



**JSW Energy Limited**

Regd. Office : JSW Centre  
Bandra Kurla Complex  
Bandra (East), Mumbai - 400 051

CIN: L74999MH1994PLC077041  
Phone: 022 – 4286 1000  
Fax: 022 – 4286 3000  
Website: [www.jsw.in](http://www.jsw.in)

SEC / JSWEL  
6<sup>th</sup> August, 2019

The Secretary <b>BSE Limited</b> Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400 001	The Secretary <b>National Stock Exchange of India Limited</b> “Exchange Plaza” Bandra - Kurla Complex, Bandra (E) Mumbai - 400 051
<b>Scrip Code: 533148</b>	<b>Scrip Code: JSWENERGY- EQ</b>
<b>Fax No.: 022 - 2272 2037 / 39</b>	<b>Fax No.: 022 - 2659 8237 / 38</b>

**Subject: Outcome of the Board Meeting held on 6<sup>th</sup> August, 2019**

**Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sirs,

Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), we hereby inform you that the Board of Directors at its Meeting held today has, inter-alia, approved the Statement of Unaudited Standalone and Consolidated Financial Results of the Company for the quarter ended 30<sup>th</sup> June, 2019. A copy of the same, together with the Limited Review Report by Deloitte Haskins & Sells, LLP., Chartered Accountants, Mumbai, the Statutory Auditors of the Company, is enclosed.

The Board has also approved the raising of long term funds upto Rs. 2,500 crore, through issuance of Redeemable Non-Convertible Debentures by way of a Private Placement and has authorised the Finance Committee to decide on all matters relating to the proposed issuance of the Debentures, including finalization and approval of the detailed terms of issue.

For further details, please refer to the attached press release issued by the Company.

The Board Meeting commenced at 12 noon and concluded at 2:00 p.m.

The above is for your kind information and record.

Yours faithfully,

For **JSW Energy Limited**

**Monica Chopra**  
Company Secretary



Part of O. P. Jindal Group

**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM  
STANDALONE FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF  
JSW ENERGY LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **JSW ENERGY LIMITED** ("the Company"), which includes two joint operations consolidated on a proportionate basis, for the quarter ended June 30, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For DELOITTE HASKINS & SELLS LLP**

Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**Samir R. Shah**  
(Partner)

(Membership No. 101708)  
(UDIN: 19101708AAAABT9623)

Place: MUMBAI

Date: August 6, 2019



Registered Office : JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai-400051

CIN : L74999MH1994PLC077041

Statement of unaudited Standalone Financial Results for the Quarter ended 30.06.2019

( ₹ Crore)

Sr. No.	Particulars	Quarter Ended			Year Ended
		30.06.2019	31.03.2019	30.06.2018	31.03.2019
		Unaudited	Refer Note 4	Unaudited	Audited
1	<b>Income:</b>				
	a) Revenue from operations	1,142.75	1,111.13	1,311.07	5,118.33
	b) Other income	48.68	89.72	77.03	362.78
	<b>Total income</b>	<b>1,191.43</b>	<b>1,200.85</b>	<b>1,388.10</b>	<b>5,481.11</b>
2	<b>Expenses:</b>				
	a) Fuel cost	820.62	862.08	1,049.94	3,959.67
	b) Purchase of power	-	-	-	14.07
	c) Employee benefits expense	29.60	34.18	31.93	130.84
	d) Finance costs	86.38	93.10	108.88	411.79
	e) Depreciation and amortisation expense	92.11	90.60	90.87	365.02
	f) Other expenses	46.67	72.27	47.47	209.44
	<b>Total expenses</b>	<b>1,075.38</b>	<b>1,152.23</b>	<b>1,329.09</b>	<b>5,090.83</b>
3	<b>Profit before tax (1-2)</b>	<b>116.05</b>	<b>48.62</b>	<b>59.01</b>	<b>390.28</b>
4	<b>Tax expense:</b>				
	- Current tax	25.38	10.86	3.95	70.37
	- Deferred tax	15.73	10.19	16.11	68.46
5	<b>Profit for the period / year (3-4)</b>	<b>74.94</b>	<b>27.57</b>	<b>38.95</b>	<b>251.45</b>
6	<b>Other comprehensive (loss) / income</b>				
A	(i) Items that will not be reclassified to profit or loss	(115.21)	(96.53)	270.68	33.72
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	10.53	(26.76)	0.13
B	(i) Items that will be reclassified to profit or loss	(49.40)	2.55	(4.93)	(2.38)
	(ii) Income tax relating to items that will be reclassified to profit or loss	17.26	-	-	-
	<b>Total other comprehensive (loss) / income (net of tax)</b>	<b>(147.35)</b>	<b>(83.45)</b>	<b>238.99</b>	<b>31.47</b>
7	<b>Total comprehensive (loss) / income for the period / year (5+6)</b>	<b>(72.41)</b>	<b>(55.88)</b>	<b>277.94</b>	<b>282.92</b>
8	<b>Paid-up equity share capital (net of treasury shares)</b> (Face value of ₹ 10 per share)	1,641.21	1,640.87	1,640.10	1,640.87
9	Other equity				8,526.61
10	Earnings per share (EPS) (not annualised)				
	- Basic EPS ( ₹ )	0.46	0.17	0.24	1.53
	- Diluted EPS ( ₹ )	0.46	0.17	0.24	1.53



**Notes :**

- 1 Effective April 1, 2019, the Company has adopted Ind AS 116 – Leases using the modified retrospective approach. The adoption of the standard did not have any material impact on these financial results.
- 2 The Company plans to resume construction/developmental activities of 240 MW hydro power project at Kutehr, Himachal Pradesh after securing long term power supply contract. The state hydro power policy, 2006 and central hydro policy has been amended by the Government of Himachal Pradesh and the Government of India, respectively. Having regard to the same, the Company has started participating in bids invited by the distribution companies, and has simultaneously invited bids from contractors for development of the project. The carrying amounts related to the project as at June 30, 2019 comprise property, plant and equipment of ₹ 3.53 crore, capital work in progress of ₹ 237.77 crore, capital advance of ₹ 0.07 crore and investment of ₹ 29.02 crore in a subsidiary.
- 3 The Company has only one reportable operating segment i.e. 'Power Generation'.
- 4 The figures for the quarter ended March 31, 2019 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the relevant financial year.
- 5 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on August 06, 2019. The Statutory Auditors of the Company have carried out a Limited Review of the results for the quarter ended June 30, 2019.

Place : Mumbai  
Date : August 06, 2019



For and on behalf of the Board of Directors

Prashant Jain  
Jt. Managing Director & CEO  
[DIN:01281621]



**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM  
CONSOLIDATED FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF  
JSW ENERGY LIMITED**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **JSW ENERGY LIMITED** ("the Parent") which includes two Joint Operations accounted on a proportionate basis and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group"), and its share of the net loss and total comprehensive loss of its associate and joint venture for the quarter ended June 30, 2019 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the entities listed in Annexure "A" to this report.





**Deloitte  
Haskins & Sells LLP**

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the financial results of 8 subsidiaries included in the consolidated unaudited financial results, whose financial results reflect total revenue of Rs. 1430.85 crore, total net profit after tax of Rs. 146.73 crore and total comprehensive income of Rs. 146.73 crore for the quarter ended 30 June 2019, as considered in the Statement. The consolidated unaudited financial results also includes the Group's share of profit after tax of Rs. 25.56 crore and total comprehensive income of Rs. 25.56 crore for the quarter ended 30 June 2019, as considered in the Statement, in respect of a joint venture, whose financial results have not been reviewed by us. These financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and a joint venture, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

7. The consolidated unaudited financial results includes the interim financial information / financial results of 10 subsidiaries which have not been reviewed by their respective auditors, whose interim financial information / financial results reflect total revenue of Rs. 11.65 crore, total loss after tax of Rs. 35.49 crore and total comprehensive loss of Rs. 29.65 crore, for the quarter ended 30 June 2019, as considered in the Statement. The consolidated unaudited financial results also includes the Group's share of profit after tax and of Rs. Nil and total comprehensive income of Rs. Nil for the quarter ended 30 June 2019, as considered in the Statement, in respect of an associate, based on their interim financial information/ financial results which have not been reviewed by their respective auditors. According to the information and explanations given to us by the Management, these interim financial information/ financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of our reliance on the interim financial information/ financial results certified by the Management.

**For DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**Samir R. Shah**  
**Partner**

(Membership No. 101708)  
(UDIN: 19101708AAAABU3744)

Place: MUMBAI  
Date: August 6, 2019

**Annexure "A" List of entities included in the Statement**

**(i) Subsidiaries**

- (a) JSW Hydro Energy Limited
- (b) JSW Energy (Kutehr) Limited
- (c) JSW Energy (Raigarh) Limited
- (d) JSW Power Trading Company Limited
- (e) Jaigad Power Transco Limited
- (f) JSW Energy (Barmer) Limited
- (g) JSW Solar Limited
- (h) JSW Electric Vehicles Private Limited
- (i) JSW Energy Natural Resources Mauritius Limited
- (j) JSW Energy Natural Resources South Africa (Pty.) Limited
- (k) Royal Bafokeng Capital (Pty) Limited
- (l) Mainsail Trading 55 Proprietary Limited
- (m) South African Coal Mining Holdings Limited
- (n) SACM (Breyten) Proprietary Limited
- (o) South African Coal Mining Operations Proprietary Limited
- (p) Umlabu Colliery Proprietary Limited
- (q) Jigmining Operations No 1 Proprietary Limited
- (r) Yomhlaba Coal Proprietary Limited

**(ii) Jointly controlled entity**

Barmer Lignite Mining Company Limited

**(iii) Associate**

Toshiba JSW Power Systems Private Limited



# JSW ENERGY LIMITED

Registered Office : JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai 400051

CIN: L74999MH1994PLC077041

Statement of Unaudited Consolidated Financial Results for the Quarter Ended 30.06.2019

₹ crore

Sr. No.	Particulars	Quarter Ended			Year Ended
		30.06.2019	31.03.2019	30.06.2018	31.03.2019
		Unaudited	Refer note 5	Unaudited	Audited
<b>1</b>	<b>Income:</b>				
	a) Revenue from operations	2,412.17	1,924.58	2,360.56	9,137.59
	b) Other income	51.82	93.58	67.31	367.97
	<b>Total income</b>	<b>2,463.99</b>	<b>2,018.16</b>	<b>2,427.87</b>	<b>9,505.56</b>
<b>2</b>	<b>Expenses:</b>				
	a) Fuel cost	1,366.43	1,190.76	1,389.24	5,356.22
	b) Purchase of power	3.85	20.07	8.77	78.50
	c) Employee benefits expense	62.14	59.12	60.84	243.58
	d) Finance costs	269.80	276.36	312.98	1,192.40
	e) Depreciation and amortisation expense	291.25	287.23	289.89	1,163.69
	f) Other expenses	170.50	177.82	125.47	606.17
	<b>Total expenses</b>	<b>2,163.97</b>	<b>2,011.36</b>	<b>2,187.19</b>	<b>8,640.56</b>
3	Share of profit of joint venture and an associate	25.56	11.61	12.43	31.93
4	<b>Profit before tax and deferred tax (recoverable from) / adjustable in future tariff (1 - 2 + 3)</b>	<b>325.58</b>	<b>18.41</b>	<b>253.11</b>	<b>896.93</b>
5	<b>Tax expense</b>				
	- Current tax	72.77	2.34	42.70	179.39
	- Deferred tax	(42.50)	78.94	(23.37)	27.71
6	<b>Deferred tax (recoverable from) / adjustable in future tariff (Refer note 3)</b>	<b>58.04</b>	<b>(68.66)</b>	<b>4.25</b>	<b>5.34</b>
7	<b>Profit for the period / year (4 - 5 - 6)</b>	<b>237.27</b>	<b>5.79</b>	<b>229.53</b>	<b>684.49</b>
	<b>Attributable to :</b>				
	<b>Owners of the Company</b>	<b>244.38</b>	<b>3.87</b>	<b>229.17</b>	<b>695.13</b>
	Non controlling interests	(7.11)	1.92	0.36	(10.64)
8	<b>Other comprehensive (loss) / income</b>				
	A.(i) Items that will not be reclassified to profit or loss	(115.21)	(98.00)	270.68	32.25
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	10.84	(26.76)	0.44
	B.(i) Items that will be reclassified to profit or loss	(43.93)	(1.83)	(2.73)	(20.67)
	(ii) Income tax relating to items that will be reclassified to profit or loss	17.26	-	-	-
	<b>Total other comprehensive (loss) / income</b>	<b>(141.88)</b>	<b>(88.99)</b>	<b>241.19</b>	<b>12.02</b>
	<b>Attributable to :</b>				
	<b>Owners of the Company</b>	<b>(140.28)</b>	<b>(88.99)</b>	<b>241.19</b>	<b>12.02</b>
	Non controlling interests	(1.60)	★ (0.00)	-	★ (0.00)
9	<b>Total comprehensive income / (loss) for the period / year (7 + 8)</b>	<b>95.39</b>	<b>(83.20)</b>	<b>470.72</b>	<b>696.51</b>
	<b>Attributable to :</b>				
	<b>Owners of the Company</b>	<b>104.10</b>	<b>(85.12)</b>	<b>470.36</b>	<b>707.15</b>
	Non controlling interests	(8.71)	1.92	0.36	(10.64)
10	<b>Paid-up equity share capital (net of treasury shares)</b> (Face value of ₹ 10 per share)	1,641.21	1,640.87	1,640.10	1,640.87
11	Other equity				10,181.37
12	Earnings per share (EPS) (not annualised)				
	- Basic EPS (₹)	1.49	0.02	1.40	4.24
	- Diluted EPS (₹)	1.49	0.02	1.40	4.24

\* Less than ₹ 50,000





Notes:

- 1 Effective April 1, 2019, the Group has adopted Ind AS 116 – Leases using the modified retrospective approach. The adoption of the standard did not have any material impact on these financial results.
- 2 The Group plans to resume construction/developmental activities of 240 MW hydro power project at Kutehr, Himachal Pradesh after securing long term power supply contract. The State Hydro Power Policy, 2006 and Central Hydro Policy has been amended by the Government of Himachal Pradesh and the Government of India, respectively. Having regard to the same, the Group has started participating in bids invited by the distribution companies, and has simultaneously invited bids from contractors for development of the project. The carrying amounts related to the project as at June 30, 2019 comprise property, plant and equipment of ₹ 3.57 crore, capital work in progress of ₹ 258.28 crore and capital advance of ₹ 6.19 crore.
- 3 In respect of regulated businesses where tariff is determined on cost plus return on equity and the income tax is a pass through, deferred tax recoverable from/ adjustable against future tariff, when and to the extent such deferred tax becomes current tax in future periods, is presented separately for all periods, and is not offset against deferred tax in accordance with guidance given by Expert Advisory Committee of the ICAI in its recent opinion on a similar matter. Until previous periods/year, it was presented under 'Tax Expense' in the financial results.
- 4 The Group has only one reportable operating segment i.e. 'Power Generation'.
- 5 The figures for the quarter ended March 31, 2019 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter for the relevant financial year which were subjected to limited review by the statutory auditors.
- 6 The consolidated results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on August 6, 2019.

Place : Mumbai  
Date : August 6, 2019



For and on behalf of the Board of Directors

Prashant Jain  
Jt. Managing Director & CEO  
[DIN: 01281621]



Financial Results for the Quarter ended June 30, 2019

**Mumbai, India:** JSW Energy Limited (“JSW Energy” or the “Company”) today reported its results for the first quarter (“Q1FY20” or the “Quarter”) ended June 30, 2019.

Key Highlights of Q1FY20 (Consolidated):

- Commenced power supply from Vijayanagar plant to Telangana under 300 MW short term PPA
- Added 41 MW under long term PPA (LT PPA) at Ratnagiri plant under Group Captive scheme increasing the consolidated LT PPA proportion to 81.4%
- Commissioned 18 MW thermal power plant at Nandyal with LT PPA tied under Group Captive scheme
- The Board has approved the raising of long term funds upto ₹2,500 Crore, through issuance of Redeemable NCDs by way of a Private Placement
- Proposed acquisition of 1000 MW Tamnar thermal power plant from Jindal Steel and Power Ltd terminated due to elapsing of long stop date without completion of stipulated conditions precedent
- The Company’s Vijayanagar plant won the ‘Shining Glory Award’ from Green Maple Foundation for contributions in Environmental Management
- JSW Energy (Barmer) Ltd won the ‘Shining Glory Award’ from Green Maple Foundation for contributions in Business Excellence and Women Empowerment



### Consolidated Operational Performance:

During the quarter, consolidated deemed PLF was 69.0% as against 69.8% in the corresponding quarter of previous year.

PLF achieved during Q1FY20 at various locations/plants are furnished below:

- **Vijayanagar:** The plant achieved an average PLF of 38.2% vis-a-vis 55.4% in the corresponding quarter of previous year due to lower short term power sales.
- **Ratnagiri:** The plant operated at an average deemed PLF of 83.6% as against an average deemed PLF of 85.5% in the corresponding quarter of previous year due to lower short term sales.
- **Barmer:** The plant achieved an average deemed PLF of 80.8% as against 86.2% in the corresponding quarter of previous year.
- **Himachal Pradesh:** The plants achieved an average PLF of 66.3% for the quarter vis-à-vis 51.2% in the corresponding quarter of previous year due to better water availability in Sutlej basin.
- **Solar:** The plants at Nandyal and Salboni achieved average CUF of 22.4% and 18.3% respectively during the quarter.

The net generation at different locations/plants is furnished below:

(Figures in Million Units)

Location/ Plant	Q1FY20	Q1FY19
Vijayanagar	662	960
Ratnagiri	1,954	2,032
Barmer	1,379	1,651
Himachal Pradesh	1,868	1,443
Solar	4	-
<b>Total</b>	<b>5,867</b>	<b>6,086</b>



Short term sales during the quarter were lower at 722 million units as compared to 1,147 million units in Q1FY19 primarily due to lower short term sales at both Vijayanagar and Ratnagiri.

### **Consolidated Financial Performance Review and Analysis:**

During the quarter, total revenue increased by ~1% on a YoY basis to ₹2,464 Crore from ₹2,428 Crore in the corresponding quarter of previous year.

The fuel cost for the quarter decreased by 2% YoY to ₹1,366 Crore, largely due to moderation in the imported coal prices.

EBITDA for the quarter was ₹861 Crore as against ₹844 Crore in the corresponding quarter of the previous year, an increase of ~2%.

Finance costs declined to ₹270 Crore from ₹313 Crore in the corresponding quarter of previous year, attributable to proactive debt repayment/prepayment.

The Company's Net Profit stood at ₹244 Crore vis-à-vis ₹229 Crore in the corresponding quarter of previous year. Total Comprehensive Income of the Company for the quarter stood at ₹104 Crore as against ₹470 Crore in the corresponding period of previous year.

The Consolidated Net Worth and Consolidated Net Debt<sup>^</sup> as on June 30, 2019 were ₹11,928 Crore and ₹10,221 Crore respectively, resulting in a Net Debt<sup>^</sup> to Equity ratio of 0.86x.

<sup>^</sup>excludes short term working capital debt/acceptances



### **Business Environment:**

In Q1FY20, India's power demand growth improved to 6.7% YoY as compared to 5.1% in Q1FY19 and 1.6% in Q4FY19, majorly attributable to delayed monsoon. Excluding East, all other regions witnessed a sharp uptick in demand YoY.

Commensurate with demand, overall power generation growth was robust at 7.4% in Q1FY20 on a YoY basis, driven by healthy Renewable (+18.5%) and Hydro (+25.3%) generation growth. PLF for Thermal segment was marginally higher at 62.8% in Q1FY20 vis-à-vis 62.2% in the corresponding quarter of last fiscal, primarily due to increase in private sector PLF.

On the supply side, installed capacity stood at 358.3 GW as on June 30, 2019. In Q1FY20, installed capacity increased by 2.2 GW led by Renewable segment (+2.15 GW). Thermal capacity increased by 45 MW during Q1FY20.

During the quarter, the average merchant power prices at IEX stood at ₹3.29/unit. This was ~4% higher on QoQ basis, however, ~20% lower on a YoY basis.

In Q1FY20, average value of INR against USD appreciated ~1% on a QoQ basis and depreciated ~4% YoY. Going forward, the stance of the US Federal Reserve, trends in crude oil prices, global growth and resolution of global trade related concerns will be the driving factors for INR. The average API 4 Coal Index witnessed a sharp decline of 20% on a QoQ basis and of 34% on a YoY basis in Q1FY20.

### **Outlook:**

As per the Monetary Policy Committee of India (MPC), global growth is on a decelerating trend on account of elevated US-China trade tensions and tight global





financial conditions. Crude oil prices continue to be volatile reflecting evolving demand-supply conditions and geo-political tensions, and thus remain a key global concern especially for emerging markets like India.

On the domestic front, real Gross Domestic Product (GDP) growth further moderated to 5.8% in the fourth quarter of FY19, the lowest in last six quarters (8.2%/7.1%/6.6% in the first/second/third quarter respectively). This was majorly attributable to subdued growth in the agricultural and manufacturing sectors. However, the decisive mandate to the incumbent Government in the recently held general elections is expected to expedite the implementation of various reforms which should augur well for economic growth, going forward.

The inflation trend continues to be benign, albeit susceptible to volatile crude oil prices. In line with this, MPC further reduced the key policy rate by 25 bps in its second Bi-monthly Monetary Policy in FY20 and changed the monetary policy stance from Neutral to Accommodative. This was the third consecutive rate cut from MPC.

Power demand over the next 3 to 5 years is expected to improve backed by rapid urbanization and various schemes undertaken by the Government such as “Power for All”, “24 x 7 Power”, and SHAKTI. The country almost achieved universal household electrification in FY19 which should unlock the latent power demand from rural India. On the supply side, capacity addition is shedding momentum and with the retirement of old and inefficient thermal plants, demand-supply environment should become more balanced over the medium-term. This bodes well for existing thermal plants wherein we should see the PLFs inching up. The sector is also likely to see increased consolidation with several stressed power



assets available at attractive valuations. RBI's new prudential framework is a positive development, aimed at expeditious resolution process. However, volatility in imported coal prices and merchant prices, and domestic coal availability especially for private sector power plants continue to remain key concerns for the sector.

### **ABOUT JSW ENERGY LTD**

*JSW Energy Ltd is one of the leading private sector power producers in India and part of the USD 14 billion JSW Group which has significant presence in sectors such as Steel, Energy, Infrastructure, Cement, and Sports among others. JSW Energy has established its presence across the value chains of power sector with diversified assets in power generation, transmission and mining. With strong operations, robust corporate governance and prudent capital allocation, JSW Energy continues to deliver sustainable growth and create value for all stakeholders. JSW Energy began its commercial operations in FY'2000, with the commissioning of its 2x130 MW thermal power plant at Vijayanagar. Since then, the company has steadily enhanced its power generation capacity from 260 MW to 4,559 MW and has a portfolio of Thermal (3,158 MW), Hydel (1,391 MW) and Solar (10 MW), ensuring diversity across geographies, fuel sources and power off-take arrangements. JSW Energy is committed to pursue growth opportunities in the power and related businesses and contribute to powering our nation.*



### 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.*

#### **Media contact**

Mithun Roy  
+91 98190 00967  
[mithun.roy@jsw.in](mailto:mithun.roy@jsw.in)  
JSW Group

Frederick Castro  
+91 99206 65176  
[frederick.castro@jsw.in](mailto:frederick.castro@jsw.in)  
JSW Group

