

Financial Results for the Quarter and Year ended March 31, 2017

Mumbai, India: JSW Energy Limited (“JSW Energy” or the “Company”) today reported its results for the fourth quarter (“Q4 FY2017” or the “Quarter”) and the full Year (“FY2017”) ended March 31, 2017.

Key highlights of FY 2017 (Consolidated):

- **Net generation** of 21,631 Mus, as against 22,064 Mus in the previous year
- **Total Income from operations** of ₹ 8,264 crore, as against ₹ 9,824 crore in the previous year
- **Plant Load Factor** (deemed) at 66 % for FY2017 as against 75% for FY2016

Key highlights of Q4 FY 2017 (Consolidated):

- **Net generation** of 4,063 MUs as against 5,894 MUs in the corresponding quarter of the previous year.
- **Tariff Order** received for the Karcham Wangtoo Hydro Plant unit in Himachal Pradesh.
- **Awards Conferred** : JSW Energy, Ratnagiri conferred with “Golden Peacock National Quality Award” for the year 2017 by institute of directors.

Consolidated Operational Performance:

During the quarter consolidated deemed PLF was 52 % as against 69% in the corresponding quarter of previous year.

PLF achieved during **Q4 2016-17** at the respective locations were as under:

- **Vijayanagar:** The plant achieved an average PLF of 77% as against 99% in the corresponding quarter of the previous year.

- **Ratnagiri:** The plant operated at an average deemed PLF of 47% as against an average deemed PLF of 92% in the corresponding quarter of the previous year.
- **Barmer:** The plant achieved an average deemed PLF of 82% as against an average deemed PLF of 86% in the corresponding quarter of the previous year.
- **Himachal Pradesh:** The plant achieved an average PLF of 14 % for the current quarter against 14% in the corresponding quarter of the previous year.

The net generation at different locations was as under:

(Figures in million units)

Location	Q4' FY 16-17	Q4' FY 15-16
Vijayanagar	1,317	1,734
Ratnagiri	971	2078
Barmer	1,387	1,676
Himachal Pradesh	389	406
Total	4,064	5,894

The merchant sales during the quarter were 1,312 million units and the sales under Long Term PPA were 2,833 million units.

Consolidated Financial Performance Review and Analysis

Results for the quarter ended and the financial year ended March 31, 2017 are in compliance with IND AS notified by the Ministry of Corporate Affairs. Consequently, results for the quarter and year ended March 31, 2016 have been restated to comply with IND AS to make them comparable.

During the current quarter, the total Income from operations at the Consolidated level is ₹1,862 crore as against ₹2,631 crore in the corresponding quarter of the previous year, a decrease of 29% largely due to lower generation primarily from the thermal plants and subdued merchant realisations.

The fuel cost for the current quarter decreased by 16% YOY to ₹1,005 crore, primarily due to decrease in generation, offset by an increase in the international prices of coal.

EBIDTA at the Consolidated level before exceptional items for the quarter is ₹660 crore as against ₹1,111 crore in the corresponding quarter of the previous year, a decline of 41%, primarily due to decline in revenues and increase in international coal prices.

The Company earned Profit for the quarter ₹24 crore in the current quarter as against ₹296 crore in the corresponding quarter of the previous year. Total comprehensive income of the Company for the quarter stands at ₹200 crore as against ₹479 crore in the corresponding period of the previous year.

During the year ended March 31, 2017, the Total Income from operations is ₹8,264 crore as against ₹9,824 crore over the previous year, a decline of 16%. The Company has earned an EBITDA (before exceptional items) of ₹3,541 crore, down by 17% over the previous year. The decrease is primarily due to lower generation and merchant realisations coupled with increase in international coal prices. The Company earned a Consolidated Profit for the year ₹629 crore during the year as against ₹1,447 crore in the previous year. Total comprehensive income of the Company for the year stands at ₹1061 crore as against ₹1,711 crore in the previous year.

The Consolidated Net Worth and Consolidated Net Debt as at March 31, 2017 were ₹10,369 crore and ₹13,383 crore respectively resulting in a Net Debt to Equity ratio of 1.29 times.

Key Developments:

The Board of Directors have recommended dividend payout of ₹0.50 per share for FY 2017 out of distributable profits of the company, subject to approval of members.

Outlook

Industrial activity remains subdued and should get some support in the coming months as manufacturing PMI has been rising at a steady pace. However, inflation has been inching up slowly and would eventually reduce the scope of further interest rate cuts in the near term. Expectations of a normal monsoon, along with government initiatives on infrastructure and

investment cycle revival, should help in improving the overall GDP growth and power demand outlook.

Electricity demand continued to slow down for the second year in a row with only 2.5% growth for FY2017, while growth in supply is consistently outpacing demand growth. Tepid demand combined with the poor fiscal health of the Discoms and lack of PPAs, has driven an oversupply in the market with falling tariffs and low PLF. Through accelerated decommissioning of old, inefficient and polluting plants, the government can address part of the overcapacity in the sector. Most of the states have joined the UDAY scheme and the Discoms should be able to gradually improve their performance if they continue to pursue the prescribed operational reforms. Government's aim to provide 24x7 power supply to all should also boost power demand over the longer term. The New Government in Uttar Pradesh (UP) has already embarked upon a program to accelerate the availability of 24x7 power for all citizens and it is expected that other States will follow the UP example. This should lead to a robust growth in demand, which has otherwise been subdued for the last 2 years.

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.

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