

Press Release

October 31, 2014

Financial Results for the Quarter and Half Year ended September 30, 2014
JSW Energy reports 96% growth in Profit after Tax

The Board of JSW Energy Limited, at its meeting held today at Mumbai, approved the results for the Quarter ended September 30, 2014 ("2QFY15" or the "Quarter").

Key highlights of the quarter:

- Highest ever quarterly net generation of 5,236 million units
- Total Income from operations ₹2,251 crore, up 11% over corresponding quarter of the previous year
- EBITDA of ₹969 crore, up 9% over corresponding quarter of the previous year
- PAT of ₹319 crore as against ₹163 crore in the corresponding quarter of the previous year.
- Deemed Plant Load Factor (PLF) at 87% as against Deemed PLF of 76% in the corresponding quarter of the previous year

Consolidated Operational Performance:

During the quarter, the Company achieved a net generation of 5,236 million units with the average deemed PLF of 87%. The PLF has improved primarily due to pick up in demand in the quarter.

PLF achieved during 2QFY15 at the respective locations was as under –

- **Vijayanagar** achieved average PLF of 92% as against 78% in the corresponding quarter of the previous year.
- **Ratnagiri** operated at an average PLF of 82% as against an average PLF of 74% in the corresponding quarter of the previous year.

- **Barmer** achieved an average deemed PLF of 88% as against an average deemed PLF of 78% in the corresponding quarter of the previous year.

The net generation at the different locations was as under:

(Figures in million units)

Location	2QFY15	2QFY14
Vijayanagar	1,611	1,361
Ratnagiri	1967	1,767
Barmer	1,658	1,224
Total	5,236	4,352

The merchant sales during the quarter were of 1,947 million units; the sales under Long Term PPA were of 3,289 million units.

Fuel Cost:

The fuel cost for the quarter is at ₹1,224 crore, higher by 19% compared to the corresponding quarter of the previous year primarily due to increased generation which was partly offset by lower coal prices.

Consolidated Financial Performance:

During the current quarter, the Total Income from operations is ₹2,251 crore as against ₹2,025 crore in the corresponding quarter of the previous year. EBITDA (before exceptional items) for the quarter is ₹969 crore as against ₹893 crore in the corresponding quarter of the previous year, higher by 9% primarily due to higher volumes and settlement of claims with project creditors during the current quarter. The Company earned a Profit after tax (PAT) of ₹319 crore for the current quarter as against ₹163 crore, up by 96% as compared to the corresponding Quarter of the previous year.

The Consolidated Net Worth and Consolidated Debt as at September 30, 2014 were ₹7,207 crore and ₹9,644 crore respectively resulting in a debt equity ratio of 1.34 times.



Projects Update:

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

The process of selection of an EPC contractor for the project has commenced, while all the requisite environmental clearances for the project have been received. The cost incurred on the project up to September 30, 2014 is ₹ 233 crore.

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

During the quarter BLMCL has despatched 1.70 MTPA of Lignite. Ministry of Environment and Forest (MoEF) has accorded the approval for enhancement of mining capacity at Kapurdi Lignite Mines to 7 MTPA for a period of 4 years. MoC has approved Mine Lease Transfer of Jalipa mine lease and the possession of land for Jalipa mines is in progress. The project cost is estimated at ₹1,800 crore (comprising both Kapurdi & Jalipa mines) and cost incurred till September 30, 2014 is ₹1,583 crore.

Outlook:

The policy measures being undertaken by the government and the central bank to untangle approval processes, revive the investment cycle, and boost liquidity have renewed confidence in the market and bode well for the revival of economic growth in India. The IMF as well as the World Bank now forecast India's economic growth to rise to 5.6% in FY15, and further to 6.4% in FY16.

During 2QFY15, a modest uptick in activity levels, delayed monsoon and elections related demand primarily led to all India demand for power improving by 10.9% YoY. However, international thermal coal prices continue to remain soft amidst weakened global recovery, including lower economic growth in China, coupled with a well-supplied coal market – and are likely to remain range bound.

Meanwhile, the issues related to inadequate fuel availability, lack of clarity around new bidding norms for long-term PPAs, transmission corridor issues, high T&D losses and weak financial condition of the Discoms need to be addressed in a meaningful manner for a sustainable growth of the Indian power sector. The government has demonstrated a resolve to address the structural issues impacting the power sector, and the progress so far is satisfactory.



On the back of initiatives taken by the government to jump start the economy, and benign commodity and energy prices, we believe that a revival of economic and investment cycle is likely, which, in turn, will drive power demand in the country going ahead.

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 3,140 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 purple stamp. The stamp contains the text "JSW ENERGY LIMITED" around the perimeter and "JSW" in the center with a star below it. The signature is a cursive script that extends across the stamp and into the margin below.

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