LODHA
& CO
CHARTERED ACCOUNTANTS

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LIMITED REVIEW REPORT

Review Report
To the Board of Directors
JSW ENERGY LIMITED

We have reviewed the accompanying statement of unaudited consolidated financial results of **JSW ENERGY LIMITED** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), a jointly controlled entity and an associate for the quarter and nine months ended **31st December, 2016,** being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated 05th July, 2016. This statement is the responsibility of the company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these consolidated financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410,"Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

We have not reviewed the financial statements of five subsidiaries included in the consolidated quarterly and nine months financial results, whose financial statements reflect total assets of Rs. 9,276.23 crore as at 31st December, 2016, and the total revenue of Rs. 869.88 crore and Rs. 3,328.54 crore for the quarter and nine months ended 31st December, 2016, respectively. These financial statements have been reviewed by other auditors whose reports have been furnished to us, and our opinion is based solely on the reports of such other auditors.

We have not reviewed the financial statements of nineteen foreign subsidiaries included in the consolidated financial statements, whose financial statements reflect total assets of Rs. 1,396.61 crore as at 31st December, 2016, and the total revenue of Rs. 15.60 crore and Rs. 21.82 crore for the quarter and nine months ended 31st December, 2016, respectively. The consolidated financial results also include the group's share of net profit of Rs. 2.15 crore and Rs. 1.90 crore for the quarter and nine months ended 31st December, 2016, respectively of a jointly controlled entity and Rs. NIL and Rs. NIL for the quarter and nine months ended 31st December, 2016, respectively of an associate. These financial statements have been certified by the company's management and furnished to us, and our opinion, in so far as it relates to the amount included in respect of nineteen foreign subsidiary companies, a jointly controlled entity and an associate, are based solely on these certified financial statements.

LODHA & CO. MUMBAI-01 Chartered Accountants

Based on our review, conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results prepared in accordance with Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/15/2015 dated 30th November, 2015 and SEBI Circular No. CIR/CFD/FAC/62/2016 dated 05th July, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Lodha and Co.
Chartered Accountants
ICAI Firm Registration No. 301051E

LODHA & CO. MUMBAI-01 Chartered Accountants

A.M. Hariharan
Partner
Membership No. 38323

Place: Mumbai
Date: 23th January, 2017

JSW ENERGY LIMITED

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

Unaudited Consolidated Financial Results for the Quarter and Nine Months Ended 31.12.2016

(₹ Crore)

Sl.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2016	30.09.2016	31.12.2015	31.12.2016	31.12.2015	31.03.2016
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1	**Income from operations:**						
	a) Net Sales / Income from Operations	1,865.48	2,008.24	2,562.31	6,284.95	7,083.58	9,672.13
	b) Other Operating Income	38.82	38.78	36.67	116.40	110.20	152.36
	Total Income from operations (net)	**1,904.30**	**2,047.02**	**2,598.98**	**6,401.35**	**7,193.78**	**9,824.49**
2	**Expenses:**						
	a) Fuel Cost	994.75	866.73	1,111.76	2,902.07	3,176.47	4,377.35
	b) Purchase of Power	31.22	26.33	107.93	100.84	444.84	543.15
	c) Employee Benefits Expense	51.22	53.93	48.64	157.94	135.95	183.81
	d) Depreciation and Amortisation Expense	244.40	247.13	240.17	731.29	618.11	856.32
	e) Other Expenses	169.58	137.32	184.73	502.99	487.41	694.06
	Total Expenses	**1,491.17**	**1,331.44**	**1,693.23**	**4,395.13**	**4,862.78**	**6,654.69**
3	**Profit from Operations before Other income, Finance costs (1 - 2)**	**413.13**	**715.58**	**905.75**	**2,006.22**	**2,331.00**	**3,169.80**
4	Other Income (Refer Note No 2 below)	50.53	51.62	28.06	143.78	350.95	385.11
5	**Profit before Finance costs (3 + 4)**	**463.66**	**767.20**	**933.81**	**2,150.00**	**2,681.95**	**3,554.91**
6	Finance costs	422.92	435.60	447.16	1,287.79	1,060.98	1,498.11
7	**Profit after Finance costs (5 - 6)**	**40.74**	**331.60**	**486.65**	**862.21**	**1,620.97**	**2,056.80**
8	**Tax Expense**						
	- Current Tax	12.47	72.15	143.87	192.88	336.44	451.97
	- Deferred Tax	12.46	44.51	25.48	73.48	82.52	105.14
9	**Net Profit after Tax (7 - 8)**	**15.81**	**214.94**	**317.30**	**595.85**	**1,202.01**	**1,499.69**
10	Share of Profit / (Loss) of an Associate / Joint Venture	2.15	(0.04)	(1.13)	1.90	(41.68)	(42.23)
11	Non Controlling Interests	(3.43)	(2.49)	6.92	(7.56)	8.47	12.91
12	**Net Profit after Taxes, Non Controlling Interests and Share of Profit of Associate (9 + 10 - 11)**	**21.39**	**217.39**	**309.25**	**605.31**	**1,151.86**	**1,444.55**
13	Other Comprehensive Income	(55.25)	180.91	99.20	255.61	81.01	264.03
14	**Total Comprehensive Income**	**(33.86)**	**398.30**	**408.45**	**860.92**	**1,232.87**	**1,708.58**
15	**Paid-up Equity Share Capital (net of treasury shares)** (Face Value of ₹ 10 per share)	1,627.62	1,627.47	1,626.73	1,627.62	1,626.73	1,626.79
16	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year						8,109.26
17	Earnings per Share (not annualised)						
	- Basic EPS (₹)	0.13	1.34	1.90	3.72	7.08	8.88
	- Diluted EPS (₹)	0.13	1.34	1.90	3.72	7.08	8.88
	Standalone information						
	Total Income from Operations	913.79	815.39	1,564.33	3,027.99	4,263.43	5,862.63
	Profit/(Loss) before tax	(13.39)	22.76	476.37	311.23	1,071.75	1,562.24
	Profit/(Loss) after tax	(24.45)	(8.31)	362.29	192.30	802.56	1,181.23

Notes :

1 a) The Company has adopted Indian Accounting Standards (IND AS) from April 1, 2016, the above results have been prepared in compliance with IND AS. Further, the financial results for the quarter and nine months ended December 31, 2015 and previous year ended March 31, 2016 have been restated to comply with IND AS.

b) Reconciliation of Net Profit between previously reported "Indian GAAP" and IND AS is as under:

(₹ Crore)

Particulars	Note Reference	Profit Reconciliation		
		Quarter ended 31.12.2015	Nine Months ended 31.12.2015	For the year ended 31.03.2016
Net Profit under Previous GAAP		**320.68**	**1,090.08**	**1,395.51**
Impact of Embedded lease accounting	(i)	(4.05)	23.17	18.85
Impact of Service concession accounting	(ii)	(11.29)	(14.09)	(25.86)
Net gain / (loss) on financial assets / liabilities fair valued through statement of profit and loss	(iii)	(5.75)	(8.38)	(4.43)
Amortisation of transaction cost on borrowings	(iv)	(2.51)	(7.37)	(9.82)
Capital Overhauling costs recognised as Property Plant and Equipment (PPE) (net)	(v)	2.14	14.25	13.26
Employee benefits – Actuarial (Gain) / Loss recognized in OCI	(vi)	-	-	1.32
Others	(vii)	(0.87)	21.65	12.47
Deferred taxes	(viii)	10.89	32.55	43.25
Net Profit for the period under Ind AS		**309.25**	**1,151.86**	**1,444.55**
Net gain on financial assets fair value through other comprehensive Income	(iii)	100.12	88.00	263.83
Other Comprehensive Income (OCI)		(0.92)	(6.99)	0.20
Total comprehensive income under IND AS		**408.45**	**1,232.87**	**1,708.58**

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JSW Energy Limited Mumbai

i) Embedded Lease: As per IND AS, Property, Plant and Equipment (PPE) relating to embedded lease arrangement has been de-recognised and shown at fair value as lease receivable.

ii) Service concession arrangement: As per IND AS, PPE related to service concession arrangement has been de-recognised and classified as financial asset / intangible asset.

iii) Fair valuation for Financial Assets and Financial Liabilities: The Company has valued financial assets (other than investment in subsidiaries, associate and joint venture which are accounted at cost) and Financial Liabilities, at fair value. Impact of fair value changes as on the date of transition, is recognised in opening reserves and changes there after are recognised in Statement of Profit and Loss Account or Other Comprehensive Income, as the case may be.

iv) Loan processing fees / transaction cost: Under Ind AS such expenditure is considered for calculating effective interest rate and these costs are spread across the tenor of the respective loans. The impact for the periods subsequent to the date of transition is reflected in Statement of Profit and Loss.

v) Capital overhauling costs earlier charged to Statement of Profit and Loss has been capitalised and amortised.

vi) Employee benefits – actuarial gains and losses are recognised in other comprehensive income.

vii) Other adjustments primarily represents exchange difference on translation of foreign operations transferred to OCI, Consolidation of ESOP Trust, Stock Compensation accounting, Equity method of accounting of Joint Venture, etc.

viii) Deferred Tax: The impact of transition adjustments together with Ind AS mandate of using balance sheet approach (against profit and loss approach in the previous GAAP) for computation of deferred taxes has resulted in charge to Reserves, on the date of transition, with consequential impact to the Statement of Profit and Loss account for the subsequent periods.

2 Other Income for nine months ended December 31, 2015 and for the year ended March 31, 2016 includes ₹ 150 crore compensation received, as per the terms of the Share Purchase Agreement with Jaiprakash Power Ventures Limited.

3 Karcham Wangtoo Hydro project of Himachal Baspa Power Company Limited, a wholly owned subsidiary, has filed petition for determination of final tariff with Central Electricity Regulatory Commission (CERC) and pending the receipt of final tariff order, the revenue from sale of power under long term power purchase agreements are being recognised in terms of expected tariff as per the available guideline in this regard. The hydro projects were acquired during September, 2015, hence figures for the corresponding nine months ended of the previous year are not comparable.

4 During the quarter, the Company has acquired through its subsidiary, JSW Energy Minerals Mauritius Limited, 51% equity stake in Minerals and Energy Swaziland (PTY) Limited (MESPL), a company (with coal prospecting license) incorporated in the Kingdom of Swaziland, and has executed a MoU with Government of Swaziland for setting up Power Plant in the Kingdom of Swaziland, in the lease area granted to MESPL, with a commitment to acquire balance 49% upon execution of power purchase agreement.

5 The above results have been reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on January 23, 2017.

6 The Company is engaged in only one segment viz. "Generation and Sale of Power" and as such there are no separate reportable segments as per IND AS – 108 "Operating Segments".

For and on behalf of the Board of Directors

Place : Mumbai
Date : 23.01.2017

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

JSW Energy Limited
Mumbai

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