

RattanIndia

December 5, 2016

Scrip Code- 533122

RTNPOWER/EQ

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI - 400 001

✓ National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (East),
MUMBAI-400 051

Sub: Earnings Update of RattanIndia Power Limited (formerly known as
Indiabulls Power Limited.) for the quarter ended September 30, 2016

Dear Sirs,

Please find enclosed an Earnings update of RattanIndia Power Limited for the
quarter ended September 30, 2016, for your information and record.

Thanking you,

Yours faithfully,
For RattanIndia Power Limited


Gaurav Toshkhani
Company Secretary

Encl : as above

RattanIndia Power Limited

(Formerly Indiabulls Power Ltd.)

Registered Office: 5th Floor, Tower-B, Worldmark 1, Aerocity, New Delhi -110037

Tel: +91 11 66612666 Fax: +91 11 66612777

Website: www.rattanindia.com

CIN: L40102DL2007PLC169082

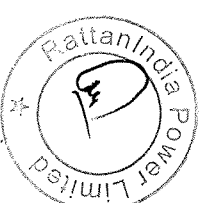
RattanIndia

RattanIndia Power Ltd.

(Formerly known as Indiabulls Power Ltd.)

Earnings Update

Q2 FY 2017



Safe Harbor Statement

This document contains certain forward-looking statements based on current expectations of RattanIndia management. Actual results may vary significantly from the forward-looking statements in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, and outside India, volatility in interest rates and in Securities markets, new regulations and government policies that might impact the business of RattanIndia, the general state of the Indian economy and the management's ability to implement the company's strategy. RattanIndia doesn't undertake any obligation to update these forward-looking statements.

This document does not constitute an offer or recommendation to buy or sell any securities of RattanIndia or any of its subsidiaries or associate companies. This document also doesn't constitute an offer or recommendation to buy or sell any financial products offered by RattanIndia.

Investor Contact

Name: Sameer Darji

Landline No: +91 011 66612666

Email: ir@rattanindia.com

Amravati Project: Standalone Financial Results

Rs. Cr

Particulars	Q2 FY 17	Q2 FY 16
Revenue	308	636
EBITDA	244	241
Interest	242	250
Depreciation	52	74
Profit Before Tax	(51)	(83)
Profit After Tax	(51)	(82)
PAT + Depreciation	2	(9)
PAT + Depreciation + Straightlining of capacity charges *	60	49

* Due to straightlining of capacity charges over the PPA period under IND AS, Rs. 58 Crs. revenue billed but not considered in P&L and reserve created for future adjustment. Without this adjustment, profit would be higher by Rs. 58 Cr.

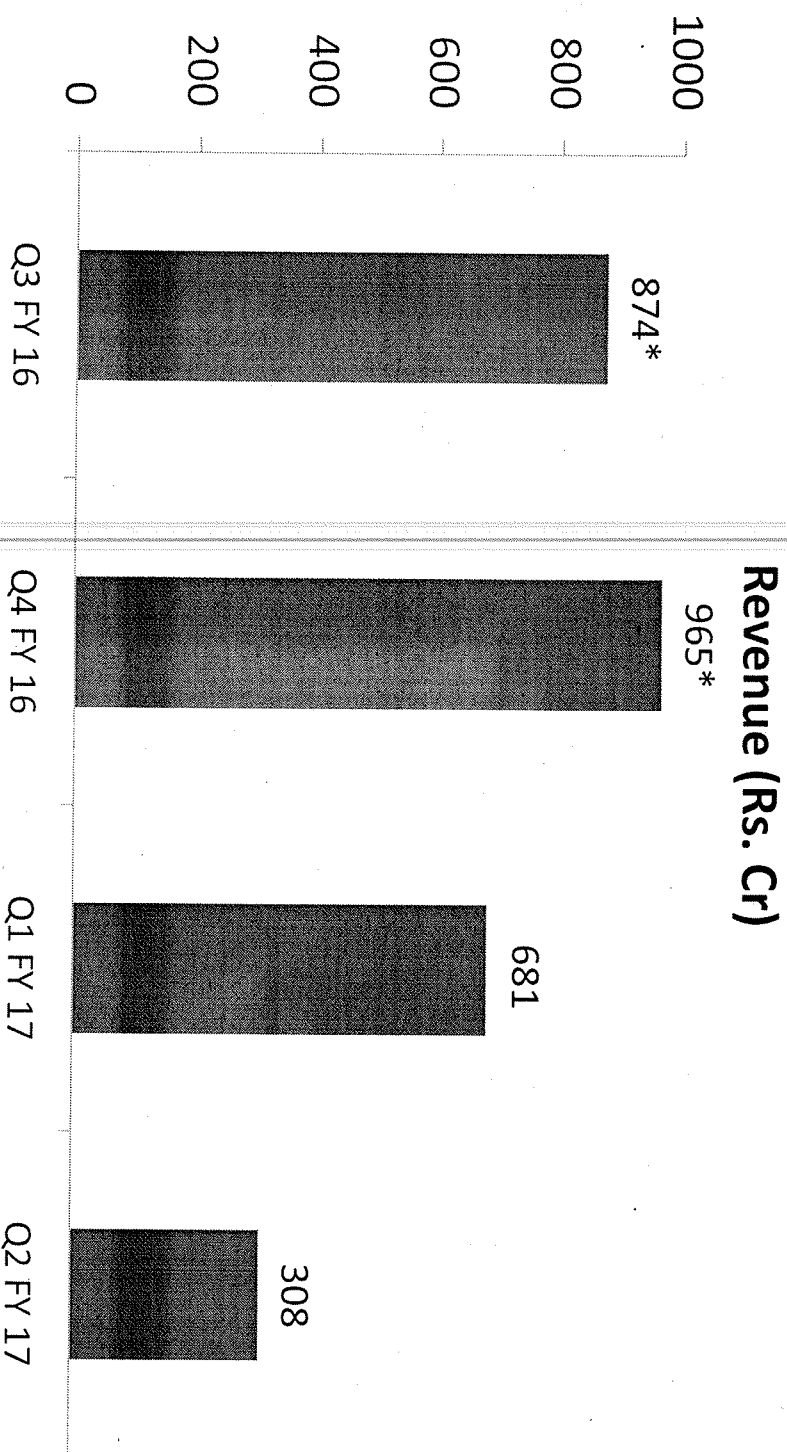
Reconciliation with Indian GAAP

Effective 1st April 2016, companies are following IND AS

Reconciliation with Indian GAAP followed until 31st March 2016

Sr. No.	Particulars	Rs. Cr.	
		Quarter Ended	
		9/30/2016	9/30/2015
	Loss after tax as reported under previous GAAP	(2.04)	(28.73)
i.	Financial assets and liabilities accounted for at fair value at inception, and subsequently at amortised cost	7.97	1.34
ii.	Arrangements in respect of generation assets considered as operating lease and straight lining Income on such operating leases	(58.32)	(58.48)
iii.	Actuarial gain/loss	-	(0.36)
iv.	Reclassification of foreign exchange gains on loan to foreign subsidiary	1.66	3.41
	Loss after tax under Ind AS	(50.73)	(82.82)
v.	Other Comprehensive Income/ Expenses (net of tax)	(0.02)	0.36
	Total Comprehensive Loss under Ind AS	(50.75)	(82.46)

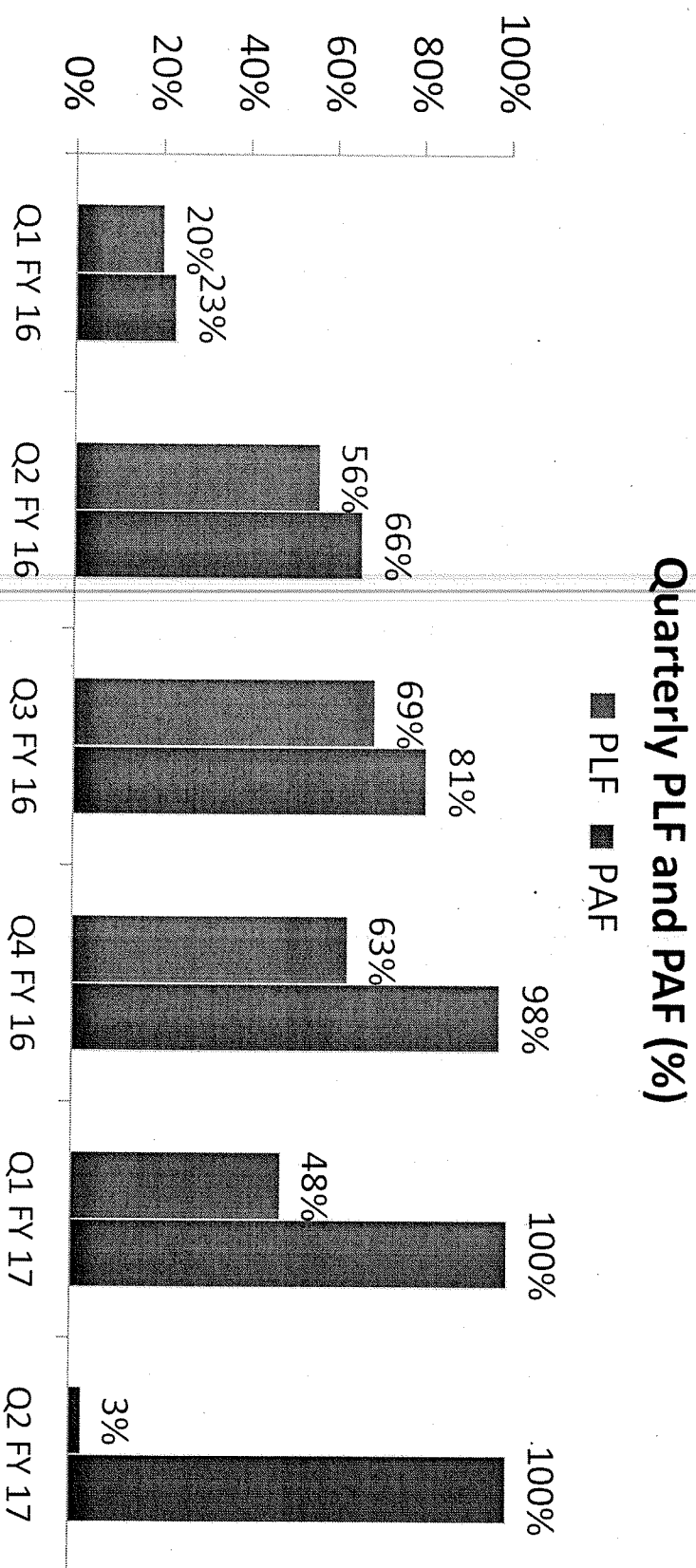
Amravati Project: Quarterly Revenue



- All figures are for Amravati project only

* These figures are not comparable as figures for previous quarters are as per Indian GAAP while figures for Q1 FY16, Q1 FY 17, Q2 FY16 and Q2 FY17 have been restated as per IND AS

Amravati Project : PLF and PAF



- Plant Availability Factor (PAF) less Plant Load Factor (PLF) is the backdown by SLDC/MSEDCL, for which the company is paid capacity charges due to deemed generation.

Amravati Project: PLF

- Low PLF in Q2 FY 17 is due to:
 - Good monsoon resulting in lower demand,
 - Generally low demand in the state.
- We expect the situation to improve in near future due to following:
 - “24 X 7 Power for all by 2019” initiative by Government of India will lead to increased demand.

Progress on other projects

1. Nashik Power Plant:

- Unit-1 of Nashik power plant is commissioned and Unit-2 has been synchronized. Work on balance 3 units is progressing and project is expected to be fully commissioned by FY 2017.
- Water pipeline has been completed
- Construction is under progress on the railway line
- Construction of transmission line is under progress with one circuit already charged. Synchronization is expected along with the commissioning of Nashik power plant.

Amravati Project: Highlights

- **Fuel for Amravati power plant:**
 - Better fuel availability: Increased production of coal from Coal India
 - Rail Siding is fully operational and rakes are going directly into the plant
- **Concrete action plan for improving financing related cash flows:**
 1. Tenure: 5/25 approved by all targeted lenders (12 out of 14 lenders except PFC and LIC)
 - a) Average loan tenure on 31st March, 2015: 11.6 years
 - b) Average loan tenure on 1st October, 2016: 17.0 years
 - c) We intend to increase the average loan tenure to approx. 20 years in the current financial year by increasing tenure for PFC and LIC
 2. Interest: Lot of headroom is available for reducing cost of debt which is currently 13.3% pa
 - a) Refinancing planned in near future to further reduce interest rate
 - b) IIFCL in-principle approved financial assistance of Rs.782 Cr. under takeout finance scheme. The effective rate in this scheme (on the basis of our rating) works out to 10.20% p.a.
 - c) Rs. 464 Cr. of loan repaid till date which will help in reducing interest cost by Rs. 61 Cr. p.a

Huge positive developments for power sector

Recent path breaking reforms for power sector:

1. Coal linkage swapping: approval from Cabinet of GOI dated 4th May 2016 for flexibility in utilization of domestic coal for reducing the cost of power generation

The objective of the proposal is to allow flexibility in optimal use of domestic coal in efficient Generating Stations resulting in reduction in the cost of electricity generation and reduce the power purchase cost of State Distribution companies. Such flexibility will be able to leverage coal to electricity conversion, efficiency of equipment as well as transportation cost optimization.

2. Amended National Tariff Policy

Govt. of India has introduced another major reform by amending the National Tariff Policy on 28th Jan, 2016 which will lead to further improvement of power sector in the country.

Moodys upgrade India's power sector from negative to stable on UDAY scheme

3. UDAY scheme:

- 15 states (Andhra Pradesh, Bihar, Chhattisgarh, Goa, Gujarat, Jammu & Kashmir, Jharkhand, Haryana, Karnataka, Madhya Pradesh, Manipur, Punjab, Rajasthan, Uttar Pradesh and Uttarakhand) and 1 UT (Puducherry) have already agreed to join UDAY which shows that it has been widely accepted.
- **Benefits to DISCOMs**
 - 75% of debt will be taken over by States through issuance of bonds at sub 9% cost
 - Balance debt from bank will be at their base rate + not more than 0.10% e.g. SBI will charge max 9.40% (SBI base rate 9.30% + 0.10%)
 - The benefits of UDAY scheme will start reflecting in next 1-2 years
- **Key milestones to be met by DISCOMs by 2018-19:**
 - Reduce average AT&C loss from around 22% to 15%
 - Eliminate the gap between Average Revenue Realized (ARR) & Average Cost of Supply (ACS)

Impact

Overall ecosystem of Power business expected to improve tremendously due to permanent solution of Discoms financial health which will help them procure more power for consumers and make timely payments to generators.

Thank you

