

RattanIndia

February 7, 2019

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 for the quarter ended December 31, 2018.

Dear Sirs,

Please find enclosed an Earnings update of RattanIndia Power Limited for the quarter ended December 31, 2018, 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 Limited.)

Registered Office: A-49, Ground Floor, Road No. 4, Mahipalpur, New Delhi-110037

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Website: www.rattanindia.com

CIN: L40102DL2007PLC169082

RattanIndia

RattanIndia Power Ltd.

(Formerly known as Indiabulls Power Ltd.)

Earnings Update

Q3 FY 2019



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.

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RattanIndia Power Update

- With a commissioned capacity of 2,700 MW (Amravati and Nashik Phase 1 each of 1,350 MW), *the Company is amongst the top 10 IPP generators in the Country*
- **Amravati plant EBITDA (IGAAP):**
 - Q3 FY 2019 – Rs 180.31 crs
 - YTD FY 2019 – Rs 856.43 crs
 - FY 2018 – Rs 1,042.29 crs
 - FY 2017 – Rs 1,116.03 crs
 - FY 2016 – Rs 1,281.28 crs
- The Amravati plant achieved a PLF of 43.64% for the 9M ended 31-Dec-2018 as against 34.24% for the 9M ended 31-Dec-2017



OTS Proposal At A Glance*

- As informed earlier, the Company had offered a One Time Settlement Proposal to existing lenders of Amravati Phase I project ('Lenders').
- As a composite scheme of restructuring, the key objectives of the OTS include:
 - i. Restructuring the outstanding debt owed to Lenders into sustainable and unsustainable portion;
 - ii. Converting a portion of the unsustainable debt into nominal coupon bearing long term instrument;
 - iii. Increasing the net worth of the company;
 - iv. Providing for part of the working capital requirements and settlement of identified liabilities of the Company through funding support from the Promoter Group entities.
- Based on this proposal, Lenders have carried out a Swiss Challenge process wherein the Company along with its Promoters (RattanIndia Infrastructure Ltd and RR Infralands Private Ltd) has been declared the successful bidder and consequently the Lenders have issued a Letter of Intent.
- Settlement of Existing Amravati Phase 1 Lenders' loan with (i) Upfront cash consideration – Rs 3,800 crs plus (ii) Rs 250 crs Redeemable Preference Shares (coupon – 0.001%) redeemable after 2 years.
- Upfront cash consideration funding (i) Rs 3,600 crs by reputed global investors investing through Aditya Birla ARC Ltd and (ii) Rs 200 crs by Promoters.
- Simultaneous with the settlement of debt of Phase 1 Lenders of Amravati, the Promoters will further be settling other bank loans (namely IDBI and ICICI) and contingent liabilities with additional cash infusion of approx. upto Rs. 200 crs.

**For detailed information, please refer shareholders resolution*

- **Total existing debt of the Company (Standalone) – Rs 9,122.61 Crs**
- **Restructured debt pursuant to the proposed OTS implementation*:**
 - Interest bearing Sustainable Debt – Rs 4,172 crs
 - Remaining debt is expected to be structured in the following manner:
 - i. A portion of the unsustainable debt will be extinguished for issuing equity shares of the Company to a trust set up by Aditya Birla ARC Ltd., at an issue price of Rs 10 each which is 2.75 times more than the floor price of Rs. 3.64 per share as per SEBI guidelines**, on a preferential basis and which is 3.33 times of current prevailing price of Rs 3/- per share (today's closing price).
 - ii. Promoter debt will be converted into equity shares/ CCDs convertible into an equivalent number of equity shares of the Company, at an issue/ conversion price of Rs. 10 each, which is 2.75 times more than the floor price of Rs. 3.64 per share as per SEBI guidelines**, on a preferential basis and which is 3.33 times of current prevailing price of Rs 3/- per share (today's closing price).
 - iii. Long dated 0.001% interest bearing non convertible debentures, a portion of which will be extinguished over a period of time.

**For detailed information, please refer to shareholders resolution*

*** SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018*



- Past year's EBITDA performance
 - FY 2016 – Rs 1,281.28 crs
 - FY 2017 – Rs 1,116.03 crs
 - FY 2018 – Rs 1,042.29 crs
 - FY 2019 (9 months) – Rs 856.43 crs
- Based on the above, the sustainable debt of Rs 4,172 crs (post OTS) is 3.64 times the average EBITDA of last 3 years which is in line with the debt to EBITDA ratio of healthy stress free companies
- Hence, the OTS is a huge step in not just saving the equity shareholders value, but enhancing it



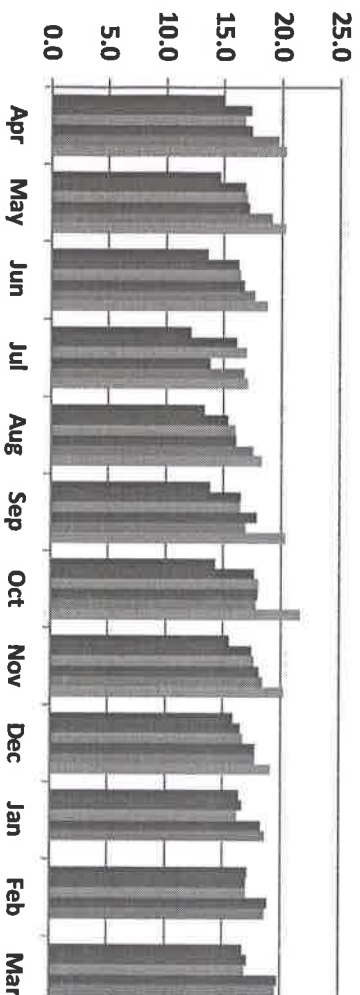
RattanIndia Power Update

- Lenders to Nashik plant, had earlier proposed SDR (Strategic Debt Restructuring) which was to be carried out in line with relevant conditions/guidelines/regulations imposed/issued by the RBI from time to time in this regard. However, subsequent to the RBI circular dated 12th Feb 2018, all such schemes were repealed. Accordingly, lenders are in the process of forming a Resolution Plan in line with the aforesaid RBI circular.
- The long pending litigation with respect to the Nashik PPA entered with Maharashtra State Distribution Company Limited has come to an end: the Nashik plant securing 507 MW (557 MW gross) capacity PPA and the process of execution of PPA with MSEDCCL is expected to be initiated soon. This will enable operations of the plant in the near future and will also enable lenders to form an appropriate resolution plan to revive the plant operations.

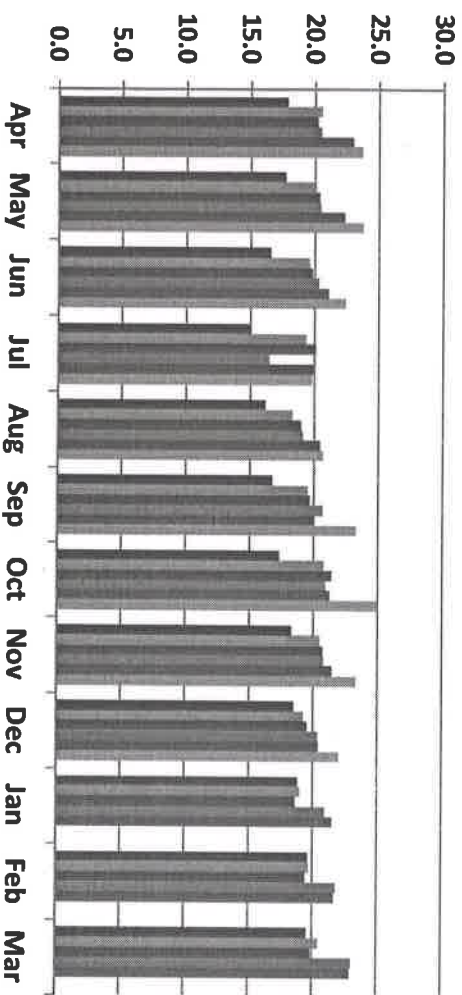


Demand Trend

MSEDCL MAX DEMAND (GW)



STATE MAX DEMAND (MW)



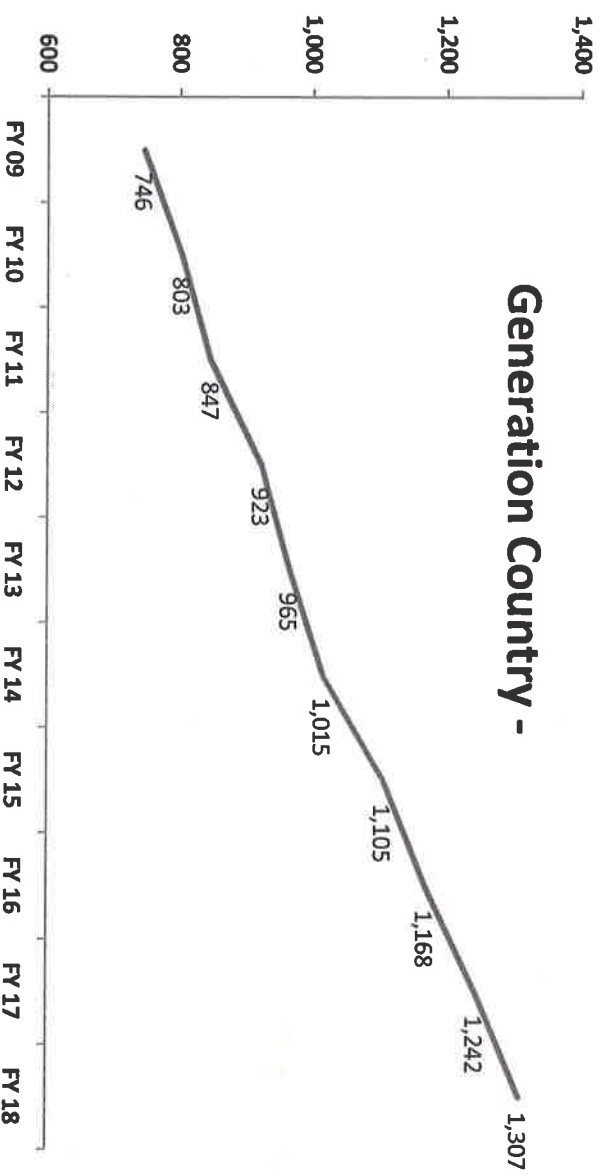
MSEDCL MAX DEMAND - MONTHWISE (GW)						
	13-14	14-15	15-16	16-17	17-18	18-19
Apr	14.9	17.3	16.8	17.4	19.7	20.3
May	14.7	16.9	17.0	17.2	19.2	20.3
Jun	13.6	16.3	16.5	16.8	17.6	18.8
Jul	12.1	16.1	17.0	13.8	16.8	17.1
Aug	13.3	15.4	16.0	16.1	17.6	18.3
Sep	13.8	16.5	16.5	17.9	16.9	20.3
Oct	14.3	17.7	18.1	18.0	17.9	21.6
Nov	15.5	17.5	17.7	18.1	18.4	20.2
Dec	15.9	16.5	16.7	17.8	17.8	19.1
Jan	16.4	16.7	16.3	18.3	18.7	
Feb	17.2	17.0	17.0	18.8	18.6	
Mar	16.7	17.1	16.9	19.7	19.5	

Source: CEA, MSLDC

STATE MAX DEMAND - MONTHWISE (MW)						
	13-14	14-15	15-16	16-17	17-18	18-19
Apr	17.8	20.5	20.2	20.5	23.0	23.7
May	17.7	20.1	20.4	20.5	22.3	23.8
Jun	16.6	19.6	19.8	20.3	21.1	22.4
Jul	15.0	19.3	20.1	16.5	19.9	19.9
Aug	16.2	18.3	19.0	19.1	20.5	20.7
Sep	16.8	19.5	19.7	20.7	20.1	23.3
Oct	17.3	20.8	21.4	21.0	21.3	25.0
Nov	18.3	20.5	20.8	20.8	21.5	23.3
Dec	18.5	19.3	19.6	20.4	20.4	22.0
Jan	18.8	19.0	18.6	21.0	21.5	
Feb	19.6	19.7	19.5	21.8	21.6	
Mar	19.5	20.5	19.9	23.1	22.9	

Generation Trend

Generation Country - (BUs)		
Country	Total	% Growth
FY 06	618	
FY 07	660	6.80%
FY 08	699	6.02%
FY 09	746	6.66%
FY 10	803	7.69%
FY 11	847	5.42%
FY 12	923	8.99%
FY 13	965	4.61%
FY 14	1,015	5.14%
FY 15	1,105	8.92%
FY 16	1,168	5.69%
FY 17	1,242	6.28%
FY 18	1,307	5.23%
FY 19*	1,015	
* till Dec 18		
	CAGR	6.44%



Very robust generation growth of 5.23% at national level for FY 2018

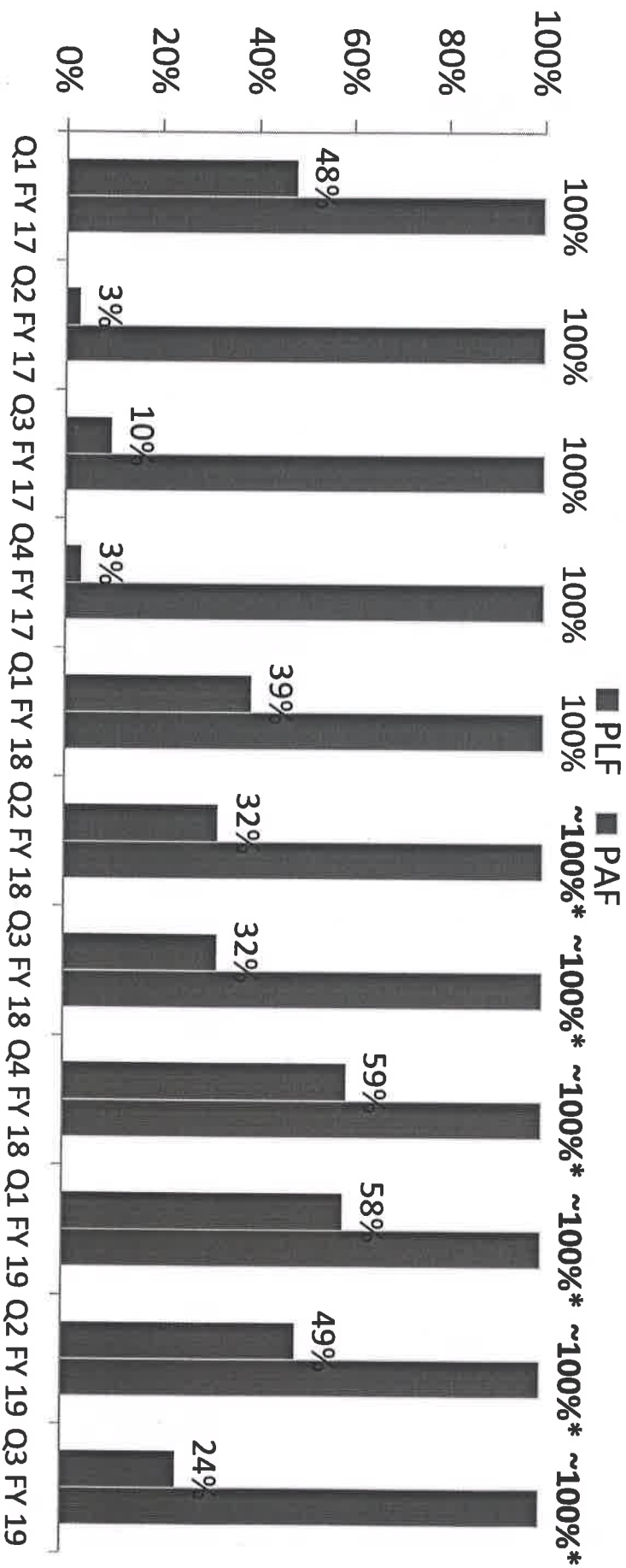
- FY 2017-18 All India Generation – 1307 BUs of which 102 BUs i.e. approx. 7.8% is from Renewables (69 GW installed capacity of Renewables).
- If additional 100 GW renewable plants are commissioned over next 5 years, the generation from renewables is expected to increase to approx. 300 BUs against the expected all India generation of approx. 1610 BUs assuming growth rate of 6% p.a. This means the generation from renewables shall be approx. 16% of total generation. However if the addition from renewables is only 50GW then the corresponding share of Renewables shall be 200 BUs (~11% share). Hence, the generation from thermal will continue to be major contributor to power generation of India.

Source: CEA, MSIDC



Amravati Project : PLF and PAF

Quarterly PLF and PAF (%)



* Plant was available 100%. However, shortage of coal resulted in less despatch than scheduled capacity. We expect to claim this difference as part of ongoing case related to short supply of coal under coal linkage.



Amravati Project: Standalone Financial Results

Statement of Standalone Unaudited Financial Results for the Quarter and Nine Months ended 31 December 2018

(Rs. In Crore)

Particulars	Quarter Ended	
	31.12.2018 (Unaudited)	31.12.2017 (Unaudited)
1 Revenue from operations	315.22	414.21
2 Other income	73.83	39.35
Total income	389.05	453.56
3 Expenses		
(a) Cost of fuel, power and water consumed	181.30	254.46
(b) Employee benefits expense	10.45	11.25
(c) Finance costs	281.21	278.59
(d) Depreciation and amortisation expense	57.09	57.50
(e) Other expenses	47.55	39.38
Total expenses	577.60	641.18
4 Profit/ (Loss) before exceptional items and tax (1+2-3)	(188.55)	(187.62)
5 Exceptional items	-	-
6 Profit/ (Loss) before tax (4-5)	(188.55)	(187.62)
7 Tax expenses		
(a) Current tax	-	-
(b) Deferred tax	-	-
Total tax expenses	-	-
8 Profit/ (Loss) for the period (6-7)	(188.55)	(187.62)
9 Other comprehensive income		
Items that will not be reclassified to profit or loss	0.06	0.07
Income tax relating to items that will not be reclassified to profit or loss	-	-
Other comprehensive income (net of tax)	0.06	0.07
10 Total comprehensive income/ (loss) for the period (8+9)	(188.49)	(187.55)
11 Paid-up equity share capital (Face Value of Rs. 10 per Equity Share)	2,952.93	2,952.93
12 Earnings Per Share (EPS) (Face Value of Rs. 10 per Equity Share)		
*EPS for the quarter are not annualised		
-Basic (Rs.)	(0.64)*	(0.64)*
-Diluted (Rs.)	(0.64)*	(0.64)*



Thank you

