


Independent Auditors Report**The Board of Directors
Talwandi Sabo Power Limited**

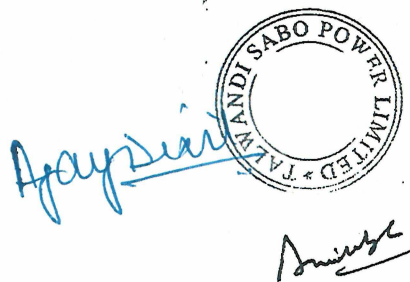
1. We have reviewed the accompanying statement of unaudited financial results of Talwandi Sabo Power Limited ('the Company') for the half year ended September 30, 2017 ('the Statement') attached herewith, being submitted by the Company, pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/IMD/DF1/69/2016 dated August 10, 2016. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review 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 Company 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. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the applicable India Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, read with SEBI Circular No. CIR/IMD/DF1/69/2016 dated August 10, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & CO. LLP**ICAI Firm registration number: 301003E/E300005**

Chartered Accountants

**per Naman Agarwal**
Partner
Membership No.:502405Place: Gurgaon
Date: October 24, 2017

TALWANDI SABO POWER LIMITED				
Regd. Office : Village Banawala, Mansa-Talwandi Sabo Road, District Mansa-151302, Punjab				
CIN: L40101PB2007PLC031035				
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE YEAR ENDED SEPTEMBER 30, 2017				
(Rs. in crores except per share data)				
	Particulars	Half year ended	Previous half year ended	Previous year ended
		30-Sep-17	30-Sep-16	31-Mar-17
		Unaudited	Unaudited	Audited
I	Revenue From Operations	1,568.92	1,550.27	3,590.68
II	Other income	2.74	0.07	0.65
III	Total Income (I+II)	1,571.66	1,550.34	3,591.33
IV	Expenses			
(a)	Power and fuel	1,091.18	1,019.32	2,313.71
(b)	Employee benefits expense	19.49	15.92	31.82
(c)	Finance Costs	364.86	248.98	587.02
(d)	Depreciation and amortisation expense	164.38	391.21	907.97
(e)	Other expenses	125.72	72.45	159.29
	Total expenses	1,765.63	1,747.88	3,999.81
V	Profit / (Loss) Before Tax (III-IV)	(193.97)	(197.54)	(408.48)
VI	Tax expense/(benefit):			
(a)	Current tax	-	-	-
(b)	Deferred tax	(183.28)	-	-
	Net tax expense/(benefit)	(183.28)	-	-
VII	Profit / (Loss) for the period (V-VI)	(10.69)	(197.54)	(408.48)
VIII	Other Comprehensive Income / (Loss)			
	Items that will not be reclassified to the profit and loss			
	Remeasurement of the net defined benefit liability / asset	(0.07)	(0.12)	(0.05)
	Items that will be reclassified to profit and loss	-	-	-
	Total other comprehensive income / (loss), net of tax	(0.07)	(0.12)	(0.05)
	Total Comprehensive Income / (Loss), net of tax (VII+VIII)	(10.76)	(197.66)	(408.53)
	Paid-up equity share capital (Face Value of Rs. 10)	3,206.61	3,206.61	3,206.61
	Paid-up debt capital	2,248.91	1,376.94	1,927.82
	(Non Convertible Debentures at Face Value of Rs. 10 Lakhs each)			
	Reserves excluding revaluation reserves as per balance sheet of previous accounting year.	-	-	(502.29)
	Debt redemption reserve (Refer note 2)	-	-	26.03
	Earnings / (Loss) Per Share in Rs. (Face Value of Rs. 10)			
	- Basic/Diluted -Before Extraordinary items	(0.03)	(0.62)	(1.27)
	- Basic/Diluted -After Extraordinary items	(0.03)	(0.62)	(1.27)
	(not annualised except for the year ended March 31, 2017)			
	Debt Equity Ratio	2.99	2.64	2.96
	Debt Service Coverage Ratio	0.91	1.75	1.83
	Interest Service Coverage Ratio	0.91	1.75	1.83



TALWANDI SABO POWER LIMITED

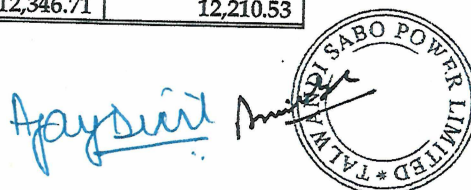
Regd. Office : Village Banawala, Mansa-Talwandi Sabo Road,
District Mansa-151302, Punjab

CIN: L40101PB2007PLC031035

Unaudited Statement of Assets and Liabilities as at September 30, 2017

(Amount in Rs. crores)

	Particulars	As at Sep 30, 2017	As at March 31, 2017
I	ASSETS		
1	Non-current assets		
	(a) Property, plant and equipment	10,476.49	10,607.23
	(b) Capital work-in-progress	8.25	5.46
	(c) Other intangible assets	1.80	2.12
	(d) Financial assets		
	(i) Trade Receivables	911.00	582.44
	(ii) Other financial assets	5.84	5.88
	(e) Deferred tax assets (net)	183.28	-
	(f) Other non-current assets	1.43	1.31
	Total Non-current assets	11,588.09	11,204.44
2	Current assets		
	(a) Inventories	195.60	296.17
	(b) Financial Assets		
	(i) Investments	210.05	144.03
	(ii) Trade Receivables	144.30	409.43
	(iii) Cash and cash equivalents	52.94	47.12
	(iv) Bank balances	30.00	-
	(v) Other financial assets	69.34	51.85
	(c) Other current assets	56.39	57.49
	Total Current assets	758.62	1,006.09
	Total Assets	12,346.71	12,210.53
II	EQUITY AND LIABILITIES		
A	EQUITY		
	(a) Equity Share capital	3,206.61	3,206.61
	(b) Other Equity	(513.06)	(502.29)
	Total Equity	2,693.55	2,704.32
B	LIABILITIES		
1	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	4,698.18	5,019.95
	(ii) Other financial liabilities	3.30	-
	(b) Provisions	1.41	1.08
	Total Non-current liabilities	4,702.89	5,021.03
2	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	1,402.71	1,726.61
	(ii) Trade payables	234.00	136.92
	(iii) Other financial liabilities	3,310.43	2,617.79
	(b) Other current liabilities	3.05	3.78
	(c) Provisions	0.08	0.08
	Total Current liabilities	4,950.27	4,485.18
	Total liabilities	9,653.16	9,506.21
	Total Equity and Liabilities	12,346.71	12,210.53



TALWANDI SABO POWER LIMITED

Regd. Office : Village Banawala, Mansa-Talwandi Sabo Road, District Mansa-151302, Punjab

NOTES

- 1 The Audit Committee has reviewed the above results and the Board of Directors has approved the above results and its release at their respective meetings held on October 24, 2017.
- 2 As per section 71(4) of the Companies Act, 2013, a company shall create a debenture redemption reserve for the redemption of debenture to which adequate amount shall be created out of its profits every year until such debentures are redeemed. In the absence of profits during the year, the Company has not created the said reserve.
- 3 The Company operates only in one segment namely power generation and there are no reportable segments in accordance with IND-AS 108 on 'Operating Segments'.
- 4 Additional disclosures as per Regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirement) Regulations, 2015:
 - a) Previous due date of Interest/Principal repayment which were duly complied by the Company:

S. No.	Particulars	Previous Due Date and Status (1st April, 2017 to 30th September, 2017)	
		Principal Due Date	Interest Due Date
1	NCD's- INE694L07040 bearing interest 9.70%	18 Sep, 2017, Paid	18 Sep, 2017, Paid
2	NCD's- INE694L07057 bearing interest 9.27%	-	-
3	NCD's- INE694L07065 bearing interest 8.91%	-	-
4	NCD's- INE694L07073 bearing interest 8.91%	-	-
5	NCD's- INE694L07081 bearing interest 8.20%	-	-
6	NCD's- INE694L07099 bearing interest 7.75%	-	-
7	NCD's- INE694L07107 bearing interest 7.85%	-	-

- b) Upcoming due dates of Interest/Principal repayment along with amount due are as follows:

S. No.	Particulars	Following Due Date and Amount due (1st October, 2017 to 31st March, 2018)			
		Principal Due Date	Amount Due	Interest Due Date	Amount Due
1	NCD's- INE694L07057 bearing interest 9.27%	10-Nov-17	200.00	10-Nov-17	18.49
1	NCD's- INE694L07065 bearing interest 8.91%	-	-	27-Mar-18	28.96
	NCD's- INE694L07073 bearing interest 8.91%	-	-	27-Mar-18	60.14
2	NCD's- INE694L07081 bearing interest 8.20%	-	-	01-Dec-17	24.60
3	NCD's- INE694L07099 bearing interest 7.75%	-	-	02-Mar-18	19.38
4	NCD's- INE694L07107 bearing interest 7.85%	-	-	-	-

- c) The Credit Rating for the NCD's issued is currently "AA (SO)" from CRISIL.
 - d) The Listed Non-Convertible debentures of the company aggregating Rs. 2250 Cr as on 30th September 2017 are secured by way of first mortgage / charge on certain assets of the company and the asset cover thereof exceeds 1.10 times of the principal amount of the said debentures.
 - e) Other Informations:

S. No.	Particulars	(Rs in crores except ratios)	
		Half year ended 30-Sep-17	Previous half year ended 30-Sep-16
a)	Net Worth (Equity+Other Equity)	3,206.61	3,206.61
b)	Debenture Redemption Reserve	26.03	-
c)	Interest Coverage Ratio (No. of times)	0.91	1.75
d)	Debt Service Coverage Ratio (No. of times)	0.91	1.75
e)	Debt- Equity Ratio (No. of times)	2.99	2.64

Note: The ratios have been computed as Debt Equity Ratio = Total Debt/Equity, Debt Service Coverage Ratio = EBITDA / (Finance Cost+Principal repayment of debt during the period- Loans taken for principal repayment), Interest Service Coverage Ratio = EBITDA / Finance cost, Total Debt = Total borrowings including current maturities of long term borrowings, Equity = Equity Share Capital + Other Equity, EBITDA = Earnings before finance costs, depreciation, amortisation & tax.

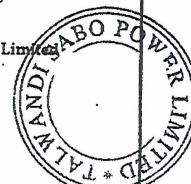
- 5 The Company has reassessed the useful lives and method of depreciation for its property, plant and equipments consequent to which it revised its depreciation method from Written Down Value basis to Straight Line basis w.e.f. April 1, 2017. This has resulted in a lower loss after tax and depreciation charge for the half year ended September 30, 2017, of Rs 483.22 crores and Rs 299.94 crores respectively.
- 6 In July 2017, the Appellate Tribunal for Electricity dismissed the appeals filed by the company effecting the computation of tariff being charged by the Company. The Company has filed an appeal before the Hon'ble Supreme Court to seek relief. The outstanding receivables on account of the said dispute as on September 30, 2017 was Rs 889 crores (including Rs 749 crores as on March 31, 2017). The Company based on its assessment of the grounds of appeal, recent judgement of the apex court and external legal opinions, is of the view that there is a strong probability of success in the said matters and has thus continued to treat these balances as recoverable.



Place: New Delhi
Date: October 24, 2017

By Order of the Board
For Talwandi Sabo Power Limited

Ajay Kumar Dixit
Ajay Kumar Dixit
(Director)



Amir