



**Resilient
& Ready**

Q3 FY 2014 Results

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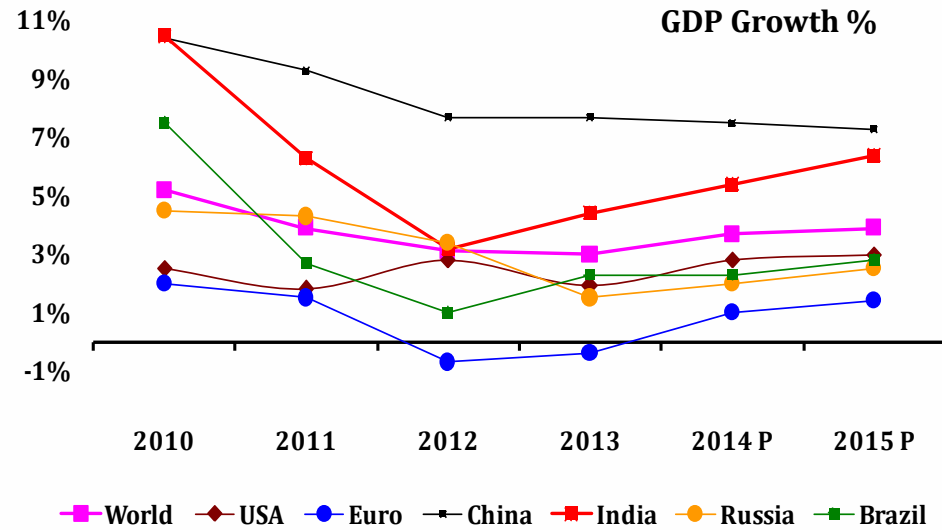
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Sector Update



- ❑ Global economy witnessed signs of improvement during the second half of 2013, driven by recovery in developed economies.
- ❑ The USA is expected to grow at a faster pace of 2.8% in 2014 compared to 1.9% in 2013, whereas Euro area is expected to come out of recession and grow moderately at 1% in 2014.
- ❑ Though growth in China is moderating and domestic weaknesses in many emerging & developing economies remain a concern, strong demand from developed economies will lead to firming up of growth in these economies to 5.1% in 2014.
- ❑ IMF projects global growth at 3.7% in 2014 (*actual at 3.0% in 2013*). However, impact of tapering of monetary stimulus in the USA needs to be observed.

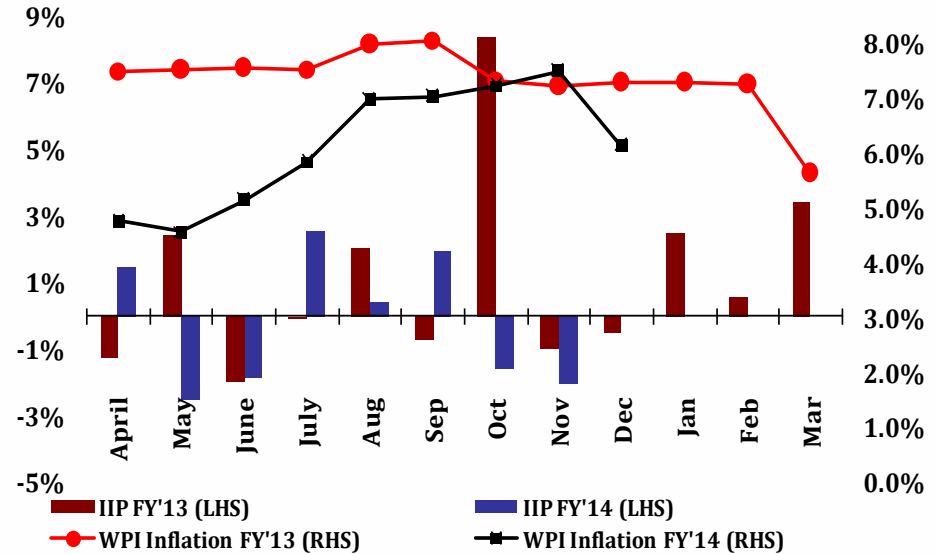


Source: IMF

Growth in developing economies will be driven by monetary policy support and the extent of structural reforms implemented

Indian Economy

- ❑ There has been no improvement in IIP, rather last two months show contraction. However, Electricity has been growing in all the months this fiscal, except June.
- ❑ Rupee has been steady during the quarter alongwith improvement in CAD position, which is expected to be 2.5% of GDP in FY14. However, concerns on domestic political front and QE3 tapering remain.
- ❑ RBI expects Indian GDP growth likely to fall somewhat short of its earlier projection of 5.0% in FY'14, however, it expects growth in the range of 5-6.0% in FY'15.
- ❑ Monthly WPI inflation has been at a higher level, driven by higher food inflation. It came down to 6.16% in December'13 on the back of falling food inflation. However, the core inflation has been moving upward mildly.

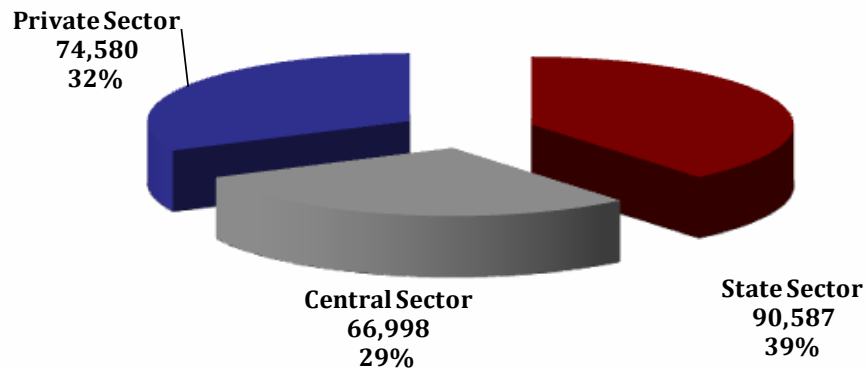


Source: CSO, RBI

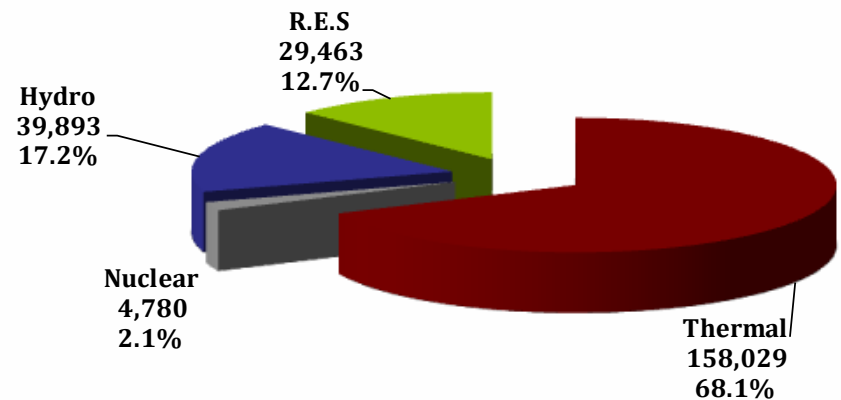
Faster implementation of reforms and monetary easing to boost growth

Capacity Profile and PLF's

Sector-wise Installed Capacity as on 31st Dec, 2013 (MW)



Mode-wise Installed Capacity as on 31st Dec, 2013 (MW)

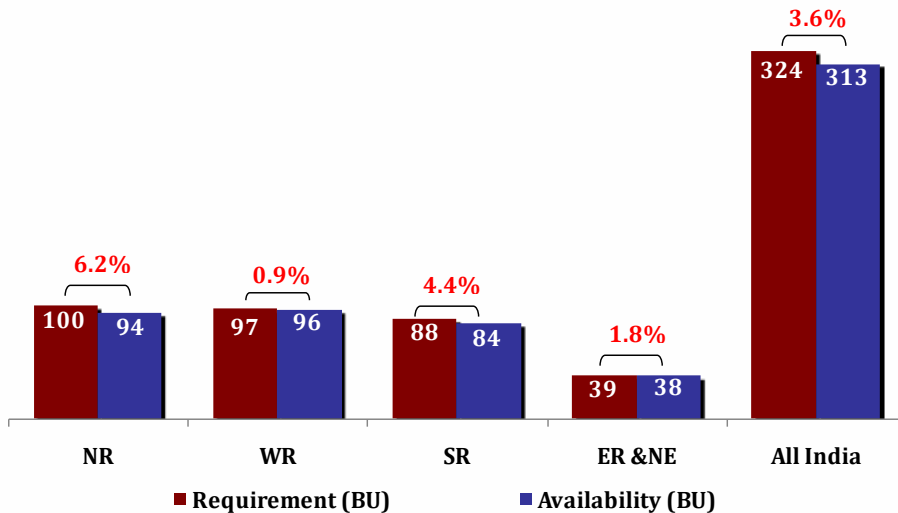


Source: CEA

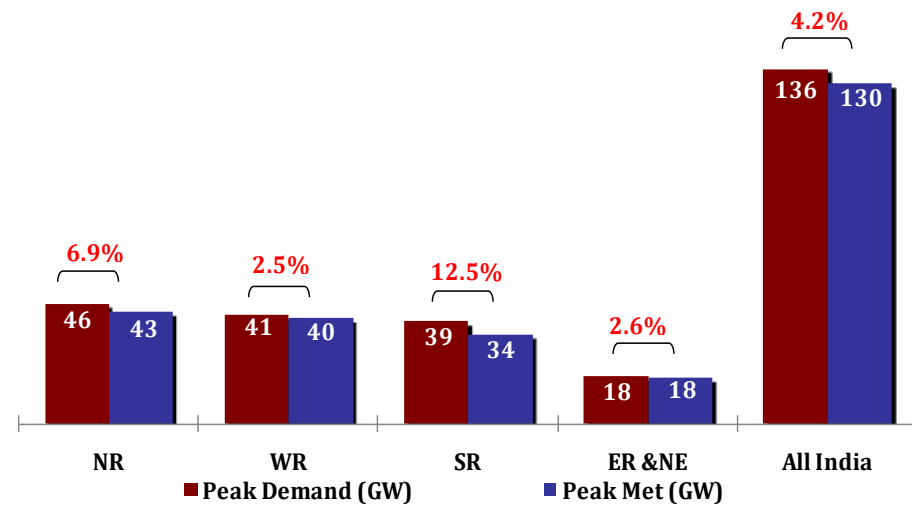
- ❑ 48% and 65% of the entire capacity addition of 3,443 MW and 8,821 MW in Q3FY'14 and 9MFY'14 respectively done by the Private Sector.
- ❑ There has been 3% to 9% dip in monthly All India PLF's from April'13 to December'13, except in September'13, compared to corresponding months last fiscal.

Demand Supply Scenario

Power Demand Supply Position Q3FY'14 (BU)



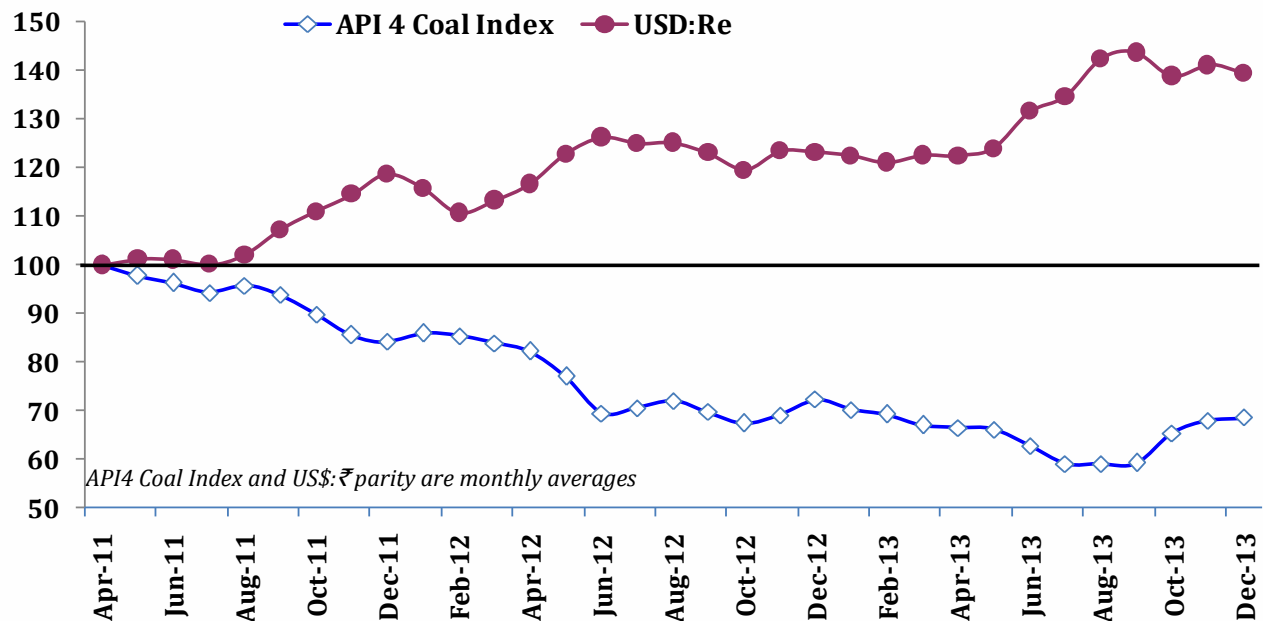
Peak Demand and Peak Met 9MFY'14 (GW)



- ❑ Demand Supply gap of 11.7 billion units in Q3FY'14 and Peak deficit of 5.7 GW during 9MFY'14.
- ❑ During the nine-month period, requirement has increased marginally by 0.7% yoy, due to slowdown in the economy, whereas, supply position has improved by 5.4% yoy.
- ❑ Going forward, the new SBD guidelines for Case I & Case II bids and financial restructuring of the major distressed discoms will have positive impact on the sector.

Source: CEA

API Coal Index vis-à-vis US\$:₹ - Indexed



Month	API 4 Coal Index	USD:₹
Sep-13	100	100
Oct-13	110	97
Nov-13	115	98
Dec-13	116	97

Source:API4 Coal Index, RBI

Thermal coal prices moved up during the quarter; while Rupee appreciated mildly

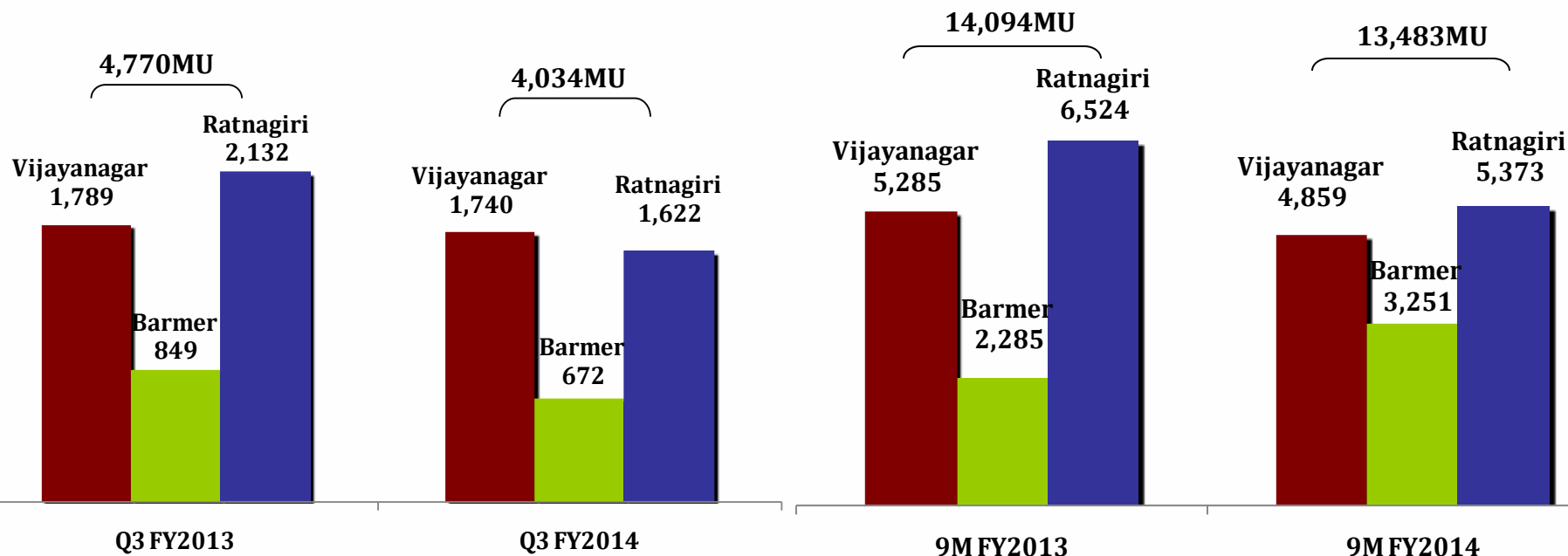
Performance Highlights



Operational Performance

Quarterly Plant-wise Net Generation (MU) - YoY

9M Plant-wise Net Generation (MU) - YoY

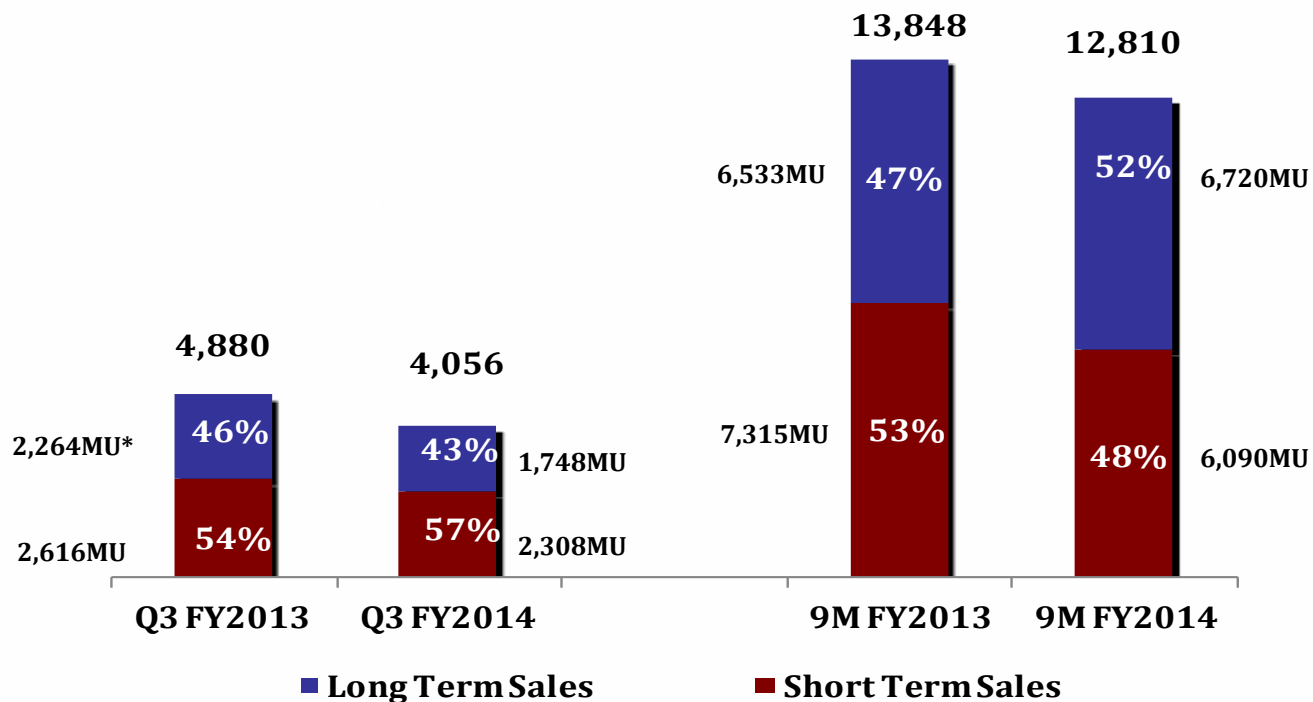


	Vijayanagar	Barmer	Ratnagiri
PLF (Q3 FY 2014)	99%	32%*	68%
PLF (Q3 FY 2013)	102%	81%	88%

* Deemed PLF: 86.76%

Sale of Power

Sales Mix (MU)



* Including power conversion of 221MU

Realisation ₹/ kwh	Q3 FY 2013	Q3 FY 2014	9M FY 2013	9M FY 2014
Average Realisation	4.22	4.81	4.15	4.55

Financial Results



Consolidated Results

Q3FY2013	Q3FY2014		9M FY2013	9M FY2014
2,395	2,198	Turnover (₹ Crores)	6,785	6,795
867	847	EBITDA (₹ Crores)	2,149	2,708
36%	39%	EBITDA (%)	32%	40%
236	337	Interest (₹ Crores)	707	904
157	206	Depreciation (₹ Crores)	487	610
412	286	PBT (₹ Crores)	754	820
311	203	PAT (₹ Crores)	568	580
1.89	1.24	EPS (₹)	3.46	3.54

Consolidated Financial Highlights

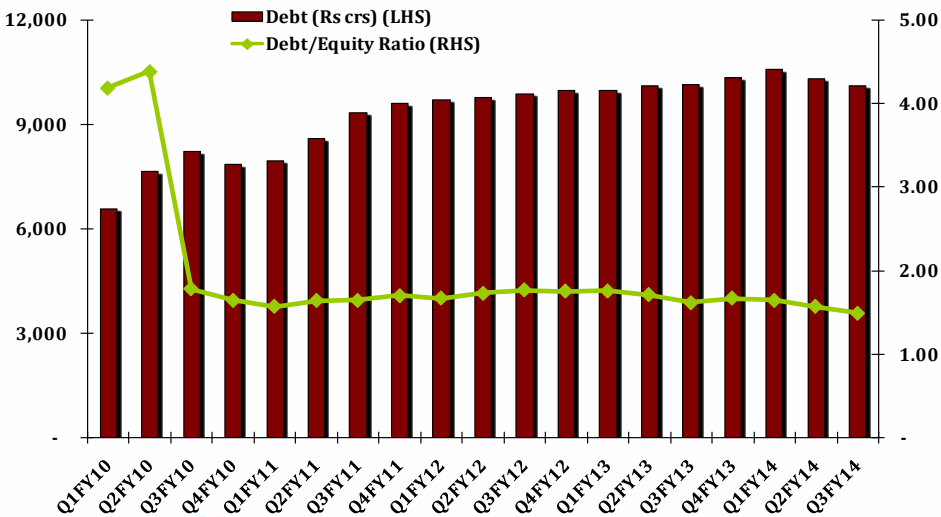
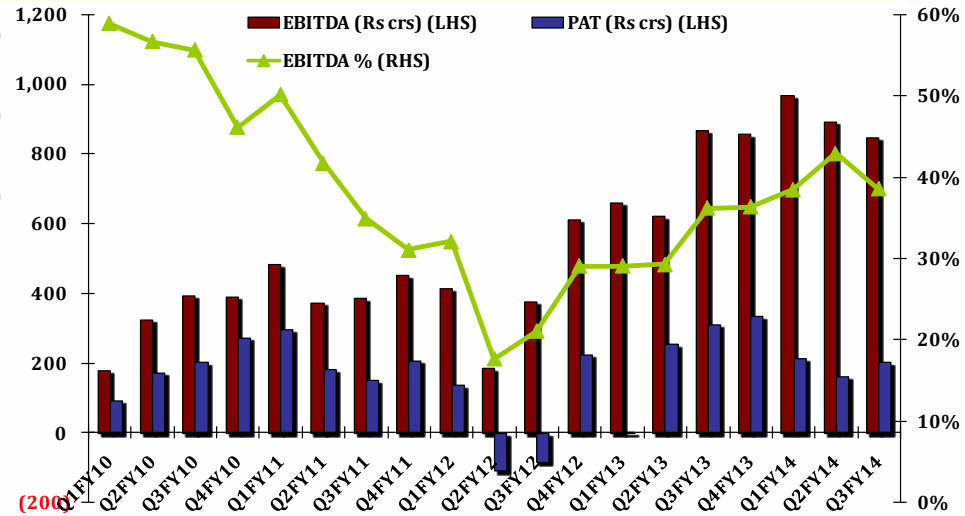
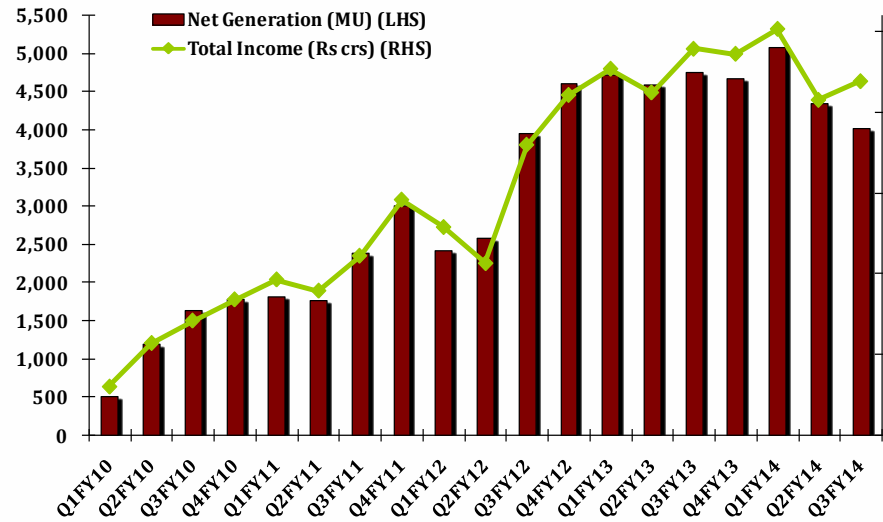
	31 st Dec 2012	31 st Dec 2013
Net Worth (₹ Crores)	6,269	6,792
Debt (₹ Crores)	10,158	10,134
Net Fixed Assets (₹ Crores) @	15,437	14,908
Debt Equity Ratio (times)	1.62	1.49
Weighted Average Cost of Debt	11.15%	11.14%

@Including CWIP and Capital Advances

Consolidated Financial Highlights (contd...)

Particulars	Q3FY'14 (₹ crores)	% inc/ (dec)	Remarks
Revenue from Operations			
- Sale of Power	1,972	-2%	<ul style="list-style-type: none"> • Decrease in Sales due to lower demand, though realization was higher • Transmission Revenue as per ARR • Lower Trading Revenue due to lower third party sales
- Transmission	26	-6%	
- Power Traded	118	-55%	
Total Income	2,116	-9%	
Other Operating Income	35		
TOTAL	2,151	-9%	

Consolidated Financial Trends



☐ Healthy EBITDA margin

☐ Trending down Debt:Equity ratio

Projects Update



Kutehr Hydro Project

Project Details		Status Update
Gross Capacity	240 MW (3 x 80)	<ul style="list-style-type: none"> • Techno Economic Clearance from CEA received • MOEF accorded Forest stage I clearance & Environment clearance • Pre-qualification of vendors for electro mechanical & hydro mechanical works completed, tender documentation under finalisation • Implementation agreement signed with HP government • Consent to Establish obtained from HP State Pollution Control Board • Stage II Forest clearance received from MOEF in January 2013 • Registered by CDM board & project is entitled to claim carbon credits from the date of commissioning • Tendering process for project construction initiated
Technology	Run-of-the-river Hydropower	
Water Allocation	Ravi River	
Power Off take	Free power to GoHP – 12% to 30% of delivered energy for 40 years. Balance through long term arrangements	
Project Cost	₹ 1,798 Crs Amt spent till December 31, 2013 : ₹ 232 Crs	
		<ul style="list-style-type: none"> • Land acquisition under progress

Domestic Mining Projects

Status Update

BLMCL- Kapurdi Mine

- Mining lease transferred in the name of BLMCL
- Approval received from MoEF for one time 25% enhancement to 3.75MTPA

- Expert committee has cleared capacity expansion to 7MTPA
- CCI has cleared mining capacity expansion to 7MTPA on 15/1/2014, necessary clearance from MoC is expected within a few days

BLMCL- Jalipa Mine

- MOEF Clearance received
- Mine development plan approved
- Forest clearance received from MOEF
- MoC approved mine lease transfer

- Land acquisition under progress; Entire price deposited
- Mining lease transfer awaited

MJSJ Coal

Public hearing completed

Land acquisition under progress

Forward looking and cautionary statement



Certain statements in this report 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 risk 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, our ability to commission mines within contemplated time and costs, our ability to raise the finance within time and cost 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 the Company has made strategic investments, withdrawal of fiscal/governmental incentives, impact of regulatory measures, 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.

Thank you