

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 Consolidated Unaudited Financial Results of **JSW ENERGY LIMITED** ("the Parent") which includes Joint Operations consolidated on a proportionate basis, and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the profit/ (loss) of its joint ventures and associates for the quarter and six months ended September 30, 2018 ("the Statement"), being submitted by the Parent 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 Parent's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in 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 Parent's 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. The Statement includes the results of the entities listed in Annexure "A" to this report.
4. Based on our review conducted as stated above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, 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.
5. Attention is invited to Note no. 2 of the Statement regarding the plans to resume construction/developmental activities and recent developments in respect of hydropower project at Himachal Pradesh. The carrying amounts related to the project as at September 30, 2018 comprise property, plant and equipment of ₹ 3.59 crore, capital work in progress of ₹ 259.46 crore and capital advance of ₹ 6.20 crore.

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




6. We did not review the interim financial results of 8 subsidiaries included in the Statement, whose interim financial results reflect total assets of Rs. 15,971.60 crore as at September 30, 2018, total revenues of Rs. 1,387.01 crore and Rs. 2801.43 crore for the quarter and six months ended September 30, 2018, respectively, and total profit after tax (net) of Rs. 226.97 crore and Rs. 406.03 crore and total comprehensive income (net) of Rs. 226.97 crore and Rs. 406.03 crore for the quarter and six months ended September 30, 2018, respectively, as considered in the Statement. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

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

7. The Statement includes the interim financial information/ financial results of 13 subsidiaries which have not been reviewed by their auditors, whose interim financial information/ financial results reflect total assets of Rs. 185.85 crore as at September 30, 2018, total revenues of Rs. 15.35 crore and Rs. 27.95 crore for the quarter and six months ended September 30, 2018, respectively, and total loss after tax (net) of Rs. 16.27 crore and Rs. 36.47 crore and total comprehensive loss (net) of Rs. 16.27 crore and Rs. 36.47 crore, for the quarter and six months ended September 30, 2018, respectively, as considered in the Statement. The Statement also includes the Group's proportionate share of revenue of Rs. Nil in respect of 2 joint operations for the quarter and six months ended September 30, 2018, and in respect of an associate and a joint venture, share of profit after tax of Rs. 17.81 crore and Rs. 30.24 crore and total comprehensive income of Rs. 17.81 crore and Rs. 30.24 crore for the quarter and six months ended September 30, 2018, respectively, as considered in the Statement based on their interim financial information/ financial results which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these interim financial information/ financial results are not material to the Group.

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

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



Samir R. Shah
Partner
(Membership No. 101708)

Mumbai, November 2, 2018

Annexure "A" List of entities included in the Statement

(i) Subsidiaries

- (a) JSW Hydro Energy Limited (formerly known as Himachal Baspa Power Company Limited)
- (b) JSW Energy (Kutehr) Limited
- (c) JSW Energy (Raigarh) Limited
- (d) JSW Green Energy Limited
- (e) Jaigad Power Transco Limited
- (f) Raj WestPower Limited
- (g) JSW Solar Limited
- (h) JSW Electric Vehicles Private Limited
- (i) JSW Energy Minerals Mauritius Limited*
- (j) JSW Energy Natural Resources Mauritius Limited
- (k) Minerals & Energy Swaziland Proprietary Limited
- (l) JSW Energy Natural Resources South Africa (Pty.) Limited
- (m) Royal Bafokeng Capital (Pty) Limited
- (n) Mainsail Trading 55 Proprietary Limited
- (o) South African Coal Mining Holdings Limited
- (p) SACM (Breyten) Proprietary Limited
- (q) South African Coal Mining Equipment Company Proprietary Limited*
- (r) South African Coal Mining Operations Proprietary Limited
- (s) Umlabu Colliery Proprietary Limited
- (t) Jigmining Operations No 1 Proprietary Limited
- (u) Yomhlaba Coal Proprietary Limited

(ii) Jointly controlled entity

Barmer Lignite Mining Company Limited

(iii) Associate

Toshiba JSW Power Systems Private Limited

* Liquidated/ de-registered during the six months ended September 30, 2018

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JSW ENERGY LIMITED

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

CIN: L74999MH1994PLC077041

Statement of Unaudited Consolidated Financial Results for the Quarter and Six Months ended 30.09.2018

₹ crore

Sr. No.	Particulars	Quarter Ended			Six Months Ended		Year Ended
		30.09.2018	30.06.2018	30.09.2017	30.09.2018	30.09.2017	31.03.2018
		Unaudited			Unaudited		Audited
1	Income:						
	a) Revenue from operations	2,430.76	2,360.56	2,049.04	4,791.32	4,280.68	8,048.96
	b) Other income	136.98	67.31	170.54	204.29	273.06	465.02
	Total income	2,567.74	2,427.87	2,219.58	4,995.61	4,553.74	8,513.98
2	Expenses:						
	a) Fuel cost	1,328.94	1,389.24	935.87	2,718.18	2,056.29	4,338.87
	b) Purchase of power	23.52	8.77	18.60	32.29	42.78	74.58
	c) Employee benefits expense	61.63	60.84	53.91	122.47	109.87	215.09
	d) Finance costs	308.30	312.98	390.97	621.28	791.90	1,455.91
	e) Depreciation and amortisation expense	293.28	289.89	244.91	583.17	487.67	966.08
	f) Other expenses	155.34	125.47	158.28	280.81	315.92	657.88
	Total expenses	2,171.01	2,187.19	1,802.54	4,358.20	3,804.43	7,708.41
3	Share of profit / (loss) of joint venture and an associate	17.81	12.43	0.40	30.24	(3.33)	(49.49)
4	Profit before exceptional items and tax (1 - 2 + 3)	414.54	253.11	417.44	667.65	745.98	756.08
5	Exceptional items (refer note 1)	-	-	-	-	-	417.94
6	Profit before tax (4 - 5)	414.54	253.11	417.44	667.65	745.98	338.14
7	Tax expense						
	- Current tax	98.51	42.70	88.27	141.21	162.53	210.76
	- Deferred tax	13.94	(19.12)	31.94	(5.18)	69.04	42.47
8	Net profit after tax for the period / year (6 - 7)	302.09	229.53	297.23	531.62	514.41	84.91
	Attributable to :						
	Owners of the Company	315.96	229.17	296.89	545.13	514.17	77.97
	Non controlling interests	(13.87)	0.36	0.34	(13.51)	0.24	6.94
9	Other comprehensive income						
	A.(i) Items that will not be reclassified to profit or loss	384.16	270.68	315.52	654.84	421.98	700.77
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(44.75)	(26.76)	-	(71.51)	-	(0.13)
	B.(i) Items that will be reclassified to profit or loss	(3.96)	(2.73)	(0.58)	(6.69)	2.65	(3.52)
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Other comprehensive income	335.45	241.19	314.94	576.64	424.63	697.12
	Attributable to :						
	Owners of the Company	335.45	241.19	314.94	576.64	424.63	697.12
	Non controlling interests	-	-	-	-	-	* 0.00
10	Total comprehensive income for the period / year (8 + 9)	637.54	470.72	612.17	1,108.26	939.04	782.03
	Attributable to :						
	Owners of the Company	651.41	470.36	611.83	1,121.77	938.80	775.09
	Non controlling interests	(13.87)	0.36	0.34	(13.51)	0.24	6.94
11	Paid-up equity share capital (net of treasury shares) (Face Value of ₹ 10 per share)	1,640.10	1,640.10	1,637.25	1,640.10	1,637.25	1,640.05
12	Other equity						9,469.65
13	Earnings per share (not annualised)						
	- Basic EPS (₹)	1.93	1.40	1.81	3.32	3.14	0.48
	- Diluted EPS (₹)	1.93	1.40	1.81	3.32	3.14	0.48

* Less than ₹ 50,000



Consolidated Statement of Assets and Liabilities:

(₹ crore)

Sr. No.	Particulars	As at	
		30.09.2018	31.03.2018
		Unaudited	Audited
A	ASSETS		
1	Non-current assets:		
	(a) Property, plant and equipment	16,774.68	17,296.98
	(b) Capital work-in-progress	362.38	293.53
	(c) Goodwill	639.82	639.82
	(d) Other intangible assets	917.97	940.59
	(e) Financial assets		
	(i) Investments		
	- Investments in an associate and joint venture	-	-
	- Other investments	2,731.68	2,078.17
	(ii) Loans	571.24	571.41
	(iii) Other financial assets	1,649.14	1,609.21
	(f) Income tax assets (net)	29.29	38.09
	(g) Other non-current assets	554.64	542.61
	Total non - current assets	24,230.84	24,010.41
2	Current assets:		
	(a) Inventories	608.33	535.54
	(b) Financial assets		
	(i) Investments	129.56	336.83
	(ii) Trade receivables	1,533.73	1,151.22
	(iii) Cash and cash equivalents	290.70	224.27
	(iv) Bank balances other than (iii) above	57.77	86.76
	(v) Loans	178.13	178.34
	(vi) Other financial assets	135.83	120.06
	(c) Other current assets	83.88	77.50
	Total current assets	3,017.93	2,710.52
	TOTAL ASSETS (1+2)	27,248.77	26,720.93
B	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity share capital	1,640.10	1,640.05
	(b) Other equity	10,590.82	9,469.65
	Equity attributable to owners of the Company	12,230.92	11,109.70
	Non-controlling interests	(18.64)	(3.94)
	Total equity	12,212.28	11,105.76
2	Liabilities		
I	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	10,314.84	10,821.00
	(ii) Other financial liabilities	0.30	0.26
	(b) Provisions	72.35	99.84
	(c) Deferred tax liabilities (net)	491.88	427.96
	(d) Other non-current liabilities	6.54	6.62
	Total non - current liabilities	10,885.91	11,355.68
II	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	6.87	8.19
	(ii) Trade payables*	1,934.60	2,327.13
	(iii) Other financial liabilities	2,000.69	1,802.41
	(b) Other current liabilities	77.93	55.04
	(c) Provisions	30.86	31.44
	(d) Current tax liabilities (net)	99.63	35.28
	Total current liabilities	4,150.58	4,259.49
	Total liabilities	15,036.49	15,615.17
	TOTAL EQUITY AND LIABILITIES (1+2)	27,248.77	26,720.93
	* including buyer's / supplier's credit		



Notes:

- 1 For the year ended March 31, 2018, exceptional items comprise loss allowance of ₹ 417.94 crore towards loan to a party. The said loan was advanced for acquisition of a power plant. However, subsequently the deal was terminated. The measurement of the loss allowance reckons with the financial ability of the party and setoffs available for certain amounts payable to the same party towards an earlier acquisitions.
- 2 The Group plans to resume construction/developmental activities of 240 MW hydro power project at Kutehr, Himachal Pradesh after securing long term power supply contract. The Hydro Power Policy, 2006 has recently been amended by the Government of Himachal Pradesh. Having regard to the same, the Group has started participating in bids invited by the distribution companies. The carrying amounts related to the project as at September 30, 2018 comprise property, plant and equipment of ₹ 3.59 crore, capital work in progress of ₹ 259.46 crore and capital advance of ₹ 6.20 crore.
- 3 Effective April 1, 2018, Group has tied up the entire saleable capacity of a Hydro power plant in Karcham, Sholtu (Himachal Pradesh) ("the power plant") with various State DISCOMS through PTC India Limited. Consequently, the Group has revised the manner of depreciation of the power plant as per the depreciation rates /method prescribed under Central Electricity Regulation Commission (CERC) tariff regulation resulting into an increase in the depreciation expense for the quarter and six months ended September 30, 2018, by ₹ 49.16 crore and ₹ 97.90 crore respectively.
- 4 The Group has only one reportable operating segment i.e. 'Power Generation'.
- 5 Effective April 1, 2018 the Group has adopted IND AS 115 'Revenue from contracts with customers'. Based on the assessment done by the management, there is no material impact on the revenue recognised during the quarter and six months ended September 30, 2018.
- 6 The consolidated results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 02, 2018. The Statutory Auditors of the Company have carried out a Limited Review of the results for the quarter and six months ended September 30, 2018.

For and on behalf of the Board of Directors


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

Place : Mumbai
Date : November 02, 2018

