

Financial Results for the Quarter and Half year ended September 30, 2015

JSW Energy reports Profit after Tax (PAT) of ₹ 492 crore, an increase of 54%.

Mumbai, India: JSW Energy Limited (“JSW Energy” or the “Company”) today reported its results for the second Quarter (“Q2 FY2016” or the “Quarter”) ended 30th September, 2015.

Key highlights of Q2 FY 2016 (Consolidated):

- **Generation Capacity** increased from 3,140 MW to 4,531 MW with addition of Hydro capacity of 1,391 MW acquired during the current quarter.
- **Net generation** of 5,637 Mus as against 5,236 Mus in the corresponding quarter of the previous year.
- **EBITDA** before exceptional items of ₹ 1,088 crore as against ₹ 973 crore in the corresponding quarter of the previous year.
- **PAT** of ₹ 492 crore as against ₹ 319 crore in the corresponding quarter of the previous year.

Consolidated Operational Performance:

During the quarter, the Company achieved an average deemed PLF of 83% as against 87% in the corresponding quarter of previous year. The PLF was lower primarily due to scheduled major overhauling at one unit of the Vijayanagar plant. However, the average deemed PLF improved compared to previous quarter (Q1 FY2016) from 75% to 83% due to improved off-take.



PLF achieved during Q2' 2015-16 at the respective locations were as under:

- **Vijayanagar:** The plant achieved average PLF of 81% as against 92% in the corresponding quarter of the previous year.
- **Ratnagiri:** The plant operated at an average PLF of 84% as against an average PLF of 82% in the corresponding quarter of the previous year.
- **Barmer:** The plant achieved an average deemed PLF of 86% as against an average deemed PLF of 88% in the corresponding quarter of the previous year.
- **Himachal Pradesh:** The plant achieved an average PLF of 72% for the month of September, 2015 (acquired w.e.f September 1, 2015)

The net generation at different locations was as under:

(Figures in million units)

| Location | Q2' FY 15-16 | Q2' FY 14-15 |
|------------------|--------------|--------------|
| Vijayanagar | 1,430 | 1,611 |
| Ratnagiri | 2,038 | 1,967 |
| Barmer | 1,504 | 1,658 |
| Himachal Pradesh | 665 | - |
| Total | 5,637 | 5,236 |

The merchant sales during the quarter were 2,477 million units and the sales under Long Term PPA were 3,080 million units.

Fuel Cost:

The fuel cost for the current quarter declined by 13% YOY to ₹ 1,071 crore, primarily due to lower thermal generation as well as decline in the FOB cost of imported coal driven by lower international prices , partly offset by depreciation in the Indian rupee versus the US dollar.

During the current quarter, the Total Income from operations is ₹ 2,531 crore as against ₹ 2,251 crore in the corresponding quarter of the previous year, an increase of 12%. EBITDA



before exceptional items for the quarter is ₹ 1,088 crore as against ₹ 973 crore in the corresponding quarter of the previous year, an increase of 12%. The increase in EBITDA is primarily driven by lower fuel costs and generation from the Hydro assets.

The Company earned a Profit after tax of ₹ 492 crore for the current quarter as against ₹ 319 crore in the corresponding quarter of the previous year, an increase of 54%. The Company refinanced ₹ 2,979 crore of term debt from Banks / Financial Institutions at Himachal Baspa Power Company Limited with extended repayment terms and at lower interest rate as at September 30, 2015.

The Consolidated Net Worth and Consolidated Net Debt as at September 30, 2015 were ₹ 8,301 crore and ₹ 15,589 crore respectively resulting in a net debt to equity ratio of 1.88 times.

Projects Update:

▪ **240 MW – at Kutehr, Himachal Pradesh (HP) –**

The Company has commenced enabling works on the project and expects the award of EPC contracts for the project to be completed in fiscal 2015 -16. The cost incurred on the project upto September 30, 2015 is ₹ 245 crore.

▪ **Barmer Lignite Mining Co. Ltd (BLMCL) –**

During the Quarter, BLMCL has despatched 1.66 MT of lignite to feed the Company's power plant in Barmer. Overburden removal at Jalipa Mines has commenced. The tendering process for Selection of Mine Development and Operator (MDO) for Kapurdi and Jalipa Lignite mines by EIL is under process. The project cost incurred till September 30, 2015 is ₹ 1,877 crore.



Outlook

The government is focused on removing the hurdles for the power sector and put it on a firm footing. The proposed plans to improve the financial health of the state discoms burdened by mounting losses and debt are steps in the right direction. The broader economy is showing some signs of revival as the IIP growth is improving and inflation continues to remain low. The RBI has further reduced the policy rates and this bodes well for economic growth.

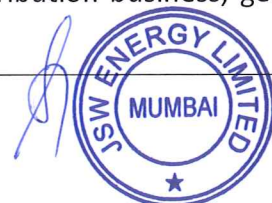
Electricity demand has picked up post the lacklustre demand in the first quarter of this fiscal as the progress of monsoon was less than normal. All India thermal PLF has improved towards the end of the 2nd quarter and improved demand has positively impacted the spot tariff rates from the subdued levels seen earlier.

Domestic coal availability is improving and international coal prices have been softer with price outlook remaining benign. Indian rupee had weakened towards the end of the 2nd quarter and the currency outlook seems range-bound. However, the uncertainties over long-term procurement of power by the discoms, congestion in interstate power transmission, high T&D losses and current poor health of the discoms continue to impact the sector.

Despite challenges, the government's efforts to revitalise the economy and focus on manufacturing and infrastructure growth should gradually boost power demand in the coming quarters

About JSW Energy Limited

JSW Energy Limited, part of the JSW Group, is a growing energy company. The Group has diversified interests in carbon steel, power, mining, industrial gases, port facilities, aluminium, cement and information technology. JSW Energy is working on power solutions in the states of Karnataka, Maharashtra, Rajasthan, Himachal Pradesh and Chhattisgarh. The Company has an operational capacity of 4,531 MW. The Company is an early entrant in the Power Trading and Power Transmission business and plans to enter into power distribution business, generation



through non-conventional energy sources and tie-ups with well-known equipment manufacturers and suppliers. It is working towards building a full service integrated energy business.

Forward looking and Cautionary Statements:

Certain statements in this release 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 risks 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, 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 has made strategic investments, withdrawal of fiscal governmental incentives, 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.

