. ^ No remnuneration paid during the year		
(iii)	The percentage increase in the median remuneration of employees in the financial year	0.03% *	
(iv)	The number of permanent employees on the rolls of Company	567	
(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 8.68% (inluding the promotional increase) in FY '18 over previous year whereas for managerial employees, the increase in FY' 18 over previous year is not comparable figure because of separations and onboarding during the current / previous financial year.	
(vi)	Affirmation that the remuneration is as per the remuneration policy of the Company	Affirmed	
	* It may be mentioned here that the number of employees in the year 2017-18 was 567 as compared to 661 in the year 2016-17.		

Annexure - H

Disclosure in terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(a) Top 10 Employees in terms of remuneration drawn

Sr. No.	Name and Age	Designation	Remuneration (₹)	Qualification and Experience	Date of Commencement of Employment	Last Employment held
1	Sajjan Jindal (58 Years)	Chairman and Managing Director	11,81,47,628	B.E. (Mechanical) (36 Years)	01.01.2009	Jindal Strips Limited (Jt. Managing Director)
2	Jyoti Kumar Agarwal (44 Years)	Director - Finance	2,12,64,920	Bachelor of Commerce (Hons.), CA, MBA (Finance Strategy), CFA (19 Years)	01.02.2017	JSW Steel Limited Vice President (Finance)
3	Satish Jindal (58 Years)	CEO (Power Trading)	1,73,05,231	B.E. (Electrical) (33 Years)	01.05.2006	Power Trading Corporation of India Limited (Vice President)
4	Prashant Jain (46 Years)	JMD & CEO	1,52,70,317	B.E. (Mechanical) (25 Years)	15.06.2017	JSW Steel Ltd (Head, Corporate Strategy & Development, JSW Group)
5	Girish Jagannath Deshpande (61 Years)	Director Technical	1,39,07,516	B.E. (Electrical) (39 Years)	31.08.2015	NTPC Ltd., Mumbai (Regional Executive Director)
6	Vijay Sinha (48 Years)	Senior Vice-President	1,13,32,442	B.A. (Maths/Stats.), MBA (HR) (25 Years)	02.08.2010	Hypercity Retail (India) Ltd. (Business Head - HR & Admin.)
7	Yatish Chhabra (57 Years)	Vice President	85,14,655	B.E. (Mechanical) (30 Years)	04.02.2008	NTPC Ltd., (Senior Supretendant)
8	Monica Chopra (53 Years)	Associate Vice President	75,86,060	Fellow Member of Inst. of Company Secretary of India (25 Years)	26.12.2016	Greaves Cotton Ltd. (Executive Director)
9	K Surya Prakash (55 Years)	Vice President	75,34,198	M.E. (Mechanical) (36 Years)	30.11.2000	Karnataka Power Corporation Ltd (Junior Engineer)
10	Sharad Mahendra (51 Years)	Executive Vice President	63,73,774	B.Tech (Mechanical) (28 Years)	12.12.2017	APL Apollo Tubes Ltd. (Director-Sales & Marketing)

(b) Employed throughout the year and were in receipt of remuneration aggregating to not less than ₹ 1.02 crore per annum

Sr. No.	Name and Age	Designation	Remuneration (₹)	Qualification and Experience	Date of Commencement of Employment	Last Employment held
1	Sajjan Jindal (58 Years)	Chairman and Managing Director	11,81,47,628	B.E. (Mechanical) 36 Years	01.01.2009	Jindal Strips Limited (Jt. Managing Director)
2	Jyoti Kumar Agarwal (44 Years)	Director - Finance	2,12,64,920	Bachelor of Commerce (Hons.), CA, MBA (Finance Strategy), CFA 19 Years	01.02.2017	JSW Steel Limited Vice President (Finance)
3	Satish Jindal (58 Years)	CEO (Power Trading)	1,73,05,231	B.E. (Electrical) 33 Years	01.05.2006	Power Trading Corporation of India Limited (Vice President)
4	Girish Jagannath Deshpande (61 Years)	Director Technical	1,39,07,516	B.E. (Electrical) 39 Years	31.08.2015	NTPC Ltd., Mumbai (Regional Executive Director)
5	Vijay Sinha (48 Years)	Senior Vice-President	1,13,32,442	B.A. (Maths/ Stats.), MBA (HR) 25 Years	02.08.2010	Hypercity Retail (India) Ltd. (Business Head - HR & Admin.)

(c) Employed for part of the year and were in receipt of remuneration aggregating to not less than ₹ 8.50 lacs per month

Sr. No.	Name and Age	Designation	Remuneration (₹)	Qualification and Experience	Date of Commencement of Employment	Last Employment held
1	Prashant Jain (46 Years)	JMD & CEO	1,52,70,317	B.E.(Mechanical) (25 Years)	15.06.2017	JSW Steel Ltd (Head, Corporate Strategy & Development, JSW Group)
2	Sharad Mahendra (51 Years)	Executive Vice President	63,73,774	B.Tech (Mechanical) (28 Years)	12.12.2017	APL Apollo Tubes Ltd. (Director-Sales & Marketing)
3	Vijay Damodar Paranjape (62 Years)	Senior Vice President	61,84,213	B.E.(Mechanical) (37 Years)	03.09.2012	NTPC SAIL Power Company (P) Ltd. (General Manager)
4	Sanjay Sagar (60 Years)	JMD & CEO	51,50,150	MBA (33 Years)	16.01.2009	Adani Enterprises Limited (Chief Corporate Coordination)
5	Gyan Bhadra Kumar (52 Years)	Senior Vice President	44,05,871	B.E. (Civil) (29 Years)	01.03.2016	Greyhound Engineers India Pvt. Ltd. (CEO)
6	Shashi Johnson (48 Years)	Vice President	21,31,672	Bachelor of Science (Hons.), MBA (25 Years)	01.07.2016	IL&FS Financial Services Ltd. (CEO, IL &FS Urban Infrastruture Managers Ltd.)

Notes:

1. The details in the above tables are on accrual basis.
2. Compensation details above exclude Leave Encashment, Gratuity (@ 4.8% of Basic), ESOP.
3. None of the employees is covered under Section 197 of the Companies Act, 2013 read with Rule 5(3)(viii) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
4. The nature of employment in all cases is contractual.

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 at the Company.

The Company confirms compliance with Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 along with other applicable provisions relating to Corporate Governance stipulated in the Securities and Exchange Board of India (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, 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, skill sets and experience of the Directors. The Board is an optimum mix of 5 Independent Directors, 2 Non-Executive, Non-Independent Directors and 3 Executive Directors. The Chairman is the Managing Director and a Promoter of the Company. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations and the Companies Act, 2013. All Directors, other than the Managing Director and the Independent Directors, are liable to retire by rotation.

None of the Independent Directors of the Company serve as Independent Directors in more than 7 listed companies. No Whole-time Director of the Company serves as an Independent Director in more than 3 listed companies as specified in Regulation 26 of the Listing Regulations. None of the Directors on the Board is a Member of more than 10 committees and Chairman of more than 5 committees as specified in Regulation 26 of the Listing Regulations, across all the companies in which they are Directors. The necessary disclosures regarding Committee positions have been made by the Directors.

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

The Composition of the Board as on 31st March, 2018, attendance record of the Directors at 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	23rd AGM held on 13th July 2017	Other Directorships in Indian Companies#	Other Committee Memberships ##	Other Committee Chairmanships##
Mr. Sajjan Jindal (DIN: 00017762)	ED	Chairman and Managing Director	4 / 8	Yes	2	Nil	Nil
Mr. Prashant Jain* (DIN: 01281621)	ED	Jt. Managing Director and CEO	5 / 5	Yes	6	Nil	Nil
Mr. Jyoti Kumar Agarwal** (DIN: 01911652)	ED	Director-Finance	5 / 5	Not applicable	6	3	Nil
Mr. Nirmal Kumar Jain (DIN: 00019442)	NED, NID	Director	8 / 8	Yes	8	6	Nil
Mr. Chandan Bhattacharya (DIN: 01341570)	NED, ID	Director	8 / 8	Yes	1	Nil	Nil
Ms. Shailaja Chandra (DIN: 03320688)	NED, ID	Director	8 / 8	Yes	4	Nil	Nil
Ms. Sheila Sangwan (DIN: 01857875)	NED, ID	Director	8 / 8	Yes	6	1	5
Mr. Rakesh Nath (DIN: 00045986)	NED, ID	Director	8 / 8	Yes	3	1	2
Mr. Uday Chitale*** (DIN: 00043268)	NED, ID	Director	8 / 8	Yes	6	2	4
Ms. Tanvi Shete (DIN: 07565435)	NED, NID	Director	5 / 8	Yes	Nil	Nil	Nil

Notes:

During FY 2017-18, 8 Board Meetings were held and the gap between 2 meetings did not exceed 120 days. Board Meetings were held on 29th April, 2017; 20th May, 2017; 13th June, 2017; 11th August, 2017; 1st November, 2017; 28th December, 2017; 6th February, 2018 and 27th March, 2018.

* Appointed as a Whole-time Director designated as Joint Managing Director and Chief Executive Officer with effect from 16th June, 2017.

** Appointed as an Additional Director and Whole-time Director designated as Director-Finance with effect from 11th August, 2017.

*** Ceased to be Director with effect from 23rd April, 2018.

Excludes Alternate Directorship, Directorship in Private Companies, Foreign Companies and Section 8 Companies.

Represents Audit Committee and Stakeholders' Relationship Committee.

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

2.2 Board Meetings, Committee Meetings and Process

A. Institutionalised decision making process

The Board oversees the overall functioning of the Company. The Board 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. In compliance with the statutory requirements, the Board has constituted various committees with essential terms of reference.

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

B. Scheduling and selection of Agenda Items for Board Meetings

(i) A minimum of 4 Board Meetings are held every year. Additional meetings are held to meet business exigencies or urgent matters. Wherever permitted, resolutions are passed by circulation. Dates of the Board Meetings are decided in advance.

(ii) Presentations are regularly made to the Board covering the outlook; economy in general and the industry in particular besides 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

All material information is circulated at least 7 days in advance including minimum information required to be made available to the Board along with the explanatory notes as specified in Part A of Schedule II to the Listing Regulations for facilitating meaningful and focused discussions at the meeting. Where it is not feasible to circulate any document in advance, the same is placed / tabled before the meeting with the permission of Chairman and Directors. In special and exceptional circumstances, additional item(s) are also considered.

D. Recording proceedings of meetings

The Company Secretary notes the proceedings of each meeting. Draft minutes are prepared, circulated to all the Directors for their comments, finalised, entered in the Minutes Book and thereafter signed by the Chairperson, in accordance with the applicable Secretarial Standards.

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 / attendance of Non-Independent Directors and members of the Management of the Company was held on 27th March, 2018. All 5 Independent Directors were present for this meeting.

The Independent Directors met some of the Executive and Non-Executive Directors of the Company on an individual basis. The Independent Directors *inter alia* reviewed the performance of 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 Non-Executive Directors.

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

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 as provided in the Act and the Listing Regulations.

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

3.1.1 Composition

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

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

3.1.2 Terms of reference

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

a) To review the financial statements before submission to 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.

3.1.3 Members and meeting details

The Audit Committee met 10 times during the year under review on the following dates: 28th April, 2017, 29th April, 2017, 13th June, 2017, 10th August, 2017, 11th August, 2017, 31st October, 2017, 1st November, 2017, 5th February, 2018, 6th February, 2018 and 26th March, 2018. The gap between any 2 meetings did not exceed 120 days.

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

Name of Director	Category	Number of Meetings attended / held
Mr. Chandan Bhattacharya, Chairman	Non-Executive, Independent Director	10/10
Mr. Nirmal Kumar Jain	Non-Executive, Non-Independent Director	10/10
Ms. Shailaja Chandra	Non-Executive, Independent Director	10/10
Ms. Sheila Sangwan	Non-Executive, Independent Director	10/10
Mr. Rakesh Nath	Non-Executive, Independent Director	10/10
Mr. Uday Chitale*	Non-Executive, Independent Director	10/10

* Ceased to be Director with effect from 23rd April, 2018

The Audit Committee invites such executives as it considers necessary (and particularly the head of the finance function) to be present at its meetings. The Joint Managing Director and CEO, Director-Finance, Financial Controller 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 23rd Annual General Meeting held on 13th July, 2017.

3.2. Stakeholders Relationship Committee

3.2.1 Composition

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 Companies Act, 2013 and Regulation 20 of the Listing Regulations.

3.2.2 Terms of reference

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

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

(b) Review the reports submitted by the Registrar and Share Transfer Agent at periodic intervals;

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

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

3.2.3 Members and meeting details

The Committee met 3 times during the year on 28th April, 2017; 9th August, 2017 and 5th February, 2018. The details of the Members and meetings attended by them during the year are as given below:

Name of Director	Category	Number of Meetings attended / held
Mr. Chandan Bhattacharya, Chairman	Non-Executive, Independent Director	3/3
Mr. Sanjay Sagar*	Executive Director	1/1
Mr. Prashant Jain**	Executive Director	2/2
Mr. Nirmal Kumar Jain	Non- Executive, Non-Independent Director	3/3
Mr. Uday Chitale***	Non-Executive, Independent Director	3/3

* Ceased to be Director with effect from 16th June, 2017

** Inducted as Member with effect from 16th June, 2017

***Ceased to be Director with effect from 23rd April, 2018

3.2.4 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.

3.2.5 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))	1	1
2.	Letters from Shareholders	187	187
	TOTAL	**188**	**188**

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

The Company has a dedicated email ID jswel.investor@jsw.in to which investors can send

their grievances. Mr. Narendra Rahalkar, Senior Manager - Company Secretary, is designated as the Investor Relations Officer who may be contacted at the Registered Office of the Company or on Telephone: +91-22-42861000.

Complete details of the unclaimed dividends lying with the Company have been displayed on the website of the Company at the link www.jsw.in/investors/energy. Members are requested to note that the shares on which dividend remains 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 unclaimed.

3.3. Compensation and Nomination & Remuneration Committee

3.3.1 Composition

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 composition of the Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

3.3.2 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 Directors, Committees 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 such Committee:
8. To carry out the functions enumerated under Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

3.3.3 Members and meeting details

The Committee met 5 times during the year on 27th April, 2017, 20th May, 2017, 13th June, 2017, 10th August, 2017 and 26th March, 2018. The details of the Members and meetings attended by them during the year are as given below:

Name of Director	Category	Number of Meetings attended / held
Mr. Chandan Bhattacharya, Chairman	Non-Executive, Independent Director	5 / 5
Ms. Sheila Sangwan	Non-Executive, Independent Director	5 / 5
Mr. Rakesh Nath	Non-Executive, Independent Director	5 / 5
Mr. Nirmal Kumar Jain	Non-Executive, Non-Independent Director	5 / 5

The Chairman of the Committee was present at the 23rd Annual General Meeting held on 13th July, 2017.

3.3.4 Remuneration Policy

A. Non-Executive Directors

The Non-Executive Directors are normally paid remuneration by way of commission and sitting fees. In terms of the Members' approval obtained at the 20th Annual General Meeting held on 23rd July, 2014, the commission is normally paid every year at a rate not exceeding 1% of the net profit of the Company. The amount of commission payable to the Non-Executive Directors 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 fees 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 is recommended by the Committee and approved by the Board, within the ceiling fixed by the Members. Annual increments, usually effective 1st April each year, 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 an appraisal system wherein their individual goals are linked to that of the organisation. The present remuneration structure of Executive Directors comprises of salary, perquisites, allowances, variable pay, special pay, ESOPs 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. The annual variable pay of employees is linked 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 Company's objectives whereas Variable Production Incentive Bonus is linked to the respective Plant's parameters.

3.3.5 Details of Remuneration paid to Directors

A. Payment to Non-Executive Directors

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

Name of the Director	Sitting fees	Commission#
Mr. Chandan Bhattacharya	11,20,000	20,50,000
Mr. Nirmal Kumar Jain	11,20,000	17,75,000
Ms. Sheila Sangwan	9,70,000	17,75,000
Ms. Shailaja Chandra	8,20,000	17,75,000
Mr. Rakesh Nath	9,10,000	17,75,000
Mr. Uday Chitale	8,50,000	10,68,150
Ms. Tanvi Shete*	-	-
Total	**57,90,000**	**1,02,18,150**

pertains to FY 2016-17, paid in July 2017

* Not paid sitting fees or commission

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

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 2017-18, their tenure and Stock Options held as at 31st March, 2018:

Name of Director	Position	Salary (₹ in crore)		Tenure	Notice Period	Share options held as at 31st March, 2018
		Fixed Pay	Performance Pay			
Mr. Sajjan Jindal	Chairman & Managing Director	11.80	-	5 years (till 31.12.2018)	-	Nil
Mr. Sanjay Sagar*	Jt. Managing Director and CEO	0.58	0.10	-	-	-
Mr. Prashant Jain**	Jt. Managing Director and CEO	1.33	0.39	5 years (till 15.06.2022)	1 month from either side or salary in lieu thereof.	Nil
Mr. Jyoti Kumar Agarwal***	Director-Finance	1.72	0.41	5 years (till 10.08.2022)	1 month from either side or salary in lieu thereof.	87,252

*Ceased to be Director with effect from 16th June, 2017.

** Appointed as Whole-time Director and designated as Joint Managing Director and Chief Executive Officer with effect from 16th June, 2017.

*** Appointed as Additional and Whole-time Director designated as Director - Finance with effect from 11th August, 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.

3.3.6 Details of shares held by the Directors

Equity shares held by the Directors of the Company as on 31st March, 2018, is given below:

Name of the Director	No. of Shares held
Mr. Sajjan Jindal	100
Mr. Prashant Jain	25,00,000
Mr. Nirmal Kumar Jain	5,000
Ms. Tanvi Shete	2,50,02,225

3.3.7 Performance Evaluation criteria for Independent Directors

The performance evaluation criteria for Independent Directors, *inter alia*, is as follows:

1. Helps in bringing an independent judgement to bear on the Board's deliberations.
2. Brings an objective view in the evaluation of the performance of Board and management.
3. Undertakes to regularly update and refresh his skills, knowledge and familiarity with the Company.
4. Seeks appropriate clarification / information and, where necessary, takes appropriate professional advice and opinion of outside experts at the expense of the Company.
5. Strives to attend all meetings of the Board of Directors / Board committees of which he / she is a member, and general meetings.
6. Communicates governance and ethical problems to the Chairman of the Board.
7. Pays sufficient attention and ensures that adequate deliberations are held before approving related party transactions.
8. Ensures that the Company has an adequate and functional vigil mechanism.
9. Satisfies himself on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible.
10. Assists in determining appropriate policy of remuneration of Executive Directors, Key Managerial Personnel and other employees.
11. Refrains from any action that may lead to loss of his independence and immediately informs the Board where circumstances arise which makes him lose his independence.
12. Adheres to all other standards of the Code for Independent Directors as per Schedule IV to the Companies Act, 2013.
13. Assists the Company in implementing the best corporate governance practices.
14. Prepares for the Board meeting by reading the materials distributed before the Board meeting.

4. General Meetings

Annual General Meetings

The details of date, time and location of Annual General Meetings (AGM) held in last 3 years are as under:

AGM	Date	Time	Venue
23rd	13th July, 2017	3.00 p.m.	Yashwantrao Chavan Pratisthan, Y. B. Chavan Auditorium General Jagannath Bhosale Marg Mumbai – 400 021
22nd	21st July, 2016	3.00 p.m.	
21st	22nd July, 2015	3.00 p.m.	

Details of Special Resolutions passed in the previous three AGMs:

AGM	Particulars of Special Resolutions passed thereat
23rd AGM	a. Approval for issue of Secured / Unsecured Non-convertible debentures upto ₹ 5,000 crore
	b. Approval for further issue of Securities not exceeding ₹ 7,500 crore
	c. Approval for issue of Non-convertible Bonds upto USD 750 Million or its equivalent Indian or any other currency.
22nd AGM	a. Approval for Issue of Non-Convertible Debentures upto ₹ 5,000 crore
	b. Approval for Issue of Securities not exceeding ₹ 7,500 crore
	c. Approval for Increase in Investment Limit.
21st AGM	a. Approval for Issue of Non-Convertible Debentures upto ₹ 5,000 crore
	b. Approval for Issue of Securities not exceeding ₹ 7,500 crore
	c. Alteration of Articles of Association to align with Companies Act, 2013

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, which could be considered to have potential conflict with the interests of the Company at large.

5.2 The equity shares of the Company are listed with BSE Limited and National Stock Exchange of India Limited and the Company has complied with all the applicable regulations of capital markets. There was no instance of penalties or strictures imposed on the Company by the Stock Exchanges, SEBI or any statutory authority on any matter related to capital markets during the last three years.

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

a. The Auditors' Reports on statutory Financial Statement of the Company are unmodified.

b. 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.

5.4 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 concerns / grievances, if any.

5.5 The Policies for Material Subsidiaries and on dealing with Related Party Transactions are available on the website of the Company at the link www.jsw.in/investors/energy.

5.6 Details of Familiarisation Programmes for Independent Directors, is available on the website of the Company at the link www.jsw. in/investors/energy.

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

5.8 The Financial Statement 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. There are no audit qualifications in this regard.

5.9 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 subsidiaries of the Company are Board managed with their Boards having the rights 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 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 quarterly basis.

d) Subsidiary companies' Financial Results are also tabled before the Company's Board on 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 with Regulation 24(1) of Listing Regulations, Ms. Sheila Sangwan, Ms. Shailaja Chandra and Mr. Rakesh Nath, Independent Directors are also Independent Directors on the Board of Raj WestPower Limited, an unlisted material subsidiary of the Company as on 31st March, 2018.

7. Means of Communication

(i) Quarterly / Annual Results

The quarterly and annual results of the Company are sent to the Stock Exchanges immediately 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 has 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 under Regulation 46 of the Listing Regulations.

(iv) Presentations to Analysts

Presentations / Concalls were made to analysts/ investors during FY 2017-18. The presentations / transcripts of the same are available on the Company's website: www.jsw.in/investors/energy.

(v) Online filings

The Company electronically files data such as Shareholding Pattern, Corporate Governance Report, quarterly and annual financial results, corporate announcements, etc. on the BSE Limited [BSE] and National Stock Exchange of India Limited [NSE] online portal, viz. www.listing.bseindia.com and www.connect2nse.com respectively within the time frame prescribed in this regard.

(vi) SEBI Complaints Redress System (SCORES)

The investor 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 Statement, Consolidated Financial Statement, Board's Report, Auditors' Report and other important information is sent to Members and others entitled thereto. The Management Discussion and Analysis (MD&A) Report forms part of the Annual Report. The Annual Report is also available on the Company's website www.jsw.in/investors/energy.

(viii) Chairman's Communique

Printed copy of the Chairman's Speech is distributed to the Members at the Annual General Meeting.

8. General Shareholders Information

8.1 Annual General Meeting

Date and Time	:	Monday, 6th August, 2018 at 3:00 p.m.
Venue	:	Yashwantrao Chavan Pratisthan Y. B. Chavan Auditorium, General Jagannath Bhosale Marg Mumbai - 400 021

Financial Year: 1st April, 2017 to 31st March, 2018

Financial Calendar FY 2018-19 (Tentative)

First quarter results	On or before 14th August, 2018
Second quarter results	On or before 14th November, 2018
Third quarter results	On or before 14th February, 2019
Annual results for FY 2018-19	On or before 30th May, 2019

Dates of Book Closure: Tuesday, 31st July, 2018 to Monday, 6th August, 2018 (both days inclusive).

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 Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street Mumbai - 400 001	533148
National Stock Exchange of India Limited (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
INE121E07320 - 8.65% NCDs of ₹10 Lakhs each
INE121E07338 - 8.40% 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 FY 2018-19.

8.3 Market Price Data

The monthly high / low market price of the Company's Equity Shares during the year 2017-18 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 17	68.90	62.25	2,14,67,129	68.90	62.95	19,36,22,151	21,50,89,280
May 17	71.35	59.65	2,59,42,762	71.40	59.55	24,78,56,449	27,37,99,211
June 17	67.05	62.20	97,70,432	67.20	62.15	9,50,89,027	10,48,59,459
July 17	74.65	61.80	2,23,34,972	74.70	61.70	20,75,23,055	22,98,58,027
August 17	72.50	60.55	2,74,77,521	72.55	60.50	20,69,87,229	23,44,64,750
September 17	81.65	66.00	5,50,45,969	81.70	66.05	40,26,70,837	45,77,16,806
October 17	88.40	73.65	3,82,11,089	88.30	73.60	23,55,47,742	27,37,58,831
November 17	87.90	78.30	3,26,58,560	87.80	78.30	19,28,23,525	22,54,82,085
December 17	92.75	77.50	2,94,12,021	92.80	77.45	21,71,89,676	24,66,01,697
January 18	97.50	84.40	3,75,34,804	97.50	84.35	19,62,83,261	23,38,18,065
February 18	89.50	78.55	83,13,352	89.60	78.50	4,92,79,904	5,75,93,256
March 18	81.70	69.60	71,62,825	81.85	69.65	3,54,61,646	4,26,24,471

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
Tel No.: 040 - 67161500
Fax No.: 040 - 23001153
E-mail: einward.ris@karvy.com
Website: www.karvy.com

8.5 Share Transfer System

Share Transfers in physical form can be lodged with Karvy at the above mentioned address. The transfer requests are processed within 15 days of receipt of the documents, if documents are found in order.

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

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

8.6 Distribution of Shareholding

The distribution of shareholding as on 31st March, 2018, is given below:

Number of Equity Shares	Number of Shareholders	% of Total Shareholders	Number of Shares held	% of Total Shares
1 – 5,000	1,38,108	97.83	5,39,20,677	3.29
5,001 – 10,000	1,506	1.07	1,15,08,047	0.70
10,001 – 20,000	688	0.49	1,00,43,605	0.61
20,001 – 30,000	261	0.18	65,58,209	0.40
30,001 – 40,000	112	0.08	39,63,792	0.24
40,001 – 50,000	89	0.06	41,73,647	0.25
50,001 – 1,00,000	168	0.12	1,29,66,170	0.79
1,00,001 & Above	242	0.17	1,53,69,20,648	93.71
TOTAL	**1,41,174**	**100**	**1,64,00,54,795**	**100.00**

8.7 Geographical Distribution of Shareholders as on 31st March, 2018

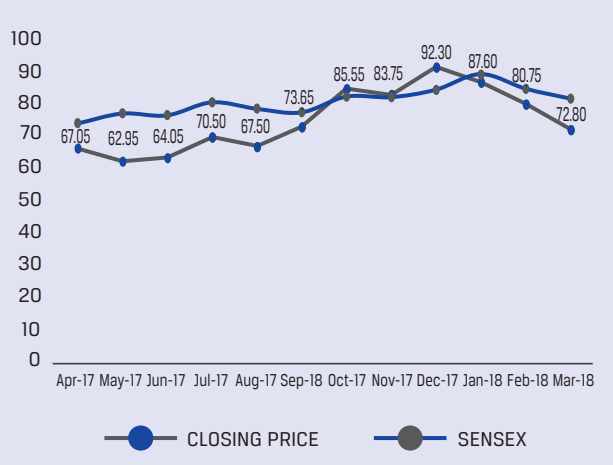
Name of City	Electronic			Physical			Total		
	Number of Share-holders	Number of Shares	% of Total Share-holding	Number of Share-holders	Number of Shares	% of Total Share-holding	Number of Share-holders	Number of Shares	% of Total Share-holding
Ahmedabad	7,655	32,72,84,185	19.96	0	0	0.00	7,655	32,72,84,185	19.96
Bangalore	5,003	33,51,101	0.20	0	0	0.00	5,003	33,51,101	0.20
Kolkata	5,883	94,62,196	0.58	3	401	0.00	5,886	94,62,597	0.58
Chennai	4,189	24,97,221	0.15	0	0	0.00	4,189	24,97,221	0.15
Hyderabad	3,414	26,66,094	0.16	0	0	0.00	3,414	26,66,094	0.16
Mumbai	29,182	1,08,70,29,649	66.28	1	3	0.00	29,183	1,08,70,29,652	66.28
New Delhi	7,844	15,67,24,620	9.56	0	0	0.00	7,844	15,67,24,620	9.56
Pune	3,354	17,14,827	0.10	1	100	0.00	3,355	17,14,927	0.10
Vadodara	2,588	10,33,674	0.06	0	0	0.00	2,588	10,33,674	0.06
Others	72,048	4,82,87,324	2.94	9	3,400	0.00	72,057	4,82,90,724	2.94
TOTAL	**1,41,160**	**1,64,00,50,891**	**100.00**	**14**	**3,904**	**0.00**	**1,41,174**	**1,64,00,54,795**	**100.00**

8.8 Shareholding Pattern

Category	As on 31st March, 2018			As on 31st March, 2017		
	Number of holders	Number of Shares	% of Total Shareholding	Number of Holders	Number of Shares	% of Total Shareholding
Promoter / Promoter Group	33	1,22,99,00,744	74.99	28	1,22,99,40,644	74.99
Non-Resident Indians	1,657	44,27,005	0.27	1,400	27,61,914	0.17
Foreign Institutional Investors	106	9,91,19,454	6.04	113	13,08,16,511	7.98
Foreign Bodies Corporates	1	1,49,16,657	0.91	2	7,13,13,060	4.35
Indian Financial Institutions	4	8,31,27,036	5.07	4	8,23,30,280	5.02
Indian Mutual Funds	14	4,38,33,768	2.67	25	2,10,26,991	1.28
Banks	5	7,96,126	0.05	2	7,12,171	0.04
Bodies Corporates	1,469	4,12,23,940	2.51	1,291	1,50,77,209	0.92
Public	1,33,529	10,97,94,006	6.69	1,19,490	8,22,88,849	5.02
Trust	9	57,312	0.00	5	7,150	0.00
AIF	4	53,29,919	0.32	0	0	0.00
IEPF	1	8,386	0.00	0	0	0.00
HUF	4,325	69,55,957	0.42	3,326	36,47,961	0.22
Total	**1,41,174**	**1,64,00,54,795**	**100.00**	**1,25,694**	**1,64,00,54,795**	**100.00**

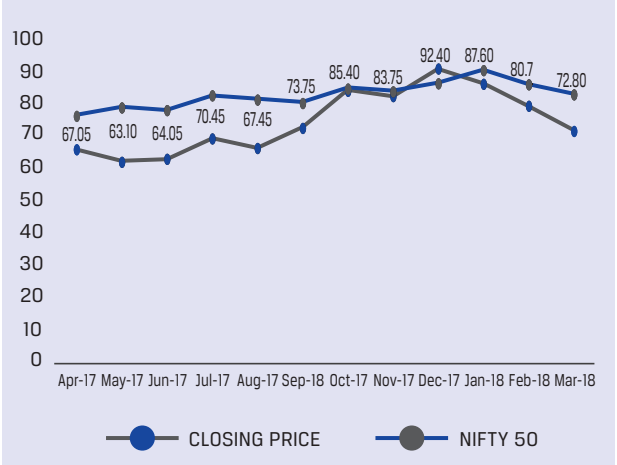
8.9 Performance of Closing Share Price in comparison with BSE Sensex

PERFORMANCE OF JSW ENERGY SHARE PRICE VS. BSE SENSEX



8.10 Performance of Closing Share Price in comparison with S & P CNX Nifty

PERFORMANCE OF JSW ENERGY SHARE PRICE VS. NIFTY



8.11 Top 10 Shareholders as on 31st March, 2018 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
Indusglobe Multiventures Private Limited	25,67,98,944	15.66
JSL Limited	14,53,32,820	8.86
Glebe Trading Private Limited	14,53,32,820	8.86
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
JSW Steel Limited	6,78,49,090	4.14
Tarini Jindal Handa	2,50,02,225	1.52
Tanvi Shete	2,50,02,225	1.52
Parth Jindal	2,50,02,225	1.52

8.12 Corporate benefits to Shareholders (since IPO Listing)

A. Dividend declared

Financial Year	Dividend Declaration Date	Dividend Rate (%)
2009-10	15th July, 2010	7.5%
2010-11	21st July, 2011	10%
2011-12	20th July, 2012	5%
2012-13	25th July, 2013	20%
2013-14	23rd July, 2014	20%
2014-15	22nd July, 2015	20%
2015-16	21st July, 2016	20%
2016-17	13th July, 2017	5%

B. Unclaimed Amounts

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

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

Unclaimed Dividend

Financial Year	Date of Declaration of Dividend	Unclaimed Dividend Amount as on 31st March, 2018 (Amount in ₹)	Due Date for transfer to IEPF
2010-11	21st July, 2011	9,61,470	27th August 2018
2011-12	20th July, 2012	7,87,095	24th August 2019
2012-13	25th July, 2013	16,16,052	28th August 2020
2013-14	23rd July, 2014	20,51,870	26th August 2021
2014-15	22nd July, 2015	15,70,492	25th August 2022
2015-16	21st July, 2016	18,52,928	26th August, 2023
2016-17	13th July, 2017	6,34,490	14th August, 2024

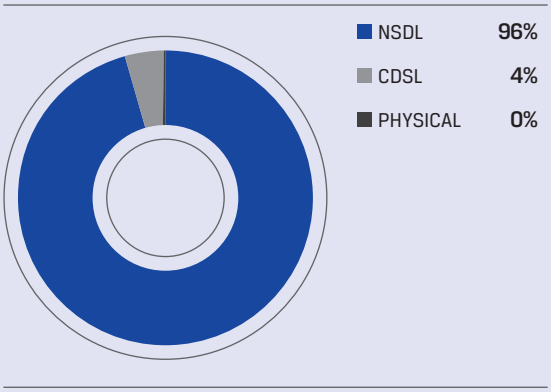
Members who have not claimed their dividend may approach the Company's Registrar at the earliest for obtaining payments thereof.

8.13 Dematerialisation of Shares and Liquidity

The Company's Equity 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.

Description	Cases	Shares	% Equity
PHYSICAL	14	3,904	0.00
NSDL	83,489	1,57,26,65,436	95.89
CDSL	57,671	6,73,85,455	4.11
Total	**1,41,174**	**1,64,00,54,795**	**100.00**

Note: Shares in physical form constitute miniscule percentage of the total Equity Shares.



8.14 NECS Mandate and Bank Account particulars

Members holding Shares in demat 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 Company and avoid postal delays and loss in transit.

As per SEBI Circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018, all securities holders holding securities in physical form are required to furnish to the RTA, copies of PAN and details of their bank account within 180 days of date of the circular, failing which, any transaction by such shareholders in the physical securities shall be subject to enhanced supervision and due diligence by the Company.

8.15 Green Initiative for Paperless Communications

The Ministry of Corporate Affairs ('MCA') has undertaken a 'Green Initiative in Corporate Governance' allowing paperless compliances by companies through electronic mode. Accordingly, companies can now send notice(s) / financial results / Annual Report / documents, etc. to their Members through electronic mode to the registered e-mail addresses. To support the 'Green Initiative' of the MCA and to contribute towards a greener environment, Members are urged to register their e-mail address. Members holding shares in demat form can register their e-mail address / change their e-mail address with their DP or fill in the E-Communication Registration Form as 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 filing 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 website of the Company at the link: 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

180 Equity Shares of the Company in the Unclaimed Suspense Account were transferred to the IEPF demat account during the year. Currently, there are no Shares in the said account.

8.18 Registered Office

JSW Centre, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.

8.19 Plant Locations

Vijayanagar Plant: Post Box No. 9, Toranagallu, District Bellary - 583 123, Karnataka.

Ratnagiri Plant: Village Nandiwade, Post Jaigad, Taluka & District Ratnagiri - 415 614, Maharashtra.

8.20 Address for Investor Correspondence

A. For Retail Investors

(i) Securities held in Demat form:
The Investors' respective Depository Participant(s) and/or Karvy Computershare Private Limited.

(ii) Securities held in physical form:
Registrar & Share Transfer Agent
Karvy Computershare Private Limited
Unit: JSW Energy Limited Karvy
Selenium Tower B, Plot 31- 32
Gachibowli, Financial District
Nanakramguda, Hyderabad - 500 032
Tel. No. 040 - 6716 1500
Fax No. 040 - 23001153
E-mail: einward.ris@karvy.com
Website: www.karvy.com

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

B. For Institutional Investors
Mr. Pritesh Vinay, Vice President - Capital Markets and Group Investor Relations
pritesh.vinay@jsw.in
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 exclusive e-mail id for Investor servicing:
jswel.investor@jsw.in

D. Toll Free Number of R & T Agent's (KARVY) exclusive call centre: 1800-3454-001

E. Web-based Query Redressal System
Facility has been extended by the Registrar and Share Transfer Agent 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 put 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. 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 adopted the Code of Conduct for its members and Senior Management personnel of the Company and is available on the website of the Company and the link: http://www.jsw.in/investors/investor-relations-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 endeavour 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 and due care 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 with the Code of Conduct during the year under review. A declaration by the Jt. Managing Director and CEO affirming compliance by 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 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, top level executives and certain staff whilst dealing in the Company's shares. The Code *inter alia* contains regulations for preservation of unpublished price sensitive information, pre-clearance of trade, etc. The Company Secretary has been appointed as the Compliance Officer and is responsible for ensuring / monitoring 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. Regulation 22 of Listing Regulations and Section 177(9) of Companies Act, 2013 *inter alia*, provides for all listed companies to establish a mechanism called 'Whistle Blower Policy' for employees to report instances of unethical behaviour, actual or suspected, fraud or violation of the Company's Code of Conduct or Ethics Policy. Accordingly, the

Whistle Blower Policy adopted by the Company in line with the provisions specified above, encourages all employees to report any suspected violations promptly and intends to investigate any good faith reports of violations. 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. The Whistle Blower Policy / Vigil Mechanism specifies the procedure and reporting authority for reporting such unethical behaviour, 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 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. Accordingly, the Company has adopted a policy for prevention of Sexual harassment. Sexual harassment at the work place or other than work place, if involving employees, is a grave offence and is, therefore, punishable.

E. Reconciliation of Share Capital Audit Report

Reconciliation of Share Capital Audit Report in terms of SEBI circular CIR/MRD/DP/30/2010 dated 6th September, 2010, confirming that the total issued capital of the Company is in agreement with the total number of Equity Shares in physical form and the total number of shares in demat form held with National Securities Depository Limited and Central Depository Services (India) Limited, is submitted to the Stock Exchanges where the Equity 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 necessary corrective actions wherever necessary.

G. Legal Compliance by the Company's Subsidiaries

Periodical audit ensures that the Company's subsidiaries conduct their 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 they wish to have incorporated in dividend warrants must be submitted to their Depository Participants (DPs). As per the regulations of National Securities Depository Limited and Central Depository Services (India) Limited, the Company is obliged to print bank details on the dividend warrants, as furnished by them to the Company.

(ii) Instructions already given by them for Shares held in physical form will not be automatically applicable to the dividend paid on Shares held in demat 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 demat form and Members are urged to avail of this facility.

C. Depository Services

Members may write to the respective Depository or to Karvy for guidance on depository services.

National Securities Depository Limited
Trade World, 'A' Wing, 4th Floor
Kamala Mills Compound, Lower Parel
Mumbai - 400 013.
Tel No. 022-2499 4200
Fax No. 022-2497 6351
E-mail: info@nsdl.co.in
Website: www.nsdl.co.in

Central Depository Services (India) Limited
Phiroze Jeejeebhoy Towers, 17th Floor
Dalal Street, Mumbai - 400 001
Tel: 022-2272 3333 Fax: 022-2272 3199
E-mail: investors@cdslindia.com
Website: www.cdslindia.com

D. Nomination Facility

Members are entitled to make nomination in respect of Shares held by them. Members holding Shares in demat 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, may submit their requests to Karvy or download the form from the website of the Company at the link: www.jsw.in/investors/energy

Note: All information is as on 31st March, 2018 unless stated otherwise.

DECLARATION AFFIRMING COMPLIANCE OF CODE OF CONDUCT

As provided under Regulation 34 of the Listing Regulations, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for year ended 31st March, 2018.

For **JSW Energy Limited**

Prashant Jain
Jt. Managing Director and CEO

Mumbai
3rd May, 2018

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members of JSW Energy Limited,

Independent Auditor's Certificate on Corporate Governance

1. This certificate is issued in accordance with the terms of our engagement letter reference no. AS/MP/3445/2017-18/01 dated July 20, 2017.

2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of JSW Energy Limited ('the Company'), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March, 2018, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

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

5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31st March, 2018.

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

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W / W-100018)

A. Siddharth
Partner
(Membership No. 31467)

Mumbai, May 3, 2018

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Independent Auditor's Report

To The Members of JSW Energy Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of JSW Energy Limited ('the Company'), which comprise the Balance Sheet as at 31st March, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and 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 'the standalone Ind AS financial statements') and which include two joint operations accounted on a proportionate basis.

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 Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

In conducting 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 and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone Ind AS financial statements 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 obtained by us 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 Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

Attention is invited to following notes of the standalone Ind AS financial statements:

(a) note 35 regarding the plans of the Company to resume construction/developmental activities of a hydropower project. The carrying amounts related to the project as at 31st March, 2018 comprise property, plant and equipment of Rs. 3.55 crore, capital work in progress of ₹ 237.77 crore, capital advance of ₹ 0.07 crore and investment of ₹ 29.02 crore in a subsidiary.

(b) note 32 regarding the accounting treatment followed by the Company, as per the scheme of arrangement between the Company, and its subsidiaries JSW Power Trading Company Limited, and JSW Green Energy Limited, approved by National Company Law Tribunal, which became effective during the year.

Our opinion is not modified in respect of these matters.

Other Matters

(a) We did not audit the financial information of 2 joint operations whose financial information reflect total assets of ₹ 463.59 Crore as at 31st March, 2018 and total revenue of ₹ 5.03 Crore for the year ended on that date, as considered in the standalone Ind AS financial statements. These financial information are unaudited and have been furnished to us by the Management and our opinion on the standalone Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these joint operations, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Company.

(b) The comparative financial information of the Company as at and for the year ended 31st March, 2017 prepared in accordance with Ind AS included in the standalone Ind AS financial statements has been audited by the predecessor auditor. The report of the predecessor auditor on such comparative financial information dated 29th April, 2017 expressed an unmodified opinion.

Our opinion on the standalone Ind AS 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 financial information certified by the Management and the comparative financial information.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d) Having regard to the matter described in sub-paragraph (b) under Emphasis of Matter paragraph, in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Company as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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 A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   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 Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its 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;

2. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Act, we give in 'Annexure B' a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants
(Firm's Registration No. 117366W/ W-100018)

A. Siddharth
Partner
(Membership No. 31467)

Mumbai, dated: 3 May 2018

Annexure 'A'

To the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of JSW Energy Limited ('the Company') as of 31st March, 2018 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 (the 'Guidance Note') issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

Auditor's 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 issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants
(Firm's Registration No. 117366W/ W-100018)

A. Siddharth
Partner
Mumbai, dated: 3 May 2018 (Membership No. 31467)

Annexure 'B'

To the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) The Company has a programme of verification of property, plant and equipment to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/ transfer deed/ conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and acquired buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land that have been taken on lease and disclosed as property, plant and equipment in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement. There are no buildings that have been taken on lease.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals, except for inventories lying with third parties where confirmations have been received by the management, and no material discrepancies were noticed on physical verification.

(iii) 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 Companies Act, 2013.

(iv) 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 Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit and hence reporting under paragraph 3(v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Goods & Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Goods & Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31st March, 2018 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on 31st March, 2018 on account of disputes are given below:

Name of statute	Nature of dues	Forum where dispute is pending	Period(s) to which the amount relates *	Amount unpaid (₹ in crores)**	Amount paid under protest (₹ in crores)
The Custom Act, 1962	Customs Duty	CESTAT	2011-12 to 2012-13	213.27	27.38
Chapter V of the Finance Act, 1994	Service Tax	CESTAT	2008-09 to 2009-10, 2011-12 to 2012-13	0.03	0.78
The Income Tax Act, 1961	Income Tax	Commissioner of Income tax (Appeal)	2013-14	4.62	-

*period represents the earliest year to the latest year **excludes interest and penalty

There were no dues of Sales Tax, Excise duty, Value Added Tax and Cess which have not been deposited as at 31st March, 2018 on account of dispute.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.

(ix) In our opinion and according to the information and explanations given to us, money raised by way of the term loans have been applied by the Company during the year for the purposes for which they were raised or as per purposes revised with appropriate approvals, other than temporary deployment pending application of proceeds. The Company has neither raised any moneys by way of initial public offer / further public offer (including debt instruments) nor were such proceeds pending to be applied, during the current year.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, having regard to legal opinion obtained by the Company, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/ W-100018)

A. Siddharth
Partner
Mumbai, dated: 3 May 2018 (Membership No. 31467)

Balance Sheet

as at 31st March, 2018

₹ crore

Particulars	Notes	As at 31st March, 2018	As at 31st March, 2017
A Assets			
1. Non-current assets			
(a) Property, plant and equipment	4A	5,110.15	5,186.26
(b) Capital work-in-progress	4B	260.55	478.68
(c) Intangible assets	5	0.99	3.60
(d) Financial assets			
(i) Investments	6	6,893.71	5,169.94
(ii) Loans	7	734.41	1,052.14
(iii) Other financial assets	8	964.96	1,021.65
(e) Income tax assets (net)	9A	2.61	22.52
(f) Other non-current assets	10	487.73	469.08
Total non-current assets		**14,455.11**	**13,403.87**
2. Current assets			
(a) Inventories	11	449.96	506.45
(b) Financial assets			
(i) Investments	6	69.32	154.11
(ii) Trade receivables	12	488.52	840.01
(iii) Cash and cash equivalents	13A	81.86	15.18
(iv) Bank balances other than (iii) above	13B	56.66	59.68
(v) Loans	7	182.42	82.10
(vi) Other financial assets	8	107.61	119.94
(c) Other current assets	10	20.42	37.09
Total current assets		**1,456.77**	**1,814.56**
Total Assets		**15,911.88**	**15,218.43**
B Equity and Liabilities			
Equity			
(a) Equity share capital	14A	1,640.05	1,627.95
(b) Other equity	14B	8,237.42	6,765.61
Total equity		**9,877.47**	**8,393.56**
Liabilities			
1. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	2,610.10	2,922.43
(ii) Other financial liabilities	16	0.36	0.62
(b) Provisions	18	12.51	13.87
(c) Deferred tax liabilities (net)	27	340.28	301.49
(d) Other non-current liabilities	17	6.62	1.74
Total non-current liabilities		**2,969.87**	**3,240.15**
2. Current liabilities			
(a) Financial liabilities			
(i) Trade payables	19	2,071.45	1,911.20
(ii) Other financial liabilities	16	820.14	1,285.15
(b) Other current liabilities	17	133.97	384.03
(c) Provisions	18	3.71	4.34
(d) Income tax liabilities (net)	9B	35.27	-
Total current liabilities		**3,064.54**	**3,584.72**
Total equity and liabilities		**15,911.88**	**15,218.43**

See accompanying notes to the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

A. Siddharth
Partner

Place: Mumbai
Date: 3rd May, 2018

For and on behalf of Board of Directors

Prashant Jain
Jt. Managing Director & CEO
[DIN: 01281621]

Sajjan Jindal
Chairman and Managing Director
[DIN: 00017762]

Monica Chopra
Company Secretary

Jyoti Kumar Agarwal
Director - Finance
[DIN: 01911652]
Place: Mumbai
Date: 3rd May, 2018

Statement of Profit and Loss

for the year ended 31st March, 2018

₹ crore, except share data and as stated otherwise

	Particulars	Notes	For the year ended 31st March, 2018	For the year ended 31st March, 2017
1	Revenue from operations	20	4,212.05	4,040.97
2	Other income	21	493.71	328.55
3	**Total income (1 + 2)**		**4,705.76**	**4,369.52**
4	**Expenses**			
	(a) Fuel cost		3,149.31	2,721.20
	(b) Purchase of power		-	33.67
	(c) Employee benefits expense	22	107.00	120.10
	(d) Finance costs	23	476.21	533.04
	(e) Depreciation and amortisation expense	24	364.21	363.90
	(f) Other expenses	25	248.80	260.73
	Total expenses		**4,345.53**	**4,032.64**
5	**Profit before exceptional items and tax (3 – 4)**		**360.23**	**336.88**
6	Exceptional items (net)	26	659.18	-
7	**(Loss) / Profit before tax (5 – 6)**		**(298.95)**	**336.88**
8	**Tax expense**	27		
	- Current tax		106.56	73.16
	- Deferred tax		38.77	68.97
9	**(Loss) / Profit for the year (7 – 8)**		**(444.28)**	**194.75**
10	**Other comprehensive income**			
A	i) Items that will not be reclassified to profit or loss			
	(a) Re-measurements of the net defined benefit plans		0.03	0.22
	(b) Equity instruments through other comprehensive income (Refer Note No 32)		700.03	-
	ii) Income tax relating to items that will not be reclassified to profit or loss		-	(0.05)
	Total (A)		**700.06**	**0.17**
B	i) Items that will be reclassified to profit or loss			
	(a) Foreign currency monetary items translation difference account (FCMITDA)		(4.28)	(10.62)
	(b) Effective portion of cash flow hedge		(2.58)	-
	Total (B)		**(6.86)**	**(10.62)**
	Other comprehensive income/(loss) for the year (A + B)		**693.20**	**(10.45)**
11	**Total comprehensive income for the year (9 + 10)**		**248.92**	**184.30**
12	**Earnings per equity share of ₹ 10 each**	36		
	Basic (₹)		(2.71)	1.20
	Diluted (₹)		(2.71)	1.20

See accompanying notes to the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

A. Siddharth
Partner

Place: Mumbai
Date: 3rd May, 2018

For and on behalf of Board of Directors

Prashant Jain
Jt. Managing Director & CEO
[DIN: 01281621]

Sajjan Jindal
Chairman and Managing Director
[DIN: 00017762]

Monica Chopra
Company Secretary

Jyoti Kumar Agarwal
Director - Finance
[DIN: 01911652]
Place: Mumbai
Date: 3rd May, 2018

Statement of Changes in Equity

for the year ended 31st March, 2018

A. Equity share capital

₹ crore

Balance as at 1st April, 2016	**1,626.79**
Changes in equity share capital during the year – Treasury Shares	1.16
Balance as at 31st March, 2017	**1,627.95**
Changes in equity share capital during the year – Treasury Shares	12.10
Balance as at 31st March, 2018	**1,640.05**

B. Other equity

₹ crore

Particulars	Reserves and surplus						Items of other comprehensive income (OCI)				Total
	Capital reserve	Securities premium account	Debenture redemption reserve	Equity-settled employee benefits reserve	General reserve	Retained earnings	Equity instrument through other comprehensive income	Effective portion of cash flow hedge	Foreign currency monetary items translation difference account	Remeasurements of the net defined benefit plans	
Balance as at 1st April, 2016	**-**	**2,396.22**	**494.59**	**8.92**	**213.95**	**3,833.38**	**-**	**-**	**19.86**	**(1.58)**	**6,965.34**
Profit for the year	-	-	-	-	-	194.75	-	-	-	-	194.75
Other comprehensive income for the year	-	-	-	-	-	-	-	-	(10.62)	0.17	(10.45)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**194.75**	**-**	**-**	**(10.62)**	**0.17**	**184.30**
Dividends	-	-	-	-	-	(325.43)	-	-	-	-	(325.43)
Tax on dividends	-	-	-	-	-	(60.89)	-	-	-	-	(60.89)
Share based payments	-	-	-	1.78	-	-	-	-	-	-	1.78
Consolidation of ESOP Trust	-	-	-	-	-	5.08	-	-	-	-	5.08
Unwinding of transaction cost on debentures issued	-	(4.57)	-	-	-	-	-	-	-	-	(4.57)
Transfers to retained earnings	-	-	(197.15)	-	-	197.15	-	-	-	-	-
Balance as at 31st March, 2017	**-**	**2,391.65**	**297.44**	**10.70**	**213.95**	**3,844.04**	**-**	**-**	**9.24**	**(1.41)**	**6,765.61**

₹ crore

Particulars	Reserves and surplus						Items of other comprehensive income (OCI)				Total
	Capital reserve	Securities premium account	Debenture redemption reserve	Equity-settled employee benefits reserve	General reserve	Retained earnings	Equity instrument through other comprehensive income	Effective portion of cash flow hedge	Foreign currency monetary items translation difference account	Remeasurements of the net defined benefit plans	
Balance as at 31st March, 2017	**-**	**2,391.65**	**297.44**	**10.70**	**213.95**	**3,844.04**	**-**	**-**	**9.24**	**(1.41)**	**6,765.61**
(Loss) for the year	-	-	-	-	-	(444.28)	-	-	-	-	(444.28)
Other comprehensive income for the year	-	-	-	-	-	-	700.03	(2.58)	(4.28)	0.03	693.20
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**(444.28)**	**700.03**	**(2.58)**	**(4.28)**	**0.03**	**248.92**
Pursuant to Scheme of Arrangement (Refer note 32)	516.12	-	-	-	-	60.79	683.19	-	-	-	1,260.10
Dividends	-	-	-	-	-	(81.45)	-	-	-	-	(81.45)
Tax on dividends	-	-	-	-	-	(8.41)	-	-	-	-	(8.41)
Share based payments	-	-	-	2.26	-	-	-	-	-	-	2.26
Consolidation of ESOP Trust	-	-	-	-	-	61.24	-	-	-	-	61.24
Unwinding of transaction cost on debentures issued	-	(10.85)	-	-	-	-	-	-	-	-	(10.85)
Transfers to retained earnings	-	-	(141.61)	-	-	141.61	-	-	-	-	-
Balance as at 31st March, 2018	**516.12**	**2,380.80**	**155.83**	**12.96**	**213.95**	**3,573.54**	**1,383.22**	**(2.58)**	**4.96**	**(1.38)**	**8,237.42**

See accompanying notes to the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

A. Siddharth
Partner

Place: Mumbai
Date: 3rd May, 2018

For and on behalf of Board of Directors

Prashant Jain
Jt. Managing Director & CEO
[DIN: 01281621]

Monica Chopra
Company Secretary

Sajjan Jindal
Chairman and Managing Director
[DIN: 00017762]

Jyoti Kumar Agarwal
Director - Finance
[DIN: 01911652]
Place: Mumbai
Date: 3rd May, 2018

Statement of Cash Flows

for the year ended 31st March, 2018

₹ crore

Particulars		For the year ended 31st March, 2018		For the year ended 31st March, 2017	
A	**Cash Flow from operating activities**				
	(Loss)/Profit before Tax		**(298.95)**		**336.88**
	Adjusted for:				
	Depreciation and amortisation expense	364.55		364.26	
	Interest income	(380.87)		(302.08)	
	Finance costs	476.21		533.04	
	Share based payments	2.26		1.78	
	Dividend Income	(61.55)		(10.18)	
	Impairment loss recognised on loans/trade receivables	2.04		0.11	
	Loss on sale/discard of property, plant and equipment	0.36		0.07	
	Allowance for non-moving inventories	-		0.55	
	Allowance for doubtful loans	715.20		-	
	Contingent consideration/liabilities no longer payable written back	(175.30)		-	
	Impairment loss allowance for investment in subsidiaries and an associate	123.82		-	
	Preoperative expenses written off	-		3.36	
	Unrealised exchange loss / (gain)	0.03		(7.33)	
			1,066.75		**583.58**
	Operating profit before working capital changes		**767.80**		**920.46**
	Adjustment for movement in working capital:				
	Decrease in trade receivables	350.97		338.54	
	Decrease in inventories	56.50		27.74	
	Decrease in current and non current assets	78.19		109.64	
	(Decrease) / Increase in trade payables and other liabilities	(355.85)		73.65	
			129.81		**549.57**
	Cash flow from operations		**897.61**		**1,470.03**
	Income Taxes Paid (net)		(51.37)		(61.34)
	Net Cash generated from operating activities (A)		**846.24**		**1,408.69**
B	**Cash Flow from investing activities**				
	Purchase of property, plant and equipment (including CWIP and capital advances)		(89.02)		(322.54)
	Proceeds from sale of property, plant and equipment		2.02		0.87
	Interest received		382.23		314.59
	Dividend income		45.79		10.18
	Loans / advances to related parties and others		(1,891.45)		(759.84)
	Loans repaid by related parties and others		1,390.07		368.40
	Investment in equity share capital of subsidiaries		(0.02)		(12.18)
	Redemption of investment in debentures of a subsidiary		100.00		1,450.00
	Bank balances other than cash and cash equivalents		2.61		35.05
	Net Cash (used in) / generated from investing activities (B)		**(57.77)**		**1,084.53**

Statement of Cash Flow

for the year ended 31st March, 2018 (Continued)

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
C Cash Flow from financing activities		
Proceed from transfer of treasury shares under ESOP plan	73.34	6.24
Proceed from non current borrowings	2,061.34	1,410.00
Repayment of non current borrowings	(2,401.55)	(2,973.84)
Interest paid	(449.85)	(531.19)
Dividend paid (including corporate dividend tax)	(89.86)	(386.32)
Net Cash used in financing activities (c)	**(806.58)**	**(2,475.11)**
Net (decrease) / increase in cash and cash equivalents (a+b+c)	**(18.11)**	**18.11**
Cash and cash equivalents - at the beginning of the year	**169.29**	**151.18**
Cash and cash equivalents - at the end of the year	**151.18**	**169.29**
Less: Investment in liquid mutual funds (Refer note 6)	69.32	154.11
Cash and cash equivalents (Refer note 13A)	**81.86**	**15.18**

See accompanying notes to the standalone financial statements

Notes:

a) The statement of cash flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

b) For non cash transactions:

i) Out of loan advanced to a party during the year, an amount of ₹ 226.11 crore has been adjusted towards the contingent consideration payable to the same party. [Refer note 38 (A)(ii)]

ii) For non-cash transactions relating to scheme of arrangement. (Refer note 32)

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

A. Siddharth
Partner

Place: Mumbai
Date: 3rd May, 2018

For and on behalf of Board of Directors

Prashant Jain
Jt. Managing Director & CEO
[DIN: 01281621]

Sajjan Jindal
Chairman and Managing Director
[DIN: 00017762]

Monica Chopra
Company Secretary

Jyoti Kumar Agarwal
Director - Finance
[DIN: 01911652]
Place: Mumbai
Date: 3rd May, 2018

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

Note No. 1 General Information

JSW Energy Limited ('the Company') is a listed public Company incorporated on 10th March 1994 under the Companies Act, 1956 and listed on Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is located at JSW Centre, Bandra-Kurla Complex, Bandra (East), Mumbai, Maharashtra. The Company is primarily engaged in the business of generation of power with principal places located at Vijayanagar, Karnataka and Ratnagiri, Maharashtra.

Note No. 2.1 Applicability of new and revised Ind AS:

Ministry of Corporate Affairs on 28th March, 2018 notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 (the 'Rules'). The Rules notify the new revenue standard Ind AS 115, Revenue from Contracts with Customers. The Rules shall be effective from reporting periods beginning on or after 1st April, 2018. New revenue standard Ind AS 115 supersedes the existing standards Ind AS 18 – Revenue and Ind AS 11 – Construction Contracts. The new standard provides a control-based revenue recognition model and provides a five step application principle to be followed for revenue recognition:

i. Identification of the contracts with the customer

ii. Identification of the performance obligations in the contract

iii. Determination of the transaction price

iv. Allocation of transaction price to the performance obligations in the contract (identified in step ii)

v. Recognition of revenue when the Company satisfies a performance obligation.

The management is yet to assess the impact of the aforesaid amendments on the Company's financial information.

2.2 Statement of compliance

The Standalone Financial Statements of the Company which comprise the Balance Sheets as at 31st March, 2018, the Statement of Profit and Loss, the Statements of Cash Flows and the Statements of Changes in Equity for the year ended 31st March, 2018, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as 'Standalone Financial Statements') have been prepared in accordance with Indian Accounting Standards prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter ('Ind AS'), the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Standalone Financial Statements have been approved by the Board of Directors in its meeting held on 3rd May, 2018.

2.3 Basis of preparation and presentation

The Standalone Financial Statements are prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The Standalone Financial Statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest crore, except otherwise indicated.

2.4 Significant accounting policies

I. Revenue recognition

Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection. Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated rebates and other similar allowances.

Revenue from power supply

Revenue from Power Supply is recognised in accordance with the tariff provided in respective Power Purchase Agreements (PPAs) or on the basis of the contracted rates, for sales under merchant trading, as the case may be.

Operator fee

Operator fee is accounted on an accrual basis as and when the right to receive arises.

Delayed payment charges and compensation towards shortfall in offtake

Delayed payment charges and compensation towards shortfall in offtake are recognised, on grounds of prudence when recovered.

Dividend and interest income

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

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

II. Leasing

Arrangements in the nature of lease

An arrangement comprising a transaction or series of related transactions that does not take the legal form of a lease but conveys the right to use the asset in return for a payment or series of payments is evaluated at its inception to assess whether fulfilment of the arrangement is dependent on the use of a specific asset or assets and whether it also conveys the right to use such asset or assets. In case of the arrangement which is identified to be in the nature of lease, the payments and other consideration under the arrangement are separated at the inception of the arrangement into those for lease and those for other elements.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as a lessor

Amount due from the lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Lease receipts are apportioned between finance income and reduction of the revenue so as to achieve a constant rate of interest on the remaining balance of the finance lease receivable. Finance lease income is allocated to the accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

The Company as a lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments under an operating lease shall be recognised as an expense on a straight-line basis over the term of the relevant lease. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

III. Foreign currencies

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise except for:

- exchange differences on transactions entered into in order to hedge certain foreign currency risks (see below the policy on hedge accounting in 2.4 (XV) (b) (f); and
- exchange difference arising on settlement/ restatement of long-term foreign currency monetary items recognised in the standalone financial statements for the year ended 31st March, 2016 prepared under previous GAAP, are capitalised as a part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / upto the date of settlement of such monetary item, whichever is earlier and charged to the Statement of Profit and Loss. The un-amortised exchange difference is carried under other equity as 'Foreign currency monetary item translation difference account' net of tax effect thereon, where applicable.

IV. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

The Company suspends capitalisation of borrowing costs during extended periods in which it suspends active development of a qualifying asset.

V. Employee benefits

a) Short-term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

b) Long-term employee benefits:

Compensated absences which are not expected to be availed or encashed within twelve months after the end of the period in which the employee renders the related service are recognised as a liability as at the Balance Sheet date on the basis of actuarial valuation using projected unit credit method.

c) Retirement benefit costs and termination benefits:

Defined contribution plans:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans:

For defined benefit retirement benefits plans, the cost of providing benefits is determined using the projected unit credit method, and spread over the period during which the benefit is expected to be derived from employees' services. Re-measurement of defined benefit plans in respect of post-employment and other long-term benefits are charged to the Other Comprehensive Income. Actuarial valuations being carried out at the end of each annual reporting period for defined benefit plans.

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/ superannuation. The gratuity is paid @ 15 days salary for the every completed year of service as per the Payment of Gratuity Act, 1972.

The Company makes monthly contributions to provident fund managed by trust for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

Share-based payment arrangements:

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

The Company has created an Employee Benefit Trust for providing share-based payment to its employees. The Trust is used as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Parent Company from the market, for giving shares to employees. The Company treats the Trust as its extension and shares held by the Trust are treated as treasury shares.

VI. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Income tax expense is recognised in the Statement of Profit and Loss except to the extent it relates to items directly recognised in equity or in other comprehensive income.

Current tax

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws

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that are enacted or substantively enacted at the Balance Sheet date.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent it is probable that taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

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

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

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

VII. Property, plant and equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, import duties and other taxes (other than those subsequently recoverable from the tax authorities), directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning.

Cost of major inspection/overhauling is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection/overhauling (as distinct from physical parts) is de-recognised.

Properties in the course of construction are carried at cost, less any recognised impairment loss, as capital work-in-progress. Upon completion, such properties are transferred to the appropriate categories of property, plant and equipment and the depreciation commences.

Where an obligation (legal or constructive) exists to dismantle or remove an asset or restore a site to its former condition at the end of its useful life, the present value of the estimated cost of dismantling, removing or restoring the site is capitalised along with the cost of acquisition or construction upon completion and a corresponding liability is recognised.

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold or Leasehold land is stated at historical cost, and not depreciated. Leasehold Land with an option in the lease deed to purchase on outright basis after a certain period at no additional cost, is not amortised. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

VIII. Other Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no further economic benefits are expected from use or disposal. Gain / (loss) on de-recognition are recognised in profit or loss.

IX. Depreciation and amortisation

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

line method as per the useful lives and residual value prescribed in Schedule II to the Act except in case of the following class of assets wherein useful lives are determined based on technical assessment made by a technical expert engaged by the management taking into account the nature of assets, the estimated usage of assets, the operating conditions of the assets, anticipated technological changes, in order to reflect the actual usage:

Class of Property, plant and equipment	Useful life
Buildings	12-35 years
Plant and equipment	12-35 years
Furniture and fixtures	10 years
Vehicles	10 years
Office equipment	5 years

During the year ended 31st March, 2018, the Company has reassessed the balance useful lives, residual values and the manner in which the economic benefit is being derived from property, plant and equipment. (Refer Note 24).

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Freehold land is not depreciated. Leasehold land is amortised over the period of the lease, except where Leasehold land is acquired by the Company, with an option in the lease deed, entitling the Company to purchase on outright basis after a certain period at no additional cost is not amortised.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

Computer software is amortised over an estimated useful life of 3 years.

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

X. Impairment of Property, plant and equipment

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

XI. Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on weighted average basis.

Cost of raw materials include cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

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XII. Earnings per share

Basic earnings per share is computed by dividing the profit/(loss) for the year by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

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

XIII. Provisions, contingencies and commitments

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A disclosure for contingent liabilities is made where there is-

a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

b) a present obligation that arises from past events but is not recognised because:

i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting period.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

XIV. Financial guarantee contracts:

The Company on a case to case basis elects to account for financial guarantee contracts as a financial instrument or as an insurance contract, as specified in Ind AS 109 on Financial Instruments and Ind AS 104 on Insurance Contracts. At the end of each reporting period the Company performs a liability adequacy test, (i.e. it assesses the likelihood of a pay-out based on current undiscounted estimates of future cash flows), and any deficiency is recognised in profit or loss.

XV. Financial Instruments

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

(a) Investment in subsidiaries, associate and joint venture:

The Company has accounted for its investments in subsidiaries, associate and joint venture at cost.

(b) Financial assets:

(i) Initial recognition and measurement:

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase

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and sale of financial assets are recognised using trade date accounting.

(ii) Subsequent measurement:

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

Financial assets at fair value through other comprehensive income (FVTOCI) - A financial asset is measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL) – A financial asset which is not classified in any of the above categories are fair valued through profit or loss.

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

(a) the entity's business model for managing the financial assets and

(b) the contractual cash flow characteristics of the financial asset.

Equity Investments:

All equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

(iii) Impairment:

The Company recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVTOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward-looking.

The Company's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Company does not track changes in credit risk. Rather it recognises impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables.

The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Company recognises 12-months expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12 months ECL. The impairment losses and

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reversals are recognised in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement for impairment testing.

(iv) Derecognition:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(c) Financial liabilities and equity instruments:

(i) Classification as debt or equity:

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(ii) Equity instruments:

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(iii) Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and in case of loans net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

(iv) Subsequent measurement:

Financial liabilities are carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(v) Derecognition:

Financial liabilities are derecognised when, and only when, the Company's obligations are discharged, cancelled or

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have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

Derivative financial instruments:

The Company uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

(d) Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(e) Fair value measurement:

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i) In the principal market for the asset or liability, or

ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

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(f) Hedge accounting

The Company designates certain hedging instruments, which include derivatives in respect of foreign currency, as either cash flow hedge or fair value hedge. Hedges of foreign currency risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to hedged risk.

(i) Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to hedged risk are recognised in the statement of profit and loss in the line item relating to the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

(ii) Cash flow hedges

The effective portion of changes in fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in Statement profit and loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains or losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in Statement profit and loss.

Note No. 3 Key sources of estimation uncertainty and critical accounting judgements

In the course of applying the policies outlined in all notes under Section 2 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

A) Key sources of estimation uncertainty

i) Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency the estimated usage of the asset, the operating condition of the asset, anticipated technological changes, historical trend of plant load factor, historical

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planned and scheduled maintenance etc. It is possible that the estimates made based on existing experience are different to the actual outcomes within the next financial periods and could cause a material adjustment to the carrying amount of Property, plant and equipment.

ii) **Contingencies**

Accounting for contingencies requires significant judgement by management regarding the estimated probabilities and ranges of exposure to potential loss. The evaluation of these contingencies is performed by various specialists inside and outside of the Company. Such assessment of the Company's exposure to contingencies could change as new developments occur or more information becomes available. The outcome of the contingencies could vary significantly and could materially impact the group's results and financial position. The management has used its best judgement in applying Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' to these matters.

iii) **Fair value measurements**

When the fair values of financial assets or financial liabilities recorded or disclosed in the a standalone financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

iv) **Taxes**

Current Tax: There are transactions and calculations for which the ultimate tax determination is uncertain and would get finalised on completion of assessment by tax authorities. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred Tax: Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits including estimates of temporary differences reversing on account of available benefits from the Income Tax Act, 1961.

v) **Contingent consideration**

The Company based on it's best estimate determined the additional consideration payable to a party upon fructification of certain future events (e.g. approval of plant project cost by the regulator, recovery of dues and receivable from government authorities/ customers etc.) under the securities purchase agreement pertaining to past acquisition of Himachal Baspa Power Company Limited. While estimating the fair value of such contingent consideration payable at each reporting period end, the management has applied it's significant judgement regarding the estimated probabilities, range of exposure and timing of fructification of the related contingent events.

vi) **Defined benefit plans**

The cost of defined benefit plan and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations and mortality rates etc. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

B) Critical accounting judgement

i) **Lease arrangements:**

In respect of Company's power plant unit at Ratnagiri, Maharashtra, while assessing the applicability of the principles relating to arrangements in the nature of lease prescribed under Appendix C to Ind AS 17, the management has exercised judgements in evaluating the customer's right to use the underlying asset, pricing terms of the arrangement and legal enforceability of the terms and conditions of the arrangement to reach a conclusion that the arrangement for supply of power through aforesaid power plant unit is in the nature of lease.

Note No. 4A – Property, plant and equipment

₹ crore

Particulars	Land - freehold[a]	Land - leasehold[b]	Buildings[d]	Plant and equipment [c, e & f]	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvements	Total
At cost / deemed cost									
I. Gross carrying value									
Balance as at 1st April, 2016	**105.23**	**14.32**	**906.24**	**4,623.14**	**41.28**	**57.49**	**9.64**	**0.01**	**5,757.35**
Additions	4.25	-	11.81	116.22	1.25	2.76	3.95	-	140.24
Disposals / discard	-	-	-	(2.76)	(0.03)	-	(0.43)	-	(3.22)
Balance as at 31st March, 2017	**109.48**	**14.32**	**918.05**	**4,736.60**	**42.50**	**60.25**	**13.16**	**0.01**	**5,894.37**
Additions	2.50	-	11.42	270.18	0.77	0.34	3.01	-	288.22
Disposals / discard	-	-	(1.24)	-	(0.02)	(0.04)	(2.48)	-	(3.78)
Balance as at 31st March, 2018 - (I)	**111.98**	**14.32**	**928.23**	**5,006.78**	**43.25**	**60.55**	**13.69**	**0.01**	**6,178.81**
II. Accumulated depreciation and impairment									
Balance as at 1st April, 2016	**-**	**-**	**30.72**	**309.93**	**2.74**	**3.59**	**0.77**	**-**	**347.75**
Depreciation expense for the year	-	-	32.92	318.90	3.31	4.16	1.40	-	360.69
Eliminated on disposal / discard	-	-	-	(0.05)	(0.03)	-	(0.25)	-	(0.33)
Balance as at 31st March, 2017	**-**	**-**	**63.64**	**628.78**	**6.02**	**7.75**	**1.92**	**-**	**708.11**
Depreciation expense for the year	-	-	32.03	303.74	16.04	7.56	2.56	-	361.93
Eliminated on disposal / discard	-	-	-	-	(0.01)	(0.02)	(1.35)	-	(1.38)
Balance as at 31st March, 2018 - (II)	**-**	**-**	**95.67**	**932.52**	**22.05**	**15.29**	**3.13**	**-**	**1,068.66**
III. Net carrying value as at 31st March, 2017	**109.48**	**14.32**	**854.41**	**4,107.82**	**36.48**	**52.50**	**11.24**	**0.01**	**5,186.26**
IV. Net carrying value as at 31st March, 2018 (I-II)	**111.98**	**14.32**	**832.56**	**4,074.26**	**21.20**	**45.26**	**10.56**	**0.01**	**5,110.15**

a) The Company has leased certain land aggregating to 122.86 acres (As at 31st March, 2017 : 77.61 acres) to related parties for an amount aggregating to ₹ 7.08 crore (As at 31st March, 2017 : ₹ 2.31 crore) for a period ranging from 25 to 99 years.

b) Leasehold land acquired by the Company under lease deed entitles the Company to exercise the option to purchase on an outright basis after 10 years from the date of lease deed and there will be no further consideration payable at the time of conversion of the same from leasehold to freehold.

c) Includes net carrying value ₹ 100 (As at 31st March,2017 : ₹ 100) towards Company's share of water supply system constructed on land not owned by the Company. The same is jointly owned (50%) with a related party.

d) Includes net carrying value ₹ 463.59 crore (As at 31st March, 2017 : ₹ 481.70 crore) being cost of office premises located at Mumbai, jointly owned (50%) with a related party.

e) Includes net carrying value ₹ 227.41 crore (As at 31st March, 2017 : ₹ Nil) being cost of pooling station and transmission line constructed on land not owned by the Company.

f) Additions include borrowing cost of ₹ 15.28 crore (for the year ended 31st March, 2017 : ₹ Nil), capitalised during the year. The average rate of interest on such borrowing is 9.75% per annum.

g) For effect of change in estimates of lives of property, plant and equipment (Refer note 24)

h) Refer Note 15 for the details in respect of certain property, plant and equipment hypothecated/mortgaged as security against borrowings.

Note No. 4B – Capital work-in-progress:

Capital work-in-progress and pre operative expenditure during construction period (pending allocation) relating to property, plant and equipment

	₹ crore
At cost / deemed cost	
Balance as at 31st March, 2018	**260.55**
Balance as at 31st March, 2017	**478.68**

Footnotes:

1) Includes ₹ 237.77 crore (As at 31st March,2017 : ₹ 237.77 crore) expenses incurred for Kutehr hydro project.(Refer note 35)
2) Amount transferred to property, plant and equipment during the year ₹ 288.22 crore (for the year ended 31st March, 2017 : ₹ 140.24 crore)
3) Amount transferred to Statement of Profit and Loss during the year ₹ Nil (for the year ended 31st March, 2017 : ₹ 3.36 crore)
4) Refer Note 15 for the details in respect of certain capital work in progress hypothecated/mortgaged as security against borrowings.

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

Note No. 5 – Intangible assets

₹ crore

Particulars		Computer software
At cost / deemed cost		
I.	**Gross carrying value**	
	Balance as at 1st April, 2016	**8.44**
	Additions	1.99
	Balance as at 31st March, 2017	**10.43**
	Additions	0.01
	Balance as at 31st March, 2018	**10.44**
II.	**Accumulated amortisation and impairment**	
	Balance as at 1st April, 2016	**3.25**
	Amortisation expense for the year	3.58
	Balance as at 31st March, 2017	**6.83**
	Amortisation expense for the year	2.62
	Balance as at 31st March, 2018	**9.45**
III.	**Net carrying value as at 31st March, 2017**	**3.60**
IV.	**Net carrying value as at 31st March, 2018 (I - II)**	**0.99**

Refer Note 15 for the details in respect of certain intangible assets hypothecated/mortgaged as security against borrowings.

Note No. 6 – Investments

₹ crore

Particulars		As at 31st March, 2018			As at 31st March, 2017		
		No. of shares / units	Current	Non-current	No. of shares / units	Current	Non-current
A.	**Unquoted Investments**						
I.	**Investment at cost / deemed cost**						
a)	**Investments in equity instruments**						
	Investment in subsidiary companies						
i)	JSW Power Trading Company Limited (Equity Share of ₹ 10 each fully paid-up) (Refer note 32)	-	-	-	70,000,000	-	70.02
ii)	Raj WestPower Limited (Equity Share of ₹ 10 each fully paid-up) {of which Nil (As at 31st March, 2017: 517,815,000) shares pledged as security in favour of banks and financial institutions for loans granted to Raj WestPower Limited} [Refer note 28 (A)(iii)]	1,726,050,000	-	1,726.05	1,726,050,000	-	1,726.05
iii)	Jaigad Power Transco Limited (Equity Share of ₹ 10 each fully paid-up)	101,750,000	-	101.75	101,750,000	-	101.75
iv)	JSW Energy (Raigarh) Limited (Equity Share of ₹ 10 each fully paid-up)	113,832,300	-	113.83	113,832,300	-	113.83

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to the Standalone Financial Statements for the year ended 31st March, 2018

₹ crore

Particulars	As at 31st March, 2018			As at 31st March, 2017		
	No. of shares / units	Current	Non-current	No. of shares / units	Current	Non-current
v) JSW Green Energy Limited (Equity Share of ₹ 10 each fully paid-up) (Refer note 32)	70,050,000	-	70.05	50,000	-	0.05
vi) JSW Energy Mineral Mauritius Limited (Equity Share of USD 10 each fully paid-up)	905,300	-	42.11	905,300	-	42.11
vii) JSW Energy (Kutehr) Limited (Equity Share of ₹ 10 each fully paid-up) (Refer note 35)	29,015,000	-	29.02	29,015,000	-	29.02
viii) JSW Energy Natural Resources (BVI) Limited @ (Equity Share of USD 1 each fully paid-up)	-	-	-	773,850	-	3.63
ix) Himachal Baspa Power Company Limited (Equity Share of ₹ 10 each fully paid-up)	1,250,050,000	-	2,046.01	1,250,050,000	-	2,046.01
x) JSW Solar Limited (Equity Share of ₹ 10 each fully paid-up)	10,000	-	0.01	-	-	-
xi) JSW Electric Vehicles Private Limited (Equity Share of ₹ 10 each fully paid-up)	10,000	-	0.01	-	-	-
Investment in an associate Company						
i) Toshiba JSW Power Systems Private Limited (Equity Share of ₹ 10 each fully paid-up)	99,877,405	-	100.23	99,877,405	-	100.23
Investment in joint venture Company						
i) MJSJ Coal Limited (Equity Share of ₹ 10 each fully paid-up)	10,461,000	-	10.46	10,461,000	-	10.46
II. Investments at amortised cost						
a) Investments in debentures						
Investment in subsidiary						
i) Himachal Baspa Power Company Limited (13% Unsecured Redeemable Non-Convertible Debenture of ₹ 100 each fully paid-up) [Refer foot note 1(c)]	80,000,000	-	800.00	90,000,000	-	900.00

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

₹ crore

Particulars	As at 31st March, 2018			As at 31st March, 2017		
	No. of shares / units	Current	Non-current	No. of shares / units	Current	Non-current
b) Investments in Government security						
i) 6-Year National Savings Certificate (Pledged with Commercial Tax Department)	-	-	*0.00	-	-	*0.00
III. Investments at fair value through profit or loss						
a) Investment in other equity shares						
i) Power Exchange India Limited (Equity Shares of ₹ 10 each fully paid-up)	1,250,000	-	1.25	1,250,000	-	1.25
b) Investments in preference shares						
Investment in subsidiary companies						
i) JSW Power Trading Company Limited (10% Redeemable Non-Cumulative Preference Shares of ₹ 10 each fully paid-up) (Refer note 32)	-	-	-	132,000,000	-	73.37
ii) JSW Green Energy Limited (10% Redeemable Non Cumulative Preference Shares of ₹ 10 each fully paid-up) (Refer note 32) [Refer foot note 1(a)]	13,200,000	-	2.59	-	-	-
Investment in other entities						
i) JSW Realty & Infrastructure Private Limited (Preference Shares of ₹ 100 each fully paid-up) [Refer foot note 1(b)]	503,000	-	2.05	503,000	-	1.84
c) Investments in mutual funds		-	-			
1) Birla Sun Life Mutual Fund						
Birla Sunlife Cash Plus Growth	-	-	-	767,930	20.02	-
2) Reliance Mutual Fund						
Reliance Liquid Fund TP IP Growth	164,188	69.32	-	52,747	20.86	-
3) BNP Mutual Fund						
BNP Paribas Overnight Fund	-	-	-	60,234	15.00	-
4) SBI Mutual Fund						
SBI Premier Liquid Fund Growth	-	-	-	264,101	67.23	-
5) L&T Mutual Fund						
L& T Liquid Fund	-	-	-	67,440	15.00	-
6) Kotak Mutual Fund						
Kotak Floater Fund	-	-	-	60,081	16.00	-

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to the Standalone Financial Statements for the year ended 31st March, 2018

₹ crore

Particulars	As at 31st March, 2018			As at 31st March, 2017		
	No. of shares / units	Current	Non-current	No. of shares / units	Current	Non-current
B. Quoted Investments						
I. Investments at fair value through other comprehensive income						
a) Investments in equity instruments						
i) JSW Steel Limited (Equity Shares of ₹ 1 each fully paid-up) {of which 89,60,000 (As at 31st March, 2017: Nil) shares pledged as security in favour of a bank for loan granted to Company} (Refer note 32)	70,038,350	-	2,018.15	-	-	-
Total		**69.32**	**7,063.57**		**154.11**	**5,219.62**
Less: Aggregate amount of allowance for impairment in the value of investments		-	169.86		-	49.68
Total investments at carrying value		**69.32**	**6,893.71**		**154.11**	**5,169.94**

* Less than ₹ 50,000

Quoted investments

Particulars	As at 31st March, 2018	As at 31st March, 2017
Aggregate book value	2,018.15	-
Aggregate market value	2,018.15	-

Unquoted investments

Aggregate carrying value	4,944.88	5,324.05
Investment at cost	4,869.67	5,093.48
Investment at fair value through other comprehensive income	2,018.15	-
Investment at fair value through profit or loss	75.21	230.57

Allowance for impairment in value of Investments

Particulars	As at 31st March, 2018	As at 31st March, 2017
JSW Energy Mineral Mauritius Limited	42.11	42.11
JSW Energy (Raigarh) Limited	23.58	-
Toshiba JSW Power Systems Private Limited	100.23	-
JSW Energy Natural Resources (BVI) Limited @	-	3.63
MJSJ Coal Limited	3.94	3.94
	169.86	**49.68**

@ Dissolved with effect from 4th April, 2017

Footnotes:

1. Terms of preference shares and debentures are as follows:

a) 10% Redeemable Non Cumulative Preference Shares of ₹ 10 each fully paid-up invested in JSW Green Energy Limited are redeemable on 30th April, 2038.

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to the Standalone Financial Statements for the year ended 31st March, 2018

b) 10% Redeemable Non Cumulative Preference Shares of ₹ 10 each fully paid-up invested in JSW Realty & Infrastructure Private Limited are redeemable after 15th year from the date of allotment in 5 annual instalments.

c) 13% Unsecured Redeemable Non-Convertible Debenture of ₹ 100 each fully paid-up invested in Himachal Baspa Power Company Limited are redeemable at par ₹ 560.00 crore on 1st September, 2025 and ₹ 240.00 crore on 21st July, 2026 and interest payable annually due on 31st March.

2. Refer note 15 for current investments hypothecated as security against borrowings.

Note No. 7 – Loans

₹ crore

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non-current	Current	Non-current
(1) Unsecured, considered good				
(i) Loans to subsidiaries (Refer note 40)	4.08	730.64	1.48	834.10
(ii) Loans to related parties (Refer note 40)	0.75	3.77	80.62	218.04
(iii) Loans to others	177.59	-	-	-
	182.42	**734.41**	**82.10**	**1,052.14**
(2) Unsecured, considered doubtful				
(i) Loans to subsidiaries (Refer note 40)	-	181.11	2.60	42.18
Less: Loss allowance for doubtful loans	-	181.11	2.60	42.18
	-	**-**	**-**	**-**
(ii) Loans to others	574.19	-	-	-
Less: Loss allowance for doubtful loans	574.19	-	-	-
	-	-	-	-
	182.42	**734.41**	**82.10**	**1,052.14**

Name of Parties	Current	Non-current	Current	Non-current
1) Subsidiaries				
a) Raj WestPower Limited	-	567.64	-	546.44
	-	(567.64)	-	(546.44)
b) JSW Energy Mineral Mauritius Limited	-	343.76	-	329.84
		(344.07)	-	(355.10)
c) JSW Green Energy Limited	4.08	-	4.08	-
	(4.08)	-	(4.08)	-
d) JSW Energy (Raigarh) Limited	-	0.35	-	-
		(0.35)	-	-
2) Related parties				
a) JSW Energy (Bengal) Limited	-	-	80.12	-
	-	-	(80.12)	-
b) South West Mining Limited	-	-	-	213.69
	-	(275.57)	-	(256.55)
c) JSW Global Business Solutions Limited	0.75	3.77	0.50	4.35
	(0.75)	(4.85)	(0.50)	(4.97)

(Figures in brackets relate to maximum amount outstanding during the year)

All the above loans have been given for business purpose only.

Investment by JSW Energy Mineral Mauritius in subsidiaries:

₹ crore

Particulars	As at 31st March, 2018 No of Shares	As at 31st March, 2017 No of Shares
a) JSW Energy Natural Resources Mauritius Limited	600,000	600,000
b) JSW Energy Natural Resources UK Limited #	-	1,000

De-registered with effective from 29th August,2017

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

Movement in loss allowance - loans

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Opening loss allowance	44.78	44.78
Loss of allowance during the year (net)	710.52	-
Closing loss allowance	755.30	44.78

Note No. 8 – Other financial assets

₹ crore

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
(1) Finance lease receivable (Refer note 30)	47.42	934.34	51.35	981.76
(2) Security deposits				
(i) Government/Semi-Government authorities	0.05	-	4.06	-
(ii) Related parties (Refere note 40)	19.85	29.87	34.82	27.67
(iii) Others	30.02	0.34	27.65	0.56
(3) Interest receivables				
(i) Interest accrued on loans to related parties (Refere note 40)	1.25	-	1.21	11.66
(ii) Interest accrued on loans to others	7.98	-	-	-
(iil) Interest accrued on deposits	1.04	-	0.85	-
(4) Other bank balances				
(i) Margin money for security against the guarantees	-	0.41	-	-
	107.61	**964.96**	**119.94**	**1,021.65**

Note No. 9A – Income tax assets (net)

₹ crore

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non-current	Current	Non-current
(1) Advance tax and tax deducted at source [(Net of provision ₹ 1,369.20 crore (As at 31st March, 2017: ₹ 1,781.84 crore)]	-	2.61	-	22.52
	-	**2.61**	**-**	**22.52**

Note No. 9B – Income tax liabilities (net)

₹ crore

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non-current	Current	Non-current
(1) Provision for income tax (Net of advance tax and tax deducted at source ₹ 71.29 crore)	35.27	-	-	-
	35.27	**-**	**-**	**-**

Note No. 10 – Other assets

₹ crore

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non-current	Current	Non-current
(1) Capital advances	-	21.85	-	15.79
(2) Advance to a related party [Refer note 28(B)(ii)]	-	381.13	-	373.00
(3) Prepayments	11.19	11.97	13.92	15.47
(4) Advances to vendors	7.58	-	22.78	-
(5) Balances with government authorities	1.56	72.78	0.03	64.82
(6) Others	0.09	-	0.36	-
	20.42	**487.73**	**37.09**	**469.08**

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

Note No. 11 – Inventories

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
(1) Raw materials - Stock of fuel	319.45	414.63
(2) Stores and spares	93.92	91.82
(3) Stock-in-trade	36.59	-
	449.96	**506.45**

Footnotes:

a) Cost of inventory recognised as an expense ₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(1) Raw materials - Stock of fuel	3,149.31	2,721.20
(2) Stores and spares	20.40	27.01
	3,169.71	**2,748.21**

b) Details of Stock in transit included above ₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
(1) Raw materials - Stock of fuel	123.39	120.39
(2) Stores and spares	0.17	0.16
(3) Stock-in-trade	-	-
	123.56	**120.55**

c) Refer note 2.4(XI) for basis of valuation

d) Refer note 15 for Inventories hypothecated as security against certain bank borrowings.

Note No. 12 – Trade receivables

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Unsecured, considered good	488.52	840.01
	488.52	**840.01**

a) Ageing of trade receivables

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
With in Credit Period	258.60	448.64
1 - 30 days	129.00	161.24
31 - 60 days	0.29	126.89
61 - 90 days	0.09	8.53
91 - 180 days	0.38	70.58
〉180 days	100.16	24.13
	488.52	**840.01**

b) The average credit period allowed to customers is in the range of 30-45 days and interest on overdue receivables is generally levied at 8.15% to 15% per annum. There has been no significant change in the credit quality of past receivables.

c) The Company does not have history of defaults in trade receivables. Loss allowance is estimated for disputed receivables based on assessment of each case by obtaining legal advise where considered necessary.

d) The Company was supplying power to Karnataka Power Transmission Corporation Limited (KPTCL) on the basis of the rate approved by Government of Karnataka. However, Karnataka Electricity Regulatory Commission ('KERC') had passed an order in July, 2002 reducing the tariff retrospectively. The Company's appeal against the said order has been decided in favour of the Company by Karnataka High Court and now the proceedings are pending before the Supreme Court for the appeal filed by KPTCL. As against the disputed amount of ₹ 105.35 crore, in terms of the interim order dated 23rd January, 2007 of the Supreme Court, KPTCL paid ₹ 100.00 crore against the bank guarantee provided by the Company.

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

The Company has been legally advised that there is a high probability of success considering the merit of the case and previous favourable orders

e) Amount of ₹ 53.85 crore (As at 31st March, 2017 ₹ 53.85 crore) claimed and withheld by Power Company of Karnataka Limited (PCKL) and Karnataka DISCOMS towards the compensation received from Telangana and Andhra Pradesh DISCOMS for lesser off take against contracted quantum during the enforcement of Section 11 of the Electricity Act, 2003. The Company has received an interim favourable order on 14th December, 2017 from Karnataka High Court against the writ petition filed by it. Having regard to aforesaid, the Company has also been legally advised that it has a good case on merit and is likely to succeed.

f) Maharashtra State Electricity Distribution Company Limited ('MSEDCL') has claimed a recovery of incentives of ₹ 21.37 crore (As at 31st March, 2017 ₹ 21.37 crore) paid to the Company by MSEDCL for early supply of power from September, 2010 to December 2012 period under the Power Purchase Agreement (PPA). The Company has received an unfavourable order from Maharashtra Electricity Regulatory Commission (MERC) and against which appeal has been filed by the Company before Appellate Tribunal of Electricity (APTEL). In view of the standard bidding document containing such incentive provision, the articles of the PPA, the intent of MSEDCL as evidenced by it's act of undisputed payment in the past and justifying such payments to it's Principal Accountant General, the Company believes that commencement of power supply prior to scheduled commercial operation date, gives it a legal and contractual entitlement for the said incentive

g) Refer note 15 for trade receivables hypothecated as security against borrowings.

Note No. 13A – Cash and cash equivalents

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
(1) Balances with banks		
(i) In current accounts	3.51	12.66
(ii) In deposit accounts maturity less than 3 months at inception	78.33	-
(2) Cheques on hand	-	2.51
(3) Cash on hand	0.02	0.01
	81.86	**15.18**

Note No. 13B – Bank balances other than cash and cash equivalents

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
(1) Balances with banks		
(i) In deposit accounts maturity more than 3 months at inception	43.90	48.00
(2) Earmarked balances with banks		
(i) Unpaid dividends	0.95	0.95
(ii) Margin money for security against the guarantees	11.81	10.73
	56.66	**59.68**

Note No. 14A – Equity share capital

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	No.of shares	₹ crore	No.of shares	₹ crore
Authorised:				
Equity shares of ₹ 10 each with voting rights	5,000,000,000	5,000.00	5,000,000,000	5,000.00
Issued, Subscribed and Fully paid: (A)			-	-
Equity shares of ₹ 10 each with voting rights	1,640,054,795	1,640.05	1,640,054,795	1,640.05
Treasury shares held through ESOP Trust (B)			-	-
Equity shares of ₹ 10 each with voting rights	-	-	(12,101,604)	(12.10)
Equity shares (net of treasury shares) - (A+B)	**1,640,054,795**	**1,640.05**	**1,627,953,191**	**1,627.95**

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

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

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	No. of Shares	No. of Shares
Balance as at the beginning and end of the year	1,640,054,795	1,640,054,795

b) Reconciliation of the number of treasury shares outstanding at the beginning and end of the year:

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	No. of Shares	No. of Shares
Balance as at the beginning of the year	**12,101,604**	**13,268,673**
Changes during the year	(12,101,604)	(1,167,069)
Balance as at the end of the year	**-**	**12,101,604**

c) Rights, preferences and restrictions attached to equity shares:

i) The Company has only one class of equity shares having a par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to approval of the Shareholders in the ensuing Annual General Meeting.

(ii) In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to the shareholding.

d) Details of shareholders holding more than 5% shares in the Company are set out below:

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	No. of shares	% of shares	No. of shares	% of shares
JSW Investments Private Limited	332,762,694	20.29%	332,762,694	20.29%
Indusgloble Multiventures Private Limited	256,798,944	15.66%	-	-
Sahyog Holdings Private Limited	-	-	235,082,000	14.33%
JSL Limited	145,332,820	8.86%	145,332,820	8.86%
Glebe Trading Private Limited	145,332,820	8.86%	145,332,820	8.86%
JSW Steel Limited	-	-	91,474,090	5.58%
Danta Enterprises Private Limited	85,599,613	5.22%	85,599,613	5.22%
Virtuous Tradecorp Private Limited	85,599,613	5.22%	85,599,613	5.22%

e) Dividend Paid:

(i) The Board of Directors, in its meeting on 29th April, 2017, proposed a final dividend of ₹ 0.50 per equity share, aggregating to ₹ 89.86 crore (including dividend on treasury shares and corporate dividend tax of ₹ 8.41 crore) for the year ended 31st March, 2017 which was approved by the shareholders at the Annual General Meeting held on 13th July, 2017 and the same was paid on 17th July,2017

Note No. 14B - Other equity

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
A. Reserves and surplus		
(1) General reserve	213.95	213.95
(2) Retained earnings	3,573.54	3,844.04
B. Other reserves		
(1) Capital reserve	516.12	-
(2) Securities premium account	2,380.80	2,391.65
(3) Equity-settled employee benefits reserve	12.96	10.70
(4) Debenture redemption reserve	155.83	297.44
C. Other comprehensive income		
(1) Foreign currency monetary items translation difference account	4.96	9.24
(2) Equity instrument through other comprehensive income	1,383.22	-
(3) Effective portion of cash flow hedge	(2.58)	-
(4) Remeasurements of the net defined benefit plans	(1.38)	(1.41)
	8,237.42	**6,765.61**

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

(1) General reserve

The Company created a general reserve in earlier years pursuant to the provisions of the Companies Act, wherein certain percentage of profits were required to transferred to general reserve before declaring dividend. As per Companies Act 2013, the requirement to transfer profits to general reserve is not mandatory. General reserve is a free reserve available for distribution subject to compliance with the Companies (Declaration and Payment of Dividend) Rules, 2014.

(2) Retained earnings

Retained earnings comprise balances of accumulated (undistributed) profit and loss at each year end, less any transfers to general reserve.

(3) Capital reserve

Reserve is primarily created on amalgamation as per statutory requirement.

(4) Securities premium account

Securities premium comprises premium received on issue of shares.

(5) Equity-settled employee benefits reserve

The Company offers ESOP under which options to subscribe for the Company's share have been granted to certain employees and senior management. The share based payment reserve is used to recognise the value of equity settled share based payments provided as part of the ESOP scheme

(6) Debenture redemption reserve

The Indian Companies Act requires companies that issue debentures to create a debenture redemption reserve from annual profits until such debentures are redeemed. Companies are required to maintain 25% as a reserve of outstanding redeemable debentures. The amounts credited to the debenture redemption reserve may not be utilised except to redeem debentures.

(7) Foreign currency monetary items translation difference account

The reserve pertains to exchange differences relating to long-term foreign currency monetary items in so far as they do not relate to acquisition of depreciable capital assets, which are accumulated in 'Foreign Currency Monetary Item Translation Difference Account' and amortised in the Statement of Profit and Loss over the balance period of such long-term foreign currency monetary items.

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Balance as at the beginning of the year	**9.24**	**19.86**
Add: Foreign currency exchange difference during the year	1.38	(7.58)
Less: Reclassification to profit or loss	5.66	3.04
Balance as at the end of the year	**4.96**	**9.24**

(8) Equity instrument through other comprehensive income

The fair value change of the equity instruments measured at fair value through other comprehensive income is recognised in Equity instruments through Other Comprehensive Income.

(9) Effective portion of cash flow hedge

Effective portion of cash flow hedge represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which shall be reclassified to profit or loss only when the hedged transaction affects the profit or loss.

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Balance as at the beginning of the year	**-**	**-**
Add: Change in intrinsic value of foreign currency options	(0.86)	-
Add: Change in fair value of interest rate swaps	(1.72)	-
Less: Amounts reclassified to profit or loss	-	-
Balance as at the end of the year	**(2.58)**	**-**

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

(10) Remeasurements of the net defined benefit plans

This reserve represents the impact of actuarial gains and losses on the funded obligation due to change in financial assumptions, change in demographic assumptions, experience adjustments etc. recognised through other comprehensive income.

Note No. 15 – Borrowings

₹ crore

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non-current	Current	Non-current
Measured at amortised cost				
(1) Non current borrowings (Secured):				
(i) Debentures				
- Non-convertible debentures	200.00	1,300.00	320.00	1600.00
(ii) Term loans				
- From banks	331.59	1,313.59	213.70	1,295.17
- From financial institutions	-	-	12.50	40.70
	531.59	**2,613.59**	**546.20**	**2,935.87**
Less: Unamortised borrowing cost	1.51	3.49	4.56	13.44
Less: Current maturities of long-term debt (included in note no 16)	530.08	-	541.64	-
	-	**2,610.10**	**-**	**2,922.43**

Reconciliation of the long-term borrowings outstanding at the beginning and end of the year:

₹ crore

Particulars	For the year ended 31st March, 2018
Balance as at the beginning of the year (including current maturities)	**3,464.07**
Cash flows (repayment)/ Proceeds	(340.21)
Non-cash changes	
1. Foreign exchange movement	3.32
2. Amortised borrowing cost	13.00
Balance as at the end of the year (including current maturities)	**3,140.18**

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

₹ crore

As at 31st March, 2018		As at 31st March, 2017		Terms of repayment	Security
Current	Non-current	Current	Non-current		
A. Debentures (secured)					
-	500.00	-	500.00	5,000 nos @ 8.65% Secured Redeemable Non-Convertible Debentures of ₹ 10 lakh each are redeemable at par in 3 yearly installments, first installment ₹ 100 crore, second and third installment ₹ 200 crore each, starting from 30th December, 2020 till 30th December, 2022.	*Pari passu* first ranking charge by way -of the Company situated at village Chafer, Ratnagiri, Maharashtra and first ranking charge by way of hypotheca-tion of moveable fixed assets of the Company (SBU1 & SBU2) situated at Vijayanagar Works, Karnataka
-	500.00	-	-	5,000 nos @ 8.40% Secured Redeemable Non-Convertible Debentures of ₹ 10 lakh each are redeemable at par in bullet repayment of ₹ 500 crore on 18th September, 2020	*Pari passu* first ranking charge by way of legal mortgage on the freehold land of the Company situated at village Chafer, Ratnagiri, Maharashtra and first ranking charge by way of hypotheca-tion of moveable fixed assets of the Company (SBU3) situated at Ratnagiri Works, Maharashtra
200.00	300.00	200.00	500.00	10,000 nos @ 9.75% Secured Redeemable Non-Convertible Debentures of ₹ 5 lakh each are redeemable at par in 5 half yearly equal instalments from 20th July / 30th July / 16th August, 2018 till 20th July / 30th July / 16th August, 2020.	*Pari passu* first ranking charge by way of legal mortgage on the freehold land of the Company situated at village Mou-je Maharajpura, Mehsana, Gujarat and first ranking charge by way of mortgage on immovable assets of the Company (SBU1 & SBU2) and first ranking charge by way of hypothecation of moveable fixed assets of the Company (SBU1 & SBU2) situated at Vijayanagar Works, Karnataka
-	-	120.00	600.00	Prepaid on 29th September, 2017	*Pari passu* first ranking charge by way of legal mortgage on the freehold land of the Company situated at village Mou-je Maharajpura, Mehsana, Gujarat and first ranking charge by way of mort-gage on fixed assets of the Company's (SBU3) situated at Ratnagiri Works, Maharashtra
200.00	**1,300.00**	**320.00**	**1,600.00**	**Total debentures**	

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

₹ crore

As at 31st March, 2018		As at 31st March, 2017		Terms of repayment	Security
Current	Non-current	Current	Non-current		
B. Term Loans					
Rupee term loan from banks (secured)					
102.27	100.60	102.27	302.87	7 quarterly installments of ₹ 25.57 crore each from 30th June, 2018 to 31st December, 2019 and 1 quarterly instalment of ₹ 23.88 crore on 31st March, 2020	*Pari passu* first ranking charge by way of legal mortgage on a flat situated at Mumbai, Maharashtra and first charge by way of legal mortgage of Company (SBU3) immovable property both present and future and second ranking charge on current assets of Company (SBU3) situated at Ratnagiri Works, Maharashtra
181.82	772.72	35.70	714.30	21 quarterly installments of ₹ 45.454 crore each from 30th June, 2018 to 30th June, 2023	*Pari passu* first ranking charge by way of legal mortgage on a flat situated at Mumbai, Maharashtra and first charge by way of legal mortgage of Company (SBU3) immovable property both present and future and second ranking charge on current assets of Company (SBU3) situated in Ratnagiri Works, Maharashtra
47.50	225.62	6.67	153.33	23 quarterly installments of ₹ 11.875 crore each from 30th June, 2018 to 31st December, 2023	*Pari passu* first ranking charge by way of legal mortgage on a flat situated at Mumbai, Maharashtra and first charge by way of legal mortgage of Company (SBU3) immovable property both present and future and second ranking charge on current assets of Company (SBU3) situated in Ratnagiri Works, Maharashtra
-	-	2.90	-	Final Installment paid on 1st July, 2017	*Pari passu* first ranking charge by way of equitable mortgage of immovable assets of Company (SBU1 & SBU2) and first ranking charge by way of hypothecation of moveable fixed assets of the Company (SBU1 & SBU2) and second ranking charge by way of hypothecation on the current assets of Company (SBU1 & SBU2) including stock and receivables (both present and future) situated at Vijayanagar Works, Karnataka
-	-	8.01	-	Final Installment paid on 1st July, 2017	*Pari passu* first ranking charge by way of equitable mortgage of immovable assets of Company (SBU1 & SBU2) and first ranking charge by way of hypothecation of moveable fixed assets of the Company (SBU1 & SBU2) and second ranking charge by way of hypothecation on the current assets of Company (SBU1 & SBU2) including stock and receivables (both present and future) situated at Vijayanagar Works, Karnataka

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

₹ crore

As at 31st March, 2018		As at 31st March, 2017		Terms of repayment	Security
Current	Non-current	Current	Non-current		
-	-	16.28	38.03	Prepaid on 24th August, 2017	*Pari passu* first ranking charge by way of legal mortgage on a flat situated at Mumbai, Maharashtra and first ranking charge by way of legal mortgage of Company (SBU3) immovable property both present and future and first ranking charge by way of hypothecation of movable property of Company (SBU3) both present and future and second ranking charge on current assets of Company (SBU3) situated at Ratnagiri Works, Maharashtra
-	-	23.00	69.15	Prepaid on 22nd June, 2017	*Pari passu* first ranking charge by way of legal mortgage on immovable property of Company (SBU3) and first ranking charge by way of hypothecation of movable assets of Company (SBU3) (both present and future) and second ranking charge on current assets of Company (SBU3) situated in Ratnagiri Works, Maharashtra
-	-	18.87	17.56	Prepaid on 01st September, 2017	*Pari passu* first ranking charge by way of legal mortgage on a flat situated at Mumbai, Maharashtra and first ranking charge by way of legal mortgage of Company (SBU3) immovable property both present and future and first ranking charge by way of hypothecation of movable property of Company (SBU3) both present and future and second ranking charge on current assets of Company (SBU3) situated at Ratnagiri Works, Maharashtra
-	-	12.50	40.63	Prepaid on 28th June, 2017	*Pari passu* first ranking charge by way of legal mortgage on immovable property of Company (SBU3) and first ranking charge by way of hypothecation of movable assets of Company (SBU3) (both present and future) situated in Ratnagiri Works, Maharashtra
331.59	**1,098.94**	**226.20**	**1,335.87**	**Total Rupee Term Loans**	
FCNR facility from a bank (secured)					
-	214.65	-	-	Repayable in one bullet payment on 16th March, 2020	Pari Passu first charge by way of hypothecation of JSW Steel Limited shares held by the Company
-	**214.65**	**-**	**-**	**Total FCNR facility**	
331.59	**1,313.59**	**226.20**	**1,335.87**	**Total Term Loans**	
531.59	**2,613.59**	**546.20**	**2,935.87**	**Total Secured Borrowings**	
(1.51)	(3.49)	(4.56)	(13.44)	Unamortised upfront fees on borrowings	
(530.08)	-	(541.64)	-	Grouped under 'Current maturities of long-term debt' (Refer note 16)	
-	**2,610.10**	**-**	**2,922.43**	**Total secured borrowings measured at amortised cost (non current)**	

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

Note No. 16 – Other financial liabilities

₹ crore

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non-current	Current	Non-current
(1) Derivative designated as hedges [Refer note 38(A)(ii)]				
a) Interest rate swap	1.72	-	-	-
b) Foreign currency forward contracts / options	3.59	-	71.80	-
(2) Contingent consideration payable on business combination [Refer note 38(A)(ii)]	177.48	-	565.70	-
(3) Current maturities of long-term debt (Refer note 15)	530.08	-	541.64	-
(4) Interest accrued but not due on borrowings	50.69	-	26.48	-
(5) Unpaid dividends #	0.95	-	0.95	-
(6) Lease deposits	0.35	0.36	-	0.62
(7) Other liabilities				
- Payable for capital supplies/services	55.28	-	68.16	-
- Other payables	-	-	10.42	-
	820.14	**0.36**	**1,285.15**	**0.62**

No amount due to be credited to Investor Education and Protection Fund

Note No. 17 – Other liabilities

₹ crore

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non-current	Current	Non-current
(1) Advances received from customers				
(i) From a related party	119.02	-	375.37	-
(ii) From others	0.03	-	1.01	-
(2) Statutory dues	13.09	-	6.25	-
(3) Others	1.83	6.62	1.40	1.74
	133.97	**6.62**	**384.03**	**1.74**

Note No. 18 – Provisions

₹ crore

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non-current	Current	Non-current
(1) Provision for Gratuity (Refer note 33)	2.70	5.32	3.15	5.57
(2) Provision for compensated absences (Refer note 33)	1.01	7.19	1.19	8.30
	3.71	**12.51**	**4.34**	**13.87**

Note No. 19 – Trade payables

₹ crore

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non-current	Current	Non-current
(1) Trade payables #	309.50	-	380.20	-
(2) Acceptances *	1,761.95	-	1,531.00	-
	2,071.45	**-**	**1,911.20**	**-**

Refer note 34 for disclosure under Micro, Small and Medium Enterprises Development Act.
Trade payables are normally settled with in 30 days.
* Represents credit availed by the Company from banks for payment to suppliers for raw materials purchased by the Company. The arrangements are interest-bearing and are payable within one year.

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

Note No. 20 - Revenue from operations

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(1) Sale of power	3,986.43	3,823.31
(2) Interest income on asset under finance lease (Refer note 30)	59.63	62.91
(3) Sale of services:		
(i) Operator fees	158.54	148.17
(ii) Other services	4.70	4.61
(4) Other operating revenue	2.75	1.97
	4,212.05	**4,040.97**

Note No. 21 – Other income

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(1) Interest income earned on financial assets that are not designated as at FVTPL		
(i) On loans	216.09	85.43
(ii) Bank deposits	4.12	6.14
(iii) Other financial assets	112.71	195.90
	332.92	**287.47**
(2) Interest income earned on other assets	47.95	14.61
(3) Dividend Income from		
(i) Investment in a subsidiary	45.79	10.18
(ii) Investments designated as at FVTOCI	15.76	-
(4) Other non operating income		
(i) Operating lease rental income	0.38	0.16
(ii) Net gain on sale of investments	17.43	11.53
(iii) Net gain on investments designated as at FVTPL	-	1.98
(iv) Net gain on foreign currency transactions	6.97	-
(v) Miscellaneous income	26.51	2.62
	160.79	**41.08**
	493.71	**328.55**

Note No. 22 – Employee benefits expense

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(1) Salaries and wages	94.19	107.66
(2) Contribution to provident and other funds (Refer note 33)	6.81	6.94
(3) Share based payments	2.26	1.78
(4) Staff welfare expenses	3.74	3.71
	107.00	**120.10**

Note No. 23 – Finance costs

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(1) Interest expense	384.64	407.09
(2) Other borrowing costs	91.57	125.95
	476.21	**533.04**

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

Note No. 24 – Depreciation and amortisation expense

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(1) Depreciation on property, plant and equipment	361.58	360.32
(2) Amortisation on intangible assets	2.63	3.58
	364.21	**363.90**

The effect of changes in estimates of useful lives, residual values and pattern of consumption of economic benefits of property, plant and equipment:

₹ crore

Financial year	(Decrease) / Increase in depreciation expense
2017-18	(4.24)
2018-19	(17.38)
2019-20	(19.26)
2020-21	(27.62)
2021-22	5.27
Later Years	543.33

Note No. 25 – Other expenses

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(1) Stores and spares consumed	20.40	27.01
(2) Power and water	22.58	27.33
(3) Rent including lease rentals	6.14	6.44
(4) Repairs and maintenance	58.71	69.15
(5) Rates and taxes	7.58	8.81
(6) Insurance	8.04	9.82
(7) Net loss on foreign currency transactions	-	0.03
(8) Legal and professional charges	11.19	15.73
(9) Travelling expenses	7.41	11.37
(10) Loss on disposal of property, plant and equipment	0.36	0.07
(11) Donation	0.02	0.19
(12) Contribution to political parties *	-	25.00
(13) Corporate social responsibility expenses (Refer note 31)	20.25	23.07
(14) Loss allowance on loans / trade receivables	2.04	0.11
(15) Net loss on fair valuation of investments through profit or loss	1.90	-
(16) Loss allowance for impairment in a subsidiary	23.59	-
(17) Miscellaneous expenses	58.59	36.60
	248.80	**260.73**

* ₹ Nil (Previous Year ₹ 25.00 crore) paid to Satya Electoral Trust

Note No. - 26 - Exceptional items (net)

Exceptional items comprise loss allowances of ₹ 100.23 crore on investment in equity shares of an associate due to substantial erosion in net worth, ₹ 141.00 crore on loan to a subsidiary based on recoverability assessment having regard to recoverable amount of underlying coal mining business, ₹ 574.19 crore on a loan where the party is under a strategic debt restructuring and part reversal of contingent consideration liability of ₹ 156.24 crore no longer payable to the said party.

Note No. 27 – Tax expense

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(1) Current tax	106.56	73.16
(2) Deferred tax	188.77	140.42
(3) Minimum Alternate Tax (MAT) credit availed	(150.00)	(71.45)
	145.33	**142.13**

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Profit before tax	**(298.95)**	**336.88**
Enacted tax rate (%)	34.944%	34.608%
Expected tax expense / (benefit) at statutory tax rate	(104.47)	116.60
Tax effect due to exempt income / non taxable receipt	(76.04)	(3.52)
Tax effect due to tax holiday	-	(13.00)
Tax on expenses not deductible in determining taxable profits	303.82	(1.25)
Effect of tax payable under MAT	-	(28.57)
Tax effect of MAT credit recognised	23.19	-
Tax impact for reduction in expected tax holiday period	-	71.87
Effect of differential tax rate	(1.17)	-
Tax expense for the year	**145.33**	**142.13**

Deferred tax assets/(liabilities)

Significant components of deferred tax assets / (liabilities), deductible temporary differences and unused tax losses recognised in the financial statements are as follows:

₹ crore

Particulars	As at 31st March, 2017	Recognised / (reversed) through profit or loss or OCI	As at 31st March, 2018
Property, plant and equipment	(514.44)	(158.09)	(672.53)
Investment	(17.07)	(1.18)	(18.25)
Provision for impairment in assets	30.48	(30.48)	-
Others	-	0.96	0.96
MAT credit	199.54	150.00	349.54
	(301.49)	**(38.79)**	**(340.28)**

₹ crore

Particulars	As at 31st March, 2016	Recognised / (reversed) through profit or loss or OCI	As at 31st March, 2017
Property, plant and equipment	(374.02)	(140.42)	(514.44)
Investment	(17.07)	-	(17.07)
Provision for impairment in assets	30.48	-	30.48
Others	-	-	-
MAT credit	128.09	71.45	199.54
	(232.52)	**(68.97)**	**(301.49)**

Expiry schedule of deferred tax assets not recognised is as under:

MAT Credit Entitlement

₹ crore

Expiry of losses (as per local tax laws)	Amount
2022-23	15.00
2023-24	79.12
2024-25	174.40
2025-26	115.73
2026-27	77.76
2027-28	102.37
2029-30	22.29
	586.67

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

Note No. 28 – Contingent liabilities and commitments:

A) Contingent liabilities (to the extent not provided for):

i) Claims against the Company not acknowledged as debt:

1.1 Disputed claims/levies (excluding interest, penalty, if any) in respect of:

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Customs duty [Paid under protest against these claim of ₹ 27.38 crore (As at 31st March, 2017 of ₹ 27.38 crore)]	240.65	240.65
Electricity tax#	115.38	91.83
Income tax	4.62	4.76
Entry tax	0.84	0.84
Service Tax [Paid under protest against these claim of ₹ 0.78 crore (As at 31st March, 2017 of ₹ 0.78 crore)]	0.81	0.81
Claims by other parties	17.43	17.59
	379.73	**356.48**

Reimbursable from a related party as per the terms of power purchase agreement.

1.2 For disputed claims by customers [Refer note 12]

ii) Guarantees:

The Company has issued following financial guarantees to banks on behalf of and in respect of loan facilities availed by related and other parties:

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Related parties	548.37	601.57
Others	-	1,000.00
	548.37	**1,601.57**

In respect of aforesaid financial guarantee contracts, no amounts are recognised based on the results of the liability adequacy test for likely deficiency / defaults by the entities on whose behalf the Company has given guarantees.

iii) Others

1) Pledge of shares:

The Company has pledged it's following shares of investments in subsidiaries with the lenders towards the borrowings:

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	No. of shares	Amount ₹ crore	No. of shares	Amount ₹ crore
Raj WestPower Limited	-	-	517,815,000	517.82
	-	**-**	**517,815,000**	**517.82**

2) In respect of land parcels admeasuring 47.21 hectares, acquired by the Company, the claim by certain parties towards title disputes is not currently ascertainable.

Note: Future cash flows in respect of the above matters are determinable only on receipt of judgements/ decisions pending at various forums/authorities.

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

B) Commitments

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	147.04	68.23

ii) Other commitments:

a) The Company has entered into a definitive agreement to acquire 1000 MW (4 x 250 MW) thermal power plant located at village Tamnar, District Raigarh in the state of Chhattisgarh from Jindal Steel & Power Limited. The transaction contemplates payment of an interest-bearing advance of ₹ 500 crore against which an amount of ₹ 381.13 crore is disbursed and outstanding as at 31st March, 2018 (As at 31st March, 2017 ₹ 373.00 crore).

b) The Company from time to time provides need based support to it's subsidiaries and a joint venture entity towards capital and other requirements.

Note No. 29 – Operating lease:

a) As lessor:

The Company has leased certain land aggregating to 122.86 acres (31st March, 2017: 77.61 acres) to related parties for a period ranging from 25 to 99 years. The agreements are renewable with mutual consent.

Disclosure in respect of assets (land) given on operating lease:

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Gross Carrying amount of Assets	7.08	2.31
Accumulated Depreciation	-	-
Depreciation for the year	-	-
	7.08	**2.31**

b) As lessee

i) Lease rentals charged to revenue for right to use following assets are:

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Land, office premises and residential flats etc.	6.14	6.44
	6.14	**6.44**

ii) The agreements are executed on non-cancellable basis for a period of 3-25 years, which are renewable on expiry with mutual consent.

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

Note No. 30 – Finance leases:

As lessor:

The Company has evaluated an arrangement for power supply from one of its power unit based on the facts and circumstances existing at the date of transition to Ind AS and identified it to be in the nature of lease as the fulfilment of the arrangement depends upon specific power unit identified in the arrangement and the Company has committed to supply substantially all of the power generation capacity of the power unit. After separating lease payments from other elements in the arrangement, the Company has recognised finance lease receivable for the said power unit given under finance lease.

The minimum lease payments receivable and the present value of minimum lease receivable as at 31st March, 2018 in respect of the aforesaid power unit are as under:

Amounts receivable under finance leases:

₹ crore

Particulars	Minimum lease payments		Present value of minimum lease payments	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March,2017
Not later than one year	99.72	110.99	47.42	51.35
Later than one year and not later than five years	373.91	384.25	201.88	172.20
Later than five years	1,068.27	1,157.64	732.46	809.56
Total	**1,541.90**	**1,652.88**	**981.76**	**1,033.11**
Less: Unearned finance income	560.14	619.77	-	-
Lease receivable	**981.76**	**1,033.11**	**981.76**	**1,033.11**

Unguaranteed residual values of assets leased under finance leases at the end of the reporting period are estimated at ₹ 150.39 crore (at 31st March, 2017: ₹ 150.39 crore).

Note No. 31 – Details of Corporate Social Responsibility (CSR) expenditure:

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Amount required to be spent as per Section 135 of the Act	20.23	23.50
Amount spent during the year on:		
(i) Construction/ acquisition of an asset	8.47	6.32
(ii) On purchase other than (i) above	11.78	16.75
	20.25	**23.07**

Note No. 32 – Scheme of arrangement:

During the year ended 31st March, 2018, the scheme of arrangement between the Company, and its subsidiaries JSW Power Trading Company Limited (JSWPTCL), and JSW Green Energy Limited (JSWGEL), entailing demerger of power trading business of JSWPTCL into JSWGEL, and of remainder (investment in equity shares of JSW Steel Limited) into the Company with 31st March, 2015 as appointed date, became effective.

JSWGEL has allotted 70,000,000 equity shares of ₹ 10 each and 13,200,000 10% redeemable non-cumulative preference shares of ₹ 10 each to the Company and investment in equity and preference shares of JSWPTCL are cancelled.

In order to give effect to the accounting treatment prescribed in the scheme sanctioned by the National Company Law Tribunal, the investment in JSW Steel Limited (JSWSL) is recognised at fair value as on appointed date, movement in its fair value of the investment in equity shares of JSWSL between the appointed date and previous year-end is added to opening balance of 'Other comprehensive income that will not reclassify to profit or loss', the dividend income of ₹ 12.96 crore during such period is added to opening balance of retained earnings, and the resultant difference is recognised as capital reserve of ₹ 516.12 crore.

Note No. 33 – Employees benefits expense:

Defined benefits plans:

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. The amount of gratuity shall be payable to an employee on the termination of his employment after he has rendered continuous service for not less than five years, or on the superannuation or resignation. However, in case of death of an employee, the minimum period of five years

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shall not be required. The amount of gratuity payable on retirement / termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service completed. The gratuity plan is a funded plan administered by a separate Fund that is legally separated from the entity and the Company makes contributions to the insurer (LIC). The Company does not fully fund the liability and maintains a target level of funding to be maintained over period of time based on estimations of expected gratuity payments.

The Company makes monthly contributions to provident fund managed by trust for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

Under the compensated absences plan, leave encashment is payable to all eligible employees on separation of the Company due to death, retirement, superannuation or resignation, at the rate of daily salary, as per the current accumulation of leave days.

These plans typically expose the Company to the following actuarial risks:

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
Interest risk	A fall in the discount rate, which is linked, to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.
Asset liability matching risk	The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.
Mortality risk	Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.
Concentration risk	Plan is having a concentration risk as all the assets are invested with the insurance Company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31st March, 2018 by M/s K. A. Pandit Consultants & Actuaries. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

A. Gratuity

Changes in the defined benefit obligation and fair value of plan assets as at 31st March, 2018:

₹ crore

Particulars		Defined Benefit Obligation	Fair Value of Plan assets	(Benefit)/ liability
Opening Balance as on 1st April, 2017		**11.85**	**3.13**	**8.72**
Gratuity cost charged to Statement of Profit and Loss	Current Service cost	1.42	-	1.42
	Net interest expense	0.89	0.24	0.65
	Sub-total included in Statement of Profit and Loss	2.31	0.24	2.07
Net Asset/Liability Transferred In/(Out)		(1.52)	0.02	(1.54)
Benefits paid		(0.88)	(0.88)	-
Re-measurement gains/(losses) in other comprehensive income	Return on plan assets (excluding amounts included in net interest expense)	-	-	-
	Actuarial changes arising from changes in financial assumptions	(0.40)	-	(0.40)
	Experience adjustments	0.37	-	0.37
	Sub-total included in OCI	(0.03)	-	(0.03)
Contributions by employer		-	1.20	(1.20)
Closing Balance as on 31st March, 2018 (refer note 18)		**11.73**	**3.71**	**8.02**

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Changes in the defined benefit obligation and fair value of plan assets as at 31st March, 2017:

₹ crore

Particulars		Defined Benefit Obligation	Fair Value of Plan assets	(Benefit)/ liability
Opening Balance as on 1st April, 2016		**10.38**	**1.02**	**9.36**
Gratuity cost charged to Statement of Profit and Loss	Current Service cost	1.33	-	1.33
	Net interest expense	0.84	0.08	0.76
	Sub-total included in Statement of Profit and Loss	2.17	0.08	2.09
Benefits paid		(0.50)	(0.50)	-
Re-measurement gains/(losses) in other comprehensive income	Return on plan assets (excluding amounts included in net interest expense)	-	0.02	(0.02)
	Actuarial changes arising from changes in financial assumptions	0.63	-	0.63
	Experience adjustments	(0.83)	-	(0.83)
	Sub-total included in OCI	(0.20)	0.02	(0.22)
Contributions by employer		-	2.51	(2.51)
Closing balance as on 31st March 2017 (refer note 18)		**11.85**	**3.13**	**8.72**

The actual return on plan assets (including interest income) was ₹0.24 crore (previous year ₹0.10 crore)

The major categories of the fair value of the total plan assets are as follows:

Particulars	As at 31st March, 2018	As at 31st March, 2017
Insurer Managed Funds	100%	100%

In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

The principal assumptions used in determining gratuity for the Company's plans are shown below:

Particulars	As at 31st March, 2018	As at 31st March, 2017
	%	%
Discount rate	7.86	7.52
Future salary increase	6.00	6.00
Rate of Employee Turnover	2.00	2.00
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

Sensitivity Analysis:

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

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Delta Effect of +1% Change in Rate of Discounting	(1.06)	(1.11)
Delta Effect of -1% Change in Rate of Discounting	1.25	1.30
Delta Effect of +1% Change in Rate of Salary Increase	1.26	1.31
Delta Effect of -1% Change in Rate of Salary Increase	(1.09)	(1.13)
Delta Effect of +1% Change in Rate of Employee Turnover	0.19	0.16
Delta Effect of -1% Change in Rate of Employee Turnover	(0.22)	(0.18)

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The following are the maturity analysis of projected benefit obligations:

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Projected benefits payable in future years		
Within the next 12 months (next annual reporting period)	0.42	0.56
Between 2 and 5 years	4.76	2.26
Between 5 and 10 years	3.25	5.30
Above 10 years	22.91	22.88
Total expected payments	**31.34**	**31.00**

Each year an asset-liability-matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles

The Company expects to contribute ₹ 1.83 crore (previous year ₹ 2.08 crore) to its gratuity plan for the next year. The weighted average duration of the defined benefit plan is 12 years (previous year 12 years).

B. Provident fund

As per Ind AS 19 on 'Employee Benefits', employer established provident fund trusts are treated as defined benefit plans, since the Company is obliged to meet interest shortfall, if any, with respect to covered employees. According to the defined benefit obligation of interest rate guarantee on exempted provident fund in respect of employees of the Company as at 31st March, 2018 is 8.55% and hence no provision is required to be provided for in the books of accounts towards the guarantee given for notified interest rates

Company's contribution to provident fund recognised in the Statement of Profit and Loss of ₹ 4.09 crore (for the year ended 31st March, 2017: ₹ 4.55 crore) (included in note no. 22)

Actuarial assumptions made to determine interest rate guarantee on exempt provident fund liabilities are as follows:

Particulars	As at 31st March, 2018	As at 31st March, 2017
Discount Rate	7.85%	7.52%
Rate of return on assets	8.88%	8.70%
Guaranteed rate of return	8.55%	8.65%

C. Compensated Absences

The Company has a policy on compensated absences with provisions on accumulation and encashment by the employees during employment or on separation from the Company due to death, retirement or resignation. The expected cost of compensated absences is determined by actuarial valuation performed by an independent actuary at the balance sheet date using projected unit credit method.

D. Employee share based payment plan

1. JSWEL Employees Stock Ownership Plan – 2010 (ESOP 2010)

The Company had offered equity options under ESOP 2010 to the permanent employees of the Company and its Holding Company or subsidiary Company including any director; whether whole-time or not, in the identified grades of L8 and above except any employee who was a promoter or belonged to the promoter group or a Director who either by himself or through his relatives or through any body corporate, directly or indirectly, held more than 10% of the outstanding equity shares of the Company.

The grant was determined as percentage of Total Fixed Pay. The grant was at such price as determined by the then ESOP Committee and specified in the respective grant letter. The option was not transferable and could be exercised only by the employees of the Company.

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The number of options granted to each eligible employee was determined by dividing the Award Value (amount equivalent to percentage of Annual Fix Pay) by the Fair Value of option provided. The Fair Value of option on the date of each grant is determined by using Black Scholes model.

The following tables illustrate the details of share options during the year:

ESOP 2010 - Grant Date 8th November, 2011

Particulars	As at 31st March, 2018	As at 31st March, 2017
Opening balance	16,81,685	21,16,272
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	16,40,971	4,34,587
Expired during the year	40,714	-
Closing balance	-	16,81,685
Exercisable options	-	16,81,685

ESOP 2010 - Grant Date: 31st October, 2012

Particulars	As at 31st March, 2018	As at 31st March, 2017
Opening balance	29,54,258	33,95,474
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	29,12,288	3,85,427
Expired during the year	41,970	55,789
Closing balance	-	29,54,258
Exercisable options	-	29,54,258

2. JSWEL Employees Mega Stock Ownership Scheme – 2012 (ESOS 2012)

The Company had offered equity options under ESOS 2012 to the permanent employees of the Company and its subsidiary Company including any director; whether whole-time or not, who was earlier granted Mega option under ESOP 2010 and who continued to be in Permanent Employment of the Company or Subsidiary Company or JSW Group Company on date of the Grant except any employee who was a promoter or belonged to the promoter group or a Director who either by himself or through his relatives or through any body corporate, directly or indirectly, held more than 10% of the outstanding equity shares of the Company.

The grant was determined as percentage of Total Fixed Pay. The grant was at a price as determined by the then ESOP Committee and specified in the respective grant letter. The option was not transferable and could be exercised only by the employees of the Company.

The number of options granted to each eligible employee was determined by dividing the Award Value (amount equivalent to percentage of Annual Fix Pay) by the Fair Value of option provided. The Fair Value of option on the date of each grant was determined by using Black Scholes model.

The following table illustrates the details of share options during the year:

ESOS 2012 - Grant Date: 4th October, 2012

Particulars	As at 31st March, 2018	As at 31st March, 2017
Opening balance	44,84,066	47,70,378
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	36,38,280	2,39,516
Expired during the year	8,45,786	46,796
Closing balance	-	44,84,066
Exercisable options	-	44,84,066

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3. JSWEL Employees Stock Ownership Plan – 2016 (ESOP 2016)

The Company has offered equity options under ESOP 2016 to the permanent employees of the Company and its subsidiary Company who has been working in India or outside India, including whole-time director, in the identified grades of L16 and above except any employee who is a promoter or belongs to the promoter group or a Director who either by himself or through his relatives or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company and Independent directors, Nominee Directors and Non-Executive Directors.

The grant is determined after having regard to various factors and criteria specified in ESOP 2016. The exercise price is at a discount of 20% to the closing market price on the previous trading day of the grant date at the Exchange having highest trading volume or any other price as may be determined by the Compensation Committee but at least equal to the face value of the shares. The option shall not be transferable and can be exercised only by the employees of the Company.

Vesting of the options granted under the ESOP 2016 shall be at least one year from the date of Grant. 50% of the granted options would vest on the date following 3 years from the date of respective grant and the remaining 50% on the date following 4 years from the date of respective grant.

The following table illustrates the details of share options during the year:

ESOP 2016 - Grant Date: 3rd May, 2016

Particulars	As at 31st March, 2018	As at 31st March, 2017
Opening balance	21,70,890	-
Granted during the year	-	21,70,890
Forfeited during the year	-	-
Exercised during the year	2,17,441	-
Expired during the year	8,22,159	-
Closing balance	11,31,290	21,70,890
Exercisable options	11,31,290	21,70,890

ESOP 2016 - Grant Date: 20th May, 2017

Particulars	As at 31st March, 2018	As at 31st March, 2017
Opening balance	-	-
Granted during the year	21,39,004	-
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	3,14,930	-
Closing balance	18,24,074	-
Exercisable options	18,24,074	-

The method of settlement for above grants are as below:

Particulars	Grant Date				
	8th November, 2011	31st October, 2012	4th October, 2012	3rd May, 2016	20thMay, 2017
Vesting Period	3 Years	3 Years	1 Year	3/4 Years	3/4 Years
Method of Settlement	Equity	Equity	Equity	Equity	Equity
Exercise Price (₹)	52.35	60.90	65.00	53.68	51.80
Fair Value (₹)	20.39	24.17	19.43	30.78	28.88
Dividend yield (%)	10.00%	5.00%	5.00%	20.00%	20.00%
Expected volatility (%)	34.85%	39.65%	39.98%	46.32%/44.03%	44.50%/45.16%
Risk–free interest rate (%)	8.86%	8.09%	8.13%	7.40%/7.47%	6.90%/6.98%
Expected life of share options (years)	5	3	3	5/6	5/6
Weighted average exercise price (₹)	52.35	60.90	65.00	53.68	51.80

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Particulars	Grant Date				
	8th November, 2011	31st October, 2012	4th October, 2012	3rd May, 2016	20thMay, 2017
Pricing Formula	Exercise Price determined based on closing market price on the day prior to the Compensation Committee meeting on that exchange where higher shares are traded			Exercise Price determined at ₹ 53.68/- per share, was at a discount of 20% to the closing market price of Company's share i.e. ₹ 67.10/- at the close of 2nd May, 2016 at Exchange having highest trading volume.	Exercise Price determined at ₹ 51.80/- per share, was at a discount of 20% to the closing market price of Company's share i.e. ₹ 64.75/- at the close of 19th May, 2017 at Exchange having highest trading volume.
Expected Option Life	The expected option life is assumed to be mid-way between the option vesting period and contractual term of the option			The expected option life is assumed to be mid-way between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The Expected option life is calculated as (Year to Vesting + Contractual Option term) /2.	
Expected Volatility	Volatility was calculated using standard deviation of daily change in stock price.			Volatility was calculated using standard deviation of daily change in stock price. The historical period considered for volatility match the expected life of the option	
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	The following factors have been considered: (a) Share price (b) Exercise prices (c) Historical volatility (d) Expected option life (e) Dividend Yield				
Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.					
Model used	Black-Scholes Method				

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

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Note No. 34 – Disclosure under Micro, Small and Medium Enterprises Development Act:

The details of amounts outstanding to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
1. Principal amount outstanding #	1.14	-
2. Principal amount due and remaining unpaid	-	-
3. Interest due on (2) above and the unpaid interest	-	-
4. Interest paid on all delayed payments under the MSMED Act.	-	-
5. Payment made beyond the appointed day during the year	-	-
6. Interest due and payable for the period of delay other than (3) above	-	-
7. Interest accrued and remaining unpaid	-	-
8. Amount of further interest remaining due and payable in succeeding years		

#Amounts unpaid to MSM vendors on account of retention money have not been considered for the purpose of interest calculation

Note No. 35 - Project status

i. Kutehr Project

The Company has plans of resuming construction/ developmental activities of a hydropower project in Himachal Pradesh after Hydropower policy 2018-28 is announced. The carrying amounts related to the project as at 31st March, 2018 comprise property, plant and equipment of ₹ 3.55 crore, capital work-in-progress of ₹ 237.77 crore, capital advance of ₹ 0.07 crore and investment of ₹ 29.02 crore in a subsidiary.

ii. Raigarh Project:

Having regard to pending completion of the underlying power project, tying up of long-term power supply agreements and securing the fuel linkages, the Company has, during the year, assessed the carrying amount of investments in equity shares of a subsidiary, based on the estimate regarding value by sale of freehold land by an independent external valuer and recoverability of advances for additional land acquisition on leasehold basis and accordingly recognised an impairment loss of ₹ 23.58 crore.

Note No. 36 – Earnings per share (Basic and Diluted):

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(Loss)/Profit for the year (₹ crore) - (A)	(444.28)	194.75
Weighted average number of equity shares for basic & diluted EPS - (B) (net of treasury shares)	1,64,00,54,795	1,62,79,53,191
Earnings Per Share – Basic and Diluted (₹) - (A/B)	(2.71)	1.20
Nominal value of an equity share (₹)	10	10

Note No. 37 – Remuneration to auditors (excluding GST / service tax):

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Audit fees	0.65	0.44
Tax audit fees	0.12	0.11
Certification fees	0.32	0.33
Reimbursement of expenses	0.02	0.04
	1.11	**0.92**

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Note No. 38 – Financial instruments:

A. Financial Instruments:

i. Financial instruments by category:

₹ crore

Particulars	As at 31st March, 2018				As at 31st March, 2017			
	FVTPL	FVTOCI	Amortised cost	Total	FVTPL	FVTOCI	Amortised cost	Total
Financial assets								
Investment in debentures	-	-	800.00	**800.00**	-	-	900.00	**900.00**
Investments in government security	-	-	*0.00	***0.00**	-	-	*0.00	***0.00**
Investments in equity shares	1.25	2,018.15	-	**2,019.40**	1.25	-	-	**1.25**
Investment in preference shares	4.64	-	-	**4.64**	75.21	-	-	**75.21**
Investment in mutual funds	69.32	-	-	**69.32**	154.11	-	-	**154.11**
Loans	-	-	916.83	**916.83**	-	-	1,134.24	**1,134.24**
Finance lease receivable	-	-	981.76	**981.76**	-	-	1,033.11	**1,033.11**
Security deposits	-	-	80.13	**80.13**	-	-	94.77	**94.77**
Interest receivable	-	-	10.27	**10.27**	-	-	13.72	**13.72**
Trade receivables	-	-	488.52	**488.52**	-	-	840.01	**840.01**
Cash and cash equivalents (CCE)	-	-	81.86	**81.86**	-	-	15.18	**15.18**
Bank balances other than CCE	-	-	57.07	**57.07**	-	-	59.68	**59.68**
	75.21	**2,018.15**	**3,416.44**	**5,509.80**	**230.57**	**-**	**4,090.71**	**4,321.28**
Financial liabilities								
Borrowings	-	-	3,140.18	**3,140.18**	-	-	3,464.07	**3,464.07**
Interest rate swaps	-	1.72	-	**1.72**	-	-	-	**-**
Foreign currency options/ forward contracts	2.73	0.86	-	**3.59**	71.80	-	-	**71.80**
Contingent consideration payable	177.48	-	-	**177.48**	565.70	-	-	**565.70**
Interest accrued but not due on borrowings	-	-	50.69	**50.69**	-	-	26.48	**26.48**
Unpaid dividends	-	-	0.95	**0.95**	-	-	0.95	**0.95**
Lease deposits	-	-	0.72	**0.72**	-	-	0.62	**0.62**
Payable for capital supplies/ services	-	-	55.28	**55.28**	-	-	68.16	**68.16**
Other payables	-	-	-	**-**	-	-	10.42	**10.42**
Trade payables	-	-	309.50	**309.50**	-	-	380.20	**380.20**
Acceptances	-	-	1,761.95	**1,761.95**	-	-	1,531.00	**1,531.00**
	180.22	**2.58**	**5,319.26**	**5,502.06**	**637.50**	**-**	**5,481.90**	**6,119.40**

ii. Fair Value Hierarchy:

This Section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the standalone financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard.

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Financial assets and liabilities measured at fair value

The carrying amount of investment in unquoted equity instrument measured at fair value (which are not disclosed below) is considered to be the same as it's fair values

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017	Level	Valuation techniques and key inputs
Financial Assets				
Investment in mutual funds	69.32	154.11	Level-2	The mutual funds are valued using the closing NAV
Investment in preference shares	4.64	75.21	Level-3	Discounted cash flow method- Future cash flows are based on terms of preference shares discounted at a rate that reflects market risk
Investment in equity shares	2018.15	-	Level-1	Quoted bid price in an active market
	2,092.11	**229.32**		
Financial liabilities				
Interest rate swaps	1.72	-	Level-2	The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows earned on observable yield curves.
Currency options/ Forward contracts	3.59	71.80	Level-2	The fair value of forward foreign exchange contracts and currency options is determined using forward exchange rates at the balance sheet date.
Contingent Consideration payable on business combination	177.48	565.70	Level-3	Estimated based on the expected cash outflows arising from the fructification of related events
	182.79	**637.50**		

Valuation techniques and key inputs:

The above fair values were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable input including counter party credit risk.

Particulars	Valuation technique	Significant unobservable inputs	Change	Sensitivity of the input to fair value
Investment in preference shares	DCF Method	Discounting Rate	0.50%	0.50% increase / (decrease) in the discount would decrease/ (increase) the fair value by ₹ 0.19 crore / (₹ 0.21 crore).
Contingent Consideration payable on business combination	Expected cash outflow	Probability of outcome of contingent event	5%	If expected cash outflows were 5% higher or lower, the fair value would increase / (decrease) by ₹ 8.87 crore.

Reconciliation of Level 3 fair value measurement:

i) **Investment in preference shares**

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Opening balance	**75.21**	**64.38**
Pursuant to Scheme of arrangement (refer note 32)	(70.96)	-
Gain recognised in statement of profit and loss	0.39	10.83
Closing balance	**4.64**	**75.21**

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

ii) Contingent Consideration payable

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Opening balance	565.70	571.39
Payments made during the year	-	(5.69)
Offset against loan receivable from the same party	(226.11)	-
Write backs/reversals	(162.11)	-
Closing balance	177.48	565.70

Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, other financial assets and other financial liabilities (which are not disclosed below) are considered to be the same as their fair values, due to their short term nature.

₹ crore

Particulars	As at 31st March, 2018		As at 31st March, 2017		Level
	Carrying value	Fair value	Carrying value	Fair value	
Financial assets					
Investment in debentures	800.00	969.52	900.00	1,025.49	Level-3
Loans	734.41	780.00	1,052.14	1,049.93	Level-3
Finance lease receivable*	981.76	946.57	1,033.11	989.75	Level-3
Security deposits	30.21	29.14	28.23	28.98	Level-3
Interest receivable	-	-	11.66	11.66	Level-3
	2,546.38	**2,725.23**	**3,025.14**	**3,105.81**	
Financial liabilities					
Borrowings *	3,140.18	3,140.33	3,464.07	3,479.88	Level-3
Lease deposits	0.36	0.44	0.62	0.66	Level-3
	3,140.54	**3,140.77**	**3,464.69**	**3,480.54**	

*including current and non-current balances

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

B. Risk management strategies:

Financial risk management objectives

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures, wherever required. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange and commodity price risk management, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

I. Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising foreign currency forward contracts and currency options.

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

The carrying amounts of the Company's financial assets and liabilities denominated in different currencies are as follows:

₹ crore

Particulars	As at 31st March, 2018			As at 31st March, 2017		
	USD	INR	Total	USD	INR	Total
Financial assets						
Investment in mutual funds	-	69.32	69.32	-	154.11	**154.11**
Investment in preference shares	-	4.64	4.64	-	75.21	**75.21**
Investment in government securities	-	*0.00	*0.00	-	*0.00	***0.00**
Investment in debentures	-	800.00	800.00	-	900.00	**900.00**
Trade receivables	-	488.52	**488.52**	-	840.01	**840.01**
Cash and cash equivalents (CCE)	-	81.86	**81.86**	-	15.18	**15.18**
Bank balances other than CCE	-	57.07	**57.07**	-	59.68	**59.68**
Loans *	162.66	754.17	**916.83**	287.66	846.58	**1,134.24**
Security deposits	-	80.13	80.13	-	94.77	**94.77**
Finance lease receivable	-	981.76	**981.76**	-	1,033.11	**1,033.11**
Interest receivable *	-	10.27	**10.27**	-	13.72	**13.72**
Investment in equity shares	-	2,019.40	2,019.40	-	1.25	**1.25**
Total	**162.66**	**5,347.14**	**5,509.80**	**287.66**	**4,033.62**	**4,321.28**
Financial liabilities						
Interest rate swaps	1.72	-	1.72	-	-	**-**
Foreign currency forward options/contracts	3.60	-	3.60	71.80	-	**71.80**
Acceptances	1,761.95	-	1,761.95	1,531.00	-	**1,531.00**
Trade payables	119.33	190.17	309.50	186.08	194.12	**380.20**
Payable for capital supplies	-	55.28	55.28	-	68.16	**68.16**
Interest accrued	9.51	41.18	50.69	4.64	21.84	**26.48**
Borrowings	214.65	2,925.53	3,140.18	-	3,464.07	**3,464.07**
Lease deposits	-	0.71	0.71	-	0.62	**0.62**
Unpaid dividend	-	0.95	0.95	-	11.37	**11.37**
Contingent consideration payable on business combination	-	177.48	177.48	-	565.70	**565.70**
Total	**2,110.76**	**3,391.30**	**5,502.06**	**1,793.52**	**4,325.88**	**6,119.40**

* Net of provisions

The Company uses foreign currency forward contracts & options contracts to hedge its risks associated with the currency fluctuations relating to certain firm commitments and foreign currency required at the settlement date of certain receivables/payables. The use of foreign currency forward contracts & options contracts is governed by the Company's strategy approved by the board of directors, which provide principles on the use of such forward contracts consistent with the Company's risk management policy.

The outstanding forward exchange contracts at the end of the reporting period are as under:

Particulars	As at 31st March, 2018	As at 31st March, 2017
No. of contracts	39	44
Type of contracts	Buy	Buy
USD equivalent (millions)	206.70	262.97
Average exchange rate (1 USD = ₹)	65.82	68.20
Nominal value INR equivalent (₹ crore)	1,360.49	1,793.33
Fair value MTM (₹ crore)	(4.37)	(71.80)

The outstanding foreign exchange options contracts for buyers credit at the end of the reporting period are as under:

Particulars	As at 31st March, 2018	As at 31st March, 2017
No. of contracts	13	-
Type of Contracts	Buy	-
USD equivalent (millions)	83.74	-
Average exchange rate (1 USD = ₹)	64.71	-
Nominal value INR equivalent (₹ crore)	541.90	-
MTM (₹ crore)	1.64	-

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to the Standalone Financial Statements for the year ended 31st March, 2018

The outstanding foreign exchange options contracts for loan at the end of the reporting period are as under:

Particulars	As at 31st March, 2018	As at 31st March, 2017
No. of contracts	1	-
Type of Contracts	Buy	-
USD equivalent (millions)	33.00	-
Average exchange rate (1 USD = ₹)	65.18	-
Nominal value INR equivalent (₹ crore)	215.08	-
MTM (₹ crore)	0.87	-

Unhedged currency risk position

The foreign currency exposure that have not been hedged by a derivative instrument or otherwise as at Balance sheet date are given below:

Particulars	Foreign Currency	Foreign currency equivalent		₹ crore	
		As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
1. Receivables in Foreign Currency					
Loan to foreign subsidiary	USD	2,50,07,126	4,43,66,158	162.66	287.66
2. Payables in Foreign Currency					
Trade payable	USD	8,87,989	34,78,879	5.78	22.56

Foreign currency risk sensitivity

The following table details the Company's sensitivity to a 5% increase and decrease in the INR against the relevant foreign currencies net of hedge accounting impact. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 5% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where INR strengthens 5% against the relevant currency. For a 5% weakening of INR against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

Impact on Profit / (loss) for the year for a 5% change:

₹ crore

Particulars	2017-18		2016-17	
	5% increase	5% decrease	5% increase	5% decrease
Payables				
USD / INR	(7.84)	7.84	(13.26)	13.26

II. Interest rate risk management

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings and through re-financing of the various term debts at regular intervals to optimise on interest costs.

The Company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

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The following table provides a break-up of the Company's fixed and floating rate borrowings:

₹ crore

As at 31st March, 2018	Net Balance	Unamortised transaction cost	Gross Balance
Fixed rate borrowings	1,498.20	1.80	1,500.00
Floating rate borrowings	1,641.98	3.20	1,645.18
Total borrowings	**3,140.18**	**5.00**	**3,145.18**

As at 31st March, 2017	Net Balance	Unamortised transaction cost	Gross Balance
Fixed rate borrowings	1,960.73	12.90	1,973.63
Floating rate borrowings	1,503.34	5.10	1,508.44
Total borrowings	**3,464.07**	**18.00**	**3,482.07**

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's profit before tax for the year ended 31st March, 2018 would decrease/increase by ₹ 7.15 crore (for the year ended 31st March, 2017 ₹ 8.02 crore). This is mainly attributable to the Company's exposure to interest rates on its unhedged variable rate borrowings.

The following table detail the nominal amounts and remaining terms of interest rate swap contracts outstanding at the year-end.

Particulars	No. of contracts	Average contracted fixed interest rate (%)	Maturity date	Nominal value of loan (₹ crore)	Fair value asset / (liabilities) (₹ crore)
As at 31st March, 2018	1	4.12	16th March, 2020	214.65	(1.72)
As at 31st March, 2017	-	-	-	-	-

III. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure and the credit ratings of its counterparties are continuously monitored.

The state electricity distribution companies (Government companies) and related parties are the major customers of the Company and accordingly, credit risk is minimal.

Revenue from operations includes revenue aggregating to ₹ 3,116.74 crore, (previous year ₹ 3,139.59 crore) from three major customers having more than 10% of total revenue from operations of the Company.

Loans and investment in debt securities:

The Company's centralised treasury function manages the financial risks relating to the business. The treasury function focusses on capital protection, liquidity and yield maximisation. Investments of surplus funds are made only in approved counterparties within credit limits assigned for each of the counterparty. Counterparty credit limits are reviewed and approved by the Finance Committee of the Company. The limits are set to minimise the concentration of risks and therefore mitigate the financial loss through counter party's potential failure to make payments.

Cash and cash equivalents, derivatives and financial guarantees:

Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks. The Company's maximum exposure in this respect is the maximum amount the Company could have to pay if the guarantee is called on. No amount has been recognised in the financial position as financial liabilities. (refer note 40)

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to the Standalone Financial Statements for the year ended 31st March, 2018

IV. Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the remaining contractual maturities of Financial assets & liabilities as at reporting date

₹ crore

Particulars	〈 1 year	1-5 years	〉5 years	Total
As at 31st March, 2018				
Financial assets				
Investment in mutual fund	69.32	-	-	69.32
Investment in preference shares	-	-	4.64	4.64
Investment in government securities	-	-	*0.00	*0.00
Investment in debentures	-	-	800.00	800.00
Trade receivables	488.52	-	-	488.52
Cash and cash equivalents (CCE)	81.86	-	-	81.86
Bank balances other than CCE	56.66	0.41	-	57.07
Loans	182.42	165.61	568.80	916.83
Security deposits	49.91	28.10	2.12	80.13
Finance lease receivable	47.42	201.88	732.46	981.76
Interest receivable	10.27	-	-	10.27
Investment in equity shares	-	-	2,019.40	2,019.40
Total assets	**986.38**	**396.00**	**4,127.42**	**5,509.80**
Financial liabilities				
Interest rate swaps	1.72	-	-	1.72
Foreign currency forward options/contracts	3.59	-	-	3.59
Acceptances	1,761.95	-	-	1,761.95
Trade payables	309.50	-	-	309.50
Payable for capital supplies	55.28	-	-	55.28
Interest accrued	50.69	-	-	50.69
Borrowings	530.08	2,529.05	81.05	3,140.18
Lease deposits	0.35	0.12	0.24	0.71
Unpaid dividend	0.95	-	-	0.95
Contingent consideration payable on business combination	177.48	-	-	177.48
Total liabilities	**2,891.59**	**2,529.17**	**81.29**	**5,502.05**

₹ crore

Particulars	〈 1 year	1-5 years	〉5 years	Total
As at 31st March, 2017				
Financial assets				
Investment in mutual fund	154.11	-	-	154.11
Investment in preference shares	-	-	75.21	75.21
Investment in government securities	-	-	*0.00	*0.00
Investment in debentures	-	-	900.00	900.00
Trade receivables	840.01	-	-	840.01
Cash and cash equivalents (CCE)	15.18	-	-	15.18
Bank balances other than CCE	59.68	-	-	59.68
Loan	82.10	504.33	547.81	1,134.24
Security deposits	66.53	8.20	20.04	94.77
Finance lease receivable	51.35	172.20	809.56	1,033.11
Interest receivable	2.05	11.67	-	13.71
Investment in equity shares	-	-	1.25	1.25
Total assets	**1,271.01**	**696.40**	**2,353.87**	**4,321.27**

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

₹ crore

Particulars	〈 1 year	1-5 years	〉5 years	Total
Financial liabilities				
Foreign currency forward contracts	71.80	-	-	71.80
Acceptances	1,531.00	-	-	1,531.00
Trade payables	380.20	-	-	380.20
Payable for capital supplies	68.16	-	-	68.16
Interest accrued	26.48	-	-	26.48
Borrowings	541.65	2,385.81	536.61	3,464.07
Lease deposits	-	0.46	0.16	0.62
Unpaid dividend	0.95	-	-	0.95
Other payables	10.42	-	-	10.42
Contingent consideration payable on business combination	565.70	-	-	565.70
Total liabilities	**3,196.36**	**2,386.27**	**536.77**	**6,119.40**

- The Company has hypothecated part of its trade receivables, loans, short-term investments and cash and cash equivalents in order to fulfil certain collateral requirements for the banking facilities extended to the Company. There is obligation to release the hypothecation on these securities to the Company once these banking facilities are surrendered. (Refer Note 15)

- The amount of guarantees given on behalf of other parties included in Note 28 represents the maximum amount the Company could be forced to settle for the full guaranteed amount. Based on the expectation at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the arrangement.

V. Price risk

a) The Company's exposure to equity price risk arises from investments held by the Company and classified in the balance sheet at fair value through OCI..

The table below summarises the impact of increase / decrease in market price of Company's investment in equity for the corresponding period. The analysis is based on the assumption that the share price in the market will on an average increase by 14% or decreased by 14% with all other variables held constant.

Impact on other comprehensive income

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Equity Market Price- Increase 14%	282.54	-
Equity Market Price- Decrease 14%	(282.54)	-

b) The Company's exposure to mutual fund price risk arises from investments held by the Company and classified in the balance sheet at fair value through profit and loss.

The table below summarizes the impact of increase / decrease in NAV of Company's investment in mutual fund for the corresponding period. The analysis is based on the assumption that the NAV of mutual fund will on an average increase by 5% or decrease by 5% with all other variables held constant

Impact on Profit and Loss

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Mutual Fund NAV - Increase 5%	3.47	7.71
Mutual Fund NAV - Decrease 5%	(3.47)	(7.71)

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

VI. Fuel price risk management

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

The Company regularly broadens the sources (countries/ vendors) and maintains optimum fuel mix and stock level. The Company further applies prudent hedging strategies to mitigate the risk of foreign exchange fluctuations.

Note No. 39 – Capital management:

Capital management

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Company is not subject to any externally imposed capital requirements.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and align maturity profile of its debt commensurate with life of the asset and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

Gearing ratio

The Company monitors its capital using gearing ratio, which is net debt divided to total equity as given below:

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Debt [1]	3,140.18	3,464.07
Cash and bank balances (including current investment in liquid mutual fund) [2]	195.08	217.29
Net debt [(1-2)]	2,945.10	3,246.78
Total equity [3]	9,877.47	8,393.56
Net debt to equity ratio	0.30	0.39

1 Debt includes long-term and short-term borrowings (Refer Note No. 15)

2 Includes cash and cash equivalents, balances in bank deposits (other than earmarked deposits) and investments in mutual fund.

3 Includes equity share capital and other equity

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

Note No. 40 – Related party disclosures:

List of related parties

i. Subsidiaries

1 JSW Power Trading Company Limited [Refer Note No. 32]
2 Raj WestPower Limited
3 Jaigad PowerTransco Limited
4 JSW Energy (Raigarh) Limited
5 JSW Green Energy Limited [Refer Note No. 32]
6 JSW Energy (Kutehr) Limited
7 JSW Energy Natural Resources (BVI) Limited (upto 4th April, 2017)
8 Himachal Baspa Power Company Limited
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 (upto 18th July, 2017)
15 Jigmining Operations No.1 Proprietary Limited
16 Jigmining Operations No.3 Proprietary Limited (upto 25th August 2017)
17 Mainsail Trading 55 (Pty) Limited
18 SACM (Breyten) Proprietary Limited
19 SACM (Newcastle) Proprietary Limited (upto 18th September 2017)
20 South African Coal Mining Equipment Company Proprietary Limited
21 Umlabu Colliery Proprietary Limited
22 Voorslag Coal Handling Proprietary Limited (upto 12th July, 2017)
23 Yomhlaba Coal Proprietary Limited
24 South African Coal Mining Operations Proprietary Limited
25 JSW Energy Natural Resources UK Limited (upto 29th August, 2017)
26 Minerals & Energy Swaziland Proprietary Limited (w.e.f. 4th September, 2016)
27 JSW Solar Limited (w.e.f. 1st January, 2018)
28 JSW Electric Vehicles Private Limited (w.e.f. 5th March 2018)

ii. Joint Venture / Associates

1 Barmer Lignite Mining Company Limited (Joint venture)
2 MJSJ Coal Limited (Joint venture)
3 Toshiba JSW Power System Private Limited (Associate)

iii. Key Managerial Personnel

1 Mr. Sajjan Jindal – Chairman & Managing Director
2 Mr. Prashant Jain – Jt. Managing Director & CEO (w.e.f 16th Jun 2017)
3 Mr. Sanjay Sagar – Jt. Managing Director & CEO (upto 15th Jun 2017)
4 Mr. Pramod Menon – Director Finance (upto 31st January, 2017)
5 Mr. Sampath Madhavan - Company Secretary (upto 30th July, 2016)
6 Mr. Jyoti Kumar Agarwal - Chief Financial Officer (w.e.f. 1st February, 2017 to 10th August, 2017)
- Director Finance (w.e.f. 11th August, 2017)
7 Ms. Monica Chopra – Company Secretary (w.e.f. 23rd January, 2017)
8 Mr. Nirmal Kumar Jain – Non Executive Non Independent Director
9 Ms. Tanvi Shete - Non Executive Non Independent Director (w.e.f. 22nd July, 2016)
10 Mr. Chandan Bhattacharya - Independent Director
11 Ms. Sheila Sangwan - Independent Director
12 Ms. Shailaja Chandra - Independent Director
13 Mr. Rakesh Nath - Independent Director
14 Mr. Uday Chitale - Independent Director (w.e.f. 22nd July, 2016)

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

Related parties with whom the Company has entered into transactions during the year:

iv. Enterprises over which Key Management Personnel and relatives of such personnel exercise significant influence

1 JSW Steel Limited
2 JSW Cement Limited
3 JSW Realty & Infrastructure Private Limited
4 JSW Jaigarh Port Limited
5 JSW Infrastructure Limited
6 JSL Lifestyle Limited
7 South West Port Limited
8 South West Mining Limited
9 JSW Green Private Limited
10 JSW Foundation
11 Jindal Vidya Mandir
12 Amba River Coke Limited
13 JSW International Trade Corp Pte Limited
14 JSW Steel Coated Products Limited
15 JSW Global Business Solutions Limited
16 Jindal Steel & Power Limited
17 Art India Publishing Company Private Limited
18 JSW IP Holdings Private Limited
19 Heal Institute Private Limited
20 Gagan Trading Company Limited
21 JSW Projects Limited
22 JSW Techno Projects Management Limited
23 JSW Energy (Bengal) Limited
24 JSoft Solutions Limited
25 Jindal Stainless Limited

a) Transaction during the year

₹ crore

Particulars	Relationship	For the year ended 31st March, 2018	For the year ended 31st March, 2017
1 Sale of power/ material to:			
JSW Steel Limited	Others* *	1,771.18	1,709.98
JSW Green Energy Limited [Refer Note No. 32]	Subsidiary	832.21	770.09
JSW Cement Limited	Others* *	57.76	46.15
JSW Steel Coated Products Limited	Others* *	118.86	87.50
Amba River Coke Limited	Others* *	126.66	125.65
2 Service rendered:			
i) **Operator fee from:**			
JSW Steel Limited	Others* *	158.54	148.17
ii) **Other services:**			
Toshiba JSW Power Systems Private Limited	Associate	4.50	4.50
South West Mining Limited	Others* *	1.56	1.33
3 Purchase of fuel / goods:			
JSW Steel Limited	Others* *	409.72	380.45
JSW Cement Limited	Others* *	0.85	1.66
Jindal Steel & Power Limited	Others* *	-	1.09
JSW International Trade Corp Pte Limited	Others* *	1,913.05	1,866.06
JSW Power Trading Company Limited [Refer Note No. 32]	Subsidiary	-	28.04
4 Rebate on sale of power:			
JSW Green Energy Limited [Refer Note No. 32]	Subsidiary	4.19	6.88
5 Service received from:			
South West Port Limited	Others* *	16.61	22.20
JSW Jaigarh Port Limited	Others* *	171.19	169.04
JSW Green Private Limited	Others* *	0.84	0.84
Jindal Steel & Power Limited	Others* *	-	0.15

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

₹ crore

Particulars	Relationship	For the year ended 31st March, 2018	For the year ended 31st March, 2017
6 Interest received on overdue receivables:			
JSW Steel Limited	Others* *	0.01	-
JSW Green Energy Limited [Refer Note No. 32]	Subsidiary	43.38	0.10
JSW Steel Coated Products Limited	Others* *	0.01	0.04
JSW Cement Limited	Others* *	0.11	-
7 Interest received on loan / debentures:			
JSW Energy Minerals Mauritius Limited	Subsidiary	6.08	4.27
Raj WestPower Limited	Subsidiary	53.61	50.83
South West Mining Limited	Others* *	20.99	27.83
JSW Global Business Solutions Limited	Others* *	0.51	0.37
Himachal Baspa Power Company Limited	Subsidiary	116.86	163.60
JSW Energy (Raigarh) Limited	Subsidiary	0.01	*0.00
Jindal Steel & Power Limited	Others* *	47.95	14.61
8 Rent paid / (received) (net):			
JSW Realty & Infrastructure Private Limited	Others* *	0.52	0.53
JSW Steel Limited	Others* *	(0.01)	*(0.00)
JSW Jaigarh Port Limited	Others* *	*(0.00)	*(0.00)
Jaigad PowerTransco Limited	Subsidiary	*(0.00)	*(0.00)
Gagan Trading Company Limited	Others* *	1.34	1.22
9 Donation / CSR expenses:			
JSW Foundation	Others* *	2.90	2.24
Jindal Vidya Mandir	Others* *	1.00	1.33
Heal Institute Private Limited	Others* *	0.14	0.14
10 Commission expenses:			
JSW Green Energy Limited [Refer Note No. 32]	Subsidiary	0.04	-
11 Reimbursement received from / (paid to):			
JSW Energy (Raigarh) Limited	Subsidiary	(0.01)	0.01
Raj WestPower Limited	Subsidiary	3.22	3.67
Jaigad PowerTransco Limited	Subsidiary	0.04	0.07
JSW Green Energy Limited [Refer Note No. 32]	Subsidiary	(0.27)	3.31
JSW Steel Limited	Others* *	9.96	50.40
JSW Cement Limited	Others* *	0.14	1.27
JSW Jaigarh Port Limited	Others* *	0.65	*0.00
South West Mining Limited	Others* *	(0.15)	0.01
JSW Infrastructure Limited	Others* *	0.13	-
JSW Steel Coated Products Limited	Others* *	-	0.37
Himachal Baspa Power Company Limited	Subsidiary	1.73	0.45
JSW Green Energy Limited [Refer Note No. 32]	Subsidiary	-	*0.00
JSW Global Business Solutions Limited	Others* *	(0.12)	0.17
JSW Energy (Kutehr) Limited	Subsidiary	-	0.14
JSW Projects Limited	Others* *	*0.00	-
JSW Techno Projects Management Limited	Others* *	(0.09)	-
JSW Energy (Bengal) Limited	Others* *	(0.05)	-
12 Security deposit paid / (refund):			
JSW Jaigarh Port Limited	Others* *	(15.00)	-
JSW IP Holdings Private Limited	Others* *	-	0.90
Gagan Trading Company Limited	Others* *	(0.86)	(0.49)
13 Lease deposit received:			
JSW Jaigarh Port Limited	Others* *	5.00	-
14 Advance received from customer for power purchase:			
JSW Power Trading Company Limited [Refer Note No. 32]	Subsidiary	-	375.37
15 Loan given to:			
JSW Global Business Solutions Limited	Others* *	0.40	3.63
Raj WestPower Limited	Subsidiary	557.43	378.02
JSW Green Energy Limited [Refer Note No. 32]	Subsidiary	-	0.01
South West Mining Limited	Others* *	186.90	-
Jindal Steel & Power Limited	Others* *	130.90	373.00

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

₹ crore

Particulars	Relationship	For the year ended 31st March, 2018	For the year ended 31st March, 2017
JSW Energy Minerals Mauritius Limited	Subsidiary	15.47	3.01
JSW Energy (Raigarh) Limited	Subsidiary	0.35	-
16 Loan repaid:			
JSW Global Business Solutions Limited	Others* *	0.74	0.96
Raj WestPower Limited	Subsidiary	536.23	322.52
South West Mining Limited	Others* *	400.57	38.34
Jindal Steel & Power Limited	Others* *	122.77	-
JSW Energy Minerals Mauritius Limited	Subsidiary	2.92	6.58
JSW Energy (Bengal) Limited	Others* *	78.60	-
17 Investment in equity share capital:			
JSW Steel Limited [Refer Note No. 32]	Others* *	2018.15	-
JSW Green Energy Limited [Refer Note No. 32]	Subsidiary	(70.02)	-
JSW Energy (Raigarh) Limited	Subsidiary	-	0.40
JSW Energy (Kutehr) Limited	Subsidiary	-	6.00
18 Cancellation of preference share capital:			
JSW Green Energy Limited [Refer Note No. 32]	Subsidiary	73.37	-
19 Investment in debentures:			
Himachal Baspa Power Company Limited	Subsidiary	-	340.00
20 Redemption of debentures:			
Himachal Baspa Power Company Limited	Subsidiary	100.00	1,790.00
21 Security and collateral provided to/(released):			
Raj WestPower Limited	Subsidiary	(687.05)	(8.19)
Himachal Baspa Power Company Limited	Subsidiary	(62.63)	(62.12)
South West Mining Limited	Others* *	178.66	(58.76)
22 Allowances for impairment in value of investments			
JSW Energy (Raigarh) Limited	Subsidiary	23.58	-
Toshiba JSW Power Systems Private Limited	Associate	100.23	-
23 Loss allowance provision - Loan/ interest receivable			
JSW Energy Minerals Mauritius Limited	Subsidiary	141.00	-
24 Investment in equity written off:			
JSW Energy Natural Resources (BVI) Limited	Subsidiary	3.63	-
25 Loan written off:			
JSW Energy (Bengal) Limited	Others* *	1.52	-
26 Advertisement / branding expenses:			
Art India Publishing Company Private Limited	Others* *	-	0.06
JSW IP Holdings Private Limited	Others* *	12.84	3.62
27 Dividend received:			
Jaigad PowerTransco Limited	Subsidiary	45.79	10.18
JSW Steel Limited [Refer Note No. 32]	Others* *	15.76	-

* Less than ₹ 50 Thousand
* * Enterprises over which Key Management Personnel and relatives of such personnel exercise significant influence.

B. The remuneration to Key Managerial Personnel during the year was as follows:

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
1. Short-term benefits	16.30	16.29
2. Post-employment benefits	0.81	0.81
3. Sitting Fees	0.58	0.62
4. Commission to Directors	1.02	0.76

a) The above figures do not include provisions for gratuity and compensated absences as the same is not determinable.

b) The Company has accrued ₹ 0.09 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

to the Standalone Financial Statements for the year ended 31st March, 2018

C. Closing balances:

₹ crore

	Particulars	Relationship	As at 31st March, 2018	As At 31st March, 2017
1	**Trade payables:**			
	JSW Jaigarh Port Limited	Others* *	1.91	36.02
	JSL Lifestyle Limited	Others* *	*0.00	*0.00
	JSW Techno Projects Management Limited	Others* *	0.09	-
	JSoft Solutions Limited	Others* *	1.40	1.09
	JSW Infrastructure Limited	Others* *	0.20	-
	JSW International Trade Corp Pte Limited	Others* *	10.59	114.59
	JSW Realty & Infrastructure Private Limited	Others* *	0.53	0.19
	Heal Institute Private. Limited.	Others* *	-	0.02
	JSW Global Business Solutions Limited	Others* *	0.13	0.58
	JSW Green Private Limited	Others* *	0.08	0.07
	South West Mining Limited	Others* *	0.03	-
	Gagan Trading Company Limited	Others* *	0.11	-
	JSW Energy (Raigarh) Limited	Subsidiary	0.01	-
	JSW Foundation	Others* *	-	0.18
	South West Port Limited	Others* *	-	2.26
	Raj WestPower Limited	Subsidiary	-	11.07
	Himachal Baspa Power Company Limited	Subsidiary	-	0.01
2	**Trade receivables:**			
	JSW Steel Limited	Others* *	160.34	229.20
	JSW Cement Limited	Others* *	8.24	6.18
	Toshiba JSW Power Systems Private Limited	Associate	2.66	7.08
	JSW Steel Coated Products Limited	Others* *	16.42	8.42
3	**Financial Assets**			
	JSW Projects Limited	Others* *	*0.00	-
	JSW Bengal Steel Limited	Others* *	-	0.08
	JSW Energy (Bengal) Limited	Others* *	-	0.02
	South West Port Limited	Others* *	0.15	-
	Raj WestPower Limited	Subsidiary	1.68	-
	Himachal Baspa Power Company Limited	Subsidiary	1.64	-
	Amba River Coke Limited	Others* *	13.42	13.15
	JSW Green Energy Limited [Refer Note No. 32]	Subsidiary	*0.00	*0.00
	JSW IP Holdings Private Limited	Others* *	0.41	2.21
	Jindal Steel & Power Limited	Others* *	0.11	0.12
	MJSJ Coal Limited	Joint venture	0.02	0.02
	Jindal Stainless Limited	Others* *	0.01	0.01
	JSW Infrastructure Limited	Others* *	-	0.02
	Jaigad PowerTransco Limited	Subsidiary	0.02	0.02
4	**Advance from customers**			
	JSW Power Trading Company Limited [Refer Note No. 32]	Subsidiary	119.02	375.37
5	**Security deposit placed with:**			
	JSW Steel Limited	Others* *	2.12	1.86
	JSW Realty & Infrastructure Private Limited	Others* *	7.35	6.73
	JSW Jaigarh Port Limited	Others* *	29.50	43.08
	JSW IP Holdings Private Limited	Others* *	0.90	0.90
	Gagan Trading Company Limited	Others* *	9.85	9.85
6	**Lease deposit from:**			
	JSW Steel Limited	Others* *	0.06	0.05
	Jaigad PowerTransco Limited	Subsidiary	0.09	0.08
	JSW Jaigarh Port Limited	Others* *	0.21	0.14
	JSW Infrastructure Limited	Others* *	0.35	0.35
	Jindal Vidya Mandir	Others* *	*0.00	*0.00

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

₹ crore

	Particulars	Relationship	As at 31st March, 2018	As At 31st March, 2017
7	**Investment in equity share capital:**			
	JSW Power Trading Company Limited [Refer Note No. 32]	Subsidiary	-	70.02
	JSW Steel Limited	Others* *	2,018.15	-
	Himachal Baspa Power Company Limited	Subsidiary	2,046.01	2,046.01
	Raj WestPower Limited	Subsidiary	1,726.05	1,726.05
	Jaigad PowerTransco Limited	Subsidiary	101.75	101.75
	JSW Energy (Raigarh) Limited	Subsidiary	113.83	113.83
	JSW Energy (Kutehr) Limited	Subsidiary	29.02	29.02
	JSW Green Energy Limited	Subsidiary	70.05	0.05
	JSW Energy Mineral Mauritius Limited	Subsidiary	42.11	42.11
	JSW Energy Natural Resources (BVI) Limited	Subsidiary	-	3.63
	Toshiba JSW Power Systems Private Limited	Associate	100.23	100.23
	MJSJ Coal Limited	Joint venture	10.46	10.46
	JSW Solar Limited	Subsidiary	0.01	-
	JSW ELectric Vehicles Private Limited	Subsidiary	0.01	-
8	**Investment in preference share capital:**			
	JSW Green Energy Limited [Refer Note No. 32]	Subsidiary	2.59	-
	JSW Power Trading Company Limited [Refer Note No. 32]	Subsidiary	-	73.37
	JSW Realty & Infrastructure Private Limited	Others* *	2.05	1.84
9	**Investment in debenture:**			
	Himachal Baspa Power Company Limited	Subsidiary	800.00	900.00
10	**Security and collateral provided to:**			
	Raj WestPower Limited	Subsidiary	-	687.05
	Himachal Baspa Power Company Limited	Subsidiary	273.37	336.00
	South West Mining Limited	Others* *	275.00	96.34
11	**Loans / advances to:**			
	JSW Energy Minerals Mauritius Limited	Subsidiary	343.76	329.84
	Raj WestPower Limited	Subsidiary	567.64	546.44
	JSW Green Energy Limited [Refer Note No. 32]	Subsidiary	4.08	4.08
	JSW Energy (Bengal) Limited	Others* *	-	80.12
	South West Mining Limited	Others* *	-	213.69
	JSW Global Business Solutions Limited	Others* *	4.52	4.85
	Jindal Steel & Power Limited (Refer Note 28 (B) (ii))	Others* *	381.13	373.00
12	**Interest receivable on loan:**			
	JSW Energy Minerals Mauritius Limited	Subsidiary	2.08	11.67
	Raj WestPower Limited	Subsidiary	-	* 0.00
	Jindal Steel & Power Limited	Others* *	1.23	1.21
	JSW Energy (Raigarh) Limited	Subsidiary	0.02	-
13	**Allowances for impairment in value of investments**			
	JSW Energy (Raigarh) Limited	Subsidiary	23.58	-
	Toshiba JSW Power Systems Private Limited	Associate	100.23	-
	JSW Energy Minerals Mauritius Limited	Subsidiary	42.11	42.11
	JSW Energy Natural Resources (BVI) Limited	Subsidiary	-	3.63
	MJSJ Coal Limited	Joint venture	3.94	3.94
14	**Loss allowances provision- loan/interest receivables**			
	JSW Energy Minerals Mauritius Limited	Subsidiary	183.19	42.18
	JSW Green Energy Limited [Refer Note No. 32]	Subsidiary	-	2.60

* Less than ₹ 50,000

* * Enterprises over which Key Management Personnel and relatives of such personnel exercise significant influence

Note:

i) Terms and conditions of outstanding balances: all outstanding balances are unsecured and repayable in cash.

ii) For outstanding commitment with related party – Refer 28 (B) (ii)

Notes

to the Standalone Financial Statements for the year ended 31st March, 2018

Note No. 41 – Operating segments

The Company is in the business of generation of power and related activities having similar economic characteristics primarily operated within India and regularly reviewed by Chief Operating Decision Maker for assessment of Company's performance and resource allocation. Accordingly, the Company has only one business segment.

The information relating to revenue from external customers of its single reportable segment has been disclosed below:

a) Revenue from operations

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Within India	4211.32	4040.97
Outside India	0.73	-
Total	**4212.05**	**4040.97**

b) Non-Current Operating Assets

All Non-Current assets other than financial instruments, deferred tax assets of the Company are located in India.

For and on behalf of Board of Directors

Prashant Jain
Jt. Managing Director & CEO
[DIN: 01281621]

Sajjan Jindal
Chairman and Managing Director
[DIN: 00017762]

Monica Chopra
Company Secretary

Jyoti Kumar Agarwal
Director - Finance
[DIN: 01911652]

Place: Mumbai
Date: 3rd May, 2018

Independent Auditor's 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 (hereinafter referred to as 'the Parent'), and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group') which includes 2 joint operations of the Group accounted on a proportionate basis and the Group's share of loss in its associate and its joint venture, comprising the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows, 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 Parent's Board of Directors is responsible for the preparation of these consolidated Ind AS Financial Statements in terms of the requirements of the 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 and consolidated statement of changes in equity of the Group including its associate and a joint venture in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associate and a joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its associate and its joint venture and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Parent, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS Financial Statements based on our audit. In conducting 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 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 Parent'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 Parent'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 other auditors in terms of their reports referred to in sub-paragraphs (a) and (b) 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, and based on the consideration of reports of other auditors on separate Financial Statements of the subsidiaries, an associate and a joint venture referred to in the Other Matters paragraph below, 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 Ind AS and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2018, and their consolidated profit, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Emphasis of Matter

Attention is invited to note 40 to the consolidated Ind AS Financial Statements regarding the plans of the Group to resume construction/ developmental activities of a hydropower project. The carrying amounts related to the

project as at 31st March, 2018 comprise property, plant and equipment of ₹ 3.61 crore, capital work in progress of ₹ 259.46 crore, and capital advance of ₹ 6.19 crore.

Our opinion is not modified in respect of this matter.

Other Matters

(a) We did not audit the Financial Statements/ financial information of 19 subsidiaries, whose Financial Statements/ financial information reflect total assets of ₹ 197.21 crore as at 31st March, 2018, total revenues of ₹ 60.26 crore and net cash inflows amounting to ₹ 6.55 crore for the year ended on that date, as considered in the consolidated Ind AS Financial Statements. The consolidated Ind AS Financial Statements also include the Group's proportionate share of total assets of ₹ 463.59 crore as at 31st March, 2018 and of total revenue of ₹ 5.03 crore in respect of 2 joint operations for the year ended 31st March, 2018 and the Group's share of net loss of ₹ 49.49 crore and total comprehensive loss of ₹ 49.49 crore for the year ended 31st March, 2018, as considered in the consolidated Ind AS Financial Statements, in respect of an associate and a joint venture, whose Financial Statements have not been audited by us. These Financial Statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these joint operations, subsidiaries, an associate and a joint venture, is based solely on such unaudited Financial Statements/ financial information. In our opinion and according to the information and explanations given to us by the Management, these Financial Statements/ financial information are not material to the Group.

(b) We did not audit the Financial Statements of 9 subsidiaries, whose Financial Statements reflect total assets of ₹16,050.17 crore as at 31st March, 2018, total revenues of ₹ 5,266.00 crore and net cash outflows amounting to ₹ 284.21 crore for the year ended on that date, as considered in the consolidated Ind AS 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 Ind AS 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-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

(c) The comparative financial information of the Group as at and for the year ended 31st March, 2017 prepared in accordance with Ind AS included in the consolidated Ind AS Financial Statements has been audited by the predecessor auditor. The report of the predecessor auditor on such comparative financial information dated 29th April, 2017 expressed an unmodified opinion.

Our opinion on the consolidated Ind AS 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, and in respect of the comparative financial information.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate Financial Statements and the other financial information of subsidiary companies incorporated in India, referred in the Other Matters paragraph above, 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 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 Indian Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2018 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of these entities is disqualified as on 31st March, 2018 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 and the operating effectiveness of such controls, refer to our separate

Report in 'Annexure A', which is based on the auditors' reports of the Parent and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

(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 Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associate and joint venture.

ii. Provision has been made in the consolidated Ind AS Financial Statements, 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 and its subsidiary companies, an associate and a joint venture incorporated in India.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/ W-100018)

A. Siddharth
Partner
Mumbai, dated: 3 May 2018 (Membership No. 31467)

Annexure A

to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 JSW Energy Limited (hereinafter referred to as 'the Company'/ 'Parent') as of and for the year ended 31st March, 2018, we have audited the internal financial controls over financial reporting of the Parent 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 Parent, its subsidiary companies, 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 respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') 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 respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 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 of subsidiary companies, which are companies incorporated in India, 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 internal financial controls system over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India.

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 to the best of our information and according to the explanations given to us and based on the consideration

of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report 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 9 subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants
(Firm's Registration No. 117366W/ W-100018)

A. Siddharth
Partner
Mumbai, dated: 3 May 2018 (Membership No. 31467)

Consolidated Balance Sheet

as at 31st March, 2018

₹ crore

Particulars	Notes	As at 31st March, 2018	As at 31st March, 2017
A Assets			
1 Non-current assets			
(a) Property, plant and equipment	4A	17,296.98	17,876.50
(b) Capital work-in-progress	4B	293.53	530.74
(c) Goodwill	5	639.82	644.86
(d) Other intangible assets	6	940.59	969.23
(e) Financial assets			
(i) Investments			
Investments in an associate and joint ventures	7A	6.52	6.57
Other investments	7B	2,071.65	1,353.35
(ii) Loans	8	571.41	764.48
(iii) Other financial assets	9	1,609.21	1,586.03
(f) Income tax assets (net)	10A	38.09	57.98
(g) Other non-current assets	11	542.61	524.24
Total non - current assets		**24,010.41**	**24,313.98**
2 Current assets			
(a) Inventories	12	535.54	592.90
(b) Financial assets			
(i) Investments	7B	336.83	218.90
(ii) Trade receivables	13	1,151.22	2,182.75
(iii) Cash and cash equivalents	14A	224.27	590.71
(iv) Bank balances other than (iii) above	14B	86.76	193.59
(v) Loans	8	178.34	80.62
(vi) Other financial assets	9	120.06	134.67
(c) Other current assets	11	77.50	81.22
Total current assets		**2,710.52**	**4,075.36**
Total assets		**26,720.93**	**28,389.34**
B Equity and Liabilities			
Equity			
(a) Equity share capital	15A	1,640.05	1,627.95
(b) Other equity	15B	9,469.65	8,740.51
Equity attributable to owners of the parent		**11,109.70**	**10,368.46**
Non-controlling interests	31	(3.94)	2.37
Total equity		**11,105.76**	**10,370.83**
Liabilities			
1 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	10,821.00	13,125.92
(ii) Other financial liabilities	17	0.26	0.56
(b) Provisions	18	99.84	47.11
(c) Deferred tax liabilities (net)	19	427.96	380.54
(d) Other non-current liabilities	20	6.62	1.75
Total non – current liabilities		**11,355.68**	**13,555.88**
2 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	8.19	8.67
(ii) Trade payables	21	2,327.13	2,118.72
(iii) Other financial liabilities	17	1,802.41	2,282.13
(b) Other current liabilities	20	55.04	44.00
(c) Provisions	18	31.44	9.11
(d) Current tax liabilities (net)	10B	35.28	-
Total current liabilities		**4,259.49**	**4,462.63**
Total equity and liabilities		**26,720.93**	**28,389.34**

See accompanying notes to the consolidated financial statements

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

A. Siddharth
Partner

Place: Mumbai
Date: 3rd May, 2018

For and on behalf of Board of Directors

Prashant Jain
Jt. Managing Director & CEO
[DIN: 01281621]

Sajjan Jindal
Chairman and Managing Director
[DIN: 00017762]

Monica Chopra
Company Secretary

Jyoti Kumar Agarwal
Director - Finance
[DIN: 01911652]
Place: Mumbai
Date: 3rd May, 2018

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2018

₹ crore, except share data and as stated otherwise

Particulars	Notes	For the year ended 31st March, 2018	For the year ended 31st March, 2017
1 Income			
(a) Revenue from operations	22	8,048.96	8,263.43
(b) Other income	23	465.02	217.00
Total income		**8,513.98**	**8,480.43**
2 Expenses			
(a) Fuel cost		4,338.87	3,907.22
(b) Purchase of power		74.58	153.10
(c) Employee benefits expense	24	215.09	211.77
(d) Finance costs	25	1,455.91	1,684.75
(e) Depreciation and amortisation expense	26	966.08	969.15
(f) Other expenses	27	657.88	666.98
Total expenses		**7,708.41**	**7,592.97**
3 Profit before exceptional items and tax		**805.57**	**887.46**
4 Share of profit / (loss) of joint venture		(49.49)	4.06
5 Profit before tax and exceptional items		**756.08**	**891.52**
6 Exceptional items	28	417.94	-
7 Profit before tax		**338.14**	**891.52**
8 Tax Expense	29		
(a) Current tax		210.76	196.10
(b) Deferred tax		42.47	72.91
9 Profit for the year		**84.91**	**622.51**
10 Attributable to:			
Owners of the parent		77.97	629.03
Non-controlling interests		6.94	(6.52)
11 Other comprehensive income			
a) (i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the net defined benefit plans		0.74	(1.29)
(b) Equity instrument through other comprehensive income		700.03	419.35
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.13)	0.27
Total (a)		**700.64**	**418.33**
b) (i) Items that will be reclassified to profit or loss			
(a) Exchange differences in translating the financial statements of foreign operations		(0.93)	13.76
(b) Effective portion of cash flow hedge		(2.59)	-
Total (b)		**(3.52)**	**13.76**
Other comprehensive income (a + b)		**697.12**	**432.09**
12 Attributable to:			
Owners of the parent		697.12	432.09
Non-controlling interests		*	*
13 Total comprehensive income for the year		**782.03**	**1,054.60**
14 Attributable to:			
Owners of the parent		775.09	1,061.12
Non-controlling interests		6.94	(6.52)
15 Earnings per equity share of ₹ 10 each	41		
Basic (₹)		0.48	3.86
Diluted (₹)		0.48	3.86

*Less than ₹ 50,000

See accompanying notes to the consolidated financial statements

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

A. Siddharth
Partner

Place: Mumbai
Date: 3rd May, 2018

For and on behalf of Board of Directors

Prashant Jain
Jt. Managing Director & CEO
[DIN: 01281621]

Monica Chopra
Company Secretary

Sajjan Jindal
Chairman and Managing Director
[DIN: 00017762]

Jyoti Kumar Agarwal
Director - Finance
[DIN: 01911652]
Place: Mumbai
Date: 3rd May, 2018

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2018

A. Equity share capital

₹ crore

Balance as at 1st April, 2016	**1,626.79**
Changes in equity share capital during the year – Treasury shares	1.16
Balance as at 31st March, 2017	**1,627.95**
Changes in equity share capital during the year – Treasury shares	12.10
Balance as at 31st March, 2018	**1,640.05**

B. Other equity

₹ crore

Particulars	Reserves and surplus						Items of other comprehensive income				Attributable to owners of parent	Non-controlling interests	Total
	Securities premium account	General reserve	Equity settled share based payment reserve	Debenture redemption reserve	Contingency reserve	Retained earnings	Equity instrument through other comprehensive income	Effective portion of cash flow hedge	Foreign currency translation reserve	Remeasurement of net defined benefit plans			
Balance as at 1st April, 2016	**2,396.22**	**214.06**	**10.84**	**553.34**	**7.42**	**4,156.34**	**747.06**	**-**	**(6.62)**	**(1.32)**	**8,077.34**	**1.40**	**8,078.74**
Profit for the year	-	-	-	-	-	629.03	-	-	-	-	629.03	(6.52)	622.51
Other comprehensive income for the year	-	-	-	-	-	-	419.35	-	13.76	(1.02)	432.09	*	432.09
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**629.03**	**419.35**	**-**	**13.76**	**(1.02)**	**1,061.12**	**(6.52)**	**1,054.60**
Dividends	-	-	-	-	-	(321.85)	-	-	-	-	(321.85)	(7.15)	(329.00)
Tax on Dividends	-	-	-	-	-	(62.97)	-	-	-	-	(62.97)	(0.73)	(63.70)
Acquisition of interest in step-down subsidiaries	-	-	-	-	-	(15.71)	-	-	0.14	-	(15.57)	15.37	(0.20)
Consolidation of ESOP Trust	-	-	-	-	-	5.08	-	-	-	-	5.08	-	5.08
Unwinding of transaction cost on debentures issued	(4.57)	-	-	-	-	-	-	-	-	-	(4.57)	-	(4.57)
Transfers to / from retained earnings	-	-	-	(210.90)	1.38	209.52	-	-	-	-	-	-	-
Share based payments	-	-	1.93	-	-	-	-	-	-	-	1.93	-	1.93
Balance as at 31st March, 2017	**2,391.65**	**214.06**	**12.77**	**342.44**	**8.80**	**4,599.44**	**1,166.41**	**-**	**7.28**	**(2.34)**	**8,740.51**	**2.37**	**8,742.88**

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2018 (Continued)

₹ crore

Particulars	Reserves and surplus						Items of other comprehensive income				Attributable to owners of parent	Non-controlling interests	Total
	Securities premium account	General reserve	Equity settled share based payment reserve	Debenture redemption reserve	Contingency reserve	Retained earnings	Equity instrument through other comprehensive income	Effective portion of cash flow hedge	Foreign currency translation reserve	Remeasurement of net defined benefit plans			
Balance as at 31st March, 2017	**2,391.65**	**214.06**	**12.77**	**342.44**	**8.80**	**4,599.44**	**1,166.41**	**-**	**7.28**	**(2.34)**	**8,740.51**	**2.37**	**8,742.88**
Profit for the year	-	-	-	-	-	77.97	-	-	-	-	77.97	6.94	84.91
Other comprehensive income for the year	-	-	-	-	-	-	700.03	(2.59)	(0.93)	0.61	697.12	*	697.12
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**77.97**	**700.03**	**(2.59)**	**(0.93)**	**0.61**	**775.09**	**6.94**	**782.03**
Dividends	-	-	-	-	-	(81.45)	-	-	-	-	(81.45)	(16.09)	(97.54)
Tax on Dividends	-	-	-	-	-	(17.73)	-	-	-	-	(17.73)	(3.27)	(21.00)
Adjustments during the year for Foreign currency translation reserve	-	-	-	-	-	-	-	-	-	-	-	6.11	6.11
Consolidation of ESOP Trust	-	-	-	-	-	61.24	-	-	-	-	61.24	-	61.24
Unwinding of transaction cost on debentures issued	(10.85)	-	-	-	-	-	-	-	-	-	(10.85)	-	(10.85)
Transfers to / from retained earnings	-	-	-	(126.61)	1.38	125.23	-	-	-	-	-	-	-
Share based payments	-	-	2.84	-	-	-	-	-	-	-	2.84	-	2.84
Balance as at 31st March, 2018	**2,380.80**	**214.06**	**15.61**	**215.83**	**10.18**	**4,764.70**	**1,866.44**	**(2.59)**	**6.35**	**(1.73)**	**9,469.65**	**(3.94)**	**9,465.71**

*Less than ₹ 50,000

See accompanying notes to the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

A. Siddharth
Partner

Place: Mumbai
Date: 3rd May, 2018

For and on behalf of Board of Directors

Prashant Jain
Jt. Managing Director & CEO
[DIN: 01281621]

Monica Chopra
Company Secretary

Sajjan Jindal
Chairman and Managing Director
[DIN: 00017762]

Jyoti Kumar Agarwal
Director - Finance
[DIN: 01911652]
Place: Mumbai
Date: 3rd May, 2018

Consolidated Statement of Cash Flows

for the year ended 31st March, 2018

₹ crore

Particulars	For the year ended 31st March, 2018		For the year ended 31st March, 2017	
I. Cash Flow from Operating Activities				
Profit before tax		**338.14**		**891.52**
Adjusted for:				
Depreciation and amortisation expense	966.08		969.15	
Finance costs	1,455.91		1,684.75	
Interest income earned on financial assets that are not designated as at FVTPL	(279.00)		(137.12)	
Interest income earned on other assets	(47.95)		(14.61)	
Dividend income from investments designated as at FVTOCI	(15.76)		(5.25)	
Share of profit / (loss) of joint venture	49.49		(4.06)	
Net gain arising on financial instruments designated as at fair value through profit or loss	(9.99)		(0.45)	
Share-based payments	2.78		1.93	
Loss on disposal of property, plant and equipment	0.35		0.12	
Capital work-in-progress written off	24.85		3.36	
Impairment loss recognised on loans / trade receivables	2.04		0.11	
Unrealised foreign exchange loss (net)	4.22		6.85	
Allowance for non-moving inventories	-		0.55	
Inventory written off	-		1.53	
Property, plant & equipments written off	5.65		-	
Allowance for impairment of goodwill	5.21		-	
Allowance for impairment of intangible assets	6.27		-	
Allowance for doubtful loans	574.19		-	
Contingent consideration / liabilities no longer payable written back	(172.71)		-	
		2,571.63		**2,506.86**
Operating profit before working capital changes		**2,909.77**		**3,398.38**
Adjustments for:				
Decrease in trade receivables	1,031.11		723.48	
Decrease in inventories	57.37		37.56	
Decrease in current and non current assets	45.69		230.70	
Increase / (decrease) in trade payables and other liabilities	45.47		(298.81)	
		1,179.64		**692.93**
Cash flow from operations		**4,089.41**		**4,091.31**
Income taxes paid (net)		(155.60)		(238.67)
NET CASH GENERATED FROM OPERATING ACTIVITIES		**3,933.81**		**3,852.64**
II. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipments (including CWIP and capital advances)		(120.76)		(371.51)
Proceeds from sale of property, plant and equipments		1.99		2.97
Loan / advances to related parties and others		(1,339.39)		(444.20)
Loans / advances repaid by related parties and others		850.91		39.19
Interest received		270.12		81.02
Dividend income from investments designated as at FVTOCI		15.76		5.25
Investments in government securities		(1.53)		(1.79)
Bank balances other than cash & cash equivalents		108.08		(72.86)
NET CASH USED IN INVESTING ACTIVITIES		**(214.82)**		**(761.93)**

Consolidated Statement of Cash Flows

for the year ended 31st March, 2018 (Continued)

₹ crore

Particulars	For the year ended 31st March, 2018		For the year ended 31st March, 2017	
III. CASH FLOW FROM FINANCING ACTIVITIES				
Proceed from transfer of treasury shares under ESOP Plan		73.34		6.24
Proceed from borrowings		5,058.27		3,199.15
Repayment of borrowings		(7,548.91)		(3,728.02)
Interest paid		(1,431.75)		(1,679.59)
Dividend paid (including corporate dividend tax)		(118.54)		(392.70)
NET CASH USED IN FINANCING ACTIVITIES		**(3,967.59)**		**(2,594.92)**
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (I+II+III)		**(248.60)**		**495.79**
CASH AND CASH EQUIVALENTS - AT THE BEGINNING OF THE YEAR		**809.61**		**313.94**
Effect of exchange rate changes on cash and cash equivalents		0.09		(0.12)
CASH AND CASH EQUIVALENTS - AT THE END OF THE YEAR		**561.10**		**809.61**
Less: Investment in liquid mutual fund (Refer note 7)		336.83		218.90
Cash and cash equivalents (Refer note 14A)		**224.27**		**590.71**

See accompanying notes to the consolidated financial statements

Notes:

a) The statement of cash flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

b) For non-cash transactions:

Out of loan advanced to a party during the year, an amount of ₹ 226.11 crore has been adjusted towards the contingent consideration payable to the same party. [Refer note 42 (a)(ii)]

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

A. Siddharth
Partner

Place: Mumbai
Date: 3rd May, 2018

For and on behalf of Board of Directors

Prashant Jain
Jt. Managing Director & CEO
[DIN: 01281621]

Sajjan Jindal
Chairman and Managing Director
[DIN: 00017762]

Monica Chopra
Company Secretary

Jyoti Kumar Agarwal
Director - Finance
[DIN: 01911652]
Place: Mumbai
Date: 3rd May, 2018

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2018

Note No. 1 General information:

JSW Energy Limited ('the Company or the Parent') is a listed public Company incorporated on 10th March, 1994 under the Companies Act, 1956 and listed on Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is located at JSW Centre, Bandra-Kurla Complex, Bandra (East), Mumbai, Maharashtra. The Company and its subsidiaries (together referred to as 'the Group') are primarily engaged in the business of generation of power with principal places located at Vijayanagar (Karnataka), Ratnagiri (Maharashtra), Barmer (Rajasthan) and Kinnaur (Himachal Pradesh).

Note No. 2.1 Applicability of new and revised Ind AS:

Ministry of Corporate Affairs on 28th March, 2018 notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 (the 'Rules'). The Rules notify the new revenue standard Ind AS 115, Revenue from Contracts with Customers. The Rules shall be effective from reporting periods beginning on or after 1st April 2018. New revenue standard Ind AS 115 supersedes the existing standards Ind AS 18 – Revenue and Ind AS 11 – Construction Contracts. The new standard provides a control-based revenue recognition model and provides a five step application principle to be followed for revenue recognition:

(i) Identification of the contracts with the customer

(ii) Identification of the performance obligations in the contract

(iii) Determination of the transaction price

(iv) Allocation of transaction price to the performance obligations in the contract (identified in step ii)

(v) Recognition of revenue when the Company satisfies a performance obligation.

The management is yet to assess the impact of the aforesaid amendments on the Group's financial information.

2.2 Statement of compliance:

The Consolidated financial Statements of the Group which comprise the Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended 31st March, 2018, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as 'Consolidated Financial Statements') have been prepared in accordance with Indian Accounting Standards prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter ('Ind AS'), the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Consolidated Financial Statements have been approved by the Board of Directors in its meeting held on 3rd May, 2018.

2.3 Basis of preparation of consolidated financial statements:

The Consolidated Financial Statements are prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies given below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The consolidated financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest crore, except otherwise indicated.

2.4 Basis of consolidation

The Consolidated Financial Statements incorporate the financial statements of the Company and entities (including special purpose entities) controlled by the Company and its subsidiaries. Control is achieved where the Company:

- has power over the investee
- is exposed to, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns

The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including;

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2018

- rights arising from other contractual arrangements; and

- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.5 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in Consolidated statement of profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;

- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date; and

- assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of bargain purchase, before recognising gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing, directly in equity as capital reserve.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2018

gain or loss, if any, is recognised in the Consolidated statement of profit and Loss.

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interest method.

2.6 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the consolidated statement of profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Group's policy for goodwill arising on the acquisition of an associate and a joint venture is described in notes below.

2.7 Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105 – Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate or a joint venture.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

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2.8 Significant accounting policies

I. Revenue recognition:

Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection. Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated rebates and other similar allowances.

Revenue from power supply (non-regulated business):

Revenue from Power Supply is recognised in accordance with the tariff provided in respective Power Purchase Agreements (PPAs) or on the basis of the contracted rates, for sales under merchant trading, as the case may be.

Revenue from power supply (regulated business):

Revenue from power supply is accounted for based on the tariff approved by the regulator, having regard to mechanism provided in applicable tariff regulations.

Revenue from transmission income:

Transmission Income is accounted for on accrual basis for the period of operation of the transmission line computed based on the approved Annual Revenue Requirement (ARR).

Operator fee:

Operator fee is accounted on accrual basis as and when the right to receive arises.

Delayed payment charges and compensation towards shortfall in offtake:

Delayed payment charges and compensation towards shortfall in offtake are recognised, on grounds of prudence when recovered.

Dividend and interest income:

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

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

II. Leasing:

Arrangements in the nature of lease:

An arrangement comprising a transaction or series of related transactions that does not take the legal form of a lease but conveys the right to use the asset in return for a payment or series of payments is evaluated at its inception to assess whether fulfilment of the arrangement is dependent on the use of a specific asset or assets and whether it also conveys the right to use such asset or assets. In case of the arrangement which is identified to be in the nature of lease, the payments and other consideration under the arrangement are separated at the inception of the arrangement into those for lease and those for other elements.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor:

Amount due from the lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Lease receipts are apportioned between finance income and reduction of the revenue so as to achieve a constant rate of interest on the remaining balance of the finance lease receivable. Finance lease income is allocated to the accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

The Group as lessee:

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments under an operating lease shall be recognised as an expense on a straight-line basis over the term of the relevant lease. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

III. Service concession arrangements:

The Group has entered into concession agreement under public-to-private Service Concession Arrangement (SCA) to construct, operate and maintain a hydroelectric power plant. Under SCA, the Group recognises intangible assets and financial assets depending on the terms of concession granted by the concessionaire.

Intangible assets:

Under SCAs, where the Group has received the right to charge users of the public service, such rights are recognised and classified as intangible assets.

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Revenue from service concession arrangement under intangible asset model is recognised in accordance with the terms of the power purchase agreement as and when the power is supplied.

The intangible right which are recognised in the form of right to charge users of the infrastructure is amortised over the period of service concession arrangement.

Financial assets:
Under SCA, where the Group has acquired contractual rights to receive specified determinable amounts, such rights are recognised and classified as financial assets.

Finance income for service concession arrangement under financial asset model is recognised using effective interest rate method.

IV. Foreign currency transactions and foreign operation:

The functional currency of the Group is determined on the basis of the primary economic environment in which it operates. The functional currency of the Group is Indian National Rupee (INR).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in consolidated statement of profit and Loss in the period in which they arise except for:

- exchange differences on transactions entered into in order to hedge certain foreign currency risks (see below the policy on hedge accounting in 2 (XVI) (g); and

- exchange difference arising on settlement/ restatement of long-term foreign currency monetary items recognised in the consolidated financial statements for the year ended 31st March, 2016 prepared under previous GAAP, are capitalised as a part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / upto the date of settlement of such monetary item, whichever is earlier and charged to the Consolidated Statement of Profit and Loss. The un-amortised exchange difference is carried under other equity as 'Foreign Currency Monetary Item Translation Difference Account' net of tax effect thereon, where applicable.

V. Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in Consolidated Statement of Profit and Loss in the period in which they are incurred.

The Group determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Group borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditure on that asset.

The Group suspends capitalisation of borrowing costs during extended periods in which it suspends active development of a qualifying asset.

VI. Employee benefits:

a) Short-term employee benefits:
The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

b) Long-term employee benefits:
Compensated absences which are not expected to be availed or encashed within twelve months after the end of the period in which the employee renders the related service are recognised as a liability as

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at the Balance Sheet date on the basis of actuarial valuation using projected unit credit method.

c) **Retirement benefit costs and termination benefits:**

Defined contribution plans:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans:

For defined benefit retirement benefits plans, the cost of providing benefits is determined using the projected unit credit method, and spread over the period during which the benefit is expected to be derived from employees' services. Re-measurement of defined benefit plans in respect of post-employment and other long-term benefits are charged to the Other Comprehensive Income. Actuarial valuations being carried out at the end of each annual reporting period for defined benefit plans.

The Group pays gratuity to the employees whoever has completed five years of service with the Group at the time of resignation/ superannuation. The gratuity is paid @ 15 days salary for the every completed year of service as per the Payment of Gratuity Act, 1972.

The Group makes monthly contributions to provident fund managed by trust for qualifying employees. Under the scheme, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits.

d) **Share-based payment arrangements:**

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in consolidated statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

The group has created an Employee Welfare Trust for providing share-based payment to its employees. The group uses the Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Parent Company from the market, for giving shares to employees. The group treats Trust as its extension and shares held by the Trust are treated as treasury shares.

VII. Taxation:

Income tax comprises current and deferred tax. Income tax expense is recognised in the Consolidated Statement of Profit and Loss except to the extent it relates to items directly recognised in equity or in other comprehensive income.

Current tax:

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent it is probable that taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

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

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Consolidated Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group.

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

VIII. Property, plant and equipment:

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning.

Cost of major inspection/overhauling is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection/overhauling (as distinct from physical parts) is de-recognised.

Properties in the course of construction are carried at cost, less any recognised impairment loss, as capital work in progress. Upon completion, such properties are transferred to the appropriate categories of property, plant and equipment and the depreciation commences.

Where an obligation (legal or constructive) exists to dismantle or remove an asset or restore a site to its former condition at the end of its useful life, the present value of the estimated cost of dismantling, removing or restoring the site is capitalised along with the cost of acquisition or construction upon completion and a corresponding liability is recognised.

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

IX. Other intangible assets:

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no further economic benefits are expected from use or disposal. Gain/loss on de-recognition are recognised in profit or loss.

X. Depreciation and amortisation:

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Regulatory business:

Depreciation on Property, plant and equipment in respect of electricity business of the Group covered under Part B of Schedule II of the Companies Act, 2013, has been provided on the straight-line method at the rates using the methodology as notified by the respective regulators.

Non-Regulatory business:

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful lives and residual value prescribed in Schedule II to the Act except in case of the following class of assets wherein useful lives are determined based on technical assessment made by a technical expert engaged by the management taking into account the nature of assets, the estimated usage of assets, the operating conditions of the assets, anticipated technological changes, in order to reflect the actual usage:

Estimated useful lives of the assets are as follows:

Class of Property, plant and equipment	Useful life
Buildings (factory buildings and civil structure)	12-60
Plant and equipment	2-40
Furniture and fixtures	10-25
Vehicles	4-10
Office equipment	6-25

During the year ended 31st March, 2018, the Group has reassessed the balance useful lives, residual values and the manner in which the economic benefit is being derived from property, plant and equipment pertaining to thermal power plants (non-regulated business) (Refer Note 26).

When significant parts of plant and equipment are required to be replaced at intervals, the Group

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depreciates them separately based on their specific useful lives.

Freehold land is not depreciated. Leasehold land is amortised over the period of the lease, except where Leasehold land is acquired by the Group, with an option in the lease deed, entitling the Group to purchase on outright basis after a certain period at no additional cost is not amortised.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the consolidated statement of profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

Computer software is amortised over an estimated useful life of 3 years.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

XI. Impairment of tangible and intangible assets other than goodwill:

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the consolidated statement of profit and loss.

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

XII. Inventories:

Inventories of are stated at the lower of weighted average cost or net realisable value. Costs of inventories are determined on weighted average basis.

Cost of inventories includes cost of purchase price, cost of conversion and other cost incurred in bringing the inventories to their present location and condition.

Net realisable value represents the estimated selling price for inventories less all estimated cost of completion and cost necessary to make the sale.

XIII. Earnings per share:

Basic earnings per share is computed by dividing the profit/(loss) for the year by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit/(loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion

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to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

XIV. Provisions, contingencies and commitments:

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that the group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A disclosure for contingent liabilities is made where there is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

(b) a present obligation that arises from past events but is not recognised because:

(i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting period.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

XV. Financial guarantee contracts:

The Group on a case to case basis elects to account for financial guarantee contracts as a financial instrument or as an insurance contract, as specified in Ind AS 109 on Financial Instruments and Ind AS 104 on Insurance Contracts. The Group has regarded all its financial guarantee contracts as insurance contracts. At the end of each reporting period the Group performs a liability adequacy test, (i.e. it assesses the likelihood of a pay-out based on current undiscounted estimates of future cash flows), and any deficiency is recognised in consolidated statement of profit and loss.

XVI. Financial instruments:

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

(a) Investment in subsidiaries, associate and joint venture:

The Group has accounted for its investments in subsidiaries, associate and joint venture at cost.

(b) Financial assets:

(i) Initial recognition and measurement:

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

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(ii) Subsequent measurement:

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

Financial assets at fair value through other comprehensive income (FVTOCI) – A financial asset is measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL) - A financial asset which is not classified in any of the above categories are fair valued through profit or loss.

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

(a) the entity's business model for managing the financial assets and

(b) the contractual cash flow characteristics of the financial asset.

Equity Investments:
All equity investments are measured at fair value, with value changes recognised in Consolidated Statement of Profit and Loss, except for those equity investments for which the Group has elected to present the value changes in 'Other Comprehensive Income'.

(iii) Impairment:

The group recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVTOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward-looking.

The Group's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Group does not track changes in credit risk. Rather it recognises impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables.

The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the group recognises 12–month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the group reverts to recognising impairment loss allowance based on 12 months ECL. The impairment losses and reversals are recognised in Consolidated Statement of

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Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement for impairment testing.

(iv) Derecognition:

The group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in consolidated statement of profit and loss if such gain or loss would have otherwise been recognised in consolidated statement of profit and loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in consolidated statement of profit and loss if such gain or loss would have otherwise been recognised in consolidated statement of profit and loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(c) Financial liabilities and equity instruments:

(i) Classification as debt or equity:

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(ii) Equity instruments:

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

Repurchase of the Parent Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in consolidated statement of profit and loss on the purchase, sale, issue or cancellation of the Parent Company's own equity instruments.

(iii) Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and in case of loans net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

(iv) Subsequent measurement:

Financial liabilities are carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(v) Derecognition:

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability

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(whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in consolidated statement of profit and loss.

(d) Derivative financial instruments:

The Group uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value, with changes in fair value recognised in Consolidated Statement of Profit and Loss.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in consolidated statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in consolidated statement of profit and loss depends on the nature of the hedging relationship and the nature of the hedged item.

(e) Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(f) Fair Value measurement:

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i) In the principal market for the asset or liability, or

ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(g) Hedge accounting:

The Group designates certain hedging instruments, which include derivatives in respect of foreign currency, as either cash flow hedge or fair value hedge. Hedges of foreign currency risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the Group entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values

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or cash flows of the hedged item attributable to hedged risk.

(i) Fair value hedges:

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in consolidated statement of profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to hedged risk are recognised in consolidated statement of profit or loss in the line item relating to the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

(ii) Cash flow hedges:

The effective portion of changes in fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in consolidated statement of profit and loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to consolidated statement of profit and loss in the periods when the hedged item affects profit and loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains or losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in consolidated statement of profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in consolidated statement of profit and loss.

Note No. 3 Key sources of estimation uncertainty and critical accounting judgements:

In the course of applying the policies outlined in all notes under Section 2 above, the group is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Key sources of estimation uncertainties

Useful lives and residual value of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency the estimated usage of the asset, the operating condition of the asset, anticipated technological changes, historical trend of plant load factor, historical planned and scheduled maintenance etc. It is possible that the estimates made based on existing experience are different to the actual outcomes within the next financial periods and could cause a material adjustment to the carrying amount of Property, plant and equipment.

Contingencies

Accounting for contingencies requires significant judgement by management regarding the estimated probabilities and ranges of exposure to potential loss. The evaluation of these contingencies is performed by various specialists inside and outside of the Group. Such assessment of the Group's exposure to contingencies could change as new developments occur or more information becomes available. The outcome of the contingencies could vary significantly and could materially impact the group's results and financial position. The management has used its best judgement in applying Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' to these matters.

Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be

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to the Consolidated Financial Statements for the year ended 31st March, 2018

measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

Taxes

Current Tax: There are transactions and calculations for which the ultimate tax determination is uncertain and would get finalised on completion of assessment by tax authorities. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred Tax: Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits including estimates of temporary differences reversing on account of available benefits from the Income Tax Act, 1961.

Contingent consideration

The Group based on it's best estimate determined the additional consideration payable to a party upon fructification of certain future events (e.g. approval of plant project cost by the regulator, recovery of dues and receivable from government authorities/customers etc.) under the securities purchase agreement pertaining to past acquisition of Himachal Baspa Power Company Limited. While estimating the fair value of such contingent consideration payable at each reporting period end, the management has applied it's significant judgement regarding the estimated probabilities, range of exposure and timing of fructification of the related contingent events.

Defined benefit plans

The cost of defined benefit plan and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations and mortality rates etc. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. In considering the value in use, the Management have anticipated the plant availability, plant load factor, useful life of the assets, anticipated capital cost approval, input cost escalations etc. for arriving the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of the investment.

Impairment of property, plant and equipment/ intangible assets:

Impairment assessment of property, plant and equipment /intangible assets involves management estimates on management's plan for inclusion of unit as captive power plant on cost plus arrangement, mineable reserves/ resources, annual mining production, mining yield, future prices of coal, renewal of mining licenses, resumption of commercial operations of mine, operational margins, discount rates etc. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of assets.

Critical judgements in applying accounting policies

Lease arrangements

In respect of Group's power plant unit at Ratnagiri, Maharashtra, while assessing the applicability of the principles relating to arrangements in the nature of lease prescribed under Appendix C to Ind AS 17, the management has exercised judgements in evaluating the customer's right to use the underlying asset, pricing terms of the arrangement and legal enforceability of the terms and conditions of the arrangement to reach a conclusion that the arrangement for supply of power through aforesaid power plant unit is in the nature of lease.

Service concession arrangements

In assessing the applicability of Appendix A of Ind AS 11: 'Service Concession Arrangements', the management has exercised significant judgement s in evaluating the terms of power purchase agreements / transmission license arrangements / other similar arrangements, power supply and pricing terms and related rights, useful lives of the assets and obligation to transfer the asset at the end of arrangement etc. Based on such evaluation, the management has determined that only arrangement in respect of a Hydro power plant at Himachal Pradesh of the Group meets the criterion for recognition as service concession arrangement.

Classification of Barmer Lignite Company Limited ('BLMCL') as joint venture:

BLMCL is a limited liability Company whose legal form confers separation between the parties to the joint arrangement and BLMCL itself. For passing any resolution in board meetings, unanimous consent with quorum of directors representing both the parties is required. Further, there are no other circumstances that substantiates that the parties to the joint arrangement have rights to the assets and obligations for the liabilities of the joint arrangement. Hence, BLMCL is classified as a joint venture of the Group

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2018
Note No. 4A – Property, plant and equipment

₹ crore

Particulars	Land - freehold[a,i]	Land - leasehold[b,i]	Buildings [c,f]	Plant and equipment[d,e,g,h]	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvements	Total
At cost / deemed cost									
I. Gross carrying value									
Balance as at 1st April, 2016	**238.09**	**25.38**	**1,760.10**	**17,328.70**	**47.10**	**63.71**	**11.35**	**0.01**	**19,474.44**
Additions	4.79	-	16.05	128.97	1.82	3.23	6.02	-	160.88
Disposals / discards	-	-	-	(2.91)	(0.03)	(0.13)	(0.44)	-	(3.51)
Effect of foreign currency exchange differences	0.42	-	2.73	2.54	*	0.09	0.04	-	5.82
Assets written off	-	-	-	(5.07)	-	-	-	-	(5.07)
Balance as at 31st March, 2017	**243.30**	**25.38**	**1,778.88**	**17,452.23**	**48.89**	**66.90**	**16.97**	**0.01**	**19,632.56**
Additions	2.75	-	20.49	324.29	1.53	1.64	4.07	-	354.77
Disposals / discards	-	-	(1.24)	-	(0.03)	(0.08)	(2.52)	-	(3.87)
Effect of foreign currency exchange differences	0.97	-	6.27	5.84	*	0.22	0.08	-	13.38
Assets written off	-	-	(0.05)	(5.50)	(0.02)	-	(0.08)	-	(5.65)
Balance as at 31st March, 2018 (I)	**247.02**	**25.38**	**1,804.35**	**17,776.86**	**50.37**	**68.68**	**18.52**	**0.01**	**19,991.19**
II. Accumulated depreciation and impairment									
Balance as at 1st April, 2016	**-**	**0.40**	**59.20**	**752.65**	**3.97**	**3.99**	**0.90**	**-**	**821.11**
Depreciation expense for the year	-	0.31	65.78	854.42	4.44	4.78	1.98	-	931.71
Eliminated on disposals / discards	-	-	-	(0.05)	(0.04)	(0.09)	(0.24)	-	(0.42)
Effect of foreign currency exchange differences	-	-	1.14	2.45	*	0.05	0.02	-	3.66
Balance as at 31st March, 2017	**-**	**0.71**	**126.12**	**1,609.47**	**8.37**	**8.73**	**2.66**	**-**	**1,756.06**
Depreciation expense for the year	-	0.31	68.05	832.93	16.99	8.34	3.28	-	929.90
Eliminated on disposals / discards	-	-	-	-	(0.04)	(0.05)	(1.44)	-	(1.53)
Effect of foreign currency exchange differences	-	-	3.61	5.95	*	0.16	0.06	-	9.78
Balance as at 31st March, 2018 (II)	**-**	**1.02**	**197.78**	**2,448.35**	**25.32**	**17.18**	**4.56**	**-**	**2,694.21**
III. Net carrying value as at 31st March, 2017	**243.30**	**24.67**	**1,652.76**	**15,842.76**	**40.52**	**58.17**	**14.31**	**0.01**	**17,876.50**
IV. Net carrying value as at 31st March, 2018	**247.02**	**24.36**	**1,606.57**	**15,328.51**	**25.05**	**51.50**	**13.96**	**0.01**	**17,296.98**

* Less than ₹ 50,000

Notes:

a) The Group has leased certain land aggregating to 122.86 acres (as at 31st March, 2017 - 77.61 acres) to related parties for an amount aggregating to ₹ 7.08 crore (as at 31st March, 2017 - ₹ 2.31 crore) for a period ranging from 25 to 99 years.

b) Leasehold land includes certain land acquired by the Group under lease deed entitles the Group to exercise the option to purchase on an outright basis after 10 years from the date of lease deed and there will be no further consideration payable at the time of conversion of the same from leasehold to freehold.

c) Includes net carrying value of ₹ 463.59 crore (as at 31st March, 2017 - ₹ 481.70 crore) being cost of office premises located at Mumbai, jointly owned (50%) with a related party.

d) Includes net carrying value ₹ 100 (as at 31st March, 2017 - ₹ 100) towards Group's share of water supply system, jointly owned (50%) with a related party, constructed on land not owned by the Group.

e) Includes net carrying value ₹ 227.41 crore (as at 31st March, 2017 - ₹ Nil) being cost of pooling station and transmission line constructed on land not owned by the Group.

f) Includes net carrying value ₹ 0.93 crore (as at 31st March, 2017 - ₹ 0.42 crore) towards alternate road build on land not owned by the Group.

g) Includes net carrying value ₹ 22.83 crore (as at 31st March, 2017 - ₹ 26.10 crore) towards transmission line not owned by the Group.

h) Additions include borrowing costs of ₹ 15.28 crore (as at 31st March, 2017 - ₹ Nil) and foreign exchange loss of ₹ 0.03 crore (as at 31st March, 2017 - ₹ 0.80 crore). The average rate of interest on such borrowing is 9.75% per annum.

i) Transfer of title/deeds in case of freehold and leasehold land in the name of subsidiary Company, HBPCL, is in process.

j) Refer note 26 for effect of change in estimates of lives of property, plant and equipment.

k) Refer note 16 for the details in respect of certain property, plant and equipment hypothecated / mortgaged as security against borrowings.

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2018

Note No. 4B - Capital work-in-progress

Capital work-in-progress and pre operative expenditure during construction period (pending allocation) relating to property, plant and equipment

	₹ crore
At cost	
Balance as at 31st March, 2017	**530.74**
Balance as at 31st March, 2018	**293.53**

Notes:
1) Includes ₹ 259.46 crore (as at 31st March, 2017 ₹ 259.13 crore) cost incurred for Kutehr hydro project in Himachal Pradesh. (Refer note 40)
2) Includes ₹ Nil (as at 31st March, 2017 ₹ 23.59 crore) cost incurred for Raigarh project in Chhattisgarh.
3) Amount transferred to property, plant and equipment during the year ₹ 297.59 crore (Previous year ₹ 22.85 crore).
4) Amount transferred to Consolidated Statement of Profit and Loss during the year ₹ 24.85 crore (Previous year ₹ 3.36 crore).
5) Refer note 16 for the details in respect of capital work-in-progress hypothecated / mortgaged as security against borrowings.

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to the Consolidated Financial Statements for the year ended 31st March, 2018

Note No. 5 - Goodwill

₹ crore

Particulars		As at 31st March, 2018	As at 31st March, 2017
I.	**Cost / deemed cost**		
	Balance at the beginning of the year	**644.86**	**645.83**
	Translation reserve	0.17	(0.97)
	Balance at the end of the year (a)	**645.03**	**644.86**
II.	**Accumulated impairment**		
	Balance at the beginning of the year	**-**	**-**
	Allowance for impairment	5.21	-
	Balance at the end of the year (b)	**5.21**	**-**
	Carrying amount (a - b)	**639.82**	**644.86**

Allocation of goodwill to cash generating units (CGU's)

For the purpose of impairment testing, goodwill is allocated to the Group's operating assets, which represents the lowest level within the Group at which goodwill is monitored for internal management purposes. Carrying amount of goodwill allocated to each CGUs is as follows:

₹ crore

Particulars		As at 31st March, 2018	As at 31st March, 2017
i.	Hydro Power plant at Karcham, Himachal Pradesh, India	526.34	526.34
ii.	Hydro Power plant at Baspa, Himachal Pradesh, India	113.48	113.48
iii.	Coal mining business at South Africa	-	5.04
	Carrying amount	**639.82**	**644.86**

Hydro Power plants at Karcham and Baspa, Himachal Pradesh, India

The recoverable amounts of hydro power plants are based on a value in use calculation and determined over the balance period of secured power purchase agreements (PPA) ranging of 25 years to 28 years (over the useful lives of the power plant). The key assumptions used in the value in use calculations relate to plant load factor, capital cost estimated to be approved, operation and maintenance (O & M) cost inflation and discount rate.

Sensitivity to changes in assumptions:
The management believes that the following changes in the key assumption would result into carrying amounts exceeding the recoverable amounts:

If discount rate (Post tax) applied to the cash flow projections had been 0.50% higher than the management's estimate (10.38% instead of 9.88%), the carrying amount would have exceeded the recoverable amount by ₹ 8.09 crore for Karcham power plant.

The management has considered that any reasonable possible change in the key assumptions would not result into carrying amount to exceed the recoverable amount in case of Baspa plant.

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2018

Note No. 6 - Other intangible assets

₹ crore

Particulars	Computer software	Mineral rights	Rights under service concession arrangement	Total
At cost / deemed cost				
I. Gross carrying value				
Balance as at 1st April, 2016	**10.27**	**80.82**	**930.75**	**1,021.84**
Additions	2.19	-	0.02	2.21
Effect of foreign currency exchange differences	-	5.85	-	5.85
Balance as at 31st March, 2017	**12.46**	**86.67**	**930.77**	**1,029.90**
Additions	0.78	-	0.64	1.42
Effect of foreign currency exchange differences	-	12.71	-	12.71
Balance as at 31st March, 2018 (I)	**13.24**	**99.38**	**931.41**	**1,044.03**
II. Accumulated amortisation and impairment				
Balance as at 1st April, 2016	**3.82**	**-**	**19.35**	**23.17**
Amortisation expense for the year	4.26	-	33.24	37.50
Balance as at 31st March, 2017	**8.08**	**-**	**52.59**	**60.67**
Amortisation expense for the year	3.24	-	33.26	36.50
Allowance for impairment	-	6.27	-	6.27
Balance as at 31st March, 2018 (II)	**11.32**	**6.27**	**85.85**	**103.44**
III. Net carrying value as at 31st March, 2017	**4.38**	**86.67**	**878.18**	**969.23**
IV. Net carrying value as at 31st March, 2018	**1.92**	**93.11**	**845.56**	**940.59**

Refer note 16 for the details of certain intangible assets hypothecated / mortgaged as security against borrowings.

Note No. 7A - Investments in an associate and joint ventures

₹ crore

Particulars	As at 31st March, 2018			As at 31st March, 2017		
	No. of shares	Current	Non-current	No. of shares	Current	Non-current
Unquoted investments						
I. Investments at cost / deemed cost						
- Investments in equity instruments						
- of associate						
(a) Equity Shares of ₹ 10 each fully paid up of Toshiba JSW Power Systems Private Limited [a]	99,877,405	-	100.23	99,877,405	-	100.23
Less: Share of loss of an associate restricted upto the cost of investment		-	100.23		-	100.23
(i)		-	-			-
- of joint ventures						
(a) Equity Shares of ₹ 10 each fully paid up of MJSJ Coal Limited	10,461,000	-	10.46	10,461,000	-	10.46
Less: Impairment loss allowance			3.94			3.94
		-	**6.52**			**6.52**
(b) Equity Share of ₹ 10 each fully paid up of Barmer Lignite Mining Company Limited [b]	9,800,000	-	9.80	9,800,000	-	9.80
Less: Share of loss of a joint venture		-	9.80		-	9.75
(For share of loss in excess of cost of investment refer note 18 and note 35)		-	-			0.05
(ii)		-	**6.52**		-	**6.57**
Total Investments at cost / deemed cost (i+ii)		-	**6.52**		-	**6.57**
Aggregate amount of unquoted investments		-	**6.52**		-	**6.57**

a) Refer note 32 for summarised financial information of associate, Toshiba JSW Power Systems Private Limited, an associate.

b) Refer note 33 for summarised financial information of Barmer Lignite Mining Company Limited, a joint venture.

Notes

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Note No. 7B - Other investments

₹ crore

Particulars	As at 31st March, 2018			As at 31st March, 2017		
	No. of shares/units	Current	Non-current	No. of shares/units	Current	Non-current
A-Unquoted investments						
I. Investments at amortised cost						
- Investments in Government Securities [a]			9.47	-	-	7.94
Total Investments at amortised cost		**-**	**9.47**		**-**	**7.94**
II. Investments at fair value through profit or loss						
(a) Investments in equity instruments						
- of other entities						
1) Equity Shares of ₹ 10 each fully paid up of Power Exchange India Limited	1,250,000	-	1.25	1,250,000	-	1.25
2) Equity Shares of Rand 10,100 each fully paid up of Richard Bay Coal Terminal (Proprietary) Limited	5,000	-	40.73	5,000	-	24.20
(b) Investments in preference shares						
- of other entities						
10% Redeemable Non - Cumulative Preference Shares of ₹ 100 each fully paid up of JSW Realty & Infrastructure Private Limited [b]	503,000	-	2.05	503,000	-	1.84
III. Investments at fair value through profit and loss						
(a) Investments in mutual funds						
1) Birla Sun Life Mutual Fund						
Birla Sunlife Cash Plus Growth	-	-	-	767,930	20.02	-
2) Reliance Mutual Fund						
Reliance Liquid Fund TP IP Growth	250,267	105.67	-	52,747	20.86	-
3) BNP Mutual Fund						
BNP Paribas Overnight Fund	-	-	-	60,234	15.00	-
4) SBI Mutual Fund						
SBI Premier Liquid Fund Growth	135,421	36.77	-	324,814	82.68	-
SBI Magnum Insta Cash Cash Growth	2,813	1.08	-			
5) L&T Mutual Fund						
L& T Liquid Fund	-	-	-	67,440	15.00	-
6) Kotak Mutual Fund						
Kotak Floater Fund	176,021	50.07	-	60,081	16.00	-
7) UTI Mutual Fund						
UTI Money Market Fund Growth	82,079	15.92	-	185,713	49.34	-
8) Aditya Mutual Fund						
Aditya Birla Sunlife FRF STP Growth	5,509,952	127.32	-	-	-	-
Total Investments at fair value through profit or loss		**336.83**	**44.03**		**218.90**	**27.29**
B-Quoted Investments						
I. Investments at fair value through other comprehensive income						
(a) Equity shares of ₹ 1 each fully paid up of JSW Steel Limited	70,038,350	-	2,018.15	70,038,350	-	1,318.12
Total Investments at fair value through other comprehensive income		**-**	**2,018.15**		**-**	**1,318.12**
Total investments at carrying value		**336.83**	**2,071.65**		**218.90**	**1,353.35**
Aggregate amount of quoted investments		-	2,018.15		-	1,318.12
Aggregate market value of quoted investments		-	2,018.15		-	1,318.12
Aggregate amount of unquoted investments		336.83	53.50		218.90	35.23

a) Investment in government securites of ₹ 9.46 crore (as at 31st March, 2017 - ₹ 7.93 crore) is towards contingency reserve created by Jaigad PowerTransco Limited, a subsidiary.

b) Terms of preference shares are as follows:
10% Redeemable Non Cumulative Preference Shares of ₹ 10 each fully paid up invested in JSW Realty & Infrastructure Private Limited are redeemable after 15th year from the date of allotment in 5 annual installments.

c) Refer Note 16 for current investments hypothecated as security against borrowings.

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2018

Note No. 8 - Loans

₹ crore

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Loans to related parties (Refer note 44)	0.75	571.41	80.62	764.48
Other Loans	177.59	-	-	-
	178.34	**571.41**	**80.62**	**764.48**
Unsecured, considered doubtful				
Loans to others	574.19	-	-	-
Less: Loss allowance for doubtful loans	574.19	-	-	-
	-	**-**	**-**	**-**
	178.34	**571.41**	**80.62**	**764.48**

₹ crore

Name of parties	Current	Non-current	Current	Non-current
1) Related parties				
a) Barmer Lignite Mining Company Limited	-	567.64	-	546.44
	-	(567.64)	-	(546.44)
b) JSW Energy (Bengal) Limited	-	-	80.12	-
	-	-	(80.12)	-
c) South West Mining Limited	-	-	-	213.69
	-	(275.57)	-	(256.55)
d) JSW Global Business Solutions Limited	0.75	3.77	0.50	4.35
	(0.75)	(4.85)	(0.50)	(4.97)

(Figures in brackets relate to maximum amount outstanding during the year)
All the above loans have been given for business purpose only.

Movement in loss allowance

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Opening loss allowance	-	-
Loss allowance during the year	574.19	-
Closing loss allowance	**574.19**	**-**

Note No. 9 - Other financial assets

₹ crore

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
(1) Finance lease receivable (Refer note 37)	47.42	934.34	51.35	981.76
(2) Service concession receivable (Refer note 38)	-	195.59	-	176.45
(3) Security deposits				
(i) Government/Semi-government authorities	0.05	43.06	4.06	42.65
(ii) Others	49.93	31.19	62.47	29.84
	49.98	**74.25**	**66.53**	**72.49**
(4) Interest receivable				
(i) Interest accrued on loans to related parties (Refer note 44)	1.24	347.81	1.21	296.87
(ii) Interest accrued on loan to others	7.98	-	-	-
(iii) Interest accrued on deposits	1.90	-	4.02	-
(iv) Interest accrued on investments	0.10	-	0.09	-
	11.22	**347.81**	**5.32**	**296.87**
(5) Others	11.44	56.79	11.47	56.79
(6) Other bank balances				
- Margin money for security against the guarantees	-	0.43	-	1.67
	120.06	**1,609.21**	**134.67**	**1,586.03**

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2018

Note No. 10A - Income tax assets (net)

₹ crore

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non-current	Current	Non-current
Advance tax and tax deducted at sources [Net of Provision as at 31st March, 2018 ₹ 1,816.26 crore, as at 31st March, 2017 ₹ 2,160.72 crore]	-	38.09	-	57.98
	-	**38.09**	**-**	**57.98**

Note No. 10B - Current tax liabilities (net)

₹ crore

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non-current	Current	Non-current
Current tax liabilities [Net of advance tax ₹ 71.29 crore]	35.28	-	-	-
	35.28	**-**	**-**	**-**

Note No. 11 - Other assets

₹ crore

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non-current	Current	Non-current
(1) Capital advances	-	76.16	-	70.99
(2) Prepayments	54.00	12.54	59.06	15.44
(3) Advance to a related party [Refer note 34(B)]	-	381.13	-	373.00
(4) Balances with government authorities	21.44	72.78	19.84	64.81
(5) Others	2.06	-	2.32	-
	77.50	**542.61**	**81.22**	**524.24**

Note No. 12 - Inventories

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Inventories (lower of cost or net realisable value)		
(1) Raw materials - Stock of fuel	364.19	455.86
(2) Stores and spares	134.76	137.04
(3) Stock-in-trade	36.59	-
	535.54	**592.90**

Footnotes

1) Cost of inventory recognised as an expense

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(1) Raw materials - Stock of fuel	4,338.87	3,907.22
(2) Stores and spares	63.21	81.37
	4,402.08	**3,988.59**

2) Details of stock in transit included above

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
(1) Raw materials - Stock of fuel	123.39	120.39
(2) Stores and spares	0.17	0.16
	123.56	**120.55**

3) Basis of valuation: Refer note 2.8 (XII)

4) Refer note 16 for Inventories hypothecated as security against certain bank borrowings.

5) Inventory of ₹ Nil (Previous year ₹ 1.53 crore) was written off during the year.

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2018

Note No. 13 - Trade receivables

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Unsecured, considered good	1,151.22	2,182.75
	1,151.22	**2,182.75**

1. Ageing of trade receivables

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Within Credit Period	730.38	771.65
1 - 30 days	145.24	212.27
31 - 60 days	5.85	179.69
61 - 90 days	0.30	56.63
91 - 180 days	63.37	57.04
〉180 days	206.08	905.47
	1,151.22	**2,182.75**

2. The average credit period allowed to customers is in the range of 30-45 days and interest on overdue receivable is generally levied at 8.15% to 15% per annum. There has been no significant change in the credit quality of past receivables.

3. The Group does not have history of defaults in trade receivables. Loss allowance is estimated for disputed receivables based on assessment of each case by obtaining legal advise where considered necessary.

4. a) The Group was supplying power to Karnataka Power Transmission Corporation Limited (KPTCL) on the basis of the rate approved by Government of Karnataka. However, Karnataka Electricity Regulatory Commission ('KERC') had passed an order in July, 2002 reducing the tariff retrospectively. The Group's appeal against the said order has been decided in favour of the Group by Karnataka High Court and now the proceedings are pending before the Supreme Court for the appeal filed by KPTCL. As against the disputed amount of ₹ 105.35 crore, in terms of the interim order dated 23rd January, 2007 of the Supreme Court, KPTCL paid ₹100.00 crore against the bank guarantee provided by the Group. The Group has been legally advised that there is a high probability of success considering the merit of the case and previous favourable orders.

   b) An amount of ₹ 90.87 crore (as at 31st March, 2017 ₹ 90.87 crore) claimed and withheld by Power Company of Karnataka Limited (PCKL) and Karnataka DISCOMS towards the compensation received from Telangana and Andhra Pradesh DISCOMS for lesser off take against contracted quantum during the enforcement of Section 11 of the Electricity Act, 2003. The Group has received an interim favourable order on 14th December, 2017 from Karnataka High Court against the writ petition filed by it. Having regard to aforesaid, the Group has also been legally advised that it has a good case on merit and is likely to succeed.

   c) Maharashtra State Electricity Distribution Company Limited ('MSEDCL') has claimed a recovery of incentives of ₹ 21.37 crore (as at 31st March, 2017 ₹ 21.37 crore) paid to the Group by MSEDCL for early supply of power from September 2010 to December 2012 period under the Power Purchase Agreement (PPA). The Group has received an unfavourable order from Maharashtra Electricity Regulatory Commission (MERC) and against which appeal has been filed by the Group before Appellate Tribunal of Electricity (APTEL). In view of the standard bidding document containing such incentive provision, the articles of the PPA, the intent of MSEDCL as evidenced by it's act of undisputed payment in the past and justifying such payments to it's Principal Accountant General, the Group believes that commencement of power supply prior to scheduled commercial operation date, gives it a legal and contractual entitlement for the said incentive.

5. Refer note 16 for trade receivables hypothecated as security against borrowings.

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2018

Note No. 14A - Cash and cash equivalents

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
(1) Balances with banks		
(i) In current accounts	29.29	56.28
(ii) In deposit accounts with maturity less than 3 months at inception	194.92	531.83
(2) Cheques on hand	-	2.52
(3) Cash on hand	0.06	0.08
	224.27	**590.71**

Note No. 14B - Bank balances other than cash and cash equivalents

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
(1) Balances with banks		
(i) In deposit accounts with maturity more than 3 months at inception	43.91	155.29
(2) Earmarked balances with banks		
(i) Unpaid dividends	0.95	0.95
(ii) Margin money for security against the guarantees	41.90	37.35
	86.76	**193.59**

Note No. 15A - Equity share capital

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	No. of shares	₹ crore	No. of shares	₹ crore
Authorised:				
Equity shares of ₹ 10 each with voting rights	5,00,00,00,000	5,000.00	5,00,00,00,000	5,000.00
Issued, subscribed and fully paid: (A)				
Equity shares of ₹ 10 each with voting rights	1,64,00,54,795	1,640.05	1,64,00,54,795	1,640.05
Treasury shares held through ESOP trust (B)				
Equity shares of ₹ 10 each with voting rights	-	-	(1,21,01,604)	(12.10)
Equity shares [Net of treasury shares] [A + B]	**1,64,00,54,795**	**1,640.05**	**1,62,79,53,191**	**1,627.95**

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

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	No. of shares	No. of shares
Balance as at the beginning and end of the year	1,64,00,54,795	1,64,00,54,795

b) Reconciliation of the number of treasury shares outstanding at the beginning and end of the year:

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	No. of shares	No. of shares
Balance as at the beginning of the year	1,21,01,604	1,32,68,673
Changes during the year	(1,21,01,604)	(11,67,069)
Balance as at the end of the year	-	**1,21,01,604**

c) Rights, preferences and restrictions attached to equity shares:

(i) The Company has only one class of equity shares having a par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to approval of the Shareholders in the ensuing annual general meeting.

(ii) In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to the shareholding.

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to the Consolidated Financial Statements for the year ended 31st March, 2018

d) Details of shareholders holding more than 5% shares in the Company are set out below:

Name of the Companies	As at 31st March, 2018		As at 31st March, 2017	
	No. of shares	%	No. of shares	%
JSW Investments Private Limited	332,762,694	20.29%	332,762,694	20.29%
Indusglobe Multiventures Private Limited	256,798,944	15.66%	-	-
Sahyog Holdings Private Limited	-	-	235,082,000	14.33%
JSL Limited	145,332,820	8.86%	145,332,820	8.86%
Glebe Trading Private Limited	145,332,820	8.86%	145,332,820	8.86%
JSW Steel Limited	-	-	91,474,090	5.58%
Danta Enterprises Private Limited	85,599,613	5.22%	85,599,613	5.22%
Virtuous Tradecorp Private Limited	85,599,613	5.22%	85,599,613	5.22%

e) Dividend paid:

(i) The Board of Directors, in its meeting held on 29th April, 2017, proposed a final dividend of ₹ 0.50 per equity share, aggregating to ₹ 89.86 crore (including dividend on treasury shares and corporate dividend tax of ₹ 8.41 crore) for the year ended 31st March, 2017 which was approved by the shareholders at the Annual General Meeting held on 13th July, 2017 and the same was paid on 17th July,2017.

Note No. 15B - Other equity

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
I. Reserves & surplus		
(1) General reserve	214.06	214.06
(2) Retained earnings	4,764.70	4,599.44
(3) Securities premium account	2,380.80	2,391.65
(4) Equity settled share based payment reserve	15.61	12.77
(5) Debenture redemption reserve	215.83	342.44
(6) Contigency reserve	10.18	8.80
	7,601.18	**7,569.16**
ii. Items of other comprehensive income		
(1) Equity instrument through other comprehensive income	1,866.44	1,166.41
(2) Foreign currency translation reserve	6.35	7.28
(3) Effective portion of cash flow hedge	(2.59)	-
(4) Remeasurement of net defined benefit plans	(1.73)	(2.34)
	1,868.47	**1,171.35**
Total other equity	**9,469.65**	**8,740.51**

(i) General Reserve: The Group created a general reserve in earlier years pursuant to the provisions of the Companies Act, wherein certain percentage of profits were required to be transferred to general reserve before declaring dividend. As per Companies Act, 2013, the requirement to transfer profits to general reserve is not mandatory. General reserve is a free reserve available for distribution subject to compliance with the Companies (Declaration and Payment of Dividend) Rules, 2014.

(ii) Retained earnings: Retained earnings comprise balances of accumulated (undistributed) profit and loss at each year end, less any transfers to general reserve.

(iii) Securities premium account: Securities premium comprises premium received on issue of shares.

(iv) Equity settled share based payment reserve: The Group offers ESOP under which options to subscribe for the Company's share have been granted to certain employees and senior management. The share based payment reserve is used to recognise the value of equity settled share based payments provided as part of the ESOP scheme.

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2018

(v) Debenture redemption reserve: The Indian Companies Act requires companies that issue debentures to create a debenture redemption reserve from annual profits until such debentures are redeemed. Companies are required to maintain 25% as a reserve of outstanding redeemable debentures. The amounts credited to the debenture redemption reserve may not be utilised except to redeem debentures.

(vi) Contingency reserve: The contingency reserve has been created out of profit of Jaigad PowerTransco Limited, a subsidiary Company, as per MERC Regulations. The reserve can be utilised by the group for the purpose of future losses, which may arise from uninsured risks.

(vii) Equity instrument through other comprehensive income: The fair value change of the equity instruments measured at fair value through other comprehensive income is recognised in equity instruments through other comprehensive income.

(viii) **Foreign currency translation reserve:** This reserve contains the accumulated balance of foreign exchange differences arising on monetary items that, in substance, form part of the Group's net investment in a foreign operation whose functional currency is other than Indian rupees. Exchange differences previously accumulated in this reserve are reclassified to profit or loss on disposal of the foreign operation.

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Balance as at the beginning of the year	7.28	(6.62)
Add: Foreign currency translation movement through OCI	(0.93)	13.76
Add: Transfer to non controlling interest	-	0.14
Balance as at the end of the year	**6.35**	**7.28**

(ix) Effective portion of cash flow hedge: Effective portion of cash flow hedges represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which shall be reclassified to profit or loss only when the hedged transaction affects the profit or loss.

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Balance as at the beginning of the year	-	-
Add: Change in intrinsic value of foreign currency options	(0.87)	-
Add: Change in fair value of interest rate swaps	(1.72)	-
Balance as at the end of the year	**(2.59)**	**-**

(x) Remeasurements of the net defined benefit plans: This reserve represents the impact of actuarial gains and losses on the funded obligation due to change in financial assumptions, change in demographic assumptions experienced adjustments etc. recognised through other comprehensive income.

Notes

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Note No. 16 - Borrowings

₹ crore

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non-current	Current	Non-current
Measured at amortised cost				
I. Non-current borrowings (secured):				
(1) Debentures				
(i) Non-convertible debentures	200.00	1,300.00	320.00	1,600.00
(2) Term loans				
(i) From banks	825.68	9,307.94	825.05	10,799.14
(ii) From financial institutions	39.90	273.88	80.57	809.94
	1,065.58	**10,881.82**	**1,225.62**	**13,209.08**
Less: unamortised borrowing cost	(11.51)	(60.82)	(10.94)	(83.16)
Less: Current maturities of long-term debt (included in note 17)	(1,054.07)	-	(1,214.68)	-
	-	**10,821.00**	**-**	**13,125.92**
II. Current borrowings (unsecured):				
(1) Other loans	8.19	-	8.67	-
	8.19	**-**	**8.67**	**-**
	8.19	**10,821.00**	**8.67**	**13,125.92**

Reconciliation of the borrowings outstanding at the beginning and end of the year:

₹ crore

Particulars	For the year ended 31st March, 2018
I. Non-current borrowings	
Balance as at the beginning of the year	**14,340.60**
Cash flows (repayment)/ proceeds	(2,490.64)
Non-cash changes:	
Foreign exchange movement	3.32
Amortised borrowing cost	21.79
Balance as at the end of the year	**11,875.07**
II. Current borrowings	
Balance as at the beginning of the year	**8.67**
Cash flows (repayment)/ proceeds	-
Non-cash changes:	
Foreign exchange movement	(0.48)
Balance as at the end of the year	**8.19**

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2018

₹ crore

Sl No	Terms of repayment	Security	As at 31st March, 2018		As at 31st March, 2017	
			Current	Non-current	Current	Non-current
I.	**Debentures (secured)**					
	5,000 nos @ 8.65% Secured Redeemable Non-Convertible Debentures of ₹ 10 lakh each are redeemable at par in 3 yearly installments, first installment ₹ 100 crore, second and third installment ₹ 200 crore each, starting from 30th December, 2020 till 30th December, 2022.	Pari passu first ranking charge by way of legal mortgage on the freehold land of the Company situated at village Chafer, Ratnagiri, Maharashtra and first ranking charge by way of hypothecation of moveable fixed assets of the Company (SBU1 & SBU2) situated at Vijayanagar Works, Karnataka	-	500.00	-	500.00
	5,000 nos @ 8.40% Secured Redeemable Non Convertible Debentures of ₹ 10 lakh each are redeemable at par in bullet repayment of ₹ 500 crore on 18th September,2020	Pari passu first ranking charge by way of legal mortgage on the freehold land of the Company situated at village Chafer, Ratnagiri, Maharashtra and first ranking charge by way of hypothecation of moveable fixed assets of the Company (SBU3) situated at Ratnagiri Works, Maharashtra	-	500.00	-	-
	10,000 nos @ 9.75% Secured Redeemable Non-Convertible Debentures of ₹ 5 lakh each are redeemable at par in 5 half yearly equal installments from 20th July / 30th July / 16th August, 2018 till 20th July / 30th July / 16th August, 2020.	Pari passu first ranking charge by way of legal mortgage on the freehold land of the Company situated at village Mouje Maharajpura, Mehsana, Gujarat and first ranking charge by way of mortgage on immovable assets of the Company (SBU1 & SBU2) and first ranking charge by way of hypothecation of moveable fixed assets of the Company (SBU1 & SBU2) situated at Vijayanagar Works, Karnataka	200.00	300.00	200.00	500.00
	Prepaid on 29th September, 2017	Pari passu first ranking charge by way of legal mortgage on the freehold land of the Company situated at village Mouje Maharajpura, Mehsana, Gujarat and first ranking charge by way of mortgage on fixed assets of the Company's (SBU3) situated at Ratnagiri Works, Maharashtra	-	-	120.00	600.00
	Total		**200.00**	**1,300.00**	**320.00**	**1,600.00**
II.	**Term loans**					
	Rupee term loan from banks (secured)					
	7 quarterly installments of ₹ 25.57 crore each from 30th June, 2018 to 31st December, 2019 and 1 quarterly installment of ₹ 23.88 crore on 31st March, 2020	Pari passu first ranking charge by way of legal mortgage on a flat situated at Mumbai, Maharashtra and first charge by way of legal mortgage of Company (SBU3) immovable property both present and future and second ranking charge on current assets of Company (SBU3) situated at Ratnagiri Works, Maharashtra	102.27	100.60	102.27	302.87
	21 quarterly installments of ₹ 45.45 crore each from 30th June, 2018 to 30th June, 2023	Pari passu first ranking charge by way of legal mortgage on a flat situated at Mumbai, Maharashtra and first charge by way of legal mortgage of Company (SBU3) immovable property both present and future and second ranking charge on current assets of Company (SBU3) situated in Ratnagiri Works, Maharashtra	181.82	772.72	35.70	714.30

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₹ crore

Sl No	Terms of repayment	Security	As at 31st March, 2018		As at 31st March, 2017	
			Current	Non-current	Current	Non-current
	23 quarterly installments of ₹ 11.88 crore each from 30th June, 2018 to 31st December, 2023	Pari passu first ranking charge by way of legal mortgage on a flat situated at Mumbai, Maharashtra and first charge by way of legal mortgage of Company (SBU3) immovable property both present and future and second ranking charge on current assets of Company (SBU3) situated in Ratnagiri Works, Maharashtra	47.50	225.62	6.67	153.33
	Final Installment paid on 1st July, 2017	Pari passu first ranking charge by way of equitable mortgage of immovable assets of Company (SBU1 & SBU2) and first ranking charge by way of hypothecation of moveable fixed assets of the Company (SBU1 & SBU2) and second ranking charge by way of hypothecation on the current assets of Company (SBU1 & SBU2) including stock and receivables (both present and future) situated at Vijayanagar Works, Karnataka	-	-	2.90	-
	Final Installment paid on 1st July, 2017	Pari passu first ranking charge by way of equitable mortgage of immovable assets of Company (SBU1 & SBU2) and first ranking charge by way of hypothecation of moveable fixed assets of the Company (SBU1 & SBU2) and second ranking charge by way of hypothecation on the current assets of Company (SBU1 & SBU2) including stock and receivables (both present and future) situated at Vijayanagar Works, Karnataka	-	-	8.01	-
	Prepaid on 24th August, 2017	Pari passu first ranking charge by way of legal mortgage on a flat situated at Mumbai, Maharashtra and first ranking charge by way of legal mortgage of Company (SBU3) immovable property both present and future and first ranking charge by way of hypothecation of movable property of Company (SBU3) both present and future and second ranking charge on current assets of Company (SBU3) situated at Ratnagiri Works, Maharashtra	-	-	16.28	38.03
	Prepaid on 22nd June, 2017	Pari passu first ranking charge by way of legal mortgage on immovable property of Company (SBU3) and first ranking charge by way of hypothecation of movable assets of Company (SBU3) (both present and future) and second ranking charge on current assets of Company (SBU3) situated in Ratnagiri Works, Maharashtra	-	-	23.00	69.15

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₹ crore

Sl No	Terms of repayment	Security	As at 31st March, 2018		As at 31st March, 2017	
			Current	Non-current	Current	Non-current
	Prepaid on 01st September, 2017	Pari passu first ranking charge by way of legal mortgage on a flat situated at Mumbai, Maharashtra and first ranking charge by way of legal mortgage of Company (SBU3) immovable property both present and future and first ranking charge by way of hypothecation of movable property of Company (SBU3) both present and future and second ranking charge on current assets of Company (SBU3) situated at Ratnagiri Works, Maharashtra	-	-	18.87	17.56
	Prepaid on 28th June, 2017	Pari passu first ranking charge by way of legal mortgage on immovable property of Company (SBU3) and first ranking charge by way of hypothecation of movable assets of Company (SBU3) (both present and future) situated in Ratnagiri Works, Maharashtra	-	-	12.50	40.63
	Repayable in 37 equal quarterly installments from June 2018 to June 2027	First ranking charge by way of legal mortgage on immovable property and first ranking charge by way of hypothecation of movable assets of Subsidiary's Barmer works(both present and future) situated at Barmer, Rajasthan.	273.73	2,147.91	-	-
	Prepaid in October 2017	First ranking charge by way of legal mortgage on immovable property and first ranking charge by way of hypothecation of moveable assets of Subsidiary's Barmer works(both present and future) situated at Barmer, Rajasthan.	-	-	342.71	2,556.42
	Structured monthly installments (during June to October every year), repayable up to March, 2030.	First ranking charge by way of legal mortgage on immovable property and first ranking charge by way of hypothecation of moveable assets of Subsidiary's Karcham-Wangtoo HEP (both present and future) situated at Kinnaur Dist., Himachal Pradesh	211.50	5,275.89	217.07	5,767.28
	Structured monthly installments (during July to October every year), repayable up to March, 2030.	First charge on immovable and moveable assets of Subsidiary's Baspa II HEP (both present and future) project of the Group situated at Kinnaur Dist., Himachal Pradesh	2.09	543.47	2.14	888.71
	Prepaid in August 2017	First ranking charge by way of legal mortgage on immovable property and assignment of transmission Licence and first ranking charge by way of hypothecation of moveable assets of Subsidiary's Koyna & Karad double circuit transmission lines (165 km), both present and future, situated in the state of Maharashtra	-	-	30.18	217.14
	Total		**818.91**	**9,066.21**	**818.30**	**10,765.42**

Notes

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₹ crore

Sl No	Terms of repayment	Security	As at 31st March, 2018		As at 31st March, 2017	
			Current	Non-current	Current	Non-current
FCNR facility from a bank (secured)						
	Repayable in one bullet payment on 16th March, 2020	Pari Passu first charge by way of hypothecation of JSW Steel Limited shares held by the Parent Company	-	214.65	-	-
	Repayable in 10 Equal half yearly installments up to January 2023	First ranking charge by way of legal mortgage on immovable property and first ranking charge by way of hypothecation of moveable assets of Subsidiary's Barmer works (both present and future) situated in Barmer Dist., Rajasthan.	6.77	27.08	6.75	33.72
	Total		**6.77**	**241.73**	**6.75**	**33.72**
	Total term loans		**825.68**	**9,307.94**	**825.05**	**10,799.14**
III.	**Loan from financial institutions**					
	23 structured quarterly instalments up to December 2023	First ranking charge by way of legal mortgage on immovable property of and first ranking charge by way of hypothecation of moveable assets of Subsidiary's Barmer works (both present and future) situated at Barmer Dist., Rajasthan.	19.00	90.45	19.00	109.45
	Prepaid in September 2017	First ranking charge by way of legal mortgage on immovable property of and first ranking charge by way of hypothecation of moveable assets of Subsidiary's Barmer works (both present and future) situated at Barmer Dist., Rajasthan.	-	-	47.50	273.62
	Prepaid in December 2017	First ranking charge by way of legal mortgage on immovable property and first ranking charge by way of hypothecation of moveable assets of Subsidiary's Karcham-Wangtoo HEP (both present and future) situated at Kinnaur Dist., Himachal Pradesh	-	-	13.93	370.14
	Prepaid in December 2017	First ranking charge by way of legal mortgage on immovable property and first ranking charge by way of hypothecation of moveable assets of Subsidiary's Baspa-II HEP (both present and future) situated at Kinnaur Dist., Himachal Pradesh	-	-	0.14	56.73
	Repayable in 49 Structured Quarterly Instalment commencing from 30th September, 2017	First ranking charge by way of legal mortgage on immovable property and first ranking charge by way of hypothecation of moveable assets of Subsidiary's Koyna & Karad double circuit transmission lines (165 km), both present and future, situated in the state of Maharashtra	20.90	183.43	-	-
	Total		**39.90**	**273.88**	**80.57**	**809.94**
	Total secured borrowings		**1,065.58**	**10,881.82**	**1,225.62**	**13,209.08**
	Unamortised upfront fees on borrowings		(11.51)	(60.82)	(10.94)	(83.16)
	Grouped under 'current maturities of long-term debt' (Refer Note 17)		(1,054.07)	-	(1,214.68)	-
	Total secured borrowings measured at amortised cost (non-current)		**-**	**10,821.00**	**-**	**13,125.92**

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2018

Note No. 17 - Other financial liabilities

₹ crore

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non-current	Current	Non-current
I. Other financial liabilities measured at fair value				
(1) Derivative designated as hedges (Refer note 42)				
(i) Interest rate swaps	1.72	-	-	-
(ii) Foreign currency forward contracts / options	3.59	-	71.80	-
(2) Contingent consideration payable on business combination (Refer note 42)	177.48	-	565.70	-
	182.79	**-**	**637.50**	**-**
II. Other financial liabilities measured at amortised cost				
(1) Deposits received from dealers	-	0.01	-	0.01
(2) Lease deposits	0.35	0.25	-	0.55
(3) Current maturities of long-term debt (Refer note 16)	1,054.07	-	1,214.68	-
(4) Interest accrued but not due on borrowings	51.07	-	26.90	-
(5) Unpaid dividends#	0.95	-	0.95	-
(6) Security deposits	0.12	-	0.12	-
(7) Revenue adjustments due to tariff Order	196.78	-	227.25	-
(8) Payable for capital supplies/services	123.24	-	95.16	-
(9) Other payables	193.04	-	79.57	-
	1,619.62	**0.26**	**1,644.63**	**0.56**
	1,802.41	**0.26**	**2,282.13**	**0.56**

No amount due to be credited to Investor Education and Protection Fund.

Note No. 18 - Provisions

₹ crore

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non-current	Current	Non-current
(1) Provision for Gratuity (Refer note 39)	5.22	8.22	5.16	9.34
(2) Provision for Compensated absences (Refer note 39)	2.03	12.44	2.07	12.02
(3) Provision for decommissioning and environmental rehabilitation (Refer note 35)	-	29.74	-	25.75
(4) Other Provisions (Refer note 35)	24.19	49.44	1.88	-
	31.44	**99.84**	**9.11**	**47.11**

Note No. 19 - Deferred tax liabilities (net)

₹ crore

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non-current	Current	Non-current
(1) Deferred tax liabilities (net)	-	778.05	-	580.08
(2) Minimum alternate tax credit entitlement	-	(350.09)	-	(199.54)
	-	**427.96**	**-**	**380.54**

Note No. 20 - Other liabilities

₹ crore

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non-current	Current	Non-current
(1) Advances received from customers	23.35	-	20.82	-
(2) Statutory dues	29.49	-	21.29	-
(3) Others	2.20	6.62	1.89	1.75
	55.04	**6.62**	**44.00**	**1.75**

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2018

Note No. 21 - Trade payables

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
(1) Trade payables#	565.18	587.72
(2) Acceptances*	1,761.95	1,531.00
	2,327.13	**2,118.72**

#Payables other than acceptances are normally settled within 30 days

*Acceptances represents credit availed by the Group from banks for payment to suppliers for raw materials purchased by the Group. The arrangements are interest-bearing and are payable within one year.

Note No. 22 - Revenue from operations

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(1) Sale of power:		
Own generation	7,636.06	7,812.19
Traded	75.03	122.32
(2) Interest income on assets under finance lease (Refer note 37)	59.63	62.91
(3) Income from service concession arrangement (Refer note 38)	23.35	21.20
(4) Sale of services:		
Operator fees	158.54	148.17
Other services	4.69	4.61
(5) Income from transmission	88.70	89.94
(6) Other operating revenue	2.96	2.09
	8,048.96	**8,263.43**

Note No. 23 - Other income

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
I. Interest income earned on financial assets that are not designated as at FVTPL		
(1) On loans	52.56	86.27
(2) On bank deposits	16.62	19.32
(3) On other financial assets	209.82	31.53
	279.00	**137.12**
II. Interest income earned on other assets	**47.95**	**14.61**
III. Dividend income from investments designated as at FVTOCI	**15.76**	**5.25**
IV. Other non-operating income		
(1) Net gain on sale of current investments	38.08	32.35
(2) Net gain on foreign currency transactions	8.44	-
(3) Net gain arising on financial instruments designated as at fair value through profit or loss	9.99	0.45
(4) Miscellaneous income	65.80	27.22
	122.31	**60.02**
	465.02	**217.00**

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2018

Note No. 24 - Employee benefits expense

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(1) Salaries and wages	191.61	189.07
(2) Contribution to provident and other funds (Refer note 39)	11.68	12.67
(3) Share-based payments	2.78	1.93
(4) Staff welfare expenses	9.02	8.10
	215.09	**211.77**

Note No. 25 - Finance costs

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(1) Interest expense	1,346.32	1,560.33
(2) Other borrowing costs	109.59	124.42
	1,455.91	**1,684.75**

Note No. 26 - Depreciation and amortisation expense

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(1) Depreciation on property, plant and equipment	929.58	931.65
(2) Amortisation on intangible assets	36.50	37.50
	966.08	**969.15**

The effect of changes in estimates of useful lives, residual values and pattern of consumption of economic benefits of property, plant and equipment:

₹ crore

Financial Year	(Decrease) / Increase in depreciation expense
2017-18	(4.24)
2018-19	(17.38)
2019-20	(19.26)
2020-21	(27.62)
2021-22	5.27
Later years	543.33

Note No. 27 - Other expenses

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(1) Stores and spares consumed	63.21	81.37
(2) Power and water	58.94	62.41
(3) Rent including lease rentals	13.45	12.58
(4) Repairs and maintenance	132.93	153.45
(5) Rates and taxes	10.15	10.82
(6) Insurance	33.18	35.08
(7) Net loss on foreign currency transactions	-	14.22
(8) Legal and other professional charges	18.14	21.35
(9) Travelling expenses	10.78	15.34
(10) Loss on disposal of property, plant and equipment	0.35	0.12
(11) Donation	0.03	0.19
(12) Contribution to political parties *	-	30.00

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2018

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(13) Corporate social responsibility expenses	32.53	32.33
(14) Open access charges	60.92	99.21
(15) Exchange commission	57.18	29.57
(16) Impairment loss on loans / trade receivables	2.04	0.11
(17) Inventory written off	-	1.53
(18) Capital work-in-progress written off	24.85	3.36
(19) Allowance for impairment of goodwill	5.21	-
(20) Allowance for impairment of intangible assets	6.27	-
(21) Miscellaneous expense	127.72	63.94
	657.88	**666.98**

* Includes ₹ Nil (Previous Year ₹ 25 crore) paid to Satya Electoral Trust and ₹ Nil (Previous Year ₹ 5 crore) paid to Indian National Congress.

Note No. 28 - Exceptional items

Exceptional items comprise loss allowance of ₹ 574.19 crore on a loan where the party is under a strategic debt restructuring and part reversal of contingent consideration liability of ₹ 156.25 crore no longer payable to the said party.

Note No. 29 - Tax expense

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(1) Current tax	210.76	196.10
(2) Deferred tax	193.02	144.71
(3) MAT credit entitlement availment	(150.55)	(71.80)
	253.23	**269.01**

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Profit before tax (excluding share of gain/(loss) of an associate or joint venture)	**387.63**	**887.46**
Enacted tax rate	34.944%	34.608%
Computed expected tax expense	135.45	307.13
Tax effect due to exempt income / non-taxable receipts	(77.00)	(5.26)
Tax effect due to tax holiday	-	(13.00)
Expenses not deductible in determining taxable profits	224.48	6.28
Tax effect of MAT credit entitlement recognition	23.19	(28.57)
Tax impact for reduction in expected tax holiday period	-	71.87
Effect of taxes recoverable in future tariff	(67.59)	(74.62)
Others	14.70	5.18
Tax expense for the year	**253.23**	**269.01**

Deferred tax assets / (liabilities)

Significant components of deferred tax assets / (liabilities), deductible temporary differences and unused tax losses recognised in the financial statements are as follows:

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2018

₹ crore

Particulars	As at 31st March, 2017	Recognised / (reversed) through profit or loss / OCI / equity	As at 31st March, 2018
Property plant & equipment	(574.84)	(170.07)	(744.91)
Investment	(36.45)	(1.46)	(37.91)
MAT credit	199.54	150.55	350.09
Provision for diminution in assets	30.47	(30.47)	-
Others	0.74	4.03	4.77
	(380.54)	**(47.42)**	**(427.96)**

₹ crore

Particulars	As at 31st March, 2016	Recognised / (reversed) through profit or loss / OCI / equity	As at 31st March, 2017
Property plant & equipment	(424.87)	(149.97)	(574.84)
Investment	(39.97)	3.52	(36.45)
MAT credit	128.09	71.45	199.54
Provision for diminution in assets	30.47	-	30.47
Others	0.31	0.43	0.74
	(305.97)	**(74.57)**	**(380.54)**

Expiry schedule of deferred tax assets not recognised is as under:

a) MAT Credit entitlement:

₹ crore

Expiry of losses (as per local tax laws)	Amount
2022-23	15.00
2023-24	79.12
2024-25	174.40
2025-26	115.73
2026-27	77.76
2027-28	102.37
2029-30	22.29
	586.67

b) Deferred taxes not recognised being recoverable / payable in future tariff:

₹ crore

Particulars	Amount
Property, plant & equipment (Deferred tax liability)	(396.97)
MAT credit entitlement (expiring during the years 2026-27 to 2032-33)	419.61

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2018

Note No. 30 - Composition of the Group

Information about the composition of the Group is as follows:

Particulars	Place of incorporation and operation	Nature of Business	Shareholding either directly or through subsidiaries/associates as at	
			As at 31st March, 2018	As at 31st March, 2017
Subsidiaries:				
JSW Power Trading Company Limited (JSWPTC) #	India	Power Trading	-	100.00%
Jaigad PowerTransco Limited (JPTL)	India	Power Transmission	74.00%	74.00%
Raj WestPower Limited (RWPL)	India	Power Generation	100.00%	100.00%
Himachal Baspa Power Company Limited (HBPCL)	India	Power Generation	100.00%	100.00%
JSW Energy (Raigarh) Limited (JSWRL)	India	Power Generation *	100.00%	100.00%
JSW Green Energy Limited (JSWGEL) #	India	Power Trading	100.00%	100.00%
JSW Energy (Kutehr) Limited (JSWEKL)	India	Power Generation *	100.00%	100.00%
JSW Solar Limited (JSWSL)	India	Power Generation *	100.00%	-
JSW Electric Vehicles Private Limited (JSWEVL) (Effective 5th March, 2018)	India	Electric Vehicle *	100.00%	-
JSW Energy Natural Resources (BVI) Limited (JSWNRBL) (Dissolved effective from 4th April, 2017)	British Virgin Islands	Investment Entity	-	100.00%
JSW Energy Minerals Mauritius Limited (JSWEMML)	Mauritius	Investment Entity	100.00%	100.00%
JSW Energy Natural Resources Mauritius Limited (JSWNRML)	Mauritius	Investment Entity	100.00%	100.00%
JSW Energy Natural Resources South Africa (Pty) Limited (JSWENRSAL)	South Africa	Investment Entity	100.00%	100.00%
South African Coal Mining Holdings Limited (SACMH)	South Africa	Coal mining & ancillary activities	69.44%	69.44%
Royal Bafokeng Capital (Pty) Limited (RBC)	South Africa	Investment Entity	100.00%	100.00%
Mainsail Trading 55 Proprietary Limited. (MTPL)	South Africa	Investment Entity	100.00%	100.00%
Ilanga Coal Mines Proprietary Limited (De-registered on 18th July, 2017)	South Africa	Coal mining & ancillary activities	-	69.44%
Jigmining Operations No 1 Proprietary Limited	South Africa	Coal mining & ancillary activities	69.44%	69.44%
Jigmining Operations No 3 Proprietary Limited (De-registered on 25th August, 2017)	South Africa	Coal mining & ancillary activities	-	69.44%
SACM (Breyten) Proprietary Limited	South Africa	Coal mining & ancillary activities	69.44%	69.44%
SACM (Newcastle) Proprietary Limited (De-registered on 18th September, 2017)	South Africa	Coal mining & ancillary activities	-	69.44%
South African Coal Mining Equipment Company Proprietary Limited	South Africa	Coal mining & ancillary activities	69.44%	69.44%
South African Coal Mining Operations Proprietary Limited	South Africa	Coal mining & ancillary activities	69.44%	69.44%
Umlabu Colliery Proprietary Limited	South Africa	Coal mining & ancillary activities	69.44%	69.44%
Voorslag Coal Handling Proprietary Limited (De-registered on 12th July, 2017)	South Africa	Coal mining & ancillary activities	-	69.44%
Yomhlaba Coal Proprietary Limited	South Africa	Coal mining & ancillary activities	69.44%	69.44%
JSW Energy Natural Resource UK Limited (De-registered on 29th August, 2017)	United Kingdom	Investment Entity	-	100.00%
Minerals & Energy Swaziland Proprietary Limited (Effective 4th September,2016)	Swaziland	Mining *	51.00%	51.00%
Joint Venture Company:				
Barmer Lignite Mining Company Limited (BLMCL)	India	Lignite Mining	49.00%	49.00%
MJSJ Coal Limited	India	Coal mining *	11.00%	11.00%
Associate:				
Toshiba JSW Power Systems Private Limited (TJPSPL)	India	Turbine & generator manufacturing	22.52%	22.52%

*Yet to commence commercial operations

#Investments of JSWPTC transferred to the Parent Company and the balance trading operations merged with JSWGEL as per the scheme sanctioned by National Company Law Tribunal with an appointed date of 31st March, 2015.

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2018

Note No. 31 - Non-controlling interests:

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Balance at beginning of year	**2.37**	**1.40**
Share of profit/(loss) for the year	6.94	(6.52)
Proposed dividend and dividend distribution tax	(19.36)	(7.88)
Changes in interest of step-down subsidiaries	6.11	15.37
Balance at end of year	**(3.94)**	**2.37**

Details of subsidiaries that have non-controlling interests

The table below shows details of subsidiaries of the Group that have material non-controlling interests:

₹ crore

Name of subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		Profit / (loss) allocated to non-controlling interests		Accumulated non-controlling interests	
		As at 31st March, 2018	As at 31st March, 2017	For the year ended 31st March, 2018	For the year ended 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Jaigad PowerTransco Limited	India	26.00%	26.00%	6.97	7.30	46.75	59.14
South Africa Coal Mining Holdings (Pty) Limited (Consolidated)	South Africa	30.56%	30.56%	(0.03)	(13.82)	(50.71)	(56.43)
Minerals & Energy Swaziland Proprietary Limited	Swaziland	51.00%	51.00%	*	*	*	(0.34)
				6.94	**(6.52)**	**(3.94)**	**2.37**

*Less than ₹ 50,000

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

₹ crore

Jaigad PowerTransco Limited	As at 31st March, 2018	As at 31st March, 2017
Non-current assets	364.27	391.36
Current assets	32.44	94.61
Non-current liabilities	182.55	216.34
Current liabilities	34.33	42.15
Equity attributable to owners of the Company	133.07	168.33
Non-controlling interests	46.75	59.14

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Revenue	91.57	98.65
Expenses	57.40	62.91
Profit for the year	26.82	28.07
Profit attributable to owners of the Company	19.85	20.77
Profit attributable to the non-controlling interests	6.97	7.30
Profit for the year	26.82	28.07
Other comprehensive income attributable to owners of the Company	*	(0.01)
Other comprehensive income attributable to the non-controlling interests	*	*
Other comprehensive income for the year	*	(0.01)
Total comprehensive income attributable to owners of the Company	19.85	20.76
Total comprehensive income attributable to the non-controlling interests	6.97	7.30
Total comprehensive income for the year	26.82	28.06
Dividends paid to non-controlling interests	16.09	3.58

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2018

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Cash generated from operating activities	92.42	93.38
Cash generated from / (used) in investing activities	48.35	(18.35)
Cash used in financing activities	(140.62)	(76.33)
Net cash generated from / (used) in operations	0.15	(1.30)
Cash & cash equivalents - as at the beginning of the year	0.07	1.37
Cash & cash equivalents - as at the end of the year	0.22	0.07

₹ crore

South Africa Coal Mining Holdings (Pty) Limited (Consolidated)	As at 31st March, 2018	As at 31st March, 2017
Non-current assets	154.11	136.02
Current assets	16.91	7.07
Non-current liabilities	327.63	322.17
Current liabilities	9.28	5.57
Equity attributable to owners of the Company	(115.20)	(128.22)
Non-controlling interests	(50.71)	(56.43)

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Revenue	53.77	16.31
Expenses	53.88	53.38
Loss for the year	(0.11)	(45.21)
Loss attributable to owners of the Company	(0.08)	(31.39)
Loss attributable to the non-controlling interests	(0.03)	(13.82)
Loss for the year	(0.11)	(45.21)
Total comprehensive loss attributable to owners of the Company	(0.08)	(31.39)
Total comprehensive loss attributable to the non-controlling interests	(0.03)	(13.82)
Total comprehensive loss for the year	(0.11)	(45.21)

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Cash generated from operating activities	57.46	39.98
Cash used in investing activities	(0.04)	(0.31)
Cash used in financing activities	(54.20)	(37.46)
Net cash generated from operations	3.21	2.22
Cash & cash equivalents - as at the beginning of the year	2.33	0.10
Effect of exchange rate changes	0.36	0.01
Cash & cash equivalents - as at the end of the year	5.90	2.33

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2018

Note No. 32 - Investment in an associate:

Details and financial information of an associate

₹ crore

Name of associate	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest / voting rights held by the Group	
			As at 31st March, 2018	As at 31st March, 2017
Toshiba JSW Power Systems Private Limited	Manufacturer of Turbine and Generator	India	22.52%	22.52%

The above associate is accounted for using the equity method in these consolidated financial statements.

Summarised financial information of an associate

The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with Ind AS adjusted by the Group for equity accounting purposes.

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Non-current assets	564.69	1,162.28
Current assets	1,598.77	913.76
Non-current liabilities	2,603.99	2,648.79
Current liabilities	1,778.68	1,139.91

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Revenue	1,428.29	1,029.07
Profit / (loss) for the year	(573.97)	(221.00)
Other comprehensive income for the year	1.52	-
Total comprehensive income for the year	(572.45)	(221.00)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Toshiba JSW Power Systems Private Limited recognised in the consolidated financial statements:

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Net assets of the associate	(2,219.21)	(1,712.66)
Proportion of the Group's ownership interest	22.52%	22.52%
Share of loss of Associate adjusted	100.23	100.23
Carrying amount of the Group's interest	-	-

Note No. 33 - Investment in a joint venture:

Details and financial information of joint venture Company

₹ crore

Name of joint venture	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest / voting rights held by the Group	
			As at 31st March, 2018	As at 31st March, 2017
Barmer Lignite Mining Company Limited	Lignite Mining	India	49.00%	49.00%

The above joint venture is accounted for using the equity method in these consolidated financial statements.

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2018

Summarised financial information of joint venture

The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with Ind AS adjusted by the Group for equity accounting purposes.

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Non-current assets	2,250.36	2,193.95
Current assets	371.33	163.91
Non-current liabilities	2,305.67	2,104.16
Current liabilities	364.59	251.82

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Revenue	783.67	763.44
Profit/(loss) for the year	(50.45)	10.07
Total comprehensive income for the year	(50.45)	10.07

Reconciliation of the above summarised financial information to the carrying amount of the interest in Barmer Lignite Mining Company Limited recognised in the consolidated financial statements:

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Net assets of the Joint venture	(48.57)	1.88
Proportion of the Group's ownership interest	49%	49%
Share of loss of joint venture adjusted	59.24	9.75
Carrying amount of the Group's interest	-	0.05
Provision created against Group's interest (Refer note 35)	49.44	-

Note No. 34 - Contingent liabilities and commitments:

A] Contingent liabilities (to the extent not provided for)

1] Claims against the Group not acknowledged as debt:

a) Disputed claims / levies (excluding interest, penalty, if any) in respect of:

₹ crore

	Particulars	As at 31st March, 2018	As at 31st March, 2017
(i)	Custom duty [Paid under protest against these claim of ₹ 27.38 crore (as at 31st March, 2017 of ₹ 27.38 crore)]	240.65	240.65
(ii)	Electricity tax #	115.38	91.83
(iii)	Income tax	8.09	7.54
(iv)	Entry tax	0.84	0.84
(v)	Service tax [Paid under protest against these claim of ₹ 0.78 crore (as at 31st March, 2017 of ₹ 0.78 crore)]	2.27	2.27
(vi)	Regulatory arrangements	317.65	238.74
(vii)	Survey and investigation work [Paid under protest against these claim of ₹ 25.00 crore (as at 31st March, 2017 of ₹ 25.00 crore)]	127.84	127.84
(viii)	Claims by other parties	17.43	17.59
		830.15	**727.30**

Reimbursable from a related party as per the terms of power purchase agreement.

b) For disputed claims by customers [Refer note 13].

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2018

2] Guarantees:

The Group has issued following financial guarantees to banks on behalf of and in respect of loan facilities availed by related and other parties:

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Related parties	275.00	96.34
Others	-	1,000.00

In respect of financial guarantee contracts, no amounts are recognised based on the results of the liability adequacy test for likely deficiency / defaults by the entities on whose behalf the Group has given guarantees.

3] Others:

(i) In respect of land parcels admeasuring 47.21 hectares, acquired by the Group, the claim by certain parties towards title disputes is not currently ascertainable.

4] The Group's share of the contingent liabilities relating to its joint venture, Barmer Lignite Mining Company Limited (BLMCL) is as follows:

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Contingent liabilities of the joint venture	249.83	249.79
The group's share in the contingent liability of the joint venture	249.83	249.79

5] The Group has not disclosed its share in the contingent liabilities of an associate as the Group has already recognised share of losses equivalent to its interest in such associate.

Note:
Future cash flows in respect of the above matters are determinable only on receipt of judgements / decisions pending at various forums/authorities.

B] Commitments

₹ crore

	Particulars	As at 31st March, 2018	As at 31st March, 2017
1]	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	167.16	94.39

2] Other commitments:

(i) The Group has entered into a definitive agreement to acquire 1000 MW (4 x 250 MW) thermal power plant located at village Tamnar, District Raigarh in the state of Chhattisgarh from Jindal Steel & Power Limited. The transaction contemplates payment of an interest bearing advance of ₹ 500 crore against which an amount of ₹ 381.13 crore is disbursed and outstanding as at 31st March, 2018 (as at 31st March, 2017 ₹ 373 crore).

(ii) The Group has entered into a share purchase agreement for acquisition of Minerals & Energy Swaziland Proprietary Limited on 4th September,2016 with a purchase consideration of ₹ 9.36 crore. On the acquisition date, ₹ 2.67 crore has been paid for the said acquisition and the balance amount remaining to be paid as at 31st March, 2018 is ₹ 6.50 crore (as at 31st March, 2017 ₹ 6.48 crore).

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The Group's share of the capital commitments made by its joint venture (BLMCL) is as follows:

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Commitments to contribute funds for the acquisition of property, plant and equipment (net of advances)	0.55	0.25
The group's share in the said commitment.	0.27	0.12

Note No. 35 - Provisions:

1) Provision for decommissioning and environmental rehabilitation:

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Opening balance	**25.75**	**20.81**
Additional provisions recognised	-	3.44
Effect of foreign currency exchange differences	3.99	1.50
Closing balance	**29.74**	**25.75**

The provision for mine restoration, decommissioning and environmental rehabilitation represents the present value of the management's best estimate of the future outflow of economic benefits that will be required under the Group's obligations under local legislation. The estimate has been made on the basis of historical trends and may vary as a result of future escalation of labour and overhead costs.

2) Provision for liabilities of a joint venture

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Opening balance	**-**	**4.02**
Additional provisions recognised	49.44	-
Reversals of provisions	-	(4.02)
Closing balance	**49.44**	**-**

The provision for liabilities of a joint venture represents the Group's obligation, as per the joint venture agreement, for the financial liability of the the joint venture over and above the Group's shareholding.

3) Other provisions

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Opening balance	**1.88**	**0.10**
Additional provisions recognised	22.31	1.78
Closing balance	**24.19**	**1.88**

Other provision primarily relates to provision for disputed entry tax on inputs matter pending before the High Court of Himachal Pradesh.

Notes

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Note No. 36 - Operating Leases:

As lessee

i) Lease rentals charged to Consolidated Statement of Profit and Loss for right to use following assets are:

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Office Premises, Residential Flats etc.	13.45	12.58

ii) The agreements are executed on non-cancellable basis for a period of 3-25 years, which are renewable on expiry with mutual consent.

Future minimum rentals payable under non-cancellable operating leases as follows:

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Within one year	0.08	2.36
After one year but not more than five years	0.01	0.32
More than five years	-	-
	0.09	**2.68**

Note No. 37 - Finance leases:

As lessor

The Group has evaluated an arrangement for power supply from one of its power unit based on the facts and circumstances existing at the date of transition to Ind AS and identified it to be in the nature of lease as the fulfilment of the arrangement depends upon specific power unit identified in the arrangement and the Group has committed to supply substantially all of the power generation capacity of the power unit. After separating lease payments from other elements in the arrangement, the Group has recognised finance lease receivable for the said power unit given under finance lease.

The minimum lease payments receivable and the present value of minimum lease receivable as at 31st March, 2018 in respect of the aforesaid power unit are as under:

Amounts receivable under finance leases

₹ crore

Particulars	Minimum lease payments		Present value of minimum lease payments	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Not later than one year	99.72	110.99	47.42	51.35
Later than one year and not later than five years	373.91	384.25	201.88	172.20
Later than five years	1,068.27	1,157.64	732.46	809.56
Total MLP	**1,541.90**	**1,652.88**	**981.76**	**1,033.11**
Less: unearned finance income	560.14	619.77	-	-
Lease Receivable	**981.76**	**1,033.11**	**981.76**	**1,033.11**

Unguaranteed residual values of assets leased under finance leases at the end of the reporting period are estimated at ₹ 150.39 crore (as at 31st March, 2017: ₹ 150.39 crore).

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2018

Note No. 38 - Service concession arrangement

(a) Description of the concession arrangement:

The Group has entered into an agreement with the Government of Himachal Pradesh ('the Government') for supply of power to Himachal State Electricity Board from it's Hydro Electric power plant ('the power plant') on a regulated tariff basis for a term of 40 years from the date of commissioning of the power plant. Further, the Government has an entitlement to purchase all assets at the end of the term of concession agreement.

(b) Significant terms of the concession arrangement:

Terms	Particulars
Period of Arrangement	40 years from date of commissioning (extendable for another term of 20 years)
Date of Agreement	1st October, 1992
Commissioning of the power plant	June 2003
Tariff	To be determined as per multi-year tariff by Himachal Pradesh Electricity Regulatory Commission
Option to purchase	After the expiry of the agreement period, the Government has the option to purchase all the assets and works of the Project, at mutually agreed terms.
Free power	12% free power of the electricity generated is to be supplied to the Government

(c) Obligation for overhaul:

Under the concession agreement, the Group has to manage, operate, maintain and repair the power plant entirely at its own cost.

(d) Renewal /Termination options:

Termination of the concession agreement can happen before expiry date under the force majeure events and default by either parties of the concession agreement. The concession agreement is extendable for another term of 20 years at the option of the Government.

(e) Classification of service concession arrangement in the consolidated financial statements:

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Intangible asset - Rights under service concession receivable	845.56	878.18
Financial asset – Receivable under service concession arrangement	195.59	176.45

Note No. 39 - Employee benefits expense:

1] Defined benefits plans:

The Group provides for gratuity for employees as per the Payment of Gratuity Act, 1972. The amount of gratuity shall be payable to an employee on the termination of his employment after he has rendered continuous service for not less than five years, or on their superannuation or resignation. However, in case of death of an employee, the minimum period of five years shall not be required. The amount of gratuity payable on retirement / termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years service completed. The gratuity plan is a funded plan administered by a separate Fund that is legally separated from the entity and the group makes contributions to the insurer (LIC). The group does not fully fund the liability and maintains a target level of funding to be maintained over period of time based on estimations of expected gratuity payments.

The Group makes monthly contributions to provident fund managed by trust for qualifying employees. Under the scheme, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits.

Under the compensated absences plan, leave encashment is payable to all eligible employees on separation of the Group due to death, retirement, superannuation or resignation, at the rate of daily salary, as per the current accumulation of leave days.

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to the Consolidated Financial Statements for the year ended 31st March, 2018

These plans typically expose the Group to the following actuarial risks:

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
Interest risk	A fall in the discount rate, which is linked, to the G-Sec rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.
Asset Liability matching risk	The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.
Mortality risk	Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.
Concentration risk	Plan is having a concentration risk as all the assets are invested with the insurance Company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31st March, 2018 by M/S K. A. Pandit Consultants & Actuaries. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

A] Gratuity

Changes in the defined benefit obligation and fair value of plan assets as at 31st March, 2018:

₹ crore

Particulars		Defined Benefit Obligation	Fair Value of Plan assets	Benefit Liability
Opening balance as on 1st April, 2017		**18.73**	**4.23**	**14.50**
Gratuity cost charged to the profit or loss	Service cost	2.35	-	2.35
	Net interest expense	1.40	0.31	1.09
	Sub-total included in profit or loss	**3.75**	**0.31**	**3.44**
Benefits paid		(1.26)	(1.26)	-
Remeasurement gains/(losses) in other comprehensive income	Return on plan assets (excluding amounts included in net interest expense)	-	0.08	(0.08)
	Actuarial changes arising from changes in financial assumptions	(0.78)	-	(0.78)
	Experience adjustments	0.13	-	0.13
	Sub-total included in OCI	**(0.65)**	**0.08**	**(0.73)**
Contributions by employer		-	3.77	(3.77)
Closing balance as on 31st March, 2018 (Refer note 18)		**20.57**	**7.13**	**13.44**

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Changes in the defined benefit obligation and fair value of plan assets as at 31st March, 2017:

₹ crore

Particulars		Defined benefit obligation	Fair value of plan assets	Benefit liability
Opening balance as on 1st April, 2016		**15.01**	**1.32**	**13.69**
Gratuity cost charged to profit or loss	Service cost	2.09	-	2.09
	Net interest expense	1.21	0.11	1.10
	Sub-total included in profit or loss	**3.30**	**0.11**	**3.19**
Benefits paid		(0.90)	(0.90)	-
Remeasurement gains/(losses) in other comprehensive income	Return on plan assets (excluding amounts included in net interest expense)	-	0.03	(0.03)
	Actuarial changes arising from changes in financial assumptions	1.07	-	1.07
	Experience adjustments	0.25	-	0.25
	Sub-total included in OCI	**1.32**	**0.03**	**1.29**
Contributions by employer		-	3.67	(3.67)
Closing balance as on 31st March, 2017 (Refer note 18)		**18.73**	**4.23**	**14.50**

The actual return on plan assets (including interest income) was ₹ 0.32 crore (previous year ₹ 0.11 crore).

The major categories of the fair value of the total plan assets are as follows:

Particulars	As at 31st March, 2018	As at 31st March, 2017
Insurer Managed Funds	100%	100%

In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

The principal assumptions used in determining gratuity for the Group's plans are shown below:

Particulars	As at 31st March, 2018	As at 31st March, 2017
Discount rate	7.84%	7.49%
Future salary increases	6.00%	6.00%
Rate of Employee Turnover	2.00%	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

Sensitivity analysis:

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

The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Delta Effect of +1% Change in Rate of Discounting	(1.94)	(1.82)
Delta Effect of -1% Change in Rate of Discounting	2.29	2.16
Delta Effect of +1% Change in Rate of Salary Increase	2.31	2.17
Delta Effect of -1% Change in Rate of Salary Increase	(1.99)	(1.86)
Delta Effect of +1% Change in Rate of Employee Turnover	0.35	0.26
Delta Effect of -1% Change in Rate of Employee Turnover	(0.40)	(0.29)

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The following are the maturity analysis of projected benefit obligations:

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Projected benefits payable in future years		
Within the next 12 months (next annual reporting period)	0.84	0.87
Between 2 and 5 years	6.72	3.70
Between 5 and 10 years	6.30	7.84
Above 10 years	43.10	38.35
Total expected payments	**56.96**	**50.76**

Each year an asset-liability-matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles.

The Group expects to contribute ₹ 5.24 crore (previous year ₹ 5.17 crore) to its gratuity plan for the next year. The weighted average duration of the plan is 13 years (previous year 14 years).

B] Provident fund

As per Ind AS 19 on 'Employee Benefits', employer established provident fund trusts are treated as defined benefit plans, since the Group is obliged to meet interest shortfall, if any, with respect to covered employees. According to the defined benefit obligation of interest rate guarantee on exempted provident fund in respect of employees of the Group as at 31st March, 2018 is 8.55% and hence no provision is required to be provided for in the books of accounts towards the guarantee given for notified interest rates

The Group's contribution to provident fund recognised in consolidated statement of profit & loss of ₹ 9.01 crore (Previous year ₹ 7.52 crore) (Included in note 24)

Actuarial assumptions made to determine interest rate guarantee on exempt provident fund liabilities are as follows:

Particulars	As at 31st March, 2018	As at 31st March, 2017
Discount rate	7.85%	7.52%
Rate of return on assets	8.88%	8.70%
Guaranteed rate of return	8.55%	8.65%

C] Compensated absences

The group has a policy on compensated absences with provisions on accumulation and encashment by the employees during employment or on separation from the group due to death, retirement or resignation. The expected cost of compensated absences is determined by actuarial valuation performed by an independent actuary at the balance sheet date using projected unit credit method.

2] Employee share based payment plan:

i) JSWEL Employees Stock Ownership Plan – 2010 (ESOP 2010)

The Group had offered equity options under ESOP 2010 to the permanent employees of the Company and its holding Company or subsidiary Company including any director; whether whole-time or not, in the identified grades of L8 and above except any employee who was a promoter or belonged to the promoter group or a Director who either by himself or through his relatives or through any body corporate, directly or indirectly, held more than 10% of the outstanding equity shares of the Company.

The grant was determined as percentage of Total Fixed Pay. The grant was at such price as determined by the then ESOP Committee and specified in the respective grant letter. The option was not transferable and could be exercised only by the employees of the Group.

The number of options granted to each eligible employee was determined by dividing the Award Value (amount equivalent to percentage of Annual Fix Pay) by the Fair Value of option provided. The Fair Value of option on the date of each grant is determined by using Black Scholes model.

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The following table illustrates the details of share options during the year:

ESOP 2010 (Grant Date: 8th November 2011)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Outstanding at 1 April	1,958,388	2,425,163
Exercised during the year	1,917,674	465,505
Expired during the year	40,714	1,270
Outstanding at 31 March	-	1,958,388
Exercisable at 31 March	-	1,958,388

ESOP 2010 (Grant Date: 31st October, 2012)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Outstanding at 1 April	3,661,690	4,174,635
Exercised during the year	3,615,136	455,107
Expired during the year	46,554	57,838
Outstanding at 31 March	-	3,661,690
Exercisable at 31 March	-	3,661,690

ii) JSWEL Employees Mega Stock Ownership Scheme – 2012 (ESOS 2012)

The Group had offered equity options under ESOS 2012 to the permanent employees of the Company and its subsidiary Company including any director; whether whole-time or not, who was earlier granted Mega option under ESOP 2010 and who continued to be in Permanent Employment of the Company or Subsidiary Company or JSW Group Company on date of the Grant except any employee who was a promoter or belonged to the promoter group or a Director who either by himself or through his relatives or through any body corporate, directly or indirectly, held more than 10% of the outstanding equity shares of the Company.

The grant was determined as percentage of Total Fixed Pay. The grant was at a price as determined by the then ESOP Committee and specified in the respective grant letter. The option was not transferable and could be exercised only by the employees of the Group.

The number of options granted to each eligible employees was determined by dividing the Award Value (amount equivalent to percentage of Annual Fix Pay) by the Fair Value of option provided. The Fair Value of option on the date of each grant was determined by using Black Scholes model.

The following table illustrates the details of share options during the year:

ESOS 2012 (Grant Date: 4th October, 2012)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Outstanding at 1 April	52,86,453	55,86,107
Exercised during the year	44,40,667	2,46,457
Expired during the year	8,45,786	53,197
Outstanding at 31 March	-	52,86,453
Exercisable at 31 March	-	52,86,453

iii) JSWEL Employees Stock Ownership Plan – 2016 (ESOP 2016)

The Group has offered equity options under ESOP 2016 to the permanent employees of the Company and its subsidiary Company who has been working in India or outside India, including whole-time director, in the identified grades of L16 and above except any employee who is a promoter or belongs to the promoter group or a director who either by himself or through his relatives or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company and Independent directors, Nominee Directors and Non-Executive Directors.

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The grant is determined after having regard to various factors and criteria specified in ESOP 2016. The exercise price is at a discount of 20% to the closing market price on the previous trading day of the grant date at the Exchange having highest trading volume or any other price as may be determined by the Compensation Committee but at least equal to the face value of the shares. The option shall not be transferable and can be exercised only by the employees of the Group.

Vesting of the options granted under the ESOP 2016 shall be at least one year from the date of Grant. 50% of the granted options would vest on the date following 3 years from the date of respective grant and the remaining 50% on the date following 4 years from the date of respective grant.

The following table illustrates the details of share options during the year:

ESOP 2016 (Grant Date: 3rd May, 2016)

	As at 31st March, 2018	As at 31st March, 2017
Outstanding at 1 April	24,47,355	-
Granted during the year	-	24,47,355
Exercised during the year	2,63,525	-
Expired during the year	9,04,304	-
Outstanding at 31st March,	12,79,526	24,47,355
Exercisable at 31st March,	12,79,526	24,47,355

ESOP 2016 (Grant Date: 20th May, 2017)

	As at 31st March, 2018	As at 31st March, 2017
Outstanding at 1 April	-	-
Granted during the year	24,47,355	-
Expired during the year	3,82,124	-
Outstanding at 31st March,	20,65,231	-
Exercisable at 31st March,	20,65,231	-

The method of settlement for above grants are as below:

Particulars	Grant Date				
	8th November, 2011	31st October, 2012	4th October, 2012	3rd May, 2016	20th May, 2017
Vesting Period	3 Years	3 Years	1 Year	3/4 Years	3/4 Years
Method of Settlement	Equity	Equity	Equity	Equity	Equity
Exercise Price (₹)	52.35	60.90	65.00	53.68	51.80
Fair Value (₹)	20.39	24.17	19.43	30.78	28.88
Dividend yield (%)	10.00%	5.00%	5.00%	20.00%	20.00%
Expected volatility (%)	34.85%	39.65%	39.98%	46.32%/44.03%	44.50%/45.16%
Risk-free interest rate (%)	8.86%	8.09%	8.13%	7.40%/7.47%	6.90%/6.98%
Expected life of share options (years)	5	3	3	5/6 years	5/6 years
Weighted average exercise price (₹)	52.35	60.90	65.00	53.68	51.80

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Particulars	Grant Date				
	8th November, 2011	31st October, 2012	4th October, 2012	3rd May, 2016	20th May, 2017
Pricing formula	Exercise Price determined based on closing market price on the day prior to the Compensation Committee meeting on that exchange where higher shares are traded			Exercise Price determined at ₹ 53.68 per share, was at a discount of 20% to the closing market price of Parent Company's share i.e. ₹ 67.10/- at the close of 2nd May, 2016 at Exchange having highest trading volume.	Exercise Price determined at ₹ 51.80 per share, was at a discount of 20% to the closing market price of Parent Company's share i.e. ₹ 64.75/- at the close of 19th May, 2017 at Exchange having highest trading volume.
Expected option Life	The expected option life is assumed to be mid-way between the option vesting period and contractual term of the option			The expected option life is assumed to be mid-way between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The Expected option life is calculated as (Year to Vesting + Contractual Option term) /2.	
Expected volatility	Volatility was calculated using standard deviation of daily change in stock price.			Volatility was calculated using standard deviation of daily change in stock price. The historical period considered for volatility match the expected life of the option.	
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	The following factors have been considered:				
Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	(a) Share price (b) Exercise prices (c) Historical volatility (d) Expected option life (e) Dividend Yield				
Model used	Black-Scholes Method				

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

Note No. 40 - Kutehr Project:

The Group has plans of resuming construction/ developmental activities of a hydropower project in Himachal Pradesh after Hydropower policy 2018-28 is announced. The carrying amounts related to the project as at 31st March, 2018 comprise property, plant and equipment of ₹ 3.61 crore, capital work in progress of ₹ 259.46 crore, capital advance of ₹ 6.19 crore.

Notes

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Note No. 41 - Earnings per share [Basic and Diluted]:

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Profit attributable to equity holders of the Company [₹ crore] [A]	77.97	629.03
Weighted average number of Equity shares for basic and diluted EPS [B] (net of treasury shares)	1,64,00,54,795	1,62,79,53,191
Earnings Per Share - Basic and Diluted [₹] - [A/B]	0.48	3.86
Nominal value of an equity share [₹]	10	10

Note No. 42 - Financial Instruments:

(a) Financial instruments:

i) Financial instruments by category:

₹ crore

Particulars	As at March, 31, 2018				As at March, 31, 2017			
	FVTPL	FVTOCI	Amortised cost	Total	FVTPL	FVTOCI	Amortised cost	Total
Financial assets								
Investment in government securities	-	-	9.47	9.47	-	-	7.94	7.94
Investment in equity shares	41.98	2,018.15	-	2,060.13	25.45	1,318.12	-	1,343.57
Investment in preference shares	2.05	-	-	2.05	1.84	-	-	1.84
Investment in mutual funds	336.83	-	-	336.83	218.90	-	-	218.90
Loans	-	-	749.75	749.75	-	-	845.10	845.10
Trade receivables	-	-	1,151.22	1,151.22	-	-	2,182.75	2,182.75
Cash and cash equivalents (CCE)	-	-	224.27	224.27	-	-	590.71	590.71
Bank balances other than CCE	-	-	87.19	87.19	-	-	195.26	195.26
Finance lease receivable	-	-	981.76	981.76	-	-	1,033.11	1,033.11
Service concession receivable	-	-	195.59	195.59	-	-	176.45	176.45
Security deposits	-	-	124.23	124.23	-	-	139.02	139.02
Interest receivable	-	-	359.03	359.03	-	-	302.19	302.19
Ancillary borrowing cost	-	-	56.79	56.79	-	-	56.79	56.79
Other loan and advances	-	-	11.44	11.44	-	-	11.47	11.47
	380.86	**2,018.15**	**3,950.74**	**6,349.75**	**246.19**	**1,318.12**	**5,540.79**	**7,105.10**
Financial liabilities								
Borrowings	-	-	11,883.26	11,883.26	-	-	14,349.27	14,349.27
Trade payables	-	-	565.18	565.18	-	-	587.72	587.72
Acceptances	-	-	1,761.95	1,761.95	-	-	1,531.00	1,531.00
Interest rate swaps	-	1.72	-	1.72	-	-	-	-
Foreign currency options/forward contracts	2.72	0.87	-	3.59	71.80	-	-	71.80
Contingent consideration payable	177.48	-	-	177.48	565.70	-	-	565.70
Deposits received from dealers	-	-	0.01	0.01	-	-	0.01	0.01
Lease deposits	-	-	0.60	0.60	-	-	0.55	0.55
Interest accrued but not due on borrowings	-	-	51.07	51.07	-	-	26.90	26.90
Unpaid dividends	-	-	0.95	0.95	-	-	0.95	0.95
Security deposits	-	-	0.12	0.12	-	-	0.12	0.12
Payable for capital supplies /services	-	-	123.24	123.24	-	-	95.16	95.16
Other payables	-	-	389.82	389.82	-	-	306.82	306.82
	180.20	**2.59**	**14,776.20**	**14,958.99**	**637.50**	**-**	**16,898.51**	**17,536.00**

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to the Consolidated Financial Statements for the year ended 31st March, 2018

ii) Fair value hierarchy:

This Section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into three levels prescribed under the accounting standard.

Financial assets and liabilities measured at fair value

The carrying amount of investment in unquoted equity instrument measured at fair value (which are not disclosed below) is considered to be the same as it's fair values.

₹ crore

Particulars	As at March, 31, 2018	As at March, 31, 2017	Level	Valuation techniques and key inputs
Financial assets				
Investment in equity instruments of JSW Steel Limited	2,018.15	1,318.12	1	Quoted bid price in an active market
Investment in equity shares	41.98	25.45	2	Price derived from sale transaction of the share in an inactive market
Investment in mutual funds	336.83	218.90	2	The mutual funds are valued using the closing NAV
Investment in preference shares	2.05	1.84	3	Discounted cash flow method- Future cash flows are based on terms of preference shares discounted at a rate that reflects market risk
Financial liabilities				
Interest rate swaps	1.72	-	2	The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows earned on observable yield curves.
Currency option/ Forward contracts	3.59	71.80	2	The fair value of forward foreign exchange contracts and principal swaps is determined using forward exchange rates at the balance sheet date.
Contingent Consideration payable	177.48	565.70	3	Estimated based on the expected cash outflows arising from the fructification of related events

Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, investment in preference shares, other financial assets and other financial liabilities (which are not disclosed below) are considered to be the same as their fair values, due to their short term nature.

₹ crore

Particulars	As at March, 31, 2018		As at March, 31, 2017		Level	Valuation techniques and key inputs
	Carrying value	Fair value	Carrying value	Fair value		
Financial assets and liabilities, measured at amortised cost, for which fair value is disclosed:						
Financial assets						
Loans	571.41	571.39	764.48	771.07	3	Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable
Finance lease receivable *	981.76	946.57	1,033.11	989.75		
Service concession receivable	195.59	195.59	176.45	176.45		
Security deposits	74.25	73.18	72.49	73.29		
	1,823.01	**1,786.73**	**2,046.53**	**2,010.56**		
Financial liabilities						
Borrowings (including current maturities on long-term debt)	11,883.26	11,888.61	14,349.27	14,348.10	3	Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable
Lease and other deposits	0.26	0.34	0.56	0.67		
	11,883.52	**11,888.95**	**14,349.84**	**14,348.77**		

* including current and non-current balances

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to the Consolidated Financial Statements for the year ended 31st March, 2018

Valuation techniques and key inputs:

The above fair values were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable input including counter party credit risk.

Sensitivity Analysis of Level 3 financial instruments measured at fair value:

Particulars	Valuation technique	Significant unobservable inputs	Change	Sensitivity of the input to fair value
Contingent consideration payable	Expected cash flow	Probability of outcome of contingent event	5.00%	If expected cash outflows were 5% higher or lower, the fair value would increase / (decrease) by ₹ 8.87 crore.

Reconciliation of Level III fair value measurement:

i) **Investment in preference shares**

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Opening balance	**1.84**	**1.67**
Gain recognised in consolidated statement of profit and loss	0.21	0.17
Closing balance	**2.05**	**1.84**

ii) **Contingent consideration payable**

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Opening balance	**565.70**	**571.39**
Payments made during the year	-	(5.69)
Offset against loan receivable from the same party	(226.11)	-
Write backs/reversals	(162.11)	-
Closing balance	**177.48**	**565.70**

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

(b) Risk Management Strategies

Financial risk management objectives

The Group's corporate treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures, wherever required. The use of financial derivatives is governed by the group's policies approved by the board of directors, which provide written principles on foreign exchange and commodity price risk management, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

I. Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts and currency options as suitable.

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to the Consolidated Financial Statements for the year ended 31st March, 2018

The carrying amounts of the Group's financial assets and liabilities denominated in different currencies are as follows:

₹ crore

As at 31st March, 2018:	USD	INR	Total
Financial assets			
Investments	40.73	2,367.76	2,408.49
Trade receivables	10.92	1,140.30	1,151.22
Cash and bank balances	15.52	295.51	311.03
Loans	-	749.74	749.74
Finance receivable	-	981.76	981.76
Service concession receivable	-	195.59	195.59
Security Deposits	-	124.23	124.23
Interest receivable	-	359.03	359.03
Other bank balances	-	0.43	0.43
Other financial assets	*	68.23	68.23
	67.17	**6,282.58**	**6,349.75**
Financial liabilities			
Borrowings	248.49	11,634.77	11,883.26
Trade payables	138.82	426.36	565.18
Acceptances	1,761.95	-	1,761.95
Interest rate swaps	1.72	-	1.72
Foreign currency forward options/contracts	3.59	-	3.59
Contingent consideration payable	-	177.48	177.48
Security deposits	-	0.73	0.73
Interest accrued	9.89	41.18	51.07
Unpaid Dividends	-	0.95	0.95
Payable for capital supplies/services	-	123.24	123.24
Other payables	-	389.82	389.82
	2,164.46	**12,794.53**	**14,958.99**

₹ crore

As at 31st March, 2017:	USD	INR	Total
Financial assets			
Investments	24.20	1,548.05	1,572.25
Trade receivables	-	2,182.75	2,182.75
Cash and bank balances	8.97	775.33	784.30
Loans	-	845.10	845.10
Finance receivable	-	1,033.11	1,033.11
Service concession receivable	-	176.45	176.45
Security Deposits	-	139.02	139.02
Interest receivable	-	302.19	302.19
Other bank balances	-	1.67	1.67
Other financial assets	0.13	68.13	68.26
	33.30	**7,071.80**	**7,105.10**
Financial liabilities			
Borrowings	40.49	14,308.78	14,349.27
Trade payables	197.10	390.62	587.72
Acceptances	1,531.00	-	1,531.00
Foreign currency forward contracts	-	71.80	71.80
Contingent consideration payable	-	565.70	565.70
Security deposits	-	0.68	0.68
Interest accrued	5.05	21.85	26.90
Unpaid Dividends	-	0.95	0.95
Payable for capital supplies/services	-	95.16	95.16
Other payables	-	306.82	306.82
	1,773.64	**15,762.37**	**17,536.00**

* Less than ₹ 50,000

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The Group uses foreign currency forward and options contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and foreign currency required at the settlement date of certain receivables/payables. The use of foreign currency forward and options contracts is governed by the Group's strategy approved by the board of directors, which provide principles on the use of such forward contracts consistent with the Group's risk management policy.

The outstanding forward exchange contracts at the end of the reporting period are as under:

Particulars	As at 31st March, 2018	As at 31st March, 2017
No. of contracts	39	44
Type of contracts	Buy	Buy
US $ equivalent (Million)	206.70	262.97
Average exchange rate (1 USD = ₹)	65.82	68.20
INR equivalent (₹ crore)	1,360.49	1,793.33
MTM (₹ crore)	(4.37)	(71.80)

The outstanding foreign exchange options contracts for buyers credit at the end of the reporting period are as under:

Particulars	As at 31st March, 2018	As at 31st March, 2017
No. of contracts	13	
Type of contracts	Buy	-
US $ equivalent (Million)	83.74	-
Average exchange rate (1 USD = ₹)	64.71	-
INR equivalent (₹ crore)	541.90	-
MTM (₹ crore)	1.64	-

The outstanding foreign exchange options contracts for loan at the end of the reporting period are as under:

Particulars	As at 31st March, 2018	As at 31st March, 2017
No. of contracts	1	
Type of contracts	Buy	-
US $ equivalent (Million)	33.00	-
Average exchange rate (1 USD = ₹)	65.18	-
INR equivalent (₹ crore)	215.08	-
MTM (₹ crore)	0.87	-

Unhedged currency risk position

The foreign currency exposure that have not been hedged by a derivative instrument or otherwise as at balance sheet date are given below:

Particulars	Foreign currency equivalent (USD)		₹ crore	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Payables in Foreign Currency				
Secured Loan	52,03,640	62,44,368	33.85	40.49
Interest accrued but not due on secured loan	59,598	63,711	0.39	0.41
Trade payable	8,87,989	34,84,694	5.78	22.60

Foreign currency risk sensitivity

The following table details the Group's sensitivity to a 5% increase and decrease in the INR against the relevant foreign currencies net of hedge accounting impact. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 5% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where INR strengthens 5% against the relevant currency. For a 5% weakening of INR against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

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Impact on profit / (loss) for the year for a 5% change:

₹ crore

Particulars	For the year ended 31st March, 2018		For the year ended 31st March, 2017	
	5% increase	5% decrease	5% increase	5% decrease
USD / INR	(2.00)	2.00	(3.17)	3.17

II. Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The following table provides a break-up of the Group's non-current fixed and floating rate borrowings:

₹ crore

As at 31st March, 2018	Net Balance	Unamortised transaction cost	Gross Balance
Fixed rate borrowings	1,607.65	2.02	1,609.67
Floating rate borrowings	10,267.42	70.31	10,337.73
Total borrowings	**11,875.07**	**72.33**	**11,947.40**

₹ crore

As at 31st March, 2017	Net Balance	Unamortised transaction cost	Gross Balance
Fixed rate borrowings	2,089.18	13.96	2,103.14
Floating rate borrowings	12,251.42	80.14	12,331.56
Total borrowings	**14,340.60**	**94.10**	**14,434.70**

The following table detail the nominal amounts and remaining terms of interest rate swap contracts outstanding at the year-end.

Particulars	No. of contracts	Average contracted fixed interest rate (%)	Maturity date	Nominal value (₹ crore)	MTM (₹ crore)
As at 31st March, 2018	**1**	**4.12**	**16th March, 2020**	**214.65**	**(1.72)**
As at 31st March, 2017	-	-	-	-	-

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit before tax for the year ended 31st March, 2018 would decrease/increase by ₹ 50.62 crore (for the year ended 31st March, 2017: decrease/increase by ₹ 52.26 crore). This is mainly attributable to the Group's exposure to interest rates on its unhedged variable rate borrowings.

III. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored.

JSW Steel Limited, a related party, and state electricity distribution companies (Government companies) are the major customers of the Group and accordingly, credit risk is minimal.

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Revenue from operations includes revenue aggregating to ₹ 4,255.87 crore (Previous year ₹ 4,437.32 crore) from two major customers having more than 10% of total revenue from operations of the Group.

Loans and investment in debt securities:

The Group's centralised treasury function manages the financial risks relating to the business. The treasury function focusses on capital protection, liquidity and yield maximisation. Investments of surplus funds are made only in approved counterparties within credit limits assigned for each of the counterparty. Counterparty credit limits are reviewed and approved by the Finance Committee of the Group. The limits are set to minimise the concentration of risks and therefore mitigate the financial loss through counter party's potential failure to make payments

Cash and cash equivalents, derivatives and financial guarantees:

Credit risks from balances with banks and financial institutions are managed in accordance with the Group policy. For derivative and financial instruments, the Group attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies.

In addition, the Group is exposed to credit risk in relation to financial guarantees given to banks provided by the group. The group's maximum exposure in this respect is the maximum amount the group could have to pay if the guarantee is called on.(Refer note 34)

IV. Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which have established an appropriate liquidity risk management framework for the management of the Group's short-term, medium-term and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the remaining contractual maturities of financial assets and financial liabilities as on reporting date.

₹ crore

As at 31st March, 2018	〈 1 year	1-5 years	〉5 years	Total
Financial assets				
Investments	336.83	-	2,071.65	2,408.49
Trade receivables	1,151.22	-	-	1,151.22
Cash and bank balances	311.03	-	-	311.03
Loans	178.34	2.61	568.80	749.74
Finance receivables	47.42	201.88	732.45	981.76
Service concession receivables	-	134.19	61.41	195.59
Security deposits	49.98	28.61	45.64	124.23
Interest receivable	11.22	-	347.81	359.03
Other bank balances	-	0.43	-	0.43
Other loans and advances	11.44	56.79	-	68.23
	2,097.48	**424.51**	**3,827.76**	**6,349.75**
Financial liabilities				
Borrowings	1,062.26	4,964.80	5,856.20	11,883.26
Lease and other deposits	-	0.13	0.13	0.26
Trade payables	565.18	-	-	565.18
Acceptances	1,761.95	-	-	1,761.95
Interest rate swaps	1.72	-	-	1.72
Foreign currency forward options/contracts	3.59	-	-	3.59
Contingent consideration payable	177.48	-	-	177.48
Security deposits	0.47	-	-	0.47
Interest accrued	51.07	-	-	51.07
Unpaid dividends	0.95	-	-	0.95
Payable for capital supplies/services	123.24	-	-	123.24
Other payables	389.82	-	-	389.82
	4,137.73	**4,964.93**	**5,856.33**	**14,958.99**

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₹ crore

As at 31st March, 2017	〈 1 year	1-5 years	〉5 years	Total
Financial asset				
Investments	218.90	-	1,353.35	1,572.25
Trade receivables	2,182.75	-	-	2,182.75
Cash and bank balances	784.30	-	-	784.30
Loans	80.62	216.67	547.81	845.10
Finance receivables	51.35	172.20	809.56	1,033.11
Service concession receivables	-	56.63	119.82	176.45
Security deposits	66.53	8.85	63.64	139.02
Interest receivable	5.32	-	296.87	302.19
Other bank balances	-	1.67	-	1.67
Other loans and advances	11.47	56.79	-	68.26
	3,401.24	**512.81**	**3,191.05**	**7,105.10**
Financial liabilities				
Borrowings	1,223.35	5,738.54	7,387.38	14,349.27
Lease and other deposits	-	0.12	0.45	0.56
Trade payables	587.72	-	-	587.72
Acceptances	1,531.00	-	-	1,531.00
Foreign currency forward contracts	71.80	-	-	71.80
Contingent consideration payable	565.70	-	-	565.70
Security deposits	0.12	-	-	0.12
Interest accrued	26.90	-	-	26.90
Unpaid dividends	0.95	-	-	0.95
Payable for capital supplies/services	95.16	-	-	95.16
Other payables	306.81	-	-	306.81
	4,409.51	**5,738.66**	**7,387.83**	**17,536.00**

The Group has hypothecated part of its trade receivables, loans, short term investments and cash and cash equivalents in order to fulfil certain collateral requirements for the banking facilities extended to the Group. There is obligation to release the hypothecation on these securities to the Group once these banking facilities are surrendered. (Refer note 16)

The amount of guarantees given on behalf of other parties included in Note 34 represents the maximum amount the Group could be forced to settle for the full guaranteed amount. Based on the expectation at the end of the reporting period, the Group considers that it is more likely than not that such an amount will not be payable under the arrangement.

V. Price Risk

a) The Group's exposure to equity price risk arises from quoted investments held by the Group and classified in the balance sheet at FVTOCI.

The table below summarizes the impact of increases / decreases in market price of the Group's quoted equity investments for the corresponding period. The analysis is based on the assumption that the JSW Steel Limited share price in market will on an average increase or decrease by 14% with all other variables held constant.

Impact on other comprehensive income

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Increase in quoted market Price by 14%	282.54	184.54
Decrease in quoted market Price by 14%	(282.54)	(184.54)

b) The Group's exposure to mutual fund price risk arises from investments held by the Group and classified in the balance sheet at FVTPL.

The table below summarizes the impact of increase / decrease in NAV of Group's investment in mutual fund for the corresponding period. The analysis is based on the assumption that the NAV of mutual fund will on an average increase by 5% or decrease by 5% with all other variables held constant.

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Impact on profit before tax:

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Mutual fund NAV - increase 5%	16.84	10.94
Mutual fund NAV - decrease 5%	(16.84)	(10.94)

VI. Fuel Prices risk management

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

The Group regularly broadens the sources (countries/ vendors) and maintains optimum fuel mix and stock level. The Group further applies prudent hedging strategies to mitigate the risk of foreign exchange fluctuations.

Note No. 43 - Capital management

The Group being in a capital intensive industry, its objective is to maintain a strong credit rating healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Group's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Group has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Group is not subject to any externally imposed capital requirements.

The Group regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost, align the maturity profile of its debt commensurate with the life of the asset, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

Gearing ratio

The Group monitors its capital using gearing ratio, which is net debt divided to total equity as given below:

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Debt[1]	11,883.26	14,349.27
Cash and bank balances (including current investment in liquid mutual fund)[2]	605.01	965.81
Net debt[(1-2)]	11,278.25	13,383.46
Total equity[3]	11,109.70	10,368.46
Net debt to equity ratio	1.02	1.29

1) Debt includes long-term and short-term borrowings as described in note 16 and note 17.
2) Includes cash and cash equivalents, balances in bank deposits (other than earmarked deposits) and investments in mutual fund as described in note 7, note 14A and note 14B.
3) Includes equity share capital and other equity as described in note 15A and note 15B.

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Note No. 44 - Related party disclosure

A) List of Related Parties

I Joint ventures

1 Barmer Lignite Mining Company Limited
2 MJSJ Coal Limited

II Associate

1 Toshiba JSW Power Systems Private Limited

III Co-venturer

1 Rajasthan State Mines & Minerals Limited

IV Key Managerial Personnel

1 Mr. Sajjan Jindal – Chairman & Managing Director
2 Mr. Prashant Jain - Jt. Managing Director & CEO (w.e.f 16th June, 2017)
3 Mr. Sanjay Sagar – Jt. Managing Director & CEO (Upto 15th June, 2017)
4 Mr. Jyoti Kumar Agarwal
- Chief Financial Officer (from 1st February, 2017 to 10th August, 2017)
- Director Finance (w.e.f. 11th August, 2017)
5 Ms. Monica Chopra – Company Secretary (w.e.f 23rd January, 2017)
6 Mr. Pramod Menon – Director Finance (Upto 31st January, 2017)
7 Mr. Sampath Madhavan - Company Secretary (Upto 30th July, 2016)
8 Mr. Nirmal Kumar Jain - Non-executive Non-Independent Director
9 Ms. Tanvi Shete - Non-executive Non-Independent Director (w.e.f 22nd July, 2016)
10 Mr. Chandan Bhattacharya - Independent Director
11 Ms. Sheila Sangwan - Independent Director
12 Ms. Shailaja Chandra - Independent Director
13 Mr. Rakesh Nath - Independent Director
14 Mr. Uday Chitale - Independent Director (w.e.f 22nd July, 2016)

V Enterprises over which key management personnel and relatives of such personnel exercise significant influence:

Related parties with whom the Group has entered into transactions during the year:

1 JSW Steel Limited
2 JSW Cement Limited
3 JSW Realty & Infrastructure Private Limited
4 JSW Jaigarh Port Limited
5 JSW Infrastructure Limited
6 South West Port Limited
7 South West Mining Limited
8 JSW Green Private Limited
9 JSW Foundation
10 Jindal Vidya Mandir
11 Amba River Coke Limited
12 JSW International Trade Corp Pte Limited
13 JSW Steel Coated Products Limited
14 Jindal Saw Limited
15 JSW Global Business Solutions Limited
16 Jindal Steel & Power Limited
17 Art India Publishing Company Private Limited
18 JSW IP Holdings Private Limited
19 Heal Institute Private Limited
20 Maharashtra State Electricity Transmission Company Limited
21 Jindal Stainless Limited
22 Jindal Stainless (Hisar) Limited
23 Jindal Stainless Steelway Limited
24 Gagan Trading Company Limited
25 Jaypee Private ITI
26 JSW Energy (Bengal) Limited
27 JSW Projects Limited
28 JSW Steel (Salav) Limited
29 JSW Techno Projects Management Limited

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B) Transactions during the year

₹ crore

Particulars		Relationship	For the year ended 31st March, 2018	For the year ended 31st March, 2017
1	**Sale of power / materials to:**			
	JSW Steel Limited	Others **	1,787.20	1,725.16
	JSW Cement Limited	Others **	81.19	59.49
	JSW Steel Coated Products Limited	Others **	118.86	87.50
	Amba River Coke Limited	Others **	126.66	125.65
	Jindal Saw Limited	Others **	17.55	-
2	**Sale of renewable energy certificate:**			
	JSW Steel Limited	Others **	0.19	-
	JSW Steel Coated Products Limited	Others **	-	1.83
	Amba River Coke Limited	Others **	-	3.04
	JSW Cement Limited	Others **	0.08	0.74
	Jindal Saw Limited	Others **	0.14	-
3	**Interest received on overdue receivables:**			
	JSW Steel Limited	Others **	0.01	-
	JSW Steel Coated Products Limited	Others **	0.01	0.04
	JSW Cement Limited	Others **	0.11	-
4	**Dividend received:**			
	JSW Steel Limited	Others **	15.76	5.25
5	**Service received from:**			
	JSW Steel Limited	Others **	0.32	-
	JSW Jaigarh Port Limited	Others **	171.19	169.04
	South West Mining limited	Others **	0.06	1.23
	South West Port Limited	Others **	16.61	22.20
	JSW Green Private Limited	Others **	0.84	0.84
	Jindal Steel & Power Limited	Others **	-	0.15
	JSW Global Business Solutions Limited	Others **	7.99	2.61
	Maharashtra State Electricity Transmission Company Limited	Others **	0.43	0.33
6	**Service rendered:**			
	JSW Steel Limited	Others **	158.54	148.17
	Toshiba JSW Power Systems Private Limited	Associate	4.50	4.50
	South West Mining Limited	Others **	1.56	1.33
7	**Purchase of power:**			
	JSW Steel Limited	Others **	2.49	0.33
8	**Purchase of fuel / goods:**			
	JSW Steel Limited	Others **	409.87	381.44
	JSW Cement Limited	Others **	0.85	1.66
	JSW International Trade Corp Pte Limited	Others **	1,913.05	1,866.06
	Barmer Lignite Mining Company Limited	Joint venture	1,164.98	1,158.47
	Jindal Steel & Power Limited	Others **	-	1.42
	Rajasthan State Mines & Minerals Limited	Co-venturer	10.92	11.37
	Jindal Saw Limited	Others **	1.20	0.44
	Jindal Stainless Limited	Others **	-	0.08
	Jindal Stainless (Hisar) Limited	Others **	0.51	0.72
	Jindal Stainless Steelway Limited	Others **	-	0.01
9	**Rent paid / (received) (net):**			
	JSW Realty & Infrastructure Private Limited	Others **	0.52	0.53
	JSW Steel Limited	Others **	0.18	0.88
	JSW Jaigarh Port Limited	Others **	*	*
	Gagan Trading Company Limited	Others **	1.34	1.22

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2018

₹ crore

Particulars	Relationship	For the year ended 31st March, 2018	For the year ended 31st March, 2017
10 Advertisement / branding expense:			
Art India Publishing Company Private Limited	Others **	-	0.06
JSW IP Holdings Private Limited	Others **	19.14	7.57
11 Security deposit paid / (refund):			
JSW IP Holdings Private Limited	Others **	-	1.42
Gagan Trading Company Limited	Others **	(0.86)	(0.49)
JSW Jaigarh Port Limited	Others **	(15.00)	-
12 Lease deposit received:			
JSW Jaigarh Port Limited	Others **	5.00	-
13 Reimbursement received from / (paid to):			
JSW Steel Limited	Others **	8.91	49.65
Barmer Lignite Mining Company Limited	Joint venture	1.89	1.80
JSW Cement Limited	Others **	0.15	1.27
JSW Steel Coated Products Limited	Others **	-	0.37
JSW Infrastructure Limited	Others **	0.18	-
JSW Jaigarh Port Limited	Others **	0.65	*
South West Mining Limited	Others **	(0.11)	(0.01)
Jindal Vidya Mandir	Others **	-	(0.31)
JSW Global Business Solutions Limited	Others **	(0.11)	0.58
Jaypee Private ITI	Others **	(0.21)	-
JSW Projects Limited	Others **	*	-
JSW Techno Projects Management Limited	Others **	(0.09)	-
Jindal Saw Limited	Others **	0.01	-
JSW Energy (Bengal) Limited	Others **	(0.05)	-
14 Loan given to:			
South West Mining Limited	Others **	186.90	-
JSW Global Business Solutions Limited	Others **	0.40	3.63
Jindal Steel & Power Limited	Others **	130.90	373.00
Barmer Lignite Mining Company Limited	Joint venture	21.20	55.50
15 Loan repaid:			
South West Mining Limited	Others **	400.57	38.34
JSW Global Business Solutions Limited	Others **	0.74	0.96
Jindal Steel & Power Limited	Others **	122.77	-
JSW Energy (Bengal) Limited	Others **	78.60	-
16 Interest received on loan:			
South West Mining Limited	Others **	20.99	27.83
JSW Global Business Solutions Limited	Others **	0.51	0.37
Jindal Steel & Power Limited	Others **	47.95	14.61
Barmer Lignite Mining Company Limited	Joint venture	56.59	50.98
17 Loan written off:			
JSW Energy (Bengal) Limited	Others **	1.52	-
18 Donations / CSR expenses:			
Jindal Vidya Mandir	Others **	1.64	1.33
JSW Foundation	Others **	3.74	2.90
Heal Institute Private Limited	Others **	0.14	0.14
19 Trading margin on E. S. certs. / R.E.C.s:			
JSW Steel (Salav) Limited	Others **	0.01	-
20 Security and collateral provided to / (released):			
South West Mining Limited	Others **	178.66	(58.76)

* Less than ₹ 50,000

** Enterprises over which key management personnel and relatives of such personnel exercise significant influence.

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2018

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

₹ crore

	Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
1	Short-term benefits	16.30	16.29
2	Post-employment benefits	0.81	0.81
3	Sitting fees	0.58	0.62
4	Commission to directors	1.02	0.76

1 The above figures does not include provisions for gratuity and leave encashment as the same is not determinable.

2 The group has accrued ₹ 0.09 crore (Previous Year ₹ 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.

D) Closing Balances

₹ crore

	Particulars	Relationship	As at 31st March, 2018	As at 31st March, 2017
1	**Trade payables:**			
	JSW Jaigarh Port Limited	Others **	1.91	36.02
	JSW International Trade Corp Pte Limited	Others **	10.59	114.59
	Barmer Lignite Mining Company Limited	Joint venture	125.13	71.50
	JSW Foundation	Others **	0.43	0.18
	South West Mining Limited	Others **	0.08	0.13
	JSW Infrastructure limited	Others **	0.25	-
	JSL Lifestyle Limited	Others **	*	*
	JSoft Solutions Limited	Others **	1.40	1.09
	South West Port Limited	Others **	-	2.26
	JSW Global Business Solutions Limited	Others **	0.80	1.20
	Maharashtra State Electricity Transmission Company Limited	Others **	0.16	0.08
	JSW Realty & Infrastructure Private Limited	Others **	0.53	0.19
	Heal Institute Private Limited	Others **	-	0.02
	JSW Green Private Limited	Others **	0.08	0.07
	Gagan Trading Company Limited	Others **	0.11	-
	JSW Techno Projects Management Limited	Others **	0.09	-
2	**Trade receivables:**			
	JSW Steel Limited	Others **	157.62	226.35
	JSW Cement Limited	Others **	8.24	5.11
	Toshiba JSW Power Systems Private Limited	Associate	2.66	7.08
	JSW Steel Coated Product Limited	Others **	16.42	4.00
3	**Financial assets:**			
	JSW Energy (Bengal) Limited	Others **	-	0.02
	JSW IP Holdings Private Limited	Others **	0.62	3.53
	Jindal Saw Limited	Others **	0.05	0.39
	Jindal Stainless (Hisar) Limited	Others **	*	-
	Amba River Coke Limited	Others **	13.42	13.15
	JSW Infrastructure limited	Others **	-	0.02
	JSW Bengal Steel limited	Others **	-	0.08
	JSW Project Limited	Others **	*	-
	South West Port Limited	Others **	0.15	-
	Rajasthan State Mines & Minerals Limited	Co-venturer	0.02	0.06
	Jindal Steel & Power Limited	Others **	0.14	0.16
	MJSJ Coal Limited	Joint venture	0.02	0.02
	Jindal Stainless Limited	Others **	0.01	0.01
	JSW Steel (Salav) Limited	Others **	0.05	-

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2018

₹ crore

Particulars		Relationship	As at 31st March, 2018	As at 31st March, 2017
4	**Security deposit placed with:**			
	JSW Steel Limited	Others **	2.12	1.86
	JSW Realty & Infrastructure Private Limited	Others **	7.35	6.73
	JSW Jaigarh Port Limited	Others **	29.50	43.08
	JSW IP Holdings Private Limited	Others **	1.42	1.42
	Gagan Trading Company Limited	Others **	9.85	9.85
5	**Lease deposit from:**			
	JSW Steel Limited	Others **	0.06	0.05
	JSW Infrastructure Limited	Others **	0.35	0.35
	JSW Jaigarh Port Limited	Others **	0.21	0.14
	Jindal Vidya Mandir	Others **	*	*
6	**Investment in equity share capital:**			
	JSW Steel Limited	Others **	2,018.15	1,318.12
	Toshiba JSW Power Systems Private Limited	Associate	100.23	100.23
	MJSJ Coal Limited	Joint venture	10.46	10.46
	Barmer Lignite Mining Company Limited	Joint venture	9.80	9.80
7	**Investment in preference share capital:**			
	JSW Realty & Infrastructure Private Limited	Others **	2.05	1.84
8	**Allowance for impairment in value of investments:**			
	MJSJ Coal Limited	Joint venture	3.94	3.94
9	**Loan and advances to:**			
	South West Mining Limited	Others **	-	213.69
	JSW Energy (Bengal) Limited	Others **	-	80.12
	JSW Global Business Solutions Limited	Others **	4.53	4.85
	JSW IP Holdings Private Limited	Others **	0.21	1.06
	Jindal Steel & Power Limited	Others **	381.13	373.00
	Barmer Lignite Mining Company Limited	Joint venture	568.12	546.88
10	**Interest receivable on loan:**			
	Jindal Steel & Power Limited	Others **	1.23	1.21
	Barmer Lignite Mining Company Limited	Joint venture	347.81	296.88
11	**Security and collateral Provided to:**			
	South West Mining Limited	Others **	275.00	96.34

* Less than ₹ 50,000

** Enterprises over which key management personnel and relatives of such personnel exercise significant influence.

Note:

1 Terms and conditions of outstanding balances: all outstanding balances are unsecured and repayable in cash.

2 For outstanding commitment with related party – Refer note 34[B].

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2018

Note No. 45 - Disclosure of additional information as required by Division II of Schedule III to the Companies Act, 2013:

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ crore	As % of consolidated profit and loss	₹ crore	As % of consolidated other comprehensive income	₹ crore	As % of total comprehensive income	₹ crore
Parent								
1 JSW Energy Limited	88.94	9,877.47	(523.21)	(444.28)	99.44	693.20	31.83	248.92
Subsidiaries								
Indian								
1 Raj WestPower Limited	27.05	3,004.46	158.22	134.35	0.01	0.06	17.19	134.41
2 Himachal Baspa Power Company Limited	15.06	1,672.59	259.22	220.12	0.06	0.42	28.20	220.54
3 JSW Green Energy Limited	1.16	128.55	0.05	0.05	0.01	0.08	0.02	0.13
4 Jaigad PowerTransco Limited	1.62	179.82	31.58	26.82	(0.00)	*	3.43	26.82
5 JSW Energy (Raigarh) Limited	0.78	86.70	(28.30)	(24.03)	-	-	(3.07)	(24.03)
6 JSW Energy (Kutehr) Limited	0.24	26.50	(0.45)	(0.38)	-	-	(0.05)	(0.38)
7 JSW Solar Limited	0.00	0.01	(0.00)	*	-	-	(0.00)	*
8 JSW Electric Vehicles Private Limited	0.00	0.01	(0.01)	*	-	-	(0.00)	*
Foreign								
1 JSW Energy Minerals Mauritius Limited	0.45	49.59	(3.75)	(3.18)	-	-	(0.41)	(3.18)
2 JSW Energy Natural Resources Mauritius Limited	0.35	38.35	0.15	0.13	-	-	0.02	0.13
3 Minerals & Energy Swaziland Proprietary Limited	(0.00)	*	(0.00)	*	-	-	(0.00)	*
4 JSW Energy Natural Resources South Africa Limited	0.00	0.20	5.39	4.57	-	-	0.58	4.57
5 Royal Bafokeng Capital (Pty) Limited	(0.11)	(11.91)	-	-	-	-	-	-
6 Mainsail Trading 55(Pty) Limited	(0.46)	(50.79)	(1.90)	(1.61)	-	-	(0.21)	(1.61)
7 South African Coal Mining Holdings Limited	(0.61)	(67.60)	10.98	9.33	-	-	1.19	9.33
8 SACM (Breyten) Proprietary Limited	(0.54)	(60.27)	25.88	21.98	-	-	2.81	21.98
9 South African Coal Mining Equipment Company Proprietary Limited	(0.16)	(17.74)	-	-	-	-	-	-
10 South African Coal Mining Operations Proprietary Limited	(0.75)	(83.73)	(0.79)	(0.67)	-	-	(0.09)	(0.67)
11 Umlabu Colliery Proprietary Limited	0.92	102.03	14.52	12.33	-	-	1.58	12.33
12 Jigmining Operations No. 1 Proprietary Limited	(0.12)	(13.45)	-	-	-	-	-	-
13 Yomhlaba Coal Proprietary Limited	(0.31)	(34.27)	-	-	-	-	-	-
Non-controlling interests in all subsidiaries	(0.04)	(3.94)	(8.17)	(6.94)	-	-	(0.89)	(6.94)

Notes

to the Consolidated Financial Statements for the year ended 31st March, 2018

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
Associates (Investment as per the equity method)								
Indian								
1 Toshiba JSW Power Systems Private Limited	(4.50)	(499.77)	-	-	-	-	-	-
Joint ventures (Investment as per the equity method)								
Indian								
1 Barmer Lignite Mining Company Limited	(0.21)	(23.80)	(58.28)	(49.49)	-	-	(6.33)	(49.49)
Adjustment arising out of consolidation	(28.75)	(3,193.25)	218.86	185.84	0.48	3.36	24.19	189.20
Balance as at 31st March, 2018	**100.00**	**11,105.76**	**100.00**	**84.91**	**100.00**	**697.12**	**100.00**	**782.03**

*Less than ₹ 50,000

Note No. 46 - Operating segment:

The Group is in the business of generation of power and related activities having similar economic characteristics primarily operated within India and regularly reviewed by Chief Operating Decision Maker for assessment of Group's performance and resource allocation. Accordingly, the Group has only one business segment.

The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below:

a) Revenue from operations

₹ crore

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Within India	8,048.23	8,263.43
Outside India	0.73	-
	8,048.96	**8,263.43**

b) Non-current operating assets

₹ crore

Particulars	As at 31st March, 2018	As at 31st March, 2017
Within India	23,880.40	24,188.02
Outside India - South Africa	130.01	125.96
	24,010.41	**24,313.98**

Geographical non-current assets are allocated on the basis of location of assets.

For and on behalf of Board of Directors

Prashant Jain
Jt. Managing Director & CEO
[DIN: 01281621]

Sajjan Jindal
Chairman and Managing Director
[DIN: 00017762]

Monica Chopra
Company Secretary

Jyoti Kumar Agarwal
Director - Finance
[DIN: 01911652]

Place: Mumbai
Date: 3rd May, 2018

Annexure - A

Form AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing sailent features of the financial statement of Subsidiaries / Associate companies / Joint Ventures

₹ crore

Sl. No.	Name of the Subsidiary	Part A: Subsidiaries												
		Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	Reporting currency and Exchange rate as on the last date of the revelant Financial year in the case of foreign subsidiaries	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of shareholding
1	Raj WestPower Limited			1,726.05	1,278.41	6,503.79	3,509.13	9.80	2,288.86	171.15	36.80	134.35	-	100.00
2	Himachal Baspa Power Company Limited			1,250.05	422.54	8,647.72	7,061.55	86.42	1,473.71	283.52	63.40	220.12	-	100.00
3	JSW Green Energy Limited			70.05	58.50	290.57	162.02	-	1,411.89	0.40	0.35	0.05	-	100.00
4	Jaigad PowerTransco Limited			137.50	42.32	379.71	216.88	17.00	91.57	34.16	7.34	26.82	61.88	74.00
5	JSW Energy (Raigarh) Limited			113.83	(27.13)	87.22	0.51	-	*	(24.03)	-	(24.03)	-	100.00
6	JSW Energy (Kutehr) Limited			29.02	(2.51)	27.94	1.44	-	*	(0.38)	-	(0.38)	-	100.00
7	JSW Solar Limited			0.01	*	0.01	*	-	-	*	-	*	-	100.00
8	JSW Electric Vehicles Private Limited			0.01	*	0.01	*	-	-	*	-	*	-	100.00
9	JSW Energy Minerals Mauritius Limited		USD 1 = INR 65.04	58.88	(9.29)	354.35	343.78	39.03	1.05	(3.18)	-	(3.18)	-	100.00
10	JSW Energy Natural Resources Mauritius Limited		USD 1 = INR 65.04	39.03	(0.68)	353.69	354.10	38.76	1.04	0.13	-	0.13	-	100.00
11	Minerals & Energy Swaziland Proprietary Limited		SZL 1 - INR 5.51	*	*	10.82	10.82	-	-	*	-	*	-	51.00
12	JSW Energy Natural Resources South Africa Limited	31st December	ZAR 1 = INR 5.53	24.07	(23.87)	305.14	349.26	44.32	10.69	4.57	-	4.57	-	100.00
13	Royal Bafokeng Capital (Pty) Ltd	31st December	ZAR 1 = INR 5.53	*	(11.92)	-	52.52	40.60	-	-	-	-	-	100.00
14	Mainsail Trading 55 (Pty) Ltd	31st December	ZAR 1 = INR 5.53	*	(50.79)	13.89	68.00	3.32	(1.61)	(1.61)	-	(1.61)	-	100.00
15	South African Coal Mining Holdings Limited	31st December	ZAR 1 = INR 5.53	129.42	(197.01)	13.89	109.44	27.94	12.21	9.33	-	9.33	-	69.44
16	SACM(Breyten) Proprietary Limited	31st December	ZAR 1 = INR 5.53	*	(60.27)	0.07	208.61	148.26	29.29	21.98	-	21.98	-	69.44
17	South African Coal Mining Equipment Company Proprietary Limited	31st December	ZAR 1 = INR 5.53	*	(17.74)	*	17.74	-	-	-	-	-	-	69.44
18	South African Coal Mining Operations Proprietary Limited	31st December	ZAR 1 = INR 5.53	*	(83.73)	23.21	106.94	-	-	(0.67)	-	(0.67)	-	69.44
19	Umlabu Colliery Proprietary Limited	31st December	ZAR 1 = INR 5.53	*	102.03	156.69	54.66	-	55.28	12.33	-	12.33	-	69.44
20	Jigmining Operations No 1 Proprietary Limited	31st December	ZAR 1 = INR 5.53	*	(13.45)	-	13.45	-	-	-	-	-	-	69.44
21	Yomhlaba Coal Proprietary Limited	31st December	ZAR 1 = INR 5.53	4.98	(39.25)	-	34.27	-	-	-	-	-	-	69.44

*Less than ₹ 50,000

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
3	JSW Solar Limited
4	JSW Electric Vehicles Private Limited

Part B: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl No.	Name of Associates / Joint ventures	Latest audited Balance Sheet Date	Shares of Associate / Joint Ventures held by the Company on the year end			Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ crore)	Profit / (Loss) for the year	
			No.	Amount of Investment in Associates / Joint Venture (₹ crore)	Extent of Holding %				Considered in Consolidation (₹ crore)	Not Considered in Consolidation (₹ crore)
1	Barmer Lignite Mining Company Limited	31st March, 2017	98,00,000	9.80	49.00%	A	NA	(3.10)	(49.49)	-
2	Toshiba JSW Power Systems Private Limited	31st March, 2017	9,98,77,405	100.23	22.52%	B	NA	(370.85)	-	-
3	MJSJ Coal Limited	31st March, 2017	1,04,61,000	10.46	11.00%	B	NA	10.35	-	-

Note

A) The Group holds 49% shareholding in the joint venture Company.

B) There is significant influence due to % of holding in the networth of the Company.

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 Board of Directors

Prashant Jain
Jt. Managing Director & CEO
[DIN: 01281621]

Sajjan Jindal
Chairman and Managing Director
[DIN: 00017762]

Monica Chopra
Company Secretary

Jyoti Kumar Agarwal
Director - Finance
[DIN: 01911652]

Place: Mumbai
Date: 3rd May, 2018

Financial Highlights (Standalone)

	2013-14 (IGAAP)	2014-15 (IGAAP)	2015-16 (INDAS)	2016-17 (INDAS)	2017-18 (INDAS)
REVENUE ACCOUNTS (₹ Crore)					
Revenue from Operations	5,802.61	6,331.95	5,862.63	4,040.97	4,212.05
Other Income	254.94	293.70	398.08	328.55	493.71
Total Income	6,057.55	6,625.65	6,260.71	4,369.52	4,705.76
EBIDTA before exceptional items	2,267.57	2,396.38	2,560.68	1,233.82	1,200.65
Depreciation & amortisation expense	452.85	420.83	353.52	363.90	364.21
Finance Costs	627.55	585.64	644.08	533.04	476.21
Exceptional items	370.21	34.23	-	-	659.18
Profit before Tax	816.96	1,355.68	1,563.08	336.88	(298.95)
Tax Expense	214.48	361.13	381.01	142.13	145.33
Profit for the year	602.48	994.55	1,182.07	194.75	(444.28)
CAPITAL ACCOUNTS (₹ Crore)					
Net carrying value of Property, plant & equipment and other intangibles	6,909.33	6,814.14	5,414.79	5,189.86	5,111.14
Capital Work in Progress (including capital advances)	551.17	654.00	326.29	494.48	282.40
Total Debt	4,939.05	4,231.96	5,024.66	3,464.07	3,140.18
Long-term Debt	4,819.06	4,231.96	3,524.66	3,464.07	3,140.18
Short Term Debt	119.99	-	1,500.00	-	-
Equity Share Capital (Net of Treasury Shares)	1,640.05	1,640.05	1,626.79	1,627.95	1,640.05
Other Equity	5,362.62	5,953.74	6,965.34	6,765.61	8,237.42
Total Equity	7,002.67	7,593.79	8,592.13	8,393.56	9,877.47
RATIOS					
Book Value Per Share (₹)	42.70	46.30	52.39	51.18	60.23
Market Price Per Share (₹)	59.25	119.20	69.55	62.70	72.80
Earning Per Share (Basic & Diluted) (₹)	3.67	6.06	7.27	1.20	(2.71)
Market Capitalisation (₹ Crore)	9,717.32	19,549.45	11,406.58	10,283.14	11,939.60
Equity Dividend Per Share (₹)	2.00	2.00	2.00	0.50	-
Fixed Assets Turnover Ratio	0.82	0.91	1.05	0.75	0.79
EBIDTA Margin	37.4%	36.2%	40.9%	28.2%	25.5%
Interest Coverage Ratio	2.89	3.37	3.43	1.63	1.76
Net Debt Equity Ratio	0.56	0.34	0.56	0.39	0.30
Long-term Debt to EBIDTA	2.13	1.77	1.38	2.81	2.62

Financial Highlights (Consolidated)

	2013-14 (IGAAP)	2014-15 (IGAAP)	2015-16 (INDAS)	2016-17 (INDAS)	2017-18 (INDAS)
REVENUE ACCOUNTS (₹ Crore)					
Revenue from Operations	8,705.42	9,380.16	9,824.49	8,263.43	8,048.96
Other Income	202.21	230.11	235.11	217.00	465.02
Total Income	8,907.63	9,610.27	10,059.60	8,480.43	8,513.98
EBIDTA before exceptional items	3,453.61	3,853.52	4,261.23	3,541.36	3,227.56
Depreciation & amortisation expense	809.95	789.76	854.25	969.15	966.08
Finance Costs	1,205.94	1,137.46	1,498.11	1,684.75	1,455.91
Exceptional items	377.69	34.23	(150.00)	-	417.94
Profit before Tax	1,060.03	1,892.07	2,016.53	891.52	338.14
Tax Expense	283.60	514.99	556.26	269.01	253.23
Share of Profit/(Loss) of Associate/Joint Venture Company	16.59	19.00	(42.34)	4.06	(49.49)
Non controlling interests	(5.10)	(8.57)	12.91	(6.52)	6.94
Profit for the year attributable to owners of the Company	754.74	1,349.51	1,447.36	629.03	77.97
CAPITAL ACCOUNTS (₹ Crore)					
Net carrying value of Property, plant & equipment and other intangibles	13,624.11	13,181.02	19,651.99	18,845.73	18,237.57
Capital Work in Progress (including capital advances)	1,125.89	1,326.23	419.96	601.73	369.69
Total Debt	10,106.45	9,294.10	14,862.23	14,349.27	11,883.26
Long-term Debt	9,898.76	9,145.88	13,272.90	14,340.61	11,875.07
Short Term Debt	207.69	148.22	1,589.33	8.67	8.19
Equity Share Capital (Net of Treasury Shares)	1,640.05	1,640.05	1,626.79	1,627.95	1,640.05
Other Equity	4,931.12	5,877.97	8,077.34	8,740.51	9,469.65
Total Equity attributable to owners of the Company	6,571.17	7,518.02	9,704.13	10,368.46	11,109.70
RATIOS					
Book Value Per Share (₹)	40.07	45.84	59.17	63.22	67.74
Market Price Per Share (₹)	59.25	119.20	69.55	62.70	72.80
Earning Per Share (Basic & Diluted) (₹)	4.60	8.23	8.90	3.86	0.48
Market Capitalisation (₹ Crore)	9,717.32	19,549.45	11,406.58	10,283.14	11,939.60
Equity Dividend Per Share (₹)	2.00	2.00	2.00	0.50	-
Fixed Assets Turnover Ratio	0.63	0.70	0.49	0.43	0.43
EBIDTA Margin	38.8%	40.1%	42.4%	41.8%	37.9%
Interest Coverage Ratio	2.19	2.69	2.27	1.53	1.55
Net Debt Equity Ratio	1.36	1.01	1.49	1.29	1.02
Long-term Debt to EBIDTA	2.87	2.37	3.11	4.05	3.68

Notice

NOTICE is hereby given that the 24th 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 - 400 021 on Monday, 6th August, 2018 at 3.00 p.m. to transact the following business:

ORDINARY BUSINESS

1. Adoption of the annual audited Financial Statement and Reports thereon

To receive, consider and adopt:

a. the audited Financial Statement of the Company for the financial year ended 31st March, 2018, together with the Reports of the Board of Directors and the Auditors thereon.

b. the audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2018, together with the Report of the Auditors thereon.

2. Appointment of a Director in place of one retiring by rotation

To appoint a Director in place of Ms. Tanvi Shete (DIN: 07565435) who retires by rotation and, being eligible, offers herself for re-appointment.

3. Ratification of Appointment of Statutory Auditors

To ratify the appointment of Statutory Auditors and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof, and pursuant to the approval granted by the Members at the 23rd Annual General Meeting and pursuant to the recommendation of the Audit Committee and the Board of Directors, the appointment of Deloitte Haskins & Sells LLP, Chartered Accountants, Firm Registration No. 117366W/W-100018 as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting be and is hereby ratified."

SPECIAL BUSINESS

4. Appointment of Mr. Jyoti Kumar Agarwal 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 Section 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s) or re-enactment thereof, Mr. Jyoti Kumar Agarwal (DIN: 01911652), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 11th August, 2017 and who holds office up to the date of this Annual General Meeting in terms of Section 161 of the Act and Article 116 of the Articles of Association of the Company and who is eligible for appointment as a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

5. Appointment of Mr. Jyoti Kumar Agarwal 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, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V to the Act, including any statutory modification(s) or re-enactment thereof, Mr. Jyoti Kumar Agarwal (DIN: 01911652) be and is hereby appointed as a Whole-time Director of the Company designated as 'Director - Finance' for a term of 5 years from 11th August, 2017 to 10th August, 2022, on the terms and conditions as set out in the Statement annexed hereto."

6. Appointment of Mr. Sattiraju Seshagiri Rao 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 Section 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, ('the Rules') including any statutory modification(s) or re-enactment thereof, Mr. Sattiraju Seshagiri Rao (DIN: 00150816) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 3rd May, 2018, and who holds office up to the date of this Annual General Meeting in terms of Section 161 of the Act and Article 116 of the Articles of Association of the Company and who is eligible for appointment as a 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 Rules read with Schedule IV to the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment thereof, Mr. Sattiraju Seshagiri Rao, 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 3 years from 3rd May, 2018 to 2nd May, 2021."

7. 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 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof, the remuneration of ₹ 1,50,000 (Rupees One Lakh Fifty Thousand) plus taxes as applicable and reimbursement of actual travel and out of pocket expenses as recommended by the Audit Committee and approved by the Board of Directors of the Company, to be paid to S. R. Bhargave & Co., Cost Accountants, Firm Registration No. 000218, for the conduct of the audit of the cost accounting records of the Company for the financial year ending 31st March, 2019, be and is hereby ratified."

8. 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, utilisation 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."

9. Fund raising 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 other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, 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 statutory modification(s) or re-enactment thereof, and the enabling provisions in the Memorandum and Articles of Association of the Company and the Securities and Exchange Board of India (Listing Obligations Disclosure Requirements) Regulations, 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 Members 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) 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 international offering(s), 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 fit."

10. 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 Annual General Meeting held on 13th July, 2017 and pursuant to the provisions of Sections 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013, ('the Act') read with 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 to 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 stabilising 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 ₹ 5,000 Crore (Rupees Five Thousand Crore), including premium, 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, finalisation 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 QIP pursuant to Chapter VIII of the SEBI 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 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 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 Regulations, the 'Relevant Date' shall mean the 'Relevant Date' as defined under Regulation 81(c) of SEBI Regulations, on the basis of which the price of the Securities shall be determined as specified under SEBI 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 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, 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 capitalisation 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-organisation 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 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 authorised 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, trading of Securities, 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 utilisation 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."

By order of the Board of Directors
JSW Energy Limited



Monica Chopra
Company Secretary

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

Mumbai
3rd May, 2018

Notes:

1. The 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. During the period beginning 24 hours before the time fixed for the commencement of the meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the Company provided that not less than three (3) days of advance notice in writing is given to the Company.

5. 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 authorising their representatives to attend and vote on their behalf at the meeting.

6. Route map giving directions to the venue of the meeting is annexed to the Notice.

7. 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 containing details about User ID and password is sent alongwith this Notice.

8. 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.

9. Members / Proxies are requested to bring the Attendance Slip duly filled in for attending the meeting.

10. 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 on the Attendance Slip for attending the meeting to facilitate identification of membership at the meeting.

11. The Company has notified closure of Register of Members and Share Transfer Books from Tuesday, 31st July, 2018 to Monday, 6th August, 2018 (both days inclusive) for the purpose of the 24th Annual General Meeting.

12. In terms of the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules), the Company has uploaded the information in respect of the unclaimed dividends pertaining to the financial years from 2010-11, as on the date of the 23rd Annual General Meeting i.e. 13th July, 2017, on IEPF's website viz. www.iepf.gov.in and on the Company's website at the following link: http://www.jsw.in/investors/energy/jsw-energy-investor-information-iepf.

13. Pursuant to the provisions of Section 124 of the Companies Act, 2013, the amount of 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, ₹ 413,304, being the unclaimed dividend amount pertaining to FY 2009-10 was duly transferred to the IEPF.

14. Unclaimed dividend for FY 2010-11 is due to be transferred to the IEPF on 27th August, 2018. The Company has sent individual letters to those Members who have not en-cashed their dividend for FY 2010-11 and onwards. Members are requested to claim the same from the Company's Registrar and Share Transfer Agent i.e. Karvy Computershare Private Limited (Karvy) at the earliest.

15. Members who have not so far claimed dividend for any subsequent financial years are also advised to claim the same from Karvy at the earliest.

16. Members are requested to note that shares on which dividend remains unclaimed for 7 consecutive years, are required to be transferred to the IEPF as per Section 124 of the Companies Act, 2013 and the relevant Rules thereunder. Accordingly, 8,386 Equity Shares of ₹ 10 each were transferred to the designated demat account of the IEPF Authority as on the due date of transfer i.e. 31st October, 2017. Details of such Equity Shares transferred to the IEPF Authority are uploaded on the Company's website at the following link: http://www.jsw.in/investors/energy/jsw-energy-investor-information-iepf.

17. Pursuant to the provisions of Section 124 of the Companies Act, 2013, Members are requested to note that all Equity Shares of the Company on which dividend has not been claimed for 7 consecutive years as on 27th August, 2018 shall be transferred by the Company to the designated demat account of the IEPF Authority. Details of such Equity Shares to be transferred to the IEPF Authority are uploaded on the website of the Company at the link: http://www.jsw.in/investors/energy/jsw-energy-investor-information-iepf.

18. Members may note that the unclaimed dividend and Equity Shares transferred to the IEPF can be claimed by them by making an online application, the details of which are available at www.iepf.gov.in.

19. Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate the risks associated with physical shares.

20. Members are requested to promptly intimate any change in their name, postal address, email address, contact numbers, PAN, nominations, mandates, bank details, etc. to their DPs for Equity Shares held in dematerialised form and to Karvy at the address: Karvy Computershare Private Limited, Unit: JSW Energy Limited, Karvy Selenium Tower B, Plot. No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032, in respect of Equity Shares held in physical form.

21. 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.

22. 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. Even after registering for electronic communication, Members are entitled to receive such communication in physical form free of cost, upon making a request for the same by post / e-mail.

23. All the documents referred to in the accompanying Notice and 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 24th Annual General Meeting.

24. Members desirous of having any information regarding Accounts of the Company are requested to address their queries to the Financial Controller 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.

25. 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 Requirements) 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. Monday, 30th July, 2018 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 ballot 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 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. Monday, 30th July, 2018.

    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. Monday, 30th July, 2018 only shall be entitled to avail the facility of remote e-voting/ voting by electronic means or by ballot 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 Thursday, 2nd August, 2018

    End of remote e-voting: 5.00 p.m. (IST) on Sunday, 5th August, 2018

    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 Scrutiniser to scrutinise the remote e-voting and voting through electronic means / ballot paper 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 holds shares as on the Cut-off Date i.e. Monday, 30th July, 2018 may obtain the User ID and password in the manner as mentioned below:

        a) If the mobile number of the Member is registered against Folio No. / DP ID Client ID, the Member may send SMS: MYEPWD 〈space〉 E-Voting Event Number + Folio No. or DP ID Client ID to 9212993399

        Example for NSDL: MYEPWD 〈SPACE〉 IN12345612345678

        Example for CDSL: MYEPWD 〈SPACE〉 1402345612345678

        Example for Physical: MYEPWD 〈SPACE〉 XXXX1234567890

b) If e-mail address or mobile number of the Member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.karvy.com, the Member may click 'Forgot Password' and enter Folio No. or DP ID Client ID and PAN to generate a password.

c) Member may call Karvy's toll free number 1-800-3454-001 or send an e-mail request to evoting@karvy.com.

If the Member is already registered with Karvy's e-voting platform, he can use his existing User ID and password for casting his vote through remote e-voting.

x. The Scrutiniser, after scrutinising 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 Scrutiniser's Report and submit the same to the Chairman or the Company Secretary. The results declared along with the consolidated Scrutiniser's Report shall be placed on the website of the Company at the link 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. 6th August, 2018.

xii. Information and other instructions relating to remote e-voting are as under:

A. In case of Members receiving the Notice through 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 a 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 / vote will not be counted under either head.

(ix) Members holding multiple folios / demat account shall choose the voting process separately for each folio / 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 authorised 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. Initial User ID and Password is provided at the bottom of the attendance slip in the following format:

User ID	Password
-	-

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. S. V. Raju of Karvy at 040- 67161500 or at 1800 345 4001 (toll free).

26. As a green initiative, copies of Annual Report will not be distributed at the meeting. Members are requested to bring their copy to the meeting.

27. The Annual Report for FY 2017-18 of the Company circulated to the Members of the Company is available on the website of the Company at the link www.jsw.in.

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. 4 and 5

Based on the recommendation of the Compensation and Nomination & Remuneration Committee, the Board of Directors at its meeting held on 11th August, 2017, appointed Mr. Jyoti Kumar Agarwal (DIN: 01911652) as an Additional Director of the Company with effect from 11th August, 2017 and he holds office upto the date of this 24th Annual General Meeting pursuant to the provisions of Section 161 (1) of the Companies Act, 2013 and Article 116 of the Articles of Association of the Company. At the same meeting, the Board of Directors appointed Mr. Jyoti Kumar Agarwal as a Whole-time Director, designated as 'Director - Finance' for a period of 5 years, subject to the approval of the Members.

As required under Regulations 26(4) and 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standards-2, Mr. Agarwal's brief resume and other requisite information is annexed to, and forms a part of, this Notice.

The Company has received a notice in writing under Section 160 of the Companies Act, 2013, from a Member proposing the candidature of Mr. Agarwal for the office of Director. Mr. Agarwal has conveyed his consent to act as a Director of the Company and made the necessary disclosures and declarations.

The present terms and conditions of appointment of Mr. Agarwal are as under:

1. Remuneration:

i) Remuneration of Mr. Agarwal 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; 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. Agarwal 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 provision in the Act, perquisites shall be evaluated at actual cost.

iii) The perquisite value computed in terms of the Income Tax Act, 1961, upon exercise by Mr. Agarwal of the stock options granted / 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. Agarwal 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. Agarwal's tenure as a Whole-time Director, the Company has no profits or its profits are inadequate, the Company will pay the remuneration that Mr. Agarwal is then entitled to as Minimum Remuneration.

A copy of the letter of appointment of Mr. Agarwal as Director-Finance stating the detailed 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.

As per Sections 152 and 196 of the Act and the Rules thereunder, a Director / Whole-time Director can be appointed with the approval of the Members in the General Meeting. Accordingly, approval of the Members is sought for the appointment of Mr. Jyoti Kumar Agarwal as a Director and Whole-time Director of the Company.

The Board considers that the appointment of Mr. Jyoti Kumar Agarwal as a Director and Whole-time Director, given his in-depth knowledge and expertise in financial and general management fields, will be in the best interest of the Company.

Your Directors recommend the Resolutions at Items No. 4 and 5 for approval by the Members.

Except Mr. Jyoti Kumar Agarwal, none of the Directors, or Key Managerial Personnel or their relatives, have any concern or interest, financial or otherwise, in the Resolutions.

Item No. 6

Based on the recommendation of the Compensation and Nomination & Remuneration Committee, the Board of Directors at its meeting held on 3rd May, 2018, appointed Mr. Sattiraju Seshagiri Rao (DIN: 00150816) as an Additional Director of the Company with effect from 3rd May, 2018 and he holds office up to the date of this Annual General Meeting pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ('the Act') and Article 116 of the Articles of Association of the Company.

As required under Regulations 26(4) and 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Clause 1.2.5 of Secretarial Standards-2, Mr. Rao's brief resume and other requisite information is annexed to, and forms a part of this Notice.

The Company has received a notice in writing under Section 160 of the Act from a Member proposing the candidature of Mr. Rao for the office of Director. Mr. Rao has conveyed his consent to act as a Director of the Company and has given a declaration that he meets the criteria of independence as prescribed under Section 149(6) of the Act and under Regulation 16 of the Listing Regulations. In the opinion of the Board of Directors, Mr. Rao fulfils the conditions for his appointment as an Independent Director as specified in the Act and Listing Regulations. Mr. Rao is independent of the Management. Accordingly, it is proposed to appoint Mr. Rao as an Independent Director for a term of 3 consecutive years from 3rd May, 2018 to 2nd May, 2021,

in terms of Section 149 and other applicable provisions of the Act and Regulation 25 of the Listing Regulations. Pursuant to the provisions of Section 149(13) of the Act, Mr. Rao will not be liable to retire by rotation. A copy of the letter of appointment of Mr. Rao 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 website of the Company at the link www.jsw.in/investors/energy/jsw-energy-corporate-governance-policies.

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. Sattiraju Seshagiri Rao as an Independent Director.

The Board considers that the appointment of Mr. Sattiraju Seshagiri Rao as an Independent Director, given his vast experience and knowledge in diverse areas, will be in the best interest of the Company.

Your Directors recommend the Resolutions at Item No. 6 for approval by the Members.

Except Mr. Sattiraju Seshagiri Rao, none of the Directors or Key Managerial Personnel or their relatives, have any concern or interest, financial or otherwise, in the Resolutions.

Item No. 7

As per Notification dated 31st December, 2014 issued by the Ministry of Corporate Affairs, the Companies (Cost Records and Audit) Rules, 2014, provisions relating to auditing of cost accounting records are applicable to the Company.

S. R. Bhargave & Co., Cost Accountants (Firm), has been conducting the audit of the cost accounting records of the Company since past many years. The Firm has, as required under Section 141 of the Companies Act, 2013, consented to act as the Cost Auditor of the Company for the financial year 2018-19 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 3rd May, 2018, 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 (Rupees One Lakh Fifty Thousand) plus taxes as applicable and reimbursement of actual travel and out of pocket expenses for the financial year ending 31st March, 2019, 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 at Item No. 7 for ratification by the Members.

None of the Directors or Key Managerial Personnel or their relatives, have any concern or interest, financial or otherwise, in the Resolution.

Items No. 8 and 9

In order to augment the long-term resources for financing, *inter alia*, the capital expenditure of existing / new business, for refinancing of part of the existing loans to reduce interest costs, for any general corporate purposes, etc. of the Company and its subsidiaries, joint ventures and affiliates, including investment in subsidiaries (including overseas subsidiaries), joint ventures and affiliates, the Company may, depending upon market dynamics:

a. offer or invite subscription to secured / unsecured redeemable non-convertible debentures upto an amount of ₹ 5,000 Crore (Rupees Five Thousand Crore), in one or more tranches on a private placement basis

b. issue non-convertible foreign currency denominated bonds not exceeding US$750 Million (United States Dollar Seven Hundred and Fifty Million) and / or masala bonds denominated in equivalent Indian currency in the aggregate in the international capital market

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 23rd Annual General Meeting held on 13th July, 2017 for an amount of ₹ 5,000 Crore (Rupees Five Thousand 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).

Accordingly, an enabling Resolution, as set out at Item No. 8 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). 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.

It is proposed that the Board of Directors be authorised by way of enabling Resolutions as at Item No. 9 of this Notice, to raise additional long-term resources by way of issue of non-convertible foreign currency denominated bonds not exceeding US$750 Million (United States Dollar Seven Hundred and Fifty Million) and / or masala bonds denominated in equivalent Indian currency in the aggregate in the international capital market.

A Special Resolution was passed by the Members at the 23rd Annual General Meeting held on 13th July, 2017 authorising issue of Non-convertible Bonds upto USD 750 Million or its equivalent Indian or any other currency and pursuant to which, no amount was raised by the Company.

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 Resolutions at Items No. 8 and 9 for approval by the Members.

None of the Directors or Key Managerial Personnel or their relatives, have any concern or interest, financial or otherwise, in the Resolutions.

Item No. 10

To fund the requirements of capital and revenue expenditure including working capital or 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 for repayment of debt, towards strengthening the balance sheet of the Company and for any 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 23rd Annual General Meeting held on 13th July, 2017, for ₹ 7,500 Crore (Rupees Seven Thousand Five Hundred Crore) which was valid for 12 months and pursuant to which, no amount was raised by the Company.

The Company is in the midst of pursuing various growth opportunities including organic and inorganic opportunities and the Board of Directors believes that it would be necessary to raise funds.

The proposed Resolution enables the Board of Directors to issue Securities for an aggregate amount not exceeding ₹ 5,000 Crore (Rupees Five Thousand Crore) or its equivalent in any foreign currency.

The Special Resolution also authorises 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 Regulations for raising capital. The pricing of the Specified Securities to be issued to QIBs pursuant to the SEBI Regulations shall be freely determined subject to such price not being less than the price calculated in accordance with Chapter VIII of the SEBI 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 Regulations. The 'Relevant Date' for this purpose will mean 'Relevant Date' as defined under regulation 81(c) of SEBI Regulations.

The detailed terms and conditions for the offer will be determined by the Board of Directors in consultation with the Advisors, Merchant Bankers, Underwriters and such other authority or authorities as may be required to be consulted by the Company considering the prevalent market conditions from time to time and in accordance with the applicable provisions of law, rules and regulations and other relevant factors.

The Equity Shares allotted or arising out of conversion of any Securities would be listed. The issue / allotment / conversion of Securities would be subject to the receipt of regulatory approvals, if any. Further the conversion of Securities held by foreign investors, into Equity Shares would be subject to the permissible foreign shareholding limits / cap specified by Reserve Bank of India from time to time.

Section 62(1)(a) of the Companies Act, 2013, provides, *inter alia*, that when it is proposed to increase the issued capital of a Company by allotment of further equity shares, such further equity shares shall be offered to the existing shareholders of such Company in the manner laid down therein unless the shareholders by way of a special resolution in a general meeting decide otherwise. Since, the Special Resolution proposed in the Notice may result in the issue of Equity Shares of the Company to persons other than existing shareholders of the Company, consent is being sought pursuant to the provisions of Section 62(1)(c) and other applicable provisions of the Companies Act, 2013 as well as applicable Rules thereunder and the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Special Resolution as set out at Item No. 10 of the Notice, if passed, will have the effect of permitting the Board of Directors to issue and allot Securities to Investors, who may or may not be existing shareholders of the Company in the manner as set out in Resolution. The Board of Directors believes that the proposed Special Resolution is in the interest of the Company.

Your Directors recommend the Resolution at Item No. 10 for approval by the Members.

None of the Directors or Key Managerial Personnel or their relatives, have any concern or interest, financial or otherwise, in the Resolution.

By order of the Board of Directors
JSW Energy Limited



Monica Chopra
Company Secretary

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

Mumbai
3rd May, 2018

Pursuant to Regulations 26(4) and 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standards-2, the details for the Director proposed to be re-appointed / appointed at the ensuing Annual General Meeting are given below:

Name of Director	Ms. Tanvi Shete	Mr. Jyoti Kumar Agarwal	Mr. Sattiraju Seshagiri Rao
Category / Designation	Non-Executive, Non Independent Director	Executive Director, Director – Finance	Independent Director
DIN	07565435	01911652	00150816
Age	31 years	44 years	71 years
Date of Birth	14th February, 1987	29th May, 1974	11th November, 1947
Original Date of Appointment	22nd July, 2016	11th August, 2017	3rd May, 2018
Expertise in specific functional areas / Brief Resume	Ms. Shete has been a Teach for India Fellow, having done a two-year fellowship programme teaching underprivileged children in Mumbai. She has also worked at Akanksha Foundation which is a non-profit organisation with a mission to provide children from low-income communities with a high-quality education, enabling them to maximise their potential and transform their lives. Ms. Shete is actively involved with the JSW Foundation and is the Managing Trustee of the Jindal Education Trust looking after all the education initiatives including 8 JSW managed schools.	Mr. Jyoti Kumar Agarwal has over 17 years of rich and varied professional experience across Corporate Finance, Asset Management, Investment Banking, Treasury and Foreign Exchange Management, having worked with reputed Indian and Multinational corporations.	Mr. Sattiraju Seshagiri Rao has over 45 years of experience in professionally managed, state owned, joint venture with multi-national and private sector power companies in areas of power generation, EHV transmission and power systems. Mr. Rao was the first JMD&CEO of the Company having served for 15 years. Mr Rao is also on the Board of Directors of other reputed companies.
Qualifications	Graduate from New York University with a degree in Economics	Chartered Accountant, Master of Business Administration from IIM, Calcutta and Chartered Financial Analyst.	Bachelor's degree in Electrical Engineering, Master's degree in Business Administration and Fellow of the Institution of Engineers (India)
Directorship in other Indian Public Limited Companies	Nil	1. Barmer Lignite Mining Company Limited 2. Jaigad PowerTransco Limited 3. Raj WestPower Limited 4. Himachal Baspa Power Company Limited 5. Gourangdih Coal Limited 6. JSW Solar Limited 7. JSW Electric Vehicles Private Limited	1. The Sandur Manganese and Iron Ores Limited 2. Barmer Lignite Mining Company Limited 3. NCC Urban Infrastructure Limited 4. NCC Infrastructure Holdings Limited

Name of Director	Ms. Tanvi Shete	Mr. Jyoti Kumar Agarwal	Mr. Sattiraju Seshagiri Rao
Chairmanship / Membership of Committees in other Indian Public Limited Companies*	Nil	**Audit Committee Member** 1. Barmer Lignite Mining Company Limited 2. Raj WestPower Limited 3. Himachal Baspa Power Company Limited	**Audit Committee Chairman** 1. NCC Infrastructure Holdings Limited 2. Barmer Lignite Mining Company Limited **Audit Committee Member** 1. The Sandur Manganese and Iron Ores Limited 2. NCC Urban Infrastructure Limited
Number of Equity Shares held in the Company	2,50,02,225	Nil	1,800
Relationship between Directors inter-se; with other Directors and Key Managerial Personnel of the Company	Daughter of Mr. Sajjan Jindal, Chairman and Managing Director	None	None
Terms and conditions of appointment or re-appointment	To be re-appointed as Director liable to retire by rotation	To be appointed as Director liable to retire by rotation and also as Whole-time Director designated as Director – Finance for a period of 5 years from 11th August, 2017	To be appointed as an Independent Director not liable to retire by rotation for 3 years
Remuneration last drawn (in FY 2017-18)	Nil	₹ 2.13 Crore	Not applicable
Remuneration proposed to be paid	Nil	As per the Resolution at Item No. 5 of this Notice read with the Statement thereto, proposed ceiling limit of ₹ 50,00,000/- (Rupees Fifty Lakh) per month	Sitting fees and commission in accordance with the provisions of Companies Act, 2013
Number of Meetings of the Board attended during the year	5 of 8	5 of 5	Not applicable

*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 Centre, Bandra-Kurla Complex
Bandra (East), Mumbai - 400051

Mumbai
3rd May, 2018

Notes

E-COMMUNICATION REGISTRATION FORM

To,
Karvy Computershare Private Limited
Unit: JSW Energy Limited
Karvy Selenium Tower B, Plot 31-32, Gachibowli
Financial District, Nanakramguda, Hyderabad –500032
Ph. Nos: 040-67161500
Fax No. 040- 23001153
E-mail: einward.ris@karvy.com
Website: www.karvy.com

GREEN INITIATIVE IN CORPORATE GOVERNANCE

I / We hereby exercise my /our option to receive all Notices / Documents, etc. from the Company including Notice of General Meetings, Audited Financial Statements, Directors' Report, Auditors' Report, Postal Ballot Notices, etc. in electronic mode. Please register my e-mail ID as given below, in your records, for sending the communications:

DP ID & Client ID / Folio No. : .....

Name of 1st Registered Holder : .....

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

Registered Address of the Sole / 1st Registered Holder : .....

.....

.....

.....

E-mail ID (to be registered) : .....

.....

Date : ..... Signature : .....

Notes:

1. The above form may be used for registering the E-mail IDs by those Members who have not got their E-mail id registered.
2. Members holding shares in electronic mode are requested to have their e-mail addresses registered with their respective Depository Participants.
3. Members holding shares in physical mode are requested to send the duly filled and signed form to the Company's Registrar, as mentioned above.
4. Members are requested to keep their Depository Participants / Company's Registrar-Karvy Computershare Private Limited, informed as and when there is any change in the e-mail address.
5. The form is also available on the website of the Company www.jsw.in under the Section 'Investor information'.
6. On registration, all the communications will be sent to the E-mail ID registered.

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014.]

JSW ENERGY LIMITED

Registered Office: JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
CIN: L74999MH1994PLC077041
Phone: +91 22 4286 1000 Fax: +91 22 4286 3000, website: www.jsw.in

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 24th Annual General Meeting of the Company, to be held on Monday, 6th August, 2018 at 3.00 p.m. at Yashwantrao Chavan Pratisthan, Y. B. Chavan Auditorium, General Jagannath Bhosale Marg, Mumbai - 400 021 and at adjournment thereof in respect of such Resolutions as mentioned overleaf:

Resolution Number	Resolution	Vote (See Note 3)	
		For	Against
Ordinary Business			
1.	Adoption of the annual audited Financial Statement and Reports thereon		
2.	Appointment of a Director in place of one retiring by rotation		
3.	Ratification of Appointment of Statutory Auditors		
Special Business			
4.	Appointment of Mr. Jyoti Kumar Agarwal as a Director		
5.	Appointment of Mr. Jyoti Kumar Agarwal as a Whole-time Director		
6.	Appointment of Mr. Sattiraju Seshagiri Rao as an Independent Director		
7.	Ratification of the remuneration of Cost Auditor		
8.	Issue of Non-Convertible Debentures, etc.		
9.	Fund raising through Bonds		
10.	Issue of Equity Shares, etc.		

Signed this ..... day of ....., 2018

Affix
Revenue
Stamp

Signature of Shareholder

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at Registered Office at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, not less than 48 hours before the scheduled time of the meeting.

2. A person can act as Proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. A Member holding more than 10% of the total share capital of the Company may appoint a single person as a Proxy and such person cannot act as a Proxy for any other Member.

3. Please put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he / she may deem appropriate.

JSW ENERGY LIMITED

Registered Office: JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
CIN: L74999MH1994PLC077041
Phone: +91 22 4286 1000 Fax: +91 22 4286 3000, website: www.jsw.in

ATTENDANCE SLIP

*Regd. Folio No. ..... DP. ID. .....

Client ID. .....

24th ANNUAL GENERAL MEETING on 6th AUGUST, 2018

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

I hereby record my presence at the 24th Annual General Meeting of the Company held on Monday, 6th August 2018 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

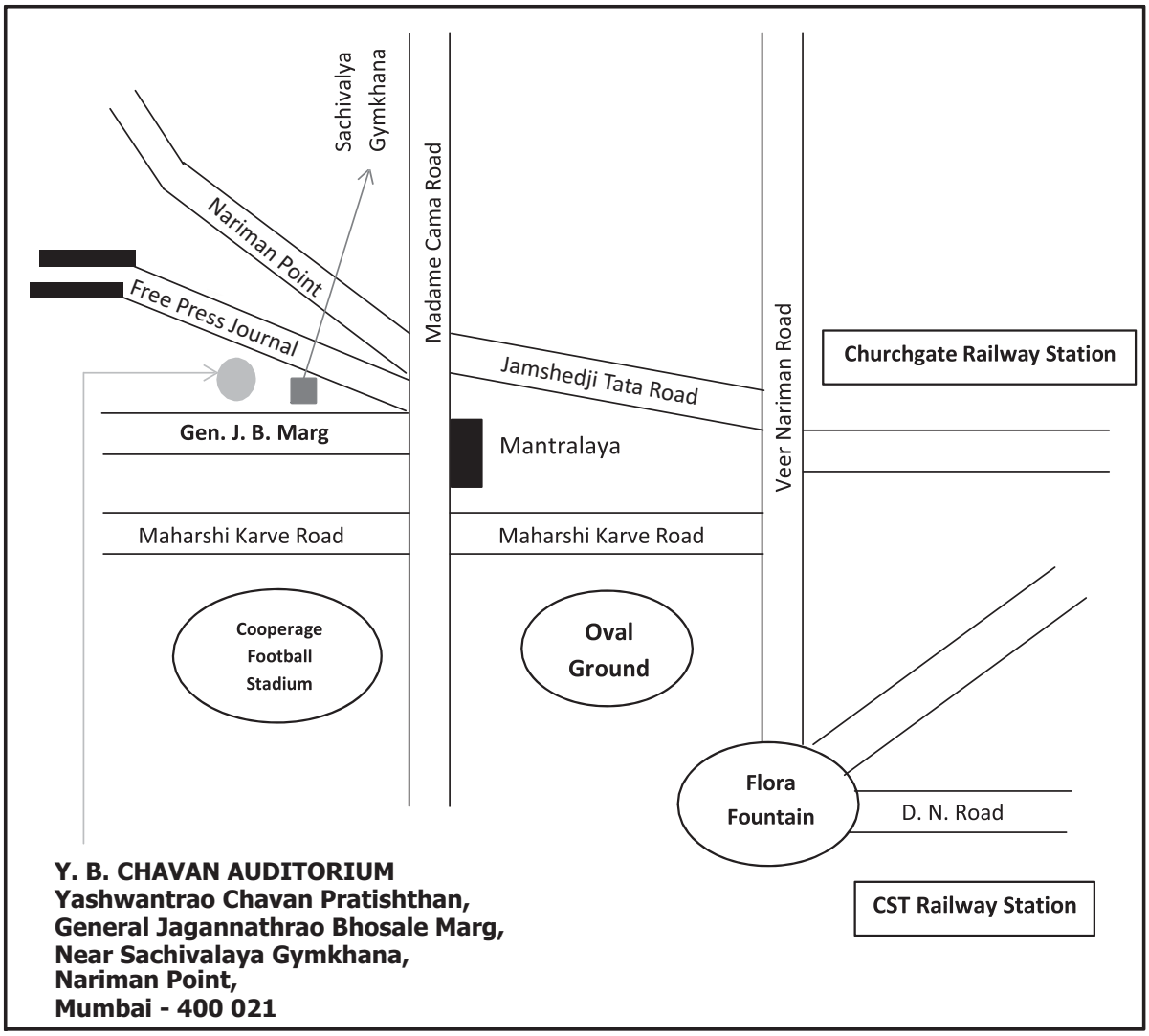
Notes:

- 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.

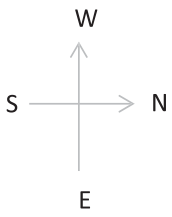
** Strike out whichever is not applicable.

Route Map to Venue of the Annual General Meeting on Monday, 6th August, 2018, At 3.00 p.m.



Y. B. CHAVAN AUDITORIUM
Yashwantrao Chavan Pratishthan,
General Jagannathrao Bhosale Marg,
Near Sachivalaya Gymkhana,
Nariman Point,
Mumbai - 400 021

Not to scale



Awards

Golden Peacock National Quality Award 2017 to Ratnagiri Plant
Institute of Directors, New Delhi
Certificate
19th April, 2017

Srishti Good Green Governance Award in the Hydro sector awarded to KWHEP for Environmental protection
Srishti Publications Pvt. Ltd.
Certificate
22nd April, 2017

World's Greatest Brand of the Year (2016-17) to JSW Energy Limited
United Research Services
Certificate
21st May, 2017 (Dubai)

Excellence Energy Efficient Unit to Vijayanagar Plant at 18th National

Award for Excellence in Energy Management 2017
Confederation of Indian Industries (CII) at Hyderabad
Trophy
1st September, 2017

'Unnatha Suraksha Puraskara' award to Vijayanagar Plant
National Safety Council, Karnataka Chapter
Certificate
9th September, 2017



If undelivered please return to:

JSW Energy Limited
JSW Centre
Bandra-Kurla Complex
Bandra (E)
Mumbai - 400 051

/ concept, content and design at AICL (hello@aicl.in)

JSW Energy

Tel: 022 4286 1000
Fax: 022 4286 1000
Website: www.jsw.in
CIN: L74999MH1994PLC077041