

**The Board of Directors
GMR Warora Energy Limited**

Independent Auditor's Report on the financial results

We have audited the financial results of **GMR Warora Energy Limited** ("the Company") for the year ended March 31, 2019 (the "Results") together with notes thereon (the "Statement"), being submitted by the company pursuant to the requirement of Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") read with relevant circulars issued by SEBI.

Management Responsibility for the statements

The company's management is responsible for preparation of the accompanying statement. The Management is also responsible for preparation of annual statutory Indian Accounting Standard (Ind AS) financial statements in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards as specified in the Companies (Indian Accounting Standard) Rules, 2015 (as amended) under Section 133 of the Companies Act, 2013 (The "Act"), which is approved by the directors, on basis of which the above statement containing the annual audited financial results has been prepared. The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the statement that are free from Material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the statement based on our audit of the Ind AS financial statements. We conducted our audit in accordance with the standards on auditing generally accepted in India. Those standards require that we comply the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedure selected depends on the auditor's judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor consider internal control relevant to the entity's preparation and fair presentation of the statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management as well as evaluating the overall presentation of the statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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Opinion

In our opinion and to the best of our information and according to the explanations given to us :

- (i) The Statement, together with the notes thereon are presented in accordance with the requirements of the listing regulations; and
- (ii) The Annual audited results for the year ended March 31, 2019 as set out in the Statement give a true and fair view of the net profit (including other comprehensive income) and other financial information for the year ended March 31, 2019 in accordance with the accounting principles generally accepted in India.

Emphasis of Matter

- a. We draw your attention to Note No.1 of the statement regarding the figures for the Half Year ended March 31, 2019, which are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figure up to the half year ended September 30, 2018 which were subjected to limited review by us.
- b. We draw attention to Note No. 3 to the Statement for the year ended March 31, 2019, regarding recognition of income relating to claims on coal cost pass through , Busy Season surcharge & Development surcharge which is pending confirmation from Central Electricity Regulatory Commission (CERC) in case of power purchase agreement with Maharashtra State Electricity Distribution Company Limited (MSEDCL) and Union territory of Dadar Nagar Haveli (DNH) [together referred as Customers] in view of favorable Order from APTEL on August 14, 2018, Supreme Court Judgement on April 11, 2017 as referred to in the note and CERC Order in case of TANGEDCO. As legally advised, the management of the Company is virtually certain of receipt of said change in law claims and has recognized during the year, the income of Rs. 1,426.51 Million (Rs. 977.94 Million for the corresponding previous year) and Rs. 2,404.45 Million up to March 31, 2019 from the date of scheduling of power to DNH and MSEDCL under PPA.

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- c. We draw attention to Note No. 4 to the Statement for the year ended March 31, 2019, regarding recovery of transmission charges from Maharashtra State Electricity Distribution Company Limited (MSEDCL). The Company pursuant to Appellate Tribunal for Electricity (APTEL) Order ("The Order") dated May 08, 2015 has raised invoices towards reimbursement of transmission charges from the initial date of scheduling the power. The Company in terms of the said Order, has accounted for the reimbursement of transmission charges of Rs. 1,030.48 Million relating to the financial year 2018-19 (Rs. 882.75 Million for corresponding previous year), as reduction from transmission expenses as followed in the earlier years and Rs. 4,140.86 Million cumulative till March 31, 2019, based on the reasons stated in the note and opinion from legal counsel stating that the Company has good tenable case with respect to the appeal filed by MSEDCL against the said Order which is pending before Honorable Supreme Court of India.

Our opinion is not qualified in respect of the above matters.

Other Matter

The Statement dealt with by this report has been prepared for the express purpose of filing with stock exchanges. This Statement is based on and should be read with the audited financial statements of the Company for the year ended March 31, 2019 on which we issued an unmodified audit opinion vide our report dated April 23, 2019.

Our opinion is not modified in respect of the above said matter.

For Chaturvedi & Shah LLP

Chartered Accountants

Firm Registration No. : 101720W/W100355



Chandan Lala

Partner

Membership No. : 035671



Place: Mumbai

Date: April 23, 2019

GMR Warora Energy Limited
CIN : U40100MH2005PLC155140

Registered Office: 701/704, 7th Floor, Naman Centre, A-Wing, BKC, Bandra, Mumbai - 400 051

Financial results for the six months and year ended March 31, 2019

Particulars	Standalone Results (Rs. in Million, except share data)			
	Half Year Ended		Year Ended	
	March 31, 2019	March 31,	March 31, 2019	March 31, 2018
	Un-audited (Refer Note 1 below)	Un-audited (Refer Note 1 below)	Audited	Audited
Income:				
Revenue from operations (Refer Note 3 below)	10,548.87	10,139.63	18,942.22	17,706.70
Other income	77.19	37.28	288.46	180.13
Total Income	10,626.06	10,176.91	19,230.68	17,886.83
Expenses				
(a) Consumption of Raw Materials	5,254.87	3,991.48	9,544.94	7,567.72
(b) Purchase of traded goods	524.72	778.53	937.30	1,110.79
(c) Employee benefits expenses	254.67	281.02	498.29	530.34
(d) Finance Cost	2,033.25	2,131.29	4,121.77	4,190.50
(e) Depreciation and amortization expenses	555.07	599.10	1,138.41	1,219.15
(f) Other Expenditure (Refer note 4)	1,196.41	707.95	2,070.06	1,341.67
Total Expenses	9,818.99	8,489.37	18,310.77	15,960.17
(Loss)/profit before tax	807.07	1,687.54	919.91	1,926.66
Tax Expenses				
Current Tax				
Deferred Tax	-1,704.26	-0.98	-1,704.68	-0.74
Net (loss)/profit from ordinary activities after tax	2,511.33	1,688.52	2,624.59	1,927.40
Other Comprehensive Income/(expenses) Net of tax	-0.93	1.95	-0.08	1.49
Total Comprehensive Income for the period	2,510.40	1,690.47	2,624.51	1,928.89
Earnings per Equity Shares of face value of RS. 10 each - not annualized				
Basic earning per share (EPS)			3.02	2.22
Diluted earning per share (EPS)			2.85	2.22
Paid-up equity share capital (Face value of the Rs.10 each)	8,700.00	8,700.00	8,700.00	8,700.00
Paid up debt capital (Refer note 6)			747.08	746.60
Reserve excluding revaluation reserves and including Other Equity as per balance sheet			-3,851.30	-5,708.41
Networth as per balance sheet			6,548.78	2,991.59
Debenture redemption reserve (Refer Note 7)			187.50	187.50
Weighted average number of equity shares for calculation of:				
Basic earning per share (EPS)			87,00,00,000	87,00,00,000
Diluted earning per share (EPS)			92,12,47,768	87,00,00,000
Debt equity ratio (Refer note 5)			4.65	10.66
Debt service coverage ratio (DSCR)(Refer note 5)			1.43	1.46
Interest service coverage ratio (ISCR)(Refer note 5)			1.51	1.79
Asset coverage ratio (Refer note 5)			1.19	1.15



Dinesh Upadhyay

Notes for audited financial information for the Six months and year ended March 31, 2019:

- 1 The figures for the half year ended March 31, 2019 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the half year of the current financial year.
- 2 The financial results have been reviewed by Audit Committee at their meeting on April 23, 2019 and approved by the Board of Directors at their meeting concluded on April 23, 2019.
- 3 The Company had claimed compensation for various "change in law" events including compensation for additional fuel cost on account of shortage of linkage coal in the case of power supplied to Maharashtra State Electricity Distribution Company Limited (MSEDCL) , Union territory of Dadar Nagar Haveli (DNH) and Tamilnadu Generation and Distribution Corporation Limited (TANGEDCO) in terms of power purchase agreements and filed Petition with Central Electricity Regulatory Commission (CERC).

CERC in its Order dated 01.02.2017 for MSEDCL and DNH disallowed the Company's claim on coal cost pass through (CPT) stating that changes in fuel supply agreement and deviation in New Coal Distribution Policy was not a change in law event. The Company had filed appeal with Appellate Tribunal for Electricity (APTEL) against the said CERC Order.

Hon'ble Supreme Court on April 11, 2017 in Energy Watchdog vs CERC and Ors , concluded in its Order that deviation in NCDP policy would constitute to change in law event.

Subsequent to the same on March 16, 2018 CERC in the Case of TANGEDCO , respectfully following the Supreme Court judgment held deviation in NCDP as change in law event and allowed the Company's claim of Coal Cost Pass through along with the methodology for computation of the revenue.

The Company during the year on August 14, 2018 has received a favorable Order from APTEL directing CERC to allow the company's claim on CPT.

The Company in view of the Supreme Court Order and CERC order in its own case has sought legal opinion from the legal counsel on certainty of the claim in MSEDCL and DNH matter considering the CERC judgment for TANGEDCO. Considering opinion received from legal counsels that the Company has good tenable case with virtual certainty with respect to coal cost pass through and favorable Order from APTEL dated August 14, 2018 and CERC judgment in Company's own case for TANGEDCO where the computation methodology of Coal cost Pass Through was decided, the management of the Company is virtually certain of the receipt of the Company's claim of revenue on coal cost pass through and is of the opinion that no contingency involved in this regard.

The Company had also claimed for change in law in respect of Busy season surcharge and Development surcharge in its appeal with APTEL which has been approved by APTEL vide its Order dated August 14, 2018 and APTEL has directed CERC to pass consequential order. The Company further has received another favourable Order from CERC on entitlement of the Company for Carrying Cost in respect of its claim on CPT and CIL based on principle of restitution of economic position.

In view of the same the Company for the year ended March 31, 2019 has continued to recognize the revenue related to Coal Cost pass through claim and has recognized Busy season surcharge and development surcharge along with Carrying Cost (collectively called as change in law claims) amounting to Rs.1426.51 Million (Rs. 977.94 million for the corresponding previous year) aggregating to Rs.2404.45 million up to March 31, 2019 relating to scheduling of power to DNH and MSEDCL under respective PPA

- 4 The Company has entered into Power Purchase Agreement (PPA) with Maharashtra State Electricity Distribution Company Limited (MSEDCL) on March 17, 2010 for sale of aggregate contracted capacity of 200 MW wherein power was required to be scheduled from power plant's bus bar. MSEDCL has raised dispute with respect to place of evacuation of power with Maharashtra Electricity Regulatory Commission (MERC) , wherein MERC has directed the Company to construct separate lines for evacuation of power through State Transmission Utility(STU) though the Company was connected to Central Transmission Utility (CTU). Aggrieved by the MERC Order, the Company preferred an appeal with Appellate Tribunal for Electricity (APTEL). APTEL vide its interim Order dated February 11, 2014 directed the Company to start scheduling the power from Company's bus bar and bear transmission charges of inter state transmission system for supplying the power. The Company in terms of the interim order scheduled the power from its bus bar from March 17, 2014 and paid inter state transmission charges. APTEL vide its final Order dated May 8, 2015 upheld Company's contention of scheduling the power from Bus Bar and directed MSEDCL to reimburse the inter state transmission charges hitherto borne by the Company as per its interim order.

Accordingly as at March 31, 2019 , the Company has raised claim of Rs. 4,140.86 million towards reimbursement of transmission charges from March 17, 2014 till March 31, 2019 including Rs. 1030.48 million for the year 2018-19 (Rs. 882.75 million for corresponding previous year). MSEDCL in the interim had preferred an appeal with Supreme Court and also applied for stay proceedings for the above Order, with respect to which Supreme Court has not granted stay on the APTEL order. In view of the favorable Order from APTEL, rejection of stay petition of MSEDCL by the Supreme Court of India , receipt of substantial amount towards reimbursement of transmission charges and also considering legal opinion received from legal counsel that the Company has good tenable case with respect to the appeal filed by MSEDCL against the said Order which is pending before Supreme Court of India , the Company has recognized the reimbursement of transmission charges borne by the company of Rs. 1030.48 million for the year 2018-19 (Rs. 882.75 million for corresponding previous year) aggregating to Rs. 4,140.86 Million as at March 31, 2019 as reduction from transmission expenses.

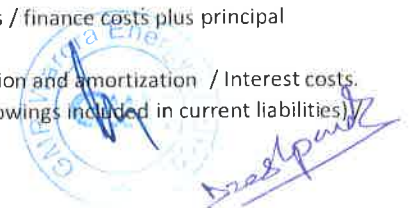
- 5 Ratios given above are based on the financials drawn as per Indian Accounting Standard (Ind AS) and adjustment thereon in terms of recognition and measurement principles.

DSCR represents profit / loss from operations before finance costs, exceptional items and tax expenses / finance costs plus principal repayment of loan funds during the year.

ISCR represents Earnings before exceptional & extra ordinary items, interest expense, taxes, depreciation and amortization / Interest costs.

Debt-equity ratio represents loan funds (long term borrowings and current maturity of long term borrowings included in current liabilities).

- 6 Paid up debt capital represents outstanding non convertible debentures issued by the Company.



7 The Company has created Debenture Redemption Reserve of Rs. 187.50 Million as per the provisions of Section 71 of the Companies Act, 2013.

8 The classification / disclosure of items in the statements are in accordance with the Schedule III of the Companies Act, 2013.

9 Figures pertaining to the previous periods/year have been regrouped and reclassified wherever necessary to conform to classification adopted in the current periods/ year.

For and behalf of the board of Directors of GMR Warora Energy Limited

Deshpande

Dhananjay Deshpande
Whole Time Director
DIN : 07663196

Ashish

Ashish Deshpande
Chief Financial Officer
Mem no. - 110081



Additional disclosure under regulation 52(4) of SEBI (LODR) Regulations, 2015:

1 Credit Rating and change in credit rating, if any

Credit Rating Agency	Period	Rating Given
CARE	January 02, 2019 to January 02, 2020	BB


2 Particulars of interest and principal repayment of NCD

Type of NCD	Principal Repayment	Last Interest Payment Due
750 Non Convertible Debentures of Rs.10,00,000 each	Equal installment of 1/3rd on 25th September 2022, 25th September 2023 and 25th November 2023	Status : Paid 25-Mar-19

The next repayment date for interest on NCD is September 25, 2019.

For and behalf of the board of Directors of GMR Warora Energy Limited


Dhananjay Deshpande
Whole Time Director
DIN : 07663196


Ashish Deshpande
Chief Financial Officer
Mem no. - 110081



Place: New Delhi
Date : April 23, 2019



GMR Warora Energy Limited
CIN :U40100MH2005PLC155140
Balance Sheet as at March 31, 2019

Particulars	Rs in Millions	
	March 31, 2019 Audited	March 31, 2018 Audited
ASSETS		
Non-current assets		
Property, Plant and Equipment	33,010.22	32,974.54
Capital work in progress	25.59	509.32
Intangible assets	5.88	6.16
Financial assets		
Investments	-	-
Loans	19.62	19.41
Other financial assets	-	-
Deferred tax assets (net)	2,472.44	-
Income tax	28.28	26.04
Other non-current assets	132.73	161.90
Total Non-current assets	35,694.76	33,697.37
Current assets		
Inventories	741.29	656.72
Financial assets		
Trade Receivables	4,645.21	3,943.91
Cash and Cash Equivalents	81.31	62.18
Bank balances other than above	246.30	310.50
Loans	41.24	48.91
Other financial assets	2,287.14	1,808.49
Current Tax Assets(Net)	-	-
Other current assets	292.82	606.71
Total current assets	8,335.31	7,437.42
Total Assets	44,030.07	41,134.79
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	8,700.00	8,700.00
Instruments entirely equity in nature	1,700.08	-
Other equity	-3,851.30	-5,708.41
Total Equity	6,548.78	2,991.59
LIABILITIES		
Non-current liabilities		
Financial Liabilities		
Long Term Borrowings	28,013.22	30,026.49
Trade and other payables	-	4.84
Other financial liabilities	52.45	53.42
Provisions	-	-
Total Non-current liabilities	28,065.67	30,084.75
Current liabilities		
Financial Liabilities		
Short Term Borrowings	2,977.28	2,729.47
Trade payables		
Due to Micro enterprises and Small enterprises	17.78	9.02
Due to others	2,430.42	2,347.92
Other financial liabilities	3,576.82	2,821.09
Other current liabilities	22.96	42.06
Provisions	115.20	108.89
Current tax liability (Net)	275.16	-
Total current liabilities	9,415.62	8,058.45
Total liabilities	37,481.29	38,143.20
Total Equity and liabilities	44,030.07	41,134.79

Significant accounting policies

The accompanying notes form an integral part of the financial statements.

For and on behalf of Board of Directors
GMR Warora Energy Limited

Dhananjay Deshpande
 Whole Time Director
 DIN : 07663196

Ashish Deshpande
 Chief Financial Officer
 MN : 110081

Place : New Delhi
 Date : April 23, 2019



GMR Warora Energy Limited

CIN : U40100MH2005PLC155140

Statement of profit and loss for the year ended March 31, 2019

Particulars	Rs in Millions	
	March 31, 2019 Audited	March 31, 2018 Audited
INCOME		
Revenue from operations	18,942.22	17,706.70
Other income	288.46	180.13
Total income	19,230.68	17,886.83
EXPENSES		
Cost of fuel consumed	9,544.94	7,567.72
Purchase of Stock in Trade	937.30	1,110.79
Employee benefit expenses	498.29	530.34
Depreciation and amortization expenses	1,138.41	1,219.15
Finance costs	4,121.77	4,190.50
Other expenses	2,070.06	1,341.67
Total Expenses	18,310.77	15,960.17
Profit before tax	919.91	1,926.66
Tax Expense		
Current tax	275.16	-
Less: MAT credit Entitlement	275.16	-
Deferred tax	-1,704.68	-0.74
Income tax expense	-1,704.68	-0.74
Profit for the year	2,624.59	1,927.40

Net other comprehensive income to be reclassified to profit or loss in subsequent periods

Items that will not be reclassified to profit or loss

Re-measurement gains (losses) on defined benefit plans	-0.12	2.23
Income tax effect	0.04	-0.74
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods	-0.08	1.49
Total Other comprehensive income for	-0.08	1.49
Total Comprehensive income for the year	2,624.51	1,928.89

Significant accounting policies

The accompanying notes form an integral part of the financial statements.

For and on behalf of Board of Directors
GMR Warora Energy Limited

Dhananjay Deshpande
Whole Time Director
DIN : 07663196

Ashish Deshpande
Chief Financial Officer
MN : 110081

Place : New Delhi
Date : April 23, 2019

