

## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF JSW ENERGY LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **JSW ENERGY LIMITED** ("the Company"), which includes Joint Operations consolidated on a proportionate basis, for the quarter and six months ended September 30, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Attention is invited to note 2 to the Statement regarding the reasons for initiating exercise of assessment of recoverable amount of investment of Rs. 100.23 crore in equity shares of an associate and of recoverability of loan of Rs. 299.11 crore to a subsidiary. Pending conclusion of the said exercise, we are unable to comment on the impairment/provision, if any, which may be required in respect of the carrying amounts of the said assets.
4. Based on our review conducted as stated above, except for the possible effects of the matter described in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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# Deloitte Haskins & Sells LLP

5. Attention is invited to note 3 to the Statement regarding the factors considered by the Company in assessing recoverability of the carrying amounts of property, plant and equipment of Rs. 4.05 crore, capital work in progress of Rs. 237.77 crore, capital advance of Rs. 0.07 crore and investment of Rs. 29.02 crore in a subsidiary, where underlying project is on hold, and the conclusion that the carrying amounts are recoverable.

Our report on the Statement is not qualified in respect of this matter.

6. The standalone unaudited financial results includes the Company's proportionate share of total assets of Rs. 480.67 crore as at September 30, 2017 and expenditure of Rs. 5.01 crore for the quarter and six months ended September 30, 2017, in respect of joint operations which are based on financial information certified by the Management.

Our report on the Statement is not qualified in respect of our reliance on the interim financial information certified by the Management.

7. The comparative financial information of the Company for the corresponding quarter and six months ended September 30, 2016 were reviewed and for the year ended March 31, 2017 were audited by the predecessor auditor who expressed an unmodified conclusion/ opinion on those financial results on October 26, 2016 and April 29, 2017.

Our report on the Statement is not qualified in respect of this matter.

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



A. Siddharth

Partner

(Membership No. 31467)

Mumbai, November 1, 2017

# JSW ENERGY LIMITED

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

CIN : L74999MH1994PLC077041

Statement of Unaudited Standalone Financial Results for the quarter and six months ended 30.09.2017

(₹ Crore)

Sr. No.	Particulars	Quarter Ended			Six Months Ended		Year Ended
		30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016	31.03.2017
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income:						
	a) Revenue from operations	938.79	1,122.11	815.39	2,060.90	2,114.20	4,040.97
	b) Other income	146.43	113.63	74.62	260.06	185.38	328.55
	<b>Total income</b>	<b>1,085.22</b>	<b>1,235.74</b>	<b>890.01</b>	<b>2,320.96</b>	<b>2,299.58</b>	<b>4,369.52</b>
2	Expenses:						
	a) Fuel cost	657.07	838.13	563.89	1,495.20	1,319.91	2,721.20
	b) Purchase of power	-	-	-	-	-	33.67
	c) Employee benefits expense	25.52	29.90	30.63	55.42	60.39	120.10
	d) Finance costs	127.90	121.74	125.20	249.64	292.45	533.04
	e) Depreciation and amortisation expense	93.36	92.55	91.82	185.91	181.43	363.90
	f) Other expenses	53.45	61.24	55.71	114.69	120.78	260.73
	<b>Total expenses</b>	<b>957.30</b>	<b>1,143.56</b>	<b>867.25</b>	<b>2,100.86</b>	<b>1,974.96</b>	<b>4,032.64</b>
3	<b>Profit before tax (1-2)</b>	<b>127.92</b>	<b>92.18</b>	<b>22.76</b>	<b>220.10</b>	<b>324.62</b>	<b>336.88</b>
4	Tax expense:						
	- Current tax	26.17	18.44	4.86	44.61	69.28	73.16
	- Deferred tax	30.15	22.17	26.21	52.32	38.59	68.97
5	<b>Net profit for the period (3-4)</b>	<b>71.60</b>	<b>51.57</b>	<b>(8.31)</b>	<b>123.17</b>	<b>216.75</b>	<b>194.75</b>
6	Other comprehensive income						
A	(i) Items that will not be reclassified to profit or loss	-	-	-	-	-	0.22
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	(0.05)
B	Items that will be reclassified to profit or loss	2.08	(1.24)	(5.97)	0.84	(1.02)	(10.62)
	<b>Total Other comprehensive income</b>	<b>2.08</b>	<b>(1.24)</b>	<b>(5.97)</b>	<b>0.84</b>	<b>(1.02)</b>	<b>(10.45)</b>
7	<b>Total comprehensive income for the period (5+6)</b>	<b>73.68</b>	<b>50.33</b>	<b>(14.28)</b>	<b>124.01</b>	<b>215.73</b>	<b>184.30</b>
8	<b>Paid-up equity share capital (net of treasury shares)</b> (Face value of ₹ 10 per share)	1,637.25	1,629.00	1,627.47	1,637.25	1,627.47	1,627.95
9	Other equity						6,765.61
10	Earnings per share (EPS) (not annualised)						
	- Basic EPS (₹)	0.44	0.32	(0.05)	0.75	1.33	1.20
	- Diluted EPS (₹)	0.44	0.32	(0.05)	0.75	1.33	1.20
11	Debt equity ratio (refer note no.7)				0.47	0.41	0.41
12	Debt service coverage ratio (refer note no.7)				0.29	0.44	0.37
13	Interest service coverage ratio (refer note no.7)				2.16	2.88	1.98

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## Standalone Statement of Assets and Liabilities

₹ Crore

Particulars	As at	
	30.09.2017	31.03.2017
	Unaudited	Audited
<b>A. ASSETS</b>		
<b>1. Non-current assets:</b>		
(a) Property, plant and equipment	5,014.04	5,186.26
(b) Capital work-in-progress	492.61	474.85
(c) Other Intangible assets	1.81	3.60
(d) Financial assets		
(i) Investments	5,173.76	5,169.94
(ii) Loans	1,498.10	1,425.14
(iii) Other financial assets	1,068.36	1,085.19
(e) Income tax assets (net)	5.26	22.52
(f) Other non-current assets	28.20	32.54
<b>Total non - current assets</b>	<b>13,282.14</b>	<b>13,400.04</b>
<b>2. Current assets:</b>		
(a) Inventories	463.64	510.29
(b) Financial assets		
(i) Investments	363.53	154.11
(ii) Trade receivables	422.25	840.01
(iii) Cash and cash equivalents	47.70	15.18
(iv) Bank Balances other than (iii) above	27.01	59.68
(v) Loans	922.84	82.10
(vi) Other financial assets	195.25	119.94
(c) Other current assets	72.62	37.09
<b>Total current assets</b>	<b>2,514.84</b>	<b>1,818.40</b>
<b>TOTAL ASSETS (1+2)</b>	<b>15,796.98</b>	<b>15,218.44</b>
<b>B. EQUITY AND LIABILITIES</b>		
<b>1. Equity</b>		
(a) Equity share capital	1,637.25	1,627.95
(b) Other equity	6,839.07	6,765.61
<b>Total equity</b>	<b>8,476.32</b>	<b>8,393.56</b>
<b>2. Liabilities</b>		
<b>I. Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	3,389.18	2,922.43
(ii) Other financial liabilities	0.63	0.62
(b) Provisions	13.04	13.87
(c) Deferred tax liabilities (net)	353.61	301.50
(d) Other non-current liabilities	1.72	1.74
<b>Total non - current liabilities</b>	<b>3,758.18</b>	<b>3,240.16</b>
<b>II. Current liabilities</b>		
(a) Financial liabilities		
(i) Trade payables*	2,048.50	1,911.20
(ii) Other financial liabilities	1,096.22	1,285.15
(b) Other current liabilities	381.37	384.03
(c) Income tax liabilities (net)	32.69	-
(d) Provisions	3.70	4.34
<b>Total current liabilities</b>	<b>3,562.48</b>	<b>3,584.72</b>
<b>Total liabilities</b>	<b>7,320.66</b>	<b>6,824.88</b>
<b>TOTAL EQUITY AND LIABILITIES (1+2)</b>	<b>15,796.98</b>	<b>15,218.44</b>

\*Includes buyer's credit

**Notes :**

- The Company is engaged in only one segment viz. "Generation and Sale of Power"
- The Management has initiated exercise of assessing (i) recoverable amount of investments of ₹ 100.23 crore in equity shares of an associate, in terms of Indian Accounting Standard 36, 'Impairment of Assets', having regard to substantial erosion of its net worth, and is also in discussion with the co-venturer for selling its stake; and (ii) recoverability of loans of ₹ 299.11 crore to a subsidiary, in terms of Indian Accounting Standard 109, 'Financial Instruments', having regard to substantial delay in resuming its operations. Impairment/Provision, if any, shall be recognised upon conclusion of the aforesaid exercise.
- The Management has, based on estimates of value of its business, assessed net carrying amounts of property, plant and equipment of ₹ 4.05 crore, capital work in progress of ₹ 237.77 crore, capital advance of ₹ 0.07 crore and investment of ₹ 29.02 crore in a subsidiary where underlying project is on hold due to various reasons and concluded that they are recoverable. In making the said assessment, the factors considered include likely favorable impact of government policies, commencement of commercial operations, operational margins, power supply agreements etc.

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4 Additional Disclosure:

Particulars	Six Months Ended		Year Ended
	30.09.2017	30.09.2016	31.03.2017
1. Net Worth (₹ Crore)	8,476.32	8,435.35	8,393.56
2. Debenture Redemption Reserve (₹ Crore)	297.44	494.59	297.44
3. Credit Rating of secured redeemable non-convertible debentures	CARE AA- -ve outlook	CARE AA-	CARE AA- -ve outlook
4. Asset Cover available (times)	1.35	1.62	1.60

5 The listed Secured Redeemable Non Convertible Debentures aggregating ₹1,597.88 crore as on 30.09.2017 are secured by way of pari passu charge on the certain immovable and moveable assets of the Company.

6 Details of secured redeemable non-convertible debentures are as follows :

Particulars	Previous Payment Dates #		Next Payment Date	
	Principal	Interest	Principal	Interest
9.75% Secured Redeemable Non Convertible Debentures	20.07.2017	20.07.2017	20.01.2018	20.10.2017
	30.07.2017	30.07.2017	30.01.2018	30.10.2017
	16.08.2017	16.08.2017	16.02.2018	16.11.2017
9.40% to 9.75% Secured Redeemable Non Convertible Debentures	30.09.2017	30.09.2017	NA	NA
8.65% Secured Redeemable Non Convertible Debentures	NA	NA	30.12.2020	30.12.2017
8.40% Secured Redeemable Non Convertible Debentures	NA	NA	18.09.2020	20.09.2018
# Interest and Principal have been paid on the due dates				

7 Formula for computation of ratios are as follows:

Debt equity ratio = (Secured Loans + Unsecured Loans) / (Equity Share Capital + Reserves & Surplus)

Debt Service Coverage Ratio = Profit before Interest on Term Loans, Exceptional Items and Tax / (Interest on Term Loans + Principal payments made during the period for Long Term Loans)

Interest Service Coverage Ratio = Profit before Interest on Term Loans, Exceptional Items and Tax / Interest on Term Loans

8 Comparative financial information has been regrouped and reclassified, wherever necessary, to correspond to the figures of the current quarter/period.

9 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 01.11.2017. The Statutory Auditors of the Company have carried out a Limited Review of the results for the quarter and six months ended 30.09.2017.

For and on behalf of the Board of Directors



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

Place : Mumbai  
Date : 01.11.2017

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