

**Financial Results for the Quarter and Year ended March 31, 2016**

**Mumbai, India:** JSW Energy Limited (“JSW Energy” or the “Company”) today reported its results for the fourth Quarter (“Q4 FY2016” or the “Quarter”) and the full Year (“FY2015”) ended March 31, 2016.

**Key highlights of FY 2016 (Consolidated):**

- Highest ever **net generation** of 22,064 Mus, as against 20,307 Mus in the previous year
- Highest ever **total income from operations** of ₹ 9969 crore, as against ₹ 9,380 crore in the previous year – up by 6%
- Highest ever **EBITDA** of ₹4355 crore – higher by 13%
- Highest ever **PAT** of ₹1396 crore – up by 3%

**Key highlights of Q4 FY 2016 (Consolidated):**

- **Net generation** of 5,894 MUs as against 4,698 MUs YoY
- **EBITDA** of ₹1,162 crore as against ₹921 crore YoY
- **PAT** of ₹305 crore against ₹325 crore YoY

**Consolidated Operational Performance:**

During the quarter, the thermal power plants have achieved an average deemed PLF of 92% as against 84% in the corresponding quarter of the previous year. The hydro power plants have achieved an average PLF of 14% during the current quarter, given the impact of seasonality and availability of water.



PLF and net generation at different locations were as under:

Location	PLF		Net generation (million units)	
	Q4' FY 2016	Q4' FY 2015	Q4' FY 2016	Q4' FY 2015
Vijayanagar	99%	100%	1,734	1,726
Ratnagiri (deemed PLF)	92%	71%	2,078	1,333
Barmer (deemed PLF)	86%	87%	1,676	1,639
Himachal Pradesh (Hydro)	14%	-	406	-
<b>Total</b>			<b>5,894</b>	<b>4,698</b>

The merchant sales during the quarter were 2,770 million units and the sales under Long Term PPA were 3,075 million units.

**Fuel Cost:**

The fuel cost for the current quarter increased by 13% YoY to ₹1,185 crore, primarily due to higher generation, increase in lignite cost as per RERC tariff order, and currency (INR) depreciation despite a decline in the international prices of coal.

During the current quarter, Total Income from operations was ₹2,681 crore as against ₹2,190 crore in the corresponding quarter of the previous year, an increase of 22% driven largely by increased generation from the thermal plants and supplemented by additional generation from the Hydro plants acquired during the year. EBITDA for the quarter is ₹1,162 crore as against ₹921 crore in the corresponding quarter of the previous year, an increase of 26%, primarily driven by increase in generation and lower fuel prices; partially offset by the truing up provisions for the Barmer plant.

The Company earned Profit after tax of ₹305 crore in the current quarter compared to ₹325 crore in the corresponding quarter of the previous year, a decrease of 6%, due to higher interest and depreciation post acquisition of the Hydro assets.

During the year ended March 31, 2016, the Total Income from operations was ₹9,969 crore as against ₹9,380 crore in the previous year, an increase of 6%. The Company reported EBITDA of



₹4,355 crore, up by 13% over the previous year. This increase is primarily due to higher generation from the acquisition of hydro plants and a decline in the fuel cost, partly offset by lower realisations during the current year. The Company earned Profit after tax of ₹1,396 crore during the year as against ₹1,350 crore in the previous year.

The Consolidated Net Worth and Consolidated Net Debt as at March 31, 2016 were ₹ 8,536 crore and ₹15,098 crore respectively, resulting in a net debt to equity ratio of 1.77 times.

**Key Developments:**

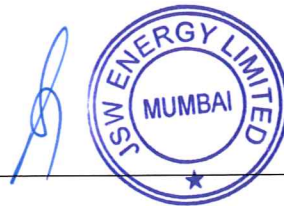
The Rajasthan Electricity Regulatory Commission (RERC) issued an order for the Barmer Power Plant, determining the Final Tariff for FY 2009-10 to FY 2013-14 along with Annual Performance Review (APR) and true up for FY 2009-10 and FY 2010-11. The Company has filed an Appeal against the said order before the Appellate Tribunal of Electricity towards disallowance of capital cost and other matters. However, during the quarter, the company has taken a net impact of ₹23 crore after suitably incorporating the impact of this Order for the relevant period.

The Board of Directors has recommended dividend payout of ₹2 per share for FY 2016 out of distributable profits of the Company, subject to approval of members. The Board has considered providing dividend higher than the threshold of 20% of the distributable profits, in the current year.

**Projects Update:**

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

The Company has commenced enabling works on the project and awarded Letter of Intent (LoI) to the EPC contractor for the project while financial closure is expected during the next fiscal. Award of EPC contract will only happen post the financial closure. The project cost is estimated at ₹2,900 crore and cost incurred on the project up to March 31, 2016 was ₹262 crore.



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

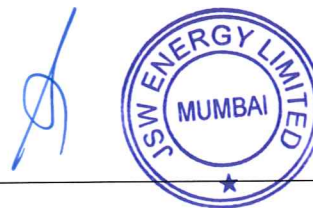
During the Quarter, BLMCL has dispatched 1.72 MT of lignite to feed the Company's power plant in Barmer. Overburden removal at Jalipa Mines has commenced. BLMCL has filed a petition with the regulator for approval of the MDO contractor based on the outcome of the tendering process for Jalipa and Kapurdi mines. The project cost incurred till March 31, 2016 is ₹ 1,938 crore.

**Outlook**

The Union Budget 2016-17 has laid greater emphasis on the agricultural and infrastructure sectors which bodes well for the growth outlook. This, coupled with the expectation of a good monsoon, should provide an impetus to demand and overall economic activity level in the country. There has been some early signs of stability and growth in industrial activity in the recent months. After three consecutive months of negative growth, Industrial Production growth improved in February 2016. Inflation remains low and thus creates headroom for further lowering of interest rates.

Electricity demand grew at a healthy pace in Q4 FY 2016. Government's resolve to electrify all the villages in the country and to provide uninterrupted supply to all power consumers should result in a multi-fold increase in electricity demand in the coming years. Increasing number of Discoms joining the UDAY Scheme is also encouraging and should eventually result in their improved financial health and ability to procure more power.

Domestic coal availability has been improving and international coal prices have been range bound. However, lack of demand for long term power procurement, lack of clarity around auction of coal blocks, power network congestion and high T&D losses continue to persist. While the capacity addition has been robust through the conventional sources and policy thrust on renewables have led to encouraging capacity additions, the overall PLF has dropped, thereby putting pressure on margins and increasing the stress on fiscal health of the generating companies.



These factors provide a challenging environment for power generating companies and we believe the margins and profitability of the sector are likely to remain under pressure till the industrial and economic growth show sustained and marked improvement.

#### **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.*

A handwritten signature in blue ink is written over a circular blue stamp. The stamp contains the text "JSW ENERGY LIMITED" around the top edge, "MUMBAI" in the center, and a small star at the bottom. The signature is a cursive script that appears to read "S. Ramu".