



EMPOWERING EXCELLENCE

ANNUAL REPORT 13-14



**AN INDUSTRIALIST.
A PHILANTHROPIST.
A STATESMAN.
A PATRIOT.**

**A MAN WHOSE LEGEND
IS EXCEEDED
ONLY BY HIS LEGACY.**

An industrialist who set up a multibillion dollar empire providing a livelihood to lakhs of people. A philanthropist who championed the cause of the poor. A visionary who foresaw a self-reliant India. A statesman who dedicated his life to the service of the nation. Shri O. P. Jindal. His spirit lives on.

Shri Om Prakash Jindal

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



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JSW Energy is well positioned to be at the forefront of those opportunities. The sector is also mature enough for consolidation and may provide opportunities for inorganic growth.

Sajjan Jindal

Chairman & Managing Director

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We are a full-spectrum integrated power company and produce 3,140 MW of power.

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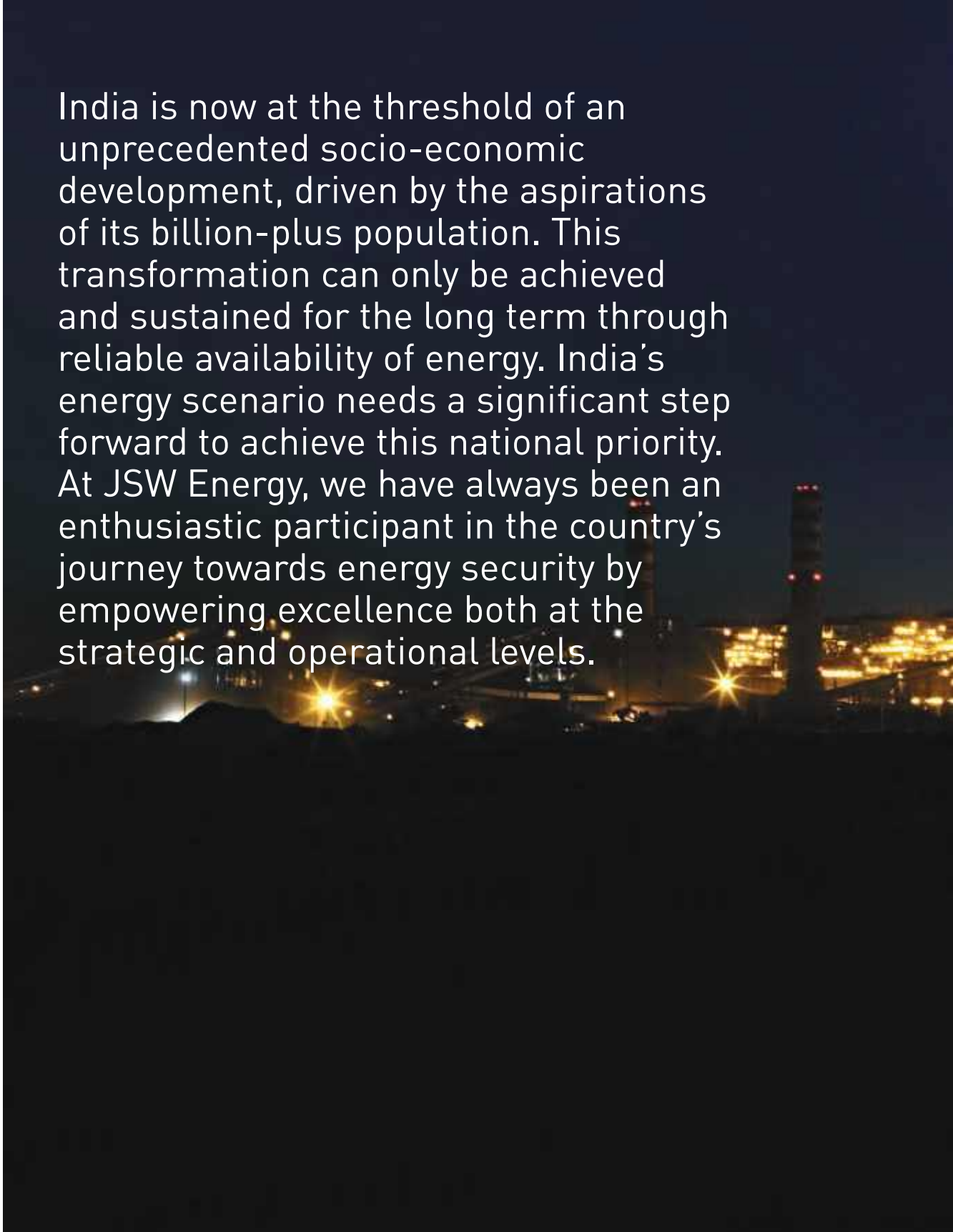
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India is now at the threshold of an unprecedented socio-economic development, driven by the aspirations of its billion-plus population. This transformation can only be achieved and sustained for the long term through reliable availability of energy. India's energy scenario needs a significant step forward to achieve this national priority. At JSW Energy, we have always been an enthusiastic participant in the country's journey towards energy security by empowering excellence both at the strategic and operational levels.





Empowering excellence, our core philosophy, has enabled us to emerge as a rapidly growing value-generating company in a highly regulated sector. We have undertaken projects, executed them on time and optimised costs for sustaining growth.

The consistent focus on excellence has enabled us to set up plants at strategic locations to leverage emerging opportunities. We have also adopted cutting-edge technology at our plants to stay ahead of competition, and achieve

excellence in quality standards and environmental compliance.

Not just that, our corporate credo is reflected in our approach at every stage of the value chain from mining and procurement, power generation, power transmission and power trading.

Cost is optimised using a blend of coal from different sources. Besides, safe boiler standards ensure smooth and uninterrupted availability and thereby lead to high PLF. Our Vijayanagar plant has

established industry benchmarks on operating parameters with consistent performance – a sterling example of our focus on excellence!

We continuously strive towards leveraging opportunities, technologies and competencies to grow rapidly and efficiently to help elevate the quality of life of every citizen by facilitating reliable energy availability. We are empowering India's growth story by virtue of innovation, dynamism and efficiency.

A GLIMPSE OF JSW ENERGY

JSW Energy Limited, part of the US \$11 billion JSW Group, was incorporated in 1994. We are a full-spectrum integrated power company and produce 3,140 MW of power.

Our power generation footprint is spread across Vijayanagar (Karnataka), Ratnagiri (Maharashtra) and Barmer (Rajasthan).

We are an early entrant into Power Trading and are one of India's leading power traders with trading volumes in excess of 10,000 MU.

We have forged alliances with strong partners in Mining-Rajasthan State Mines and Minerals Limited (RSMML) for lignite mines in Barmer, Rajasthan, Transmission with Maharashtra

Total Net Generation in FY 2013-14

17,061 Million Units

PLF achieved in FY 2013-14

76%*

** On a deemed basis*

State Electricity Transmission Company Limited (MSETCL) for intra-state transmission network in Maharashtra and equipment manufacturing with Toshiba Corporation, Japan for super-critical STG manufacturing facility at Ennore, Tamil Nadu. Besides, we own thermal coal mines in South Africa.



OPERATIONAL CAPACITIES**Vijayanagar, Karnataka**

Capacities (MW)

860 (2 x 300 + 2 x 130)

Fuel

Imported coal

Plant Load Factor (%) in 2013-14

95%**Ratnagiri, Maharashtra**

Capacities (MW)

1,200 (4 x 300)

Fuel

Imported coal

Plant Load Factor (%) in 2013-14

71%**Barmer, Rajasthan**

Capacities (MW)

1,080 (8 x 135)

Fuel

Lignite

Plant Load Factor (%) in 2013-14

68%⁺*⁺On a deemed basis***Transmission line capacities****2 x 400 KV**

lines of 165 Km operational

People strength**1,098**

Head count as on 31st March, 2014

OPERATING MINES**Barmer Lignite Mining Co. Ltd.,
Kapurdi and Jalipa Mines*****South African Coal Mining Holdings
Ltd. (SACMH)****Mining capacity expansion in BLMCL -
Kapurdi mines to 3.75 MTPA, Terms of
Reference issued for mining capacity
expansion to 7 MTPA*

FY 2013-14 FINANCIAL AND OPERATIONAL HIGHLIGHTS

₹ 8,705 crore

Revenue from operations

₹ 3,454 crore

EBIDTA, up by 15%

Gross Turnover

	(₹ crore)
2013-14	8,552.02
2012-13	8,782.23
2011-12	5,980.88
2010-11	4,194.23
2009-10	2,316.16

5-year CAGR 39%

EBIDTA

	(₹ crore)
2013-14	3,453.61
2012-13	3,006.62
2011-12	1,594.39
2010-11	1,697.23
2009-10	1,287.65

5-year CAGR 28%

EBIDTA Margin

	(%)
2013-14	38.8
2012-13	32.9
2011-12	25.4
2010-11	38.3
2009-10	53.0

Consolidated figures

₹ 755 crore

Profit After Tax

1.54

Debt Equity Ratio

EPS (Basic)

	(₹)
2013-14	4.60
2012-13	5.51
2011-12	1.04
2010-11	5.13
2009-10	5.17

Net worth

	(₹ crore)
2013-14	6,571.17
2012-13	6,203.76
2011-12	5,700.07
2010-11	5,676.48
2009-10	4,780.19

5-year CAGR 8%

Long-term debt to equity ratio

2013-14	1.51
2012-13	1.57
2011-12	1.65
2010-11	1.55
2009-10	1.63

CHAIRMAN AND MANAGING DIRECTOR'S MESSAGE



Dear Shareholders,

The Indian electorate has given a decisive mandate in the recently concluded general elections, and for the first time in over three decades we now have a stable government with absolute majority by a single political party. This is likely to have far reaching consequences over the medium term outlook for the country – from expected ushering in of reforms, a revival in economic growth and the strengthening of the governance framework.

Indian power sector can deliver a sustainable growth of

7-8% p.a.

After two consecutive years of sub 5% economic growth, the worst appears to be behind us and the economy is likely to pick up pace going forward. Power and infrastructure are key focus areas for the new government, and this bodes well for the medium to long term outlook for the sector.

I believe that power is the key engine for the economy, and the Indian power sector can deliver a sustainable growth of 7-8% p.a. While this is achievable, a few challenges do need to be addressed:

T&D Losses

Effective metering and adequate tariff determination is the backbone for sustainability of the sector and its ability to provide power for all at a reasonable cost.

Fiscal health of SEBs

Successful adoption of the FRP (Financial Restructuring Plan) by a few State Power Distribution Utilities is a step in the right direction towards ensuring their long term viability.

Fuel linkages

Effective measures to bridge the shortfall between domestic fuel availability and requirement, providing fuel at an economic rate to stranded generation capacities, and a strengthened framework to facilitate imported fuel based capacities.

FY 2013-14 IN PERSPECTIVE

Despite challenges, there are considerable opportunities in the energy sector, and by virtue of its core capabilities, JSW Energy is well positioned to be at the forefront of those opportunities. The sector is also mature enough for consolidation and may provide opportunities for inorganic growth. With a strong balance sheet and healthy free cash flow generation, we are well poised to capitalise on any such opportunity. Our objective is to increase our installed capacity manifold from existing levels, through a mix of organic and inorganic opportunities.

JSW Energy is well positioned to leverage opportunities with the current basket of merchant and long term PPA based off-take arrangements. However, it is our endeavour to tie up power stations under Long Term PPAs and reduce the exposure to merchant power over the next few years.

In RWPL, we look forward to resolving all pending issues on the tariff front during the course of the current fiscal.

Despite challenges, there are considerable opportunities in the energy sector, and by virtue of its core capabilities, JSW Energy is well positioned to be at the forefront of those opportunities.

DRIVING EXECUTION EXCELLENCE

Our highly skilled workforce has successfully implemented projects, and has a proven track record of operating existing units with high efficiency. We can leverage this advantage as the regulatory scenario eases and more opportunities for growth appear on the horizon.

Imported coal prices are expected to remain benign during the current fiscal on the back of low demand in advanced countries and also the slowdown of imports by China. Such a scenario should help us get assured supply of thermal coal from seaborne markets at reasonable prices.

As India readies itself for its next phase of growth, JSW Energy is in step with an aspirational India. We will continue to strengthen our business by focusing on higher capacity and world-class execution, while minimising our carbon footprint and engaging more with the community.

I am confident that on the strength of our core capabilities and a motivated Team, JSW Energy is well positioned for an exciting journey ahead. On behalf of the Board and the entire JSW Energy Team, I would like to thank all our stakeholders, including various State Governments and the Central Government, for helping us build a consistently value-generating enterprise.

Best wishes,



Sajjan Jindal

Chairman & Managing Director

THE BOARD OF DIRECTORS



Sajjan Jindal

Chairman & Managing Director
DIN: 00017762

**Sanjay Sagar**

Joint Managing Director & CEO
DIN: 00019489

**Pramod Menon**

Director-Finance
DIN: 01443287

**Nirmal Kumar Jain**

Director
DIN: 00019442

**D. J. Balaji Rao**

Independent Director
DIN: 00025254

**Chandan Bhattacharya**

Independent Director
DIN: 01341570

**B. Ravindranath**

Nominee Director of IDBI Bank Limited
DIN: 02156076

**P. Abraham**

Independent Director
DIN: 00280426

**Shailaja Chandra**

Independent Director
DIN: 03320688





EMPOWERING EXCELLENCE

EXCELLENCE ALL AROUND

Our performance during the year paints a credible picture of operational excellence. In terms of operational standards, we are among the leaders in the power generation industry.



We had the first full year of operations in FY 2013-14 with an operational capacity of 3,140 MW. We achieved an annual net generation of 17.06 billion units with a Plant Load Factor (deemed PLF) of 76.45% in an extremely challenging fiscal year.

We comply with globally benchmarked standards for our operations, which are executed within the stipulated cost and time frames consistently.

- International best practices and quality management at every stage of our operations ensure execution within time constraints and timelines.
- Pooling and sharing resources, transferring knowledge and experience across all plants.
- Reducing operational costs.
- Following standardised processes to leverage synergies at all levels.

We achieved an annual net generation of 17.06 billion units with a deemed PLF of 76.45%.

Speedy land acquisitions and in-time project clearances have helped us execute all our operations successfully, vindicating our focus on excellence.

As we move forward, we are working towards achieving higher standards in operational excellence that not only keep us ahead of competition but solidify our standing in the industry.

Plant-wise PLF and Net Generation

Plant	2013-14		2012-13	
	PLF%	Net Generation (MU)	PLF%	Net Generation (MU)
Vijayanagar	94.75	6,593 [#]	101.00	7,022 [#]
Ratnagiri	71.04	6,770	87.99	8,448
Barmer	67.90*	3,697	73.36	3,310
Total		17,061		18,780

[#] Including power conversion of 330MUs in 2013-14 and 1,208MUs in 2012-13.

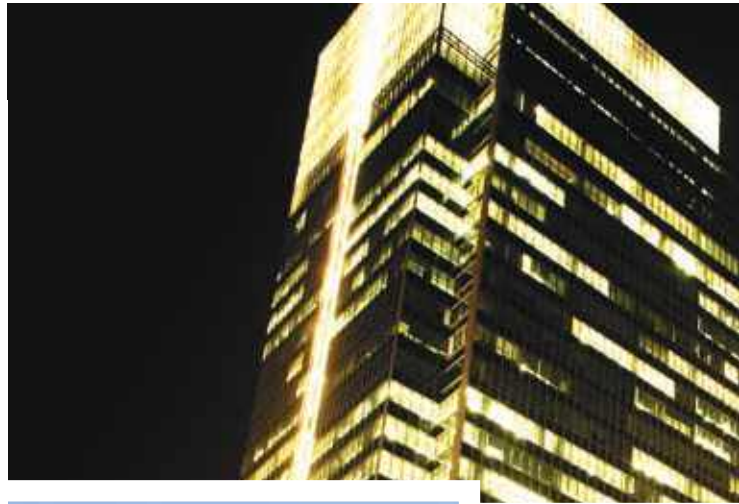
* Based on deemed generation of the plant



EMPOWERING EXCELLENCE

EXCELLENCE IN OPERATIONS

At JSW Energy, our business model focuses on the long term energy requirements of the country, where people need more opportunities to realise their full potential.



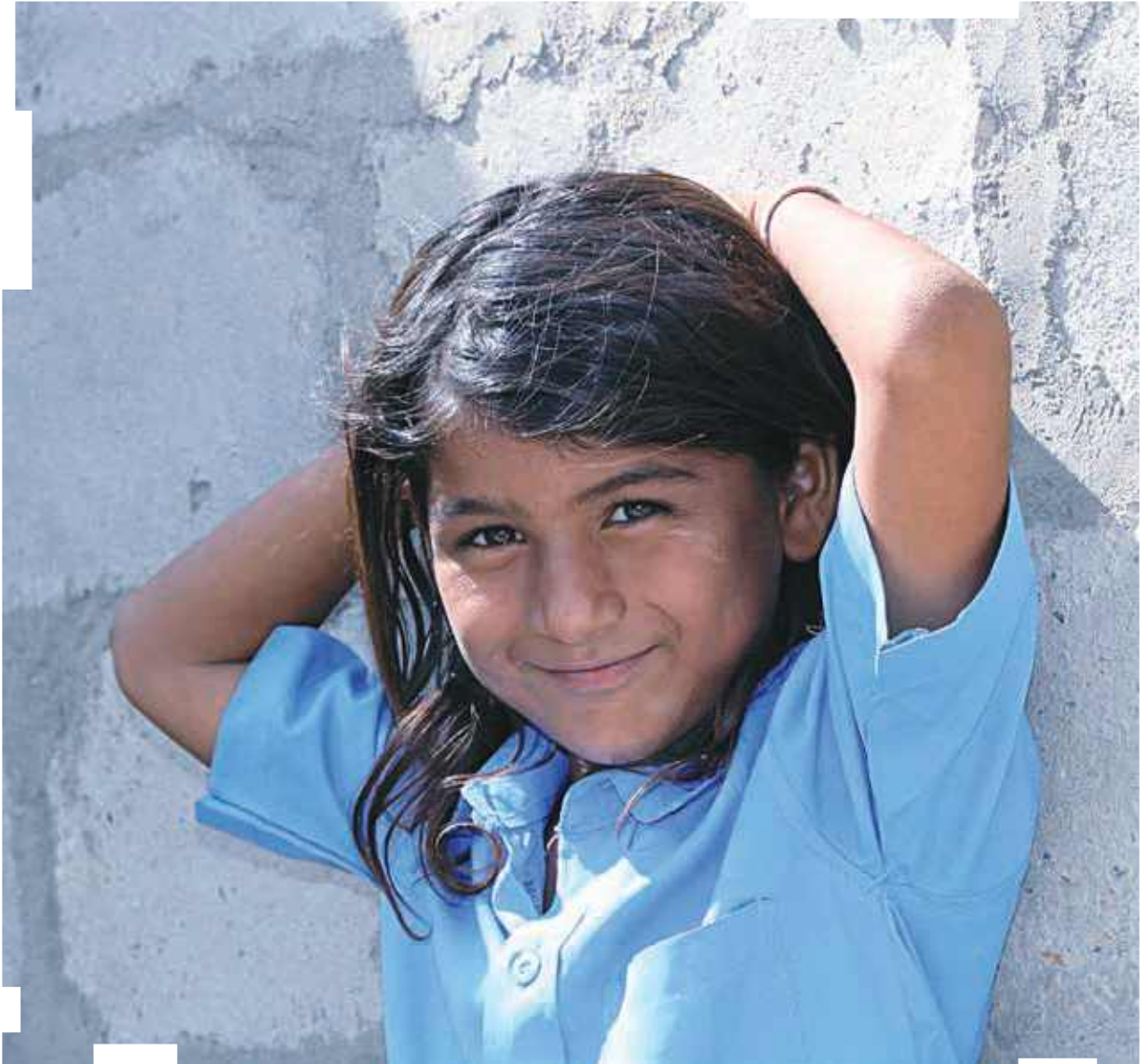
Our Vijayanagar plant (SBU-I) received the National Award (Gold Shield) from the Ministry of Power, Government of India for Outstanding Performance during 2012-13.



Our project execution capabilities, increased operational efficiencies, human resource strength and a strong balance sheet vindicate our focus on excellence in every business parameter.

By successfully managing our operations, enhancing social and economic value, minimising environmental impact and employing cutting-edge innovation, JSW Energy has secured its position as one of the industry frontrunners. As the industry matures further, we are committed to remain focused on creating an organisation that generates sustainable wealth for all stakeholders.

EMPOWERING COMMUNITIES



At JSW Energy, we value the partnerships we build with the communities around our plants. Our community initiatives reflect a deeply ingrained belief in facilitating socio-economic development by collaborating with all stakeholders. Social empowerment is carried out on a sustainable basis through dedicated policies, robust institutional mechanism and grass-root engagement to promote inclusive growth.



588

Children benefitted through Mid-day Meal programme

184

Women benefitted through 10 Self-Help Groups at Barmer

EDUCATION

We have established the Jindal Vidya Mandir, which is a CBSE Board-affiliated school (operating till Standard VI) at Ratnagiri. The school is a part of the O.P. Jindal Foundation, which also operates five other institutions. We also run computer-aided learning centres and mobile libraries at the location, in addition to extending support to anganwadi and balwadi centres. In Kutehr, we make efforts to enhance youth employment opportunities by appointing locals as teachers in schools. At Ratnagiri, we partner with the gram panchayats to supplement the nutrition of anganwadi children by providing high quality, hygienically prepared food.

HEALTHCARE

We facilitated the construction of the Urja Public Health Centre (PHC) at Ratnagiri. The Centre has a separate registration and record room, drug dispensing room and a waiting area for patients. The Urja PHC operates doorstep health camps for women, children and the elderly. The health centre caters to patients across five

villages and is open 24 hours of the day. The Foundation is pro-actively working towards strengthening the existing Government health infrastructure at Bhadresh (Rajasthan), Ratnagiri and Kutehr.

LIVELIHOOD

We constantly strive to create livelihood opportunities for the residents of communities in the vicinity of our plant locations. Our tailoring classes (conducted for women at Kutehr, Ratnagiri and Barmer) are designed to make them financially self-reliant. At Ratnagiri, our special farming intervention programme has almost doubled the crop yield from each unit of land.

We collaborate with the Krishi Vigyan Kendra (KVK) in the Thar Desert in Barmer. Efforts are underway to strengthen agrarian activities, including crop management and promotion of horticulture. Other initiatives include silvipasture, livestock management, vermin compost and dissemination of technical know-how through training programmes to build more capacity.

STRENGTHENING OUR GREEN COMMITMENT

Environmental degradation and climate change is more than a global concern. It has become one of the greatest challenges of the twenty-first century. To avoid this menace, we all have an important part to play. At JSW Energy, we have initiated green measures for a cleaner and greener planet.

Our various community initiatives prioritise the protection of the eco-system and are designed to contribute towards a 'smiling planet'.





GREEN INITIATIVES

- Maintaining the Auxiliary Power below CEA stipulated levels
- Achieved minimum specific oil consumption
- Optimal utilisation of waste gas for Power generation and thereby reducing thermal coal consumption
- Nearly 100% fly ash utilisation
- Recycling the waste water for development of green cover
- Re-using solid waste as fertiliser
- Using low ash, low sulphur grades of imported coal
- Installed flue gas de-sulphurisation system
- Implementing green technologies like dry bottom ash handling system to reduce emissions
- Installed closed loop cooling towers



CORPORATE INFORMATION

Senior Management Team

Satish Jindal

Chief Executive Officer (Power Trading)

Kamal Kant

Senior Vice President

Chhavi Nath Singh

Senior Vice President

Vijay Paranjape

Senior Vice President

Vijay Sinha

Vice President

Company Secretary

Sampath Madhavan

Auditors

M/s. LODHA & CO.

Chartered Accountants

Bankers

Canara Bank

ICICI Bank Limited

IDBI Bank Limited

Punjab National Bank

State Bank of India

Vijaya Bank

Registered Office

JSW Energy Limited,

JSW Centre,

Bandra Kurla Complex,

Bandra (East),

Mumbai – 400 051

Tel. No. 022 – 42861000

Fax No. 022 – 42863000

Website: www.jsw.in

E-mail: jswel.investor@jsw.in

CIN: L74999MH1994PLC077041

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 West Power Limited

Village Bhadresh

P. O. Bhadresh

District. Barmer - 344001, Rajasthan

Tel. No. 02982 – 229100

Fax No. 02982 – 229222

Registrar & Share Transfer Agents

Karvy Computershare Private Ltd.

Plot No. 17 to 24, Vittalrao Nagar

Madhapur, Hyderabad - 500 081

Tel. No. 040 – 44655131 / 133 / 177

Fax No. 040 – 2342 0814

E-mail: einward.ris@karvy.com

Website: www.karvy.com

NOTICE

NOTICE is hereby given that the TWENTIETH ANNUAL GENERAL MEETING of the Shareholders of JSW ENERGY LIMITED will be held on Wednesday, 23rd July 2014 at 3.00 p.m. at Yashwantrao Chavan Pratishthan Mumbai, Y. B. Chavan Auditorium, General Jagannath Bhosale Marg, Mumbai - 400021 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014, the Profit and Loss Statement for the year ended on that date together with the reports of the Board of Directors and the Auditors thereon.
2. To declare Dividend on Equity Shares.
3. To appoint a Director in place of Mr. Nirmal Kumar Jain (holding DIN 00019442), who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint M/s. LODHA & CO., Chartered Accountants, Firm Registration No. 301051E, the retiring auditors, as Statutory Auditors of the Company to hold office from the conclusion of the ensuing Annual General Meeting until the conclusion of the next Annual General Meeting on a remuneration as may be fixed by the Board of Directors of the Company.

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956) consent of the Company be and is hereby accorded to the reappointment of Mr. Sajjan Jindal (holding DIN 00017762) as Chairman and Managing Director of the Company for a period of 5 years w.e.f. 1st January, 2014 and the remuneration payable to him for a period of 5 years w.e.f. 1st January, 2014 (including remuneration payable in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment subject to approval of the Central

Government, if required) as detailed below:

1. **Basic Salary:** in the scale of ₹ 22,50,000/- to ₹ 45,00,000/- per month.

Subject to revision from 1st April each year and the revision will be decided by the Board after taking into account the recommendations of the Nomination and Remuneration Committee within a ceiling of ₹ 45,00,000/- p.m.

2. **Perquisites and Allowances:**

- i) In addition to the salary payable, Mr. Jindal will also be entitled to 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; Performance Incentive; 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. Jindal; such perquisites and allowances will be subject to a maximum ceiling of 125% of his Basic salary. The perquisites and allowances together with the Basic Salary will further be subject to a maximum ceiling of ₹ 1,00,00,000/- p.m.
- ii) For the purposes of calculating the above ceiling, perquisites shall be evaluated as per Income-tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.
- iii) 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.
- iv) 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, 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.

The perquisites and allowances applicable currently are as under:

Sr. No.	Particulars	Amount (₹)
1	Company accommodation / HRA (p.m.)	Furnished Company Accommodation
2	Leave Travel Allowance (Yearly)	One month's Basic salary
3	Medical Reimbursements	Actuals for self and family
4	Contribution to Provident Fund	12% of Basic Salary
5	Chauffeur Driven Car	Company Maintained Chauffeur driven car
6	Telephone	Actuals
7	Water, Electricity and Gas	Free of cost
8	Club Membership Fees	Re-imbusement including life membership fees
9	Personal Accident Insurance	As per Company Policy
10	Medical Insurance	As per Company Policy
11	Gratuity	As per Company Policy
12	Leave salary	As per Company Policy
13	Special Pay	As per Company Policy

Note:

- The total salary including all allowances / perquisites excluding Provident Fund / Superannuation Fund / Annuity Fund contribution, gratuity and leave encashment at the end of the tenure shall not at any time exceed ₹ 1,00,00,000/- p.m.
- Since Mr. Sajjan Jindal is also Chairman and Managing Director of JSW Steel Limited, the total remuneration to be drawn from JSW Steel Limited and the Company shall not exceed the higher maximum limit admissible from any one of the Companies of which Mr. Jindal is a managerial person
- To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. B. Ravindranath (holding DIN 02156076), Director of the Company and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation.”
- To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. P. Abraham (holding DIN 00280426), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019.”
- To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Chandan Bhattacharya (holding DIN 01341570), Director of the Company

whose period of office is liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019.”

9. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Ms. Shailaja Chandra (holding DIN 03320688), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 18th June, 2014, in terms of Section 161(1) of the Companies Act, 2013 and Article 116 of the Articles of Association of the Company and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 17th June 2019.”

10. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED not to fill for the time being the vacancy caused by the retirement of Mr. D. J. Balaji Rao (holding DIN 00025254), who retires by rotation at the Annual General Meeting and does not seek re-appointment.”

11. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹ 125,000/- plus service tax as applicable and reimbursement of actual travel and out of pocket expenses as approved by the

Board of Directors of the Company, to be paid to M/s. S. R. Bhargave & Co., Cost Accountants, for the conduct of the audit of the cost accounting records of the Company, as may be prescribed by the Central Government, for the financial year ending 31st March, 2015, be and is hereby ratified and confirmed”.

12. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT in supersession of the resolution adopted at the Extra-Ordinary General Meeting held on 21st December, 2007 in this regard and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the Board of Directors of the Company (“the Board”) to borrow any sum or sums of money from time to time notwithstanding that the money or moneys to be borrowed, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) including rupee equivalent of foreign currency loans may exceed, at any time, the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purposes, provided however, the total amount so borrowed shall not at any time exceed 10 (ten) times the aggregate of the paid up capital and free reserves of the Company over and above the paid up capital and free reserves of the Company.”

13. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT in supersession of the Resolution passed at the 14th Annual General Meeting held on 22nd September, 2008 in this regard and pursuant to Section 180(1)(a) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the Board of Directors of the Company (“the Board”) to hypothecate / mortgage and/or charge in addition to the hypothecations / mortgages and/or

charges created by the Company, in such form and manner and with such ranking and at such time(s) and on such terms as the Board may determine, all or any part of the movable and/or immovable properties of the Company wherever situated, both present and future, and/or create a floating charge on all or any part of the immovable properties of the Company and the whole or any part of the undertaking(s) of the Company, together with power to take over the management of the business and concern of the Company in certain events of default, in favour of the Company's Bankers / Financial Institutions / Lenders / other investing agencies and trustees for the holders of Debentures / Bonds / other instruments / securities to secure any Rupee / Foreign currency Loans, Guarantee assistance, Standby Letter of Credit / Letter of Credit and/or any issue of Non-Convertible Debentures and/or Compulsorily or Optionally, Fully or Partly Convertible Debentures and/or Bonds, and/or any other Non-Convertible and/or other Partly / Fully Convertible instruments / securities, with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, commitment charges, premia on prepayment or on redemption, guarantee commission, costs, charges, expenses and other monies including any increase as a result of devaluation / revaluation/ fluctuation in the rates of exchange of foreign currencies involved payable by the Company to the Lenders under their respective Loan Agreements/ Subscription Agreement entered into/to be entered into by the Company in respect of the said borrowings / assistance, within the overall ceiling prescribed by the members of the Company in terms of Section 180(1)(c) of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board be and is hereby authorised to execute all such deeds, documents, instruments and writings, as may be necessary for creating the aforesaid hypothecations/ mortgages / and/or charges and to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to the above resolution."

14. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT in supersession of the Special resolution passed by the shareholders of the

Company at the 18th Annual General Meeting so far as it relates to payment of commission to Non-Executive Directors for financial years from 1st April, 2014, and pursuant to the provisions of Sections 197, 198 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Non-Executive Directors of the Company (i.e. Directors other than the Managing Director and / or the Whole-time Directors) be paid, remuneration, in addition to the sitting fee for attending the meetings of the Board of Directors or Committees thereof, as the Board of Directors may from time to time determine, not exceeding in aggregate one percent of the net profits of the Company for each financial year beginning 1st April, 2014, as computed in the manner laid down in Section 198 of the Companies Act, 2013, or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

15. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT subject to the provisions of Sections 188, 177 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the Equity Listing Agreement (as amended from time to time by the Securities and Exchange Board of India and the stock exchanges), and the Memorandum and Articles of Association of the Company, the consent of the Members be and is hereby accorded for the Company to enter into a contract as a licensee, with JSW Investments Private Limited as the licensor, for a license to use the 'JSW' brand for an annual fee of 0.25% of the consolidated net turnover of the Company with effect from 1st April, 2014 and on such other terms and conditions as may be agreed to by the Board.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things and to take all such steps as may be necessary for the purpose of giving effect to this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or any one or more Directors of the Company.”

16. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT subject to the provisions of Section 177 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the Equity Listing Agreement (as amended from time to time by the Securities and Exchange Board of India and the Stock Exchanges), and the Memorandum and Articles of Association of the Company, the consent of the Members be and is hereby accorded for the Company to enter into various transactions for an aggregate value of ₹ 15,000 crore over a period of 36 months starting from 1st April, 2014 with JSW Power Trading Company Limited, a wholly owned subsidiary of the Company, for supply of surplus power available after meeting the Company’s contractual requirements on such terms and conditions as may be agreed to by the Board, provided however that the transactions so carried out shall at all times be on arm’s length basis and in the ordinary course of the Company’s business.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things and to take all such steps as may be necessary for the purpose of giving effect to this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or any one or more Directors of the Company.”

17. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT subject to the provisions of Section 177 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the Equity Listing Agreement (as amended from time to time by the Securities and Exchange Board of India and the Stock Exchanges), and the Memorandum and Articles of Association of the Company, the consent of the Members be

and is hereby accorded for the Company to enter into an agreement / transactions for an aggregate value of ₹ 9,000 crore over a period of 36 months starting from 1st April, 2014 with JSW International Tradecorp Pte. Limited, Singapore, a JSW group Company, for procuring imported thermal coal, on such terms and conditions as may be agreed to by the Board, provided however that the transactions so carried out shall at all times be on arm’s length basis and in the ordinary course of the Company’s business.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things and to take all such steps as may be necessary for the purpose of giving effect to this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or any one or more Directors of the Company.”

18. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT subject to the provisions of Section 177 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the Equity Listing Agreement (as amended from time to time by the Securities and Exchange Board of India and the Stock Exchanges), and the Memorandum and Articles of Association of the Company, the consent of the Members be and is hereby accorded for the Company to enter into various transactions with JSW Steel Limited, a Promoter group Company, for an aggregate value of ₹ 7,500 crore over a period of 36 months starting from 1st April, 2014, on such terms and conditions as may be agreed to by the Board, provided however that the transactions so carried out shall at all times be on arm’s length basis and in the ordinary course of the Company’s business.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things and to take all such steps as may be necessary for the purpose of giving effect to this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or any one or more Directors of the Company.”

19. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to provisions of Section 14 and any other applicable provisions of the Companies Act, 2013 (the “Act”) (including any amendments, statutory modification(s) or re-enactment thereof for the time being in force) and rules made thereunder, the following Article of the existing Articles of Association of the Company be and is hereby altered in the following manner:

By inserting Article 141A after the existing Article 141 as under:

“141A The Managing Director of the Company can be appointed or re-appointed as Chairman of the Company under Article 147 of the Articles of Association at the same time.”

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to take all such steps and actions and give such directions as it may in its absolute discretion deem necessary and to settle any questions that may arise in this regard.

20. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 23, 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013, read with the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), and subject to applicable Regulations, Rules and Guidelines prescribed by the Securities and Exchange Board of India and subject to the provisions of the Articles of Association of the Company, the consent of the members be and is hereby accorded to the Board of Directors of the Company, for making offer(s) or invitations to subscribe to secured /unsecured redeemable non-convertible debentures, in one or more tranches, aggregating up to ₹ 5,000 crore (Rupees Five thousand crore only) during the financial year 2014-15, on private placement basis, on such terms and conditions as the Board of Directors of the Company may, from time to time, determine and consider proper and most beneficial to the Company including as to when the said debentures be issued, the consideration for

the issue, utilization of the issue proceeds and all matters connected with or incidental thereto.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and execute all such acts, deeds and things and to take all such steps as may be necessary for the purpose of giving effect to this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or any one or more Directors of the Company.”

21. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to Section 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013, including the rules made thereunder and any amendments, statutory modifications and/or re-enactment thereof for the time being in force (the “Act”), all other applicable laws and regulations including the Foreign Exchange Management Act, 1999 (“FEMA”), the Foreign Exchange Management (Transferor Issue of Security by a Person Resident outside India) Regulations, 2000 including any statutory modifications 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 and such other statutes, notifications, clarifications, circulars, 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”), Stock Exchanges, 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”) and any other appropriate authorities, as may be applicable and in accordance with the enabling provisions in the Memorandum and Articles of Association of the Company and /or stipulated in the Listing Agreements entered into by the Company with the Stock Exchanges where the Equity Shares of the Company are listed and subject to such approvals, consents, permissions and sanctions, if any, of the GOI, SEBI, RBI, Stock Exchanges and any other

relevant statutory / governmental authorities (the “concerned 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 concerned Authorities while granting such approvals, consents, permissions and sanctions as may be necessary, the consent of the Company 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), 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), and /or other securities convertible into Equity Shares at a later date, at the option of the Company and /or the holder(s) of such securities or with or without detachable warrants with a right exercisable by the warrant holders to convert or subscribe to the Equity Shares or otherwise, in registered or bearer form, whether rupee denominated or denominated in foreign currency (collectively referred as “Securities”), 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 Institutions Placement 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, to any eligible investors, including residents and/or non-residents and/or qualified institutional buyers and/or institutions/banks and/or incorporated bodies and/or individuals and/or trustees and/or stabilizing agent or otherwise, whether or not such Investors are members of the Company, as may be deemed appropriate by the Board and as permitted under applicable laws and regulations,

for an aggregate amount not exceeding ₹ 1,000 crore (Rupees One Thousand Crore Only) on such terms and conditions and in such manner as the Board may in its sole discretion decide including the timing of the issue(s)/ offering(s), the Investors to whom the Securities are to be issued, terms of issue, issue price, number of Securities to be issued, the Stock Exchanges on which such securities will be listed, finalization of allotment of the Securities on the basis of the subscriptions received including details on face value, premium, rate of interest, redemption period, manner of redemption, amount of premium on redemption, the ratio / number of Equity Shares to be allotted on redemption / conversion, period of conversion, fixing of record date or book closure dates, etc., as the case may be applicable, prescribe any terms or a combination of terms in respect of the Securities in accordance with local and / or international practices including conditions in relation to offer, early redemption of Securities, debt service payments, voting rights, variation of price and all such terms as are provided in domestic and / or international offerings and any other matter in connection with, or incidental to the issue, in consultation with the merchant bankers or other advisors or otherwise, together with any amendments or modifications thereto (“the Issue”).

RESOLVED FURTHER THAT the Securities to be created, issued, offered and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company and the Equity Shares to be allotted in terms of this resolution shall rank pari passu in all respects with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT if the issue or any part thereof is made for a QIP, FCDs, PCDs, OCDs or any other Securities, which are convertible into or exchangeable with the Equity Shares of the Company (hereinafter collectively referred as “Other Specified Securities” and together with Equity Shares of the Company (hereinafter referred as “Specified Securities”) within the meaning of the SEBI Regulations) or any combination of Specified Securities as may be decided by the Board, issued for such purpose shall be fully paid-up and the allotment of such Specified Securities shall be completed within twelve months from the date of this resolution or such othertime 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 and the Specified Securities shall not be eligible to be sold for a period of one year from the date of allotment, except on a recognized Stock Exchange, or as may be permitted from time to time under 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 Specified Securities by way of a QIP, the 'Relevant Date' on the basis of which the price of the Specified Securities shall be determined as specified under SEBI Regulations, shall be the date of the meeting in which the Board or the Committee of Directors duly authorized by the Board decides to open the proposed issue of Specified Securities or such other time as may be decided by the Board and as permitted by the 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 Specified Securities.

RESOLVED FURTHER THAT in the event the Securities are proposed to be issued as American Depository Receipts ("ADRs") or Global Depository Receipts ("GDRs"), 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 the Equity Shares to be issued pursuant to such issue shall be the date of the meeting in which the Board or duly authorised committee of directors decides to open such issue after the date of this resolution.

RESOLVED FURTHER THAT in the event of issue of Other Specified Securities, the number of Equity Shares and /or conversion price in relation to Equity Shares that may be issued and allotted on conversion shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, split and consolidation of share capital, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate restructuring exercise.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid issue of 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 Other Specified 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 resolution and any issue, offer and allotment of Securities, the Board be and is hereby authorized to take all such actions, give such directions and to do all such acts, deeds, things and matters connected therewith, as it may, in its absolute discretion deem necessary, desirable or incidental thereto including without limitation the determination of terms and conditions for issuance of Securities including the number of Securities that may be offered in domestic and international markets and proportion thereof, timing for issuance of such Securities and shall be entitled to vary, modify or alter any of the terms and conditions as it may deem expedient, the entering into and executing arrangements/agreements for managing, underwriting, marketing, listing of Securities, trading, appointment of Merchant Banker(s), Advisor(s), Registrar(s), paying and conversion agent(s) and any other advisors, professionals, intermediaries and all such agencies as may be involved or concerned in such offerings of Securities and to issue and sign all deeds, documents, instruments and writings and to pay any fees, commission, costs, charges and other outgoings in relation thereto and to settle all questions whether in India or abroad, for the issue and executing other agreements, including any amendments or supplements thereto, as necessary or appropriate and to finalise, approve and issue any document(s), including but not limited to prospectus and/or letter of offer and/

or circular, documents and agreements including conducting all requisite filings with GOI, RBI, SEBI, Stock Exchanges, if required and any other concerned authority in India or outside, and to give such directions that may be necessary in regard to or in connection with any such issue, offer and allotment of Securities and utilization of the issue proceeds, as it may, in its absolute discretion, deem fit, without being required to seek any further consent or approval of the members or otherwise, to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution, and accordingly any such action, decision or direction of the Board shall be binding on all the Members of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Equity Shares or Securities or instruments representing the same, as described above, the Board be and is hereby authorised on behalf of the Company to seek listing of any or all of such Securities on one or more Stock Exchanges in India or outside India

and the listing of Equity Shares underlying the ADRs and/or GDRs on the Stock Exchanges in India.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or anyone or more Directors of the Company to give effect to the aforesaid resolution and thereby such Committee of Directors or one or more such Directors as authorized are empowered to take such steps and to do all such acts, deeds, matters and things and accept any alterations or modifications as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in this regard.”

By order of the Board
for **JSW Energy Limited**

Mumbai
18th June, 2014

Sampath Madhavan
Company Secretary

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM No. 5

The Board of Directors of the Company at their meeting held on 30th January, 2014 had inter alia approved the reappointment of Mr. Sajjan Jindal as Chairman and Managing Director of the Company for a further period of five years with effect from 1st January, 2014 and payment of remuneration to him based on the recommendation of the Remuneration Committee of the Company, subject to approval of Shareholders of the Company in the General Meeting. Mr. Jindal did not participate in, or vote on the resolution, in relation to this matter.

The Company has made significant progress and growth under the able and dynamic leadership of Mr. Sajjan Jindal. The Company has scaled up its generation capacity from 260 MW to 3140 MW within a span of four years. Besides Power generation, the Company has presence across the value chain – Transmission, Trading, Mining and Equipment Manufacturing. The Company has won accolades as best operating power plant for last five consecutive years by Ministry of Power.

Mr. Sajjan Jindal, a Mechanical Engineer, also Chairman & Managing Director of JSW Steel Limited, has been instrumental in transforming the functioning of the Indian steel industry with his progressive engagement of all stakeholders in the development process at JSW Steel. Mr. Jindal, a renowned and respected practitioner of sustainable business practices and his belief in sustainable development and corporate responsibility, has made JSW a catalyst and active participant in education, health and livelihood, promotion of arts and culture, environment protection and sports.

Mr. Sajjan Jindal holds Directorship in TCPL Packaging Limited, JSW Steel Limited, JSW Holdings Limited, Vrindavan Fintrade Limited, JSOFT Solutions Limited and JSW Bengal Steel Limited. Mr. Jindal holds 7,41,44,262 equity shares of the Company.

Except Mr. Sajjan Jindal, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 5. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

The Board commends the Resolution set out at Item No. 5 of the Notice for your approval.

ITEM No. 6

Mr. B. Ravindranath is the Nominee Director of IDBI

Bank Limited on the Board of the Company with effect from 30th January, 2013. In terms of Section 149 of the Companies Act, 2013, a Nominee Director is not considered as an Independent Director. Section 152 of the Companies Act, 2013 provides that Independent Directors are not to be considered in calculating the two-third number of Directors liable for retirement by rotation. Hence, in order to comply with the requirement of Section 152 of the Companies Act, 2013 of not less than two-thirds of the total number of Directors shall be persons whose period of office is liable to determination by retirement of Directors by rotation, it is proposed that Mr. Ravindranath's office of Director shall be liable to determination by retirement of Directors by rotation so long as Mr. Ravindranath continued to the Nominee Director of IDBI Bank Ltd.

Mr. Ravindranath is a member of the Audit Committee of the Board of Directors of the Company.

Mr. Ravindranath, Bachelor of Engineering (Mechanical), joined as Management Trainee in Hindustan Aeronautics Ltd.(HAL) and underwent 1½ years' training in Management and Production Technology and worked in various production departments of HAL for about 5 years. Thereafter, Mr. Ravindranath joined IDBI in 1982 as Industrial Finance Officer and has worked in various departments of IDBI handling a variety of industrial portfolio – both in large and medium size industries at Head Office and branches involving appraisal of projects, documentation, disbursement, follow-up, recovery etc. As General Manager, was in-charge of Bangalore Office of IDBI overseeing the operations of the branch. As Chief General Manager was in-charge of the Southern Zonal Office of IDBI for 3 ½ years. As Executive Director, handled mid-corporate, SME, Agri business, Recovery departments and is currently in-charge of Corporate Debt Restructuring (CDR), Infrastructure Corporate Group, Project Appraisal, Sourcing & Syndication, Support Services-Corporate Banking, Treasury and Investments departments.

Mr. Ravindranath holds Directorship in IDBI Infracin Limited and Videocon Industries Limited.

Mr. Ravindranath does not hold any equity shares of the Company.

A notice has been received along with deposit of requisite amount from a member proposing Mr. Ravindranath as a candidate for the office of Director of the Company. Except Mr. Ravindranath, being an appointee, none of the Directors and Key Managerial Personnel of the

Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

The Board commends the Resolution set out at Item No. 6 of the Notice for your approval.

ITEM No 7

Mr. P. Abraham is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 20th October, 2003. Mr. Abraham is a retired IAS officer and has completed his MA and Diploma in System Management. Mr. Abraham is Chairman of the Nomination and Remuneration Committee and a member of the Audit Committee and Stakeholders Relationship Committee of the Board of Directors of the Company.

Mr. P. Abraham has worked in various capacities as the Secretary to Municipal Administration, Housing and Urban Development, Government of Andhra Pradesh; Chairman of the Maharashtra State Electricity Board; Secretary to the Energy Department, Government of Maharashtra; Chairman and Managing Director, Maharashtra State Textile Corporation; Joint Secretary, Industries Department, Government of Maharashtra; Iron & Steel Controller, Government of India; Managing Director, Investment Corporation of Andhra Pradesh; Commissioner of Industries, Government of Andhra Pradesh; Secretary to the Environmental & Energy Department; Additional Secretary and Special Secretary to the Ministry of Defence, Government of India and Secretary to the Ministry of Power, Government of India.

Mr. Abraham holds Directorship in Vijai Electricals Limited, GVK Power and Infrastructure Limited, NCC Limited, Lanco Infratech Limited, Visaka Industries Limited, NCC Infrastructure Holdings Limited, Taj GVK Hotels and Resorts Limited, Raj Westpower Limited, Lanco Amarkantak Power Limited, Orient Green Power Company Limited and GVK Energy Limited. Mr. Abraham is interalia the Chairman of the Audit Committee of Raj WestPower Limited as also member of Audit Committee of GVK Power and Infrastructure Limited, Vijai Electricals Limited and NCC Limited.

Mr. Abraham holds 3,000 equity shares of the Company.

Mr. Abraham retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Abraham being eligible and offering himself for appointment, is proposed to be appointed as

an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice has been received along with deposit of requisite amount from a member proposing Mr. Abraham as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Abraham fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder as also under the Listing agreement for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Abraham as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Abraham as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Abraham as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Abraham, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 7. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

The Board commends the Resolution set out at Item No. 7 of the Notice for your approval.

ITEM No. 8

Mr. Chandan Bhattacharya is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 6th March, 2007. Mr. Bhattacharya is a B.A (Honours) and CAIIB. Mr. Bhattacharya is the Chairman of the Audit Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee and a member of the Nomination and Remuneration Committee of the Board of Directors of the Company.

Mr. Chandan Bhattacharya is the former Managing Director of State Bank of India (SBI). He has wide range of experience of over 43 years in Banking, Trade and Commerce including 2 years stint in Securities Appellate Tribunal (SAT) which gave him valuable insight and knowledge about the working of the capital market. He was a member of Managing Committee of Indian Banking Association, Executive Committee of

FICCI, Chairman of Banking & Finance Committee of ASSOCHAM and Head of Inter – Institutional Group on financing of fast track Power Projects. Mr. Bhattacharya is currently an advisor to Mckinsey & Co. in India and also the group financial advisor to 2/3 leading industrial groups in Mumbai and was also a visiting Guest Lecturer at NIBM, Pune, IIM, Indore and MDI, Gurgaon and is the Chairman of Finance and Banking Committee of Indian Merchants Chamber, Mumbai.

Mr. Bhattacharya holds Directorship in Phoenix ARC Private Limited, JSW Power Trading Company Limited, Liberty Videocon General Insurance Company Limited and BNP Paribas Asset Management India Private Limited. Mr. Bhattacharya is inter alia the Chairman of Audit Committee of JSW Power Trading Company Limited as also member of Audit Committee of Phoenix ARC Private Limited and BNP Paribas Asset Management India Private Limited.

Mr. Bhattacharya does not hold any equity shares of the Company.

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Bhattacharya being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice has been received along with deposit of requisite amount from a member proposing Mr. Bhattacharya as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Bhattacharya fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder as also under the Listing agreement for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Bhattacharya as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Bhattacharya as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Bhattacharya as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Bhattacharya, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 8.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

The Board commends the Resolution set out at Item No. 8 of the Notice for your approval.

ITEM NO. 9

Ms. Shailaja Chandra was appointed as an Additional Director by the Board with effect from 18th June, 2014 pursuant to Section 161 of the Companies Act, 2013, read with Article 116 of the Articles of Association of the Company. Pursuant to the provisions of Section 161 of the Companies Act, 2013, Ms. Chandra will hold office up to the date of the ensuing Annual General Meeting. A notice has been received along with deposit of requisite amount from a member proposing Ms. Shailaja Chandra as a candidate for the office of Director of the Company.

The Company has received from Ms. Shailaja declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

Ms. Shailaja Chandra was a Member of the Indian Administrative Service (IAS) and a career civil servant for 38 years who has distinguished herself in several roles including as Delhi's only woman Chief Secretary. Ms. Chandra also has additional 10 years of experience on Public Governance.

Aside from 15 years with the Central Government where Ms. Chandra held assignments in the Ministries of Defence, Power and Health, Ms. Chandra has worked in different parts of the country with the State Governments. She was Health Secretary in Delhi and joined the Government of India as Joint Secretary in the Ministry of Health & Family Welfare where she was promoted as Additional Secretary and later Secretary in the same Ministry. Ms. Chandra was Chairman, Public Grievances Commission and Appellate Authority under the Delhi Right to Information Act and as the first Executive Director of the National Population Stabilisation Fund, Ministry of Health & Family Welfare, Government of India. She continues to participate in activities connected with population, health, education, urban governance and gender.

Ms. Chandra has to her credit various reports, articles and columns which were published by Government of India, WHO and some leading national dailies. Ms. Chandra has also published a book in 2007 titled "It crossed My Mind" which is an anthology of articles on subjects of current social concern.

Ms. Shailaja Chandra is a member of the Company's Audit Committee and Corporate Social Responsibility Committee. She holds Directorship in Radiant Life Care Private Limited and Ayurved Limited.

Ms. Shailaja Chandra does not hold any equity shares of the Company.

In the opinion of the Board, Ms. Shailaja Chandra fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder as also under the Listing agreement for her appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Ms. Shailaja Chandra as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that the proposed appointment of Ms. Chandra as a Director, given her vast experience and knowledge in diverse areas, will be in the best interest of the Company and bring diversity to the composition of the Board. Accordingly, the Board recommends the resolution in relation to appointment of Ms. Shailaja Chandra as an Independent Director, for the approval by the shareholders of the Company.

Except Ms. Shailaja Chandra, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 9. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

The Board commends the Resolution set out at Item No. 9 of the Notice for your approval.

ITEM No. 10

Mr. D. J. Balaji Rao is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 9th September, 2005. Mr. Balaji Rao is a B.E and has Post Graduate Diploma in Industrial Engineering. Mr. Balaji Rao is a member of the Audit Committee and Nomination and Remuneration Committee of the Board of Directors of the Company.

Mr. Balaji Rao retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of Companies Act, 1956 and does not seek re-appointment owing to his busy schedule and commitments on other boards. Accordingly, Mr. Balaji Rao retires at this Annual General Meeting and Board has decided not to fill, for the time being, the vacancy caused due to his retirement.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No.10.

The Board commends the Resolution set out at Item No. 10 of the Notice for your approval.

ITEM No. 11

Section 148 inter alia provides that the Central Government may direct audit of cost records of class of Companies as may be prescribed. In pursuance of Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint an individual who is a cost accountant in practice or a firm of cost accountants in practice, as cost auditor, on the recommendations of the Audit Committee, which shall also recommend remuneration for such cost auditor. The remuneration recommended by the Audit Committee shall be considered and approved by the Board and ratified by the shareholders.

On recommendation of the Audit Committee at its meeting held on 29th April, 2014, the Board has considered and approved appointment of M/s. S. R. Bhargave & Co., Cost Accountants, for the conduct of the audit of the cost accounting records of the Company, in case the same is prescribed, at a remuneration of ₹ 125,000/- plus service tax as applicable and reimbursement of actual travel and out of pocket expenses for the financial year ending 31st March, 2015.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 11.

Your Directors recommend the resolution at Item No. 11 for your approval and ratification in terms of Section 148 of the Companies Act, 2013.

ITEM No. 12

At the Extraordinary General Meeting of the Company held on 21st December, 2007, the members had pursuant to the provisions of Section 293(1)(d) of the Companies Act, 1956 approved by way of an Ordinary Resolution increase in the borrowing limit to 10 (ten) times of the aggregate of the paid up capital and free reserves of the Company over and above the paid up capital and free reserves of the Company and authorised the Board of Directors of the Company to borrow from time to time, a sum of money (apart from temporary loans obtained from bankers in the ordinary course of business) in excess of the aggregate of the paid up capital of the Company and its free reserves.

Section 180(1)(c) of the Companies Act, 2013 effective from 12th September, 2013 requires that the Board of Directors shall not borrow money in excess of the Company's paid up share capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, except with the consent of the Company accorded by way of a special resolution.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 12 of the Notice, to enable the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company. Approval of members is being sought to borrow money 10 (ten) times of the aggregate of the paid up capital and free reserves of the Company over and above the paid up capital and free reserves of the Company by way of Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 12.

Your Directors recommend the resolution at Item No. 12 for your approval.

ITEM No. 13

At the 14th Annual General Meeting held on 22nd September, 2008, the members had pursuant to the provisions of Section 293(1)(a) of the Companies Act, 1956 empowered the Board, by way of Special Resolution in terms of Article 67 of Articles of Association of the Company, to hypothecate / mortgage and / or creation of charge in addition to the Hypothecations / Mortgages and / or charges created by the Company, all or any part of the moveable and/or immoveable properties of the Company, wherever situated both present & future, and/or create a floating charge on all or any part of the immovable properties of the Company, to secure the borrowings of the Company, within the overall ceiling prescribed by the Members of the Company in terms of Section 293(1)(d) of the Companies Act, 1956.

Section 180(1)(a) of the Companies Act, 2013 effective from 12th September, 2013 requires that the Board of Directors shall not, inter alia lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings except with the consent of the Company accorded by way of a special resolution.

The hypothecation/mortgage/ creation of charge for the borrowings, by the Company of its properties as and when undertaken would attract the provisions of the said section 180(1)(a) of the Companies Act, 2013.

It is, therefore, desirable for the members to pass a Special Resolution under Section 180(1)(a) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 13 of the Notice, to enable the Board of Directors to mortgage, create charges and/or hypothecate the Company's properties as and when necessary to secure any Rupee/Foreign currency Loans, Guarantee assistance, Standby Letter of Credit/ Letter of Credit, and/or any issue of Non-Convertible Debentures, and/or Compulsorily or Optionally, Fully or Partly Convertible Debentures and/or Bonds, and/or any other non-convertible and/or partly/fully convertible instruments/securities, from time to time, within the overall ceiling prescribed by the Members of the Company, in terms of section 180(1)(c) of the Companies Act, 2013 for which approval of members is being sought by way of Special Resolution at Item No. 12.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 13.

Your Directors recommend the resolution at Item No. 13 for your approval.

ITEM No. 14

At the 18th Annual General Meeting of the Company held on 20th July, 2012, the Members had authorised the Board of Directors to pay the Non-Executive Directors of the Company commission not exceeding one percent of the net profits of the Company as computed in the manner specified under the erstwhile Section 198(1) of the Companies Act, 1956, in addition to the sitting fees and reimbursement of expenses for attending the meetings of the Board and/or Committees thereof for a period of five years from the financial year commencing from 1st April, 2012.

The Company has been paying commission to the eligible Non-Executive Directors of the Company. So far as the commission to Non-Executive Directors based on the net profits for the FY 2013-14 is concerned, the Board is likely to consider and approve the same soon on / subject to the adoption of accounts at this meeting by the shareholders based on shareholders approval as above.

In view of Sections 149, 197 and any other relevant provisions of the Companies Act, 2013 coming into

effect from 1st April, 2014 and taking into account the roles and responsibilities of the Directors, it is proposed that the Directors other than Managing Director and the Whole-time Directors be paid for each financial year of the Company commencing from 1st April, 2014, remuneration not exceeding one percent per annum of the net profits of the Company computed in accordance with the provisions of the Companies Act, 2013. This remuneration will be distributed amongst all or some of the Directors in accordance with the directions given by the Board of Directors and subject to any other applicable requirements under the Companies Act, 2013. This remuneration shall be in addition to fee payable to the Directors for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board, and reimbursement of expenses for participation in the Board and other meetings.

Accordingly, a fresh approval of the Members is sought by way of a Special Resolution under the applicable provisions of the Companies Act, 2013 for payment of remuneration by way of commission to the Directors of the Company other than Managing Director and Whole-time Directors, for financial years commencing from 1st April, 2014 as set out in the Resolution at Item No. 14 of the Notice.

Mr. Sajjan Jindal, Chairman and Managing Director, Mr. Sanjay Sagar, Jt. Managing Director and CEO, Mr. Pramod Menon, Director – Finance and Key Managerial Personnel of the Company and their relatives are not concerned or interested, financial or otherwise, in the resolution set out at Item No. 14 of the Notice. Directors other than the above may be deemed to be concerned or interested in the resolution set out at Item No. 14 of the Notice to the extent of the remuneration that may be received by them.

ITEM No. 15

The "JSW" brand is owned by JSW Investment Private Ltd. (JSWIPL), part of the promoter group company, and is the registered trademark across 8 categories plus 1 registration pending. The brand JSW is being used by Companies which are managed by Mr. Sajjan Jindal, Promoter and Chairman and Managing Director of your Company.

JSW Group is a well-respected, reputed and recognized conglomerate, having a sizable presence in core sectors of the Indian economy. Considering its track record, the JSW Brand has gained recognition and is now ranked at No. 32 in India with a brand value of US\$ 701 Million

(United States Dollar Seven Hundred and One Million only) as per Brand Finance Rankings 2013.

The JSW Group which promoted "Bengaluru FC" last year won their first ever I-League. The Group Companies contributed in the promotion of this initiative which has enhanced the JSW brand value immensely. Several such initiatives are on the anvil. It is therefore essential to increase the spend on the JSW Brand which helps the group companies to promote business. It is desirable that a professional approach with a structural set up or framework be put in place to sustain the brand image.

A well nurtured brand brings several advantages to the Company. It enables the Company to get connected to various stakeholders with whom the Company deals with in the ordinary course of business. The Company has, in many ways, been able to leverage the JSW brand to its advantage in terms of attracting and retaining talent besides enhancing long term business opportunities.

JSWIPL plans to nurture the brand by adopting the best global practices. This is to ensure that brand "JSW" will be identified against certain benchmarks on governance structure, code of conduct and business excellence models. JSWIPL intends to promote JSW brand through various initiatives to create brand awareness and to build brand credibility.

As part of the initiative to sustain and develop the "JSW" brand, JSWIPL has proposed to put in place a brand architecture which shall be effective April 1, 2014:

- Establishing clear governance mechanism with defined roles and responsibilities between brand owner and brand user.
- Agree and align on a code of conduct that builds trust around the brand.
- Design frame work for adoption of business excellence model and evaluation of the effectiveness of the model.
- Agree to a royalty/license fee to sustain, nurture and develop the brand further based on a percentage of revenue.

A levy in the range of 0.15% - 0.50% of the consolidated total operating income as brand royalty/license fee is being charged by brand owners in various groups for the brand usage depending upon the level of adherence to standard practices, code of conduct, business excellence models and extent of usage of brand name.

Hence, it is proposed to pay, brand license fee of 0.25% of the consolidated net turnover of the Company to

JSWIPL with effect from 1st April, 2014, payable quarterly subject to the Company agreeing to comply with the conditions as may be stipulated for brand name usage. The Company is given to understand that the other group companies will also contribute towards brand development.

The transaction, which is at arm's length, and in the ordinary course of business of the Company, being a related party transaction, has been approved by the Audit Committee in its meeting held on 29th April, 2014 and by the Board at its meeting held on 30th April, 2014 in terms of section 177 of the Companies Act, 2013 and the Securities and Exchange Board of India Circular No. CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014 and the revised Clause 49 of the Listing Agreement to be effective from 1st October, 2014. At the Board Meeting, Mr. Sajjan Jindal, being considered interested did not participate in, or vote on the resolution, in relation to this matter.

Even though the transaction is at arm's length, and in the ordinary course of business of the Company, the Company is seeking the consent of its shareholders as a measure of good corporate governance. Hence, the Board recommends the resolution at Item No. 15 above permitting the Company to enter into appropriate agreement with JSWIPL for use of the brand "JSW" and to pay them annually a license fee of 0.25% of the consolidated net turnover of the Company.

In terms of Section 102 of the Companies Act, 2013, the shareholding interest of the Promoters/Directors/Key Managerial Personnel of the Company in JSWIPL to the extent that such shareholding is in excess of 2% is set out below:

- a) Mrs. Sangita Jindal, Promoter of the Company and wife of Mr. Sajjan Jindal (Promoter and Chairman and Managing Director of the Company), holds directly and through nominees 20,49,880 shares representing 99.99% of the total Equity Share capital of JSWIPL.
- b) The entire 10% Non Cumulative Non Convertible Redeemable Preference Shares of JSWIPL aggregating to 3,02,00,000 shares are held by Tranquil Homes & Holdings Pvt. Ltd, a Promoter group Company, which is indirectly owned majorly by Mrs. Sangita Jindal, Promoter of the Company and wife of Mr. Sajjan Jindal (Promoter and Chairman and Managing Director of the Company).
- c) The 8% Non-Cumulative Non-Convertible Redeemable Preference Shares of JSWIPL are

held by the following entities forming part of the Promoter group of the Company:

Sr. No.	Name of the Shareholder	No. of shares	%
1	Sun Investments Pvt. Ltd.	5,80,00,000	64.09
2	Jindal Steel & Alloys Ltd.	1,35,00,000	14.92
3	Vrindavan Services Pvt. Ltd.	1,90,00,000	20.99

- d) The 8% Cumulative Optionally Convertible Preference Shares of JSWIPL are held by the following entities forming part of the Promoter group of the Company:

Sr. No.	Name of the Shareholder	No. of shares	%
1	JSW Realty & Infrastructure Pvt. Ltd.	10,00,00,000	29.04
2	Gagan Trading Company Ltd.	9,11,50,000	26.47
3	JSW Holdings Ltd. (formerly known as Jindal South West Holdings Limited)	6,56,00,000	19.05
4	Sun Investments Pvt. Ltd.	5,79,50,000	16.83
5	Jindal Steel & Alloys Ltd.	1,80,00,000	5.23
6	Vrindavan Services Pvt. Ltd.	1,16,50,000	3.38

But for the aforesaid, none of the Promoters / Directors and / or Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise in the resolution set out at Item No. 15 of this Notice except to the extent of shares held by them.

Your Directors recommend the resolution as at Item No. 15 for your approval.

ITEM No. 16

The Company in the ordinary course of its business, and at arm's length basis, sells power to JSW Power Trading Company Limited (JSWPTC), its wholly owned subsidiary engaged in power trading activities with a category "I" license, which is the highest category Power Trading license issued by Central Electricity Regulatory Commission (CERC) to trade in power in whole of India, in terms of the Memorandum of Understanding dated 8th January, 2008 entered with JSWPTC for supply of surplus power available with the Company after meeting its contractual requirements. JSWPTC trades in power procured from your Company and its associates as well as third party suppliers/generators. In FY 2013-14, your Company had supplied surplus power aggregating to

8,382 million units to JSWPTC which is 51% of the total units sold by your Company during FY 2013-14.

The value of the transactions proposed to be undertaken on an arm's length basis and in the ordinary course of business with JSWPTC with effect from 1st April, 2014 over a period of 36 months, based on the business plan for FY 2014-15 duly extrapolated & marked appropriately for any exigencies and price variation, is expected to be for upto ₹ 15,000 crore.

The transaction, which is at arm's length, and in the ordinary course of business of the Company, being a related party transaction, has been approved by the Audit Committee in its meeting held on 29th April, 2014 and by the Board at its meeting held on 30th April, 2014 in terms of section 177 of the Companies Act, 2013 and the Securities and Exchange Board of India Circular No. CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014 and the revised Clause 49 of the Listing Agreement to be effective from 1st October, 2014.

The revised Clause 49 provides that all existing material related party contracts or arrangements which are likely to continue beyond 31st March, 2015 shall be placed for approval of the shareholders in the first general meeting subsequent to 1st October, 2014 or alternatively a Company may get those related party contracts or arrangements approved before 1st October, 2014. The revised Clause 49 inter alia provides that transaction with a related party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds five percent of the annual turnover or twenty percent of the net worth of the company as per the last audited financial statements of the company, whichever is higher.

The particulars of the transactions with related party are given below:

Sr. No.	Particulars	
1	Name of the related party	: JSW Power Trading Company Limited (JSWPTC)
2	Nature of relationship	: Wholly owned subsidiary of the Company and common Directors
3	Nature of arrangement	: Sale of surplus power by the Company to JSWPTC

Even though approval of the Shareholders would not be required under the provisions of the Companies Act, 2013 for transactions which are in the ordinary course of the Company's business and are at arm's length, the related party transaction envisaged in this resolution is

considered material and hence shareholders approval is sought.

The Directors recommend the approval of the Special Resolution.

Mr. Nirmal Kumar Jain, Mr. Sanjay Sagar, Mr. Pramod Menon and Mr. Chandan Bhattacharya, Directors of the Company are also Directors in JSWPTC.

But for the above, none of the Directors and the Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 16.

ITEM No. 17

Your Company has grown significantly over the last 5 years with generation capacity increasing from 260 MW in FY 2009 to 3,140 MW in FY 2014 and turnover growing from ₹ 1,239 crore to over ₹ 9,000 crore during the same period. The increase in capacity has also led to increase in the volume of imports primarily of imported coal. With 2,060 MW of generation capacity based on imported coal, the Company will need to import about 6.5 to 7 mpta of imported coal every year.

At the same time, other verticals of JSW group have also seen significant increase in the volume of business with significant reliance on imports. Considering the huge requirement of imported thermal coal for the group and in turn to consolidate the procurement of thermal coal aimed at bringing in efficiency of time and costs, JSW group had been evaluating various structures for setting up of a dedicated team to oversee the procurement of thermal coal requirements of the group.

A dedicated team had been created for procuring imported coal under JSW International Tradecorp Pte. Limited (JSWITPL) in Singapore for the entire group. This is expected to enable the business verticals to focus on the core business with the procurement of thermal coal being handled on consolidated basis by a separate group Company which will be able to negotiate better deals on consolidated volumes, develop better understanding of coal markets, besides reducing the overhead as also financing costs.

Accordingly, your Company has entered into an agreement with JSWITPL, Singapore, a promoter group Company, on 7th March, 2014 for procurement of quality thermal coal originating inter alia from Indonesia, South Africa, Australia and Mozambique.

The aforesaid arrangement is expected to benefit your Company gradually in the following manner:

- Reduced overheads
- Better planning & leveraging of group requirement for cost advantage

- Lower financing costs
- Provision for clean credit

The value of the transactions proposed to be undertaken on an arm's length basis and in the ordinary course of business with JSWITPL with effect from 1st April, 2014 over a period of 36 months, based on the business plan for FY 2014-15 duly extrapolated & marked appropriately for any exigencies and price variation, is expected to be for upto ₹ 9,000 crore.

The transaction, which is at arm's length, and in the ordinary course of business of the Company, being a related party transaction, has been approved by the Audit Committee in its meeting held on 29th April, 2014 and by the Board at its meeting held on 30th April, 2014 in terms of section 177 of the Companies Act, 2013 and the Securities and Exchange Board of India Circular No. CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014 and the revised Clause 49 of the Listing Agreement to be effective from 1st October, 2014. At the Board Meeting, Mr. Sajjan Jindal, being considered interested did not participate in, or vote on the resolution, in relation to this matter.

The revised Clause 49 provides that all existing material related party contracts or arrangements which are likely to continue beyond 31st March, 2015 shall be placed for approval of the shareholders in the first general meeting subsequent to 1st October 2014 or alternatively a Company may get those related party contracts or arrangements approved before 1st October, 2014. The revised Clause 49 inter alia provides that transaction with a related party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds five percent of the annual turnover or twenty percent of the net worth of the company as per the last audited financial statements of the company, whichever is higher.

The particulars of the transactions with related party are given below:

Sr. No.	Particulars	
1	Name of the related party	: JSW International Tradecorp Pte. Limited (JSWITPL)
2	Nature of relationship	: Promoter Group Company
3	Nature of arrangement	: Purchase of quality thermal coal originating inter alia from Indonesia, South Africa, Australia and Mozambique

Even though approval of the Shareholders would not be required under the provisions of the Companies Act, 2013 for transactions which are in the ordinary course of the Company's business and are at arm's length, the

related party transaction envisaged in this resolution is considered material and hence shareholders approval is sought.

In terms of Section 102 of the Companies Act, 2013, the shareholding interest of the Promoters/Directors/Key Managerial Personnel of the Company in JSW International Tradecorp Pte. Limited (JSWITPL) to the extent that such shareholding is in excess of 2% is set out below:

- JSWITPL is a wholly owned subsidiary of Reynold Traders Private Limited (RTPL), a promoter group Company.
- Mrs. Sangita Jindal, wife of Mr. Sajjan Jindal (Promoter and Chairman and Managing Director of the Company), holds 15,02,500 shares representing 99.83% of the total Equity Share capital of RTPL while Ms. Tarini Jindal, daughter of Mr. Sajjan Jindal (Promoter and Chairman and Managing Director of the Company) holds the balance 2,500 shares representing 0.17% of the total Equity Share capital of RTPL
- The entire 5% Non-Cumulative Redeemable Preference Shares of RTPL aggregating to 4,00,000 shares are held by JSW Holdings Limited, a promoter group Company:

But for the aforesaid, none of the Promoters / Directors and / or Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise in the resolution set out at Item No. 17 of this Notice except to the extent of shares held by them.

The Directors recommend the approval of the Special Resolution.

ITEM No. 18

The Company in the ordinary course of its business and on arm's length basis, undertakes sale of Power & other materials, supplies power under a conversion agreement, provides Operation and Maintenance services, etc. to JSW Steel Limited (JSWSL), a Promoter group Company and also purchases from them fuel, steel & other materials, receives / avails services, etc, besides reimbursement of expenses paid on each other's behalf.

The value of the transactions proposed to be undertaken on an arm's length basis and in the ordinary course of business with JSWSL with effect from 1st April, 2014 over a period of 36 months, based on the business plan for FY 2014-15 duly extrapolated & marked appropriately for

any exigencies and price variation, is expected to be for upto ₹ 7,500 crore.

The particulars of the transactions with related party are given below:

Sr. No.	Particulars	
1	Name of the related party	: JSW Steel Limited (JSWSL)
2	Nature of relationship	: Promoter group Company. Mr. Sajjan Jindal, Chairman and Managing Director of the Company is also the Chairman and Managing Director of JSWSL
3	Nature of arrangement	: Sale of Power & other materials, render power conversion, O&M services, etc to 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

The transaction, which is at arm's length, and in the ordinary course of business of the Company, being a related party transaction, has been approved by the Audit Committee in its meeting held on 29th April, 2014 and by the Board at its meeting held on 30th April, 2014 in terms of section 177 of the Companies Act, 2013 and the Securities and Exchange Board of India Circular No. CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014 and the revised Clause 49 of the Listing Agreement to be effective from 1st October, 2014. At the Board Meeting, Mr. Sajjan Jindal, being considered interested did not participate in, or vote on the resolution, in relation to this matter.

The revised Clause 49 provides that all existing material related party contracts or arrangements which are likely to continue beyond 31st March, 2015 shall be placed for approval of the shareholders in the first general meeting subsequent to 1st October, 2014 or alternatively a Company may get those related party contracts or arrangements approved before 1st October, 2014. The revised Clause 49 interalia provides that transaction with a related party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds five percent of the annual turnover or twenty percent of the net worth of the company as per the last audited financial statements of the company, whichever is higher.

Even though approval of the Shareholders would not be required under the provisions of the Companies Act, 2013 for transactions which are in the ordinary course of the Company's business and are at arm's length, the related party transaction envisaged in this resolution is considered material and hence shareholders approval is sought.

In terms of Section 102 of the Companies Act, 2013, the shareholding interest of the Promoters/Directors/Key Managerial Personnel of the Company in JSW Steel Limited (JSWSL) to the extent that such shareholding by each of them is in excess of 2% each is set out below:

Sr. No.	Name of the Promoter / Director / Key Managerial Personnel of the Company	No. of shares held in excess of 2% in JSW Steel Limited	%
1	JSW Holdings Limited	1,72,84,923	7.15
2	JSW Investments Private Limited	1,13,00,801	4.68
3	Sahyog Tradcorp Private Limited	75,01,505	3.1
4	Danta Enterprises Private Limited	60,36,825	2.5
5	Virtuous Tradecorp Private Limited	60,36,825	2.5

But for the aforesaid, none of the Promoters / Directors and / or Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise in the resolution set out at Item No. 18 of this Notice except to the extent of shares held by them.

Your Directors recommend the resolution as at Item No.18 for your approval.

ITEM No. 19

The first proviso to Section 203 (1) of the Companies Act, 2013, interalia provides that "an individual shall not be appointed or reappointed as the Chairperson of the Company, in pursuance of the articles of the Company, as well as the Managing Director or Chief Executive Officer of the Company at the same time after the date of commencement of this Act unless the Articles of such a Company provide otherwise.

Mr. Sajjan Jindal has been appointed as Chairman and Managing Director of the Company since January 2009 and re-appointed as Chairman and Managing Director of the Company w.e.f January 2014 by the Board of Directors at their meeting held on 30th January, 2014. Hence, an enabling provision is sought to be inserted in the Articles of Association of the Company to enable the Company to appoint the same individual as Chairperson and Managing Director of the Company at the same time.

Article No. 141A as contained in Item No.19 covers the proposed amendment to appoint the same person as Chairman and Managing Director of the Company at the same time.

Pursuant to provisions of Section 14 of the Companies Act, 2013, any amendment(s) to the provisions of Articles of Association of the Company requires the approval of the members by way of Special Resolution.

Except, Mr. Sajjan Jindal who is appointed as the Chairman and Managing Director of the Company, none of the Directors and Key Managerial Personnel of the Company and their relatives are in any way concerned or interested in the said resolution.

The Board recommends the Special resolution as set out in Item No. 19 of the Notice for members' approval.

ITEM No. 20

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, the Company can obtain previous approval of its shareholders by means of a Special Resolution once a year for all the offers or invitations for such non-convertible debentures during the year.

In order to augment the long term resources for financing, inter alia, the ongoing capital expenditure, for general corporate purposes, etc the Company may offer or invite subscription to secured / unsecured redeemable non-convertible debentures, in one or more tranches on private placement basis.

Accordingly, an enabling resolution as set out at Item No. 20 of the Notice is being sought to borrow funds by offer or invitation to subscribe to secured/unsecured redeemable non-convertible debentures for an amount not exceeding ₹ 5,000 crores (Rupees Five thousand crore only). This resolution would be valid for a period of one year from the date of this Annual General Meeting.

The price at which the securities will be issued will be determined by the Board of Directors of the Company in accordance with applicable law and in consultation with the appropriate advisors.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise in the resolution set out at Item No. 20 of the Notice.

Your Directors recommend the resolution as at Item No. 20 for your approval.

ITEM No. 21

The Special Resolution contained in the Notice under Item No. 21 relates to a resolution by the Company enabling the Board to create, issue, offer and allot Equity Shares, GDRs, ADRs, Foreign Currency Convertible Bonds, Convertible Debentures and such other securities as stated in the resolution (the "Securities") at such price as may be deemed appropriate by the Board 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 in one or more tranche(s), subject to SEBI (ICDR) Regulations and other applicable laws, rules and regulations.

The resolution enables the Board to issue Securities for an aggregate amount not exceeding ₹ 1,000 crore or its equivalent in any foreign currency. The Board shall issue Securities pursuant to this special resolution to meet long term working capital and capital expenditure requirements of the Company and its subsidiaries, joint ventures and affiliates, including investment in subsidiaries (including overseas subsidiaries), joint ventures and affiliates besides strengthening the Balance Sheet of the Company including repayment of debt, tap acquisition opportunities, usage for business ventures/projects and other general corporate purposes.

The special resolution also authorizes the Board of Directors of the Company to undertake a Qualified Institutions Placement with Qualified Institutional Buyers (QIBs) in the manner as prescribed under Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009, as amended (the "SEBI Regulations") for raising capital. The pricing of the Specified Securities to be issued to QIBs pursuant to the said SEBI Regulations shall be freely determined subject to such price not being less than the price calculated in accordance with the relevant provisions of the said SEBI Regulations.

The detailed terms and conditions for the offer will be determined by the Board in consultation with the

Advisors, Merchant Bankers, Underwriters and such other authority or authorities as may be required to be consulted by the Company considering the prevalent market conditions from time to time and in accordance with the applicable provisions of law, rules and regulations and other relevant factors.

The Equity Shares allotted or arising out of conversion of any Securities would be listed. The issue/ allotment/ conversion of Securities would be subject to the receipt of regulatory approvals, if any. Further the conversion of Securities held by foreign investors, into Equity Shares would be subject to the permissible foreign shareholding limits/cap specified by Reserve Bank of India from time to time.

Pursuant to the provisions of Section 42, 62 and 71 of the Companies Act, 2013 ("the Act") including any rules made thereunder and any other provision of the said Act, as may be applicable and the relevant provisions of the listing agreement with the stock exchanges and any other applicable laws, the issue of securities comprising equity shares, foreign currency convertible bonds, ADR's, GDR's, non-convertible debentures and/ or issue of debentures on private placement, convertible debentures, etc, will require the prior approval of the Members by way of a Special Resolution.

The Special Resolution as set out at Resolution No. 21, if passed, will have the effect of permitting the Board to issue and allot Securities to Investors, who may or may not be existing members of the Company in the manner as set out in resolution No. 21.

The Board believes that the proposed Special Resolution is in the interest of the Company and therefore recommends the resolution for your approval.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 21.

NOTES:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business under Item 5 to 21 set out above and the details under Clause 49 of the Listing Agreement with Stock Exchanges in respect of Director proposed to be appointed and reappointed at the Annual General Meeting, is contained in the respective explanatory statement.
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 fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent 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 shareholder.

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 the Companies, societies etc., must be supported by an appropriate resolution / authority, as applicable.
4. Corporate members are requested to send a duly certified copy of the resolution authorizing their representatives to attend and vote at the meeting.
5. 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.
6. Members who hold Shares in electronic form are requested to write their DP ID and Client ID numbers and those who hold Shares in physical form are requested to write their Folio number in the attendance slip for attending the meeting to facilitate identification of membership at the meeting.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 15th July, 2014 to Wednesday, 23rd July 2014 (both days inclusive).
8. Members holding Shares in electronic form may note that the Bank particulars registered against their respective Depository Accounts will be used by the Company for payment of Dividend and they are requested to send their NECS mandate Form in the format available for download on the Company's website (www.jsw.in) duly filled in to their Depository Participants (DPs). Members who wish to change their bank accounts may advise their DPs about such change with complete details of Bank account including MICR Code. The Company or its Registrar and Share Transfer Agent cannot act on any direct request from such Members for change / deletion of such bank details.

Members holding Shares in physical form are requested to send their NECS mandate Form in the format available for download on the Company's website (www.jsw.in) duly filled in, to the Registrar and Share Transfer Agents of the Company - Karvy Computershare Private Limited.

In order to provide protection against fraudulent encashment of Dividend Warrants, Shareholders holding Shares in physical form are requested to intimate the Company under the signature of the Sole / First joint holder, the following information which will be used by the Company for Dividend payments:

- i) Name of Sole/First joint holder and Folio No.
 - ii) Particulars of Bank account viz:
 - a) Name of the Bank.
 - b) Name of Branch.
 - c) Bank Account number allotted by the Bank.
 - d) Nine Digits MICR code of Bank.
 - e) Account Type, whether Savings Bank (SB) or Current Account (CA).
 - f) Complete address of the bank with Pin Code Number.
9. In terms of IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends in respect of the financial years from 2009-10, as on the date of the 19th Annual General Meeting (AGM) held on 25th July, 2013, on the website of the IEPF viz. www.iepf.gov.in and under "Investors Section" on the Website of the Company viz. www.jsw.in.
10. Members are requested to intimate the Registrar and Share Transfer Agents of the Company - Karvy Computershare Private Limited, Plot. No.17 to 24, Vittalrao Nagar, Madhapur, Hyderabad- 500081, immediately of any change in their address in respect of Equity Shares held in physical mode and to their DPs in respect of Equity Shares held in dematerialized form.
11. 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 Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.

12. Members desirous of having any information regarding Accounts of the Company are requested to address their queries to the Associate Vice President – Accounts at the Company's Registered Office at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 or e-mail the queries to jswel.investor@jsw.in with "Query on Accounts" in the subject line, at least seven days before the date of the meeting, so that requisite information is made available at the meeting.
13. All the documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Company's Registered Office at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 on all working days of the Company between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
14. In terms of Section 108 of Companies, Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is providing the facility to its members holding shares in dematerialized or physical form as on cut-off date, being Friday, 13th June, 2014 to exercise their right to vote by electronic means on any or all of the businesses specified in the accompanying Notice. Details of the process and manner of e-voting along with the User ID and Password is being sent to all the Members along with the notice.

The instructions and other information relating to E-voting are as under:

1. A. In case a Member receiving an email from Karvy [for Members whose email IDs are registered with the Company / Depository Participant(s)]
 - i. Launch internet browser by typing the URL: <https://evoting.karvy.com>.
 - ii. Enter the login credentials (i.e. **User ID and Password** mentioned above). Your DP ID-Client ID /Folio No. 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.

- iii. After entering these 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. You need to login again with the new credentials.
 - vi. On successful login, the system will prompt you to select the "EVENT" i.e., JSW Energy Limited.
 - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut Off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
 - viii. Shareholders holding multiple demat accounts /folios shall choose the voting process separately for each demat accounts /folios.
 - ix. 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.
 - x. You may then cast your vote by selecting an appropriate option and click on "Submit".
 - xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, 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).
 - xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e mail ID: shreyanscs@gmail.com with a copy marked to evoting@karvy.com and jswel.investor@jsw.in. The scanned image of the above mentioned documents should be in the naming format "JSW Energy Limited, 20th Annual General Meeting".
- B. In case of Members receiving physical copy of the AGM Notice by Post [for Members whose email IDs are not registered with the Depository Participant(s) / Company]:
- i. **User ID and initial password** as provided above.
 - ii. Please follow all steps from Sr. No. (i) to (xii) as mentioned in (A) above, to cast your vote.
2. The e-voting period commences on **Thursday, July 17, 2014 at 9:00 A.M. and ends on Saturday, July 19, 2014 at 6:00 P.M.** During this period, the Members of the Company holding shares in physical form or in dematerialized form, as on the cut-off date (record date), being 13th June, 2014, may cast their vote by electronic means in the manner and process set out herein above. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member,

- the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote electronically shall not vote by way of poll, if held at the Meeting.
3. In case of any query pertaining to e-voting, please visit Help & FAQ's section of <https://evoting.karvy.com> (Karvy's website).
 4. The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company, as on the cut-off date (record date), being Friday, June 13, 2014.
 5. The Board of Directors has appointed **Mr. Shreyans Jain, Proprietor of M/s Shreyans Jain & Co., Company Secretaries (Membership Number. 18839), as a Scrutinizer** to scrutinize the e-voting process in a fair and transparent manner.
 6. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and will make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 7. The Results on resolutions shall be declared on or after the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.
 8. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company (www.jsw.in) and on Service Provider's website (<https://evoting.karvy.com>) within two (2) days of passing of the resolutions and communication of the same to the BSE Limited and the National Stock Exchange of India Limited.
 15. Members / Proxies are requested to bring the attendance slip duly filled in for attending the meeting.
 16. As an austerity measure, copies of Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copy to the meeting.
 17. The Annual Report for FY 2013-14 of the Company circulated to the Members of the Company is made available on the Company's website at www.jsw.in
 18. Pursuant to the Initial Public Offering of Equity Shares, the Company had, in respect of certain Shares allotted therein, in view of mismatch in particulars of those allottees, parked the same in a demat suspense account. The aggregate number of Shares so lying at the beginning of the financial year as also at the year end and as on date is 180 equity shares of 1 Investor.
 19. Electronic copy of the Annual Report for FY 2013-2014 is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for FY 2013-14 is being sent in the permitted mode.
 20. Electronic copy of the Notice of the 20th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 20th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
 21. Members may also note that the Notice of the 20th Annual General Meeting and the Annual Report for FY 2013-14 will also be available on the Company's website www.jsw.in for their download. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: jswel.investor@jsw.in.
 22. Details of Directors seeking appointment / reappointment at the ensuing Annual General Meeting (Pursuant to Clause 49 of the Listing Agreements entered into with the Stock Exchanges).
- The details for all the Directors proposed to be appointed / reappointed at the ensuing Annual General Meeting is contained in the Explanatory Statement against Item Nos. 5 to 10 except for Mr. Nirmal Kumar Jain whose details are given below.

Mr. Nirmal Kumar Jain joined the Board on 21st January 2010. Mr. Jain who joined the JSW Group in 1992, held positions of increasing responsibilities including as Director-Finance in 1994, Deputy MD & CEO in 1996 and Executive Vice-Chairman of Jindal Iron & Steel Co. Ltd. and Vice-Chairman of the Company till 23rd October, 2008. Mr. Jain is a B.com, FCA and FCS and has over four decades of wide experience in the areas of mergers and acquisition, finance, law and capital restructuring.

Combining his deep and abiding passion for people, Mr. Jain added depth to his leadership roles by also serving as executive coach and mentor of human resources for the JSW Group's 10,000 strong workforce.

Mr. Jain ceased to be the Executive Vice Chairman of the Company with effect from close of 31st August 2013 while continuing as a Director.

Mr. Jain was involved in the management of joint ventures with leading business partners from the globe. His deep knowledge and astute eye for all aspects of business have helped establish JSW as a still-rapidly growing diversified conglomerate.

Mr. Jain is the Chairman of the Risk Committee and Member of the Audit Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Finance Committee of the Board of Directors of the Company.

Mr. Jain holds Directorship in JSW Power Trading Company Limited, Raj WestPower Limited, JSW Infrastructure Limited, JSW Holdings Limited, JSW Aluminium Limited, JSW Energy (Kutehr) Limited and JSW Cement Limited. Mr. Jain is the Chairman of the Audit Committee of JSW Infrastructure Limited and a member of the Audit Committee of JSW Holdings Limited and JSW Cement Limited. Mr. Jain is also the Chairman of the Shareholders/ Investors Grievance Committee of JSW Holdings Limited.

Mr. Jain holds 5,000 equity shares of the Company.

By order of the Board
for **JSW Energy Limited**

Sampath Madhavan
Company Secretary

Mumbai
18th June, 2014

DIRECTORS' REPORT

To the Shareholders,

Your Directors are pleased to present the Twentieth Annual Report and the Audited Financial Statements of the Company for the year ended 31st March 2014.

1. FINANCIAL RESULTS

The financial performance of your Company for the year ended 31st March 2014 is summarized below:

(₹ crore)

Particulars	Standalone		Consolidated	
	2013-14	2012-13	2013-14	2012-13
Sales and Other Income	6,057.55	6,701.23	8,907.63	9,147.73
Profit before Interest, Depreciation, Tax and Exceptional items	2,267.57	2,410.52	3,453.61	3,006.62
Finance Costs	627.55	571.80	1205.94	962.79
Depreciation and amortisation expense	452.85	424.94	809.95	661.53
Exceptional items	370.21	169.95	377.69	196.59
Profit before Tax	816.96	1,243.83	1060.03	1,185.71
Provision for Tax	214.48	250.80	283.60	273.31
Profit for the year before Share of loss of Associates and Minority Interest	602.48	993.03	776.43	912.40
Share of Profit / (Loss) of Minority	-	-	5.10	(2.93)
Share of Loss of Associate Company	-	-	16.59	11.68
Profit for the year	602.48	993.03	754.74	903.65
Add: Profit brought forward from previous year	2,117.27	1,717.71	1,569.34	1,272.43
Less: Share of Loss of Associate up to previous year	-	-	3.75	11.88
Profit available for appropriation	2,719.75	2,710.74	2,320.33	2,164.20
Less: Transfer to Debenture Redemption Reserve	73.69	135.23	73.69	135.23
Less: Transfer to Contingency Reserve	-	-	1.39	1.39
Less: Transfer to General Reserve	45.19	74.48	45.19	74.48
Less: Proposed Dividend	328.01	328.01	328.01	328.01
Less: Dividend Distribution Tax	55.75	55.75	55.75	55.75
Balance Carried to Balance Sheet	2,217.11	2,117.27	1,816.30	1,569.34

2. FINANCIAL PERFORMANCE

Standalone

- The total revenue of your Company for fiscal 2014 stood at ₹ 6,057.55 crore as against ₹ 6,701.23 crore for fiscal 2013 showing a decrease of 9.61%.
- The EBIDTA (before exceptional items) decreased by 5.93% from ₹ 2,410.52 crore in fiscal 2013 to ₹ 2,267.57 crore in fiscal 2014.
- Profit for the year decreased by 39.33% from ₹ 993.03 crore in fiscal 2013 to ₹ 602.48 crore in fiscal 2014.
- The net worth of your Company increased to ₹ 7,002.67 crore at the end of fiscal 2014 from

₹ 6,773.24 crore at the end of fiscal 2013.

- The debt gearing of your Company was at 0.71 times as at the end of fiscal 2014 compared to 0.80 times at the end of fiscal 2013.

Consolidated

- The consolidated total revenue of your Company for the fiscal 2014 stood at ₹ 8,907.63 crore as against ₹ 9,147.73 crore for fiscal 2013 showing a decrease of 2.62 %.
- The consolidated EBIDTA (before exceptional items) increased from ₹ 3,006.62 crore in fiscal 2013 to ₹ 3,453.61 crore in fiscal 2014 showing an increase of 14.87 %.

- The consolidated Profit for the year has decreased from ₹ 903.65 crore in fiscal 2013 to ₹ 754.74 crore in fiscal 2014 showing a decrease of 16.48 %.
- The consolidated Net Worth of your Company has increased from ₹ 6,203.76 crore at the end of fiscal 2013 to ₹ 6,571.17 crore in fiscal 2014.
- The consolidated debt gearing of the Company is at 1.54 times as at end of fiscal 2014 compared to 1.67 times in fiscal 2013.

3. CONSOLIDATED FINANCIAL STATEMENTS

The audited Standalone and Consolidated Financial Statements of your Company, which form part of the Annual Report, have been prepared pursuant to Clause 41 of the Listing Agreement entered into with the Stock Exchanges, in accordance with the provisions of the Companies Act, 1956, the Accounting Standard (AS-21) on Consolidated Financial Statements, the Accounting Standard (AS-23) on Accounting for Investments in Associates and Accounting Standard (AS-27) on Financial Reporting of Interests in Joint Ventures, prescribed by the Companies (Accounting Standards) Rules, 2006.

4. DIVIDEND

Your Directors have recommended Dividend of ₹ 2 per share (20%) on 164,00,54,795 Equity Shares of Face Value of ₹ 10 each for FY 2013-2014 [₹ 2 per share (20%) in previous year], subject to the approval of the Members at the ensuing Annual General Meeting. Together with the Dividend Distribution Tax, the total outflow on account of Equity dividend will be ₹ 383.76 crore [₹ 383.76 crore in previous year].

5. SUBSIDIARIES

The details of the Subsidiary Companies are as follows:

A. Raj WestPower Limited (RWPL)

Raj WestPower Limited (RWPL), a wholly owned subsidiary of your Company, had commissioned 1080 MW (8 X 135) power plant based on lignite to be mined from Jalipa & Kapurdi Lignite mines in the District of Barmer in Rajasthan in FY 2012-13. Some of the allied project activities such as part of Lignite handling system, Lime handling system and colony were commissioned during the current year. The balance part of Project like part of

reservoir, 33 KV line etc., is expected to be completed during the year.

RWPL had executed Implementation Agreement (IA) with the Government of Rajasthan for the implementation, operation and maintenance of Lignite Mining cum Thermal Power Plant, with associated facilities, of 8X135 MW Power Plant based on Lignite mined from the Jalipa and Kapurdi Mines in the Barmer District of Rajasthan. In accordance with the IA, Barmer Lignite Mining Company Limited (BLMCL) was incorporated as a Joint Venture Company between Rajasthan State Mines & Minerals Limited (RSMML), a Government of Rajasthan enterprise & RWPL, with Equity participation of 51% and 49% respectively to develop lignite mines in two contiguous blocks viz. Kapurdi and Jalipa for supplying lignite to the mine-head located 1080 MW (8x135 MW) capacity Thermal Power Plant of RWPL. BLMCL meets the entire fuel requirement of the Power Plant.

During the year, RWPL has achieved Plant Load Factor (PLF) of 44.32% and generated 4,193.30 million units (gross). Out of the gross generation, it has sold 3,697.34 million units to Rajasthan Distribution Companies (Discoms) and generated revenue of ₹ 1,860.01 crore and earned profit after tax of ₹ 157.29 crore on standalone basis and revenue of ₹ 1,843.29 crore and profit after tax of ₹ 140.09 crore on consolidated basis during the FY 2013-14.

The project cost of RWPL was funded on a debt equity ratio of 75:25, with consortium of lenders led by ICICI Bank Limited. The revised project cost including margin money is estimated to be ₹ 7,165 crore. The Company has drawn ₹ 5,173 crore under Rupee Term Loan Agreement.

It has incurred ₹ 6,936 Crore for the project (excluding investment in BLMCL) as at 31st March, 2014.

Your Company has invested ₹ 1,726.05 crore in RWPL (including Equity for BLMCL) and advanced ₹ 677.96 crore as loan as at 31st March, 2014. RWPL has invested equity of ₹ 9.80 crore in BLMCL besides providing it unsecured subordinate debt of ₹ 394.09 crore as on that date.

RWPL and BLMCL have filed petition with Hon'ble Rajasthan Electricity Regulatory Commission (RERC) for determination of tariff

and lignite transfer price for FY 2014-15 which is under consideration. In the meanwhile, RERC has extended the last applicable provisional tariff and transfer price upto 30th June, 2014, which can be expected to be further extended.

Barmer Lignite Mining Company Limited (BLMCL)

During the year, BLMCL supplied entire lignite to meet the requirements of RWPL power plant from Kapurdi Lignite Mines.

Land Acquisition Officer (LAO) has passed the Order for acquisition of the Jalipa Lignite Mines and full consideration has been paid by BLMCL. Development activity of the Jalipa mine is expected to commence during FY 2014-15. Mining lease for the Jalipa Lignite Mine has been granted by Government of Rajasthan (GoR) in favour of RSMML on 22nd February, 2013 and the lease has been transferred by GoR from RSMML in favour of BLMCL on 17th September, 2013. The execution of mining lease is expected to be done soon. Ministry of Coal has also granted post-facto prior approval to GoR for grant of lease to RSMML for Kapurdi and Jalipa Lignite Mines and transfer of mining lease to BLMCL.

BLMCL had applied for enhancement of mining capacity of Kapurdi Lignite Mines from 3MTPA to 7MTPA in March 2012 so that the lignite requirement for operating all eight units of the Power Plant can be met at normative PLF. Ministry of Coal had approved the increase in mining capacity upto 7 MTPA. The Environment Clearance approval for increase in mining capacity upto 7 MTPA is under consideration with Ministry of Environment & Forests (MoEF). Meanwhile, BLMCL had also applied in January, 2013 for the one time enhancement in mining capacity by 25% to MoEF over the approved Environment Clearance (EC) of 3 MTPA, approval of which has been received by BLMCL.

During the year, BLMCL had also received final clearance from MoEF for diversion of 9.794 hectares of protected forests land lying on both sides of NH-15 in Jalipa Lease area. PWD-NH division is also finalizing DPR for the diversion of NH-15 and is likely to complete the same soon.

Lignite Handling System has been installed and commissioned in March, 2014 and 3 MLD

Water Treatment Plant is under construction in Kapurdi Lignite Mines

BLMCL has incurred ₹ 1,527 crore till 31st March, 2014.

Both RWPL and BLMCL are presently operating on adhoc interim Tariff and adhoc transfer price of Lignite respectively, provided by the RERC till the final determination of Tariff & transfer price of Lignite. Besides the determination of final Tariff & transfer price of Lignite, there are other issues related to the project either pending before RERC or Hon'ble Appellate Tribunal for Electricity or Hon'ble Supreme Court, which will have an eventual bearing on the earnings of the Company. As a prudent & conservative practice, both RWPL & BLMCL have only adopted the Tariff approved by the RERC.

B. JSW Power Trading Company Limited (JSWPTC)

JSWPTC, a wholly owned subsidiary of your Company, is engaged in power trading activities with a category "I" license, which is the highest category Power Trading license issued by Central Electricity Regulatory Commission (CERC) to trade in power in whole of India. JSWPTC trades in power procured from your Company and its associates as well as third party suppliers/generators. JSWPTC has achieved total trading volume of 10061 MUs as against 11328 MUs during the previous financial year thereby generating a total sales turnover of ₹ 5,020 Crore with Profit after Tax of ₹ 17.26 crore. JSWPTC is a member in both the Power Exchanges namely, India Energy Exchange (IEX) and Power Exchange of India Limited (PXIL).

JSWPTC has emerged as one of the leading Power Trading Companies in India and achieved second position on all India basis as per the monthly reports of Market Monitoring Cell of Hon'ble CERC for period April 2013 to February 2014. JSWPTC is a representative in the Central Advisory Committee of Hon'ble CERC.

C. Jaigad PowerTransco Limited (JPTL)

Your Company had entered into a Joint Venture Agreement with Maharashtra State Electricity Transmission Company Limited (MSETCL), for development of Transmission System as an integral part of Intra-state Transmission

System aimed at evacuation of power generated from 1200 MW Ratnagiri Power Plant and also from other proposed projects in the region.

JPTL, the Joint Venture Company incorporated for the said purpose, where your Company has shareholding of 74% and MSETCL has balance 26% Equity, was granted Transmission License to establish, maintain and operate the Transmission System for 25 years by Hon'ble 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 terrain.

The Transmission System is presently evacuating power from 1200 MW Ratnagiri Power Plant as well as transmitting intra-state power of State Utilities. JPTL has maintained a high availability of Transmission System at 99.19% for the FY 2013-14.

Your Company has invested ₹ 101.75 crore as Equity contribution as at 31st March, 2014 in JPTL. JPTL has generated revenues of ₹ 121.08 crore and Net Profit of ₹ 19.61 crore during the FY 2013-14.

MERC has vide its order dated 16th August, 2013 approved the Annual Revenue Requirement (ARR) including carrying cost as per its Multi Year Tariff Regulations for the period FY 2012-13 to FY 2015-16 as well as truing up of ARR for the FY 2011-12.

D. JSW Energy (Raigarh) Limited (JERL)

JERL, a wholly owned subsidiary of your Company, was incorporated for setting up 1320 MW Power Plant in Raigarh District, Chhattisgarh based on coal. Total land required is approximately 840 acres, out of which 789 acres have been acquired either directly or indirectly through CSIDC for development of Project. About 540 acres of land has been handed over to CSIDC by Government of Chhattisgarh. Environment clearance has been obtained from Ministry of Environment & Forests. The Project Cost is estimated at ₹ 6,500 crore and is proposed to

be financed with a Debt Equity ratio of 75:25. Your Company has invested ₹ 108.57 crore as Equity contribution as at 31st March 2014.

E. JSW Green Energy Limited (JSWGEL)

JSWGEL was incorporated on 12th January, 2011 as a wholly owned subsidiary of your Company for taking up the business pertaining to Renewable Energy.

Your Company has invested ₹ 0.05 crore as Equity contribution and advanced ₹ 4.15 crore as loan as at 31st March 2014.

F. JSW Energy (Kutehr) Limited (JEKL)

JEKL has been incorporated on 20th February, 2013 as a wholly owned subsidiary of your Company as a SPV for the purpose of pursuing the Kutehr Hydro Project.

Your Company has invested ₹ 2.36 crore as Equity contribution as at 31st March 2014.

OVERSEAS SUBSIDIARIES

G. PT Param Utama Jaya (PTPUJ)

The Company had acquired 100% equity of PTPUJ in the year 2007 for a total consideration of USD 4.1 Mn which was incorporated in Indonesia. PTPUJ was engaged in the business of providing management consultancy services to coal mining companies in Indonesia. The Company has entered into a share purchase agreement with Saiwai Boeki Shokai Pte Limited and sold its 100% equity for a consideration of USD 4.2 Mn. Accordingly, PTPUJ ceased to be the subsidiary of the Company wef 28th February, 2014.

H. JSW Energy Minerals Mauritius Limited (JEMML)

JEMML was incorporated on 19th April, 2010 in Mauritius as wholly owned subsidiary of the Company for overseas acquisition of coal assets. It has downstream Equity investment of ₹ 36.06 crore in JSW Energy Natural Resources Mauritius Limited (JENRML) and advanced ₹ 320.63 crore as loan as on 31st March, 2014 for acquiring and developing Coal mining assets in South Africa. JEMML has also invested in equity share capital of ₹ 6.33 crore (including Share Application Money of ₹ 6.23 crore) in JSW Energy Natural Resources UK Limited.

Your Company has Equity investment of ₹ 42.11 crore in JEMML and advanced ₹ 309.03 crore as loan as on 31st March, 2014.

I. JSW Energy Natural Resources Mauritius Limited (JENRML)

JENRML was incorporated on 19th April, 2010 in Mauritius as a wholly owned subsidiary of JEMML for overseas acquisition of coal assets. It has downstream investment of ₹ 35.81 crore in Equity of JSW Energy Natural Resources South Africa (PTY) Limited and advanced ₹320.42 crore as loan as on 31st March, 2014.

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

JSWNRSAL has invested an amount of ₹ 41.07 crore in acquiring Equity of Royal Bafokeng Capital (Proprietary) Limited (RBC) and ₹ 8.94 crore in acquiring Equity of Mainsail Trading 55 Proprietary Limited (Mainsail), wholly owned subsidiaries, of JSWNRSAL. Further JSWNRSAL has invested an amount of ₹ 26.91 crore in Equity of South African Coal Mining Holdings Limited (SACMH) and advanced ₹ 214.15 crore as loan to SACMH & its subsidiaries.

K. South African Coal Mining Holdings Limited (SACMH)

The mines are presently under care and maintenance pending receipt of requisite licences in the new Mining area.

The effective shareholding of your Company in SACMH as at 31st March, 2014 stands at 93.27%.

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

JENRBL was incorporated on 3rd December, 2010 in British Virgin Islands as a wholly owned subsidiary of your Company for achieving the objective of overseas acquisition of coal assets in Botswana. Your Company had invested ₹ 3.63 crore as Equity in JENRBL, which has been entirely provided for during the previous year.

M. JSW Energy Natural Resources UK Limited (JENRUKL)

JENRUKL was incorporated on 12th September 2013 in England, United Kingdom as a wholly owned subsidiary of JEMML for achieving the objective of overseas acquisition of coal assets. JEMML had invested ₹ 0.10 crore in its

equity shares and ₹ 6.23 crore is given as share application money pending allocation.

6. EXEMPTION U/S 212 FOR SUBSIDIARIES

The Company has availed the exemption available vide circular issued by Ministry of Corporate Affairs dated 8th February, 2011 from attaching a copy of the Balance Sheet, Profit and Loss Statement, Directors' Report and Auditors' Report of the subsidiary Companies and other documents required to be attached under Section 212(1) of the Companies Act, 1956, to the Balance Sheet of the Company.

Accordingly, the said documents are not being attached with the Balance Sheet of the Company. A gist of the financial performance of the subsidiary Companies is contained in the report. The Annual Accounts of the subsidiary Companies are open for inspection by any Shareholder at the Company's Registered Office at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai 400051 and the Company will make available these documents and the related detailed information upon request by any Shareholder of the Company or any Shareholder of its subsidiary Companies who may be interested in obtaining the same.

7. NEW PROJECTS, INITIATIVES AND JOINT VENTURES

240 MW Kutehr Hydro Project

Your Company is implementing the 240 MW (3X80 MW) run of the river Hydro Electric Project (HEP) on the upper reaches of river Ravi in district Chamba of Himachal Pradesh. An Implementation Agreement (IA) was signed with Himachal Pradesh (HP) Government on 4th March, 2011.

Ministry of Environment and Forests (MoEF) has accorded the Environment Clearance to the project on 5th July, 2011 and Forest Stage-II clearance has been given on 19th February, 2013. Felling of trees coming in the alignment of project, is under progress. Consent to establish has been accorded by the HP State Pollution Control Board on 17th December, 2012.

Kutehr HEP has been registered as carbon credit project by UNFCCC under CDM mechanism of Kyoto protocol. The project is entitled to claim carbon credits from the date of commissioning.

80 Bighas of private land required for the

implementation of the project has been acquired through direct negotiations and balance 16 Bighas to be acquired through Land Acquisition Act, 1894 is at the advance stage.

Efforts are being made for signing of power purchase agreement (PPA) with different state agencies. The Project is progressing well.

Toshiba JSW Power Systems Private Limited (formerly Toshiba JSW Turbine and Generator Private Limited – “Toshiba JSW”)

Toshiba JSW is a Joint Venture with a shareholding of 75% by Toshiba Corporation Limited, Japan, 22.52% by the Company and 2.48% by JSW Steel Limited to design, manufacture, market and maintain services of mid to large-size Supercritical Steam Turbines and Generators of size 500 MW to 1,000 MW. The JV with Toshiba would provide the Company with an advantage of being a preferred client for sourcing of state of the art power plant equipment.

Your Company has invested ₹ 100.23 crore in Equity of Toshiba JSW.

The name of Toshiba JSW Turbine & Generator Private Limited has been changed to Toshiba JSW Power Systems Private Limited consequent to the demerger of Toshiba Thermal Power System division from Toshiba India Private Limited and its merger into Toshiba JSW. Toshiba JSW is now capable of providing comprehensive Engineering, Procurement and Construction services for the Power Plants.

During the year, Toshiba JSW has received order from NTPC Limited for 2 Units of 800 MW Super critical Turbines and Generators for Darlipalli Power Project in Orissa. This is in addition to the earlier orders received from NTPC for 3 Units of 800 MW Supercritical Turbine and Generator sets for Kudgi Power plant in Karnataka and 2 Units of 660 MW Supercritical Turbine Generator sets for Meja Power Project in Uttar Pradesh which are at an advanced stage of manufacturing and progressive dispatch to NTPC.

Toshiba JSW has decided to expand the annual production capacity of the Manufacturing facility from 3000 MW to 6000 MW of Supercritical Steam Turbine & Generators and construction work for the same is in progress and is expected to be completed shortly.

MJSJ Coal Limited (MJSJ)

In terms of the Joint Venture Agreement to develop Utkal-A and Gopal Prasad (West) Thermal coal block in Odisha, your Company has participated in the 11% Equity of MJSJ, Odisha along with four other partners. The Government of India decided to allot 1,522 acres of Gopal Prasad west area to MJSJ. Mahanadi Coalfields Limited, a Public Sector Company holds 60% of the Equity. Land acquisition by Government of India under Section 9(1) of Coal Bearing Areas (Acquisition and Development) Act, 1957 has been completed. Ministry of Coal, Government of India has been requested for vesting of land in favour of MJSJ under the provisions of Section 11 of the Act. Gopal Prasad OCP has 2 blocks; namely west of Gopal Prasad West and Utkal A Block. Earlier entire Gopal Prasad West total area 1022.85 ha [2527.47 acre] has been vested by Government of India with MCL for mining. Now, MJSJ has applied to the Government for change of vesting of rights for west portion of Gopal Prasad West having area of 615.78 ha [1521.59 ac] in the name of MJSJ instead of MCL. Ministry of Coal is awaiting approval of CMD, MCL to consider the proposal. Government of India has vested 409.03 ha [1010.714 acre] land with MJSJ for mining of Utkal A Block. Other pre-development activities like statutory clearances are in the process of completion. Your Company has invested ₹ 10.46 crore towards its 11% stake as on 31st March, 2014.

Power Exchange of India Limited (PXIL)

Your Company has invested ₹ 1.25 crore in PXIL which provides the platform for trading in electricity. PXIL is promoted by National Stock Exchange of India Limited and National Commodities & Derivatives Exchange Limited.

Other New projects, Initiatives etc

Your Company has plans to expand the capacity and foot print in the generation space with locations identified in Chattisgarh, Jharkand, Vijayanagar and Ratnagiri. While the Company has acquired / is acquiring land in these locations besides taking various consents, these projects are proposed to be taken up on getting reasonable clarity on the fuel and power off-take arrangements which are awaited. Besides, as part of the strategy to be a fully integrated player in the power sector, the Company is keenly evaluating the opportunities in the distribution space.

8. CREDIT RATING

CARE has reaffirmed 'CARE AA-' (Double AA minus) rating to the long-term bank facilities of your Company. Non Convertible Debentures are also rated 'CARE AA-' (Double AA minus). The rating reaffirmed to the short-term bank facilities of your Company (including CP / Short Term NCDs) is 'A1+' (A One Plus)

9. FIXED DEPOSITS

Your Company has not accepted any fixed deposits from the public and is therefore not required to furnish information in respect of outstanding deposits under Non-Banking Financial Companies (Reserve Bank) Directions, 1966 and Companies (Acceptance of Deposits) Rules, 1975.

10. AWARDS

During the year, your Company received the following awards:

1. Best Thermal Power Plant, 2013 organised by IPPAI (Independent Power Producers Association of India)
2. National Award (Gold Shield) to Power Utilities for Meritorious Performance- In Recognition of Outstanding Performance during 2011-12 (SBU-I) (Vijayanagar Plant) organised by Ministry of Power, Government of India
3. National Award (Gold Shield) to Power Utilities for Meritorious Performance - In Recognition of Outstanding Performance during 2012-13 (SBU-I) (Vijayanagar Plant) organised by Ministry of Power, Government of India
4. National Award (Bronze Shield) to Power Utilities for Meritorious Performance- In Recognition of Outstanding Performance during 2012-13 (SBU-II) (Vijayanagar Plant) organised by Ministry of Power, Government of India
5. Shristi Good Green Governance Award in the utility sector awarded to Ratnagiri Plant for Environmental protection organised by Shristi Publications Pvt Ltd

11. BOARD OF DIRECTORS

1. The Board comprises of Eight Directors, of which three are Independent Directors and one Nominee Director.
2. Mr. Nirmal Kumar Jain ceased to be the Whole-time Director designated as 'Vice Chairman' of the Company with effect from the

close of 31st August 2013 but continues to be a Director on the Board. The Board placed on record the significant contributions made by Mr. Nirmal Kumar Jain during his tenure as Vice Chairman.

3. The Board of Directors at their meeting held on 30th January, 2014, subject to shareholders approval, reappointed Mr. Sajjan Jindal as the Managing Director designated as Chairman and Managing Director with effect from 1st January 2014 for a period of 5 years.

Mr. Nirmal Kumar Jain, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

Mr. B. Ravindranath is the Nominee Director of IDBI Bank Limited on the Board of the Company with effect from 30th January, 2013. To comply with the requirement of Section 152 of the Companies Act, 2013 that not less than two-thirds of the total number of Directors shall be persons whose period of office shall be liable to determination by retirement of Directors by rotation and as Nominee Director are not considered as Independent, it is proposed that Mr. Ravindranath, nominated by IDBI Bank Limited as Director, be appointed as Director whose period of office shall be liable to determination by retirement of Directors by rotation so long as Mr. Ravindranath continues to be Nominee Director of IDBI Bank Limited.

Pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013, your Directors are seeking appointment of Mr. P. Abraham and Mr. Chandan Bhattacharya as Independent Directors for five consecutive years for a term upto 31st March, 2019. Details of the proposal for appointment of Mr. Abraham and Mr. Bhattacharya are mentioned in the Explanatory Statement under Section 102 of the Companies Act, 2013 of the Notice of the 20th Annual General Meeting.

Mr. D. J. Balaji Rao, Independent Director whose term of office expires at the ensuing Annual General Meeting is not seeking reappointment. Mr. Balaji Rao will cease to be Director of the Company from the conclusion of the ensuing Annual General Meeting.

4. The Board met four times during the year on 3rd May, 2013, 26th July, 2013, 26th October, 2013 and 30th January, 2014.

12. CORPORATE GOVERNANCE

The Company has complied with the requirements of Corporate Governance as stipulated under Clause 49 of the Equity Listing Agreement of Stock Exchange and accordingly, the Report on Corporate Governance forms part of the Annual Report.

The requisite Certificate from M/s. LODHA & CO., the Statutory Auditors of the Company regarding compliance with the conditions of Corporate Governance as stipulated in Clause 49 is annexed to this Report as also the Management Discussion and Analysis which is given as Annexure to this report.

13. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

1. That in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
4. That the Directors have prepared the annual accounts for the year under review, on a 'going concern' basis.

14. AUDITORS

M/s. LODHA & CO., Chartered Accountants, the Auditors of the Company, retire at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

In accordance with the Order dated 2nd May, 2011 issued by Ministry of Corporate Affairs (MCA) pursuant to Section 233B of the Companies Act,

1956, your Company was required to get its cost accounting records audited by a Cost Auditor and had accordingly appointed M/s. S. R. Bhargave & Co., Cost Accountants for this purpose for FY 2013-14. The Cost Audit Report for FY 2012-13 received from M/s S. R. Bhargave & Co., Cost Accountants has been filed on 21st September 2013.

Your Company has appointed, subject to ratification of the remuneration payable to the cost auditor by the shareholders in the ensuing Annual General Meeting, M/s. S. R. Bhargave & Co., Cost Accountants to conduct the audit of the cost accounting records for FY 2014-15 in case the audit of cost records is directed by the Central Government.

15. DISCLOSURES AS PER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956

Disclosure as per Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are as follows:

A. ENERGY CONSERVATION

- a) Measures taken for Conservation of Energy:

Vijayanagar

- i. Installation of VFD drives for CEPs in one unit of SBU-2.
- ii. Installation of LED lighting in SBU-1 & SBU-2 Control rooms, VFD room and Training hall for energy conservation.
- iii. Replacement of passing BFP recirculation control valves (4 Nos.) in SBU-2 units.
- iv. Optimised ESP Rapping motors operation for energy conservation in SBU-2.
- v. Optimised ESP hopper heaters run time and number of hopper heaters in SBU-2
- vi. Operation of ESP fields in "Energy saver mode" during firing of Low ash coal in SBU-2.
- vii. PA header pressure optimisation in SBU-1 resulting in reduction of auxiliary power consumption.
- viii. Reduction of Specific DM water consumption in SBU-1 resulting in Energy saving.

Ratnagiri

- i. Arresting of leakages in Ash Conveying system and optimization of Ash conveying cycle to reduce loading of Ash handling Compressors.
 - ii. Optimization of operation of BA conveying System.
- b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

Vijayanagar

Installation of VFD for ID fans in one unit of 300MW.

Ratnagiri

₹ 17 Lac for Intelligent Flow Control (IFC) System for Main Plant Compressor.

- c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

Vijayanagar

The energy conservation measures have reduced energy consumption by 624KW/hr (SBU-2- 322 KW/hr and SBU-1-302KW/hr)

Ratnagiri

The energy conservation measures have reduced energy consumption by 169.83 KW/Hr.

- d) Total energy consumption and energy consumption per unit of production as per Form A in respect of industries specified in the Schedule thereto: Not Applicable.
- e) Your Company follows the ash utilisation norms stipulated in environmental clearances issued by the respective State Pollution Control Board / Ministry of Environment and Forests: Yes.

B. TECHNOLOGY ABSORPTION AND INNOVATION

- a) The form for disclosure of particulars with respect to Technology Absorption in Form 'B' is attached as Annexure "A" to this report.
- b) The Company has carried out 19 numbers of logic/structural modifications in plants located at Toranagallu, which has resulted in enhanced plant performance.

- c) The Company has carried out 24 numbers of logic/structural modifications in plants located at Jaigad, which has resulted in enhanced plant performance.

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	2,745.04
b)	Plant, Machinery and Spares	3.28
c)	Furniture and Fixtures	3.06
d)	Travelling Expenses	0.37
e)	Legal and Professional	0.61
f)	Interest and Finance charges	17.22
g)	License and Membership Fee	0.57
h)	Dividend	22.17
	Total	2,792.32

16. EMPLOYEE STOCK OPTION PLANS (ESOP)

In terms of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended, the disclosure relating to JSWEL Employees Stock Option Plan 2010 and JSWEL Employees Mega Stock Option Scheme 2012 is given in Annexure "B" to the Directors Report.

17. PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 217(2A) of the Companies Act, 1956 ("Act") read with the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of the employees are set out in the Annexure to the Directors' Report.

However, having regard to the provisions of Section 219(1)(b)(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all the Members of the Company and others entitled thereto. Any Member interested in obtaining such particulars may write to the Company Secretary at the Registered Office at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai 400051.

18. CORPORATE SOCIAL RESPONSIBILITY

JSW Group strongly believes that profitability must go hand in hand with a sense of responsibility towards all stakeholders and is committed towards

improving the quality of life of communities around its area of operations.

The Company has its current domestic operations across different locations such as Vijayanagar in Karnataka, Ratnagiri in Maharashtra and Barmer in Rajasthan and new projects coming up in other locations such as Hydro Project at Kutehr in Himachal Pradesh, thermal project at Raigarh, Chattisgarh etc.

The CSR initiatives of the Company are mainly conducted under the aegis of JSW Foundation, an integral part of the JSW Group, which is the social development division of the Group. It is an independent institution and is governed by the Board of Trustees who are drawn from the senior management of the Group headed by Mrs. Sangita Jindal, Chairperson.

The Primary stakeholder in the Company's CSR activities is the local populace in and around its area of operations. Some of the notable CSR activities covered include Community development initiatives in the field of Education such as establishing of Schools and running them, running a de-centralised Mid-Day meal Programme for students thereby enhancing attendance in Schools, operating primary healthcare and conduct of special camps for health check-ups, upgradation of government run health centres, employment generation, Water conservation project, organising self-help groups for local women to start individual and group enterprises, Sanitation drive in collaboration with Government's Total Sanitation Campaign and Promotion of Arts.

The Board of Directors at their meeting held on 3rd May 2013, in terms of requirements of Section

135 of the Companies Act, 2013, had already constituted the Corporate Social Responsibility (CSR) Committee which presently comprises of Mr. Sanjay Sagar, Mr. Pramod Menon, Mr. Chandan Bhattacharya and Mr. Nirmal Kumar Jain as members of the said Committee. The amount expended by the Company towards CSR during 2013-14 was ₹ 6.31 crore.

The Board of Directors at their meeting held on 30th April, 2014 has, after considering the recommendation of the CSR Committee, approved the CSR Policy of the Company which is placed on the Company's website. Your Company is committed to spend towards CSR, minimum 2% of the average net profits of the Company for the preceding three financial years pursuant to Section 135 of the Companies Act, 2013.

19. ACKNOWLEDGEMENTS

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

For and on behalf of the Board of Directors

Mumbai
30th April 2014

Sajjan Jindal
Chairman & Managing Director

ANNEXURE “A” TO DIRECTORS’ REPORT

FORM B

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

Research and Development (R & D)

1. Specific area in which R & D carried out by the Company	<p>As such the Company did not carry out any basic R&D work during the year 2013-2014. However, following equipment/system were installed to improve performance & safety:</p> <p><u>Vijayanagar</u></p> <ul style="list-style-type: none">A. Utilisation of Boiler DCC overflow water for makeup and Gardening, operating system in closed loop in SBU-2B. PA duct modified in SBU-2 to facilitate firing of HCV coal and to have margin in damper operation.C. Use of customised Vacuum cleaner in Coal handling system for removing accumulated dust on cables and surfacesD. Helium leak test performed in SBU-1 Unit 1 for identification of air ingress in condenser and turbine.E. Reed system for Sewage water Treatment in SBU-1 commissioned and being operated successfully.F. Installation of VFD in ID Fan and CEP in SBU - 2 Unit 1. <p><u>Ratnagiri:</u></p> <ul style="list-style-type: none">A. Modification of Bunker inlet chute for segregation of Big size coal.B. Erection & Commissioning of alternate cooling water line for main plant compressors.C. Installation of H2 Leak detection system.D. Remote Operation of FGD Plant from main Control Room.E. Installation of new Scavenging System for CEMS Sampling System in U-1 & 3.F. Improvised Earthing installed to prevent failure of DCS Cards.G. Installation of “On line condenser tube cleaning system” for unit no 1.
2. Benefits derived as a result of the above R & D	<p><u>Vijayanagar</u></p> <ul style="list-style-type: none">A. Water conservation.B. Better Operation controlC. Safety and House keepingD. For condenser back pressure betterment and reducing the heat rate.E. Better utilisation of Sewage water for green belt development and environment protection. <p><u>Ratnagiri:</u></p> <ul style="list-style-type: none">A. Reduces the tripping of coal Mill and save the generation loss.B. Improves the reliability and availability of Compressor air system.C. Helps for early detection of H2 leakage and improves the safety.D. Better monitoring, control & saving in running cost of ₹ 12.2 Lac / AnnumE. For better reliability & improved availability for Chimney Emission monitoring systemG. Reduction of Failure of DCS Cards which in turn reduces the generation loss.H. Will improve vacuum by on line cleaning of condenser tubes

3. Future Plan of Action	<p><u>Vijayanagar</u></p> <p>A. Installation of additional baskets in SBU-2 APH to yield a reduction of temp at flue gas exit.</p> <p>B. Absorption of better technology for EHTC and GAMP systems and UPS in SBU-1 Unit 1.</p> <p>C. Installation of HAE ignitor in place of LPG in SBU-1.</p> <p>D. Installation of pneumatic mill rejects conveying system.</p> <p>E. Integrated energy management system.</p> <p>F. Installation of VFD for ID fan and CEP in SBU-2 Unit 2.</p> <p><u>Ratnagiri</u></p> <p>A. Rainwater harvesting and water supply arrangement to JSW township.</p> <p>B. Debris filter installation in FGD</p> <p>C. Installation of air drier in AHP air system.</p> <p>D. Installation of coal sampler in CHP</p> <p>E. Installation of On line condenser tube cleaning system in unit no 2 & 3</p> <p>F. Installation of Intelligent Flow Control (IFC) System for Main Plant Compressor</p> <p>G. Shifting of Local Control Station for Ash Unloading System</p> <p>H. Use of LED lights to conserve Energy.</p>
4. Expenditure on R & D (in ₹ crore)	
(a) Capital	(a) ₹ 3.48 Crore
(b) Recurring	(b) ₹ Nil
(c) Total	(c) ₹ 3.48 Crore
(d) Total R & D expenditure as a percentage of turnover	(d) 0.057%

Technology absorption, adaptation and innovation

1. Efforts, in brief, made towards Technology absorption, adaptation and innovation	<p><u>Vijayanagar</u></p> <p>A. Upgraded AVR for 300 MW with ABB Make Unitrol 6080.</p> <p>B. Reed bed system for sewage water treatment in 300MW units</p> <p>C. Replaced inferior valves with better quality valves in Turbine & Boiler side of 2 x 300 MW.</p> <p>D. SBU-1 Unit 2 EHTC and GAMP panel (R&M),AVR and UPS replaced with latest systems .</p> <p><u>Ratnagiri:</u></p> <p>A. Established CCTV Surveillance System in Plant area</p> <p>B. Installation of Temp Measurement System for High Energy Drain lines to Condenser</p> <p>C. Grouping of Pull Cord Switches in Conveyor Belt-1A & 1B</p> <p>D. Use of Fly Ash in concrete by replacing percentage of cement and thereby saving cement.</p> <p>E. Use of scrap 32mm dia TMT bars for railing and fencing.</p> <p>F. Designed and used CLSM (Controlled Low Strength Mix) for entrance road for Urja Health Centre by using fly Ash.</p>
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<p>2. Benefits derived as a result of the above efforts</p>	<p>Vijayanagar</p> <p>A. Reduction in outage time, combating obsolence.</p> <p>B. To protect environment</p> <p>C. Better controllability and improved plant performance.</p> <p>D. Reduction in outage time, combating obsolence.</p> <p><u>Ratnagiri:</u></p> <p>A. For reliable safety system</p> <p>B. Better monitoring & improved plant performance</p> <p>C. For easy, fast diagnosing and better availability</p> <p>D. Saving of about 85 MT of cement costing @₹ 4,25,000/-</p> <p>E. By use of scrap 32mm dia TMT bars for railing and fencing, saved @₹ 2.60 lac for pipes and ₹ 1.25 lac against purchase of new M.S. Angles.</p> <p>F. Saving of 7.5 MT of cement amounting ₹ 37,500/-</p>
<p>3. In case of imported technology (imported during the last five years reckoned from the beginning of the FY), following information may be furnished:</p> <p>(a) Technology Imported</p> <p>(b) Year of Import</p> <p>(c) Has technology been fully absorbed</p> <p>(d) If not fully absorbed, areas where this has not taken place, reasons thereof and future plans of action</p>	<p>Not applicable</p>

ANNEXURE “B”

Disclosure under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 for the year ended 31st March 2014:

	Scheme Name	JSWEL Employees Stock Ownership Plan – 2010		JSWEL Employees Mega Stock Ownership Scheme – 2012
Sr. No.	Particulars	Granted on 8 th November, 2011	Granted on 31 st October, 2012	Granted on 4 th October, 2012
1.	Options Granted	68,20,333	60,54,866	1,54,21,980
2.	Pricing Formula	Exercise Price determined based on closing market price on the day prior to the ESOP / Compensation Committee meeting on that exchange where higher shares are traded	Exercise Price determined based on closing market price on the day prior to the ESOP / Compensation Committee meeting on that exchange where higher shares are traded	Exercise Price determined based on closing market price on the day prior to the ESOP / Compensation Committee meeting on that exchange where higher shares are traded
3.	Exercise Price (₹)	52.35	60.90	65.00
4.	Options Vested	Nil	Nil	1,54,21,980

	Scheme Name	JSWEL Employees Stock Ownership Plan – 2010	JSWEL Employees Mega Stock Ownership Scheme – 2012
Sr. No.	Particulars	Granted on 8 th November, 2011	Granted on 31 st October, 2012
5.	Options Exercised	Nil	Nil
6.	Total number of Shares arising as a result of exercise of Options	Nil	Nil
7.	Options Lapsed	19,83,621	9,73,066
8.	Variations of terms of Options	Not applicable	Not applicable
9.	Money realised by exercise of the Options	Nil	Nil
10.	Total number of Options in force	48,36,712	50,81,800
11.	i. Details of Options granted to senior managerial personnel	Appendix – A	Appendix – A
	ii. Any other employee who receives in any One Year of grant of Options amounting to 5% or more of Options granted during that Year	None	None
	iii. Identified employees, who were granted Options, during any One Year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of the grant	None	None
12.	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard 20 issued by ICAI for the year ended 31st March 2014	Not applicable, as there is no issue of shares during the FY 2013-14.	Not applicable, as there is no issue of shares during the FY 2013-14.

	Scheme Name	JSWEL Employees Stock Ownership Plan – 2010		JSWEL Employees Mega Stock Ownership Scheme – 2012
Sr. No.	Particulars	Granted on 8 th November, 2011	Granted on 31 st October, 2012	Granted on 4 th October, 2012
13.	Difference between employee compensation cost using the intrinsic value method and the employee compensation cost that shall have been recognised if the Company has used fair value of options and impact of this difference on profits and EPS of the Company and their Impact on profits and on EPS of the Company	In Consolidated Accounts, expenses arising from employee's share based payment plan debited to Profit and Loss Statement for the current year is ₹ Nil based on the intrinsic value of options. However, if the Company had used the fair value of options, compensation cost for the year would have been higher by ₹ 18.00 crore, consolidated profit after tax would have been ₹ 736.74 crore and Basic and Diluted EPS would have been ₹ 4.49.		
14.	Weighted average exercise prices and weighted average fair values of options whose exercise price either equals or exceeds or is less than the market price of the stock	Weighted Average Exercise Price / Weighted Average Fair Value of Options		
		₹ 52.35	₹ 60.90	₹ 65.00
		₹ 20..39	₹ 24.17	₹ 19.43
15.	A description of method and significant assumptions used during the year to estimate the fair value of Options granted during the year	The fair value of options has been calculated by using Black Schole's Method and significant Assumptions used to estimate the fair value of option are :		
	Risk free Interest Rate	Zero Coupon sovereign bond yields were utilized with maturity equal to expected term of option. The rate used for calculation is 8.86%	Zero Coupon sovereign bond yields were utilized with maturity equal to expected term of option. The rate used for calculation is 8.09%	Zero Coupon sovereign bond yields were utilized with maturity equal to expected term of option. The rate used for calculation is 8.13%
	Expected 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 period and contractual expiry of the option.	The expected option life is assumed to be mid-way between the option vesting period and contractual expiry of the option.
	Expected Volatility	Volatility was calculated using standard deviation of daily change in stock price. The volatility used for valuation is 34.85%	Volatility was calculated using standard deviation of daily change in stock price. The volatility used for valuation is 39.65%	Volatility was calculated using standard deviation of daily change in stock price. The volatility used for valuation is 39.98%
	Expected Dividend	₹ 1.00 per share	₹ 0.50 per share	₹ 0.50 per share
	The price of underlying share in the market at the time of grant	₹ 52.35 per share	₹ 60.90 per share	₹ 60.75 per share

Appendix – A

Details of options granted to and accepted by Senior Managerial Personnel

Sr. No.	Name of Senior Managerial Personnel	Designation	Granted on 8 th November, 2011 (Live as at 31.03.2014)	Granted on 31st October, 2012 (Live as at 31.03.2014)	Granted on 4 th October, 2012 (Live as at 31.03.2014)
1	Mr. Sanjay Sagar	Jt. Managing Director & CEO	1,62,765	1,92,268	4,82,212
2	Mr. Pramod Menon	Director – Finance	94,794	88,512	2,50,022
3	Mr. Nirmal Kumar Jain	Director	4,85,467	4,09,544	13,90,269
4	Mr. Satish Jindal	Chief Executive Officer (Power Trading)	1,26,726	1,06,907	3,37,615
5	Mr. Kamal Kant	Senior Vice-President	78,343	71,862	2,15,932
6	Mr. Vijay Paranjape	Senior Vice-President	Nil	54,559	Nil
7	Mr. Vijay Sinha	Vice-President	44,031	41,072	1,19,510

MANAGEMENT DISCUSSION AND ANALYSIS

1. ECONOMIC REVIEW

1.1. Global economic outlook

Global activity has broadly strengthened and is expected to improve further in 2014–15, with much of the impetus coming from advanced economies. Activity in many emerging market economies has disappointed in a less favorable external financial environment. The renewed increase in financial volatility in late January of 2014 highlights the challenges for emerging market economies posed by the changing external environment. Although market pressures were relatively broadly based, countries with higher inflation and wider current account deficits were generally more affected. Some of these weaknesses have been present for some time, but with prospects of improved returns in advanced economies, investor sentiment is now less favorable toward emerging market risks. In view of possible capital flow reversals, risks related to sizable external funding needs and disorderly currency depreciations are a concern. Some emerging market economies have tightened macroeconomic policies to shore up confidence and strengthen their commitment to policy objectives. The cost of capital has increased as a result, and this is expected to dampen investment and weigh on growth. Looking ahead, global growth is projected to strengthen, led by strong growth in the United States and positive but varied growth projections for the euro area: stronger in the core, but weaker in countries with high debt (both private and public) and financial fragmentation. In emerging markets and developing economies, growth is projected to pick up helped by stronger external demand from advanced economies, but tighter financial conditions will be a dampener to domestic demand growth.

[Source: World Economic Outlook, April 2014, International Monetary Fund]

1.2. Domestic outlook

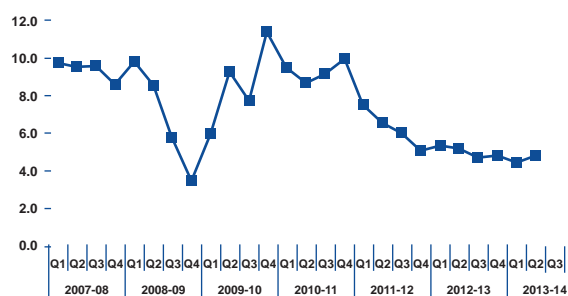
The Indian economy continued to face an uphill task in attaining a higher growth trajectory, given the continued impact of the global economic crisis. The challenges included an elevated current account deficit, persistent inflation and sharp depreciation of the rupee against the US dollar. Other domestic impediments like rising food

and retail inflation, high input costs, pressure on profit margins and infrastructural bottlenecks contributed to the pressure on the economy. These challenges prompted the government to calibrate the fiscal policy, and launch preventive administrative measures along with appropriate institutional mechanisms to fast track investments in the country.

Backed by a favourable monsoon season, India's agricultural sector did witness some recovery, particularly in the second and third quarter of the current fiscal. However, subdued growth in the manufacturing sector resulted in the overall GDP growth rate hovering around 4.6% during the year. However, going forward, the economy has started picking positive cues from the advanced economies, alleviating external constraints, and paving the way to recovery.

[Source: Ministry of Finance, Government of India]

Figure 1.1: Growth rate in GDP at Factor Cost



2. INDIAN POWER SECTOR REVIEW

The sustained growth of the power sector is central to India's continued economic growth. The country's power sector has evolved considerably over the past two decades, witnessing unprecedented investments across the value chain. The industry has witnessed strong investments, both from the public and private players. Despite these improvements, the sector still faces serious challenges in the areas of fuel security, infrastructure and financing. In addition the precarious financial position of the State Electricity Boards has also severely impacted its growth potential.

The constraints in the availability of fuel, primarily coal, has been one of the key factors that led to the overall poor performance of the sector. In order to create transparency in the coal mining process, the central government made certain positive changes, including

setting up of a Coal Regulatory Authority (CRA). The CRA will devise the procedures for coal sampling, in addition to advising the government on pricing policies and methodologies. Backed by many more such positive fuel security measures, the power sector indeed seems to be headed for better times.

2.1 Thermal coal review

Global perspective

The internationally traded thermal coal prices slumped by 45% since attaining their peak in 2011. According to the Bank of America Lynch, it is estimated that the trading price per tonnage will further decline. This can be attributed to the increase in supply from Indonesia, Australia and America on the face of weaker demand, particularly from China. Coal as a fuel continues to face a structural decline. While China accounts for 45% of the world's coal production, it is also responsible for 50% of the global coal consumption. According to Energy Resource Studies, Australia, it is expected that China's coal consumption will peak by 2015, and decline thereafter. This could make China a net exporter of thermal coal from 2016, despite being the number one importer in this category in 2013. While global demand for seaborne coal could drop by 20-30% over the next three to four years, global supply could increase by 30-40% over the next four to five years.

Indian perspective

Coal availability has always been a challenge for the power generation sector in the country, severely impacting the Plant Load Factor (PLF) of domestic power generating units. Production from captive coal mines in the last three years has stood at 37.0 MT, 36.1 MT and 34.6 MT for 2012-13, 2011-12 and 2010-11 respectively. Coal Production increased to 565.64 MT in 2013-14. Constraints on availability of domestic coal have led to a sharp increase in imports by the power sector, which has more than doubled from 30.5 MT in 2010-11 to 63.2 MT in 2012-13. 78% of India's thermal coal imports are from Indonesia, which accounts for the largest share. However, regulatory changes in the Indonesian coal regime have led to consumers turning to alternative sources such as South Africa and Australia. Demand projections made by the Planning Commission indicate that coal demand from power sector utilities would reach 682.1 MT in the terminal year of the Twelfth Plan

– accounting for 69% of the total projected coal demand of 980 MT.

Source: Ministry of Coal

Power sector's coal supply and consumption

Year	Domestic supply (MT)	Imports (MT)	Total supply (MT)	Consumption (MT)
2008-09	344.6	16.0	360.6	348.7
2009-10	351.1	25.0	376.1	360.8
2010-11	353.7	30.5	384.2	377.9
2011-12	367.0	45.2	412.2	410.3
2012-13	398.7	63.2	461.9	457.0

(Source: Coal Controller's Organisation, Lok Sabha & Indian Infrastructure)

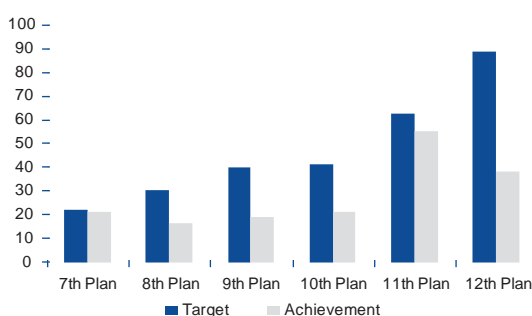
2.2 Capacity review

India has the world's fifth largest electricity generation capacity, with its current installed power capacity standing at 245,393 MW. Out of this, thermal power accounts for 168,389 MW (Source: CEA) with Nuclear, Hydro and renewable sources accounting for the rest. The country's per capita power consumption stood at 917.18 KWh during 2012-13, with prospects for further improvement.

According to the Twelfth Five Year Plan, the capacity addition target has been set at 88,537 MW, of which a total of 38,447 MW has been achieved till March, 2014. The ramp up in generation capacity is in line with total projected investments in electricity, which would be aligned with other infrastructural investments.

Plan wise capacity addition / target (GW)

	7th Plan	8th Plan	9th Plan	10th Plan	11th Plan	12th Plan
Target	22.2	30.5	40.2	41.1	62.4	88.5
Achievement	21.4	16.4	19.1	21.2	55.0	38.4



2.3 Power generation

India has both conventional as well as non-conventional sources of power production. Thermal power in India

accounts for roughly two-thirds of the power generated in the country. Reserves for thermal power generation include 59 billion tonnes of mineable coal, 775 million metric tonnes of oil reserves and natural gas reserves of 1,074 billion cubic metres. Apart from thermal, the country's energy composition comprises nuclear, hydro, wind, solar, biomass and industrial waste, among others.

Presently, out of the total grid-connected installed capacity of 245,393MW, thermal power constituted 68.19% of the share, hydro accounted for 16.5% and energy through non-conventional and nuclear sources accounted for the remaining share. (Source: CEA)

India has one of the world's largest thorium deposits which is used as fuel for nuclear reactors. According to the Ministry of Atomic Energy, nuclear power generation in 2013-14 was estimated at 35.2 billion units. The government has targeted an installed nuclear power capacity of 20 GW by 2020 and 63 GW by 2032. However, the country's hydro power generation is still largely untapped, with opportunities waiting to be harnessed.

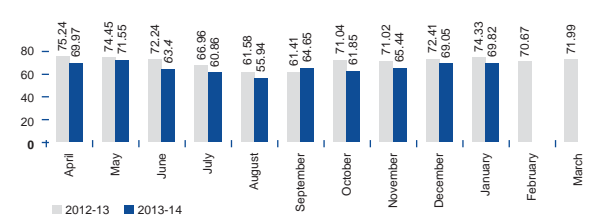
Backed by the accelerated depreciation incentive, the wind installations in the country rose significantly during 1992-2012, making India the fifth largest wind power nation in the world. According to the Ministry of New and Renewable Energy (MNRE), wind energy is one of the fastest growing domestic renewable energy sectors. The cumulative installed capacity of wind energy is about 21,200 MW as on March, 2014, accounting for roughly 67% of the total installed capacity of the renewable energy sector and 9% of the overall installed capacity (Source: ICRA, May 2014)

As the power sector grapples with multiple challenges, the country's solar market potential remains as large as ever. The total grid-connected solar capacity commissioned under the National Solar Mission crossed 2,500 MW and stood at 2,632 MW as on March 31, 2014. Out of the total commissioned capacity, state-policy driven projects accounted for the highest contribution at 1,322 MW, followed by MNRE projects at 688 MW and the REC Scheme at 491 MW. The rest of the contribution came from RPO (renewable purchase obligation), private sector rooftop and central government organisations.

The electricity generation target for FY 2013-14 was 975 billion units, representing a growth of 6.9% over

FY 2012-13 (912 Billion Units). The PLF for coal and gas plants was on the decline. The decline in PLF was primarily due to raw materials shortage, poor coal quality and backing down/shut down of units, thanks to lower scheduling from the beneficiary states.

All India PLF Month-wise



* For Coal and lignite based Power Plants

In India, the transmission network primarily comprises Inter-State and Intra-State Transmission systems. To meet the rising demand from the power sector, transmission capacity is expected to reach 3,48,049 km of AC transmission lines and 6,69,801 MVA of AC transformer capacity by the end of the Twelfth Plan.

2.4 Sector outlook

The government has undertaken serious measures to push the sector back to high growth levels. These include a presidential directive to CIL to implement Fuel Supply Agreements, periodic revision of power tariffs, restructuring package offered to loss making DISCOMS and so on. The regulator has also approved tariff hike for new imported coal based plants, considering the increase in import prices. This has, however, been challenged in the court by affected DISCOMS.

As per CEA, 19.69GW of total power generation capacity got commissioned in FY 2013-14. This was in addition to the 26 GW and 23 GW capacity that got commissioned in FY 2011-12 and FY 2012-13 respectively, clocking a CAGR of ~10% in the last three years. Based on the above numbers, it is expected that the country should be able to meet its power generation capacity addition target of 88.5GW set for the Twelfth Plan period (2012-17).

3. COMPANY OVERVIEW

Incorporated in 1994, JSW Energy Limited is the power utility arm of JSW Group. With a current operational capacity of 3,140 MW, out of which more than 40% is merchant power, the Company is expected to augment its capacity by another 8,360 MW. While the Company meets a major portion of its fuel requirements through imported coal, it also has lignite mining rights

in Rajasthan; in addition to owning coal mines in South Africa.

3.1. Operational review

The Financial Year 2013-14 is the first full year of operations with an installed capacity of 3,140 MW. The Company has achieved a net generation of 17.06 billion units as against 18.78 billion units in FY 2012-13 with a PLF of 76.45% (deemed PLF) in the current year as against a PLF of 88.97% in the previous year.

Plant-wise PLF and Net Generation:

Plant	FY 2013-14		FY 2012-13	
	PLF (%)	Net Generation (MU)	PLF (%)	Net Generation (MU)
Vijayanagar	94.75	6,593#	101.00	7,022#
Ratnagiri	71.04	6,770	87.99	8,448
Barmer	67.90*	3,697	73.36	3,310
Total		17,061		18,780

including power conversion of 330 Mus in 2013-14 and 1,208 Mus in 2012-13.

* based on deemed generation of the plant.

- The reduction in PLF was primarily due to planned maintenance shutdown in Vijayanagar, non-availability of schedule in Ratnagiri and non-availability of adequate lignite in Barmer during part of the last quarter.
- During the year, the Company achieved merchant sales of 8,382 million units (51%) and long-term PPA sales of 7,768 million units (47%), in addition to 330 million units (2%) generated under the Conversion arrangement.

3.2. Project review

Barmer Lignite Mining Company Limited

The Ministry of Environment and Forests (MoEF) has accorded environmental clearance for the expansion of the Mining Lease area of Kapurdi Mines from 3 MTPA to 3.75 MTPA. Further, w.r.t. Kapurdi mines, the Ministry of Coal (MoC) has granted consent for the 7 MTPA mining plan and the MoEF has issued the Terms of Reference for considering the enhancement in mining to 7 MTPA.

Separately, the MoC has approved Mining Lease Transfer for Jalipa Mines. The possession of land for Jalipa mines is in progress. The project cost is estimated at ₹ 1,800 crore (comprising both Kapurdi and Jalipa mines) and cost incurred till 31st March, 2014 is ₹ 1,527 crore.

240 MW – at Kutehr, Himachal Pradesh (HP)

At Kutehr, Himachal Pradesh, the Company is implementing a 240 MW (3x80 MW), run-of-the-river, hydroelectric power project. Tendering process for project construction is in progress. The land acquisition process for the project is progressing satisfactorily. All the requisite environmental clearances for the project have been received. The cost incurred on the project upto 31st March, 2014 is ₹ 232 crore.

3.3. Financial review

3.3.1. Standalone financial performance

Your Company recorded a PAT of ₹ 602.48 crore during the financial year ended 31st March, 2014 (FY 2012-13: ₹ 993.03 crore). Both the basic and the diluted earnings per share were at ₹ 3.67 for FY2013-14 (FY 2012-13: ₹ 6.05).

Revenue from Operations:

(₹ crore)

Parameters	FY 2013-14	FY 2012-13	% Change
Revenue from Sale of Power and Power Conversion	5,663.06	6,235.74	9%
Revenue from Services	136.84	158.24	14%
Other Operating Revenue	2.71	2.47	10%
Total	5,802.61	6,396.45	9%

Revenue from Sale of Power is lower on a Year-on-Year (y-o-y) basis, due to lower PLF mainly on account of back down by the state utilities partly compensated by the higher per unit realisation.

Lower Revenue from Services on a y-o-y basis is mainly on account of no income from Project Management Services in the current year, due to completion of the respective projects.

Other Operating Revenue is primarily on account of sale of Fly Ash.

Other Income:

(₹ crore)

Parameters	FY 2013-14	FY 2012-13	% Change
Interest and Mutual Fund Income	239.77	260.45	8%
Claims received from Vendors	-	40.88	-
Other non-operating Income	15.17	3.45	340%
Total	254.94	304.78	16%

Interest and Mutual fund income has decreased in the current fiscal primarily due to lower cash surplus available for investment. This is evidenced by the substantial decline in Acceptances and Trade Payables. Claims received from Vendors was a one-time non recurring income received in the previous year, while other non-operating income is higher mainly due to excess provision write back of ₹ 5.70 crore and other income of ₹ 5.25 crore.

Cost of Fuel:

(₹ crore)

Parameters	FY 2013-14	FY 2012-13	% Change
Cost of Fuel	3,642.77	3,894.28	6%

Fuel cost on a y-o-y basis is lower because net generation during the current year is lower as compared to the previous year. Besides, the adverse movement of the Rupee against the US dollar has been largely offset by the decrease in the US dollar price of imported coal during the year.

Expenses:

(₹ crore)

Parameters	FY 2013-14	FY 2012-13	% Change
Employee Benefits Expense	88.97	106.50	16%
Finance Costs	627.55	571.80	10%
Depreciation and Amortisation Expense	452.85	424.94	7%
Other Expenses	246.91	293.24	16%
Increase in Banked Energy	(188.67)	(3.31)	

Employee Benefits Expenses are lower during the current financial year due to transfer of employees to a subsidiary Company, partly compensated by annual increase in salary and induction of new executives.

Finance Costs are higher primarily due to increase in Forward Premium costs for covering import liabilities and also due to full year impact of interest cost pertaining to FGD plants capitalised at Ratnagiri in the last quarter of the previous year.

Depreciation and amortisation expense has increased due to full year impact of depreciation on FGD plants capitalised at Ratnagiri location during the last quarter of the previous year.

Other expenses include charges towards Repairs and Maintenance, Water and Power and Stores and Spares

consumption, which are directly linked to operation of the plant. The same has reduced on account of lower PLF and consequently, lower generation during the current year, in addition to rationalisation and renegotiation of key maintenance contracts.

EBIDTA and Profit after Tax (PAT):

(₹ crore)

Parameters	FY 2013-14	FY 2012-13	% Change
EBIDTA before exceptional items	2,267.57	2,410.52	6%
Profit After Tax	602.48	993.03	39%

The EBIDTA before exceptional items has declined primarily on account of a decline in sales volume, partly compensated by an increase in average tariff during the current year as compared to the previous year.

Profit after Tax has declined primarily an account of an increase in finance cost and forward cover cost, increased exchange losses due to adverse fluctuation of rupee against the US dollar and provision for impairment of assets of our South African subsidiary.

The Net Worth increased from ₹ 6,773.24 crore as on 31st March, 2013 to ₹ 7,002.67 crore as on 31st March, 2014. Also, the Debt Equity ratio declined from 0.80 as on 31st March, 2013 to 0.71 as on 31st March, 2014.

The Company has proposed a dividend of ₹ 2 per Equity Share of ₹ 10 each for FY 2013-14.

3.3.2. Consolidated financial review:

The Company recorded a PAT of ₹ 754.74 crore during the financial year ended 31st March, 2014 as against a PAT of ₹ 903.65 crore during the fiscal ended 31st March, 2013. Both the basic and the diluted earnings per share were at ₹ 4.60 for FY 2013-14 as compared to ₹ 5.51 for FY 2012-13.

(₹ crore)

Parameters	FY 2013-14	FY 2012-13	% Change
Revenue from Operations	8,705.42	8,934.30	3%
Employee benefits expense	133.42	126.72	5%
Finance costs	1,205.94	962.79	25%
Depreciation and amortisation expense	809.95	661.53	22%

Revenue from Operations is lower mainly on account of the decline in the volume of power traded and zero sale of coal from the South African mines which were under Care and Maintenance for the entire year. Although sales volumes were lower in the current fiscal, it was compensated by improved realisations and also by an increase in Transmission business income due to a truing up adjustment made in the current year.

Employee Benefits Expense was higher during the current financial year mainly due to annual increase in salary and induction of new executives.

Finance Costs have increased primarily due to increase in Forward Premium cost for covering import liabilities and also due to full year impact of interest cost pertaining to FGD plants at Ratnagiri and four units of Barmer plant which were capitalised in the last quarter of the previous year.

Depreciation and amortisation expenses have increased due to full year impact of depreciation charge pertaining to FGD plants at Ratnagiri and four units of Barmer plant which were capitalised in the last quarter of the previous year.

EBIDTA and Profit after Tax

(₹ crore)

Parameters	FY 2013-14	FY 2012-13	% Change
EBIDTA before exceptional items	3,453.61	3,006.62	15%
Profit After Tax	754.74	903.65	16%

The EBIDTA before exceptional items has increased primarily on account of higher average realisations, despite fall in sales volume. In addition, the truing up benefit for the transmission business has also impacted the EBITDA positively.

Profit after Tax has declined on account of higher interest and depreciation, increased foreign exchange losses due to adverse fluctuation of rupee against the US dollar and provision for impairment of assets of our South African subsidiary.

In addition, the Net Worth increased from ₹ 6,203.76 crore as on 31st March, 2013 to ₹ 6,571.17 crore as on 31st

March, 2014. Also, the Debt Equity ratio declined from 1.67 as on 31st March, 2013 to 1.54 as on 31st March, 2014.

3.4. 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, prioritized and proactively responded to. The framework provides for:

- Risk ownership for risks under control of risk owners
- Risk integration to facilitate interaction where there are inter dependencies
- Risk oversight to escalate top risks upto directors' committee
- Risk intelligence in culture and decision making through training and regular interactions
- Independent review through risk based audit

3.4.1. Power evacuation

Due to reduced demand supply gap, selling power on merchant basis has been a challenge. Slowdown in the economic activity and adherence to fiscal discipline by DISCOMS has lead to deferment of power procurement on short term basis. In case of direct sales to industrial consumers in Maharashtra, the high cross subsidy surcharge is a big deterrent rendering the bus bar realisation of the generator non-competitive. In addition, transmission bottlenecks are also a major dampener to the sale of power to the deficit ridden states of the Southern region.

Response plan

- Enhancing the sale through long term PPAs and through captive route within group.
- Tracking various opportunities for procurement of power by utilities in the home states as well as from others.

3.4.2 Fuel

The Company is currently using imported coal from countries like Indonesia, South Africa, and Australia,

among others. The interruption in supply of coal due to regulatory changes, weather conditions, strikes, closure of mines or any other reasons can impact the availability and/or cost of coal.

For the lignite based plant at Barmer, the present approved mining capacity is not adequate to run at full capacity.

Response plan

- The company regularly broadens its coal procurement sources (countries/vendors) and maintains optimum fuel mix and stock levels.
- The Company is hopeful of completing the formalities and procuring the necessary consent to ensure full availability of lignite for the Barmer plant.

3.4.3. Rupee-dollar fluctuation

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

Response plan

- Prudent hedging strategies to mitigate the risk of foreign exchange fluctuations.

3.5. Human Resource management

Plans alone do not accomplish anything. Theories of management do not matter much either. Endeavours succeed or fail because of the people involved. We strongly believe that only by engaging the best people, can we accomplish great deeds. Human resources play a seminal role at JSW Energy. 1,098 innovative brains govern 2,196 strong-creative hands to collaborate together to make JSW Energy one of the best Power Producing Companies in India.

The key enablers of FY 2013-14 include the following:

- UFBM: United Forward Business Meet, a quarterly platform which brings all business leaders from various functions and locations together to review the business matters and discuss future courses of action. It has been instrumental in creating seamlessness among the verticals, catalysing knowledge exchange and enabling decision making faster.
- Job Rotation: To build capability in the organisation and enrich talent pool by engaging them on different

jobs and functions and to develop future leaders in the organization. In order to build a robust process to improve effectiveness in the organisation and provide opportunities to employees to learn and grow, job rotation comprise the special point of focus.

- Open House: Senior leadership conducts open house sessions at every plant location, where the employees can voice any kind of concern. This helps us build more efficient and effective systems and processes. These sessions bring the management closer to employees and foster a family-oriented atmosphere within the organisation.
- Connect Session: Every fourth Friday of the month, the Head-HR conducts a Connect Session, wherein he connects to all the new joiners of that month. This enables him to listen to their experiences with the company, obtain their feedback, clarify their doubts and share the core values of the company i.e. our commitment to Transparency, Strive for Excellence, Dynamism and Passion for learning. We had 64 new joiners this year.
- SMART KRA: Business linked SMART KRAs were chalked out to create High Performance Work Culture and Transparency in the operations. This also helped create sense of purpose as well as fairness among the employees.
- Umang, a fun-at-work initiative and Akanksha, our ladies club, keep employees and their families happily engaged throughout the year.
- Learning and Development: The Company engaged the best trainers in the functional and behavioural realms to build capability in the system, improve efficiency and productivity. On an average, every employee espoused close to 5 man-days of learning and development. Special focus was given on spreading wellness among the employees where Yoga Camps, Diet Consulting, BMI Check-ups, Wellness Walks and Runs were arranged throughout the year at various plant locations.

3.6. Corporate Social Responsibility

The JSW Group is committed to develop a value-based and empowered society through meaningful and sustained community engagement in varied spheres of life.

On behalf of the JSW group, the JSW Foundation spearheads the planning and implementation of various social development programmes for the group companies. The JSW Foundation is the development arm of the group working independently under the guidance of the Board of Trustees and Advisory Board Members. The latter, in turn, come from the league of achievers from various fields, including education, health, livelihood, environment, sports and art and heritage conservation.

3.6.1 Focus

JSW Energy has decided to focus on the complete life cycle of women to empower them in such a way that they become strong positive forces of change. Specific interventions in this regard are:

- Efficient maternal and child health care services
- Enhanced access to improved nutrition services
- Early childhood education/pre-primary education
- Completion of primary and secondary education
- Access to adolescent reproductive and sexual health and rights
- Enhancing the output of present occupation
- Employability and vocational education
- Responsible parenthood

3.6.2 Strategy

JSW Foundation administers the planning and implementation of all the interventions. A separate corpus has been created and is administered by a committee appointed by the board. All the CSR initiatives are approved by the committee and the same are reviewed periodically at different levels.

Taking a note of the importance of synergy and interdependence at various levels, JSW shall adopt a strategy that combines working with multi-stakeholders as well as directly, depending on the appropriateness. Some of this may include:

- Priority will be given to the villages in the immediate vicinity of the plant locations defined as Direct Influence Zone (DIZ). The policy enables plants to define their own DIZ with the provision that this could be expanded as per the size of operations. However, certain programmes might be expanded beyond this geographical purview and upscaled.

This context is defined as the Indirect Influence Zone (IIZ).

- All the interventions shall be formulated based on need assessment, using different quantitative and qualitative methods that lead to measurable impact.
- All these interventions shall be implemented either directly or in partnership with both the Government and civil society organisations at various levels.
- All the interventions shall be adopted based on concurrent evaluation and knowledge management through process documentation and sharing.
- Social Mobilisation, advocacy at various levels, and/or appropriate policy changes shall form part of the interventions in each sector.

3.6.3 INTERVENTIONS

In line with its focus and strategy, JSW Energy has interventions in the field of health, education, livelihood, vocational education, women empowerment, environment sustainability and responsible citizenship. It is on the course to recast the existing interventions at all the locations to the key thematic interventions of the Companies Act 2013 that include:

- Extreme hunger and poverty
- Promotion of education
- Promoting gender equality and empowering women
- Reducing child mortality and improving maternal health
- Combating HIV/AIDS, malaria and other communicable diseases
- Ensuring environmental sustainability
- Employment enhancement/development of vocational skills

3.6.4. Community development initiatives

3.6.4.1. Education

Jindal Vidya Mandir: JSW Foundation has established Jindal Vidya Mandir, a CBSE Board affiliated school (operating till Standard VI) at Ratnagiri. The Foundation operates five other schools as well. Each of these schools focuses on rigorous academic pursuits and encourages extra-curricular activities. In addition

to these, the Group also invests considerably on the infrastructure, construction and provision of financial support to a number of schools at its plant locations.

Appointment of local youth as teachers in Kutehr: 20 educated unemployed youth have been employed as primary school teachers at Kutehr, HP. The initiative of the Foundation helped revive the acute teachers' shortage in the six gram panchayats. 30% increase in attendance has been observed in the schools, apart from improvement in discipline and study of students, increased participation in various cultural, sports activities and building of competitive environment among them. Students are faring well in examinations and getting outstanding results. The deployed teachers have started Yoga classes for the students.

In Jaigad (Ratnagiri) one teacher is appointed in a primary school and another four teachers are appointed in a junior college.

3.6.4.2. Mid-day Meal programme

At Ratnagiri, the Foundation has partnered with the gram panchayat to supplement the nutrition of Anganwadi children by providing quality and hygienically prepared food. The diet provided as Mid Day meal is formalised after consultations held with experienced dieticians. So far, 588 children are getting sprouted legumes, eggs and dates to reduce instances of malnutrition.

3.6.4.3. Computer Added Learning

In other education initiative, the Foundation is running three computer-aided learning centres benefitting 60 children. The Foundation is also running rural mobile libraries in Ratnagiri. It is also extending its support to anganwadi and balwadi centers.

3.6.4.4. URJA PHC

The Foundation facilitated the construction of Urja, Public Health Centre (PHC) at Ratnagiri. Urja has separate registration and record room, drug dispensing room, and waiting area for patients. The centre runs doorstep health camps for women, children and the elderly.

The Urja PHC is open to patients 24 hours of the day and covers five villages. It has the distinction of having the only MBBS doctor in five villages. Every day it treats 25-30 patients and provides emergency ambulance services.

So far, in four years, it has covered 16,000 patients. It has organised health camps and cataract operations in coordination with Lions Club and completed 104 cataract surgeries which is an ongoing programme.

More than 1 lakh people have benefited from health camps organised across JSW Energy locations.

3.6.4.5. Up-gradation of government-run health centres

At Bhadresh (Rajasthan), Ratnagiri and Kutehr, the Foundation is proactively working towards strengthening the existing Government health infrastructure. It has helped in the upgradation of the health centres. The effort has resulted in increased number of institutional deliveries of babies in the village. The PHCs have been upgraded with regard to the following:

- a) Overall renovation of the building
- b) Necessary medical equipment
- c) Sanitisation of operation theatres and other rooms
- d) Recruitment of doctors, nurses and other staff
- e) Refrigerator for medicines/vaccines
- f) Registers for data collection and MIS

At Barmer, Raj West Power Limited (RWPL) has adopted one community health centre at Bishala and one sub-centre at Bhadresh village. Regular full-time medical facility is being provided by female nurses in this village. One dedicated ambulance is also available for emergency purposes. Reduction of the Infant Mortality Rate and Mothers' Mortality Rate in all deliveries is ensured by facilitating institutional deliveries at the adopted sub-centre at Bhadresh village. RWPL has also organised school health checkup camps at 14 schools in this area.

3.6.4.6. Sanitation Programme

The Foundation has also undertaken a sanitation initiative in Ratnagiri, in collaboration with the Total Sanitation Campaign of the Government. A total of 326 individual toilet units have been constructed at Ratnagiri so far, in partnership with the community. A bio-gas unit based on the community toilet scheme has also been constructed. At Barmer, 200 low cost individual toilets have been constructed so far.

In Kutehr, 93 individual toilets have been constructed at Garola Panchayat and 20 individual toilets have been

constructed at Lamu Panchyat. A 4% reduction in water-borne diseases (diarrhoea, dysentery, jaundice and gastroenteritis) has been achieved at Garola Panchayat which is slated to receive the Nirmal Gram Panchayat Purskar.

3.6.4.7. Livelihood

Self Help Group (SHG) – At Kuther, Ratnagiri and Barmer, tailoring classes were conducted for women to make them financially self-sufficient. At Kutehr, 43 women/girls are deriving the benefit from five fully operational tailoring centres. Eight SHGs are also working as a part of the knitted woollen socks programme, benefitting 91 women in the process.

At Barmer, 10 SHGs have been formed till now at Bhadrash village. This year we have formed two new groups and a total of 184 women have been benefitted by these groups. Trained girls and women are involved in tailoring work and earning approximately ₹ 1,500-₹ 5000 per month.

Regular trainings to farmers and SHGs were provided at several locations. At Ratnagiri, a special farming intervention programme has almost doubled the crop yield from each unit of land. Many farmers have now started harvesting multiple crops in a year on the same piece of land. This has substantially boosted their income. In 2012, during Kharif harvest season, 15 farmers were involved in the paddy productivity programme to get acquainted with the best farming techniques. Out of these, five farmers saw the yield going up to 74.33%, whereas the maximum yield was 116 kg per 100 square metres. In 2013, 18 farmers followed the Kharif harvesting techniques and enjoyed a 81.92% average increase in the yield, with the maximum yield being 130 kg per 100 square metres. This year, the Foundation also initiated a vegetable farming pilot project in cumulative farming covering 2 hectares of land, involving 23 farmers in collaboration with the Zilla Parishad.

Collaboration with Krishi Vigyan Kendra (KVK): The Foundation has joined hands with KVK at Barmer for resource management at Kamoipura village in the Thar Desert region through integrated farming activities. Through this technical collaboration, efforts are going on to strengthen agriculture based activities, crop management, promotion of horticulture, silvi

pasture, livestock management, vermin compost and dissemination of technical know-how to build more capacity through training programmes. Approximately 110 hectares of land have been taken up under the crop productivity programme at Kamoipura village. 40 families are being benefitted by this intervention. Kharif crop of Moong, Moth and Gwar has taken with the technical guidance of KVK Barmer. As per the interaction with beneficiaries, there has been a more than 50% increase in income due to crop productivity activities in this year so far.

3.6.4.8. Environment

Earth Care Awards: This is a national initiative designed to support the growing consciousness regarding issues of climate change, emission reduction, land and water preservation, and the general reduction of environmental hazards. The awards jury is headed by Dr. M. S. Swaminathan and the Director Generals of ICFRE and ICRISAT are its members. Till now, 38 Crusaders have been awarded.

Community based water conservation: The project was started to enable communities to understand how even small quantities of rainfall could be conserved. In Barmer, water conservation has been completed in 90 hectares of land. It includes construction of proper water tanks and a water distribution system to provide drinking water facilities in the village.

In Barmer, the Foundation has facilitated the plantation of saplings. So far, 85,000 saplings have been planted. In 2013-2014, around 14,500 saplings have been planted in and around the plant area. The saplings are of Chikoo, Lehsua and Date palm in the premises. Various orchards of Amla, Jamun, Khejri and Olive are also planted in the Barmer plant premises.

3.6.4.9. Promotion of Art and Culture

Heritage Music Conservation - JSW Foundation has taken up the cause of conservation of Rajasthani folk music led by Manganiar and Langa communities. The main objective of the intervention is to provide a platform to the present set of musicians. A comprehensive music training module has been developed and training is being imparted by experienced music teachers. The Foundation is also associated with the “**Sarwar Lok Kala Sansthan**” from Dedadiyar Village, Barmer. The

organisation is completely dedicated to music and more than 30 international folk artists are associated with it. So far, 40 local Manganiar children have been trained through a 7-day residential workshop. The residential training also covers unique singing styles such as Wadhava, Dyodha, Bhavan and Sortha that are fast disappearing these days. The training module includes both vocal and instrumental training. Vocal training guides the students in basic knowledge of raga, swar, laya, alaa and taal. This module will help them to practice folk songs, sufi songs and bhajans. The instrumental training sessions include technical acquaintance with the laya, jugalbandi, swarmilapand so on.

Sand Art Event – The Foundation also aims to utilise the potential of the Konkan coastline, in terms of capitalising on the tourism potential and giving the required momentum to local small businesses relying on it. The Foundation did an inaugural sand art structure made by an internationally acclaimed sand artist Mr. Sudarshan Pattanak at Ganpatipule, a prominent tourist destination. The 3-day exhibition was organised in coordination with MTDC and local gram Panchayats.

JSW Energy Centre of Excellence (JSWECE):

The Company runs JSWECE at OPJ 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 experience staff of JSWECE helped the engineers at all the three locations – viz. Barmer, Vijayanagar and Ratnagiri with tailor-made special programmes to address their real-time, on-floor issues. The centre also conducted open programmes for other corporates that recorded 100% attendance and encouraging feedback. The centre has re-invented itself and is directly contributing to the growth of the company by conducting and facilitating technical programmes frequently.

3.7. Internal Control and Audit

3.7.1. Internal control

A proper and adequate system of internal control, commensurate with the size and nature of its business, is integral to the Company's corporate governance.

Some key features of the Company's internal control system comprise:

- Adequate documentation of policies, guidelines, authorities and approval procedures, encompassing important functions of the Company
- Deployment of an organisation-wide ERP system covering its operations and supported by a defined on-line authorisation protocol
- Ensuring complete compliance with laws, regulations, standards and internal procedures and systems
- De-risking the Company's assets/resources from any loss, attrition and deterioration
- Ensuring the integrity of the accounting system; the proper and authorised recording and reporting of all transactions
- Preparing and monitoring annual budgets for all operational and service related functions
- Ensuring reliability of all financial and operational information
- The Audit Committee, comprising Independent Directors, regularly reviews audit plans, significant audit findings, adequacy of internal controls, and compliance with Accounting Standards, among others
- A comprehensive Information Security Policy and continuous updation of IT systems

3.7.2. Internal audit

The internal audit function of the Company inculcates global best standards and practices of international majors into the Indian operations. The Company has a strong internal audit department reporting to the Audit Committee comprising Independent / Nominee Directors who are experts in their field.

The Company successfully integrated the COSO (Committee of Sponsoring Organisations of the Treadway Commission) 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 in-system checks and balances to arrest non-conformance. The internal audit team has access to all organisational information, facilitated by the ERP mechanism.

3.7.3. Audit plan and execution

Internal Audit department prepares Risk-based Audit Plan with the frequency of audit being decided by risk ratings of areas / functions. The audit plan is executed by the internal audit team.

The Plan is reviewed periodically to include areas which have assumed significant importance in line with the emerging industry trends and the aggressive growth of the Company. In addition, the audit department also relies on internal customer feedback and other external events for inclusion of clauses into the audit plan.

Forward looking and cautionary statements

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed 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 achievement of results is subject to risks, uncertainties and inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, our actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

CORPORATE GOVERNANCE

Report on Corporate Governance for the Year 2013 – 14

1. COMPANY'S GOVERNANCE PHILOSOPHY:

Good governance practices stem from the value system and philosophy of the organization, and at JSW Energy we are committed to meet the aspirations of all our stakeholders. This is demonstrated in shareholder returns, high credit ratings, governance processes and performance with conducive work environment. Corporate Governance is concerned with holding the balance between economic and social goals and between Individual and Communal goals. Corporate governance is about the way we do the business, encompassing every day activities. The Company believes that profitability must go hand in hand with a sense of responsibility towards all stakeholders. The Company seeks to focus on enhancement of long-term value creation for all stakeholders without compromising on integrity, social obligations, environment and regulatory compliances. The Company will focus its energies and resources in creating and safeguarding of shareholders' wealth and, at the same time, protect the interests of all its stakeholders.

The Company has laid a strong foundation for making Corporate Governance a way of life by constituting a Board with a mix of experts of eminence and integrity, forming a core group of top level executives, including competent professionals across the organization and putting in place best systems, process and technology. The Company confirms the compliance of Corporate Governance as contained in Clause 49 of the Listing Agreement, the details of which are given below.

2. BOARD OF DIRECTORS:

2.1 Appointment and Tenure:

The Directors of the Company are appointed by the Shareholders at General Meetings.

All Directors except Managing Director/ Independent Directors are, subject to Company's Articles of Association / Companies Act, 2013, liable to retirement by rotation, and at every Annual General Meeting, 1/3rd of such Directors as are liable to retire by rotation, if eligible, generally offers themselves for re-election, in accordance with the provisions of Companies Act, 2013.

The Executive Directors on the Board serve in accordance with the terms of their contracts of service with the Company.

2.2 Composition, Meetings and attendance record of each Director:

The Company has a mix of Executive and Non-Executive Independent Directors as at 31st March, 2014. The Board of Directors comprises of 8 Directors, of which 5 are Non-Executive. The Chairman is Executive and a Promoter of the Company. The number of Independent Directors is 4 as at 31st March, 2014, including one Nominee Director of IDBI Bank Limited. The composition of the Board is in conformity with applicable Clause 49 of the Listing Agreement. All Independent Directors and Nominee Director are persons of eminence and bring a wide range of expertise and experience to the Board thereby ensuring the best interest of stakeholders and the Company.

None of the Directors are related to any other Director on the Board. 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 Clause 49 of the Listing Agreement) across all the Companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

The information as required under the Listing Agreement is being made available to the Board.

The details of composition of the Board, the attendance record of the Directors at the Board Meetings held during the financial year ended on 31st March, 2014 and the last Annual General

Meeting (AGM), and the details of their other Directorships, and Committee Chairmanships and Memberships are given below:

Category	Name of Director	Position	Attendance at		No. of other Directorships and other Committee Membership(s) / Chairmanship(s)		
			Board Meetings	19 th AGM held on 25 th July 2013	Other Directorships in Indian Companies#	Other Committee Memberships ##	Other Committee Chairmanships##
Executive	Mr. Sajjan Jindal	Chairman and Managing Director	4	Yes	6	-	-
	Mr. Sanjay Sagar	Jt. Managing Director and CEO	4	Yes	7	2	-
	Mr. Pramod Menon *	Director-Finance	4	Yes	9	5	-
Non-Executive Independent	Mr. P. Abraham	Director	2	Yes	11	3	1
	Mr. Chandan Bhattacharya	Director	4	Yes	2	-	1
	Mr. D. J. Balaji Rao	Director	4	Yes	9	5	4
	Mr. B. Ravindranath	Nominee of IDBI Bank	3	Yes	2	-	-
Non-Executive Non-Independent	Mr. Nirmal Kumar Jain**	Director	4	Yes	7	2	1

Notes:

1. During FY 2013-14, four Board Meetings were held and the gap between two meetings did not exceed four months. Board Meetings were held on 3rd May, 2013; 26th July, 2013; 26th October, 2013 and 30th January, 2014.
2. * Appointed as Additional Director and Whole-time Director designated as Director-Finance w.e.f 3rd May 2013;
3. ** Ceased to be Whole-time Director w.e.f 1st September, 2013 but continues as Non-Executive, Non-Independent Director;
4. #Alternate Directorship, Directorship in Private Companies, Foreign Companies and Section 25 Companies are excluded.
5. ##Represents of Audit Committee and Shareholders / Investors Grievance Committee.

2.3 Board Meetings, Board Committee Meetings and Procedures:

A. Institutionalised decision making process:

The Board of Directors oversee 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. The Chairman and Managing Director is assisted by the Executive Directors in overseeing the functional matters of the Company. The Board has constituted several Committees such as Audit Committee, Stakeholders Relationship Committee (earlier called as Shareholders /

Investors Grievance Committee), Nomination and Remuneration Committee (earlier called as Remuneration Committee), Finance Committee, Risk Management Committee, Corporate Social Responsibility Committee and ESOP / Compensation Committee. The Board constitutes additional functional Committees from time to time depending on the business needs.

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

- (i) A minimum of four Board Meetings are held every year. Dates for the Board Meetings in the ensuing quarters are decided well in advance and communicated to the Directors. The Agenda along with the

explanatory notes are sent in advance to the Directors. Additional meetings of the Board are held when deemed necessary to address the specific needs of the Company. In case of business exigencies or urgency of matters, and where possible, resolutions are passed by circulation.

- (ii) The meetings are usually held at the Company's Registered Office at JSW Centre, Bandra Kurla Complex, Bandra (East) Mumbai- 400 051.
- (iii) All divisions/departments of the Company are advised to schedule their work plan well in advance, particularly with regard to matters requiring discussion/ approval/ decision at the Board/Committee meetings. All such matters are communicated to the Company Secretary in advance so that the same could be included in the Agenda for the Board / Committee meetings.

In addition to items which are mandated to be placed before the Board for its noting and/or approval, information is provided on relevant significant matters.

- (iv) The Board is given presentations covering Outlook/Economy, Company's Financials, Company's Performance, Business Strategy, Subsidiary Company's performance, the Risk Management practices, etc. before taking on record the Quarterly/Half yearly/ Annual financial results of the Company.

C. Distribution of Board Agenda Material:

Agenda and Notes on Agenda are circulated to the Directors in advance in the defined Agenda format. All material information is incorporated in the Agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the Agenda, the same is tabled before the meeting. In special and exceptional circumstances, additional or supplementary item(s) on the Agenda are considered.

D. Recording Minutes of proceedings of Board and Committee Meetings:

The Company Secretary records the minutes of the proceedings of each Board and Committee meeting. Draft minutes are circulated to all the members of the Board/Committee for their comments. The final minutes are entered in the Minutes Book within 30 days from conclusion of

the meeting and are signed by the Chairman of the meeting/Chairman of the next meeting.

E. Post Meeting Follow-up Mechanism:

The Company has an effective post meeting follow-up, review and reporting process mechanism for the decisions taken by the Board/ Committees. Important decisions taken at the Board/Committee meetings are communicated to the concerned Functional Heads promptly.

Action Taken Report on decisions of the previous meeting(s) is placed at the immediately succeeding meeting of the Board for noting by the Board/Committee members.

F. Compliance:

While preparing the Agenda, Notes on Agenda, Minutes, etc. of the meeting(s), adequate care is taken to ensure adherence to all applicable laws and regulations.

2.4 Changes in Board Composition:

Name of the Director	Details of Change	Date of Change
Mr. Pramod Menon	Appointed as Additional Director and Whole-time Director, designated as Director-Finance	3 rd May, 2013

3. AUDIT COMMITTEE:

The Audit Committee comprises of Mr. Chandan Bhattacharya, Mr. D. J. Balaji Rao, Mr. P. Abraham, Non-Executive Independent Directors, Mr. B. Ravindranath, Nominee Director and Mr. Nirmal Kumar Jain, Non-Executive Non-Independent Director.

Mr. Chandan Bhattacharya is the Chairman of the Audit Committee. The Members possess adequate knowledge of Accounts, Audit, Finance, etc.

The broad terms and reference of Audit Committee are to review the financial statements before submission to Board, to review reports of the Auditors and Internal Audit department and to review the weaknesses in internal controls, if any, reported by Internal and Statutory Auditors, etc. In addition, the powers and role of the Audit Committee are as laid down under the Listing Agreement entered with the Stock Exchanges and the Companies Act, 1956 / Companies Act, 2013.

The Audit Committee met 8 times during the

year under review on following dates: 2nd May, 2013; 3rd May, 2013; 25th July, 2013; 26th July, 2013; 25th October, 2013; 26th October, 2013; 29th January, 2014 and 30th January, 2014. The detail of the meetings during the year attended by the Committee members is as given below:

Name of Director	Category	No. of Meetings Attended
Mr. Chandan Bhattacharya	Non-Executive, Independent	8
Mr. D. J. Balaji Rao	Non-Executive, Independent	7
Mr. P. Abraham	Non-Executive, Independent	4
Mr. B. Ravindranath	Non-Executive, Independent, Nominee Director	3
Mr. Nirmal Kumar Jain*	Non-Executive, Non-Independent, Director	N.A

*Appointed as member on 30th January, 2014.

The Audit Committee invites such of the executives as it considers appropriate (and particularly the head of the finance function) to be present at its meetings. The CEO, Director-Finance and Head of Internal Audit attend the meetings. The Statutory Auditors are also invited to the meetings.

Mr. Sampath Madhavan, the Company Secretary, acts as the Secretary of the Committee.

4. STAKEHOLDERS RELATIONSHIP COMMITTEE (EARLIER CALLED AS SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE):

The Stakeholders Relationship Committee comprises of Mr. Chandan Bhattacharya, Mr. P. Abraham (both Non-Executive Independent Directors) and Mr. Nirmal Kumar Jain (Non-Executive, Non-Independent Director).

Mr. Chandan Bhattacharya is the Chairman of the Committee.

The terms of reference of the Committee are interalia as follows:

- Review the reports submitted by the Registrars and Share Transfer Agents of the Company at quarterly intervals.
- Periodically interact with the Registrars and Share Transfer Agents 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.

- Follow-up on the implementation of suggestions for improvement, if any.
- Periodically report to the Board about serious concerns, if any.

The Committee met 4 times during the year on 2nd May, 2013; 25th July, 2013; 25th October, 2013; and 29th January, 2014. The details of the meeting during the year attended by the Committee Members are given below:

Name of Director	Category	No. of Meetings Attended
Mr. Chandan Bhattacharya	Non-Executive, Independent	4
Mr. P. Abraham	Non-Executive, Independent	2
Mr. Nirmal Kumar Jain	Non-Executive, Non-Independent	4

Mr. Sampath Madhavan, Company Secretary is the Compliance Officer for complying with the requirements of SEBI Regulations and the Listing Agreements entered with the Stock Exchanges. His address and contact details are as given below:

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

Phone : 022-4286 1000

Fax : 022-4286 3000

E-mail : jswel.investor@jsw.in

Number of complaints / requests received during the year under review and their break-up is as under:

Sr. No	Description	Total	
		Received	Replied/ Resolved
1.	Letter from Statutory bodies (SEBI/Stock Exchange(s))	11	11
2.	Letter from Shareholders	1,157	1,157
	Total	1,168	1,168

5. NOMINATION AND REMUNERATION COMMITTEE (EARLIER CALLED AS REMUNERATION COMMITTEE):

The Nomination and Remuneration Committee which comprises of Mr. P. Abraham, Mr. Chandan Bhattacharya and Mr. D. J. Balaji Rao, all Non Executive, Independent Directors met twice during the year on 2nd May, 2013 and 29th January, 2014. Mr. P. Abraham is the Chairman of Remuneration Committee. The Composition of Committee and details of the meeting attended by the Committee Members are as given below:

Name of the Director	Category	No of Meetings Attended
Mr. P. Abraham	Non-Executive, Independent	1
Mr. D. J. Balaji Rao	Non-Executive, Independent	1
Mr. Chandan Bhattacharya	Non-Executive, Independent	2

The terms of reference of the Committee are as follows:

- 1) To determine on behalf of the Board and on behalf of the Shareholders the Company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment.
- 2) Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such Committee.
- 3) The name of the said Committee is now "Nomination and Remuneration Committee" and the terms of Reference has been enlarged as required under the provisions of Companies Act, 2013 / Listing Agreement.

5.1 Remuneration Policy:

A. Non-Executive Directors:

The Non-Executive Directors (NEDs) are normally paid remuneration by way of commission and sitting fees. In terms of the Shareholders' approval obtained at the Annual General Meeting (AGM) held on 20th July, 2012, the commission is normally paid at a rate not exceeding 1% per annum of the net profits of the Company. The distribution of commission amongst the NEDs is placed before the Board for approval. The Commission payment amongst the NEDs is normally distributed broadly on the following basis:

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

During the year, the Company paid sitting fees of ₹ 20,000/- per meeting to the NEDs for attending meetings of the Board and Committee. The payment of Commission to the NEDs based on profits for the year is likely to be considered by the Board around the time for adoption of the Accounts for the year ended 31st March, 2014 by the Shareholders.

B. Executive Directors:

The Remuneration Committee recommends the remuneration package for the Executive Directors (EDs) of the Board. In framing the remuneration policy, the Committee takes into consideration the remuneration practices of Companies of similar size and stature and the Industry Standards.

Annual increments effective 1st April, each year, as recommended by the Remuneration Committee, are placed before the Board for approval. The ceiling on Salary and Perquisites & allowances is approved by the Shareholders, within which the salary and perquisites & allowances is recommended by the Remuneration Committee and approved by the Board. The Directors' compensation is based on the appraisal system wherein their individual goals are linked to the organizational goals. EDs are paid, subject to the approval of the Board and of the Company in General Meeting as may be required/necessary, compensation as per the appointment terms/ agreements entered into between them and the Company.

The present remuneration structure of EDs comprises of salary, perquisites, allowances, performance linked incentive/special pay, ESOPs and contributions to Provident Fund & Gratuity.

C. Management Staff:

Remuneration of employees largely consists of basic remuneration, perquisites, allowances, ESOPs and performance incentives. The components of the total remuneration vary for different grades and are governed by industry patterns, qualifications and experience of the employees, responsibilities handled by them, their annual performance, etc. For the last few years, efforts have also been made to link the annual

variable pay of employees with the performance of the Company. The variable pay policy links the performance pay of the officers with their individual and overall organizational performance on parameters aligned to Company's objectives whereas Variable Production Incentive Bonus is linked to the respective Plant's parameters.

5.2 Details of Remuneration paid to Directors:

A. Payment to Non-Executive Directors:

The sitting fees paid to Non-Executive Directors

(NEDs) for attending the Board/Committee Meetings held during the year is as under:

(Amount in ₹)

Name of the Non-Executive Director	Sitting fees paid
Mr. Chandan Bhattacharya	4,20,000
Mr. D. J. Balaji Rao	2,40,000
Mr. P. Abraham	1,80,000
Mr. B. Ravindranath	1,20,000
Mr. Nirmal Kumar Jain	1,00,000
Total	10,60,000

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 2013-14, their tenure and Stock Options held as at 31st March, 2014:

Name of Director	Position	Salary (₹ crore)	Tenure	Notice Period	Share options held
Mr. Sajjan Jindal	Chairman & Managing Director	8.04	5 years (till 31.12.2018)	--	Nil
Mr. Sanjay Sagar	Jt. Managing Director & CEO	2.08	5 years (till 20.07.2017)	3 months from either side or salary in lieu thereof.	8,37,245
Mr. Pramod Menon*	Director-Finance	1.08	5 years (till 2.05.2018)	3 months from either side or salary in lieu thereof.	4,33,328
Mr. Nirmal Kumar Jain**	Whole-time Director	1.83	N.A	-	22,85,280

*from 3rd May, 2013

**Ceased to be Whole-time Director w.e.f 1st September, 2013 but continues as Non-Executive, Non-Independent Director;

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.

Mr. Nirmal Kumar Jain, Mr. Sanjay Sagar and Mr. Pramod Menon were granted 13,90,269, 4,82,212 and 2,50,022, stock options respectively at an exercise price of ₹ 65 per share which vested on 4th October, 2013. Further 4,85,467, 1,62,765, and 94,794 stock options were granted to Mr. Nirmal Kumar Jain, Mr. Sanjay Sagar and Mr. Pramod Menon respectively on 8th November, 2011 at an exercise price of ₹ 52.35 per share which vests on 8th November, 2014. Also, 4,09,544, 1,92,268, and 88,512 stock options were granted to Mr. Nirmal Kumar Jain, Mr. Sanjay Sagar and Mr. Pramod Menon respectively on 31st October, 2012 at an exercise price of ₹ 60.90 per share which vests on 31st October, 2015. Options were granted considering the ruling market price of the share of the Company on the date of grant. Exercise period for

the options which have not lapsed will be after vesting and till 30th September, 2017.

5.3 Details of shares held by the Directors:

The Equity shares held by the Directors of the Company as on 31st March, 2014 is given below:

Name of Director	No of Shares held
Mr. Sajjan Jindal	7,41,44,262
Mr. Nirmal Kumar Jain	5,000
Mr. Sanjay Sagar	5,000
Mr. Pramod Menon	2,900
Mr. D. J. Balaji Rao	900
Mr. P. Abraham	3,000

OTHER COMMITTEES OF THE BOARD OF DIRECTORS:

In addition to the above referred Committees, the Board has constituted Finance Committee, Risk Management Committee, Corporate Social Responsibility Committee and ESOP / Compensation Committee of Directors, etc. to consider various business matters and delegated thereto powers and responsibilities with respect to specific purposes.

6. 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
19 th	25 th July, 2013	3.00 P.M.	Yashwantrao Chavan Pratisthan Mumbai, Y.B. Chavan Auditorium, General Jagannath Bhosale Marg, Mumbai - 400 021
18 th	20 th July, 2012	3.00 P.M.	Yashwantrao Chavan Pratisthan Mumbai, Y.B. Chavan Auditorium, General Jagannath Bhosale Marg, Mumbai - 400 021
17 th	21 st July, 2011	3.00 P.M.	Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai - 400 020

Details of Special Resolutions passed in the previous three AGMs:

AGM	Particulars of Special Resolutions passed thereat
19 th	a. Approval for ESOPs Granted to the Employees b. Approval for ESOPs Granted to the Employees of Subsidiaries of the Company
18 th	a. Commission payment to Non Executive Directors b. Issue / Allotment of Equity Shares pursuant to an Institutional Placement Programme, etc.
17 th	No Special Resolutions were passed at this AGM

No Resolution was passed through postal ballot during the FY 2013-14.

None of the business required to be transacted at the 20th AGM require passing of special resolution through postal ballot.

7. DISCLOSURES:

- 7.1 There were no materially significant related party transactions i.e. transaction of the Company of material nature with its Promoters, Directors or the Management, their Subsidiaries or relatives etc. that conflict with the interests of the Company.
- 7.2 No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- 7.3 All mandatory requirements as per Clause 49 of the Listing Agreement have been complied with by the Company.
- 7.4 The Company follows Accounting Standards issued by The Institute of Chartered Accountants of India and there are no statutory audit qualifications in this regard.
- 7.5 In terms of Clause 49(V) of the Listing Agreement, the Managing Director, Jt. Managing Director and CEO and Chief Financial Officer made a certification 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.

8. SUBSIDIARY COMPANIES MONITORING FRAMEWORK:

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

- a) A copy of the Minutes of the Meetings of the Board of Directors of the Subsidiary Companies / Resolutions passed 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 Company's Financial Results are also tabled before the Company's Board on quarterly basis.

9. 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, atleast in one English newspaper circulating in the whole or substantially the whole of India and in one Vernacular newspaper of the State where the Registered Office of the Company is situated.

The Annual Financial Results for Year ended 31st March, 2013 were published as detailed below:

FY 2012-13	Date of Board Meeting	Date of Publication	Name of Newspaper	Language
Annual Financial Results	3 rd May, 2013	4 th May, 2013	Financial Express	English
			Navshakti	Marathi

The quarterly financial results for FY 2013-14 were published as detailed below:

FY 2013-14	Date of Board Meeting	Date of Publication	Name of Newspaper	Language
First Quarter	26 th July, 2013	27 th July, 2013	Financial Express	English
			Navshakti	Marathi
Second Quarter	26 th October, 2013	27 th October, 2013	Financial Express	English
			Navshakti	Marathi
Third Quarter	30 th January, 2014	31 st January, 2014	Financial Express	English
			Navshakti	Marathi

- (iii) Website: The Company's website www.jsw.in contains a separate dedicated section "Investors" where latest Shareholders 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, Investors' Contact details, Investor Forms, etc. are posted on the website in addition to the Information stipulated under Clause 54 of the Listing Agreement.

- (iv) Presentations to Analysts: Presentations / Concall were made to analysts / investors during FY 2013-14 on 3rd May, 2013; 26th July, 2013; 26th October, 2013 and 30th January, 2014. Presentations / Transcripts are available on Company's website www.jsw.in. The Presentations / Transcripts broadly cover operations, Financials and Industry outlook.

- (v) Corporate Filing and Dissemination System (CFDS) filing: The Company electronically files data such as shareholding pattern,

Corporate Governance Report and Corporate's Announcement, etc. on the CFDS portal, www.corpfiling.co.in within the time frame prescribed in this regard.

- (vi) NSE Electronic application Processing System (NEAPS): NEAPS is a web based application designed by NSE for corporates. The Shareholding pattern, Corporate Governance Report, Corporate's Announcement, etc. are also filed electronically on NEAPS.

- (vii) BSE Corporate Compliance & Listing Centre: BSE has recently launched its Online Portal - BSE Corporate Compliance & Listing Centre for submission of various filings by the Listed Companies. It is web based facility which is designed to make Corporate filings easy, convenient and environment friendly. The Company has recently electronically filed data such as shareholding pattern, Corporate Governance Report, etc. on the aforesaid portal.

- (viii) Annual Report: Annual Report containing, interalia, Audited Annual Accounts,

Consolidated Financial Statements, Directors' 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.

- (ix) Chairman's Communique: Printed copy of the Chairman's Speech is distributed to all the Shareholders at the Annual General Meeting.

10. GENERAL SHAREHOLDERS INFORMATION:

10.1 Annual General Meeting:

Date and Time	: Wednesday, 23 rd July, 2014 at 3.00 p.m.
Venue	: Yashwantrao Chavan Pratisthan Mumbai, Y. B. Chavav Auditorium, General Jagannath Bhosale Marg, Mumbai - 400 021

Dates of Book Closure :Tuesday, 15th July, 2014 to Wednesday, 23rd July 2014 (both days inclusive).

Dividend Announcement: The Board of Directors of the Company has recommended a dividend of 20% (₹ 2 per share) on the Equity Share of the face value of ₹ 10 each for the year ended 31st March, 2014, subject to approval by the Shareholders of the Company at the forthcoming Annual General Meeting.

Date of Dividend Payment : 24th July, 2014 (Thursday).

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

- To all those beneficial owners in respect of the shares held in electronic form as per the data as may be made available by the National Securities Depository Limited and Central Depository Services (India) Limited as of the close of business hours on Monday, 14th July 2014; and
- To all those shareholders as at the close of business hours on Monday, 14th July 2014 in respect of the shares held in physical form

(after giving effect to the valid transfers in respect of the shares lodged with the Company on or before the close of business hours on Monday, 14th July 2014).

10.2 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
Bombay Stock Exchange 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 ISIN are as follows:

- INE121E07080 - 9.75 % NCDs of ₹ 10 Lakhs each
- INE121E07114 - 9.75 % NCDs of ₹ 10 Lakhs each
- INE121E07098 - 9.75 % NCDs of ₹ 10 Lakhs each
- INE121E07106 - 9.75 % NCDs of ₹ 10 Lakhs each
- INE121E07148 - 9.10 % NCDs of ₹ 10 Lakhs each
- INE121E07155 - 9.20 % NCDs of ₹ 10 Lakhs each
- INE121E07163 - 9.30 % NCDs of ₹ 10 Lakhs each
- INE121E07171 - 9.40 % NCDs of ₹ 10 Lakhs each
- INE121E07189 - 9.50 % NCDs of ₹ 10 Lakhs each
- INE121E07197 - 9.60 % NCDs of ₹ 10 Lakhs each
- INE121E07205 - 9.70 % NCDs of ₹ 10 Lakhs each
- INE121E07213 - 9.75 % NCDs of ₹ 10 Lakhs each
- INE121E07221 - 9.60 % NCDs of ₹ 10 Lakhs each
- INE121E07239 - 9.60 % NCDs of ₹ 10 Lakhs each
- INE121E07247 - 9.60 % NCDs of ₹ 10 Lakhs each
- INE121E07254 - 9.60 % NCDs of ₹ 10 Lakhs each
- INE121E07262 - 9.60 % NCDs of ₹ 10 Lakhs each
- INE121E07270 - 9.75 % NCDs of ₹ 10 Lakhs each
- INE121E07288 - 9.75 % NCDs of ₹ 10 Lakhs each
- INE121E07296 - 9.75 % NCDs of ₹ 10 Lakhs each
- INE121E07304 - 9.75 % NCDs of ₹ 10 Lakhs each
- INE121E07312 - 9.75 % NCDs of ₹ 10 Lakhs each

Debenture Trustee:

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

The Company has paid Annual Listing Fees as applicable, to the BSE and the NSE for the FY 2014-15.

10.3 Market Price Data:

The monthly high/low market price of the Company's shares during the year 2013-14 at the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) were as under:

Month	BSE			NSE			Total Volume of BSE and NSE
	High Price	Low Price	Volume	High	Low	Volume	
April 13	66.95	53.05	46,91,404	67.00	53.70	1,81,90,422	2,28,81,826
May 13	69.10	55.35	77,27,276	69.15	55.35	4,55,80,379	5,33,07,655
June 13	59.05	39.60	1,10,03,107	59.10	39.55	5,06,83,337	6,16,86,444
July 13	48.20	39.90	86,88,076	48.20	39.80	4,04,26,260	4,91,14,336
August 13	43.30	33.80	87,72,387	43.25	33.65	4,46,22,325	5,33,94,712
September 13	47.30	37.15	56,12,314	47.40	37.15	2,93,47,330	3,49,59,644
October 13	49.70	43.00	49,33,212	49.70	43.00	2,31,22,583	2,80,55,795
November 13	52.60	43.40	52,93,975	52.55	43.20	2,82,79,732	3,35,73,707
December 13	58.15	52.00	52,40,380	58.25	51.80	2,86,12,852	3,38,53,232
January 14	57.50	42.15	43,87,354	57.35	39.85	2,03,50,626	2,47,37,980
February 14	55.00	42.00	40,31,812	54.70	41.85	2,78,10,382	3,18,42,194
March 14	61.70	48.30	74,67,581	61.65	48.30	3,46,90,027	4,21,57,608

10.4 Registrar & Share Transfer Agents:

Karvy Computershare Private Limited (KARVY)
Unit: JSW Energy Limited
Plot No. 17 to 24, Vittalrao Nagar,
Madhapur, Hyderabad - 500 081
Ph. Nos: 040 - 44655000 Ext. 131, 133 & 177,
Fax No. 040 - 23420814
E-mail: einward.ris@karvy.com
Website: www.karvy.com

10.5 Share Transfer System:

Share Transfers in physical form can be lodged with Karvy Computershare Private Limited 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 two weeks. For more information please visit our website www.jsw.in which contains a separate dedicated section "Investors".

The Board has delegated the authority for approving transfers, transmissions, etc. of the Company's securities to the Stakeholders Relationship Committee. The decisions of Stakeholders Relationship Committee are placed at every Board Meeting. The Company obtains from a Company Secretary in Practice half yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement with Stock Exchanges and files a copy of the certificate with the Stock Exchanges.

10.6 Distribution of Shareholding:

The distribution of shareholding as on 31st March, 2014 is given below:

No. of Equity Shares	No of Shareholders	% of Holders	No. of Shares held	% of Total shares
1 - 5000	1,34,766	98.82	4,54,81,520	2.77
5001 - 10000	797	0.58	58,39,197	0.36
10001 - 20000	353	0.26	50,59,533	0.31
20001 - 30000	113	0.08	28,36,000	0.17
30001 - 40000	52	0.04	17,89,045	0.11
40001 - 50000	41	0.03	19,18,274	0.12
50001 - 100000	82	0.06	64,35,950	0.39
100001 & Above	174	0.13	1,57,06,95,276	95.77
TOTAL	1,36,378	100.00	1,64,00,54,795	100.00

10.7 Geographical Distribution of Shareholders as on 31st March, 2014:

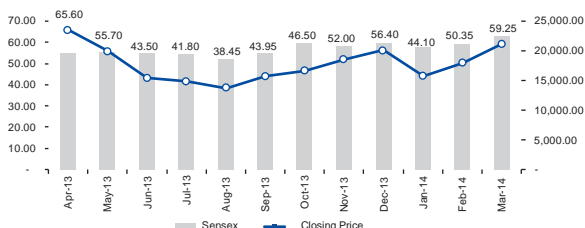
Name of City	Electronic			Physical			Total		
	No. of Share-holders	No. of Shares	% of total Share-holding	No. of Share-holders	No. of Shares	% of total Share-holding	No. of Share-holders	No. of Shares	% of total Share-holding
Ahmedabad	6,070	3,31,43,933	2.02	0	0	0	6,070	3,31,43,933	2.02
Bangalore	4,765	35,17,535	0.21	0	0	0	4,765	35,17,535	0.21
Kolkata	6,214	61,98,535	0.38	3	401	2.97	6,217	61,98,936	0.38
Chennai	4,204	27,05,578	0.16	0	0	0	4,204	27,05,578	0.16
Mumbai	21,005	1,41,34,70,420	86.19	1	3	0.02	21,006	1,41,34,70,423	86.18
New Delhi	8,812	3,92,98,534	2.40	0	0	0	8,812	3,92,98,534	2.40
Hyderabad	3,264	19,31,189	0.12	1	700	5.19	3,265	19,31,889	0.12
Pune	3,101	15,03,489	0.09	1	100	0.74	3,102	15,03,589	0.09
Vadodara	2,612	9,28,236	0.06	2	5,900	43.76	2,614	9,34,136	0.06
Others	76,311	13,73,43,862	8.37	12	6,380	47.32	76,323	13,73,50,242	8.37
TOTAL	1,36,358	1,64,00,41,311	100.00	20	13,484	100.00	1,36,378	1,64,00,54,795	100.00

10.8 Shareholding pattern:

Category	As on 31st March, 2014			As on 31st March, 2013		
	No. of Holders	No. of Shares	% of Holding	No. of Holders	No. of Shares	% of Holding
Promoter/Promoter Group	31	1,23,00,40,644	75.00	28	1,25,82,70,644	76.72
Non-Resident Indians	1427	26,42,462	0.16	1,556	27,35,426	0.17
Foreign Institutional Investors	92	6,81,19,327	4.15	82	4,75,08,724	2.90
Foreign Bodies Corporates	2	10,81,98,047	6.60	2	10,81,98,047	6.60
Indian Financial Institutions	13	9,21,76,456	5.62	14	9,22,11,618	5.62
Indian Mutual Funds	14	1,05,25,893	0.64	13	46,21,307	0.28
Banks	4	23,22,497	0.14	4	23,24,339	0.14
Bodies Corporates	1462	2,77,75,978	1.69	1,600	2,52,05,384	1.54
HUF	3524	48,47,612	0.30	3,642	50,91,166	0.31
Trust	7	8,700	0.00	7	7,700	0.00
Public	129802	9,33,97,179	5.69	1,39,332	9,38,80,440	5.72
Total	136378	1,64,00,54,795	100.00	1,46,280	1,64,00,54,795	100.00

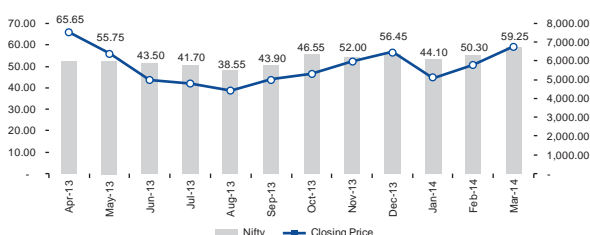
10.9 Performance of Closing Share Price in comparison to BSE Sensex:

Performance of JSW Energy share price vs. BSE Sensex



10.10 Performance of Closing Share Price in comparison to S & P CNX Nifty:

Performance of JSW Energy share price vs. S&P CNX Nifty



10.11 Top 10 Shareholders as on 31st March, 2014 as per data downloaded by Depositories:

Name of the Shareholder(s)	No. of Shares	% of Total Shareholding
JSW Investments Private Limited	47,54,78,198	28.99
Sahyog Tradcorp Private Limited	22,92,98,660	13.98
Sun Investments Private Limited	14,57,36,700	8.89
JSW Steel Limited	9,88,78,500	6.03
Life Insurance Corporation of India	80475310	4.91
Sajjan Jindal	7,41,44,262	4.52
Steel Traders Limited	5,93,72,000	3.62
Indus Capital Group Limited	4,88,26,047	2.98
Gagan Trading Company Limited	4,69,00,000	2.86
Glebe Trading Private Limited	3,03,61,475	1.85

10.12 Corporate benefits to Shareholders (since IPO Listing):

A Dividend declared:

Financial Year	Dividend Declaration Date	Dividend Rate (%)
2009-10	15 th July, 2010	7.5%
2010-11	21 st July, 2011	10.00%
2011-12	20 th July, 2012	5.00%
2012-13	25 th July, 2013	20.00%

Note: Dividend of ₹ 2 per share (20%) as recommended by the Board of Directors on 30th April, 2014 for FY 2013-14 is subject to declaration by the Shareholders at the ensuing Annual General Meeting.

B Unclaimed Amount:

Under the Companies Act, 1956, amounts that are unpaid/ unclaimed for a period of seven 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 /refund amount, the Company has sent reminders to the concerned investors at appropriate intervals. Members can check the details of unpaid / unclaimed dividend/refund amount on the website of the Company www.jsw.in in the Investor Section. Also the said information is available on the Ministry of Corporate Affairs website www.mca.gov.in.

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

(i) Unpaid / Unclaimed Dividend

Financial Year	Date of Declaration of Dividend	Unpaid and Unclaimed Dividend Amount as on 31st March, 2014 (Amt in ₹)	Date for transfer to IEPF
2009-10	15 th July, 2010	4,42,074	16 th August, 2017
2010-11	21 st July, 2011	10,89,691	26 th August, 2018
2011-12	20 th July, 2012	8,44,415	24 th August, 2019
2012-13	25 th July, 2013	18,53,084	27 th August, 2020

(ii) Unpaid /Unclaimed Refund Amount

Particulars	Unpaid / Unclaimed Refund Amount as on 31st March, 2014 (Amt in ₹)	Date for transfer to IEPF
Initial Public offer in the year 2009-Refund amount	1,94,700	22 nd December, 2016

Members who have not claimed their dividend/refund amount may approach the Company's Registrar, for obtaining payments thereof immediately.

10.13 Financial Calendar 2014-15 (tentative):

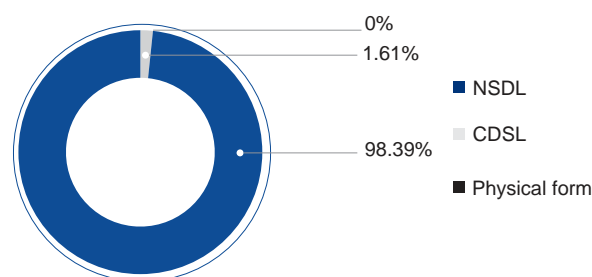
First quarterly results	July, 2014
Second quarterly results	October, 2014
Third quarterly results	January, 2015
Annual results for the year 2014-15	April/May 2015

10.14 Dematerialisation of Shares and Liquidity:

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

Particulars of Shares	Equity Shares of ₹ 10/- each		Members	
	Number	% of Total	Number	% of Total
Dematerialised form				
NSDL	1,61,36,21,689	98.39	88,765	65.09
CDSL	2,64,19,622	1.61	47,593	34.90
Sub Total	1,64,00,41,311	100.00	1,36,358	99.99
Physical form	13,484	0.00	20	0.15
Total	1,64,00,54,795	100.00	1,36,378	100.00

Dematerialisation of shares as on 31st March, 2014



*Shares in physical form constitute miniscule percentage of total shares.

10.15 Register NECS Mandate and furnish correct Bank Account particulars with Company / Depository Participant (DP):

Investors holding the shares in electronic form should ensure that correct and updated particulars of their Bank Account are available with the Depository Participant (DP) and Investors holding the shares in physical form should provide the National Electronic Clearing Service (NECS) mandate to the Company's Registrar i.e Karvy Computershare Private Limited (Karvy). This

would facilitate in receiving Dividend payment through electronic mode from Company and avoid postal delays and loss in transit. Investors must update the new Bank Account number allotted after implementation of Core Banking Solution (CBS) to the DP in case of shares held in electronic form and to the Company's Registrar i.e. Karvy, in case of shares held in physical form.

10.16 Green Initiative for Paperless Communications:

The Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by Companies through electronic mode. Accordingly, Companies can now send various Notice(s) / Balance Sheet (Annual Report) / Documents, etc. to their Shareholders through electronic mode to the registered e-mail addresses of the Shareholders.

To support the "Green Initiative" taken by the MCA, to contribute towards greener environment and to receive through electronic mode all documents, Notice(s), including Balance Sheet (Annual Reports) and other communications of the Company, Shareholders should register their e-mail addresses.

Shareholders holding shares in demat mode can register their e-mail address/change their e-mail address with their DP or fill in the E-Communication Registration Form as attached to this Annual Report and forward the same to Company's Registrar i.e Karvy Computershare Private Limited in the event they have not done so earlier for receiving notices/documents through Electronic mode. Shareholders holding shares in physical form can avail the said facility by downloading the Form from the Company's website (www.jsw.in) or as attached to this Annual Report and forwarding the same to Company's Registrar i.e. Karvy Computershare Private Limited, Unit: JSW Energy Limited, Plot No. 17 to 24, Vittalrao Nagar, Madhapur, Hyderabad - 500 081, Fax No. 040 - 23420814.

10.17 Outstanding GDRs / ADRs or Warrants or any Convertible Instrument, conversion dates and likely impact on equity:

NIL

10.18 Registered Office:

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

10.19 Plant Locations:

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

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

10.20 Address for Investor Correspondence:

A. For Retail Investors:

- (i) Securities held in Demat form
The Investors' Depository Participant(s) and/or Karvy Computershare Private Limited
- (ii) Securities held in Physical Form
Registrar & Share Transfer Agents
Karvy Computershare Private Limited
Unit: JSW Energy Limited
Plot No.17 to 24, Vittalrao Nagar, Madhapur, Hyderabad - 500 081
Ph. Nos: 040 – 44655000, Ext 131, 133 & 177
Fax No. 040 - 23420814
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	Contact Address:
Vice President - Capital Markets and Group Investor Relations pritesh.vinay@jsw.in	JSW Centre- Bandra Kurla Complex, Bandra (East), Mumbai 400 051 Tel. No. 022-4286 1000 Fax. No. 022-4286 3000 www.jsw.in
Mr. Sandep Agrawal, Investor Relations sandep.agrawal@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: 1-800-3454001

E. Web-based Query Redressal System:

Facility has been extended by the Registrar and Share Transfer Agents for redressal of Shareholders' queries. The Shareholders can visit

<http://karisma.karvy.com> and click on "investors" option for query registration after free identity registration.

After logging in, Shareholders 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 Shareholders can continue to put additional queries relating to the case till they are satisfied.

11. CORPORATE POLICIES / ETHICS:

The Company adheres to the highest standards of business ethics, compliance with statutory and legal requirements and commitment to transparency in business dealings. A Code of Conduct for Board Members and Senior Management and a Code of Conduct for Prevention of Insider Trading as detailed below has been adopted pursuant to the Listing Agreement & the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (as amended), respectively.

A. Code of Conduct for Board Members and Senior Management:

The Board of Directors of the Company adopted the Code of Conduct for its members and Senior Management personnel of the Company and the same are posted on the Company's website www.jsw.in. The Code highlights Corporate Governance as the cornerstone for sustained management performance, for serving all the stakeholders and for instilling pride of association.

The Code is applicable to all Directors and specified Senior Management Executives. The Code impresses upon Directors and Senior Management Executives to uphold the interest of the Company and its stakeholders and to endeavor to fulfill all the fiduciary obligations towards them. Another important principle on which the Code is based is that the Directors and Senior Management Executives shall act in accordance with the highest standard of honesty, integrity, fairness and ethical conduct and shall exercise utmost good faith, due care and integrity in performing their duties.

Declaration affirming compliance of Code of Conduct:

The Company has received confirmations from the Directors as well as Senior Management Executives regarding compliance of the Code of Conduct during the year under review.

A declaration by the Jt. Managing Director and CEO affirming compliance of Board Members and Senior Management Personnel to the Code is also annexed herewith.

B. Code of Conduct for Prevention of Insider Trading:

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended (the Regulations), the Board of the Directors of the Company has adopted the Code of Conduct for Prevention of Insider Trading (the "Code") for its Management, Staff and Directors. The Code lays down guidelines and procedures to be followed and disclosures to be made by Directors, top level executives and certain staff whilst dealing in shares. The Code contains regulations for preservation of price sensitive information, pre-clearance of trade and monitoring and implementation of the Code. The Company Secretary has been appointed as the Compliance Officer and is responsible for adherence to the Code.

C. Whistle Blower Policy:

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. In line with the Code of Conduct, any actual or potential violation, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company.

Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges, inter alia, provides for a non-mandatory requirement 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 (WBP) adopted by the Company in line with Clause 7 of Annexure 1D to Clause 49 of the Listing Agreement, encourages all employees to report any suspected violations promptly and intends to investigate any good faith reports of violations.

The WBP specifies the procedure and reporting authority for reporting unethical behaviour, actual or suspected fraud or violation of the Code or any other unethical or improper activity including misuse or improper use of accounting policies and procedures resulting in misrepresentation of accounts and financial statements. The Company affirms that no employee has been denied access to the Ethics Counsellor / Audit Committee.

D. Policy for Prevention of Sexual Harassment:

Sexual harassment can have a devastating effect upon the health, confidence, morale and performance of those affected by it and the best way to prevent sexual harassment is to adopt a comprehensive sexual harassment policy. The Company is an equal employment opportunity and is committed to creating a healthy working environment that enables employees to work without fear of prejudice, gender bias and sexual harassment. The Company also believes that all employees of the Company, have the right to be treated with dignity. Sexual harassment at the work place or other than work place, if involving employees, is a grave offence and is, therefore, punishable.

E. Reconciliation of Share Capital Audit Report:

Share Capital Audit Report in terms of SEBI directive vide its circular CIR/MRD/DP/30/2010 dated 6th September, 2010, confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with National Securities Depository Limited and Central Depository Services (India) Limited, is submitted to the Stock Exchanges where the shares of the Company are listed.

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 of the Company's Subsidiaries:

Periodical Audit ensures that the Company's Subsidiaries conducts its business with high standards of legal, statutory and regulatory compliances. As per the Compliance reports of the Management, there has been no material non-compliance with the applicable statutory requirements by the Company and its Subsidiaries.

12. 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 these Depositories 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 electronic form.
- (iii) Instructions regarding change of address, nomination and power of attorney should be given directly to the DPs.
- (iv) The Company provides NECS facilities for shares held in electronic form and Members are urged to avail 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 : 022-2499 4200
Fax : 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 nominations in respect of shares held by them. Members holding shares in electronic form are requested to give the nomination request to their respective DPs directly. Form for this purpose can be obtained from Company's Registrar Karvy Computershare Private Limited or downloaded from the Company's website www.jsw.in under the 'Investors Section'.

Members holding shares in physical form and intending to make/change the nomination in respect of their shares in the Company, may submit their requests to Company's Registrar, Karvy Computershare Private Limited.

13. INVESTOR SAFEGUARDS:

In pursuit of the Company's objective to mitigate / avoid risks while dealing with shares and related matters, the following are the Company's recommendations to its Members:

- i. Consolidate your Multiple Folios:
Members are requested to consolidate their shareholding held under multiple folios. This facilitates one-stop tracking of all corporate benefits on the shares and would reduce time and efforts required to monitor multiple folios.
- ii. Confidentiality of Security Details:
Folio Nos./DP ID/Client ID should not be disclosed to any unknown persons. Signed blank transfer deeds, delivery instruction slips should not be given to any unknown persons.
- iii. Dealing with Registered Intermediaries:
Members should transact through a registered intermediary who is subject to the regulatory discipline of SEBI, as it will

- be responsible for its activities, and in case the intermediary does not act professionally, Members can take up the matter with SEBI.
- iv. Update your Address:

To receive all communication and corporate actions promptly, please update your address with the DP or Company, as the case may be.
 - v. Prevention of Frauds:

There is a possibility of fraudulent transactions relating to folios which lie dormant, where the Member is either deceased or has gone abroad etc. Hence, we urge you to exercise diligence.
 - vi. Monitor holdings regularly:

Do not leave your demat account dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified.
 - vii. PAN requirement for Transfer of Shares in Physical Form:

SEBI has mandated the submission of Permanent Account Number (PAN) for securities market transactions and off market/private transactions involving transfer of shares of listed companies in physical form. It is, therefore, mandatory for any transferee(s) to furnish a copy of the PAN card to Company's Registrar for registration of such transfers. Members are, therefore, requested to make note of the same and submit their PAN card copy to Company's Registrar.
 - viii. Mode of Postage:

Share Certificates and high value dividend warrants/cheques/demand drafts should not be sent by ordinary post. It is recommended that Members should send such instruments by registered post or reputed courier.

DECLARATION AFFIRMING COMPLIANCE OF CODE OF CONDUCT

As provided under Clause 49 of the Listing Agreement, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for year ended 31st March, 2014.

For **JSW Energy Limited**

Mumbai
30th April, 2014

Sanjay Sagar
Jt. Managing Director and CEO

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

We have examined the compliance of the conditions of Corporate Governance by JSW ENERGY LIMITED ("the Company"), for the year ended on March 31, 2014, as stipulated in Clause 49 of the Listing Agreements of the Company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us and based on the representations given by the management of the Company, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

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

Mumbai
30th April, 2014

A.M. Hariharan
Partner
Membership No. 38323

INDEPENDENT AUDITORS' REPORT

To

The Members of JSW Energy Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **JSW Energy Limited** ('the Company') which comprise the Balance Sheet as at 31st March, 2014, Profit and Loss Statement and the Cash Flow Statement of the Company for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- (b) in the case of Profit and Loss Statement, of the profit of the Company for the year then ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

EMPHASIS OF MATTER

We draw attention to the Note 16 regarding overdue trade receivable of ₹ 5.35 crore from Karnataka Power Transmission Corporation Limited, the matter in respect of which is pending in the Hon'ble Supreme Court. Our report is not qualified in respect of this matter.

OTHER MATTER

We did not audit total assets of ₹ 6,054.46 crore as at 31st March, 2014 and the total revenue of ₹ 2,365.19 crore for the year then ended, included in the accompanying financial statement in respect of a branch not visited by us, whose financial statements and other financial information have been audited by branch auditor and whose report has been furnished to us. Our opinion, in so far as it relates to the affairs of such branch is based solely on the report of the branch auditor. Our report is not qualified in respect of this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the report on the accounts of a branch audited under section 228 of the Act by the branch auditor has been forwarded to us as required by clause (c) of sub-

- section (3) of section 228 of the Act and have been dealt with in preparing our report in the manner considered necessary by us;
- d) the Balance Sheet, Profit and Loss Statement and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- e) in our opinion, the Balance Sheet, Profit and Loss Statement and Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013; and

- f) on the basis of written representations received from the directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

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

A. M. Hariharan
Partner
Membership No. 38323

MUMBAI
30th April, 2014

ANNEXURE REFERRED TO IN PARAGRAPH “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT TO THE MEMBERS OF ‘THE COMPANY’ FOR THE YEAR ENDED 31ST MARCH, 2014.

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of audit, we state that:

1. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. The fixed assets have been verified in accordance with a phased program designed to cover all assets once in three years. The frequency of verification is considered reasonable, having regard to the size of the Company and nature of its fixed assets. Pursuant to the program, physical verification of certain plant and machinery was conducted and no material discrepancies were noticed on such verification.
- c. During the year, no substantial part of fixed assets has been disposed off by the Company, thus it does not affect the going concern assumption.
2. a. The inventory has been physically verified by the management at reasonable intervals during the year.
- b. The procedures of physical verification of the inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. On the basis of examinations of the record of the inventory, we are of opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification between the physical stocks and book records were not material.
3. a. The Company has granted an unsecured loan in kind (stock of coal) to a company covered in the register maintained under section 301 of the Companies Act. Maximum amount involved during the year ₹ 54.09 crore; year-end balance ₹ Nil.
- b. According to the information and explanations given to us, we are of the opinion that the rate of interest and other terms and conditions on which the loan has been granted to the Company are not, prima-facie, prejudicial to the interest of the Company.
- c. According to the terms of arrangement, the Company is regular in payment of interest and the principal amount.
- d. There are no overdue amounts in respect of the said loan.
- e. Other than above, the Company has not granted / taken any loan, secured or unsecured to / from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
4. In our opinion and according to the information and explanations given to us and having regard to the fact that some of the items purchased are of a special nature in respect of which suitable alternative sources do not exist for obtaining comparable quotations, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of services. During the course of our audit, no major weaknesses have been noticed in the aforesaid internal control system.
5. a. According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- b. In our opinion, having regard to our comments in para 5(a) above and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements aggregating during the year to ₹ 5,00,000 or more in respect of each party, have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. No deposits within the meaning of Section 58A and Section 58AA of the Act and rules framed there under have been accepted by the Company.
7. The Company has an internal audit system commensurate with the size of the Company and nature of its business.
8. We have broadly reviewed the cost records maintained by the Company pursuant to the Order of the Central Government under Section 209(1)(d) of the Act and are of the opinion that, prima facie, the prescribed records have been made and maintained. We are, however, not required to make a detailed examination of the records with a view to determine whether they are accurate or complete.
9. a. According to the information and explanations given to us and on the basis of our examination of the records of the Company. The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Excise Duty, Cess and other statutory dues applicable to the Company with appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues of

Income Tax, Sales Tax, Service Tax, Customs Duty, Wealth Tax, Excise Duty, Cess which have not been

deposited on account of any dispute except those mentioned in the table below:

Name of the statute	Nature of dues	Period to which it relates	Amount (₹ Crore)	Forum where dispute is pending
1. Karnataka Electricity (Taxation on Consumption) Act, 1959	Electricity Tax @	Financial Year 2011-12	4.47	Department of Electrical Inspectorate, Karnataka
2. Income Tax Act, 1961	Income tax and interest	Financial year 2008-09 to 2010-11	19.66	Commissioner of Income Tax (Appeals)
3. Finance Act, 1994	Service Tax & Interest	Financial year 2008-09 and 2009-10	2.25	CESTAT, Bangalore.

@ Excluding electricity tax leviable ₹ 85.10 crore [Refer Note 25(i)(a) Contingent Liabilities - other disputed tax matters].

10. The Company has no accumulated losses as at 31st March, 2014 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. The Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders during the year.
12. During the year, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi /mutual benefit fund/ society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
14. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
15. In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees / securities given by the Company for loans taken by others from banks and financial institutions are not, prima-facie, prejudicial to the interest of the Company.
16. According to the information and explanations given to us, the term loans were applied for the purpose for which they were obtained.
17. According to the information and explanations given to us and on overall examination of the cash flow statement

and balance sheet of the Company, in our opinion, funds raised on short term basis have, prima-facie, not been used for long term investment.

18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Act.
19. The Company has created securities in respect of debentures issued.
20. The Company has not raised any money by public issue during the year.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor we have been informed of such case by the management.

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

MUMBAI
30th April, 2014

A. M. Hariharan
Partner
Membership No. 38323

BALANCE SHEET

AS AT 31ST MARCH, 2014

₹ crore

Particulars	Note	As at 31 st March, 2014	As at 31 st March, 2013
I EQUITY AND LIABILITIES			
(1) Shareholders' fund:			
(a) Share capital	2	1,640.05	1,640.05
(b) Reserves and surplus	3	5,362.62	5,133.19
		7,002.67	6,773.24
(2) Non-current liabilities:			
(a) Long term borrowings	4	4,264.11	4,717.30
(b) Deferred tax liabilities (net)	25(v)(b)	185.12	153.72
(c) Other long term liabilities	5	2.36	2.36
(d) Long term provisions	6	6.08	5.31
		4,457.67	4,878.69
(3) Current liabilities:			
(a) Short term borrowings	7	119.99	120.00
(b) Trade payables	8	1,598.76	2,088.95
(c) Other current liabilities	9	706.43	865.07
(d) Short term provisions	10	386.94	387.86
		2,812.12	3,461.88
TOTAL		14,272.46	15,113.81
II ASSETS			
(1) Non-current assets:			
(a) Fixed assets	11		
(i) Tangible assets		6,908.87	6,944.38
(ii) Intangible assets		0.46	1.64
(iii) Capital work-in-progress		467.25	791.19
(b) Non-current investments	12	2,299.88	2,304.18
(c) Long term loans and advances	13	1,602.60	1,851.98
		11,279.06	11,893.37
(2) Current assets:			
(a) Current investments	14	634.19	590.92
(b) Inventories	15	374.42	411.03
(c) Trade receivables	16	992.11	1,320.19
(d) Cash and bank balances	17	394.03	314.60
(e) Short term loans and advances	18	350.51	529.27
(f) Other current assets	19	248.14	54.43
		2,993.40	3,220.44
TOTAL		14,272.46	15,113.81
Significant Accounting Policies	1		
Notes forming integral part of the financial statements	2 - 25		

As per our attached report of even date

For and on behalf of the Board of Directors

For **LODHA & CO.**
Chartered Accountants

SANJAY SAGAR
Jt. Managing Director & CEO

SAJJAN JINDAL
Chairman and Managing Director

A.M. HARIHARAN
Partner

SAMPATH MADHAVAN
Company Secretary

PRAMOD MENON
Director- Finance

Place : Mumbai
Date : 30th April, 2014

PROFIT AND LOSS STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2014

₹ crore

Particulars	Note	For the Year Ended 31 st March, 2014	For the Year Ended 31 st March, 2013
I Revenue from operations	20	5,802.61	6,396.45
II Other income	21	254.94	304.78
III Total revenue (I + II)		6,057.55	6,701.23
IV Expenses:			
Cost of fuel		3,642.77	3,894.28
Increase in banked energy		(188.67)	(3.31)
Employee benefits expense	22	88.97	106.50
Finance costs	23	627.55	571.80
Depreciation and amortisation expense		452.85	424.94
Other expenses	24	246.91	293.24
Total expenses		4,870.38	5,287.45
V Profit before exceptional items and tax (III-IV)		1,187.17	1,413.78
VI Exceptional Items	25(vii)	370.21	169.95
VII Profit before tax (V-VI)		816.96	1,243.83
VIII Tax Expenses:			
Current tax		183.08	235.25
Deferred tax		31.40	15.55
		214.48	250.80
IX Profit for the year (VII - VIII)		602.48	993.03
X Earnings per share of face value of ₹ 10 each - Basic & Diluted	25(vi)	3.67	6.05
Significant Accounting Policies	1		
Notes forming integral part of the financial statements	2 - 25		

As per our attached report of even date

For and on behalf of the Board of Directors

For **LODHA & CO.**
Chartered Accountants

SANJAY SAGAR
Jt. Managing Director & CEO

SAJJAN JINDAL
Chairman and Managing Director

A.M. HARIHARAN
Partner

SAMPATH MADHAVAN
Company Secretary

PRAMOD MENON
Director- Finance

Place : Mumbai
Date : 30th April, 2014

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2014

	₹ crore	
Particulars	For the year ended 31 st March, 2014	For the year ended 31 st March, 2013
I CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	816.96	1,243.83
Adjusted for:		
Depreciation / Amortisation	452.85	424.94
Interest Income	(174.73)	(216.38)
Income from Current Investments	(65.04)	(44.07)
Expense on Employee Stock Option Scheme	-	(0.02)
Provision for doubtful Loans and Advances	56.60	-
Loss on Sale / Discard of Fixed Assets	0.43	4.73
Unrealised Exchange (Gain) / Loss	25.28	(17.20)
Finance Costs	627.55	571.80
	922.94	723.80
Operating profit before working capital changes	1,739.90	1,967.63
Adjustments for:		
Trade and Other Receivables	123.43	(554.39)
Trade Payables including Advance received from customers	(515.12)	(286.51)
Loans & Advances	388.68	(223.35)
Inventories	36.61	294.11
	33.60	(770.14)
Cash generated from operations	1,773.50	1,197.49
Direct Taxes Paid (net)	(214.62)	(254.31)
NET CASH FLOW FROM OPERATING ACTIVITIES	1,558.88	943.18
II CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets including CWIP & Pre-operative expenses	(200.24)	(438.00)
Interest Received	151.26	168.56
Income from Sale of Current Investments	65.04	44.07
Investments (including advance against share capital) in :		
Subsidiaries	15.73	(14.23)
Associates	(2.98)	(97.25)
Others	107.82	(22.32)
Sale of Fixed Assets	4.83	0.20
NET CASH USED IN INVESTING ACTIVITIES	141.46	(358.97)
III CASH FLOW FROM FINANCING ACTIVITIES		
Borrowings (net)	(470.76)	42.05
Finance Costs Paid	(627.97)	(580.25)
Dividend Paid (includes tax on dividend)	(383.76)	(95.31)
NET CASH USED IN FINANCING ACTIVITIES	(1,482.49)	(633.51)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (I+II+III)	217.85	(49.30)
CASH AND CASH EQUIVALENTS - OPENING BALANCE	794.63	843.93
CASH AND CASH EQUIVALENTS - CLOSING BALANCE (Refer Note 17)	1,012.48	794.63

Notes :

- The above cash flow statement has been prepared by using the indirect method as per Accounting Standard 3.
- Cash and cash equivalents includes ₹ 634.19 crore (Previous Year ₹ 483.10 crore) being investments in Mutual Funds & Certificate of Deposits.
- Previous year's figures have been regrouped / rearranged wherever necessary to conform to current year's classification.

As per our attached report of even date

For and on behalf of the Board of Directors

For **LODHA & CO.**
Chartered Accountants

SANJAY SAGAR
Jt. Managing Director & CEO

SAJJAN JINDAL
Chairman and Managing Director

A.M. HARIHARAN
Partner

SAMPATH MADHAVAN
Company Secretary

PRAMOD MENON
Director- Finance

Place : Mumbai

Date : 30th April, 2014

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

Note 1

SIGNIFICANT ACCOUNTING POLICIES:

a. General

- i. The financial statements are prepared under the historical cost convention, on the accounting principles of a going concern.
- ii. Accounting Policies not specifically referred to otherwise are consistent and in consonance with the applicable accounting standards prescribed by the Companies (Accounting Standards) Rules, 2006 to the extent applicable.
- iii. All expenses and income to the extent ascertainable with reasonable certainty are accounted for on accrual basis.
- iv. The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Actual result could differ from these estimates. Any revision to accounting estimates is recognised prospectively.
- v. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956.

b. Revenue Recognition

Revenue is recognised based on the nature of activity when consideration can be reasonably measured and there exists reasonable certainty of its recovery.

- i. Revenue from sale of power is recognised when substantial risks and rewards of ownership is transferred to the buyer under the terms of the contract. Power supplied under banking arrangements is accounted as per terms of agreements. Quantity of power banked is recorded as a loan transaction valued at cost or net realizable value whichever is lower and recognised as revenue when the same is returned and sold to an ultimate customer.
- ii. Revenue from construction / project related activity:
Revenue from construction contract is recognised by reference to the overall estimated profitability of the contract under the percentage of completion method. Foreseeable losses in any contract are provided irrespective of the stage of completion of the contract activity. The stage of completion of the contract is determined considering the nature of the contract, technical evaluation of work completed / measurement of physical progress and proportion of the cost incurred to the estimated total cost.

Contract cost comprises of all costs that relate directly to the specified contract, incidental costs attributable to the contract including allocated overheads and warranty costs.

- iii. Operator fees and other income are accounted on accrual basis as and when the right to receive arises.

c. Fixed Assets

i. Tangible Assets:

Fixed assets are stated at cost which includes all direct and indirect expenses up to the date of acquisition, installation and / or commencement of commercial generation of power.

Expenditure incurred during construction period:

Apart from costs related directly to the construction of an asset, indirect expenses incurred up to the date of commencement of commercial production which are incidental and related to construction are capitalised as part of construction cost. Income, if any, earned during the construction period is deducted from the indirect costs.

ii. Intangible Assets:

An item is recognized as an intangible asset if it meets the definition of an intangible asset, it is probable that future economic benefits will flow to the Company and the cost of the assets can be reliably measured.

d. Capital Work-in-Progress (CWIP):

Capital work-in-progress comprises of the cost of fixed assets that are not yet ready for their intended use at the reporting date.

Cost of material consumed, erection charges thereon along with other related expenses incurred for the projects are shown as CWIP for capitalization.

Expenditure attributable to construction of fixed assets are identified and allocated on a systematic basis to the cost of the related asset.

Interest during construction and expenditure (net) allocated to construction are apportioned to CWIP on the basis of the closing balance of specific asset or part of asset being capitalized. The balance, if any, left after such capitalization is kept as a separate item under the CWIP Schedule.

Claims for price variation / exchange rate variation in case of contracts are accounted for on acceptance / receipt of claims.

Any other expenditure which is not directly or indirectly attributable to the construction of the Project / construction of the fixed asset is charged off to profit and loss statement in the period in which they are incurred.

e. Depreciation /Amortisation

Depreciation is provided on Straight Line Method at the rates and in the manner specified in Schedule XIV to the

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

Companies Act, 1956 or as notified by Central Electricity Regulatory Commission (CERC), whichever is higher.

In the following categories of Assets, the higher depreciation rates are adopted:

Sr No.	Asset Type	Schedule XIV rate	CERC rate
A	Buildings	1.63%	3.34%
B	Plant and Equipments		
	- Air Conditioners	4.75%	9.50%
	- Computers	16.21%	15.00%
	- Factory Equipment	7.07%	5.28%
C	Office Equipments	4.75%	6.33%

Leasehold Land acquired by the Company, with an option in the lease deed, entitling the Company to purchase on outright basis after a certain period at no additional cost is not amortized.

Software is depreciated over an estimated useful life of 3 years.

f. Impairment of assets

In accordance with AS-28 'Impairment of assets' prescribed by the Companies (Accounting Standards) Rules, 2006, where there is an indication of impairment of the Company's assets related to cash generating units, the carrying amounts of such assets are reviewed at each balance sheet date to determine whether there is any impairment. The recoverable amount of such assets is estimated as the higher of its net selling price and its value in use. An impairment loss is recognized in the profit and loss statement whenever the carrying amounts of such assets exceed its recoverable amount.

Depreciation on impaired assets related to a cash generating unit is provided by adjusting the depreciation charge in the remaining periods so as to allocate the revised carrying amount of the asset over its remaining useful life.

g. Borrowing Costs

- i. Borrowing Costs directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets up to the date when the asset is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. The borrowing cost eligible for capitalization is netted off against any income arising on temporary investment of those borrowings. The capitalization of the borrowing costs shall cease when substantially all activities necessary to prepare the qualifying asset for its intended use are complete.
- ii. Expenses incurred in connection with the arrangement of borrowings are written off over the period of the borrowing.
- iii. Other borrowing costs are charged to revenue.

h. Investments

Long term Investments are stated at cost. In case, there is a decline other than temporary in the value of any Investments, a provision for the same is made. Current Investments are valued at lower of cost and fair value.

i. Inventories

Inventories are valued at lower of cost and net realisable value. Cost is determined on the weighted average basis for valuation. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Obsolete, defective and unserviceable stocks are duly provided for.

j. Foreign Exchange Transactions

Foreign Currency transactions are initially recorded at the exchange rates prevailing on the date of the transaction. Foreign Currency assets and liabilities (monetary items) are reported at the exchange rate prevailing on the balance sheet date.

All exchange differences arising on reporting of short term foreign currency monetary items at rates different from those at which they were initially recorded are recognized in the Profit and Loss Statement.

In respect of foreign exchange differences arising on revaluation or settlement of long term foreign currency monetary items, the Company has availed the option available in the Companies (Accounting Standard) (Second Amendment) Rules 2011, wherein:

- i. Foreign exchange differences on account of depreciable asset, is adjusted in the cost of depreciable asset and the charge of depreciation is accordingly increased / reduced.
- ii. In other cases, foreign exchange differences are accumulated in "Foreign Currency Monetary Item Translation Difference Account" and amortized over the balance period of such long term assets / liabilities.

Non-monetary items such as investments are carried at historical cost using the exchange rates on the date of the transaction.

Forward contracts other than those entered into to hedge foreign currency risk on unexecuted firm commitments or of highly probable forecast transactions are treated as foreign currency transactions and accounted accordingly. Exchange differences arising on such contracts are recognized in the period in which they arise and the premium paid is accounted as expense over the period of the contract.

All other exchange differences are dealt with in the Profit and Loss Statement.

k. Employee benefits

Retirement benefits in the form of Provident Fund and Family Pension Scheme are defined contribution schemes

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

and the contributions are charged to the profit and loss statement of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

Stock Based Compensation - The compensation cost of stock options granted to employees is calculated using the intrinsic value method of the stock options. The compensation expense is amortised uniformly over the vesting period of the option in accordance with the Guidance note on Share based payments issued by the Institute of Chartered Accountant of India.

Employee benefits under defined benefit plans, such as Gratuity and Compensated absences are provided for on the basis of the actuarial valuation made at the end of each financial year.

Actuarial gains / losses are immediately taken to profit and loss statement and are not deferred.

L. Taxation

Income tax expenses comprise current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charges or credit (reflecting the tax effects of timing differences between accounting income and taxable income of the year).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are

reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain as the case may be to be realised.

Tax credit is recognised in respect of Minimum Alternate Tax (MAT) paid in terms of the Income Tax Act, 1961 based on convincing evidence that the Company will pay normal income tax within the statutory time frame and the same is reviewed at each balance sheet date.

m. Provisions and Contingent Liabilities

Provisions are recognised based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date when,

- a) the Company has a present obligation as a result of a past event
- b) a probable outflow of resources is expected to settle the obligation and
- c) the amount of the obligation can be reliably estimated

Where some or all the expenditure required to settle a provision is expected to be reimbursed by another party, such reimbursement is recognised to the extent of provision or contingent liability as the case may be, only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in the case of:

- a) a present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of obligation cannot be made.
- b) a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the enterprise.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	₹ crore	
	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 2 SHARE CAPITAL		
Authorised:		
5,000,000,000 (Previous Year 5,000,000,000) Equity Shares of ₹ 10 each	5,000.00	5,000.00
Issued, Subscribed and paid-up:		
1,640,054,795 (Previous Year 1,640,054,795) Equity Shares of ₹ 10 each	1,640.05	1,640.05
	1,640.05	1,640.05

a) Reconciliation of the number of shares outstanding at the beginning and end of the year:

Particulars	No. of Shares	
	As at 31 st March, 2014	As at 31 st March, 2013
Balance as at the beginning of the year	1,640,054,795	1,640,054,795
Issued during the year	-	-
Balance as at the end of the year	1,640,054,795	1,640,054,795

b) Terms & Rights attached to equity shares :

- (i) The Company has only one class of equity shares having a par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the Shareholders in the ensuing Annual General Meeting.
- (ii) In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to the shareholding. However, no such preferential amount exist currently.

c) Details of shareholding more than 5% :

Name of the Companies	No of Shares	
	As at 31 st March, 2014	As at 31 st March, 2013
1 JSW Investments Private Limited	475,478,198 28.99%	536,201,147 32.69%
2 Sun Investments Private Limited	145,736,700 8.89%	270,892,170 16.52%
3 Vrindavan Services Private Limited	-	110,146,190 6.72%
4 JSW Steel Limited	98,878,500 6.03%	77,980,500 4.75%
5 Sahyog Tradcorp Private Limited	229,298,660 13.98%	-

d) Aggregate number of Bonus shares issued and shares issued for consideration other than cash during the last five years :

Particulars	No of Shares	
	As at 31 st March, 2014	As at 31 st March, 2013
(i) Equity Shares issued as fully paid bonus shares by capitalisation of General Reserve and Surplus in Profit and Loss Statement	819,856,914	819,856,914
(ii) Equity Shares allotted pursuant to the scheme of Amalgamation without consideration being received in cash	-	31,816,044

Particulars	₹ crore	
	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 3 RESERVES AND SURPLUS		
Debenture Redemption Reserve:		
Balance as at the beginning of the year	461.08	325.85
Add: Additions during the year	73.69	135.23
Balance as at the end of the year	534.77	461.08
General Reserve:		
Balance as at the beginning of the year	165.97	91.49
Add: Additions during the year	45.19	74.48
Add: Transferred from Share Options Outstanding Account	2.20	-
Balance as at the end of the year	213.36	165.97

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	₹ crore	
	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 3 RESERVES AND SURPLUS (Contd.)		
Securities Premium Account:		
Balance as at the beginning and end of the year	2,380.81	2,380.81
Share Options Outstanding Account:		
Balance as at the beginning of the year	2.79	2.81
Less: Deduction during the year	-	0.02
Less: Transferred to General Reserve	2.20	-
Balance as at the end of the year	0.59	2.79
Foreign Currency Monetary Item Translation Difference Account:		
Balance as at the beginning of the year	5.27	-
Add: Adjustments during the year	27.43	6.72
Less: Amortised during the year	16.72	1.45
Balance as at the end of the year	15.98	5.27
Surplus:		
Balance as at the beginning of the year	2,117.27	1,717.71
Add: Profit during the year	602.48	993.03
Less: Transfer to Debenture Redemption Reserve	73.69	135.23
Less: Transfer to General Reserve	45.19	74.48
Less: Proposed dividend @ ₹ 2 per share (Previous Year ₹ 2 per share)	328.01	328.01
Less: Dividend Distribution Tax	55.75	55.75
Balance as at the end of the year	2,217.11	2,117.27
	5,362.62	5,133.19

Particulars	₹ crore			
	As at 31 st March, 2014	As at 31 st March, 2014	As at 31 st March, 2013	As at 31 st March, 2013
	Non-Current	Current	Non-Current	Current
NOTE: 4 LONG TERM BORROWINGS				
Secured Loans				
1. Debentures:				
a) 12,000 (Previous Year 12,000) 9.75% Secured Redeemable Non Convertible Debentures of ₹ 10 lakh each	1,200.00	-	1,200.00	-
b) 20,400 (Previous Year 22,800) Ranging from 9.20% to 9.75% Secured Redeemable Non Convertible Debentures of ₹ 10 lakh each	1,800.00	240.00	2,040.00	240.00
2. Rupee Term Loans from:				
a) Banks	1,096.61	277.25	1,263.70	291.36
b) Financial Institutions	167.50	37.70	213.60	41.16
	4,264.11	554.95	4,717.30	572.52

i) Terms of Redemption of Debentures :

- 12,000 nos @ 9.75% Secured Redeemable Non-Convertible Debentures of ₹ 10 lakh each redeemable at par in 10 half yearly equal installments commencing from 20th January / 30th January / 16th February, 2016 till 20th July / 30th July / 16th August, 2020.
- Coupons Rate ranging from 9.20% to 9.75% Secured Redeemable Non-Convertible Debentures of 20,400 nos of ₹ 10 lakh each having tranches of ₹ 120 crore each aggregating to ₹ 2,040 crore. Each tranches are redeemable at par at different intervals from 30th September, 2014 and ending at 1st November, 2022.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

ii) Terms of Repayment of Rupee Term Loans:

Particulars	₹ crore	
	As at 31 st March, 2014	As at 31 st March, 2013
From Banks :		
2 - 3 Years	467.91	613.02
4 - 5 Years	310.90	371.85
6 - 10 Years	317.80	278.83
Total borrowing from Banks	1,096.61	1,263.70
From Financial Institutions :		
2 - 3 Years	98.34	95.28
4 - 5 Years	41.03	77.69
6 - 10 Years	28.13	40.63
Total borrowing from Financial Institutions	167.50	213.60

iii) Details of Security :

- Debentures aggregating to ₹ 1,200 crore (Previous Year ₹ 1,200 crore), mentioned in 1 (a) are secured on a pari passu basis by (a) a first ranking charge by way of legal mortgage on the freehold land situated at Mouje Maharajpura, Taluka Kadi, District Mehsana, in the State of Gujarat, (b) a first ranking charge by way of legal mortgage of immovable assets of the Company's SBU I & SBU II situated in the State of Karnataka, (c) a first ranking charge by way of hypothecation of moveable fixed assets of the Company's SBU I & SBU II.
- Debentures aggregating to ₹ 2,040 crore (Previous Year ₹ 2,280 crore), mentioned in 1 (b) are secured on a pari passu basis by (a) a first ranking charge by way of legal mortgage on the freehold land situated at Mouje Maharajpura, Taluka Kadi, District Mehsana, in the State of Gujarat, (b) secured on a pari passu basis by a first ranking charge by way of mortgage on fixed assets of SBU III (4 x 300 MW Power Plant situated at Dist. Ratnagiri, in the State of Maharashtra).
- Rupee Term Loan aggregating to ₹ 159.50 crore (Previous Year ₹ 215.77 crore) included in 2 (a) and (b) are secured on a pari passu basis by (a) a first ranking charge by way of equitable mortgage of immovable assets of the Company's SBU I & SBU II situated in the State of Karnataka, (b) a first ranking charge by way of hypothecation of moveable fixed assets of the Company's SBU I & SBU II unit situated in the State of Karnataka, (c) a second ranking charge by way of hypothecation on the current assets of Company's SBU I & SBU II including stock and receivables (both present and future).
- Rupee Term Loan aggregating to ₹ 107.54 crore (Previous Year ₹ 145.03 crore) included in 2 (a) is secured on a pari passu basis by (a) a first ranking legal mortgage of immovable property of the Company's SBU II situated in State of Maharashtra, (b) a first ranking charge by way of equitable mortgage of immovable assets of the Company's SBU I & SBU II situated in the State of Karnataka, (c) a first ranking charge by way of hypothecation of moveable fixed assets of the Company's SBU I & II (d) a second ranking charge by way of hypothecation on the current assets of Company's SBU I & SBU II including stock and receivables (both present and future).
- Rupee Term Loan included in 2 (a) amounting to ₹ 131.11 crore (Previous Year ₹ 196.67 crore) is secured by first ranking charge on the Company's share (i.e. 50%) in the property being developed at Village Kole Kalyan, Taluka South Salsette, District of Mumbai Suburban.
- Rupee Term Loan included in 2 (a) and (b) aggregating of ₹ 1,180.91 crore (Previous Year ₹ 1,252.35 crore) are secured on a pari passu basis by (a) first ranking charge by way of legal mortgage on the Company's SBU III (4x300 MW) immovable property both present and future situated in Ratnagiri and Mumbai and (b) a first ranking charge by way of hypothecation of moveable assets both present and future of Company's SBU III situated in Ratnagiri, Maharashtra. (c) second ranking charge on current assets of the Company's SBU III for Rupee Term Loan included in 2 (a) aggregating of ₹ 1,090.27 crore (Previous Year ₹ 1,149.21 crore)

Particulars	₹ crore	
	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 5 OTHER LONG TERM LIABILITIES		
Security Deposits:		
Associates	2.18	2.18
Others	0.18	0.18
	2.36	2.36

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

₹ crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 6 LONG TERM PROVISIONS		
Employee Benefits	6.08	5.31
	6.08	5.31

₹ crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 7 SHORT TERM BORROWINGS		
Other Loans & Advances:		
Working Capital Loan from Banks	119.99	120.00
	119.99	120.00

Details of Security:

- i) Working Capital Loans pertaining to SBU II are secured on a pari passu basis by (a) a second ranking charge by way of equitable mortgage of immovable assets of the SBU II situated in the State of Karnataka, (b) a second ranking charge by way of hypothecation of movable fixed assets of the SBU II (c) a first ranking charge by way of hypothecation on the current assets of SBU II including stock and receivable (both present and future).

₹ crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 8 TRADE PAYABLES		
Acceptances	1,357.88	1,669.05
Trade Payables #	240.88	419.90
	1,598.76	2,088.95

Refer Note 25(iii) for dues to Micro, Small and Medium Enterprises

₹ crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 9 OTHER CURRENT LIABILITIES		
Current maturities of long term debentures & term loans (Refer Note 4)	554.95	572.52
Interest accrued but not due on borrowings	23.98	24.40
Unclaimed dividend @	0.42	0.26
Unclaimed share application money refunds @	0.02	0.03
Payable and Acceptances (Capital goods / Project) #	105.27	245.40
Other Payables:		
Employee benefit expenses	13.54	13.80
Statutory dues	5.13	5.47
Security deposits	1.05	1.08
Others	2.07	2.11
	706.43	865.07

@ No Amount due to be credited to Investor Education and Protection Fund

Refer Note 25(iii) for due to Micro, Small and Medium Enterprises

₹ crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 10 SHORT TERM PROVISIONS		
Provision for Employee Benefits	2.95	3.57
Other Provisions :		
Wealth Tax	0.23	0.53
Proposed Dividend	328.01	328.01
Dividend Distribution Tax	55.75	55.75
	386.94	387.86

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

Note : 11 | FIXED ASSETS

₹ crore

Particulars	Gross Block			Depreciation / Amortisation			Net Block		
	As at 1 st April, 2013	Additions	Deductions / Adjustments	As at 31 st March, 2014	Upto 31 st March, 2013	For the year	Deductions / Adjustments	Upto 31 st March, 2014	As at 31 st March, 2014
A) Tangibles									
Freehold Land {Refer note (a) }	85.26	8.79	-	94.05	-	-	-	-	94.05
Leasehold Land {Refer note (b) }	13.29	0.06	-	13.35	-	-	-	-	13.35
Buildings {Refer note (d) }	535.75	299.45	-	835.20	41.32	26.81	-	68.13	767.07
Plant & Equipment{Refer note (c) }	7,938.65	70.84	17.05	7,992.44	1,607.50	419.66	1.86	2,025.30	5,967.14
Furniture & Fixtures	11.86	24.45	0.09	36.22	3.52	1.95	0.04	5.43	30.79
Vehicles	8.54	2.95	0.48	11.01	2.38	0.95	0.35	2.98	8.03
Office Equipment	10.21	25.06	0.11	35.16	4.60	2.17	0.04	6.73	28.43
Leasehold Improvements	0.40	-	-	0.40	0.26	0.13	-	0.39	0.01
Total (A)	8,603.96	431.60	17.73	9,017.83	1,659.58	451.67	2.29	2,108.96	6,908.87
B) Intangibles									
Specialised Softwares	8.11	-	-	8.11	6.47	1.18	-	7.65	0.46
Total (B)	8.11	-	-	8.11	6.47	1.18	-	7.65	0.46
TOTAL (A + B)	8,612.07	431.60	17.73	9,025.94	1,666.05	452.85	2.29	2,116.61	6,909.33

a) i) Company has leased 1.18 acres (Previous year 1.18 acres) of land amounting to ₹ 0.35 crore (Previous year ₹ 0.35 crore) to a related party for 99 years, with an option to purchase the same after 10 years.

ii) The Company has leased land measuring 12.75 acres (Previous year 12.75 acres) amounting to ₹ 1.17 crore (Previous year ₹ 1.17 crore), 3.325 acres (Previous year 3.325) amounting to ₹ 0.50 crore (Previous year ₹ 0.50 crore) and 35 acres (Previous year 35 acres) amounting to ₹ 0.16 crore (Previous year ₹ 0.16 crore) to related parties for a period of 50 years, 25 years and 28 years respectively.

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 Gross Block ₹ 28.00 crore (Previous Year ₹ 28.00 crore); Net block ₹ 100 (Previous Year ₹ 100) towards Company's share of Water Supply System constructed on land not owned by the Company, written off over a period of 10 years from 1st April, 2000.

d) Includes ₹ 286.77 crore being cost of office premises located at Mumbai, jointly owned (50%) with an Associate.

e) Additions include Borrowing costs of ₹ 27.65 crore (Previous year ₹ 31.63 crore) and foreign exchange loss of ₹ 12.02 crore (Previous Year ₹ 6.52 crore).

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

Note : 11 | FIXED ASSETS (Contd.)

₹ crore

Particulars	Gross Block			Depreciation / Amortisation			Net Block		
	As at 1st April, 2012	Additions	Deductions/ Adjustments	As at 31st March, 2013	Upto 31st March, 2012	For the year	Deductions/ Adjustments	Upto 31st March, 2013	As at 31st March, 2013
A) Tangibles									
Freehold Land	72.26	13.00	-	85.26	-	-	-	-	85.26
Leasehold Land	13.29	-	-	13.29	-	-	-	-	13.29
Buildings	491.25	44.50	-	535.75	23.73	17.59	-	41.32	494.43
Plant & Equipment	7,549.77	397.60	8.72	7,938.65	1,207.91	403.66	4.07	1,607.50	6,331.15
Furniture & Fixtures	9.07	2.90	0.11	11.86	3.00	0.62	0.10	3.52	8.34
Vehicles	8.51	0.38	0.35	8.54	1.69	0.81	0.12	2.38	6.16
Office Equipment	8.51	2.09	0.39	10.21	4.03	0.92	0.35	4.60	5.61
Leasehold Improvements	0.40	-	-	0.40	0.13	0.13	-	0.26	0.14
Total (A)	8,153.06	460.47	9.57	8,603.96	1,240.49	423.73	4.64	1,659.58	6,944.38
B) Intangibles									
Specialised Softwares	7.96	0.15	-	8.11	5.26	1.21	-	6.47	1.64
TOTAL (B)	7.96	0.15	-	8.11	5.26	1.21	-	6.47	1.64
TOTAL (A + B)	8,161.02	460.62	9.57	8,612.07	1,245.75	424.94	4.64	1,666.05	6,946.02

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	₹ crore	
	As at 31 st March, 2014	As at 31 st March, 2013
NOTE : 11 FIXED ASSETS [Contd.]		
A. CAPITAL WORK-IN-PROGRESS AND PRE-OPERATIVE EXPENDITURE DURING CONSTRUCTION PERIOD AND TRIAL RUN PRODUCTION (PENDING ALLOCATION):		
Plant and Machinery under installation	45.81	378.99
Building Under Construction (Office premises located at Mumbai, jointly owned (50%) with an Associate)	506.20	484.65
Civil Works	26.63	46.67
	578.64	910.31
Less: Amount Transferred to Fixed Assets	352.85	372.16
Sub Total (A)	225.79	538.15
B. PRE-OPERATIVE EXPENDITURE DURING CONSTRUCTION PERIOD & TRIAL RUN		
Opening Balance	253.04	164.58
Power, Water and Fuel	-	2.59
Employees Cost	3.07	8.42
Rates and Taxes	2.93	1.44
Rent	0.11	0.53
Legal and Professional Expenses	0.90	3.92
Travelling and Conveyance	0.19	1.28
Other Expenses	0.91	5.13
Compensatory Afforestation Expenses	0.05	10.77
Catchment Area Treatment Expenses	-	45.00
Local Area Development Expenses	-	6.75
Finance Costs	8.35	36.85
Foreign Exchange Loss	-	4.86
	269.55	292.12
Less: Amount Transferred to Fixed Assets	28.09	39.08
Sub Total (B)	241.46	253.04
Total (A+B)	467.25	791.19

Particulars	₹ crore	
	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 12 NON-CURRENT INVESTMENTS		
LONG TERM		
A. Trade Investments		
Investment in Equity Shares (Unquoted) :		
i) In Subsidiary Companies		
a) 7,00,00,000 (Previous Year 7,00,00,000) Equity Shares of ₹ 10 each fully paid up of JSW Power Trading Company Limited (JSWPTCL)	70.02	70.02
b) 1,72,60,50,000 (Previous Year 1,72,60,50,000) Equity Shares of ₹ 10 each fully paid up of Raj West Power Limited (RWPL) {of which 51,78,15,000 (Previous Year 51,78,15,000) shares pledged as security in favour of financial institutions for loans granted to RWPL}	1,726.05	1,726.05
c) Nil (Previous Year 1,500) Equity Shares of Indonesian Rupiah 10,00,000 each fully paid up of PT Param Utama Jaya, Indonesia	-	17.84
d) 10,17,50,000 (Previous Year 10,17,50,000) Equity Shares of ₹ 10 each fully paid up of Jaigad PowerTransco Limited (JPTL) {of which 6,73,75,000 (Previous Year 6,73,75,000) shares pledged as security in favour of financial institutions for loans granted to JPTL}	101.75	101.75
e) 10,85,67,300 (Previous Year 10,73,84,300) Equity Shares of ₹ 10 each fully paid up of JSW Energy (Raigarh) Limited	108.57	107.38
f) 50,000 (Previous Year 50,000) Equity Shares of ₹ 10 each fully paid up of JSW Green Energy Limited	0.05	0.05
g) 9,05,300 (Previous Year 8,00,000) Equity Shares of USD 10 each fully paid up of JSW Energy Mineral Mauritius Ltd	42.11	35.55
h) 23,55,000 (Previous Year 50,000) Equity Shares of ₹ 10 each fully paid up of JSW Energy (Kutehr) Limited	2.36	0.05

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	₹ crore	
	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 12 NON-CURRENT INVESTMENTS (Contd.)		
i) 7,73,850 (Previous Year 7,57,150) Equity Shares of USD 1 each fully paid up of JSW Energy Natural Resources (BVI) Limited	3.63	3.53
Less: Provision for Diminution	(3.63)	(3.53)
	2,050.91	2,058.69
ii) In Associate Companies		
9,98,77,405 (Previous Year 9,72,50,000) Equity Shares of ₹ 10 each fully paid up of Toshiba JSW Power Systems Private Limited (Formerly Toshiba JSW Turbine & Generator Pvt Limited)	100.23	97.25
	100.23	97.25
iii) In Joint Venture Companies		
1,04,61,000 (Previous Year 1,04,61,000) Equity Shares of ₹ 10 each fully paid up of MJSJ Coal Limited	10.46	10.46
	10.46	10.46
iv) Other Companies		
12,50,000 (Previous Year 12,50,000) Equity Shares of ₹ 10 each fully paid up of Power Exchange India Limited	1.25	1.25
	1.25	1.25
Total Non-Current Investments in Equity Shares	2,162.85	2,167.65
Investment in Preference Shares (Trade & Unquoted):		
i) In Subsidiary Companies		
13,20,00,000 (Previous Year 13,20,00,000) 10% Redeemable Non Cumulative Preference Shares of ₹ 10 each fully paid of JSW Power Trading Company Limited (JSWPTCL)	132.00	132.00
	132.00	132.00
ii) In Associate Companies		
5,03,000 (Previous Year 4,53,000) 10% Redeemable Non-Cumulative Preference Shares of ₹ 100 each fully paid up of JSW Realty & Infrastructure Pvt. Limited	5.03	4.53
	5.03	4.53
Total Non-Current Investments in Preference Shares	137.03	136.53
Total Trade Investment (A)	2,299.88	2,304.18
B. Investment in Others		
Government and Trust Securities		
6-Year National Savings Certificate (Pledged with Commercial Tax Department)	*0.00	*0.00
Total Investments in Others (B)	0.00	0.00
Total Non-Current Investments (A+B)	2,299.88	2,304.18
Aggregate amount of Unquoted Investments	2,299.88	2,304.18
Aggregate Provision for diminution in value of investments	3.63	3.53

* Less than ₹ 1 lakh.

Basis of Valuation: Refer Note 1(h)

Particulars	₹ crore	
	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 13 LONG TERM LOANS AND ADVANCES		
Unsecured, considered good (unless otherwise stated):		
Capital Advances - Associate	75.00	75.00
Capital Advances - Others	8.92	21.01
Deposits:		
Deposits with Government / Semi Government Authorities	10.68	10.67
Deposits - towards Lease of Property & Equipment	58.00	58.37
Security deposits - Associates	28.50	25.00
Security deposits - Others	0.18	0.25

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

₹ crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 13 LONG TERM LOANS AND ADVANCES (Contd.)		
Loans and Advances :		
Loans to Subsidiaries	834.61	1,110.44
Less : Provision for doubtful Loans and Advances [Refer 25 vii(b)]	56.60	-
	778.01	1,110.44
Loans to Other Related Parties	179.24	148.24
Interest free Loan to JSW Energy Employees Welfare Trust	126.36	130.86
Interest accrued on Loan to Subsidiaries	79.63	45.23
Advance Tax and tax deducted at source (Net of Provision of ₹ 1,118.34 Crore; Previous Year ₹ 935.26 Crore)	127.77	96.23
Minimum Alternate Tax credit entitlement	128.09	128.09
Other Loans & Advances	2.22	2.59
	1,602.60	1,851.98

Name of the Party	As at 31 st March, 2014	As at 31 st March, 2013	Maximum Amount out- standing during the year	Maximum Amount out- standing during the previous year
A) Loans and Advances in the nature of Loans :				
a) Raj WestPower Limited [Interest free to the extent of ₹ Nil, Previous Year ₹ 61.25 Crore]	521.43	845.94	845.94	1094.02
b) JSW Energy Mineral Mauritius Limited [Refer 25 vii(b)]	309.03	260.09	264.87	260.09
c) JSW Green Energy Limited (interest free) [Refer 25 vii(b)]	4.15	4.41	4.41	4.78
d) South West Mining Limited	99.12	68.12	99.12	78.12
e) JSW Energy (Bengal) Limited (interest free)	80.12	80.12	80.12	80.12
f) JSW Energy Employees Welfare Trust (interest free)	126.36	130.86	130.86	130.86
(Loans given to employees under Company's policy are not considered above)				
	No. of Shares	No. of Shares		
B) Investment by JSW Energy Mineral Mauritius Limited in subsidiary:				
a) JSW Energy Natural Resources Mauritius Limited	43,500,000	43,500,000		
b) JSW Energy Natural Resources UK Limited	1,000	-		
C) Investment by the loanee in the shares of the Company:				
JSW Energy Employees Welfare Trust	22,383,283	22,383,283		

₹ crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 14 CURRENT INVESTMENTS		
Details of Investments:		
Investment in Own Debentures (Quoted):		
Nil (Previous Year 1,100) 9.05% Secured Redeemable Non-Convertible Debenture of ₹ 10 lakh each of Company	-	107.82
Total Investments in Own Debentures	-	107.82
Investment in Certificate of Deposits (Unquoted):		
a) Nil (Previous Year 2,500) Certificate of Deposit of ₹ 1 lakh each of Vijaya Bank	-	24.56
b) Nil (Previous Year 5,000) Certificate of Deposit of ₹ 1 lakh each of Corporation Bank	-	46.10

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

₹ crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
c) 2,500 (Previous Year Nil) Certificate of Deposit of ₹ 1 lakh each of Allahabad Bank	24.44	-
d) 2,500 (Previous Year Nil) Certificate of Deposit of ₹ 1 lakh each of IDBI Bank	24.50	-
e) 5,000 (Previous Year Nil) Certificate of Deposit of ₹ 1 lakh each of Canara Bank	49.88	-
f) 2,500 (Previous Year Nil) Certificate of Deposit of ₹ 1 lakh each of State Bank of Patiala	24.93	-
g) 4,000 (Previous Year Nil) Certificate of Deposit of ₹ 1 lakh each of State Bank of Mysore	39.77	-
h) 2,500 (Previous Year Nil) Certificate of Deposit of ₹ 1 lakh each of Central Bank of India	24.91	-
Total Investments in Certificates of Deposits	188.43	70.66

Investment in Mutual Funds (Unquoted, Fully paid up):

	No. of Units	Face Value ₹		
a) Birla Sun Life Mutual Fund				
Birla Sunlife Cash Plus Growth	1,217,192 (8,903,493)	100	25.00	167.05
Birla Sunlife FRF ST Growth	4,854,849	100	82.50	-
b) Reliance Mutual Fund				
Reliance Liquid Fund TP IP Growth	258,877 (303,278)	1000	80.65	86.39
Reliance Liquid Cash Plan Growth	122,077	1000	25.00	-
c) IDFC Mutual Fund				
IDFC Cash Fund Growth	160,730	1000	25.00	-
IDFC Ultra Short Term Growth	(15,360,889)	10	-	25.00
d) Kotak Mutual Fund				
Kotak Floater Short Term Growth	(117,188)	1000	-	22.50
e) Baroda Pioneer Mutual Fund				
Baroda Pioneer Liquid Fund Growth	(272,338)	1000	-	36.50
f) UTI Mutual Fund				
UTI Liquid Fund Cash Plan Growth	119,225	1000	25.00	-
UTI Floating Rate Fund STP Growth (UST)	(133,590)	1000	-	25.00
g) IDBI Mutual Fund				
IDBI Liquid Fund Growth	182,282 (79,523)	1000	25.00	10.00
h) ICICI Prudential Mutual Fund				
ICICI Prudential Liquid Fund Growth	2,640,720	100	50.00	-
i) Axis Mutual Fund				
Axis Liquid Fund Growth	88,780	1000	12.60	-
j) JP Morgan Mutual Fund				
JP Morgan India Liquid Fund Growth	15,058,790	10	25.00	-
k) Religare Mutual Fund				
Religare Invesco Liquid Fund Growth	113,545	1000	20.00	-
l) SBI Mutual Fund				
SBI Premier Liquid Fund Growth	124,301	1000	25.01	-
SBI Premier Liquid Fund Super IP Growth	(217,179)	1000	-	40.00
m) L&T Mutual Fund				
L&T Ultra Short Term Fund Growth	12,132,035	10	25.00	-
Total Investments in Mutual Funds			445.76	412.44
Total Current Investments			634.19	590.92
Aggregate amount of Quoted Investments			-	107.82
Aggregate amount of Unquoted Investments			634.19	483.10
Aggregate Market Value of Quoted Investments			-	107.82
Aggregate re-purchase value of Current Investments			636.28	484.27
Basis of Valuation : Refer Note: 1(h)				
(Figures in brackets relate to the Previous Year)				

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

₹ crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 15 INVENTORIES		
[As taken, valued and certified by the Management]		
Stock of Fuel (including in transit ₹ 40.37 crore; Previous year ₹ 160.94 crore)	274.01	316.18
Stores & Spares (including in transit ₹ 3.12 crore; Previous year ₹ 3.88 crore)	100.41	94.85
	374.42	411.03
Basis of Valuation : Refer Note: 1(i)		

₹ crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 16 TRADE RECEIVABLES		
Unsecured, Considered good:		
Outstanding for a period exceeding six months from the due date #	22.85	10.55
Outstanding for a period not exceeding six months from the due date	969.26	1,309.64
	992.11	1,320.19

The Company was supplying power to Karnataka Power Transmission Corporation Limited (KPTCL) on the basis of the rate approved by Govt of Karnataka, which was incorporated in the Power Purchase Agreement (PPA), dated 27th November, 2000. On the application by KPTCL to Karnataka Electricity Regulatory Commission (KERC) for approval of PPA, KERC had passed Order in July 2002 reducing the tariff retrospectively from 1st August, 2000. The Company's appeal against the said Order was decided by the Honourable Karnataka High Court vide its Order dated 8th April, 2004 in favour of the Company. KPTCL and KERC filed Special Leave Petition before the Honourable Supreme Court challenging the Order of Honourable Karnataka High Court. As against the outstanding amount of ₹ 105.35 crore, in terms of the interim order dated 23rd January, 2007 of Honourable Supreme Court, KPTCL paid ₹ 100.00 crore against bank guarantee provided by the Company. The balance amount of ₹ 5.35 crore (Previous Year ₹ 5.35 crore) due from KPTCL is included in Trade Receivables and considered as good and recoverable.

₹ crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 17 CASH AND BANK BALANCES		
Cash and Cash Equivalents:		
In current accounts	19.07	115.50
Bank Deposit @	359.17	196.01
Cash on Hand	0.04	0.02
Cheques on hand	0.01	* 0.00
	378.29	311.53
Others:		
Unpaid Dividends	0.42	0.26
Unclaimed share application money refunds	0.02	0.03
Margin Money Accounts	15.30	2.78
	15.74	3.07
	394.03	314.60

- Cash and Cash equivalents includes deposits maintained by the Company with banks, which can be withdrawn by the Company at any point of time.

@ Includes deposits of ₹ 18.01 crore (Previous year ₹ 0.01 crore) with maturity of more than 12 months.

* Less than ₹ 1 lakh.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

₹ crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 18 SHORT TERM LOANS AND ADVANCES		
Unsecured, considered good		
Deposits:		
Deposits with Government / Semi Government Authorities	40.48	47.75
Security deposits - Associates	25.00	-
Loans and advances to:		
Subsidiaries:		
Loans	156.53	321.35
Due from Subsidiaries	0.01	0.30
Other Related Parties:		
Advance against Preference Share Capital	-	0.50
Other Advances	30.00	61.80
Due from Associates	2.43	2.40
Inter Corporate Deposits	75.00	75.00
Other Loans & Advances	21.06	20.17
	350.51	529.27

Name of the Party	As at 31 March, 2014	As at 31 March, 2013	Maximum Amount out- standing during the year	Maximum Amount out- standing during the previous year
A) Loans and advances in the nature of Loans :				
a) Raj WestPower Limited	156.53	321.35	458.57	401.65
b) JSW Realty and Infrastructure Private Limited (Interest free)	30.00	30.00	30.00	50.06
c) JSW Steel Limited	-	31.80	54.09	31.80
B) Loans and advances given to subsidiaries for Preference Shares Capital :				
a) JSW Realty and Infrastructure Private Limited	-	0.50	0.50	0.50

	No of Shares	No of Shares
C) Investment by the loanee in the share of the Company :		
None of the loanees and loanees of Subsidiary companies have made investments in the shares of the Company		
D) Investment by Raj WestPower Limited in joint venture:		
Barmer Lignite Mining Company Limited	9,800,000	9,800,000

₹ crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 19 OTHER CURRENT ASSETS		
Banked Energy	191.98	3.31
Interest Accrued on :		
- Loan to Subsidiaries	26.59	38.36
- Loan to Other Related Parties	-	1.93
- On deposits	4.75	1.99
Receivable from Other Related Parties	6.13	8.31
Unamortised forward contracts premium	18.21	0.53
Others	0.48	-
	248.14	54.43

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

₹ crore

Particulars	For the year ended 31 st March, 2014	For the year ended 31 st March, 2013
NOTE: 20 REVENUE FROM OPERATIONS		
Sale of Power	5,620.16	6,078.65
Power Conversion Charges	42.90	157.09
Sale of Services:		
Operator Fee	131.69	124.29
Project Management Fee	-	28.75
Other Services	5.15	5.20
Other Operating Income	2.71	2.47
	5,802.61	6,396.45

₹ crore

Particulars	For the year ended 31 st March, 2014	For the year ended 31 st March, 2013
NOTE: 21 OTHER INCOME		
Interest Income	174.73	216.38
Net gain on Sale of Current Investments	65.04	44.07
Other non-operating income :		
Claims Received from Vendors	-	40.88
Excess Provisions no longer required Written Back	5.70	-
Miscellaneous Income	9.47	3.45
	254.94	304.78

₹ crore

Particulars	For the year ended 31 st March, 2014	For the year ended 31 st March, 2013
NOTE: 22 EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages and Bonus	79.89	96.24
Contribution to Provident fund and Other funds	3.86	4.25
Expense on Employee Stock Option Scheme [Refer Note 25 (ii)(b)]	-	(0.02)
Workmen and Staff Welfare	5.22	6.03
	88.97	106.50

₹ crore

Particulars	For the year ended 31 st March, 2014	For the year ended 31 st March, 2013
NOTE: 23 FINANCE COSTS		
Interest Expenses	529.18	542.81
Finance Charges	98.37	28.99
	627.55	571.80

₹ crore

Particulars	For the year ended 31 st March, 2014	For the year ended 31 st March, 2013
NOTE: 24 OTHER EXPENSES		
Water and Power	35.05	42.26
Rent	1.56	2.17
Rates and Taxes	6.69	6.89
Insurance	12.53	10.14
Consumption of Stores and Spares	33.81	46.22
Repairs and Maintenance Expenses:		
Repairs to Buildings	0.74	0.25
Repairs to Machinery	40.61	58.00
Repairs - Others	21.23	18.36

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

₹ crore

Particulars	For the year ended 31 st March, 2014	For the year ended 31 st March, 2013
NOTE: 24 OTHER EXPENSES (Contd.)		
Legal and Professional Charges	8.75	7.43
Travelling and Conveyance	7.64	7.50
Loss on Sale / Discard of Fixed Assets	0.43	4.73
Cash Discount	45.57	46.03
Project Management Expenses	-	16.36
Donations & CSR Expenses	7.03	3.67
Safety & Security Expenses	4.04	4.30
Open Access Charges	1.78	6.30
General Expenses	18.54	12.63
Bad Debts Written Off	0.81	-
Provision for Loss on Diminution in Value of Long Term Investment	0.10	-
	246.91	293.24

Note 25

(i) **Contingent Liabilities and Commitments to the extent not provided for in respect of:**

(a) **Contingent Liabilities:**

₹ crore

Particulars	Current Year	Previous Year
Bank guarantees	116.38	115.95
Corporate guarantees	624.22	891.66
Other Money for which the company is contingently liable:		
- Pledge of Shares (refer note 12)	585.19	585.19
- Disputed Income Tax matters (excluding further interest leviable, if any)	109.95	121.81
- Other disputed tax matters*	279.97	83.40
- Claims not acknowledge as debts	-	16.83

* includes ₹ 89.57 crore (previous year ₹ 80.96 crore) relating to Electricity Tax, reimbursable from other parties.

(b) **Commitments:**

₹ crore

Particulars	Current Year	Previous Year
i) Estimated amount of Capital contracts remaining to be executed to the extent not provided for (net of advances)	88.37	53.63

ii) The Company has given unconditional undertakings to the lenders of the power projects being setup by its subsidiary company Raj WestPower Limited for meeting any shortfall in completing the project, due to cost overrun, if any.

iii) The Company has taken certain premises on non-cancellable operating lease arrangement.

Rentals charged to Profit and Loss Statement ₹ 1.56 crore (Previous year ₹ 2.17 crore).

₹ crore

The total of Future Minimum lease payments under non-cancellable operating lease for each of the following period are as under:	Current Year	Previous Year
A) Not later than 1 year	1.71	0.86
B) Later than 1 year and not later than 5 years	4.36	1.31
C) Later than 5 years	-	-

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

(ii) Employees Benefits:

(a) Defined benefit plan:

The employee's gratuity fund scheme managed by Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method.

₹ crore

Description	Current Year	Previous Year
1. Reconciliation of opening and closing balances of obligation		
a. Opening Balance	5.47	3.76
b. Current Service Cost	1.05	0.99
c. Interest Cost	0.45	0.32
d. Actuarial (gain) / loss	(0.54)	0.76
e. Transfer from other Company	0.01	-
f. Transfer to other Company	(0.23)	-
g. Benefits paid	(0.53)	(0.36)
h. Closing Balance	5.69	5.47
2. Change in Plan Assets (Reconciliation of opening and closing balances)		
a. Opening Fair Value of plan assets	2.35	2.71
Difference in Opening Balance	-	0.06
b. Actual Company Contributions	-	-
c. Expected return on plan assets	0.20	0.24
d. Transfer from Other Company	0.01	-
e. Transfer to Other Company	(0.15)	(0.29)
f. Actuarial gain / (loss)	(0.01)	0.01
g. Benefits paid	(0.53)	(0.36)
h. Closing Fair Value of plan assets	1.88	2.35
3. Reconciliation of fair value of assets and obligations		
a. Present value of obligation	5.69	5.47
b. Fair value of plan assets	1.88	2.35
c. Balance amount recognised as liability in the Balance sheet	3.81	3.12
d. Current Liabilities	2.42	2.65
e. Non-Current Liabilities	1.39	0.47
4. Expense recognized in the period		
a. Current service cost	1.05	0.99
b. Interest cost	0.45	0.32
c. Expected return on plan assets	(0.20)	(0.24)
d. Actuarial (gain) / loss	(0.53)	0.75
e. Expense recognised	0.77	1.83
5. Assumptions		
a. Discount rate (per annum)	9.31%	8.25%
b. Estimated rate of return on plan assets (per annum)	8.70%	8.70%
c. Rate of escalation in salary (per annum)	6.00%	6.00%
6. Investment Details		
Amount invested in cash accumulation scheme of Life Insurance Corporation of India	-	-

Other Disclosures:

₹ crore

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10
Defined Benefit Obligation	5.69	5.47	3.76	2.86	1.69
Plan Assets	1.88	2.35	2.71	2.04	1.56
(Deficit)	(3.81)	(3.12)	(1.05)	(0.82)	(0.13)
Experience Adjustment on Plan Liabilities - Loss / (Gain)	0.15	0.46	(0.01)	(0.05)	(0.00)
Experience Adjustment on Plan Assets - (Loss) / Gain	(0.01)	0.01	0.01	0.01	0.01

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

(b) Employee Share based Payment Plan:

Presently there are two Schemes which are in force for the Options granted / to be granted to the eligible employees of the Group as under:

A) For Normal Options - 'JSWEL EMPLOYEES STOCK OWNERSHIP PLAN - 2010' (ESOP Plan)

B) For Mega Options - 'JSWEL EMPLOYEES MEGA STOCK OWNERSHIP SCHEME - 2012' (ESOS Plan)

The details of the aforementioned schemes of share-based payments arrangement administered by the JSW Energy Employee Welfare Trust (JSWEEWT) are described below:

Particulars	Normal Option (ESOP Plan)		Mega Option (ESOS Plan)
Date of Grant	8 th November, 2011	31 st October, 2012	4 th October, 2012
Opening Grants as on 1 st April, 2013	4,520,086 (5,075,711)	4,458,458 (-)	12,230,320 (-)
Add: Granted during the year	- (-)	- (4,831,174)	- (12,674,750)
Add: Transfer arising from transfer of employees from group companies	195,760 (-)	92,191 (-)	516,837 (-)
Less: Forfeited during the year	570,819 (555,625)	390,045 (369,267)	1,672,833 (377,824)
Less: Transfer arising from transfer of employees to group companies	- (-)	- (3,449)	- (66,806)
Less: Exercised during the year	- (-)	- (-)	- (-)
Outstanding as on 31 st March, 2014	4,145,027 (4,520,086)	4,160,604 (4,458,458)	11,074,324 (12,230,320)
Vesting period	3 Years	3 Years	361 days
Method of settlement	Cash	Cash	Cash
Exercise Price (₹)	52.35	60.90	65.00

(Figure in bracket relates to Previous Year)

Expenses arising from employee's share-based payment plan debited to Profit and Loss Statement ₹ Nil (Previous Year ₹ (0.02) crore).

- (iii) The details of amounts outstanding to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:

₹ crore

Sr. No.	Particulars	Current Year	Previous Year
1	Principal amount due and remaining unpaid	-	-
2	Interest due on (1) above and the unpaid interest	-	-
3	Interest paid on all delayed payments under the MSMED Act	-	-
4	Payment made beyond the appointed day during the year	-	-
5	Interest due and payable for the period of delay other than (3) above	-	-
6	Interest accrued and remaining unpaid	-	-
7	Amount of further interest remaining due and payable in succeeding years	-	-

- (iv) Remuneration to Auditors (excluding service tax) :

₹ crore

Particulars	Current Year	Previous Year
Audit Fees	0.35	0.29
Tax Audit Fees	0.07	0.06
Other Services	0.27	0.22
Reimbursement of Expenses	0.03	0.04
Total	0.72	0.61

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

(v) Provision for Taxation and Deferred Tax :

₹ crore

Particulars	Current Year	Previous Year
(a) Provision for Taxation includes:		
Current Tax	183.08	248.86
Minimum Alternate Tax (MAT) credit entitlement	-	(13.61)
	183.08	235.25
Deferred Tax	31.40	15.55
(b) Deferred Tax Liability:		
Comprises of timing differences on account of depreciation	185.12	153.72

(vi) Earnings Per Share (Basic & Diluted)

Particulars	Current Year	Previous Year
Net profit / (loss) as attributable to equity shareholders (₹ crore) (A)	602.48	993.03
Average number of equity shares outstanding during the year (B)	1,640,054,795	1,640,054,795
Earnings Per Share - Basic and Diluted (₹) (A / B)	3.67	6.05
Nominal value of an equity share (₹)	10	10

(vii) Exceptional items includes :

- Due to the unusual volatility / fluctuation in the value of Rupee against US Dollar, net foreign exchange loss of ₹ 321.46 crore (Previous Year ₹ 169.95 crore) has been considered by the Company as exceptional in nature.
- The Company has made a provision for doubtful Loans and Advances of ₹ 56.60 crore (Previous Year ₹ Nil) for estimated loss arising as a result of impairment of assets of subsidiary companies.
- Profit on Sale of Investment in PT Parama Uttama Jaya (PTPUJ) of ₹ 7.85 crore (Previous Year ₹ Nil).

(viii) (a) The foreign currency exposures 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	In Rupees equivalent ₹ crore
a. Loan to foreign subsidiary including interest receivable	USD	52,037,881 (48,252,140)	312.74 (262.44)
b. Project related Payables	USD	- (930,715)	- (5.06)
c. Operation related Payables	USD	2,965,511 (27,270,385)	17.82 (148.32)
d. Buyer's Credit	USD	783,817 (299,839,678)	4.71 (1,630.81)
e. Interest accrued but not due on Buyer's Credit	USD	531,700 (694,752)	3.20 (3.78)
f. Advance to Vendors	USD	16,524 (671,223)	0.10 (3.65)
g. Advance to Vendors	EURO	- (390)	- *(0.00)

(Figures in bracket relates to previous year)

* Less than ₹ 1 lakh.

- The foreign currency exposures that have been hedged by a derivative instrument or otherwise as at Balance Sheet date are ₹ 1,427.59 crore (Previous Year ₹ 109.93 crore).
- (ix) (a) In the opinion of the Management, all the assets other than Fixed Assets and Non-Current Investments have a value on realisation in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet. The provision for depreciation and all known liabilities is adequate and not in excess of what is required.
- The Company is yet to receive balance confirmations in respect of certain trade payables, other payables, trade receivables, other receivables and loan and advances. The Management does not expect any material difference affecting the current year's financial statements due to the same.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

(x) Related Party Disclosures :

List of Related Parties

A) Subsidiaries (Control exists)
a) JSW Power Trading Company Limited
b) Raj WestPower Limited
c) Jaigad PowerTransco Limited
d) JSW Energy (Raigarh) Limited
e) JSW Green Energy Limited
f) JSW Energy (Kutehr) Limited
g) PT. Param Utama Jaya (upto 28th February, 2014)
h) JSW Energy Natural Resources (BVI) Limited
i) JSW Energy Minerals Mauritius Limited
j) JSW Energy Natural Resources Mauritius Limited
k) JSW Energy Natural Resources South Africa (Pty) Limited
l) South Africa Coal Mining Holdings Limited
m) Royal Bafokeng Capital (Pty) Limited
n) Ilanga Coal Mines Proprietary Limited
o) Jigmining Operations No.1 Proprietary Limited
p) Jigmining Operations No.3 Proprietary Limited
q) Mainsail Trading 55 (Pty) Limited
r) SACM (Breyten) Proprietary Limited
s) SACM (Newcastle) Proprietary Limited
t) South African Coal Mining Equipment Company Proprietary Limited
u) Umlabu Colliery Proprietary Limited
v) Voorslag Coal Handling Proprietary Limited
w) Yomhlaba Coal Proprietary Limited
x) South African Coal Mining Operations Proprietary Limited
y) JSW Energy Natural Resources UK Limited (w.e.f 12 th September, 2013)
B) Other Related Parties with whom the Company has entered into transactions during the year:
a) JSW Steel Limited
b) JSoft Solutions Limited
c) Toshiba JSW Power Systems Private Limited (formerly Toshiba JSW Turbine and Generator Private Limited)
d) JSW Cement Limited
e) JSW Realty & Infrastructure Private Limited
f) JSW Techno Projects Management Limited
g) JSW Jaigarh Port Limited
h) JSW Infrastructure Limited
i) JSW Energy (Bengal) Limited
j) O.P. Jindal Foundation
k) JSW Foundation

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

l)	JSW Green Private Limited
m)	South West Mining Limited
n)	JSL Lifestyle Limited
o)	MJSJ Coal Limited
p)	South West Port Limited
q)	JSW Bengaluru Football Club Private Limited (formerly JSW Sports Pvt. Ltd.)
r)	JSW Projects Ltd
s)	JSW Steel Coated Products Limited
t)	JSW Ispat Steel Limited (Merged with JSW Steel Limited during the current year)

Key Managerial Personnel

1	Mr. Sajjan Jindal – Chairman & Managing Director
2	Mr. Nirmal Kumar Jain – Vice Chairman (Upto 31 st August, 2013)
3	Mr. Sanjay Sagar – Jt. Managing Director & CEO (w.e.f 21 st July, 2012)
4	Mr. S.S.Rao – Whole Time Director (Upto 30 th April, 2012)
5	Mr. R.R. Pillai – Director (w.e.f 30 th April, 2012 to 30 th January, 2013)
6	Mr. Pramod Menon – Director Finance (w.e.f 3 rd May 2013)

		₹ crore	
Nature of transactions		Current Year	Previous Year
A	Transactions during the year		
1	Sale of Power & Other Materials:		
	JSW Steel Limited	892.03	16.79
	JSW Ispat Steel Limited	-	922.87
	JSW Power Trading Company Limited	4,075.74	4,106.04
	JSW Cement Limited	21.30	20.00
	Raj WestPower Limited	-	0.17
	Jaigad PowerTransco Limited	-	0.04
	JSW Steel Coated Products Limited	51.41	-
	JSW Projects Limited	1.46	-
2	Power Conversion Charges:		
	JSW Steel Limited	42.90	157.09
3	Service Rendered:		
i.	Operator Fee from :		
	JSW Steel Limited	131.69	124.29
ii.	Project Management fees from:		
	Raj WestPower Limited	-	28.75
iii.	Other Services:		
	Toshiba JSW Power Systems Private Limited	4.50	4.50
	Raj WestPower Limited	-	0.20
	South West Mining Limited	5.25	-

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

		₹ crore	
Nature of transactions		Current Year	Previous Year
4	Purchase of Fuel / Other Materials :		
	JSW Steel Limited	343.41	37.56
	JSW Cement Limited	1.37	2.93
	JSoft Solutions Limited	0.17	0.40
	JSW Energy (Raigarh) Limited	0.09	-
	JSL Lifestyle Limited	0.02	0.25
5	Rebate on Sale of Power :		
	JSW Power Trading Company Limited	45.57	40.17
6	Service Received from :		
	JSW Steel Limited	-	0.74
	JSoft Solutions Limited	2.07	2.48
	South West Port Limited	1.72	1.99
	JSW Jaigarh Port Limited	136.83	131.74
	JSW Green Private Limited	1.02	2.08
	Jaigad PowerTransco Limited	-	1.64
7	Interest received on overdue receivables:		
	JSW Steel Limited	43.18	-
	JSW Ispat Steel Limited	-	38.94
	JSW Power Trading Company Limited	1.94	19.50
	JSW Steel Coated Products Limited	0.04	-
8	Interest on Loan given :		
	JSW Energy Minerals Mauritius Limited	1.14	1.40
	Raj WestPower Limited	94.35	133.18
	South West Mining Limited	8.79	2.14
	JSW Steel Limited – Material given on loan basis	1.25	0.63
9	Rent Paid / (Received) (net):		
	JSW Realty & Infrastructure Private Limited	0.30	0.12
	JSW Steel Limited	*(0.00)	0.93
	JSW Jaigarh Port Limited	*(0.00)	*(0.00)
	Jaigad PowerTransco Limited	*(0.00)	*(0.00)
10	Donation / CSR Expenses :		
	O.P. Jindal Foundation	0.04	0.21
	JSW Foundation	3.48	0.89
11	Reimbursement receivable from / (payable to) :		
	JSW Energy (Raigarh) Limited	0.07	0.13
	JSW Energy (Bengal) Limited	0.02	-
	Raj WestPower Limited	2.78	1.18
	Jaigad PowerTransco Limited	0.51	1.62
	JSW Green Energy Limited	-	*0.00
	JSW Energy (Kutehr) Limited	-	*0.00
	JSW Power Trading Company Limited	(1.70)	(5.05)
	JSW Steel Limited	12.16	14.46
	JSW Ispat Steel Limited	-	*(0.00)
	JSW Cement Limited	-	1.63
	JSW Techno Projects Management Limited	-	2.45
	JSW Jaigad Port Limited	3.85	2.98
	JSW Green Private Limited	-	0.01

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

₹ crore

Nature of transactions	Current Year	Previous Year
12 Purchase of Freehold Land:		
JSW Infrastructure Limited	-	0.13
13 Trade Advance / (Refund) (net)		
JSW Realty & Infrastructure Private Limited	-	(20.00)
14 Security Deposit paid / (Refund) for lease of office property (net) :		
JSW Realty & Infrastructure Private Limited	-	0.29
JSW Jaigarh Port Limited	28.50	25.00
15 Advance paid / (Refund) against Equity Share Capital :		
JSW Energy (Raigarh) Limited	1.18	14.19
JSW Energy (Kutehr) Limited	2.31	0.05
JSW Energy Natural Resources (BVI) Limited	0.10	*0.00
JSW Energy Mineral Mauritius Limited	6.56	-
Toshiba JSW Power Systems Private Limited	2.98	33.25
MJSJ Coal Limited	-	2.75
16 Loan Given to / (Repaid) (net) :		
JSW Energy Minerals Mauritius Limited	21.52	44.59
JSW Energy (Bengal) Limited	-	0.08
Raj WestPower Limited	(489.32)	28.01
JSW Green Energy Limited	(0.26)	(0.37)
South West Mining Limited	31.00	68.12
JSW Steel Limited – Material given on loan / (repaid)	(31.80)	31.80
17 Investment in Equity Share Capital		
Toshiba JSW Power Systems Private Limited	2.98	33.25
JSW Energy Mineral Mauritius Limited	6.56	-
MJSJ Coal Limited	-	2.75
JSW Energy (Raigarh) Limited	1.18	14.19
JSW Energy (Kutehr) Limited	2.31	0.05
JSW Energy Natural Resources (BVI) Limited	0.10	*0.00
18 Investment in Preference Share Capital		
JSW Realty Infrastructure Private Limited	0.50	-
19 Sale of Investment in Equity Share Capital of :		
PT. Param Utama Jaya	17.84	-
20 Lease Deposit from:		
Jaigad PowerTransco Limited	-	0.50
JSW Jaigarh Port Limited	-	1.17
21 Security & Collateral Provided to		
Raj WestPower Limited	(267.45)	391.66
Jaigad PowerTransco Limited	-	67.38
22 Provision for diminution in value of Investment / Advances		
JSW Energy Natural Resources (BVI) Limited	0.10	*0.00
JSW Energy Mineral Mauritius Limited	54.00	-
JSW Green Energy Limited	2.60	-

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

₹ crore

Nature of transactions	Current Year	Previous Year
23 Sale of Assets :		
Mr. Nirmal Kumar Jain	0.02	-
24 Advertisement / Sponsorship		
JSW Bengaluru Football Club Private Limited	6.00	-
B Balance at the year end		
1 Trade (Payables) / Receivable [net]:		
JSW Energy (Bengal) Limited	0.02	-
JSW Steel Limited	166.73	81.45
JSW Ispat Steel Limited	-	558.09
JSW Power Trading Company Limited	542.05	353.48
JSW Cement Limited	6.48	10.46
Raj WestPower Limited	-	82.94
Jaigad PowerTransco Limited	-	*0.00
JSW Green Private Limited	(0.07)	(0.21)
Toshiba JSW Power Systems Private Limited	2.30	2.28
JSW Energy (Raigarh) Limited	0.01	-
JSW Techno Projects Management Limited	2.40	2.40
JSW Jaigarh Port Limited	-	0.36
JSL Lifestyle Limited	* (0.00)	0.01
JSW Steel Coated Products Limited	5.49	-
JSW Projects Limited	1.46	-
South West Mining Limited	5.37	-
JSoft Solutions Limited	0.92	(0.05)
2 Deposit With:		
JSW Steel Limited	6.49	6.49
JSW Realty & Infrastructure Private Limited	8.75	8.75
JSW Jaigad Port Limited	53.50	25.00
3 Lease Deposit from :		
JSW Steel Limited	0.16	0.16
Jaigad PowerTransco Limited	0.50	0.50
JSW Jaigad Port Limited	1.17	1.17
JSW Infrastructure Limited	0.35	0.35
4 Trade Advance paid:		
JSW Realty & Infrastructure Private Limited	30.00	30.00
5 Advance paid against Equity and Preference Share Capital:		
JSW Realty & Infrastructure Private Limited	-	0.50
6 Advance paid for Acquisition of Office / Residential Properties:		
Windsor Residency Private Limited	75.00	75.00
7 Investment in Equity Share Capital:		
JSW Power Trading Company Limited	70.02	70.02
Raj WestPower Limited	1,726.05	1726.05
PT. Param Utama Jaya	-	17.84

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

₹ crore

Nature of transactions	Current Year	Previous Year
Jaigad PowerTransco Limited	101.75	101.75
JSW Energy (Raigarh) Limited	108.57	107.38
JSW Energy (Kutehr) Limited	2.36	0.05
JSW Green Energy Limited	0.05	0.05
JSW Energy Mineral Mauritius Limited	42.11	35.55
JSW Energy Natural Resources (BVI) Limited (fully provided for)	3.63	3.53
Toshiba JSW Power Systems Private Limited	100.23	97.25
MJSJ Coal Limited	10.46	10.46
8 Investment in Preference Share Capital:		
JSW Power Trading Company Limited	132.00	132.00
JSW Realty & Infrastructure Private Limited	5.03	4.53
9 Security & Collateral Provided to:		
Raj WestPower Limited	1,142.03	1,409.48
Jaigad PowerTransco Limited	67.38	67.38
10 Loans / Advances to:		
JSW Energy Minerals Mauritius Limited	309.03	260.09
Raj WestPower Limited	677.96	1,167.28
JSW Green Energy Limited	4.15	4.41
JSW Energy (Bengal) Limited	80.12	80.12
South West Mining Limited	99.12	68.12
JSW Steel Limited (Material given on loan)	-	31.80
11 Interest receivable on loan:		
JSW Energy Minerals Mauritius Limited	3.71	2.35
South West Mining Limited	-	1.93
Raj WestPower Limited	102.50	81.24
C Remuneration to Key Management Personnel:		
Mr. Sajjan Jindal	8.04	7.25
Mr. Nirmal Kumar Jain	1.83	3.57
Mr. Sanjay Sagar	2.08	1.34
Mr. Pramod Menon	1.08	-
Mr. S. S. Rao	-	0.06
Mr. R. R. Pillai	-	1.25

* Less than ₹ 1 lakh

Notes:

- I No amounts in respect of related parties have been written off / written back during the year, nor has any provision been made for doubtful debts / receivables except as discussed above.
- II Related party relationships have been identified by the management and relied upon by the Auditors.

(xi) MJSJ Coal Limited has not been considered for disclosure of interest in terms with relevant Accounting Standards as the Company is not having any control over the said joint venture entity.

(xii) Additional information pursuant to Revised Schedule VI to the Companies Act, 1956:

₹ crore

Particulars	Current Year	Previous Year
(a) C.I.F Value of Imports:		
Coal	2,745.04	3,047.32
Stores & Spares	2.83	5.37
Plants & Equipments	0.45	2.93
Furniture & Fixtures	3.06	5.01

₹ crore

(b) Fuel consumed:	Current Year	Previous Year
Coal	3,310.96	3,874.44
Mixed Gas	312.71	-
Others	19.11	19.84
Total	3,642.78	3,894.28
Imported #	91% 3,310.96	99% 3,874.44
Indigenous	9% 331.82	1% 19.84

#includes materials indigenously procured

(c) Consumption of Stores & Spares:	Current Year	Previous Year
Imported	2% 0.73	12% 5.37
Indigenous	98% 33.08	88% 40.80

₹ crore

(d) Expenditure in Foreign Currency:	Current Year	Previous Year
Travelling Expenses	0.37	0.76
Legal & Professional Charges	0.61	2.05
Interest & Finance Charges	17.22	39.42
Membership Fee	0.57	1.25

(e) Remittance in Foreign Currency on account of Dividend:	Current Year	Previous Year
Dividend to Equity Shareholders:		
Year to which the dividend relates	2012-13	2011-12
No. of Non-resident shareholders	1,247	1,461
No. of Equity shares held by them	110,828,885	110,902,171
Amount Remitted (₹ crore)	22.17	5.55

(xiii) The Company has been legally advised that the Company is considered to be established with the object of providing infrastructural facilities and accordingly, Section 372A of the Companies Act, 1956 is not applicable to the Company.

(xiv) Previous year's figures have been re-grouped / re-arranged wherever necessary to conform to current year's classification.

For and on behalf of the Board of Directors

SANJAY SAGAR
Jt. Managing Director & CEO

SAJJAN JINDAL
Chairman and Managing Director

SAMPATH MADHAVAN
Company Secretary

PRAMOD MENON
Director- Finance

Place : Mumbai

Date : 30th April, 2014

INDEPENDENT AUDITORS' REPORT

To
The Board of Directors of JSW Energy Limited

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying Consolidated Financial Statements of **JSW Energy Limited** ('the Parent Company'), its subsidiaries and shares in a joint venture and associate collectively referred to as 'the JSW Group', which comprise the Consolidated Balance Sheet as at 31st March, 2014, the Consolidated Profit and Loss Statement and Consolidated Cash Flow Statement of the Group for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation of these Consolidated Financial Statements that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance and Consolidated Cash Flows of the Group in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating

the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2014;
- (b) in the case of the Consolidated Profit and Loss Statement, of the profit of the Group for the year then ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

EMPHASIS OF MATTER

We draw attention to the note 17 regarding overdue trade receivable of ₹ 5.35 crore from Karnataka Power Transmission Corporation Limited, the matter in respect of which is pending in the Honourable Supreme Court. Our report is not qualified in respect of this matter.

OTHER MATTERS

A.

- (i) We did not audit total assets of ₹ 6,054.46 crore as at 31st March, 2014 and the total revenue of ₹ 2,365.19 crore for the year then ended, included in the accompanying financial statement in respect of a branch not visited by us, whose financial statements and other financial information have been audited by branch auditor.
- (ii) The financial statements of certain subsidiaries included in the consolidated financial statements, whose financial statements reflect the total assets of ₹ 8,456.45 crore as at 31st March, 2014 and total revenue for the year ended 31st March, 2014 of ₹ 7,072.58 crore. These financial statements and other financial information have been audited by other auditors.
- (iii) The reports of those auditors have been furnished to us and our opinion in so far as it relates to the amounts included in respect of the branch and subsidiaries are based solely on the reports of those auditors.

B.

- (i) The financial statements of certain subsidiaries including step down subsidiaries included in the consolidated financial statements, whose financial statements reflect the total assets of ₹ 1,327.35 crore as at 31st March, 2014 [Net amount on consolidation of subsidiaries and step down subsidiaries ₹ 237.76 crore as at 31st March, 2014] and total revenue for the year ended 31st March, 2014 of ₹ 19.98 crore [Net amount on consolidation of subsidiaries and step down subsidiaries for the year ending 31st March, 2014 ₹ 11.60 crore], are based on unaudited financial statements, certified by management.
- (ii) The financial statements of a joint venture in India included in the consolidated financial statements, whose financial statements reflect the total assets of ₹ 1582.49 crore as at 31st March, 2014 and total revenue for the year ended 31st March, 2014 of ₹ 432.83 crore, are based on unaudited financial statements, certified by management.

- (iii) The financial statements of an associate included in the consolidated financial statements, whose financial statements reflect the Group's share of loss of ₹ 16.59 crore for the year ended 31st March, 2014 and Group's share of loss of ₹ 43.89 crore upto 31st March, 2014 and having a carrying value of ₹ 56.34 crore as at 31st March, 2014, are based on unaudited financial statements.
- (iv) As explained by the management, adjustments as may be required to the aforesaid financial statements are not expected to be significant and would be carried out upon completion of respective audits.

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

A. M. Hariharan
Partner
Membership No. 38323

Place: Mumbai
Date : 30th April, 2014

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2014

				₹ crore
Particulars	Note	As at 31 st March, 2014	As at 31 st March, 2013	
I EQUITY AND LIABILITIES				
(1) Shareholders' fund:				
(a) Share capital	2	1,640.05	1,640.05	
(b) Reserves and surplus	3	4,931.12	4,563.71	
		6,571.17	6,203.76	
(2) Minority Interest		50.32	45.23	
(3) Non-current liabilities:				
(a) Long term borrowings	4	8,932.32	8,852.67	
(b) Deferred tax liabilities (net)	26(xi)	193.29	152.42	
(c) Other long term liabilities	5	1.86	1.86	
(d) Long term provisions	6	30.93	30.57	
		9,158.40	9,037.52	
(4) Current liabilities:				
(a) Short term borrowings	7	207.69	646.76	
(b) Trade payables	8	1,640.51	2,567.84	
(c) Other current liabilities	9	1,226.85	1,487.21	
(d) Short term provisions	10	389.45	389.78	
		3,464.50	5,091.59	
TOTAL		19,244.39	20,378.10	
II ASSETS				
(1) Non-current assets:				
(a) Fixed assets	11			
(i) Tangible assets		13,352.32	13,543.47	
(ii) Intangible assets		271.79	351.85	
(iii) Goodwill on consolidation		10.60	27.99	
(iv) Capital work-in-progress		614.58	977.20	
(v) Assets held for disposal		-	1.56	
(b) Non-current investments	12	253.50	271.42	
(c) Long term loans and advances	13	1,382.06	1,399.22	
(d) Other non-current assets	14	99.22	67.69	
		15,984.07	16,640.40	
(2) Current assets:				
(a) Current investments	15	634.19	683.56	
(b) Inventories	16	415.77	441.47	
(c) Trade receivables	17	1,197.63	1,848.74	
(d) Cash and bank balances	18	567.45	398.98	
(e) Short term loans and advances	19	204.79	223.97	
(f) Other current assets	20	240.49	140.98	
		3,260.32	3,737.70	
TOTAL		19,244.39	20,378.10	
Significant Accounting Policies	1			
Notes forming integral part of the financial statements	2 - 26			

As per our attached report of even date

For and on behalf of the Board of Directors

For **LODHA & CO.**

Chartered Accountants

SANJAY SAGAR

Jt. Managing Director & CEO

SAJJAN JINDAL

Chairman and Managing Director

A.M. HARIHARAN

Partner

SAMPATH MADHAVAN

Company Secretary

PRAMOD MENON

Director- Finance

Place : Mumbai

Date : 30th April, 2014

CONSOLIDATED PROFIT AND LOSS STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2014

₹ crore

Particulars	Note	For the Year Ended 31 st March, 2014	For the Year Ended 31 st March, 2013
I Revenue from operations	21	8,705.42	8,934.30
II Other income	22	202.21	213.43
III Total revenue (I + II)		8,907.63	9,147.73
IV Expenses:			
Cost of fuel		4,137.35	4,295.92
Purchase of power / Solar panels		840.95	1,148.21
Increase in banked energy / Inventory		(188.35)	(2.56)
Employee benefits expense	23	133.42	126.76
Finance costs	24	1,205.94	962.79
Depreciation and amortisation expense		809.95	661.53
Other expenses	25	530.65	572.78
Total expenses		7,469.91	7,765.43
V Profit before exceptional item and tax (III-IV)		1,437.72	1,382.30
VI Exceptional items	26(ix)	377.69	196.59
VII Profit before tax (V-VI)		1,060.03	1,185.71
VIII Tax Expenses:			
Current tax		240.79	243.92
Deferred tax		42.81	29.39
		283.60	273.31
IX Profit for the year before share of loss of Associates and Minority Interest (VII-VIII)		776.43	912.40
X Share of loss of Associate Company		16.59	11.68
XI Minority Interest		5.10	(2.93)
XII Profit for the year		754.74	903.65
XIII Earnings per share of face value of ₹ 10 each (Basic & Diluted)	26(viii)	4.60	5.51
Significant Accounting Policies	1		
Notes forming integral part of the financial statements	2 - 26		

As per our attached report of even date

For and on behalf of the Board of Directors

For **LODHA & CO.**
Chartered Accountants

SANJAY SAGAR
Jt. Managing Director & CEO

SAJJAN JINDAL
Chairman and Managing Director

A.M. HARIHARAN
Partner

SAMPATH MADHAVAN
Company Secretary

PRAMOD MENON
Director- Finance

Place : Mumbai
Date : 30th April, 2014

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	₹ crore	
	For the year ended 31 st March, 2014	For the year ended 31 st March, 2013
I CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	1,060.03	1,185.71
Adjusted for:		
Depreciation / Amortisation	809.95	661.53
Provision for Impairment	64.69	-
Interest Income	(100.85)	(101.78)
Dividend Income	(9.13)	(5.25)
Income from Current Investments	(65.04)	(44.88)
Expense on Employee Stock Option Scheme	-	0.01
Loss on Sale / Discard of Fixed Assets	3.41	7.68
Unrealised Foreign Exchange (Gain) / Loss	53.16	8.89
Finance Costs	1,205.94	962.79
	1,962.13	1,488.99
Operating profit before working capital changes	3,022.16	2,674.70
Adjustments for:		
Trade and Other Receivables	651.11	(784.76)
Trade Payables including Advance received from customers	(1,012.67)	(31.21)
Loans & Advances	(158.39)	(195.80)
Inventories	25.71	324.37
	(494.24)	(687.40)
Cash generated from operations	2,527.92	1,987.30
Direct Taxes Paid (net)	(258.80)	(262.68)
NET CASH FLOW FROM OPERATING ACTIVITIES	2,269.12	1,724.62
II CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets including CWIP & Pre-operative Expenses	(494.01)	(978.25)
Interest Income	114.16	96.84
Dividend Income	9.13	5.25
Income from Sale of Current Investments	65.04	44.88
Investments (including advance against share capital) in :		
Associates / Joint Ventures	(2.98)	(36.00)
Investment in Own Debentures	107.82	(83.57)
Sale of Fixed Assets	5.03	6.74
NET CASH USED IN INVESTING ACTIVITIES	(195.81)	(944.11)
III CASH FLOW FROM FINANCING ACTIVITIES		
Borrowings (net)	(270.11)	381.86
Finance Costs	(1,205.18)	(970.97)
Dividend Paid (includes tax on dividend)	(383.76)	(95.30)
NET CASH USED IN FINANCING ACTIVITIES	(1,859.05)	(684.41)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (I+II+III)	214.26	96.10
CASH AND CASH EQUIVALENTS - OPENING BALANCE	971.65	875.55
CASH AND CASH EQUIVALENTS - CLOSING BALANCE (Refer note 18)	1,185.91	971.65

Notes :

- The above cash flow statement has been prepared by using the indirect method as per Accounting Standard 3.
- Cash and cash equivalents includes ₹ 634.19 crore (Previous Year ₹ 575.74 crore) being current investments in Mutual Funds & Certificate of Deposits.
- Previous year's figures have been re-grouped / re-arranged wherever necessary to conform to current year's classification.

As per our attached report of even date

For and on behalf of the Board of Directors

For **LODHA & CO.**
Chartered Accountants

SANJAY SAGAR
Jt. Managing Director & CEO

SAJJAN JINDAL
Chairman and Managing Director

A.M. HARIHARAN
Partner

SAMPATH MADHAVAN
Company Secretary

PRAMOD MENON
Director- Finance

Place : Mumbai

Date : 30th April, 2014

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

Note 1

SIGNIFICANT ACCOUNTING POLICIES:

1.1 Overview of the Group

JSW Energy Limited (the Parent company), its Subsidiaries, Associates and Joint Venture Entities, collectively is referred to as 'the Group'. The Group is primarily engaged in the business of generation and transmission of power, operation & maintenance of power plants, power trading including coal / lignite mining.

1.2 Significant accounting policies followed by the Group:

(a) Basis of preparation:

The consolidated financial statements (CFS) are prepared in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements", Accounting Standard (AS) 23 - "Accounting for Investments in Associates in Consolidated Financial Statements" and Accounting Standard (AS) 27 - "Financial Reporting of Interests in Joint Ventures", prescribed by the Company's (Accounting Standards) Rules, 2006.

(b) Principles of Consolidation :

(i) The financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under the Accounting Standard (AS) 21, "Consolidated Financial Statements". The financial statements of the Parent Company and its Subsidiaries are consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and the unrealized profits/losses on

intra-group transactions, and are presented to the extent possible, in the same manner as the Parent Company's independent financial statements.

Associates are consolidated by adopting the equity method of accounting whereby the carrying amount of the investment is adjusted for the post acquisition change in the investor's share of net assets of the investee.

Investments in Joint Ventures are consolidated using proportionate consolidation method on a line-by-line basis, after eliminating intra-group balances and unrealized profits and losses resulting from transactions between the Company and the Joint Venture Companies to the extent of Company's share in the Joint Ventures.

As far as possible, the Consolidated Financial Statements of the Group have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

(ii) Goodwill / Capital Reserve on consolidation

The excess of cost to the Parent company of its investment in Subsidiary Companies, Joint Ventures and Associate Companies over the Parent's portion of equity, at the date on which investment in Subsidiaries, Joint Ventures and Associate Companies is made, is recognized as Goodwill in the Consolidated Financial Statements. When the cost to the Parent Company is less than the Parent's portion of equity, the difference is recognized in the financial statements as Capital Reserve.

(iii) Companies included in Consolidation

Particulars	Country of Incorporation	Shareholding either directly or through subsidiaries/associates as at	
		31 st March, 2014	31 st March, 2013
On the basis of audited financial statements:			
Subsidiaries:			
JSW Power Trading Company Limited (JSWPTCL)	India	100.00%	100.00%
Jaigad PowerTransco Limited (JPTL)	India	74.00%	74.00%
Raj WestPower Limited (RWPL)	India	100.00%	100.00%
JSW Energy (Raigarh) Limited (JSWRL)	India	100.00%	100.00%
JSW Green Energy Limited (JSWGEL)	India	100.00%	100.00%
JSW Energy Minerals Mauritius Limited (JSWEMML)	Mauritius	100.00%	100.00%
JSW Energy Natural Resources Mauritius Limited (JSWNRML)	Mauritius	100.00%	100.00%
JSW Energy Natural Resources (BVI) Limited (JSWNRBL)	British Virgin Islands	100.00%	100.00%
South African Coal Mining Holdings Limited (SACMH)	South Africa	93.27%	93.27%
On the basis of unaudited financial statements, certified by the Management:			
Subsidiaries:			
P.T Param Utama Jaya (PTPUJ) (upto 28 th February 2014)	Indonesia	-	100.00%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	Country of Incorporation	Shareholding either directly or through subsidiaries/associates as at	
		31 st March, 2014	31 st March, 2013
JSW Energy Natural Resources South Africa (Pty) Limited (JSWENRSAL)	South Africa	100.00%	100.00%
Royal Bafokeng Capital (Pty) Limited (RBC)	South Africa	100.00%	100.00%
Mainsail Trading 55 Proprietary Limited (MTPL)	South Africa	100.00%	100.00%
Ilanga Coal Mines Proprietary Limited	South Africa	93.27%	93.27%
Jigmining Operations No. 1 Proprietary Limited	South Africa	93.27%	93.27%
Jigmining Operations No. 3 Proprietary Limited	South Africa	93.27%	93.27%
Sacm (Breyten) Proprietary Limited	South Africa	93.27%	93.27%
Sacm (Newcastle) Proprietary Limited	South Africa	93.27%	93.27%
South African Coal Mining Equipment Company Proprietary Limited	South Africa	93.27%	93.27%
South African Coal Mining Operations Proprietary Limited	South Africa	93.27%	93.27%
Umlabu Colliery Proprietary Limited	South Africa	93.27%	93.27%
Voorlag Coal Handling Proprietary Limited	South Africa	93.27%	93.27%
Yomhlaba Coal Proprietary Limited	South Africa	93.27%	93.27%
JSW Energy Natural Resource UK Limited (From 12 th September, 2013)	United Kingdom	100.00%	-
Joint Venture Companies:			
Barmer Lignite Mining Company Limited (BLMCL)	India	49.00%	49.00%
Associates:			
Toshiba JSW Power Systems Private Limited (TJPSPL) (formerly Toshiba JSW Turbine & Generator Private Limited)	India	22.52%	21.33%

- (iv) MJSJ Coal Limited has been excluded from consolidation and for disclosure of interest in accordance with relevant accounting standards, as the group does not have any control over the said Joint Venture entity.

(c) General

- i. The financial statements are prepared under the historical cost convention, on the accounting principles of a going concern.
- ii. All expenses and income to the extent ascertainable with reasonable certainty are accounted for on accrual basis.
- iii. The preparation of financial statements are in conformity with generally accepted accounting principles (GAAP), which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively.
- iv. All assets and liabilities have been classified as current or non-current as per the Group's

normal operating cycle and other criteria set out in the revised Schedule VI to the Companies Act, 1956.

(d) Revenue Recognition

- i. Revenue is recognised based on the nature of activity when consideration can be reasonably measured and there exists reasonable certainty of its recovery.
Revenue from sale of power / coal / other items is recognised when substantial risks and rewards of ownership is transferred to the buyer under the terms of the contract. Power supplied under banking arrangements is accounted as per terms of agreements. Quantity of power banked is recorded as a loan transaction valued at cost or net realizable value whichever is lower and recognised as revenue when the same is returned and sold to an ultimate customer.
- ii. Transmission Income is accounted for on accrual basis for the period of operation of the transmission line computed based on the approved Annual Revenue Requirement (ARR) or where the ARR is not approved, on the basis of the tariff order. Where neither the ARR nor

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

the tariff order are approved, transmission income is accounted as per Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations 2011 (MERC Regulations) where under, transmission income is computed by taking the total costs, contingency provision and Return on Equity (ROE) @ 15.5% on post-tax basis and after grossing up with the applicable income taxes for the purpose of revenue. Any difference between the total annual revenue recognised as aforesaid and the annual revenue as approved by MERC in respect of ARR / Truing up Petition filed, is adjusted / recognised during the accounting period in which approval of the ARR / Truing up Petition, as the case may be, is received from MERC.

- iii. Revenue from construction contracts is recognised by reference to the overall estimated profitability of the contract under the percentage of completion method. Foreseeable losses in any contract are provided irrespective of the stage of completion of the contract activity. The stage of completion of the contract is determined considering the nature of the contract, technical evaluation of work completed / measurement of physical progress and proportion of the cost incurred to the estimated total cost.

Contract costs comprise all costs that relate directly to the specified contract, incidental costs attributable to the contract including allocated overheads and warranty costs.

- iv. Operator fees and other income are accounted on accrual basis as and when the right to receive arises.

(e) Fixed Assets

Tangible Assets:

Fixed assets are recorded at cost which includes all direct and indirect expenses up to the date of acquisition, installation or the commencement of commercial operations.

In case of commissioned assets, work against deposits / works contracts where final settlement of bills with contractors is yet to be effected; capitalization is done on a provisional basis subject to necessary adjustments in the year of final settlement.

Transmission system assets are considered "put to use", for the purpose of capitalization, after test charging / successful commissioning of the system/ assets and on completion of stabilization period wherever technically required.

Expenditure incurred during construction period:

Apart from costs related directly to the construction of an asset, indirect expenses incurred up to the date of commencement of commercial production

which are incidental and related to construction are capitalized as part of construction cost. Income, if any, earned during the construction period is reduced from indirect cost.

Intangible Assets:

An item is recognized as an intangible asset if it meets the definition of an intangible asset, it is probable that future economic benefits will flow to the Group and the cost of the assets can be reliably measured.

(f) Capital Work in Progress (CWIP)

Capital work-in-progress comprises of the cost of fixed assets that are not yet ready for their intended use at the reporting date.

Cost of material consumed, erection charges thereon along with other related expenses incurred for the projects are shown as CWIP for capitalization.

Expenditure attributable to construction of fixed assets are identified and allocated on a systematic basis to the cost of the related assets.

Interest during construction and expenditure (net) allocated to construction are apportioned to CWIP on the basis of the closing balance of specific asset or part of asset being capitalized. The balance, if any, left after such capitalization is kept as a separate item under the CWIP.

Claims for price variation / exchange rate variation in case of contracts are accounted for on acceptance / receipt of claims.

Any other expenditure which is not directly or indirectly attributable to the construction of the Project / construction of the Fixed Asset is charged off to profit and loss statement in the period in which they are incurred.

(g) Depreciation and amortization

Depreciation is provided on Straight Line Method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956 or as notified by Central Electricity Regulatory Commission (CERC), whichever is higher.

Assets held under Finance lease are depreciated over their expected useful life or where shorter, the term of the relevant lease.

In case of foreign subsidiaries, depreciation is charged on a systematic basis over the estimated useful lives of the assets, after taking into account the estimated residual value of the assets. Mineral Rights are amortized on a straight line basis over its estimated useful life.

Lease Improvement costs are amortized over the period of the lease. Leasehold Land acquired by the Group, with an option in the lease deed, entitling the

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

Group to purchase on outright basis after a certain period at no additional cost is not amortized.

Surface Rights on Land and Rights under the Implementation and Joint Venture Agreement are amortised on the basis of lignite actually extracted during the period as a proportion to the estimated quantity of extractable mineral reserves.

(h) Provision for Mine closure charges and Decommissioning and environmental rehabilitation

- i) The Group's Joint Venture Company provides for Annual mine closure cost based on the Guidelines for preparation of Mine Closure Plan issued by the Ministry of Coal, Government of India.
- ii) In case of a foreign subsidiary, provision is made for environmental rehabilitation and decommissioning costs where either a legal or constructive obligation is recognized as a result of past events. Estimates are based upon costs that are regularly reviewed and adjusted as appropriate for new circumstances.

Provisions are raised in the rehabilitation provision, operated in accordance with the statutory requirements, to provide for the estimated cost of pollution control and rehabilitation during and at the end of the life of the mine.

The long term obligation resulting from environmental disturbances associated with the Group mining operations estimates are determined by independent environmental specialists in accordance with environmental regulations and valued over the expected period of the programme.

(i) Borrowing Costs

- i) Borrowing Costs directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets up to the date when such asset is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. The borrowing cost eligible for capitalization is netted off against any income arising on temporary investment of those borrowings. The capitalization of the borrowing costs shall cease when substantially all activities necessary to prepare the qualifying asset for its intended use are completed.
- ii) Expenses incurred in connection with the arrangement of borrowings are written off over the period of the borrowing.
- iii) Other borrowing costs are charged to revenue.

(j) Investments

Long term Investments are stated at cost. In case of

a decline, other than temporary, in the value of any investments, a provision is made for the same.

Current investments are stated at lower of cost and fair value.

(k) Inventories

Inventories are valued at lower of cost and net realisable value. Cost is determined on the weighted average basis for valuation. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Obsolete, defective and unserviceable stocks are duly provided for.

(l) Foreign Currency Transactions

Foreign Currency transactions are initially recorded at the exchange rates prevailing on the date of the transaction. Foreign Currency assets and liabilities (monetary items) are reported at the exchange rate prevailing on the balance sheet date.

All exchange differences arising on reporting of short term foreign currency monetary items at rates different from those at which they were initially recorded are recognized in the Profit and Loss Statement.

In respect of foreign exchange differences arising on revaluation or settlement of long term foreign currency monetary items, the Group has availed the option available in the Companies (Accounting Standard) (Second Amendment) Rules 2011, wherein:

- i. Foreign exchange differences on account of depreciable asset, is adjusted in the cost of depreciable asset and the charge of depreciation is accordingly increased / reduced.
- ii. In other cases, foreign exchange differences are accumulated in "Foreign Currency Monetary Item Translation Difference Account" and amortized over the balance period of such long term assets / liabilities.

Non-monetary items such as investments are carried at historical cost using the exchange rates on the date of the transaction.

Forward contracts other than those entered into to hedge foreign currency risk on unexecuted firm commitments or of highly probable forecast transactions are treated as foreign currency transactions and accounted accordingly. Exchange differences arising on such contracts are recognized in the period in which they arise and the premium paid is accounted as expense over the period of the contract.

In translating the financial statements of subsidiary companies' non-integral foreign operations, for incorporation in the consolidated financial statements, the assets and liabilities, both monetary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

and non monetary are translated at the closing rate, the income and expense items of the subsidiary company are translated at average exchange rates and all resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

All other exchange differences are dealt with in the Profit and Loss Statement

(m) Employee benefits

Retirement benefits in the form of Provident Fund and Family pension Scheme are defined contribution schemes and the contributions are charged to the profit and loss statement of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

Stock Based Compensation - The compensation cost of stock options granted to employees is calculated using the intrinsic value method of the stock options. The compensation expense is amortised uniformly over the vesting period of the option in accordance with the Guidance note on Share based payments issued by the Institute of Chartered Accountant of India.

Employee benefits under defined benefit plans, such as Gratuity and Compensated absence is provided for on the basis of the actuarial valuation made at the end of each financial year.

Actuarial gains / losses are immediately taken to profit and loss statement and are not deferred.

(n) Taxation

Income tax expenses comprise current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charges or credit (reflecting the tax effects of timing differences between accounting income and taxable income of the year).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted on the balance sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain as the case may be, to be realised.

Tax credit is recognised in respect of Minimum Alternate Tax (MAT) paid under the Income Tax Act, 1961 based on convincing evidence that the Group will pay normal income tax within the statutory time frame and the same is reviewed at each balance sheet date.

(o) Provisions and Contingent Liabilities

Provisions are recognised based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date when;

- a) the Group has a present obligation as a result of a past event
- b) a probable outflow of resources is expected to settle the obligation and
- c) the amount of the obligation can reliably be estimated

Where some or all the expenditure required to settle a provision is expected to be reimbursed by another party, such reimbursement is recognised to the extent of provision or contingent liability as the case may be, only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in the case of:

- a) a present obligation arising from a past event, when it is not probable that a outflow of resources will be required to settle the obligation or a reliable estimate of the amount of obligation cannot be made.
- b) a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the enterprise.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

₹ crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 2 SHARE CAPITAL		
Authorised:		
5,000,000,000 (Previous Year 5,000,000,000) Equity Shares of ₹ 10 each	5,000.00	5,000.00
Issued, Subscribed and paid-up:		
1,640,054,795 (Previous Year 1,640,054,795) Equity Shares of ₹ 10 each	1,640.05	1,640.05
	1,640.05	1,640.05

a) **Reconciliation of the number of shares outstanding at the beginning and end of the year:**

Particulars	No. of Shares	
	As at 31 st March, 2014	As at 31 st March, 2013
Balance as at the beginning of the year	1,640,054,795	1,640,054,795
Issued during the year	-	-
Balance as at the end of the year	1,640,054,795	1,640,054,795

b) **Terms & Rights attached to equity shares :**

- (i) The Company has only one class of equity shares having a par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the Shareholders in the ensuing Annual General Meeting.
- (ii) In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to the shareholding. However, no such preferential amount exists currently.

c) **Details of shareholding more than 5% :**

Particulars	No. of Shares	
	As at 31 st March, 2014	As at 31 st March, 2013
1 JSW Investments Private Limited	475,478,198	536,201,147
	28.99%	32.69%
2 Sun Investments Private Limited	145,736,700	270,892,170
	8.89%	16.52%
3 Vrindavan Services Private Limited	-	110,146,190
	-	6.72%
4 JSW Steel Limited	98,878,500	77,980,500
	6.03%	4.75%
5 Sahyog Tradcorp Private Limited	229,298,660	-
	13.98%	-

d) **Aggregate number of Bonus shares issued and shares issued for consideration other than cash during the last five years:**

Particulars	No. of Shares	
	As at 31 st March, 2014	As at 31 st March, 2013
(i) Equity Shares issued as fully paid bonus shares by capitalisation of General Reserve and Surplus in Profit and Loss Statement	819,856,914	819,856,914
(ii) Equity Shares allotted pursuant to the scheme of Amalgamation without consideration being received in cash	-	31,816,044

₹ crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 3 RESERVES AND SURPLUS		
Debt Redemption Reserve:		
Balance as at the beginning of the year	461.08	325.85
Add: Additions during the year	73.69	135.23
Balance as at the end of the year	534.77	461.08
General Reserve:		
Balance as at the beginning of the year	165.97	91.49
Add: Additions during the year	45.19	74.48
Add: Transferred from share options outstanding account	2.20	-
Balance as at the end of the year	213.36	165.97
Securities Premium Account:		
Balance as at the beginning and end of the year	2,380.81	2,380.81

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	₹ crore	
	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 3 RESERVES AND SURPLUS (Contd.)		
Share Options Outstanding Account [Refer Note 26 (v) (c)]:		
Balance as at the beginning of the year	2.91	2.90
Add : Additions during the year	-	0.01
Less: Transferred to general reserve	2.20	-
Balance as at the end of the year	0.71	2.91
Foreign Currency Translation Reserve:		
Balance as at the beginning of the year	(19.65)	(15.32)
Add: Adjustments during the year	0.18	(4.33)
Balance as at the end of the year	(19.47)	(19.65)
Contingency Reserve:		
Balance as at the beginning of the year	3.25	1.86
Add: Additions during the year	1.39	1.39
Balance as at the end of the year	4.64	3.25
Surplus:		
Balance as at the beginning of the year	1,569.34	1,272.43
Add: Profit during the year	754.74	903.65
Less: Share of Loss of Associate upto previous year	3.75	11.88
Less: Transfer to Debenture Redemption Reserve	73.69	135.23
Less: Transfer to Contingency Reserve	1.39	1.39
Less: Transfer to General Reserve	45.19	74.48
Less: Proposed Dividend @ ₹ 2 per share (Previous Year ₹ 2 per share)	328.01	328.01
Less: Dividend Distribution Tax	55.75	55.75
Balance as at the end of the year	1,816.30	1,569.34
	4,931.12	4,563.71

Particulars	₹ crore			
	As at 31 st March, 2014 Non-Current	As at 31 st March, 2014 Current	As at 31 st March, 2013 Non-Current	As at 31 st March, 2013 Current
NOTE: 4 LONG TERM BORROWINGS				
Secured Loans				
1. Debentures:				
a) 12,000 (Previous Year 12,000) 9.75% Secured Redeemable Non- Convertible Debentures of ₹ 10 lakh each	1,200.00	-	1,200.00	-
b) 20,400 (Previous Year 22,800) Ranging from 9.20% to 9.75% Secured Redeemable Non- Convertible Debentures of ₹ 10 lakh each	1,800.00	240.00	2,040.00	240.00
2. Term Loans:				
a) Banks	4,996.11	628.48	4,561.47	536.15
b) Financial Institutions	877.15	91.70	977.25	95.16
c) Foreign Currency Term Loan from Bank (ECB)	50.04	6.26	50.94	5.66
Total Secured Loans	8,923.30	966.44	8,829.66	876.97
Unsecured Loans				
1) Term Loans:				
a) Banks	-	-	13.68	-
b) Finance Lease Obligations	-	-	-	0.15
c) Other parties	0.58	-	0.58	-
2) Other Loans & Advances:				
Other Loans	8.44	-	8.75	-
Total Unsecured Loans	9.02	-	23.01	0.15
	8,932.32	966.44	8,852.67	877.12

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	₹ crore	
	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 5 OTHER LONG TERM LIABILITIES		
Other payables:		
Security deposits	1.86	1.86
	1.86	1.86

Particulars	₹ crore	
	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 6 LONG TERM PROVISIONS		
Employee Benefits	7.43	6.20
Provision for Rehabilitation [Refer Note 1.2 (h)]	23.50	24.37
	30.93	30.57

Particulars	₹ crore	
	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 7 SHORT TERM BORROWINGS		
Secured Loans		
Term Loans:		
a) Banks	25.00	-
b) Financial Institutions	-	50.00
Other Loans & Advances:		
Working Capital Loan from Banks	182.69	209.42
Unsecured Loans		
Term Loans:		
Banks	-	387.34
	207.69	646.76

Particulars	₹ crore	
	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 8 TRADE PAYABLES		
Acceptances	1,357.88	1,696.05
Trade Payables	282.63	871.79
	1,640.51	2,567.84

Particulars	₹ crore	
	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 9 OTHER CURRENT LIABILITIES		
Current maturities of long term debentures and term loans	966.44	877.12
Interest accrued but not due on borrowings	25.70	24.94
Advances from customers	3.51	2.07
Unclaimed dividend	0.42	0.26
Unclaimed share application money refunds	0.02	0.03
Payables and Acceptances (Capital Goods / Projects)	184.54	532.92
Other payables:		
Statutory dues	12.26	18.03
Employee benefit expenses payable	18.55	17.84
Security deposits	1.33	1.16
Others	14.08	12.84
	1,226.85	1,487.21

Particulars	₹ crore	
	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 10 SHORT TERM PROVISIONS		
Employee Benefits	3.73	4.23
Provision for Mine closure charges and Rehabilitation [Refer Note 1.2(h)]	1.67	1.73
Proposed Dividend	328.01	328.01
Dividend Distribution Tax	55.75	55.75
Other Provisions	0.29	0.06
	389.45	389.78

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

Note : 11 | FIXED ASSETS

₹ crore

Particulars	Gross Block				Depreciation / Amortisation / Impairment				Net Block	
	As at 1 st April, 2013	Additions	Deductions / Adjustments	As at 31 st March, 2014	Upto 31 st March, 2013	For the year	Deductions / Adjustments	Upto 31 st March, 2014	As at 31 st March, 2014	As at 31 st March, 2014
A) Tangibles										
Leasehold Land [Refer note (a) below]	15.68	0.06	-	15.74	0.04	0.02	-	0.06	15.68	15.68
Freehold Land [Refer note (b) below]	137.71	8.79	0.27	146.23	-	-	-	-	146.23	146.23
Buildings [Refer note (c) below]	1,408.91	334.68	1.78	1,741.81	83.89	53.82	0.58	137.13	1,604.68	1,604.68
Plant and Equipment [Refer note (d) below]	14,019.73	314.91	102.68	14,231.96	1,983.03	743.04	3.44	2,722.63	11,509.33	11,509.33
Plant and Equipment - under lease	9.30	-	0.33	8.97	9.30	-	0.33	8.97	-	-
Office Equipment	12.13	25.88	0.22	37.79	4.94	2.32	0.05	7.21	30.58	30.58
Furniture and Fixtures	18.69	25.64	0.34	43.99	5.17	2.33	0.21	7.29	36.70	36.70
Motor Vehicles	10.49	3.04	0.58	12.95	3.09	1.17	0.41	3.85	9.10	9.10
Leasehold Improvements	1.84	-	1.09	0.75	1.55	0.27	1.09	0.73	0.02	0.02
Total	15,634.48	713.00	107.29	16,240.19	2,091.01	802.97	6.11	2,887.87	13,352.32	13,352.32
B) Intangibles										
Specialised Softwares	8.56	-	-	8.56	6.74	1.32	-	8.06	0.50	0.50
Membership-Power Trading Exchanges	0.33	-	-	0.33	0.33	-	-	0.33	-	-
Mineral Rights [Refer note (e) below]	231.29	-	8.25	223.04	25.07	64.69	-	89.76	133.28	133.28
Rights under the Implementation and JV Agreement	1.67	-	-	1.67	0.09	0.06	-	0.15	1.52	1.52
Surface Rights	150.94	-	-	150.94	8.71	5.74	-	14.45	136.49	136.49
Total	392.79	-	8.25	384.54	40.94	71.81	-	112.75	271.79	271.79
C) Assets Under Disposal										
Plant and Equipment	1.56	-	1.56	-	-	-	-	-	-	-
Total	1.56	-	1.56	-	-	-	-	-	-	-
TOTAL (A + B+C)	16,028.83	713.00	117.10	16,624.73	2,131.95	874.78	6.11	3,000.62	13,624.11	13,624.11

- a. Includes Leasehold 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 and there will be no further consideration payable at the time of conversion of the same from leasehold to freehold.
- b. i) Group has leased 1.18 acres (Previous Year ₹ 1.18 acres) of land amounting to ₹ 0.35 crore (Previous Year ₹ 0.35 crore) to a related party for 99 years, with an option to purchase the same after 10 years.
ii) The Group has leased land measuring 12.75 acres (Previous Year 12.75 acres) amounting to ₹ 1.17 crore (Previous Year ₹ 1.17 crore), 3.325 acres (Previous Year 3.325 acres) amounting to ₹ 0.50 crore (Previous Year ₹ 0.50 crore) and 35 acres (Previous Year 35 acres) amounting to ₹ 0.16 crore (Previous Year ₹ 0.16 crore) to related parties for a period of 50 years, 25 years and 28 years respectively.
- c. Includes ₹ 286.77 crore being cost of office premises located at Mumbai, jointly owned (50%) with an Associate.
- d. Includes Gross block ₹ 28.00 crore (Previous Year ₹ 28.00 crore); Net block ₹ 100 (Previous Year ₹ 100) towards Group's share of Water Supply System constructed on land not owned by the Group, written off over a period of 10 years from 1st April, 2000.
- e. Includes ₹ 64.69 crore towards provision for impairment made during the year.
- f. Additions include Borrowing costs of ₹ 97.61 crore (Previous year ₹ 658.58 crore) and foreign exchange loss of ₹ 14.46 crore (Previous Year ₹ 49.75 crore) .

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

Note 11 FIXED ASSETS (Contd.)

Particulars	Gross Block			Depreciation / Amortisation			Net Block		
	As at 1st April, 2012	Additions	Deductions	As at 31st March, 2013	Upto 31st March, 2012	For the year	Deductions	Upto 31st March, 2013	As at 31st March, 2013
A. Tangible									
Leasehold Land	15.30	0.38	-	15.68	-	0.04	-	0.04	15.64
Freehold Land	125.13	13.58	1.00	137.71	-	-	-	-	137.71
Buildings	959.43	455.94	6.46	1,408.91	44.84	40.23	1.18	83.89	1,325.02
Plant and Equipment	10,864.71	3,205.16	50.14	14,019.73	1,389.78	600.33	7.08	1,983.03	12,036.70
Plant and Equipment - under lease	11.50	-	2.20	9.30	6.27	3.75	0.72	9.30	-
Office Equipment	9.90	2.68	0.45	12.13	4.32	1.00	0.38	4.94	7.19
Furniture and Fixtures	14.34	4.87	0.52	18.69	3.85	1.50	0.18	5.17	13.52
Motor Vehicles	10.37	0.56	0.44	10.49	2.18	1.04	0.13	3.09	7.40
Leasehold Improvements	1.84	-	-	1.84	1.27	0.28	-	1.55	0.29
Total	12,012.52	3,683.17	61.21	15,634.48	1,452.51	648.17	9.67	2,091.01	13,543.47
B. Intangible									
Specialised Softwares	8.41	0.15	-	8.56	5.35	1.39	-	6.74	1.82
Membership-Power Trading Exchanges	0.33	-	-	0.33	0.33	-	-	0.33	-
Mineral Rights	261.27	1.03	31.01	231.29	20.40	7.01	2.34	25.07	206.22
Rights under the Implementation and JV Agreement	1.67	-	-	1.67	0.02	0.07	-	0.09	1.58
Surface Rights	142.61	8.33	-	150.94	3.22	5.49	-	8.71	142.23
Total	414.29	9.51	31.01	392.79	29.32	13.96	2.34	40.94	351.85
C. Assets Under Disposal									
Plant and Equipment	-	1.56	-	1.56	-	-	-	-	1.56
Total	-	1.56	-	1.56	-	-	-	-	1.56
TOTAL (A+B+C)	12,426.81	3,694.24	92.22	16,028.83	1,481.83	662.13	12.01	2,131.95	13,896.88

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	₹ crore	
	As at 31 st March, 2014	As at 31 st March, 2013
NOTE : 11 FIXED ASSETS [Contd.]		
CAPITAL WORK-IN-PROGRESS AND PRE-OPERATIVE EXPENDITURE DURING CONSTRUCTION PERIOD AND TRIAL RUN PRODUCTION (PENDING ALLOCATION):		
Plant and Equipment under installation	295.05	2,724.35
Rights under the Implementation and Joint Venture Agreement	3.33	3.33
Building Under Construction (Office premises located at Mumbai, jointly owned (50%) with an Associate)	506.20	484.65
Civil Works	27.57	47.08
	832.15	3,259.41
Less: Amount Transferred to Fixed Assets	452.58	2,569.84
Sub Total (A)	379.57	689.57
PRE-OPERATIVE EXPENDITURE DURING CONSTRUCTION PERIOD & TRIAL RUN		
Opening Balance	287.63	909.62
Power, Water and Fuel	0.13	27.31
Employees Cost	3.66	10.42
Insurance	0.12	5.28
Rent, Rates and Taxes	3.24	2.60
Legal and Professional Expenses	1.60	6.27
Travelling and Conveyance	0.30	3.17
Project Management Expenses	-	32.30
Finance Costs	69.65	234.78
Foreign Exchange Loss / (Gain)	2.04	24.32
CSR Expenses	0.07	0.30
Material Handling Charges	1.69	5.72
Compensatory Afforestation Expenses	0.04	10.77
Catchment Area Treatment Expenses	-	45.00
Local Area Development Expenses	0.10	7.56
Other Expenses	1.85	12.74
Depreciation	0.14	0.58
	372.26	1,338.74
Less : Revenue from Sale of Power	-	17.32
Less : Interest Income	3.34	3.84
Less: Amount Transferred to Fixed Assets	126.98	1,029.95
Less: Amount Transferred to Profit and Loss Statement	6.93	-
Sub Total (B)	235.01	287.63
Total (A+B)	614.58	977.20

Particulars	₹ crore	
	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 12 NON-CURRENT INVESTMENTS		
LONG TERM		
A) Trade Investments		
Investments in Equity Shares (Quoted) :		
7,003,835 (Previous Year 7,003,835) Equity Shares of ₹ 10 each fully paid up of JSW Steel Limited - Associate	151.70	151.70
	151.70	151.70
Investments in Equity Shares (Unquoted) :		
Joint Venture Company		
10,461,000 (Previous Year 10,461,000) Equity Shares of ₹ 10 each fully paid up of MJSJ Coal Limited	10.46	10.46

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	₹ crore	
	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 12 NON-CURRENT INVESTMENTS (Contd.)		
Associate Company:		
99,877,405 (Previous Year 97,250,000) Equity Shares of ₹ 10 each fully paid up of Toshiba JSW Power Systems Private Limited	56.34	73.69
Other Companies:		
a. 1,250,000 (Previous Year 1,250,000) Equity Shares of ₹ 10 each fully paid up of Power Exchange India Limited	1.25	1.25
b. 5,000 (Previous Year 5,000) Equity Shares of Rand 10,100 each fully paid up of Richard Bay Coal Terminal Company Limited	28.71	29.78
	96.76	115.18
Investments in Preference Shares (Unquoted) :		
503,000 (Previous Year 453,000) 10% Redeemable Non - Cumulative Preference Shares of ₹ 100 each fully paid up of JSW Realty & Infrastructure Private Limited - Related Party	5.03	4.53
	5.03	4.53
Total Trade Investments	253.49	271.41
B) Other Investments		
Government and Trust Securities:		
6-Year National Savings Certificate (Pledged with Commercial Tax Department)	0.01	0.01
Total Other Investments	0.01	0.01
Total Investments (A + B)	253.50	271.42
Aggregate amount of Quoted Investments	151.70	151.70
Aggregate amount of Unquoted Investments	101.80	119.72
Aggregate Market Value of Quoted Investments	725.63	470.90
Basis of Valuation : Refer Note 1.2 (j)		

Particulars	₹ crore	
	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 13 LONG TERM LOANS AND ADVANCES		
Unsecured, considered good:		
Capital Advances - Associate	75.00	75.00
Capital Advances - Others	436.31	515.00
Deposits:		
Deposits with Government / Semi-Government Authorities	13.70	12.74
Deposits towards Property / Equipment	58.00	58.37
Security Deposits - Associates	28.50	25.00
Other Deposits	1.11	0.81
Loans and Advances to:		
Joint Venture Company - Subordinate Debt	200.99	187.98
Other Related Parties	179.24	148.24
Other Loans and Advances [Refer Note 26 (vi)]	144.11	148.99
Minimum Alternate Tax credit entitlement	128.09	128.09
Advance Tax and Tax Deducted at Source (Net of Provision of ₹ 1,196.78 crore; Previous Year ₹ 962.59 crore)	117.01	99.00
	1,382.06	1,399.22

Particulars	₹ crore	
	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 14 OTHER NON-CURRENT ASSETS		
Interest Accrued on Deposits / Advances	12.04	-
Interest Receivable from Joint Venture Company	87.18	67.69
	99.22	67.69

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	₹ crore	
	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 15 CURRENT INVESTMENTS		
Details of Investments:		
(A) Investment in Own Debentures (Quoted):		
Nil (Previous Year 1100) Secured Redeemable Non-Convertible Debenture of ₹ 10 lakh each of the Company	-	107.82
	-	107.82
(B) Investment in Certificate of Deposits (Unquoted):		
a) Nil (Previous Year 2,500) Certificate of Deposit of ₹1 lakh each of Vijaya Bank	-	24.56
b) Nil (Previous Year 5,000) Certificate of Deposit of ₹1 lakh each of Corporation Bank	-	46.10
c) 2,500 (Previous Year Nil) Certificate of Deposit of ₹1 lakh each of Allahabad Bank	24.44	-
d) 2,500 (Previous Year Nil) Certificate of Deposit of ₹1 lakh each of IDBI Bank	24.50	-
e) 5,000 (Previous Year Nil) Certificate of Deposit of ₹1 lakh each of Canara Bank	49.88	-
f) 2,500 (Previous Year Nil) Certificate of Deposit of ₹1 lakh each of State Bank of Patiala	24.93	-
g) 4,000 (Previous Year Nil) Certificate of Deposit of ₹1 lakh each of State Bank of Mysore	39.77	-
h) 2,500 (Previous Year Nil) Certificate of Deposit of ₹1 lakh each of Central Bank of India	24.91	-
	188.43	70.66
(C) Investment in Mutual Funds (Unquoted, Fully paid up):		
	No. of Units	Face Value ₹
a) Birla Sun Life Mutual Fund		
Birla Sun life Cash Plus Growth	12,17,192 (89,03,493)	100
		25.00
Birla Sunlife FRF ST Growth	4,854,849	100
		82.50
b) Reliance Mutual Fund		
Reliance Liquid Cash Plan Growth	122,077	1000
		25.00
Reliance Liquid Fund TP IP Growth	2,58,877 (3,03,278)	1000
		80.65
Reliance Liquid Fund- Treasury Plan- Daily Dividend Option	(492,600)	1000
		-
c) IDFC Mutual Fund		
IDFC Cash Fund Growth	160,730	1000
		25.00
IDFC Ultra Short Term Growth	(15,360,889)	10
		-
d) Axis Mutual Fund		
Axis Liquid Fund Growth	88,780	1000
		12.60
e) Kotak Mutual Fund		
Kotak Floater Short Term Growth	(117,188)	1000
		-
f) Baroda Pioneer Mutual Fund		
Baroda Pioneer Liquid Fund Growth	(272,338)	1000
		-
g) UTI Mutual Fund		
UTI Liquid Fund Cash Plan Growth	119,225	1000
		25.00
UTI Floating Rate Fund STP Growth (UST)	(133,590)	1000
		-
h) IDBI Mutual Fund		
IDBI Liquid Fund Growth	1,82,282 (79,523)	1000
		25.00
i) ICICI Prudential Mutual Fund		
ICICI Prudential Liquid-Regular Plan- Daily Dividend	(1,732,947)	100
		-
ICICI Prudential Liquid Fund Growth	2,640,720	100
		50.00
j) SBI Mutual Fund		
SBI Premier Liquid Fund Growth	124,301	1000
		25.01
SBI Premier Liquid Fund Super IP Growth	(217,179)	1000
		-
		40.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

(C) Investment in Mutual Funds (Unquoted, Fully paid up): (Contd.)

	No. of Units	Face Value ₹		
k) JP Morgan Mutual Fund				
JP Morgan India Liquid Fund Growth	15,058,790	10	25.00	-
l) Religare Mutual Fund				
Religare Invesco Liquid Fund Growth	113,545	1000	20.00	-
m) L&T Mutual Fund				
L&T Ultra Short Term Fund Growth	12,132,035	10	25.00	-
Total Investments in Mutual Funds			445.76	505.08
Total Current Investments (A + B + C)			634.19	683.56
Aggregate amount of Quoted Investments			-	107.82
Aggregate amount of Unquoted Investments			634.19	575.74
Aggregate Market Value of Quoted Investments			-	107.82
Aggregate Repurchase value of Current Investments			636.28	576.73
Basis of Valuation : Refer Note 1.2 (j)				
(Figures in bracket relates to previous year)				

₹ crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 16 INVENTORIES		
Stock of Fuel (Including in transit ₹ 40.37 crore; Previous Year ₹ 160.94 crore)	292.32	335.85
Traded Goods	1.61	1.93
Stores and Spares (Including in transit ₹ 3.12 crore; Previous Year ₹ 3.88 crore)	121.84	103.69
	415.77	441.47

Basis of Valuation : Refer note 1.2 (k)

₹ crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 17 TRADE RECEIVABLES		
Unsecured, Considered good:		
Outstanding for a period exceeding six months from the due date #	64.47	55.46
Outstanding for a period not exceeding six months from the due date	1,133.16	1,793.28
	1,197.63	1,848.74

The Group was supplying power to Karnataka Power Transmission Corporation Limited (KPTCL) on the basis of the rate approved by Govt of Karnataka, which was incorporated in the Power Purchase Agreement (PPA), dated 27th November, 2000. On the application by KPTCL to Karnataka Electricity Regulatory Commission (KERC) for approval of PPA, KERC had passed Order in July 2002 reducing the tariff retrospectively from 1st August, 2000. The Group's appeal against the said Order has been decided in favour of the Group by the Honourable Karnataka High Court vide its Order dated 8th April, 2004. KPTCL and KERC filed Special Leave Petition before the Honourable Supreme Court challenging the Order of Karnataka High Court. As against the outstanding amount of ₹105.35 crore, in terms of the interim order dated 23rd January, 2007 of Honourable Supreme Court, KPTCL paid ₹ 100.00 crore against bank guarantee provided by the Group. The balance amount of ₹ 5.35 crore (Previous Year ₹ 5.35 crore) due from KPTCL is included in Trade Receivables and considered as good and recoverable.

₹ crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 18 CASH AND BANK BALANCES		
Cash and Cash Equivalents:		
In Current Accounts	147.73	156.83
Bank Deposit @	403.91	239.05
Cash on Hand	0.07	0.03
Cheques on hand	0.01	*0.00
	551.72	395.91

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	₹ crore	
	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 18 CASH AND BANK BALANCES (Contd.)		
Others:		
Unpaid Dividends	0.42	0.26
Unclaimed share application money refunds	0.02	0.03
Margin Money Accounts	15.29	2.78
	15.73	3.07
	567.45	398.98

- Cash and Cash equivalents includes deposits maintained by the Company with banks, which can be withdrawn by the Company at any point of time.

⊞ Includes deposits of ₹ 18.01 crore (previous year ₹ 0.01 crore) with maturity of more than 12 months.

* Less than ₹ 1 lakh.

Particulars	₹ crore	
	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 19 SHORT TERM LOANS AND ADVANCES		
Unsecured, considered good		
Security Deposits:		
Deposits with Government / Semi Government Authorities	41.42	48.32
Security deposits - Associates	25.00	-
Other deposits	1.31	4.91
Loans and Advances to :		
Joint Venture	0.15	2.75
Other Related Parties		
Advance Against Preference Share Capital	-	0.50
Other Advances	32.43	64.20
Inter Corporate Deposits	75.00	75.00
Other Loans and Advances	29.48	28.29
	204.79	223.97

Particulars	₹ crore	
	As at 31 st March, 2014	As at 31 st March, 2013
NOTE: 20 OTHER CURRENT ASSETS		
Banked Energy	191.98	3.31
Unbilled Revenue (Pending approval of Tariff by MERC)	18.70	115.54
Unamortised Forward Contracts Premium	18.21	0.51
Interest Accrued on Deposits	4.98	11.38
Interest Accrued on Loan to Associates	-	1.93
Receivable from Other Related Parties	6.13	8.31
Others	0.49	-
	240.49	140.98

Particulars	₹ crore	
	For the year ended 31 st March, 2014	For the year ended 31 st March, 2013
NOTE: 21 REVENUE FROM OPERATIONS		
Sale of Power - Own Generation	7,539.47	7,305.05
Sale of Power - Power Traded	848.32	1,162.05
Power Conversion Charges	42.90	157.09
Income from Transmission	121.06	90.63
Sale of Coal	-	67.05
Sale of Solar Panels	0.27	0.36
Sale of Services:		
Operator Fee	131.69	124.29
Other Services	5.15	5.21
Other Operating Income	16.56	22.57
	8,705.42	8,934.30

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

₹ crore

Particulars	For the year ended 31 st March, 2014	For the year ended 31 st March, 2013
NOTE: 22 OTHER INCOME		
Interest Income	100.85	101.78
Dividend Income from Long term Investments	7.00	5.25
Dividend Income from Current Investments	2.13	1.96
Net Gain on Sale of Current Investments	65.04	44.88
Other Non-operating Income :		
Excess Provisions no longer required Written Back	5.70	-
Claims Received from Vendors	-	40.88
Miscellaneous Income	21.49	18.68
	202.21	213.43

₹ crore

Particulars	For the year ended 31 st March, 2014	For the year ended 31 st March, 2013
NOTE: 23 EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages and Bonus	120.72	113.23
Contribution to Provident fund and Other funds	5.34	5.26
Expense on Employee Stock Option Scheme [Refer Note 26 (v)[c]]	-	0.01
Workmen and Staff Welfare	7.36	8.26
	133.42	126.76

₹ crore

Particulars	For the year ended 31 st March, 2014	For the year ended 31 st March, 2013
NOTE: 24 FINANCE COSTS		
Interest Expenses	1,090.66	930.72
Finance Charges	115.28	32.07
	1,205.94	962.79

₹ crore

Particulars	For the year ended 31 st March, 2014	For the year ended 31 st March, 2013
NOTE: 25 OTHER EXPENSES		
Water and Power	52.02	56.57
Rent	2.90	3.72
Rates and Taxes	8.02	22.73
Insurance	20.82	15.44
Consumption of Stores and Spares	79.45	72.85
Repairs and Maintenance Expenses:		
Repairs to Buildings	2.39	1.71
Repairs to Machinery	99.08	94.55
Repairs - Others	23.68	19.67
Legal and Professional Charges	12.12	10.14
Bad Debts Written off	0.81	-
Travelling and Conveyance	11.74	10.13
Loss on Sale / Discard of Fixed Assets (net)	3.41	7.68
Cash Discount	57.04	64.24
Mining Expenses	8.91	80.30
Coal Inventory Written Off	4.62	14.09
Exchange Commission	10.48	11.16
Open Access Charges	81.03	55.58
General Expenses	52.13	32.23
	530.65	572.78

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

Note 26

(i) Contingent Liabilities and Commitments to the extent not provided for in respect of:

(a) Contingent Liabilities:

Particulars	₹ crore	
	Current Year	Previous Year
Bank Guarantees Outstanding	116.38	115.95
Disputed Income Tax matters (excluding additional interest leviable, if any)	111.34	122.80
Other disputed matters in respect of Electricity tax / Customs etc.*	279.97	83.40
Claims not acknowledged as debts	-	16.83

* includes ₹ 89.57 crore (previous year ₹ 80.96 crore) relating to Electricity Tax, reimbursable from other parties.

Estimated amount of commitments to the extent not provided for (net of advances):

Particulars	₹ crore	
	Current Year	Previous Year
Estimated amount of contracts remaining to be executed to the extent not provided for (net of advances)	122.98	157.65

- (ii) a) In the opinion of the Management, all the assets other than Fixed Assets and Non-Current Investments have a value on realisation in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet. Provision for depreciation and all known liabilities is adequate and not in excess of what is required.
- b) The Group is yet to receive balance confirmations in respect of certain trade payables, other payables, trade receivables, other receivables and loans & advances. The Management does not expect any material difference affecting the current year's financial statements due to the same.
- (iii) a) The subsidiary Company, RWPL has recognised Sales of Power on the basis of the Adhoc Interim Tariff Orders dated 4th April, 2013, 28th June, 2013 and dated 11th October, 2013 of Rajasthan Electricity Regulatory Commission (RERC). The same is subject to adjustment as per final Tariff determination by RERC.
- b) RWPL is reasonably certain about realisation of ₹ 39.21 crore (previous year ₹ 39.21 crore) receivable from Rajasthan DISCOMS on account of Fuel Price Adjustment on the basis of the Dispute Resolution Petition filed u/s 86(1)(f) on 28th March, 2013 with the RERC.
- c) RWPL has filed an Appeal before the Honourable Appellate Tribunal for Electricity (APTEL) against the order of RERC dated 17th October 2012, fixing a ceiling on the first year tariff at ₹ 2.43 per unit which has an impact on the revenue. Honourable Appellate Tribunal has disposed off the Appeal in favour of RWPL allowing the first year tariff to be less than the final first year tariff of Giral Project (1 x 125 MW developed by Rajasthan Rajya Vidyut Utpadan Nigam Limited) as determined by the State Commission. The Rajasthan DISCOMS have filed Review Petition before Hon'ble Appellate Tribunal of Electricity. Further, Rajasthan DISCOMS have also filed second Appeal before the Hon'ble Supreme Court. The Review Petition and the second Appeal are pending for disposal.
- d) RWPL has filed an Appeal before the Honourable APTEL against the Provisional Tariff Order dated 30th August, 2013 for the financial year 2012-13, issued by RERC. In the said Appeal, the Company has sought relief from the Honourable APTEL for inclusion of certain items of capital expenditures which were not considered by the Honourable Commission in its order dated 30th August, 2013. The said Appeal has been admitted and is pending adjudication and disposal.
- (iv) The proportionate share in the assets, liabilities, income and expenses of the Group's Joint Venture Company BLMCL included in these consolidated financial statements are given below:

PARTICULARS	₹ crore	
	As at 31 st March, 2014	As at 31 st March, 2013
EQUITY AND LIABILITIES		
(a) Share capital	9.80	9.80
(b) Reserves and surplus	(0.55)	2.76
(c) Non-current liabilities including borrowings	710.42	660.43
(d) Current Liabilities	52.88	46.35
TOTAL	772.55	719.34

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

₹ crore

PARTICULARS	As at 31 st March, 2014	As at 31 st March, 2013
ASSETS		
Non-current assets		
(a) Fixed Assets		
(i) Tangible assets & Intangible assets	217.18	172.22
(ii) Capital work-in-progress	166.04	139.52
(b) Non-current investments	*0.00	*0.00
(c) Deferred tax Assets (net)	(3.02)	0.20
(d) Long-term loans and advances	359.33	348.92
(e) Current Assets	33.02	58.48
TOTAL	772.55	719.34
	Current Year	Previous Year
Income	212.09	198.34
Expenses	215.39	193.42
Capital Commitments	2.25	19.97
* Less than ₹ 1 lakh		

(v) **Employees Benefits:**

(a) **Defined benefit plan:**

The employee's gratuity fund scheme managed by Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method

Details of Gratuity Plan are as under:

₹ crore

Description	Current Year	Previous Year
1. Reconciliation of opening and closing balances of obligation		
a. Opening Balance	6.52	4.37
b. Current Service Cost	1.38	1.30
c. Interest Cost	0.54	0.37
d. Actuarial (gain) / loss	(0.70)	0.83
e. Benefits paid	(0.61)	(0.36)
f. Closing Balance	7.12	6.52
2. Change in Plan Assets		
(Reconciliation of opening and closing balances)		
a. Opening Fair Value of plan assets	2.64	2.71
b. Difference in opening balance	-	0.06
c. Actual Company Contributions	-	-
d. Expected return on plan assets	0.23	0.24
e. Actuarial Gain / (loss)	-	0.01
f. Benefits paid	(0.61)	(0.36)
g. Closing Fair Value of plan assets	2.26	2.64
3. Reconciliation of fair value of assets and obligations		
a. Present value of obligation	7.12	6.52
b. Fair value of plan assets	2.26	2.64
c. Balance amount recognised as liability in the Balance sheet	4.86	3.87
4. Expense recognised in the period		
a. Current service cost	1.38	1.30
b. Interest cost	0.54	0.37
c. Expected return on plan assets	(0.23)	(0.24)
d. Actuarial (gain) / loss	(0.70)	0.83
e. Expense recognised	0.99	2.27
5. Investment Details		
The full amount has been invested in cash accumulation scheme of Life Insurance Corporation of India		
6. Assumptions		
a. Discount rate (per annum)	9.31%	8.25%
b. Estimated rate of return on plan assets (per annum)	8.70%	8.70%
c. Rate of escalation in salary (per annum)	6.00%	6.00%
d. Mortality : LIC / (94-96) Ultimate mortality table		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

(b) Other Disclosures:

	₹ crore				
Particulars	2013-14	2012-13	2011-12	2010-11	2009-10
Defined Benefit Obligation	7.12	6.52	4.37	2.87	1.69
Plan Assets	2.26	2.64	2.71	2.04	1.56
(Deficit)	(4.86)	(3.87)	(1.66)	(0.83)	(0.13)
Experience Adjustment on Plan Liabilities – Loss / (Gain)	0.19	0.47	(0.02)	(0.05)	(0.01)
Experience Adjustment on Plan Assets – (Loss) / Gain	-	0.01	0.01	0.01	0.01

(c) Employee Share based Payment Plan:

Presently there are two Schemes which are in force for the Options granted / to be granted to the eligible employees of the Group as under:

A) For Normal Options - 'JSWEL EMPLOYEES STOCK OWNERSHIP PLAN – 2010' (ESOP Plan)

B) For Mega Options - 'JSWEL EMPLOYEES MEGA STOCK OWNERSHIP SCHEME – 2012' (ESOS Plan)

The details of the aforementioned schemes of share-based payments arrangement administered by the JSW Energy Employee Welfare Trust (JSWEEWT) are described below:

Particulars	Normal Option (ESOP Plan)		Mega Option (ESOS Plan)
Date of Grant	8th November, 2011	31st October, 2012	4th October, 2012
Opening Grants as on 1st April, 2013	5,430,059 (6,097,036)	5,622,251 (-)	14,674,409 (-)
Add: Granted during the year	- (-)	- (6,054,866)	- (15,181,827)
Add: Transfer arising from transfer of employees to group companies	99,613 (-)	3,449 (-)	313,568 (-)
Less: Forfeited during the year	692,960 (666,977)	543,900 (429,166)	2,028,216 (434,003)
Less: Transfer arising from transfer of employees to group companies	- (-)	- (3,449)	- (73,415)
Outstanding as on 31st March, 2014	4,836,712 (5,430,059)	5,081,800 (5,622,251)	12,959,761 (14,674,409)
Vesting period	3 Years	3 Years	361 days
Method of settlement	Cash	Cash	Cash
Exercise Price (₹)	52.35	60.90	65.00

(Figure in bracket relates to previous year)

Expenses arising from employee's share-based payment plan debited to Profit and Loss Statement ₹ Nil (Previous Year ₹ 0.01 crore).

(vi) Long term loans and advances includes ₹ 131.56 crore (Previous Year ₹ 136.06 crore) given as interest free loan to JSW Energy Employees Welfare Trust.

(vii) There are no reportable segments as per Accounting Standard 17 prescribed by the Companies (Accounting Standards) Rules, 2006.

(viii) Earnings Per Share (Basic & Diluted)

Particulars	UOM	Current Year	Previous Year
Net Profit as attributable to equity shareholders (A)	₹ crore	754.74	903.65
Total Weighted average number of equity shares outstanding during the year (B)	Nos.	1,640,054,795	1,640,054,795
Earnings Per Share (Basic & Diluted) (A/B)	₹	4.60	5.51
Nominal Value of an equity share	₹	10.00	10.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

(ix) Exceptional items includes:

- (i) Due to unusual volatility / fluctuation in the value of rupee against US dollar, the net foreign exchange loss of ₹ 319.96 crore (Previous year ₹ 196.59 crore) has been considered by the Group to be exceptional in nature.
- (ii) The group has made a provision of ₹ 65.78 crore (Previous Year ₹ NIL) for estimated loss arising as a result of impairment of assets of South African Subsidiary.
- (iii) Profit on Sale of Investment in PTPUJ of ₹ 8.05 crore.

(x) (i) The foreign currency exposures that have not been hedged by a derivative instrument or otherwise as at the Balance Sheet date are given below:

Particulars	Foreign Currency	Foreign currency equivalent	In Rupees equivalent ₹ crore
a. Secured Loan	USD	9,370,000 (10,410,000)	56.31 (56.62)
b. Interest accrued but not due on Secured Loan	USD	80,000 (90,000)	0.48 (0.49)
c. Project related Payables	USD	- (36,140,715)	- (196.57)
d. Buyer's Credit	USD	783,817 (299,839,678)	4.71 (1,630.81)
e. Interest accrued but not due on Buyer's Credit	USD	531,700 (694,752)	3.20 (3.78)
f. Trade Payables	USD	4,359,428 (27,270,385)	26.20 (148.32)
g. Advance to Vendors	USD	16,524 (16,141,223)	0.10 (87.79)
h. Advance to Vendors	EURO	- (390)	- *(0.00)

(Figures in bracket relates to previous year)

* Less than ₹ 1 lakh

- (ii) The foreign currency exposures that have been hedged by a derivative instrument or otherwise as at Balance Sheet date are ₹ 1,427.59 crore (Previous Year ₹ 109.93 crore).

(xi) Deferred Tax Liability (net), primarily consists of timing differences, due to depreciation and brought forward losses: ₹ 193.29 crore (Previous Year ₹ 152.42 crore).

(xii) Related Party Disclosures :

A) List of Related Parties

I Related parties with whom the Group has entered into transactions during the year:

- 1 JSW Steel Limited
- 2 JSoft Solutions Limited
- 3 JSW Cement Limited
- 4 JSW Realty & Infrastructure Private Limited
- 5 JSW Jaigarh Port Limited
- 6 JSW Techno Projects Management Limited
- 7 JSW Infrastructure Limited
- 8 South West Port Limited
- 9 South West Mining Limited

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

(xii) Related Party Disclosures (Contd.) :

10	JSW Green Private Limited
11	O.P. Jindal Foundation
12	JSW Foundation
13	JSL Lifestyle Limited
14	JSW Energy (Bengal) Limited
15	JSW Bengaluru Football Club Private Limited (Formerly JSW Sports Pvt. Ltd.)
16	JSW Steel Coated Products Limited
17	JSW Projects Limited
18	JSW Ispat Steel Limited (Merged with JSW Steel Limited during the current year)
II Joint Venture / Associates	
1	Barmer Lignite Mining Company Limited
2	MJSJ Coal Limited
3	Toshiba JSW Power Systems Private Limited (formerly Toshiba JSW Turbine and Generator Private Limited)
III Key Managerial Personnel	
1	Mr. Sajjan Jindal – Chairman & Managing Director
2	Mr. Nirmal Kumar Jain – Vice Chairman (Upto 30 th August, 2013)
3	Mr. Sanjay Sagar – Jt. Managing Director & CEO (from 21 st July, 2012)
4	Mr. Pramod Menon – Director Finance (from 3 rd May, 2013)
5	Mr. R. R. Pillai – Whole Time Director (Upto 30 th January, 2013)
6	Mr. S.S Rao (upto 30th April 2012)

₹ crore

Particulars	Current Year	Previous Year
A Transactions during the year		
1 Sale of power / Material to :		
JSW Steel Limited	902.00	36.39
JSW Ispat Steel Limited	-	923.46
JSW Cement Limited	29.37	55.74
JSW Steel Coated Products Limited	51.41	-
JSW Projects Limited	1.46	-
South West Mining Limited	0.29	-
2 Sale of REC to :		
JSW Steel Coated Products Limited	9.46	-
3 Interest on Outstanding Amount :		
JSW Steel Limited	43.18	-
JSW Ispat Steel Limited	-	38.94
JSW Steel Coated Products Limited	0.04	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	Current Year	Previous Year
4 Dividend Received :		
JSW Steel Limited	7.00	5.25
5 Rebate on Sale of power to :		
JSW Steel Limited	0.17	0.39
JSW Cement Limited	0.17	0.69
6 Power Conversion Charges :		
JSW Steel Limited	42.90	157.09
7 Service Received from :		
JSW Steel Limited	-	0.74
JSoft Solutions Limited	2.23	2.49
JSW Jaigarh Port Limited	136.83	131.74
South West Port Limited	1.72	1.99
JSW Green Private Limited	1.02	2.08
8 Service Rendered to :		
JSW Steel Limited	131.69	124.29
Toshiba JSW Power Systems Private Limited	4.50	4.50
South West Mining Limited	5.25	-
9 Purchase of Power :		
JSW Steel Limited	514.40	1,032.00
10 Rebate on purchase of Power :		
JSW Steel Limited	7.42	15.00
11 Purchase of Fuel / Materials :		
JSW Steel Limited	348.63	47.76
JSW Cement Limited	1.37	2.93
Barmer Lignite Mining Company Limited	254.26	240.10
South West Mining Limited	-	0.07
JSoft Solutions Limited	0.17	0.40
JSW Jaigarh Port Limited	-	0.02
JSL Lifestyle Limited	0.02	0.25
12 Rent Paid / (Received) (net) :		
JSW Realty & Infrastructure Private Limited	0.30	0.12
JSW Steel Limited	* (0.00)	0.93
JSW Jaigarh Port Limited	* (0.00)	*(0.00)
13 Advertisement and Sponsorship expenses:		
JSW Bengaluru Football Club Private Limited	6.00	-
14 Advance paid / (received) :		
JSW Jaigarh Port Limited	-	25.00
JSW Realty Infrastructure Private Limited	-	(20.00)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	Current Year	Previous Year
15 Security Deposit paid / (refund) for lease of office property :		
JSW Realty & Infrastructure Private Limited	-	0.29
JSW Jaigarh Port Limited	28.50	-
16 Purchase of Free Hold Land :		
JSW Infrastructure Limited	-	0.13
17 Reimbursement receivable from / (payable to) :		
JSW Steel Limited	13.49	15.87
JSW Ispat Steel Limited	-	*(0.00)
Barmer Lignite Mining Company Limited	0.80	0.55
JSW Cement Limited	-	1.63
JSW Energy (Bengal) Limited	0.02	0.08
JSW Techno Projects Management Limited	-	2.45
JSW Jaigarh Port Limited	3.85	2.98
JSW Green Private Limited	-	0.01
South West Mining Limited	0.01	-
18 Lease Deposit from :		
JSW Jaigarh Port Limited	-	1.17
19 Investment in Equity Shares of :		
Toshiba JSW Power System Private Limited	2.98	33.25
MJSJ Coal Limited	-	2.75
20 Investment in Preference Shares of :		
JSW Realty & Infrastructure Private Limited	0.50	-
21 Subordinated Loan to :		
Barmer Lignite Mining Company Limited	13.01	3.55
22 Interest on subordinate loan :		
Barmer Lignite Mining Company Limited	19.49	18.62
23 Loan given to / (repaid) :		
South West Mining Limited	31.00	68.12
JSW Steel Limited	(31.80)	31.80
24 Interest on Loan given to / (repaid) :		
South West Mining Limited	8.79	2.81
JSW Steel Limited (Material on loan)	1.25	0.63
25 Donations/CSR Expenses :		
O.P. Jindal Foundation	0.04	0.21
JSW Foundation	3.48	0.89
26 Sale of Assets:		
Mr. Nirmal Kumar Jain	0.02	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	Current Year	Previous Year
B Closing Balances		
1 Trade (Payables) / Receivables :		
JSW Steel Limited	108.04	(281.47)
JSW Ispat Steel Limited	-	558.59
JSW Energy (Bengal) Limited	0.02	-
JSW Cement Limited	6.74	10.75
JSW Jaigarh Port Limited	-	0.36
Toshiba JSW Power System Private Limited	2.30	2.28
Barmer Lignite Mining Company Limited	(1.35)	(31.64)
JSW Techno Projects Management Limited	2.40	2.40
South West Mining Limited	-	0.61
JSW Green Private Limited	-	(0.21)
JSL Lifestyle Limited	* 0.00	0.01
South West Mining Limited	5.37	0.61
JSW Steel Coated Products Limited	5.53	-
JSW Projects Limited	1.46	-
JSoft Solutions Limited	0.90	-
2 Lease Deposit with :		
JSW Steel Limited	6.65	6.49
JSW Realty & Infrastructure Private Limited	8.75	8.75
JSW Jaigarh Port Limited	1.17	1.17
3 Advance recoverable :		
JSW Realty & Infrastructure Private Limited	30.00	30.00
JSW Jaigarh Port Limited	53.50	25.00
Barmer Lignite Mining Company Limited	0.15	2.75
4 Advance paid against Preference Share Capital :		
JSW Realty & Infrastructure Private Limited	-	0.50
5 Advance paid for acquisition of Office / Residential Properties :		
Windsor Residency Private Limited	75.00	75.00
6 Investment in Preference Share Capital :		
JSW Realty & Infrastructure Private Limited	5.03	4.53
7 Investment in Equity Shares :		
JSW Steel Limited	151.70	151.70
Toshiba JSW Power System Private Limited	100.23	97.25
MJSJ Coal Limited	10.46	10.46
8 Subordinated Loan (including interest) to :		
Barmer Lignite Mining Company Limited	288.17	255.67

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	Current Year	Previous Year
9 Loans and Advances :		
South West Mining Limited	99.12	68.12
JSW Energy (Bengal) Limited	80.12	80.12
JSW Steel Limited	-	31.80
10 Interest receivable on Loan given to :		
South West Mining Limited	-	1.93
C Remuneration to Key Management Personnel:		
Mr. Sajjan Jindal	8.04	7.15
Mr. Nirmal Kumar Jain	1.83	3.57
Mr. Sanjay Sagar	2.08	1.34
Mr. Pramod Menon	1.08	-
Mr. R. R. Pillai	-	1.25
Mr. S. S. Rao	-	0.06

* Less than ₹ 1 lakh.

Notes:

- No amounts in respect of related parties have been written off / written back during the year, nor any provision has been made for doubtful debts / receivables.
- Related party relationships have been identified by the management and relied upon by the Auditors.

(xiii) Previous year's figures have been re-grouped / re-arranged wherever necessary to conform to current year's classification.

For and on behalf of the Board of Directors

SANJAY SAGAR

Jt. Managing Director & CEO

SAJJAN JINDAL

Chairman and Managing Director

SAMPATH MADHAVAN

Company Secretary

PRAMOD MENON

Director- Finance

Place : Mumbai

Date : 30th April, 2014

FINANCIAL INFORMATION OF SUBSIDIARY COMPANIES

(₹ Lakh)

Particulars	Capital Share Application (Including Money)	Reserve & Surplus (Net of Misc. Exp.)	Total Assets	Total Liabilities	Investment	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	Reporting Currency	Conversion Rate (₹)
Raj WestPower Limited	172,605.00	8,981.56	701,836.91	521,230.50	980.14	186,001.07	21,760.31	6,031.26	15,729.05	-	Indian Rupee (₹)	NA
JSW Power Trading Company Limited	20,200.00	7,176.21	73,709.86	61,503.88	15,170.23	509,124.06	2,153.41	427.17	1,726.24	-	Indian Rupee (₹)	NA
Jaigad Power Fransco Limited	13,750.00	5,604.97	58,616.44	39,261.47	-	12,107.60	3,325.22	1,564.66	1,960.56	-	Indian Rupee (₹)	NA
JSW Energy (Raigarh) Limited	10,856.73	(287.71)	10,631.04	62.02	-	-	(0.84)	-	(0.84)	-	Indian Rupee (₹)	NA
JSW Green Energy Limited	5.00	(255.56)	165.24	415.81	-	26.65	(6.99)	-	(6.99)	-	Indian Rupee (₹)	NA
JSW Energy (Kuzer) Limited	235.50	(200.57)	35.71	0.79	-	-	(200.15)	-	(200.15)	-	Indian Rupee (₹)	NA
JSW Energy Minerals Mauritius Limited	5,440.83	(129.02)	32,349.55	31,276.57	4,238.84	99.69	(20.40)	-	(20.40)	-	American Dollars (USD)	60.10
JSW Energy Natural Resources Mauritius Limited	3,605.99	(40.41)	32,328.83	32,344.54	3,581.29	85.25	(10.04)	-	(10.04)	-	American Dollars (USD)	60.10
JSW Energy Natural Resources South Africa Limited	2,473.17	(2,159.01)	24,945.79	32,323.52	7,691.89	482.49	(821.72)	-	(821.72)	-	South African Rand (ZAR)	5.69
South African Coal Mining Holdings Limited	13,297.40	(19,771.97)	49.80	9,395.51	2,871.15	-	(2,622.90)	-	(2,622.90)	-	South African Rand (ZAR)	5.69
JSW Energy Natural Resources (B.V.) Limited	465.08	(464.74)	0.34	-	-	-	(9.70)	-	(9.70)	-	American Dollars (USD)	60.10
Royal Bafokeng Capital (PTY) Ltd	0.01	(1,223.63)	0.81	5,396.11	4,171.69	-	-	-	-	-	South African Rand (ZAR)	5.69
Mainsail Trading 55 (Pty) Ltd	0.01	(5,259.73)	1,302.61	6,903.46	341.13	141.30	141.30	-	141.30	-	South African Rand (ZAR)	5.69
JSW Energy Natural Resources UK Limited	649.02	(1.50)	647.53	-	-	-	(1.50)	-	(1.50)	-	Pound	99.85
Ilanga Coal Mines Proprietary Limited	0.06	11.79	11.85	-	-	-	0.92	-	0.92	-	South African Rand (ZAR)	5.69
Jigmining Operations No 1 Proprietary Limited	0.02	(1,381.97)	-	1,381.94	-	-	-	-	-	-	South African Rand (ZAR)	5.69
Jigmining Operations No 3 Proprietary Limited	0.01	(353.97)	-	353.96	-	-	-	-	-	-	South African Rand (ZAR)	5.69
SACM(Breyten) Proprietary Limited	0.01	(9,199.19)	7,237.64	16,436.82	-	17.72	(1,089.28)	-	(1,089.28)	-	South African Rand (ZAR)	5.69
South African Coal Mining Equipment Company Proprietary Limited	0.01	(112.52)	0.18	112.69	-	-	(41.40)	-	(41.40)	-	South African Rand (ZAR)	5.69
South African Coal Mining Operations Proprietary Limited	0.03	1,100.01	1,104.17	4.13	-	514.85	37.01	-	37.01	-	South African Rand (ZAR)	5.69
Urnlabu Colliery Proprietary Limited	0.01	(10,187.52)	4,688.60	14,876.11	-	565.58	(6,984.30)	(1,836.28)	(5,148.01)	-	South African Rand (ZAR)	5.69
Voorslag Coal Handling Proprietary Limited	0.01	(138.13)	-	138.12	-	-	0.23	-	0.23	-	South African Rand (ZAR)	5.69
Yomhlaba Coal Proprietary Limited	511.75	(4,033.15)	-	3,521.39	-	-	-	-	-	-	South African Rand (ZAR)	5.69
SACM (Newcastle) Proprietary Limited	0.01	-	0.01	-	-	-	-	-	-	-	South African Rand (ZAR)	5.69

FINANCIAL HIGHLIGHTS (STANDALONE)

	2009-10	2010-11**	2011-12	2012-13	2013-14
REVENUE ACCOUNTS (₹ Crore)					
Gross Turnover	2,227.36	3,661.84	4,847.61	6,235.74	5,663.06
Other Operating Income	155.18	207.21	168.81	160.71	139.55
Other Income	58.49	112.10	114.02	304.78	254.94
Total Income	2,441.03	3,981.15	5,130.44	6,701.23	6,057.55
EBIDTA before exceptional items	1,356.03	1,641.98	1,328.24	2,410.52	2,267.57
Depreciation & amortisation expense	124.32	211.61	377.22	424.94	452.85
Earning before finance costs, exceptional items and tax	1,231.71	1,430.37	951.02	1,985.58	1,814.72
Finance Costs	262.30	341.00	508.16	571.80	627.55
Exceptional items	-	-	151.61	169.95	370.21
Profit before Taxes	969.41	1,089.37	291.25	1,243.83	816.96
Provision for Taxation	122.74	203.76	56.61	250.80	214.48
Profit for the year	846.67	885.61	234.64	993.03	602.48
Dividend - Equity	123.00	164.01	82.00	328.01	328.01
CAPITAL ACCOUNTS (₹ Crore)					
Gross Block	2,920.64	5,593.43	8,161.02	8,612.07	9,025.94
Net Block	2,264.72	4,724.59	6,915.27	6,946.02	6,909.33
Capital Work in Progress (including capital advances)	173.91	2,889.79	919.97	887.20	551.17
Total Debt	2,105.18	5,469.06	5,367.76	5,409.82	4,939.05
Long Term Debt	2,005.18	5,368.86	5,367.76	5,289.82	4,819.06
Short Term Debt	100.00	100.20	-	120.00	119.99
Equity Capital	1,640.05	1,640.05	1,640.05	1,640.05	1,640.05
Reserves & Surplus	3,726.57	4,385.34	4,518.67	5,133.19	5,362.62
Shareholders' Funds	5,366.62	6,025.39	6,158.72	6,773.24	7,002.67
RATIOS					
Book Value Per Share (₹)	32.72	36.74	37.55	41.30	42.70
Market Price Per Share (₹)	111.85	71.65	61.25	54.70	59.25
Earning Per Share (Basic & Diluted) (₹)	5.86	5.40	1.43	6.05	3.67
Market Capitalisation (₹ Crore)	18,344.01	11,750.99	10,045.34	8,971.10	9,717.32
Equity Dividend Per Share (₹)	0.75	1.00	0.50	2.00	2.00
Fixed Assets Turnover Ratio	0.98	0.78	0.70	0.90	0.82
EBIDTA Margin	55.6%	41.2%	25.9%	36.0%	37.4%
Interest Coverage	4.70	4.19	1.87	3.47	2.89
Long Term Debt Equity Ratio	0.37	0.89	0.87	0.78	0.69
Long Term Debt to EBIDTA	1.48	3.27	4.04	2.19	2.13

** The Hon'ble High Court of Mumbai has approved the Scheme of Amalgamation of JSW Energy (Ratnagiri) Limited (JSWERL), a wholly owned subsidiary of the Company with appointed date as 1st April, 2010. The above figures for the FY 2010-11 are after giving effect of the said Scheme and hence not comparable.

FINANCIAL HIGHLIGHTS (CONSOLIDATED)

	2009-10	2010-11	2011-12	2012-13	2013-14
REVENUE ACCOUNTS (₹ Crore)					
Gross Turnover	2,316.16	4,194.23	5,980.88	8,782.23	8,552.02
Other Operating Income	48.96	107.85	137.94	152.07	153.40
Other Income	64.14	125.46	146.62	213.43	202.21
Total Income	2,429.26	4,427.54	6,265.44	9,147.73	8,907.63
EBIDTA before exceptional items	1,287.65	1,697.23	1,594.39	3,006.62	3,453.61
Depreciation & amortisation expense	136.10	266.80	503.34	661.53	809.95
Earning before finance costs, exceptional items and tax	1,151.55	1,430.43	1,091.05	2,345.09	2,643.66
Finance Costs	283.70	432.53	717.24	962.79	1,205.94
Exceptional items	-	-	161.27	196.59	377.69
Profit before Taxes	867.85	997.90	212.54	1,185.71	1,060.03
Provision for Taxation	122.36	156.15	41.91	273.31	283.60
Profit after Taxes before Share of Loss of Associate Company and Minority Interest	745.49	841.75	170.63	912.40	776.43
Share of Loss of Associate Company	-	-	-	11.68	16.59
Share of Profit / (Loss) of Minority	-	(0.07)	0.58	(2.93)	5.10
Profit for the year	745.49	841.82	170.05	903.65	754.74
Dividend - Equity	123.00	164.01	82.00	328.01	328.01
CAPITAL ACCOUNTS (₹ Crore)					
Gross Block	3,666.79	7,398.16	12,426.81	16,028.83	16,624.73
Net Block	2,995.37	6,421.44	10,944.98	13,896.88	13,624.11
Capital Work in Progress (including capital advances)	8,602.58	7,723.44	4,326.78	1,567.20	1,125.89
Total Debt	7,870.14	9,637.62	9,994.69	10,376.55	10,106.45
Long Term Debt	7,770.08	8,786.47	9,423.68	9,729.79	9,898.76
Short Term Debt	100.06	851.15	571.01	646.76	207.69
Equity Capital	1,640.05	1,640.05	1,640.05	1,640.05	1,640.05
Reserves & Surplus	3,140.14	4,036.43	4,060.02	4,563.71	4,931.12
Shareholders' Funds	4,780.19	5,676.48	5,700.07	6,203.76	6,571.17
RATIOS					
Book Value Per Share (₹)	29.15	34.61	34.76	37.83	40.07
Market Price Per Share (₹)	111.85	71.65	61.25	54.70	59.25
Earning Per Share (Basic & Diluted) (₹)	5.17	5.13	1.04	5.51	4.60
Market Capitalisation (₹ Crore)	18,344.01	11,750.99	10,045.34	8,971.10	9,717.32
Equity Dividend Per Share (₹)	0.75	1.00	0.50	2.00	2.00
Fixed Assets Turnover Ratio	0.77	0.65	0.55	0.63	0.63
EBIDTA Margin	53.0%	38.3%	25.4%	32.9%	38.8%
Interest Coverage	4.06	3.31	1.52	2.44	2.19
Long Term Debt Equity Ratio	1.63	1.55	1.65	1.57	1.51
Long Term Debt to EBIDTA	6.03	5.18	5.91	3.24	2.87

E-COMMUNICATION REGISTRATION FORM

To,
Karvy Computershare Private Limited
Unit: **JSW Energy Limited**
Plot no.17 to 24, Vittalrao Nagar,
Madhapur, Hyderabad – 500 081
Fax No. 040 - 23420814
E-mail: einward.ris@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 Meeting, Audited Financial Statements, Directors' Report, Auditors' Report, Postal Ballot Notice, 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 Shareholders who hold Shares in physical form.
2. The form duly filled and signed may please be sent to the Company's Registrar as mentioned above.
3. Members holding shares in electronic mode are requested to ensure to keep their e-mail addresses updated with the Depository Participants.
4. On registration, all the communications will be sent to the E-mail ID registered.
5. The form is also available on the website of the Company www.jsw.in under the Section 'Investor information'.
6. Shareholders 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.

Form No. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014.]



Registered Office: JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai 400 051,
Phone: +91 22 4286 1000 Fax: +91 22 4286 3000, website: www.jsw.in
CIN:L74999MH1994PLC077041

Name of the member(s)	
Registered Address:	
Email Id:	
Folio No. / Client Id:	
DP ID:	

I / We, being the member(s) ofshares 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 **Twentieth Annual General Meeting** of the Company, to be held on Wednesday, 23rd July 2014 at 3.00 p.m at Yashwantrao Chavan Pratisthan Mumbai, Y. B. Chavan Auditorium, General Jagannath Bhosale Marg, Mumbai - 400 021 and at adjournment thereof in respect of such resolution as are indicated below:

Resolution No.	Resolution
Ordinary Business	
1.	Adoption of Balance Sheet, Statement of Profit and Loss, Report of the Board of Directors and Auditors for the financial year ended March 31, 2014
2.	Approval of dividend for the financial year ended March 31, 2014
3.	Appoint a Director in place of Mr. Nirmal Kumar Jain (holding DIN 00019442), who retires by rotation and being eligible, offers himself for reappointment
4.	Appoint M/s. LODHA & CO., Chartered Accountants, Firm Registration No. 301051E, as Statutory Auditors of the Company

Special Business	
5.	Re-appointment of Mr. Sajjan Jindal (holding DIN 00017762) as Chairman and Managing Director of the Company.
6.	Appoint Mr. B. Ravindranath (holding DIN 02156076) as a Director of the Company.
7.	Appoint Mr. P. Abraham (holding DIN 00280426) as an Independent Director up to March 31, 2019.
8.	Appoint Mr. Chandan Bhattacharya (holding DIN 01341570) as an Independent Director up to March 31, 2019.
9.	Appoint Ms. Shailaja Chandra (holding DIN 03320688) as an Independent Director up to June 17, 2019.
10.	Not to fill the vacancy for the time being caused by the retirement of Mr. D. J. Balaji Rao (holding DIN 00025254), Director, who retires by rotation and does not seek re-appointment.
11.	Ratification of Remuneration payable to Cost Auditor.
12.	Approval of Borrowing Powers under section 180(1)(C) of the Companies Act, 2013.
13.	Approval for creation of hypothecation / mortgage and /or charge on properties of the Company.
14.	Payment of Commission to Non-Executive Directors of the Company from the financial year commencing from 1st April, 2014 as computed in the manner laid down in Section 198 of the Companies Act, 2013.
15.	Approval of contract to be entered with JSW Investment Pvt. Ltd. for use of 'JSW' Brand.
16.	Approval for transactions entered / to be entered with JSW Power Trading Co. Ltd., the Company's wholly owned subsidiary.
17.	Approval for agreement / transactions entered with JSW International Tradecorp Pte. Ltd. for procuring coal.
18.	Approval for transactions entered / to be entered with JSW Steel Ltd. for supply / procurement of goods, materials, services, etc.
19.	Approval to Alteration of Articles of Association.
20.	Approval for issue of Non Convertible Debentures.
21.	Approval for issue of Equity shares, Convertible Debentures, Convertible Securities, etc.

Signed this _____ day of _____ 2014



.....
Signature of shareholder

.....
Signature of proxy holder(s)

Note:-

1. This form of Proxy in order to be effective should be duly completed and deposited at Registered Office at JSW Centre, JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, not less than 48 hours before the scheduled time of the meeting.
2. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent 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 shareholder.



Regd Office: JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai 400 051,
Phone: +91 22 4286 1000 Fax: +91 22 4286 3000, email id: jswel.investor@jsw.in website: www.jsw.in
CIN:L74999MH1994PLC077041



ATTENDANCE SLIP

*Regd. Folio No.

D.P. I.D.

Client I.D.

TWENTIETH ANNUAL GENERAL MEETING – 23rd JULY 2014

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the Twentieth Annual General Meeting of the Company held on Wednesday, 23rd July, 2014 at 3.00 p.m at Yashwantrao Chavan Pratisthan Mumbai, Y. B. Chavan Auditorium, General Jagannath, Bhosale Marg, Mumbai - 400 021.

.....

** Member's / Proxy's Name in Block Letters

.....

** Member's / Proxy's Signature

Note:

1. Member / Proxy must bring the Attendance slip to the Meeting and hand it over, duly signed, at the registration counter.
2. The Copy of the Notice may please be brought to the Meeting Hall.

* Applicable only in case of investors holding shares in Physical form **Strike out whichever is not applicable





If undelivered, please return to:

JSW Energy Limited

JSW Centre,
Bandra Kurla Complex,
Bandra (E)
Mumbai - 400 051
Tel: 022 4286 1000
Fax: 022 4286 3000
Website: www.jsw.in
CIN: L74999MH1994PLC077041