

# **JSW** Builds

Q1 Presentation FY 2012 -13





# AGENDA

**SECTOR UPDATE**

**PERFORMANCE HIGHLIGHTS**

**FINANCIAL RESULTS**

**PROJECT UPDATE**

# SECTOR UPDATE





## EMERGING SCENARIO

### Slowdown in Industrial Activities - IIP Growth (%)

Sector	April - May		May	
	2012-13	2011-12	2012-13	2011-12
Mining	(2.0)	1.6	(0.9)	1.8
Manufacturing	0.6	6.0	2.5	6.3
Electricity	5.2	8.5	5.9	10.3
<b>IIP</b>	<b>0.8</b>	<b>5.7</b>	<b>2.4</b>	<b>6.2</b>

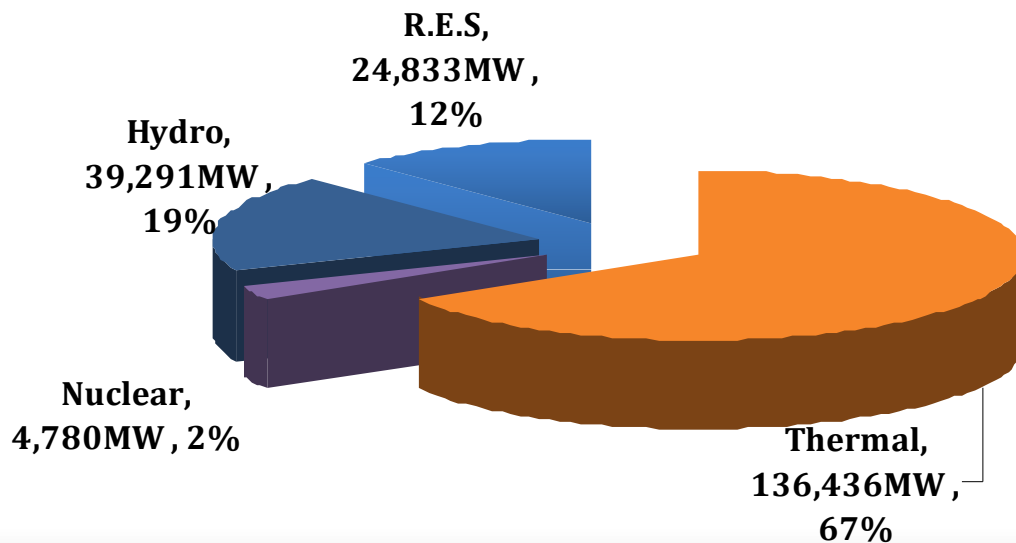
- ❑ Pronounced weakness in Global growth
- ❑ GDP growth in India at multi-year low at 6.5%
  - Sovereign outlook revised from 'stable' to 'negative'
  - Rupee fell by more than 9% in the last quarter
  - High seven plus percentage inflation
  - Poor monsoon posing significant risk to growth and inflation
- ❑ Moderation in energy prices
- ❑ Policy support from Government and RBI, alongwith power sector reforms to induce growth

# CAPACITY PROFILE

Total Installed Capacity Sector and Mode-wise as on 30<sup>th</sup> June, 2012

Sector	Capacity (MW)*	% Share
State Sector	86,275	42%
Central Sector	62,074	30%
Private Sector	56,991	28%
<b>Total</b>	<b>205,340</b>	

\* including R.E.S



❑ The installed power generation capacity in the country has crossed 200 GW in April'12

❑ Capacity addition in Q1FY'13

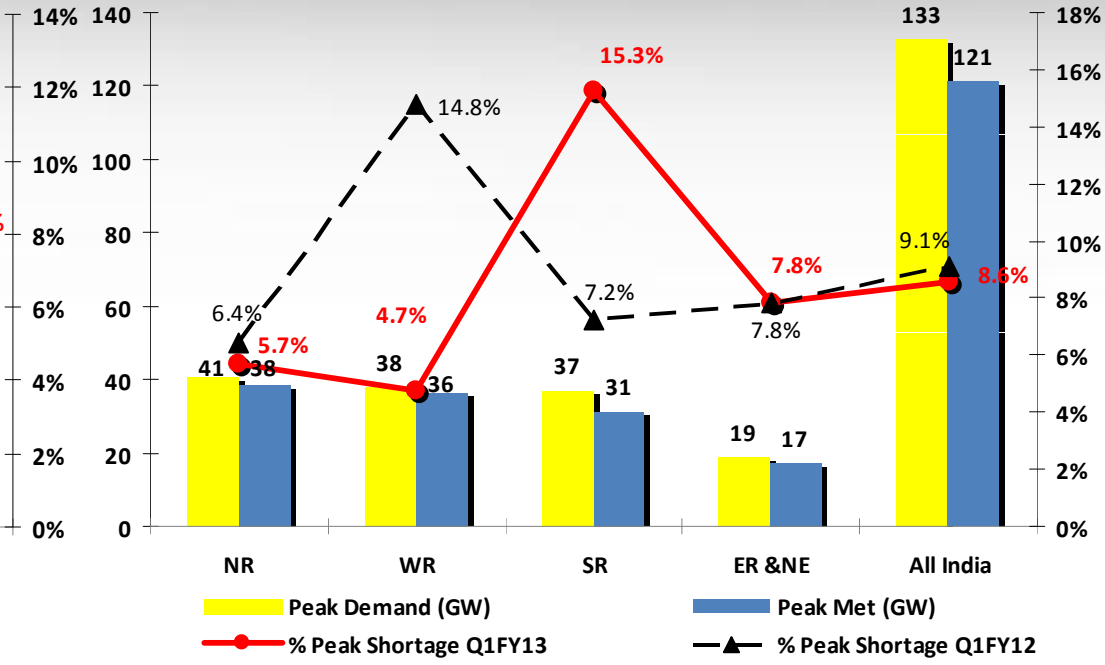
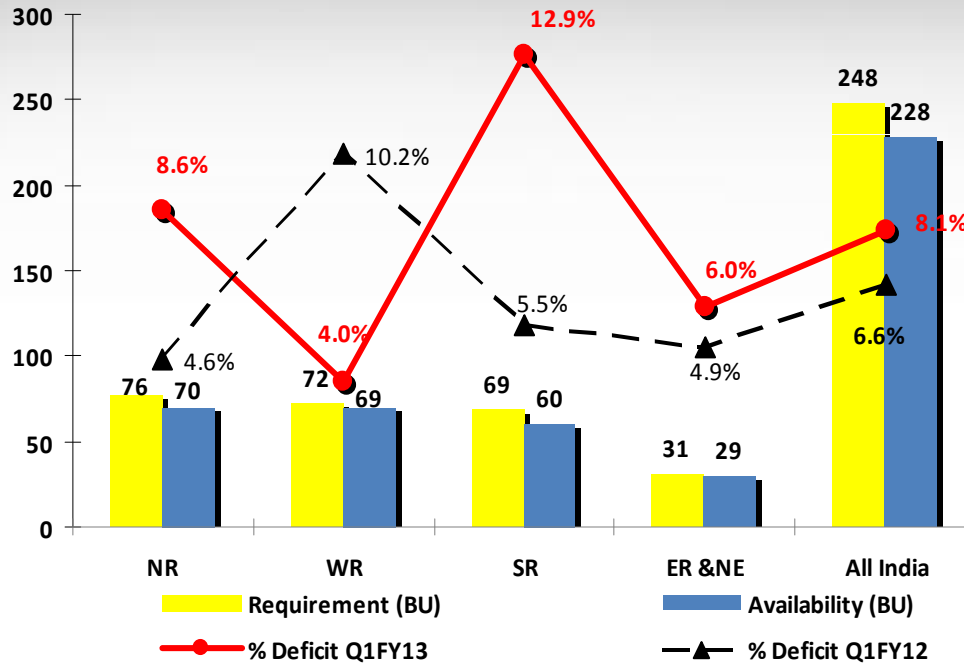
- ✓ State Sector 357MW
- ✓ Central Sector 2,391MW
- ✓ Private Sector 2,715MW
- ✓ **TOTAL 5,463MW**



# DEMAND SUPPLY SCENARIO

Power Demand Supply Position Q1FY'13 (BU)

Peak Demand and Peak Met Q1FY'13 (GW)



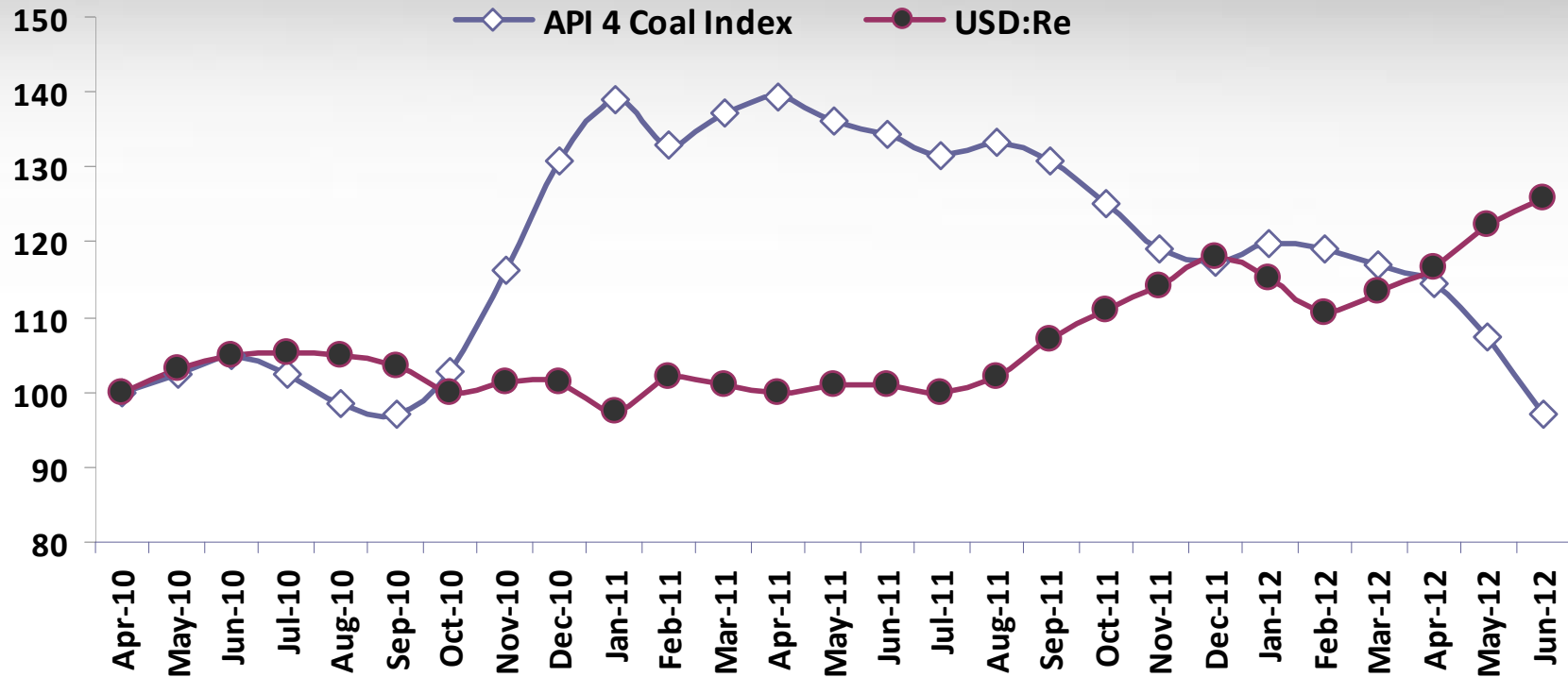
❑ Demand growth continues to outpace Supply growth

- Q1FY13 vs Q1FY12: 9.1% Demand growth to 248BU; whereas 7.3% Supply growth to 228BU

❑ Supply side constraints aggravated

- Domestic coal issues
- Lower renewable generation
- Drop in gas based generation

## API COAL INDEX vis-à-vis US\$:₹ - Indexed



Month	API 4 Coal Index	USD:₹
Mar-12	100	100
Apr-12	98	103
May-12	92	108
Jun-12	83	111

❑ Drop in thermal coal price largely negated by Rupee depreciation

# PERFORMANCE HIGHLIGHTS







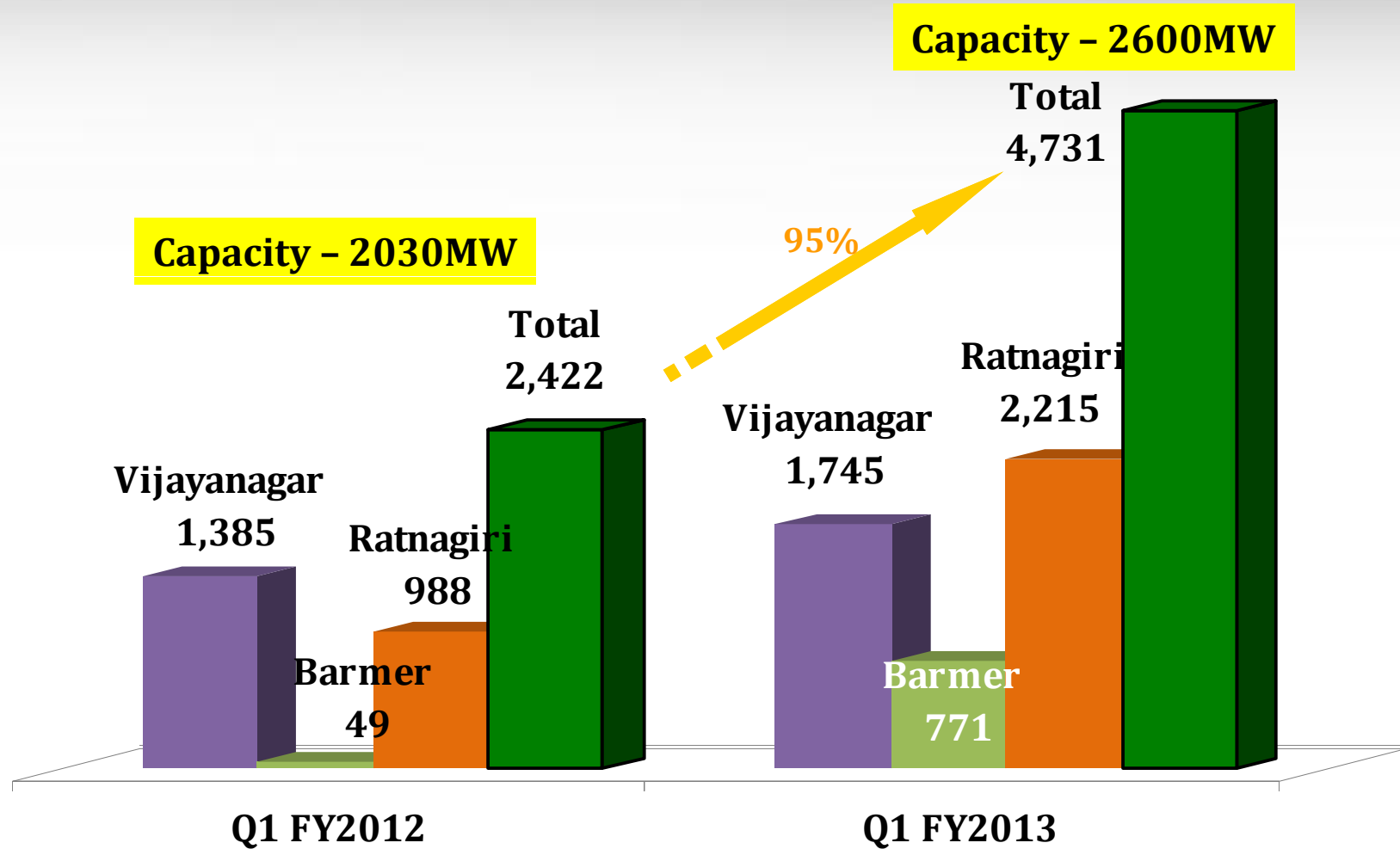
## KEY HIGHLIGHTS

- ☐ Achieved highest quarterly net generation - 4,731million units in Q1FY13**
- ☐ Unit 6(135MW) of Raj WestPower Limited (RWPL) synchronized on 23<sup>rd</sup> June 2012**
- ☐ JSW Energy awarded “Best Thermal Power Generation Company” at Power Line Awards, 2012**



# OPERATIONS PERFORMANCE

## QoQ Net Generation (MU)



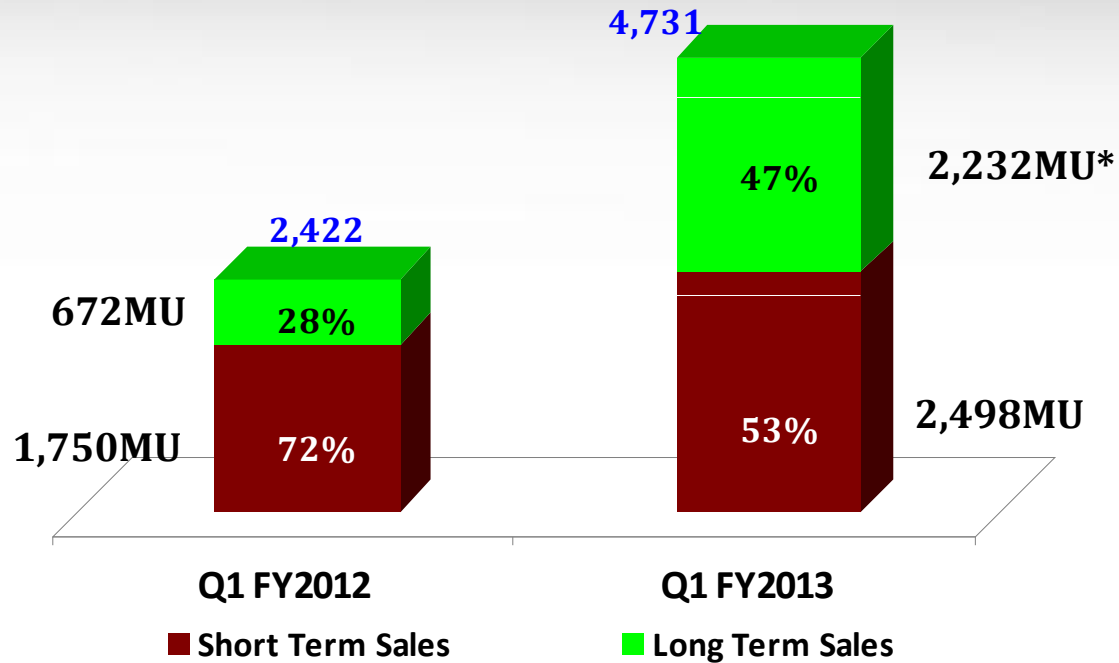
	Vijayanagar	Barmer	Ratnagiri
PLF (Q1 FY 2013)	101%	75%	92%
PLF (Q1 FY 2012)	80%	11%*	65%

\* Operated only upto April 24, 2011



# SALE OF POWER

## Sales Mix (MU)



\* Including power conversion of 356MU

Realisation ₹/ kwh	Q1 FY 2012	Q1 FY 2013
Merchant Realisation	5.26	4.40
Long Term Realisation	3.31	3.64
Average Realisation	4.73	4.08

# FINANCIAL RESULTS





## CONSOLIDATED RESULTS

	Q1FY2012	Q1FY2013
Turnover (₹ Crores)	1,294	2,268 (75%↑)
EBITDA (₹ Crores)	415	660 (59%↑)
EBITDA (%)	32%	29%
Interest (₹ Crores)	134	243
Depreciation (₹ Crores)	105	170
PBT (₹ Crores)	177	15
PAT (₹ Crores)	136	3
EPS (₹)	0.83	0.02



## CONSOLIDATED FINANCIAL HIGHLIGHTS

	30 <sup>th</sup> June 2011	30 <sup>th</sup> June 2012
Net Worth (₹ Crores)	5,806	5,687
Debt (₹ Crores)	9,722	9,997
Net Fixed Assets (₹ Crores) @	14,556	15,352
Debt Equity Ratio (Times)	1.67	1.76
Weighted Average Cost of Debt	11.04%	11.27%

@Including CWIP and Capital Advances

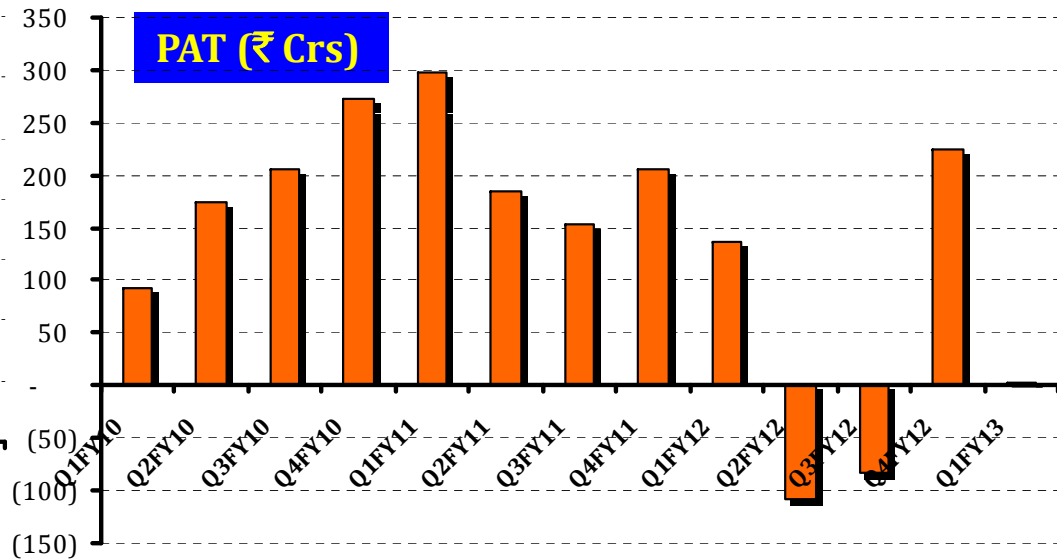
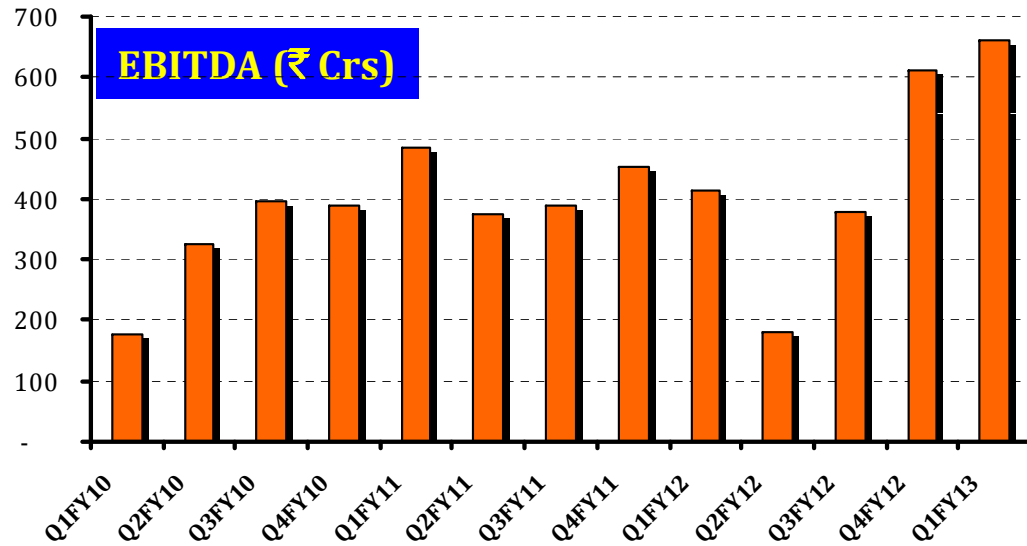
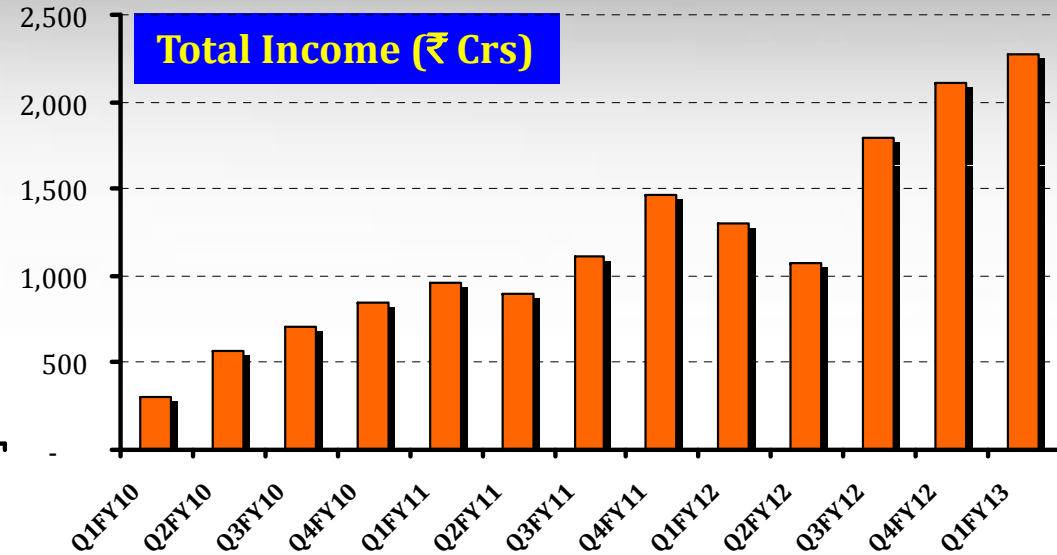
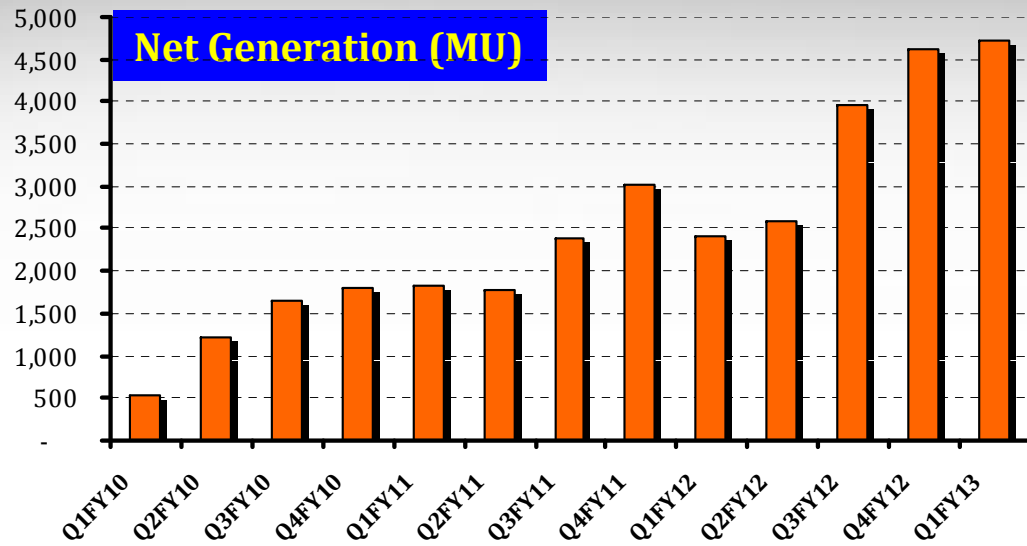


## FINANCIAL HIGHLIGHTS - CONSOLIDATED

Particulars	Q1FY'13 (₹ crores)	% Inc	Remarks
Revenue from Operations			
- Sale of Power	1,830	60%	• Increase in Sales - higher generation; lower merchant tariff & includes power conversion of ₹46 crs
- Transmission	6	-37%	• Transmission Revenues reduced by ₹24 crs as per regulatory approval of tariff
- Power Traded	295		• Higher Trading Revenue due to increased third party sales
- Sale of Coal	24	-54%	• Reduction in coal output
<b>Total Income</b>	<b>2,155</b>	<b>76%</b>	
Other Operating Income			
- O&M Fees	30	54%	• Higher O&M Fees from increased capacity under O&M
- Project Mgmt Fees	-		• No PMC as all projects completed (PY ₹25 crs)
- Others	6		
<b>TOTAL</b>	<b>2,192</b>	<b>72%</b>	



# CONSOLIDATED FINANCIAL TRENDS





# PROJECTS UPDATE





# RAJ WEST POWER LTD. I

## Project Details

**Gross Capacity**

1,080 MW (8 x 135)

**Technology**

Sub-critical Captive Lignite based TPP

**Fuel Linkage**

FSA with BLMCL (49% JV) for supply of lignite from captive lignite mines of BLMCL

**Water Allocation**

Allocation from IGNP

**Power Off take**

Long term arrangement for entire capacity with state Government distribution utilities

**Project Cost**

₹ 6,865Cr  
Debt / Equity: 75:25  
Amt spent till Jun 30, 2012:  
₹ 6,006 Crs

**Commissioning**

Unit I - IV Operational  
Entire project completion in 2012

## Status Update

- Unit V synchronized on 30<sup>th</sup> March, 2012
- Unit VI synchronized on 23<sup>rd</sup> June, 2012



# CHATTISGARH POWER PROJECT

## Project Details

### Gross Capacity

1,320 MW (2 x 660)

### Technology

Super-critical domestic coal based TPP

### Fuel Linkage

11% interest in coal block jointly allocated; applied for additional coal linkage

### Water Allocation

35 mn cmpa water allocated from Mahanadi River

### Power Off take

Combination of long term & short term agreements; 35% to State Govt.

### Project Cost

₹ 6,500 Crs  
Amt spent till June 30, 2012 :  
₹ 105 Crs

## Status Update

- PPA signed with GoCG for 35% of power
- Water allocation obtained
- Topography survey and geo-technical investigations completed
- Environment Clearance received from MOEF on 12<sup>th</sup> March 2012
- Land acquisition in progress satisfactorily
- Applied to Pollution control board for Consent to Establish
- Construction of water barrage commenced
- Offers received for BTG equipment under review



# KUTEHR HYDRO PROJECT

## Project Details

Gross Capacity

240 MW (3 x 80)

Technology

Run-of-the-river Hydropower

Water Allocation

Ravi River

Power Off take

Free power to GoHP - 12% to 30% of delivered energy for 40 years. Balance through short term arrangements

Project Cost

₹ 1,798 Crs  
Amt spent till June 30, 2012 :  
₹ 143 Crs

## Status Update

- Techno Economic Clearance from CEA received
- MOEF accorded Forest stage I clearance & Environment clearance
- Pre-qualification of vendors for electro mechanical & hydro mechanical works completed, tender documentation under finalisation
- Implementation agreement signed with HP government
- Land acquisition under progress
- Technical & commercial bid under evaluation for main civil works
- CDM validation under progress



# WEST BENGAL POWER PROJECT

## Project Details

**Gross Capacity**

**1320 MW (2 x 660)**

**Technology**

**1,320 MW - Super-critical TPP**

**Fuel Linkage**

**Ichhapur Mines- WBMDTC to supply fuel**

**Power Off take**

**40% to WBMEDCL , balance on merchant**

**Project Cost**

**Total Cost: Approx. ₹ 7,000 Crs**

## Status Update

- Land in possession
- Supplementary agreement to PPA offering 40% output from Unit II & III signed with WBEDCL



# JSWEL, VIJAYANAGAR

## Project Details

<b>Gross Capacity</b>	<b>660 MW (1 x 660)</b>
<b>Technology</b>	<b>Super critical coal based TPP</b>
<b>Fuel Linkage</b>	<b>Imported coal / Domestic linkage coal</b>
<b>Water Source</b>	<b>Almatti Dam</b>
<b>Power Off take</b>	<b>Merchant power &amp; Long Term PPA</b>
<b>Project Cost</b>	<b>Total Cost: ₹ 3,300 Crs</b>

## Status Update

- Land identified
  - TOR cleared by MOEF
  - Plant layout finalised
  - Soil Investigation completed
  - Public hearing held on 7<sup>th</sup> July, 2012
- 
- DPR under preparation
  - EIA & EMP report submitted
  - Power evacuation study initiated

## Project Details

### Gross Capacity

270 MW (2 x 135)

### Technology

Subcritical Captive lignite based TPP

### Fuel Linkage

Applied to Ministry of Coal

### Water Allocation

Allocation from IGNP

### Power Off take

Short Term power purchase arrangements

### Project Cost

Total Cost: ₹ 1,350 Crs  
Amount spent till June 30, 2012 : ₹ 61 Crs

## Status Update



- Land in possession



- Applied for coal linkage
- Government consent awaited



# JSW ENERGY RATNAGIRI EXPANSION

## Project Details

<b>Gross Capacity</b>	<b>3,200 MW (4 x 800)</b>
<b>Technology</b>	<b>Super-critical imported coal based TPP</b>
<b>Authority</b>	<b>Letter of support from Government of Maharashtra</b>
<b>Fuel Linkage</b>	<b>Imported Coal</b>
<b>Water Allocation</b>	<b>Sea Water</b>
<b>Power Off take</b>	<b>Combination of long term &amp; short term agreements</b>
<b>Project Cost</b>	<b>₹ 150 Bn. Amt spent till June 30, 2012: ₹ 82 Crs</b>

## Status Update



•Substantial land in possession



•Approvals awaited





# EQUIPMENT MANUFACTURING – JSW TOSHIBA

## Project Details

### Gross Capacity

3GW Steam Turbine Generators

### Technology

Super critical steam turbines of size 500-1000 MW

### Procurement

All orders placed

### Investment

Entire equity required from JSWEL: ₹ 64 Crs has been invested

## Status Update

- Blade production commenced
- Building & Equipment Warehouse completed
- Construction activities of TG Manufacturing Facility completed
- The factory inaugurated on 12th Feb 2012 by the Chief Minister of Tamilnadu
- Orders received from NTPC for 3X800MW Kudgi Power Project and 2X660MW Meja Power Project



## DOMESTIC MINING PROJECTS

### Status Update

#### BLMCL- Kapurdi Mine

- Mining lease transferred in the name of BLMCL
- Production of 0.56 Million Tons in Q1FY'13
- Lignite supplied to Power plant 0.84 Million Tons

#### BLMCL- Jalipa Mine

- MOEF Clearance received
- Mine development plan approved

- Land acquisition under progress; Entire price deposited

#### MJSJ Coal

Public hearing completed

Land acquisition under progress



# OVERSEAS COAL PROJECT

## SACMH

### Location

Umlabu (Wit Bank Region), South Africa

### Concessions

- Richard's Bay Coal Terminal Entitlement for 0.5 MTPA
- Railway siding within the mine with a capacity to handle upto 0.5 MTPA

### GCV (NAR)

6000 Kcal - 6200 Kcal

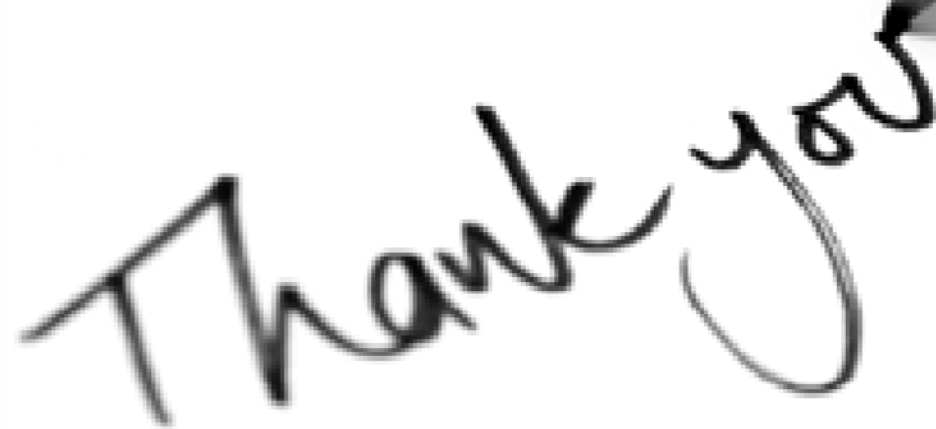
## Status Update

- Raw Coal produced during Q1FY'13: 109,919 Tonnes
- Total Sales during Q1FY'13: 50,930 Tonnes



## **FORWARD LOOKING & CAUTIONARY STATEMENT**

*Certain statements in this report concerning our future growth prospects are forward looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward looking statements. The risk and uncertainties relating to these statements include, but are not limited to risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition within Power industry including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, our ability to commission mines within contemplated time and costs, our ability to raise the finance within time and cost client concentration, restrictions on immigration, our ability to manage our internal operations, reduced demand for power, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which the Company has made strategic investments, withdrawal of fiscal/governmental incentives, impact of regulatory measures, political instability, legal restrictions on raising capital or acquiring companies outside India, unauthorized use of our intellectual property and general economic conditions affecting our industry. The company does not undertake to update any forward looking statements that may be made from time to time by or on behalf of the company.*

A black and white photograph of a hand-drawn message. The words 'Thank you' are written in a cursive, handwritten style on a white rectangular background. A black marker is positioned at the end of the word 'you', with its tip touching the final stroke of the letter 'u'. The marker is angled upwards and to the right, suggesting it was just used to finish the word.