

**GMR Warora Energy Limited**  
(Formerly Emco Energy Limited)



Corporate Office:  
Airport Building 302, 1st Floor  
New Shakti Bhawan  
New Udaan Bhawan Complex  
Near Terminal 3, IGI Airport  
New Delhi-110037  
CIN U40100MH2005PLC155140  
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April 26, 2017

To  
Bombay Stock Exchange  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai- 400001

Dear Sir/ Madam,

**Sub: Financial Statement under Clause 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Ref: Company Code: 10776; Company: GMR Warora Energy Limited (formerly Emco Energy Limited)**

Please find enclosed the annual audited financial statements of the Company along with annual Audit Report for the year ended 31<sup>st</sup> March, 2017

This is for your records.

Thanking you.

Yours faithfully,

**For GMR Warora Energy Limited**

  
Sanjay Kumar Babu  
Company Secretary



Registered Office:  
701/704, 7th Floor, Naman Centre,  
A-Wing, BKC (Bandra Kurla Complex),  
Bandra, Mumbai 400 051  
Site Office:  
Plot No. B-1 & B7, Mohabala MIDC Growth Centre,  
Post and Tehsil-Warora, Dist. Chandrapur,  
Maharashtra 442907

**The Board of Directors  
GMR Warora Energy Limited [Formerly EMCO Energy Limited]**

**Independent Auditor's Report on the standalone financial results**

We have audited the financial results of **GMR Warora Energy Limited** (formerly EMCO Energy Limited) ("the Company") for the year ended March 31, 2017 (the "Results") together with notes thereon (the "Statement"), being submitted by the company pursuant to the requirement of Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

**Management Responsibility for the statements**

The company's management is responsible for preparation of the accompanying statement. The Management is also responsible for preparation of annual statutory Indian Accounting Standard (Ind AS) financial statements in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards as specified in the Companies (Indian Accounting Standard) Rules, 2015 (as amended) under Section 133 of the Companies Act, 2013 (The "Act"), which is approved by the directors, on basis of which the above statement containing the annual audited financial results has been prepared. The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the statement that is free from Material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the statement based on our audit. We conducted our audit in accordance with the standards on auditing specified under section 143(10) of the act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards require that we comply the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedure selected depends on the auditor's judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor consider internal control relevant to the entity's preparation and fair presentation of the statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management as well as evaluating the overall presentation of the statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



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Branches: Ahmedabad | Bengaluru | Delhi | Jamnagar

### Opinion

In our opinion and to the best of our information and according to the explanations given to us :

- (i) The Statement, together with the notes thereon are presented in accordance with the requirements of the listing regulations in this regard; and
- (ii) The Annual audited results for the year ended March 31, 2017 as set out in the Statement give a true and fair view of the net profit (including other comprehensive income) and other financial information for the year ended March 31, 2017 in accordance with the accounting principles generally accepted in India.

### Emphasis of Matter

- a. We draw your attention to Note No.1 of the statement regarding the figures for the Half Year ended March 31, 2017, which are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figure up to the half year ended September 30, 2016 which were subjected to limited review by us.
- b. We draw attention to Note No. 6 of the results for the year ended March 31, 2017, regarding recovery of transmission charges from Maharashtra State Electricity Distribution Company Limited (MSEDCL). The Company pursuant to Appellate Tribunal for Electricity (APTEL) Order ("The Order") dated May 08, 2015 has raised invoices towards reimbursement of transmission charges from the initial date of scheduling the power. The Company in terms of the said Order, has accounted for the reimbursement of transmission charges of Rs. 92.31 Crore relating to the Current year as reduction from transmission expenses as well as for the earlier years, based on the reasons stated therein the note and legal opinion from legal counsel stating that the Company has good tenable case with respect to the appeal filed by MSEDCL against the said Order which is pending before Supreme Court of India.

Our opinion is not qualified in respect of the above matters.

### Other Matter

- a. The company had prepared the audited standalone financial results for the corresponding year ended March 31, 2016 included in the statement in accordance with the Companies (Accounting Standards) Rules, 2006 referred to in Section 133 of the Act, on which we had issued an unmodified audit report vide our report dated May 16, 2016. The financial results for the year ended March 31, 2016 are based on the previously audited financial results prepared in accordance with the Companies (Accounting Standards) Rules, 2006 as adjusted for the difference in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us.



- b. The Statement dealt with by this report has been prepared for the express purpose of filing with stock exchanges. This Statement is based on and should be read with the audited financial statements of the Company for the year ended March 31, 2017 on which we issued an unmodified audit opinion vide our report dated April 26, 2017.

Our opinion is not modified in respect of the above said matter.

**For Chaturvedi & Shah**  
Chartered Accountants  
Firm Registration No. 101720W

*C. Shah*  
**Chandan Lala**  
Partner  
Membership No. : 035671



Place: Mumbai  
Date: April 26, 2017

**GMR Warora Energy Limited**  
(Formerly known as EMCO Energy Limited)  
CIN : U40100MH2005PLC155140

Registered Office: 701/704, 7th Floor, Naman Centre, A-Wing, BKC, Bandra, Mumbai - 400 051  
Financial results for the six months and year ended March 31, 2017

Particulars	Standalone Results (Rs. in Crores, except share data)			
	Half Year Ended		Year Ended	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Un-audited (Refer Note 1 below)	Un-audited (Refer Note 1 below)	Audited	Audited
<b>1 Revenue from operations</b>				
Income from sale of electrical energy	965.57	724.34	1,675.38	1,365.76
Other Operating Income	-	-	-	1.90
<b>Total Income</b>	<b>965.57</b>	<b>724.34</b>	<b>1,675.38</b>	<b>1,367.66</b>
<b>2 Expenses</b>				
(a) Consumption of Raw Materials	406.83	373.48	716.99	783.34
(b) Purchase of traded goods	-	-	54.09	1.76
(c) Stores and spares consumed	4.29	7.29	10.34	13.98
(d) Employee benefits expenses	24.77	17.72	43.71	34.27
(e) Depreciation and amortisation expenses	36.43	88.84	121.33	166.34
(f) Other Expenditure (any item Exceeding 10% of the total expenditure to be shown seperately) (Refer note 6)	67.85	57.69	132.93	133.28
<b>Total</b>	<b>540.17</b>	<b>545.02</b>	<b>1,079.39</b>	<b>1,132.97</b>
<b>3 (Loss)/profit from operations before other income finance costs and exceptional items (1-2)</b>	<b>425.40</b>	<b>179.32</b>	<b>595.99</b>	<b>234.69</b>
4 Other income (including interest income)	24.35	10.31	40.04	15.94
<b>5 Profit / (loss) from ordinary activities before finance costs and exceptional items (3 + 4)</b>	<b>449.75</b>	<b>189.63</b>	<b>636.03</b>	<b>250.63</b>
6 Finance costs	257.06	234.37	492.93	470.18
<b>7 Exceptional items:</b>				
(v) Transmission charges recovery (Refer note 6)	-	-	-	51.42
<b>8 (Loss)/profit from ordinary activities after finance costs and exceptional items but before tax (5 - 6 + 7)</b>	<b>192.69</b>	<b>-44.74</b>	<b>143.10</b>	<b>(168.13)</b>
9 Tax expenses	-	-97.02	-	(97.02)
<b>10 Net (loss)/profit from ordinary activities after tax (8 - 9)</b>	<b>192.69</b>	<b>-141.76</b>	<b>143.10</b>	<b>(265.15)</b>
11 Other Comprehensive Income/(expenses) Net of tax	-0.36	0.03	(0.41)	(0.03)
<b>12 Total Comprehensive Income for the period</b>	<b>192.33</b>	<b>-141.73</b>	<b>142.69</b>	<b>(265.18)</b>
13 Paid-up equity share capital (Face value of the Rs.10 each)	870.00	870.00	870.00	870.00
14 Paid up debt capital (Refer note 8)	75.00	75.00	75.00	75.00
15 Reserve excluding revaluation reserves as per balance sheet	-	-	(763.64)	(906.32)
16 Networth as per balance sheet	-	-	106.36	(36.32)
17 Debenture redemption reserve (Refer Note 9)	-	-	18.75	0.00
18 Weighted average number of equity shares for calculation of:				
Basic earning per share (EPS)	870,000,000	443,319,672	870,000,000	443,319,672
Diluted earning per share (EPS)	870,000,000	443,319,672	870,000,000	443,319,672
19 Debt equity ratio (Refer note 7)	-	-	32.06	(96.59)
20 Debt service coverage ratio (DSCR)(Refer note 7)	-	-	0.87	0.40
21 Interest service coverage ratio (ISCR)(Refer note 7)	-	-	1.29	0.53
22 <b>Asset coverage ratio (Refer note 7)</b>	-	-	1.03	1.00



**Notes to audited financial information for the six months and year ended March 31, 2017:**

1. The figures for the half year ended March 31, 2017 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the half year of the current financial year. The standalone financial results under Ind AS for the half year ended September 30, 2015 have not been subjected to limited review or audit. The figures for the half year ended March 31, 2016 hence are the balancing figures between the audited figures in respect of the full financial year and the management certified figures upto the half year of the preceding financial year.

2. The financial results have been reviewed by Audit Committee at their meeting on April 26, 2017 and approved by the Board of Directors at their meeting concluded on April 26, 2017.

3. The financial results of the Company have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013. The Company has adopted Ind AS from April 01, 2016 with a transition date of April 01, 2015. Accordingly, the comparative figures for the half and year ended March 31, 2016 have been restated.

4. Reconciliation of the Net Profit in the standalone financial results to those reported previous Indian GAAP for the year ended March 31, 2016.

Particulars	Rs. In Crore
	Year ended 31st March 2016
Net Profit as per IGAAP	(158.05)
<b>Ind AS adjustments:</b>	
Recognition of financial liabilities at amortized cost	(8.51)
Increase in depreciation due to capitalization of spares and ARO adjustments	(1.26)
Other adjustments	(0.32)
Tax adjustments on the equity component of financial liabilities	(97.02)
<b>Total Ind AS adjustment</b>	<b>(107.10)</b>
<b>Net Profit for the period as per Ind AS (A + B)</b>	<b>(265.15)</b>
<b>Other Comprehensive income</b>	<b>(0.03)</b>
<b>Total comprehensive income as per Ind AS</b>	<b>(265.19)</b>

5. Reconciliation of the Total Equity in the standalone financial results to those reported previous Indian GAAP for the year ended March 31, 2016.

Particulars	Rs. In Crore
	Year ended 31st March 2016
Total equity (share holders fund as per IGAAP)	(139.16)
<b>Ind AS adjustments:</b>	
Recognition of financial liabilities at amortized cost	204.12
Increase in depreciation due to capitalization of spares and ARO adjustments	(2.30)
Other adjustments	(1.47)
Deferred tax adjustment on the above	(97.51)
<b>Total Ind AS adjustment</b>	<b>102.84</b>
<b>Total equity (share holders fund as per IndAS)</b>	<b>(36.32)</b>

6. The Company had entered into Power Purchase Agreement (PPA) with Maharashtra State Electricity Distribution Company Limited (MSEDCL) on March 17, 2010 for sale of aggregate contracted capacity of 200 MW wherein power was required to be scheduled from power plant's bus bar. MSEDCL has raised dispute with respect to place of evacuation of power with Maharashtra Electricity Regulatory Commission (MERC), wherein MERC has directed the Company to construct separate lines for evacuation of power through State Transmission Utility (STU) though the Company was connected to Central Transmission Utility (CTU). Aggrieved by the MERC Order, the Company preferred an appeal with Appellate Tribunal for Electricity (APTEL). APTEL vide its interim Order dated February 11, 2014 directed the Company to start scheduling the power from Company's bus bar and bear transmission charges of inter state transmission system for supplying the power. The Company in terms of the interim order scheduled the power from its bus bar from March 17, 2014 and paid inter state transmission charges. APTEL vide its final Order dated May 8, 2015 upheld Company's contention of scheduling the power from Bus Bar and directed MSEDCL to reimburse the inter state transmission charges hitherto borne by the Company as per its interim order.

Accordingly as at March 31, 2017, the Company has raised claim of Rs. 222.76 crore towards reimbursement of transmission charges from March 17, 2014 till March 31, 2017 including Rs.92.31 Crore for the financial year 2016-17. MSEDCL in the interim had preferred an appeal with Supreme Court and also applied for stay proceedings for the above Order, with respect to which Supreme Court has not granted stay on the APTEL order. In view of the favorable Order from APTEL, rejection of stay petition of MSEDCL by the Supreme Court of India, receipt of substantial amount towards reimbursement of transmission charges and also considering legal opinion received from legal counsel that the Company has good tenable case with respect to the appeal filed by MSEDCL against the said Order which is pending before Supreme Court of India, the Company has recognized the reimbursement of transmission charges borne by the company of Rs. 171.34 Crore relating to the period from April 01, 2015 to March 31, 2017 as reduction from transmission expenses and Exceptional income of Rs. 51.42 Crore was recognised in the earlier year as the said recovery pertains to the period prior to April 01, 2015.



7. Ratios given in Sl. No. 19 - 22 are based on the financials drawn as per Indian Accounting Standard (Ind AS) and adjustment thereon in terms of recognition and measurement principles.

DSCR represents profit / loss from operations before finance costs, exceptional items and tax expenses / finance costs plus principal repayment of loan funds due within one year. ISCR represents profit / loss from operations before finance costs, exceptional items and tax expenses / finance costs. Debt-equity ratio represents loan funds (long term borrowings and current maturity of long term borrowings included in current liabilities) / shareholders' funds (equity shares + other equity). Asset coverage ratio represents Net Assets before intangible assets and current liabilities / loan funds (long term borrowings and current maturity of long term borrowings included in current liabilities).

8. Paid up debt capital represents outstanding non convertible debentures issued by the Company.

9. The Company has created Debenture Redemption Reserve of Rs. 18.75 Crs as per the provisions of Section 71 of the Companies Act, 2013.

10. The classification / disclosure of items in the statements are in accordance with the Schedule III of the Companies Act, 2013.

11. Figures pertaining to the previous periods/year have been regrouped, reclassified and restated, wherever necessary to conform to classification adopted in the current periods/ year.

For and behalf of the board of Directors of GMR Warora Energy Limited

  
Dhananjay Deshpande  
Whole Time Director  
DIN : 07663196

Place: Delhi  
Date: 26-04-2017



Additional disclosure under regulation 52(4) of SEBI (LODR) Regulations, 2015:

1 Credit Rating and change in credit rating, if any

Credit Rating Agency	Period	Rating Given
CARE	April 01 , 2016 to July 10, 2016	BBB-
CARE	July 11, 2016 to March 31, 2017	D

2 Particulars of interest and principal repayment of NCD

Type of NCD	Principal Repayment	Last Interest Payment Due Date
750 Non Convertible Debentures of Rs.10,00,000 each	Equal installment of 1/3rd on 25th September 2022, 25th September 2023 and 25th	Status : Paid
		25-Mar-17

The next repayment date for interest on NCD is September 25, 2017.

3 Outstanding Redeemable Preference Shares as on March 31, 2017

Type	Redeemable Non Convertible non participating preference shares
Quantity	75,000,000
Value	750,000,000
Face value of Shares	Rs. 10/-

For and behalf of the board of Directors of GMR Warora Energy Limited

  
Dhananjay Deshpande  
Whole Time Director  
DIN : 07663196  
Place: Delhi  
Date: 26-04-2017

