

## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED 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") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit/ (loss) after tax and total comprehensive income/ (loss) of its associate and joint venture for the quarter and nine months ended December 31, 2019 ("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 amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's 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 express a conclusion on the Statement based on our review.
3. 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 (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the entities listed in Annexure "A" to this report.
5. Based on our review conducted and procedures performed as stated in paragraph 3 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 recognition and measurement principles laid down in the aforesaid Indian Accounting Standard 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 amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the financial results of 14 subsidiaries (including consolidated financial results of a subsidiary and its joint venture) included in the consolidated unaudited financial results, whose financial results reflect total revenues of Rs. 936.48 crore and Rs. 3,540.65 crore for the quarter and nine months ended December 31, 2019 respectively, profit after tax of Rs. 91.95 crore and Rs. 490.50 crore for the quarter and nine months ended

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Registration No. AAB-8737)



December 31, 2019 respectively and total comprehensive income of Rs. 99.05 crore and Rs. 494.85 crore for the quarter and nine months ended December 31, 2019 respectively, as considered in the Statement. The consolidated unaudited financial results includes the Group's share of profit/ (loss) after tax of Rs. (0.15) crore and Rs. 27.27 crore for the quarter and nine months ended December 31, 2019 respectively and total comprehensive income/ (loss) of Rs. (0.15) crore and Rs 27.27 crore for the quarter and nine months ended December 31, 2019 respectively, as considered in the Statement, in respect of the above mentioned joint venture, whose financial results have not been reviewed by us. These financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Of the above subsidiaries, 1 subsidiary and its 5 subsidiaries (step-down) are located outside India whose consolidated unaudited financial results have been prepared in accordance with International Financial Reporting Standards and which have been reviewed by another auditor under International Standards on Review Engagement (ISRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by International Accounting Standards Board, whose report has been furnished to us by the Management. The Company's management has converted the consolidated unaudited financial results of the aforesaid subsidiary from International Financial Reporting Standards to the accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Company's management. Our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based on the report of other auditor and the conversion adjustments prepared by the Management of the Company and reviewed by us.

Our conclusion on the Statement is not modified in respect of these matters.

7. The consolidated unaudited financial results includes the interim financial information of 4 subsidiaries which have not been reviewed by their auditors, whose interim financial information reflect total revenue of Rs. Nil for the quarter and nine months ended December 31, 2019, loss after tax of Rs. 0.26 crore and Rs. 0.35 crore for the quarter and nine months ended December 31, 2019 respectively and total comprehensive loss of Rs. 0.26 crore and Rs. 0.35 crore for the quarter and nine months ended December 31, 2019 respectively, as considered in the Statement. The consolidated unaudited financial results also includes the Group's share of profit after tax of Rs. Nil for the quarter and nine months ended December 31, 2019 and total comprehensive income of Rs. Nil for the quarter and nine months ended December 31, 2019, as considered in the Statement, in respect of an associate, based on its interim financial information which has not been reviewed by its auditor. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group.

Our Conclusion on the Statement is not modified in respect of our reliance on these interim financial information 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)

UDIN : 20101708AAAAAU8628

**Annexure "A" List of entities included in the Statement**

**(i) Subsidiaries**

- (a) JSW Hydro Energy Limited
- (b) JSW Energy (Kutehr) Limited
- (c) JSW Energy (Raigarh) Limited
- (d) JSW Power Trading Company Limited
- (e) Jaigad Power Transco Limited
- (f) JSW Energy (Barmer) Limited
- (g) JSW Solar Limited
- (h) JSW Electric Vehicles Private Limited
- (i) JSW Energy Natural Resources Mauritius Limited
- (j) JSW Energy Natural Resources South Africa (Pty.) Limited
- (k) Royal Bafokeng Capital (Pty) Limited
- (l) Mainsail Trading 55 Proprietary Limited
- (m) South African Coal Mining Holdings Limited
- (n) SACM (Breyten) Proprietary Limited
- (o) South African Coal Mining Operations Proprietary Limited
- (p) Umlabu Colliery Proprietary Limited
- (q) Jigmining Operations No 1 Proprietary Limited
- (r) Yomhlaba Coal Proprietary Limited

**(ii) Joint Venture**

Barmer Lignite Mining Company Limited

**(iii) Associate**

Toshiba JSW Power Systems Private Limited



# JSW ENERGY LIMITED

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

## Statement of Consolidated Unaudited Financial Results for the Quarter and Nine Months Ended 31.12.2019

₹ crore

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
		Unaudited			Unaudited		Audited
1	<b>Income:</b>						
	a) Revenue from operations	1,948.58	2,118.55	2,421.69	6,479.30	7,213.01	9,137.59
	b) Other income	67.62	113.30	70.10	232.74	274.39	367.97
	<b>Total income</b>	<b>2,016.20</b>	<b>2,231.85</b>	<b>2,491.79</b>	<b>6,712.04</b>	<b>7,487.40</b>	<b>9,505.56</b>
2	<b>Expenses:</b>						
	a) Fuel cost	1,115.13	982.63	1,447.28	3,464.19	4,165.46	5,356.22
	b) Purchase of power	16.58	8.64	26.14	29.07	58.43	78.50
	c) Employee benefits expense	60.72	60.99	61.99	183.85	184.46	243.58
	d) Finance costs	261.09	272.17	294.76	803.06	916.04	1,192.40
	e) Depreciation and amortisation expense	293.18	294.30	293.29	878.73	876.46	1,163.69
	f) Other expenses	118.16	131.49	147.54	420.15	428.35	606.17
	<b>Total expenses</b>	<b>1,864.86</b>	<b>1,750.22</b>	<b>2,271.00</b>	<b>5,779.05</b>	<b>6,629.20</b>	<b>8,640.56</b>
3	Share of (loss) / profit of a joint venture and an associate	(0.15)	1.86	(9.92)	27.27	20.32	31.93
4	<b>Profit before exceptional items, tax and deferred tax (recoverable from) / adjustable in future tariff (1 - 2 + 3)</b>	<b>151.19</b>	<b>483.49</b>	<b>210.87</b>	<b>960.26</b>	<b>878.52</b>	<b>896.93</b>
5	Exceptional items (net) (Refer note 2)	(61.46)	-	-	(61.46)	-	-
6	<b>Profit before tax and deferred tax (recoverable from) / adjustable in future tariff (4-5)</b>	<b>212.65</b>	<b>483.49</b>	<b>210.87</b>	<b>1,021.72</b>	<b>878.52</b>	<b>896.93</b>
7	<b>Tax expense</b>						
	- Current tax	(65.30)	110.05	35.84	117.52	177.05	179.39
	- Deferred tax (Refer note 3)	(114.90)	(87.62)	74.80	(245.02)	(51.51)	27.71
8	<b>Deferred tax (recoverable from) / adjustable in future tariff (Refer note 3 and 4)</b>	<b>(11.46)</b>	<b>111.36</b>	<b>(46.85)</b>	<b>157.94</b>	<b>74.28</b>	<b>5.34</b>
9	<b>Profit for the period / year (6 - 7 - 8)</b>	<b>404.31</b>	<b>349.70</b>	<b>147.08</b>	<b>991.28</b>	<b>678.70</b>	<b>684.49</b>
10	<b>Other comprehensive income / (loss)</b>						
	A.(i) Items that will not be reclassified to profit or loss	280.85	(326.73)	(524.59)	(161.09)	130.25	32.25
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	61.11	-	(10.40)	0.44
	B.(i) Items that will be reclassified to profit or loss	44.80	2.18	(12.15)	3.05	(18.84)	(20.67)
	(ii) Income tax relating to items that will be reclassified to profit or loss	(12.90)	(2.95)	-	1.41	-	-
	<b>Total other comprehensive income / (loss)</b>	<b>312.75</b>	<b>(327.50)</b>	<b>(475.63)</b>	<b>(156.63)</b>	<b>101.01</b>	<b>12.02</b>
11	<b>Total comprehensive income / (loss) for the period / year (9 + 10)</b>	<b>717.06</b>	<b>22.20</b>	<b>(328.55)</b>	<b>834.65</b>	<b>779.71</b>	<b>696.51</b>
	<b>Attributable to:</b>						
	<b>Owners of the Company</b>	<b>711.85</b>	<b>22.85</b>	<b>(329.50)</b>	<b>838.80</b>	<b>792.27</b>	<b>707.15</b>
	Non controlling interests	5.21	(0.65)	0.95	(4.15)	(12.56)	(10.64)
	<b>Of the total comprehensive income / (loss) above, Profit for the period / year attributable to:</b>						
	<b>Owners of the Company</b>	<b>394.12</b>	<b>352.98</b>	<b>146.13</b>	<b>991.48</b>	<b>691.26</b>	<b>695.13</b>
	Non controlling interests	10.19	(3.28)	0.95	(0.20)	(12.56)	(10.64)
	<b>Of the total comprehensive income / (loss) above, Other comprehensive income / (loss) for the period / year attributable to:</b>						
	<b>Owners of the Company</b>	<b>317.73</b>	<b>(330.13)</b>	<b>(475.63)</b>	<b>(152.68)</b>	<b>101.01</b>	<b>12.02</b>
	Non controlling interests	(4.98)	2.63	-	(3.95)	-	★ (0.00)
12	<b>Paid-up equity share capital (net of treasury shares) (Face value of ₹ 10 per share)</b>	<b>1,641.69</b>	<b>1,641.21</b>	<b>1,640.29</b>	<b>1,641.69</b>	<b>1,640.29</b>	<b>1,640.87</b>
13	<b>Other equity</b>						<b>10,181.37</b>
14	<b>Earnings per share (EPS) (not annualised excluding year end)</b>						
	- Basic EPS (₹)	2.40	2.15	0.89	6.04	4.21	4.24
	- Diluted EPS (₹)	2.40	2.15	0.89	6.04	4.21	4.24

\* Less than ₹ 50,000.



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Notes:

- 1 Effective April 1, 2019, the Group has adopted Ind AS 116 – Leases using the modified retrospective approach. The adoption of the standard did not have any material impact on these financial results.
- 2 Exceptional items comprise write back of contingent consideration of ₹ 177.48 crore being no longer payable and an additional loss allowances of ₹ 116.02 crore on a loan, pursuant to debt resolution agreement entered into with the party on January 2, 2020.
- 3 The Company and certain subsidiaries have, basis the impact assessment of the option given under section 115BAA of the Income Tax Act, 1961 to pay income tax at 22% plus applicable surcharge and cess subject to certain conditions, decided to continue with the existing tax structure until utilization of their respective accumulated minimum alternative tax (MAT) credit. Accordingly, deferred tax liabilities are re-measured at the tax rates that are expected to apply to the period when such liabilities will be settled, resulting in write back of ₹ 276.81 crore. A corresponding tax adjustment in future tariff of ₹ 111.63 crore (net) is recognised in respect of certain subsidiaries.
- 4 In respect of regulated businesses where tariff is determined on cost plus return on equity and the income tax is a pass through, deferred tax recoverable from/adjustable against future tariff, when and to the extent such deferred tax becomes current tax in future periods, is presented separately for all periods, and is not offset against deferred tax in accordance with guidance given by Expert Advisory Committee of the Institute of Chartered Accountants of India in its recent opinion on a similar matter. Until previous year, it was presented under 'Tax Expense' in the financial results and adjusted in deferred tax balance in the Statement of assets and liabilities.
- 5 The Group has only one reportable operating segment i.e. 'Power Generation'.
- 6 In respect of the hydro power plants of the Group, due to seasonal nature, the financial results may not be comparable with the previous / subsequent quarters and periods.
- 7 The consolidated results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 4, 2020. The Statutory Auditors of the Company have carried out a Limited Review of the results for the quarter and nine months ended December 31, 2019.

Place : Mumbai  
Date : February 4, 2020



For and on behalf of the Board of Directors

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



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