

**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 Unaudited Consolidated 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 net profit after tax and total comprehensive income of its associate and a joint venture for the quarter and six months ended September 30, 2020 ("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 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 information / financial results of 11 subsidiaries included in the unaudited consolidated financial results, whose interim financial information / financial results reflect total assets of Rs. 14,981.87 Crore as at September 30, 2020 and, total revenues of Rs. 1,288.97 Crore and Rs. 2,341.92 Crore for the quarter and six months ended September 30, 2020 respectively, total net profit after tax of Rs. 304.15 Crore and Rs. 486.23 Crore for the quarter and six months ended September 30, 2020 respectively and total comprehensive income of Rs. 304.00 Crore and Rs. 485.93 Crore for the quarter and six months ended September 30, 2020 respectively and net cash inflows (net) of Rs. 100.88 Crore for the six months ended September 30, 2020, as considered in the Statement. These interim financial information/ 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, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

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

7. The unaudited consolidated financial results includes the interim financial information of 10 subsidiaries which have not been reviewed by their auditors, whose interim financial information reflects total assets of Rs. 141.97 Crore as at September 30, 2020 and total revenue of Rs. 18.62 Crore and Rs. 30.15 Crore for the quarter and six months ended September 30, 2020 respectively, total net profit after tax of Rs. 10.31 Crore and Rs. 12.69 Crore for the quarter and six months ended September 30, 2020 respectively and total comprehensive income of Rs. 12.18 Crore and Rs. 19.06 Crore for the quarter and six months ended September 30, 2020 respectively and net cash inflows (net) of Rs. 1.59 Crore for the six months ended September 30, 2020, as considered in the Statement. The unaudited consolidated financial results also includes the Group's share of profit after tax of Rs. 6.68 Crore and Rs. 7.70 Crore for the quarter and six months ended September 30, 2020 respectively and total comprehensive income of Rs. 6.68 Crore and Rs. 7.70 Crore for the quarter and six months ended September 30, 2020 respectively, as considered in the Statement, in respect of an associate and a joint venture, based on their interim financial information which have not been reviewed by their auditors. 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 the 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: 20101708AAAAEN2153)

Mumbai, 3 November 2020

Annexure

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 Power Trading Company Limited (formerly known as JSW Green Energy Limited)
- (e) Jaigad Power Transco Limited
- (f) JSW Energy (Barmer) Limited (formerly known as Raj WestPower Limited)
- (g) JSW Solar Limited
- (h) JSW Electric Vehicles Private Limited
- (i) JSW Renewable Energy (Vijayanagar) Limited
- (j) JSW Renew Energy Limited
- (k) JSW Renewable Energy (Dolvi) Limited
- (l) JSW Energy Natural Resources Mauritius Limited
- (m) JSW Energy Natural Resources South Africa (Pty) Limited
- (n) Royal Bafokeng Capital (Pty) Limited
- (o) Mainsail Trading 55 Proprietary Limited
- (p) South African Coal Mining Holdings Limited
- (q) SACM (Breyten) 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) 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 Unaudited Consolidated Financial Results for the Quarter and Six Months Ended 30.09.2020

₹ crore

Sr. No.	Particulars	Quarter Ended			Six Months Ended		Year Ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		Unaudited			Unaudited		Audited
1	Income:						
	a) Revenue from operations	1,938.57	1,805.15	2,118.55	3,743.72	4,530.72	8,272.71
	b) Other income	60.95	81.63	113.30	142.58	165.12	286.98
	Total income	1,999.52	1,886.78	2,231.85	3,886.30	4,695.84	8,559.69
2	Expenses:						
	a) Fuel cost	844.16	915.49	982.63	1,759.65	2,349.06	4,460.51
	b) Purchase of power	-	-	8.64	-	12.49	37.75
	c) Employee benefits expense	56.53	59.37	60.99	115.90	123.13	242.96
	d) Finance costs	207.19	240.38	272.17	447.57	541.97	1,051.07
	e) Depreciation and amortisation expense	291.57	289.51	294.30	581.08	585.55	1,168.05
	f) Other expenses	114.06	84.77	131.49	198.83	301.99	574.63
	Total expenses	1,513.51	1,589.52	1,750.22	3,103.03	3,914.19	7,534.97
3	Share of profit of a joint venture and an associate	6.68	1.02	1.86	7.70	27.42	28.04
4	Profit before exceptional items, tax and deferred tax adjustable in / (recoverable from) future tariff (1 - 2 + 3)	492.69	298.28	483.49	790.97	809.07	1,052.76
5	Exceptional items (net) (Refer note 4)	-	-	-	-	-	(61.46)
6	Profit before tax and deferred tax adjustable in / (recoverable from) future tariff (4-5)	492.69	298.28	483.49	790.97	809.07	1,114.22
7	Tax expense						
	- Current tax	114.55	63.80	110.05	178.35	182.82	111.91
	- Deferred tax	(40.78)	(8.63)	(87.62)	(49.41)	(130.12)	(183.05)
8	Deferred tax adjustable in / (recoverable from) future tariff	62.62	23.55	111.36	86.17	169.40	104.18
9	Profit for the period / year (6 - 7 - 8)	356.30	219.56	349.70	575.86	586.97	1,081.18
10	Other comprehensive income / (loss)						
	A.(i) Items that will not be reclassified to profit or loss	634.49	348.87	(326.73)	983.36	(441.94)	(1,070.53)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.11	0.11	-	0.22	-	0.34
	B.(i) Items that will be reclassified to profit or loss	14.74	(11.47)	2.18	3.27	(41.75)	(14.46)
	(ii) Income tax relating to items that will be reclassified to profit or loss	(2.66)	2.03	(2.95)	(0.63)	14.31	3.40
	Total other comprehensive income / (loss)	646.68	339.54	(327.50)	986.22	(469.38)	(1,081.25)
11	Total comprehensive income / (loss) for the period / year (9 + 10)	1,002.98	559.10	22.20	1,562.08	117.59	(0.07)
	Total comprehensive income / (loss) for the period / year attributable to :						
	Owners of the Company	998.44	555.95	22.85	1,554.39	126.95	11.74
	Non controlling interests	4.54	3.15	(0.65)	7.69	(9.36)	(11.81)
	Profit / (loss) for the period / year attributable to :						
	Owners of the Company	352.12	213.23	352.98	565.35	597.36	1,099.92
	Non controlling interests	4.18	6.33	(3.28)	10.51	(10.39)	(18.74)
	Other comprehensive income / (loss) for the period / year attributable to :						
	Owners of the Company	646.32	342.72	(330.13)	989.04	(470.41)	(1,088.18)
	Non controlling interests	0.36	(3.18)	2.63	(2.82)	1.03	6.93
12	Paid-up equity share capital (net of treasury shares) (Face value of ₹ 10 per share)	1,642.03	1,641.90	1,641.21	1,642.03	1,641.21	1,641.90
13	Other equity						10,003.72
14	Earnings per share (EPS) (not annualised excluding year end)						
	- Basic EPS (₹)	2.14	1.30	2.15	3.44	3.64	6.70
	- Diluted EPS (₹)	2.14	1.30	2.15	3.44	3.64	6.70



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Consolidated Statement of Assets and Liabilities

(₹ crore)

Sr. No.	Particulars	As at	
		30.09.2020	31.03.2020
		Unaudited	Audited
A	ASSETS		
1	Non-current assets:		
	(a) Property, plant and equipment	14,659.13	15,217.11
	(b) Capital work-in-progress	410.59	391.32
	(c) Goodwill	639.82	639.82
	(d) Other intangible assets	841.92	855.82
	(e) Investments in an associate and a joint venture	18.23	10.53
	(f) Financial assets		
	(i) Investments	2,085.93	1,098.95
	(ii) Loans	594.46	664.96
	(iii) Other financial assets	1,234.03	1,240.67
	(g) Income tax assets (net)	104.54	123.85
	(h) Deferred tax assets (net)	266.70	180.54
	(i) Other non-current assets	244.85	186.08
	Total non - current assets	21,100.20	20,609.65
2	Current assets:		
	(a) Inventories	264.81	639.58
	(b) Financial assets		
	(i) Investments	538.28	744.07
	(ii) Trade receivables	1,482.37	1,565.20
	(iii) Unbilled revenue	706.97	543.81
	(iv) Cash and cash equivalents	272.63	151.69
	(v) Bank balances other than (iv) above	114.62	49.04
	(vi) Loans	131.97	250.84
	(vii) Other financial assets	341.64	438.91
	(c) Other current assets	79.65	119.06
	Total current assets	3,932.94	4,502.20
	TOTAL ASSETS (1+2)	25,033.14	25,111.85
B	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity share capital	1,642.03	1,641.90
	(b) Other equity	11,395.32	10,003.72
	Equity attributable to owners of the Company	13,037.35	11,645.62
	Non-controlling interests	(16.15)	(23.84)
	Total equity	13,021.20	11,621.78
2	Liabilities		
I	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	7,796.83	8,280.74
	(ii) Other financial liabilities	26.63	26.76
	(b) Provisions	91.16	82.39
	(c) Deferred tax liabilities (net)	408.78	370.48
	(d) Other non-current liabilities	272.53	186.45
	Total non - current liabilities	8,595.93	8,946.82
II	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	10.00	--
	(ii) Trade payables*	1,055.99	1,602.87
	(iii) Other financial liabilities	2,173.94	2,842.65
	(b) Other current liabilities	33.09	48.99
	(c) Provisions	13.05	11.85
	(d) Current tax liabilities (net)	129.94	36.89
	Total current liabilities	3,416.01	4,543.25
	Total liabilities	12,011.94	13,490.07
	TOTAL EQUITY AND LIABILITIES (1+2)	25,033.14	25,111.85

* includes acceptances



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Sr. No.	Particulars	For six months ended 30.09.2020		For six months ended 30.09.2019	
		Unaudited		Unaudited	
I.	CASH FLOW FROM OPERATING ACTIVITIES				
	Profit before tax and deferred tax (recoverable from) / adjustable in future tariff		790.97		809.07
	Adjusted for:				
	Depreciation and amortisation expense	581.08		585.55	
	Finance costs	447.57		541.97	
	Interest income earned on financial assets that are not designated as fair value through profit or loss	(52.51)		(99.63)	
	Dividend income	(14.01)		(28.72)	
	Share of profit of a joint venture	(7.70)		(27.42)	
	Net loss arising on financial instruments designated as fair value through profit or loss	0.06		0.28	
	Liabilities no longer payable written back	(32.67)		-	
	Share based payments	1.28		2.10	
	Loss on disposal of property, plant and equipment	4.14		0.03	
	Allowance for loans / trade receivables	0.07		0.36	
	Unrealised foreign exchange gain (net)	(1.74)		(7.26)	
	Allowance for impairment of Leasehold land	-		2.18	
	Allowance for doubtful advances	-		5.28	
			925.57		974.72
	Operating profit before working capital changes		1,716.54		1,783.79
	Adjustments for movement in working capital:				
	Increase in trade receivables and unbilled revenue	(80.07)		(817.03)	
	Decrease / (Increase) in inventories	374.77		(64.78)	
	Decrease / (Increase) in current and non current assets	88.40		(43.23)	
	(Decrease) / Increase in trade payables and other liabilities	(290.82)		199.51	
			92.28		(725.53)
	Cash flow from operations		1,808.82		1,058.26
	Income taxes paid (net)		(65.77)		(102.02)
	NET CASH GENERATED FROM OPERATING ACTIVITIES		1,743.05		956.24
II.	CASH FLOW FROM INVESTING ACTIVITIES				
	Purchase of property, plant and equipments (including capital work-in-progress and capital advances)		(107.83)		(55.83)
	Proceeds from sale of property, plant and equipment		-		1.31
	Loans given		(31.00)		-
	Loans repaid		220.37		10.37
	Advances given		(1.02)		(0.09)
	Interest received		105.68		103.92
	Dividend Income		14.01		28.72
	Investments in government securities		(1.43)		(1.48)
	Bank deposits not considered as cash and cash equivalents (net)		(90.61)		9.85
	NET CASH GENERATED FROM INVESTING ACTIVITIES		108.17		96.77
III.	CASH FLOW FROM FINANCING ACTIVITIES				
	Proceeds from fresh issue of equity shares under ESOP Plan		2.21		4.68
	Payment for treasury shares under ESOP Plan		(1.87)		(2.90)
	Proceeds from non-current borrowings		237.50		-
	Repayment of non-current borrowings		(1,586.44)		(654.44)
	Proceeds from current borrowings (net)		10.00		120.32
	Payment of lease liabilities		(1.38)		(2.13)
	Interest paid		(432.01)		(600.90)
	Dividend paid (including corporate dividend tax)		(164.28)		(197.86)
	NET CASH USED IN FINANCING ACTIVITIES		(1,936.27)		(1,333.23)
	NET DECREASE IN CASH AND CASH EQUIVALENTS (I+II+III)		(85.05)		(280.22)
	CASH AND CASH EQUIVALENTS - AT THE BEGINNING OF THE PERIOD		895.76		474.43
	Fair value loss on liquid investments		(0.06)		(0.28)
	Effect of exchange rate changes on cash and cash equivalents		0.26		(0.34)
	CASH AND CASH EQUIVALENTS - AT THE END OF THE PERIOD		810.91		193.59
	Cash and cash equivalents comprise of:				
	1) Balances with banks				
	In current accounts		170.87		38.25
	In deposit accounts maturity less than 3 months at inception		101.71		30.48
	2) Cash on hand		0.05		0.05
	3) Investment in mutual funds		538.28		124.81
	CASH AND CASH EQUIVALENTS		810.91		193.59



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Notes:

- 1 Some of the existing customers having long term power purchase agreements have entered into long term job work agreements with the Group for supply of power from July 1, 2020 onwards. As per the said agreements, the coal required for power generation is supplied by the respective customers which is converted into power by the Group and supplied to the customers. The Group receives the job work charges from the customers. These arrangements have, primarily, resulted in lower 'revenue from operations' and 'fuel cost' to the extent of cost of consumption of coal for the power generated under job work. Accordingly, to such extent, the results for the quarter and six months ended September 30, 2020 are not comparable with those for the previous periods and previous year-end.
- 2 The Group continued its operations amidst outbreak of COVID-19 as electricity generation is regarded as one of the essential services by the Government. The Group's substantial generation and transmission capacities are tied up under medium to long term power purchase / job work / transmission agreements, which insulates revenue of the Group 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 Group. The Group has evaluated the possible effects on the carrying amounts of property, plant and equipment, goodwill, inventory, loans and receivables basis the internal and external sources of information and determined, exercising reasonable estimates and judgements, that the carrying amounts of these assets are recoverable. Having regard to above, and the group'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 Group 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 For the year ended March 31, 2020, 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.
- 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 Previous period / year's figures have been regrouped / reclassified wherever necessary.
- 8 The consolidated results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 3, 2020. The Statutory Auditors of the Company have carried out a limited review of the results for the quarter and six months ended September 30, 2020.

For and on behalf of the Board of Directors



Prashant Jain
Jt. Managing Director & CEO
(DIN: 01281621)

Place : Mumbai
Date : November 3, 2020



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