

**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM
STANDALONE FINANCIAL RESULTS**

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

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of JSW ENERGY LIMITED ("the Company"), for the quarter and nine months ended December 31, 2020 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company'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 the Company'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.
4. Based on our review conducted as stated in paragraph 3 above, 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 Regulations 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.

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



(Samir R. Shah)
Partner

(Membership No. 101708)
(UDIN: 21101708AAAAAK7880)

Mumbai, 29 January 2021

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 Nine Months Ended December 31, 2020

₹ crore

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2020	30.09.2020	31.12.2019	31.12.2020	31.12.2019	31.03.2020
		Unaudited			Unaudited		Audited
1	Income:						
	a) Revenue from operations	691.75	672.03	1,091.74	2,168.13	3,297.99	4,313.99
	b) Other income	8.39	26.77	34.40	53.73	169.97	197.90
	Total income	700.14	698.80	1,126.14	2,221.86	3,467.96	4,511.89
2	Expenses:						
	a) Fuel cost	433.55	424.92	806.91	1,417.02	2,402.10	3,074.40
	b) Employee benefits expense	26.64	25.42	29.22	81.92	88.99	118.71
	c) Finance costs	45.95	55.59	79.56	168.19	255.08	321.95
	d) Depreciation and amortisation expense	90.04	90.38	92.73	270.72	277.89	369.27
	e) Other expenses	46.38	39.81	44.79	115.94	152.68	226.71
	Total expenses	642.56	636.12	1,053.21	2,053.79	3,176.74	4,111.04
3	Profit before exceptional items and tax (1-2)	57.58	62.68	72.93	168.07	291.22	400.85
4	Exceptional items (net) (refer note no. 4)	-	-	(23.02)	-	(23.02)	(23.02)
5	Profit before tax (3-4)	57.58	62.68	95.95	168.07	314.24	423.87
6	Tax expense:						
	- Current tax	5.35	5.48	(39.21)	15.38	-	5.50
	- Deferred tax (refer note no. 6)	17.11	21.85	(128.02)	53.97	(88.51)	(79.44)
7	Profit for the period / year (5-6)	35.12	35.35	263.18	98.72	402.75	497.81
8	Other comprehensive income / (loss)						
A	(i) Items that will not be reclassified to profit or loss	794.44	634.69	280.85	1,778.22	(161.09)	(1,069.71)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(81.93)	0.05	-	(81.83)	-	0.19
B	(i) Items that will be reclassified to profit or loss	7.93	7.60	36.92	9.73	(4.02)	(9.73)
	(ii) Income tax relating to items that will be reclassified to profit or loss	(2.77)	(2.66)	(12.89)	(3.40)	1.41	3.40
	Total other comprehensive income / (loss) (net of tax)	717.67	639.68	304.88	1,702.72	(163.70)	(1,075.85)
9	Total comprehensive income / (loss) for the period / year (7+8)	752.79	675.03	568.06	1,801.44	239.05	(578.04)
10	Paid-up equity share capital (net of treasury shares) (Face value of ₹ 10 per share)	1,642.25	1,642.03	1,641.69	1,642.25	1,641.69	1,641.90
11	Other equity						7,758.30
12	Earnings per share (EPS) (not annualised excluding year end)						
	- Basic EPS (₹)	0.21	0.22	1.60	0.60	2.45	3.03
	- Diluted EPS (₹)	0.21	0.22	1.60	0.60	2.45	3.03



Notes :

- 1 Some of the existing customers having long term power purchase agreements have entered into long term job work agreements for supply of power during the current period. As per the said agreements, the coal required for power generation is supplied by the respective customers which is converted into power by the Company and supplied to the customers. The Company receives the job work charges from the customers. These arrangements have resulted in lower 'Revenue from operations' and correspondingly 'Fuel cost'. Accordingly, to such extent, the results for the quarter and nine months ended December 31, 2020 are not fully comparable with those for the previous periods and previous year-end.
- 2 The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these results. The Company's substantial generation capacities are tied up under medium to long term power purchase / job work agreements, which insulates revenue of the Company under such contracts. Merchant power sale has witnessed lower demand due to economic slowdown, and consequential impact on tariff. Based on the present assessment, the Management does not expect any medium to long-term impact on the businesses of the Company. The Company has evaluated the possible effects on the carrying amounts of property, plant and equipment, inventory, loans and receivables basis the internal and external sources of information and concluded, exercising reasonable estimates and judgements, that the carrying amounts of these assets are recoverable. Having regard to the above, and the Company's liquidity position, there is no uncertainty in meeting financial obligations in the foreseeable future. The impact of COVID-19 may differ from that estimated as at the date of approval of these financial results.
- 3 The Code on Social Security, 2020 ('the Code') received presidential assent on September 28, 2020. However, the date on which the Code will come into effect has not yet been notified. The Company will assess the impact of the Code on its books of account in the period(s) in which the provisions of the Code becomes effective.
- 4 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, and additional loss allowance of ₹ 38.44 crore towards a loan given to a subsidiary basis recoverability assessment.
- 5 The Company has only one reportable operating segment i.e. 'Power Generation'.
- 6 During the quarter ended December 31, 2019, the Company had, basis the impact assessment of the option under section 115BAA of the Income Tax Act, 1961, decided to continue with the existing tax structure until utilisation of accumulated minimum alternative tax (MAT) credit. Accordingly, deferred tax liability was re-measured at the tax rates that were expected to apply to the period when such liability will be settled resulting in write back of ₹ 165.18 crore during the quarter ended December 31, 2019.
- 7 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on January 29, 2021. The Statutory Auditors of the Company have carried out a Limited Review of the results for the quarter and nine months ended December 31, 2020.

For and on behalf of the Board of Directors


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

Place : Mumbai
Date : January 29, 2021

