



JSW Energy Limited
Q3FY21 Results Presentation
January 29, 2021

BETTER EVERYDAY

Key Highlights for Q3FY21

(1/2)

Operational

- Long Term (LT) Net Generation increased by 6% YoY; LT Net Thermal Generation increased by 9% YoY
- Overall Thermal PLF for capacity under LT PPA increased to 77% from 71% YoY
- LT PPA at Ratnagiri plant increased by 52 MW further de-risking the portfolio; 82.4% of portfolio now under LT PPA
- Board approves additional LT tie up with captive customers of Ratnagiri; as this operationalizes in phases in FY2022 share of LT PPA in overall portfolio to increase to 87%

Consolidated Financial

- EBITDA at ₹655 Crore, lower by 7% YoY
- Profit Before Tax (pre-exceptionals) at ₹172 Crore, increasing by 14% YoY
- Profit After Tax at ₹124 Crore, increasing by 12% YoY after adjusting for all one-offs
- Receivables declined 22% YoY, contrary to broader sector trends
- Net Debt¹ reduced by ₹952 Crore in Q3FY21 and by ₹2,226 Crore in 9MFY21
 - Net Debt¹ to Equity at 0.48x
 - Net Debt¹ to EBITDA (TTM) at 2.17x
 - Strong Liquidity: Cash & Cash Equivalents at ₹1,595 Crore

Update on Growth Projects

- 810 MW Blended Wind Project - SECI: PPA signing with discoms awaited
- 240 MW Kutehr HEP: PPA under finalization with Haryana discom
- Ind-Barath Energy (Utkal) Ltd: Resolution plan pending approval by NCLT

Key Highlights for Q3FY21

(2/2)

Other Updates

- Board has approved the sale of 18 MW thermal power plant at Salboni to JSW Cement Limited or its SPV on a going concern basis, subject to necessary approvals

ESG

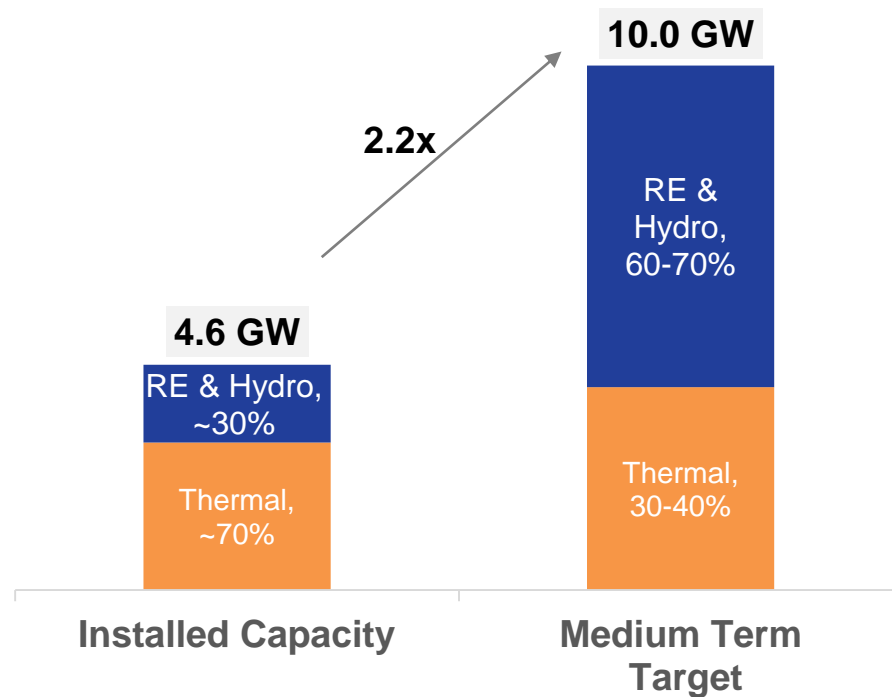
- Carbon Disclosure Project (CDP) rating upgraded to B; highest rating achieved by any Power producer in India
- MSCI upgraded the Company's ESG Rating to 'BB'; amongst the highest rated power producers with thermal portfolio in India
- Ranked amongst India's Most Sustainable Companies by Sustain Lab Paris in association with BW Businessworld

Awards and Recognition

- Ratnagiri plant awarded the State Award for Excellence in Energy Conservation & Management, by Maharashtra Energy Development Agency
- JSW Hydro Energy Ltd won Gold medals at Grow Care India Safety Awards 2020 and Grow Care India Environment Awards 2020
- JSW Energy (Barmer) Ltd was awarded at:
 - National Energy Conservation Award-2020 by Ministry of Power
 - Rajasthan Energy Conservation Award-2020

Growth Strategy: Aim to be a major Renewable Energy company

Transform portfolio to 70% Renewable



Value Creation Framework

- ✓ Aim to double the portfolio to 10 GW, with 70% Renewable and Hydro, over the medium term
- ✓ Committed to 50% reduction in carbon footprint by 2030 and achieving Carbon Neutrality by 2050
- ✓ Leverage our superior project execution and operations skills
- ✓ Ensure majority of projects have high quality off-takers with strong credit profile
- ✓ Ensure projects fit within internal risk-return framework

Renewable Projects Underway

SECI-IX 810 MW

- JSW Solar Ltd (100% subsidiary of the Company) received Letter of Awards for setting up a total Blended wind capacity of 810 MW from Solar Energy Corporation Limited (SECI)
- Total Project Outlay: ~₹4,700-4,800 Crore (~Debt:Equity :: 70:30)
- Construction period: Upto 24 months (from date of signing of PPA)
- Competitive bid tariff of ₹3/unit for a period of 25 years
- PPA signing with Discoms awaited

Kutehr HEP 240 MW

- Haryana Electricity Regulatory Commission approved the power procurement offer of JSW Energy (Kutehr) Ltd for supply of 240 MW hydro power
- Total Project Outlay: ~₹2,750 Crore (~Debt:Equity :: 67:33)
- Sanction received for project-level debt; financial closure expected in Q4FY21
- Project construction commenced; Tentative COD : FY25
- 35 Year PPA (under finalization with Haryana Discom)



Agenda

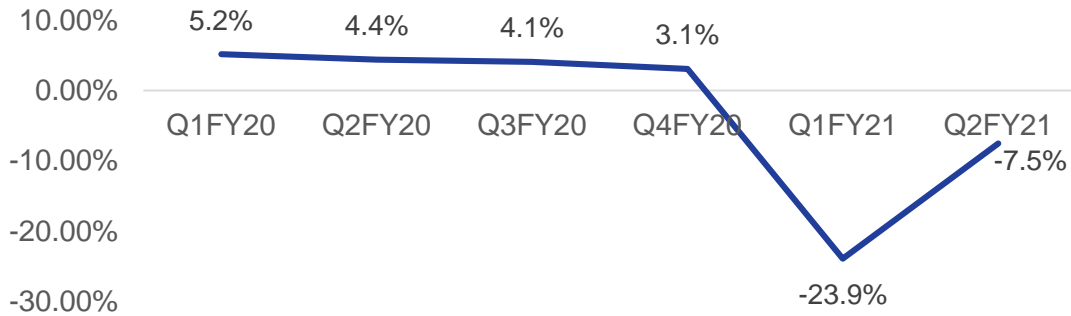
Business Environment

Operational and Financial
Performance

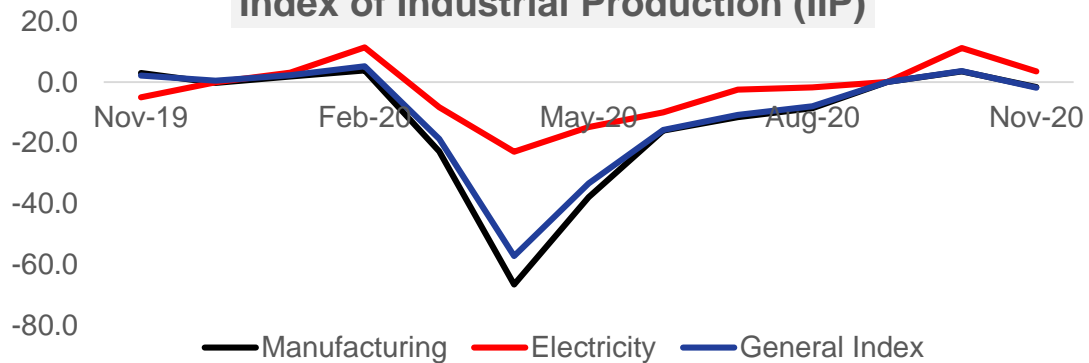
ESG Focus

Indian Economy

Real GDP Growth



Index of Industrial Production (IIP)

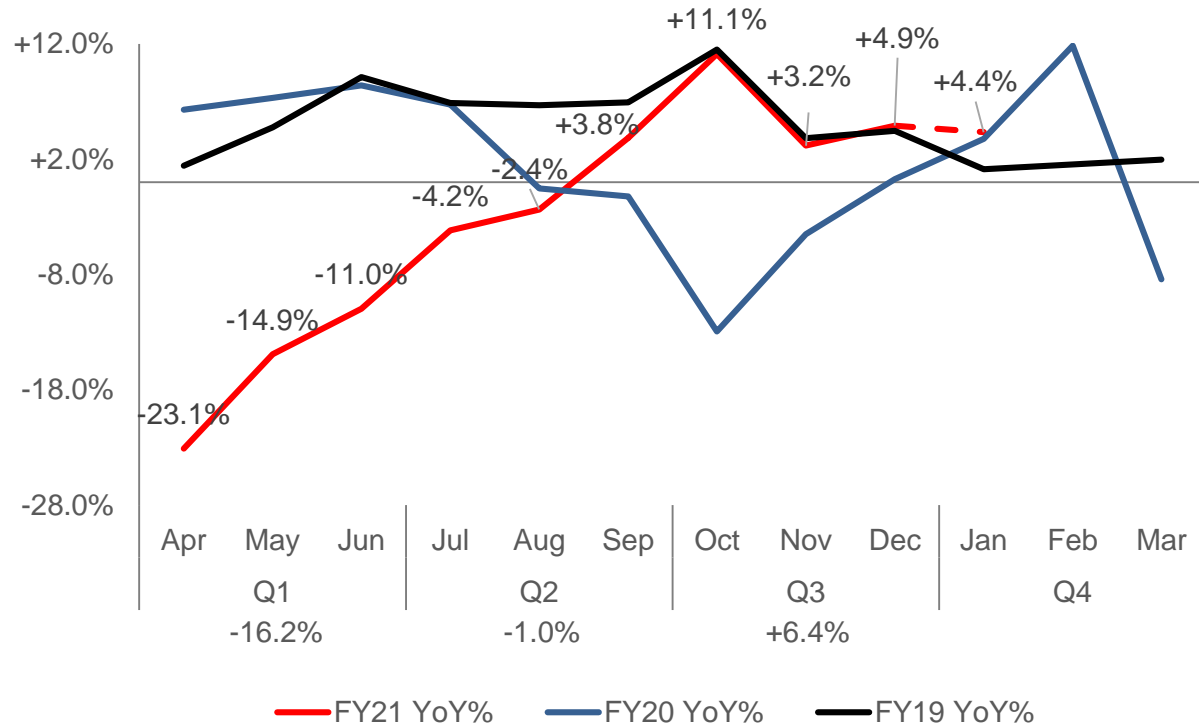


- **Economy on an improving trend; upward momentum likely to sustain**
 - Q2FY21 real GDP contracted by 7.5%, (from 23.9% contraction in Q1FY21), driven by recovery across major sectors
 - Manufacturing PMI remained robust in December'20 at 56.4
 - GST collections at all time high at ₹1.15 trillion (+12% YoY) in Dec'20
 - High-frequency indicators such as auto sales, railway freight, bank credit and power consumption showing signs of recovery
- **RBI maintains stance at 'Accommodative'**
 - CPI moderated to a 15-month low in Dec'20, driven by low food inflation
 - RBI maintained the policy repo rate at 4.0%
 - RBI expects GDP to grow by 0.1% in Q3FY21, 0.7% in Q4FY21, and 6.5-21.9% in H1FY22
- **Vaccination roll-out and relatively controlled Covid cases providing tailwinds for economic recovery; Inflationary pressures remain a risk**

Relatively controlled Covid situation and supportive fiscal and monetary policies bode well for stronger growth

Power Demand

Power Demand Growth YoY



Power demand in Q3 increased by 6.4% YoY to 313 BUs

- Overall recovery in economic activity along with a low base effect, led to a strong power demand growth during the quarter
- Demand for 9MFY21 stood at -4.1% YoY

Peak demand touched an all-time high in Jan'21

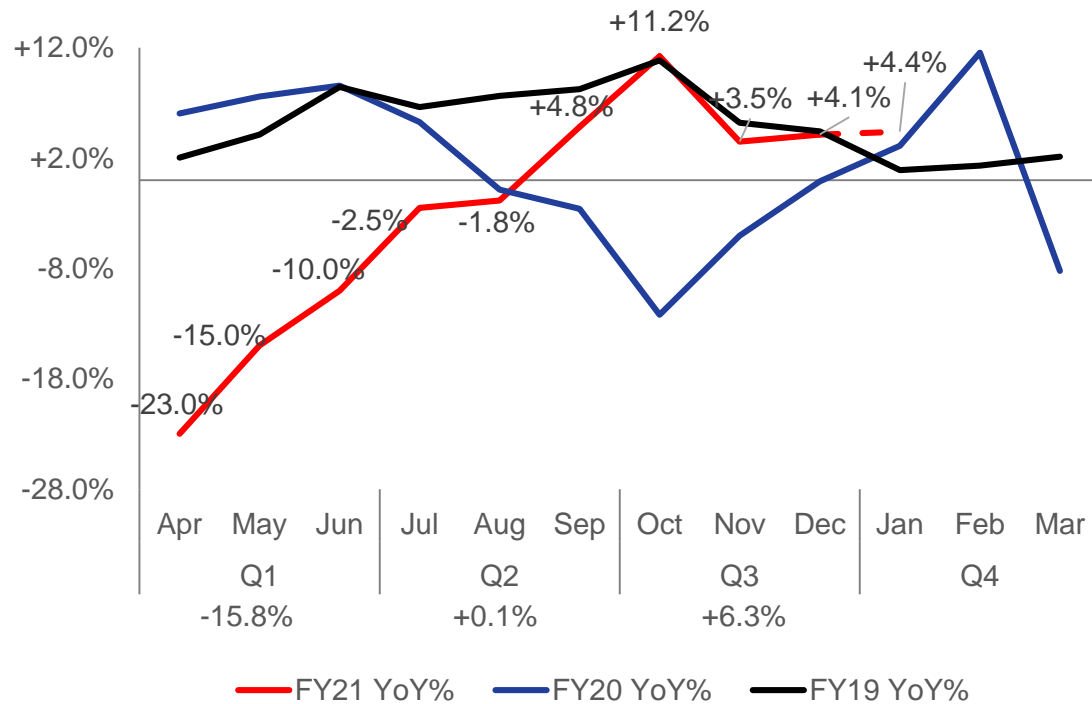
- All-India peak power demand touched a record high of 185.8 GW on Jan 20, 2020 indicating spurt in economic activity. This crossed the earlier record of 182.9 GW on Dec 30, 2020

Demand recovery continued in Jan'21¹ with ~4% YoY increase

Peak Power Demand touched an all-time high in Jan'21

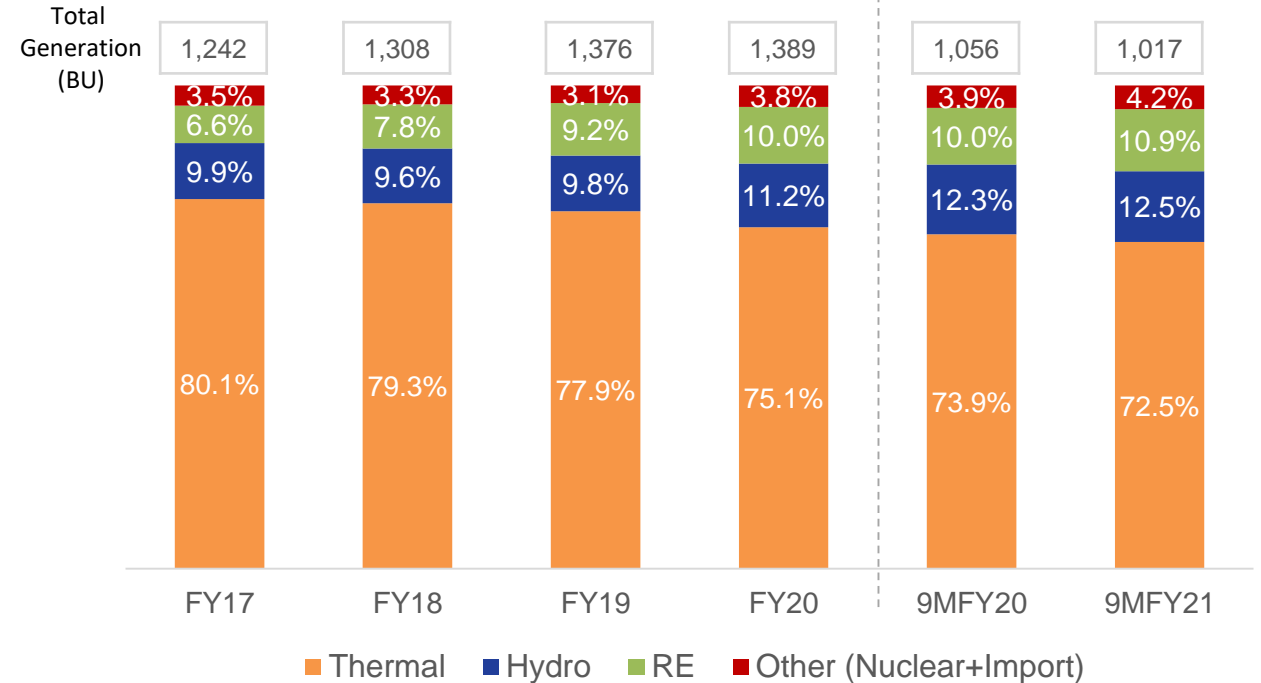
Power Generation

Power Generation Growth YoY



Generation increased 6.3% YoY in Q3 led by RE and Thermal segments

Segment-wise Share in Generation

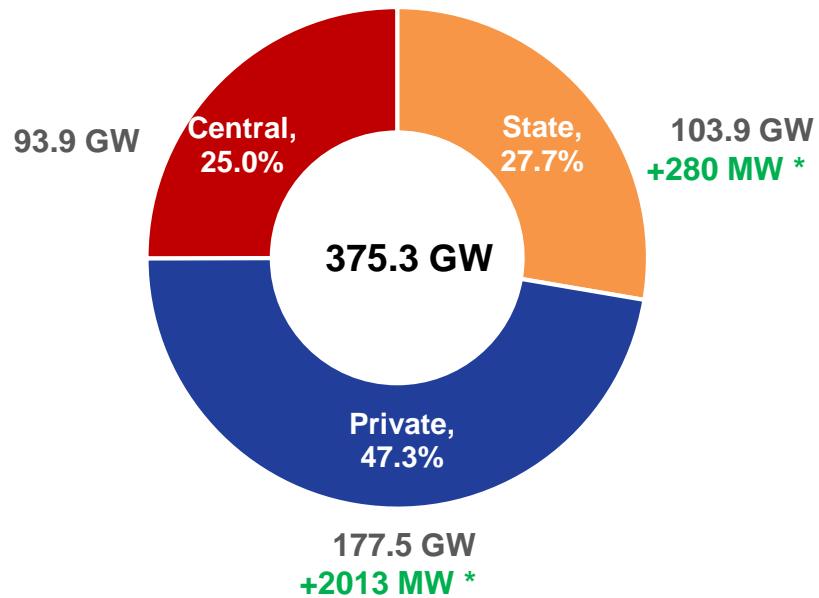


Share of Renewable energy in overall generation increases YoY

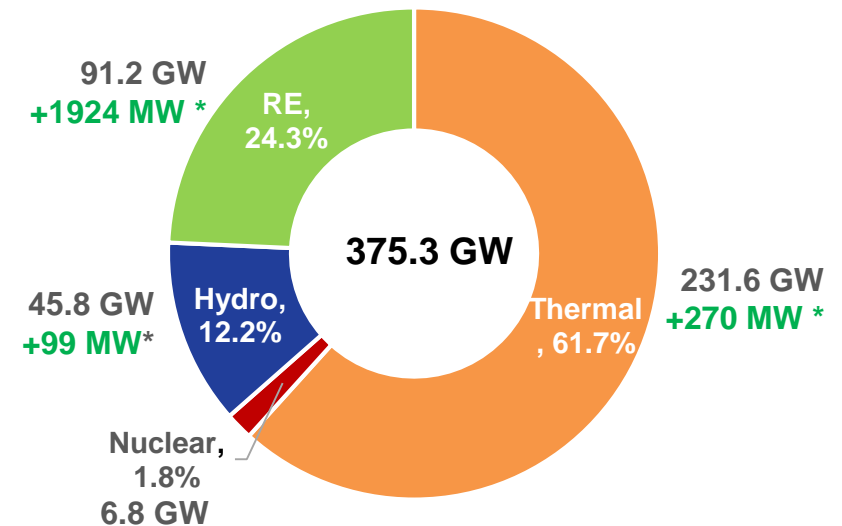
Installed Capacity

(1/2)

Sector-wise Installed Capacity



Segment-wise Installed Capacity



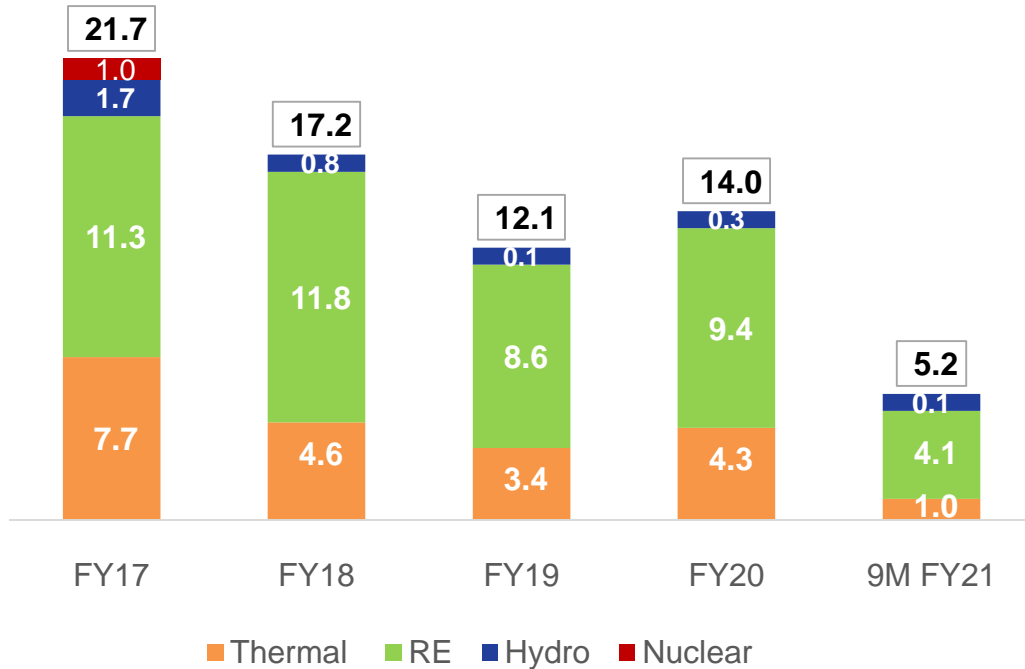
As on December 31, 2020

In Q3FY21, Installed Capacity increased by ~2.3 GW, driven by Renewable Energy - Solar (+1.4 GW) and Wind (+0.5 GW) segments

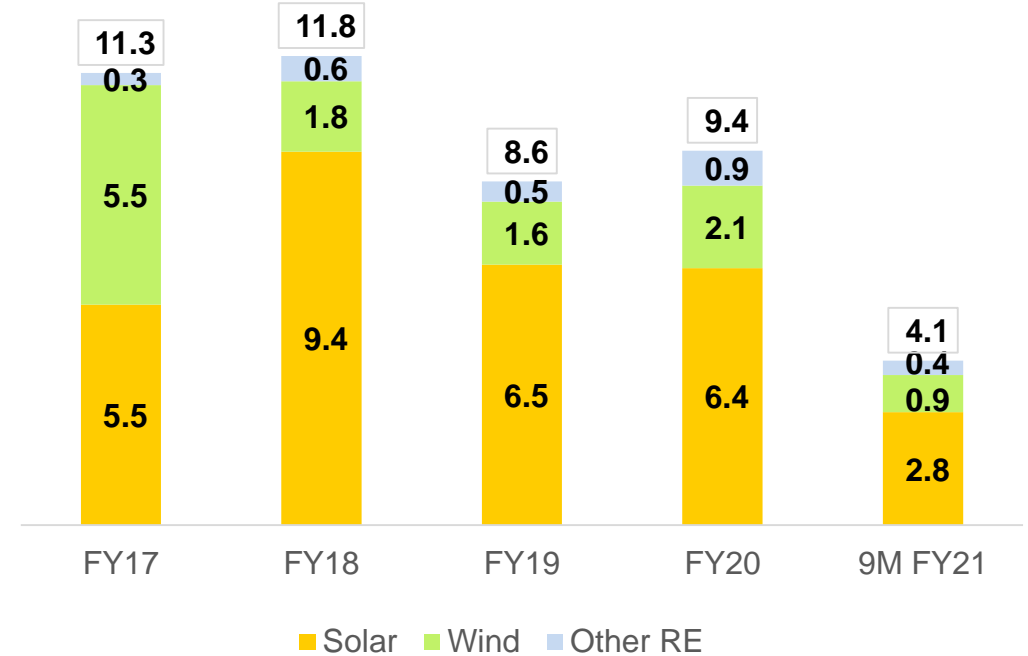
Installed Capacity

(2/2)

Overall Segment-wise Net Capacity Addition (GW)



RE Segment-wise Net Capacity Addition (GW)



Renewable energy driving capacity addition

~4.1 GW RE capacity added in 9MFY21 driven by solar and wind segments



Agenda

Business Environment

Operational and Financial
Performance

ESG Focus

Operational Performance – Net Generation

Net Generation								
Location		Capacity	Q3FY21	Q3FY20	Change YoY	9MFY21	9MFY20	Change YoY
		%	MUs	MUs	%	MUs	MUs	%
Ratnagiri (1,200 MW)	LT	77%	1,482	1,285	+15%	4,171	3,945	+6%
	Total	100%	1,686	1,753	(4%)	4,505	5,488	(18%)
Barmer (1,080 MW)	LT	100%	1,632	1,271	+28%	4,843	3,931	+23%
Vijayanagar (860 MW)	LT	34%	449	729 ¹	(38%)	1,311	1,690 ¹	(22%)
	Total	100%	557	802	(31%)	1,521	2,165	(30%)
Nandyal (18 MW)	LT	100%	31	21	+46%	68	29	+132%
Total Thermal (3,158 MW)	LT	73%	3,593	3,306	+9%	10,393	9,595	+8%
	Total	100%	3,905	3,847	+2%	10,938	11,613	(6%)
Hydro (1,300 MW)*	LT	100%	704	730	(4%)	5,248	5,524	(5%)
Solar (9 MW)	LT	100%	3	3	(6%)	8	10	(15%)
TOTAL	LT	81%	4,300	4,039	+6%	15,650	15,129	+3%
	Total	100%	4,612	4,580	+1%	16,195	17,147	(6%)

Long Term Net Generation up 6% YoY in Q3 FY21

Operational Performance – PLF

		PLF					(*Deemed PLF)
Location		Capacity	Q3FY21	Q3FY20	9MFY21	9MFY20	Remarks – Q3 FY21
		%	%	%	%	%	
Ratnagiri (1,200 MW)	LT	77%	80 (*90)	69 (*80)	75 (*90)	71 (*85)	Higher LT sales
	Total	100%	69 (*78)	72 (*81)	62 (*74)	76 (*87)	
Barmer (1,080 MW)	LT	100%	76 (*81)	59 (*82)	75 (*84)	62 (*82)	Higher LT sales
Vijayanagar (860 MW)	LT	34%	75 (*85)	122 (*122) ¹	74 (*85)	95 (*95) ¹	Lower LT sales ¹
	Total	100%	32 (*35)	46 (*46)	29 (*33)	41 (*41)	
Nandyal (18 MW)	LT	100%	85 (*97)	58 (*99)	64 (*92)	47 (*86)	Higher LT sales
Total Thermal (3,158 MW)	LT	73%	77 (*86)	71 (*87)	75 (*87)	69 (*85)	Overall Higher LT sales
	Total	100%	61 (*67)	61 (*72)	58 (*66)	61 (*73)	
Hydro (1,300 MW)	LT	100%	25	26	62	65	
Solar (9 MW)	LT	100%	15	17	17	17	

Overall Thermal PLF for capacity under Long Term PPA increases YoY to 77% in Q3FY21

Consolidated Financial Results

Q3FY21	Q3FY20	Particulars in ₹ Crore	9M FY21	9MFY20
1,659¹	2,016	Total Revenue	5,546¹	6,712
655	706	EBITDA	2,467	2,615
39%	35%	EBITDA Margin(%)	44%	39%
191	261	Interest	639	803
292	293	Depreciation	873	879
172	151	Profit Before Tax (before exceptional items)	955	933
-	61	Exceptional Items ²	-	61
172	213	Profit Before Tax (after exceptional items)	955	994
124	394	Reported Profit After Tax	689	991
124	111	Adjusted Profit After Tax ³	689	717
432	499	Gross Cash Accruals ⁴	1,615	1,721
0.75	2.40	Diluted EPS ⁵ (₹)	4.20	6.04

1- Including Job work impact

2- Exceptional gain related to JPVL loan restructuring in Q3FY20

3- Adjusted for one-off impact related to tax reversals and exceptional items in Q3FY20 and 9MFY20

4 - Computed as PAT+ Depreciation+ Deferred Taxes+ Exceptional items; 5 - Not Annualized

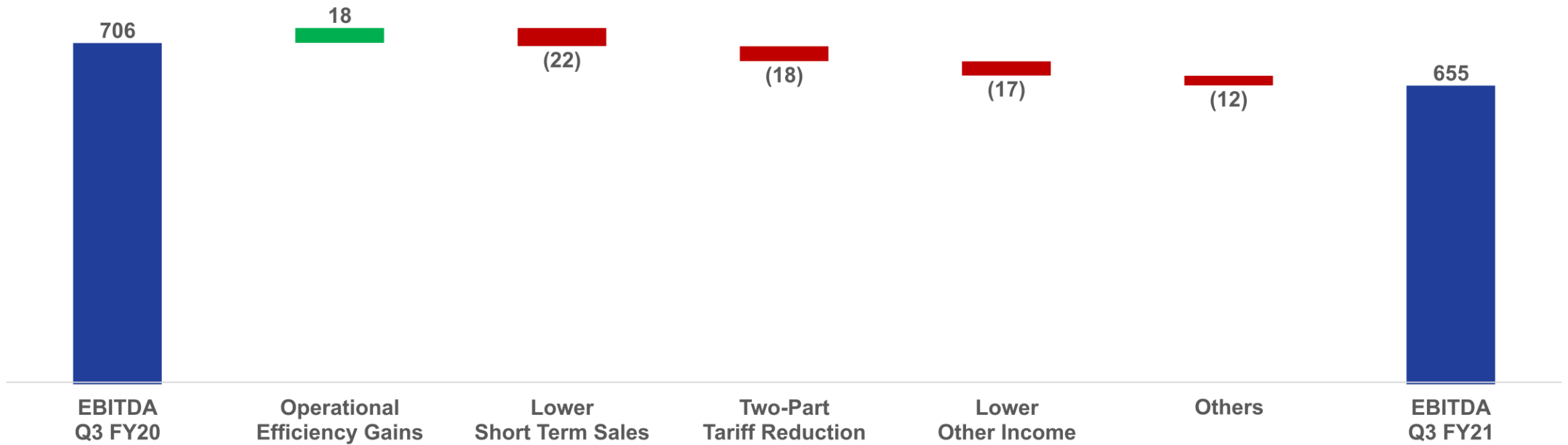
Entity-wise Financial Results

Entity-wise Revenue from Operations				
Particulars in ₹ Crore	Q3FY21	Q3FY20	9MFY21	9MFY20
Standalone	692 ¹	1,092	2,168 ¹	3,298
JSW Energy (Barmer)	682	622	2,040	1,993
JSW Hydro Energy	226	212	1,099	1,116
JPTL	18	20	54	59
Consolidated*	1,609¹	1,949	5,353¹	6,479

Entity-wise EBITDA				
Particulars in ₹ Crore	Q3FY21	Q3FY20	9MFY21	9MFY20
Standalone	194	245	607	824
JSW Energy (Barmer)	250	276	776	802
JSW Hydro Energy	196	170	1,029	989
JPTL	17	19	51	57
Consolidated*	655	706	2,467	2,615

EBITDA Movement - Consolidated

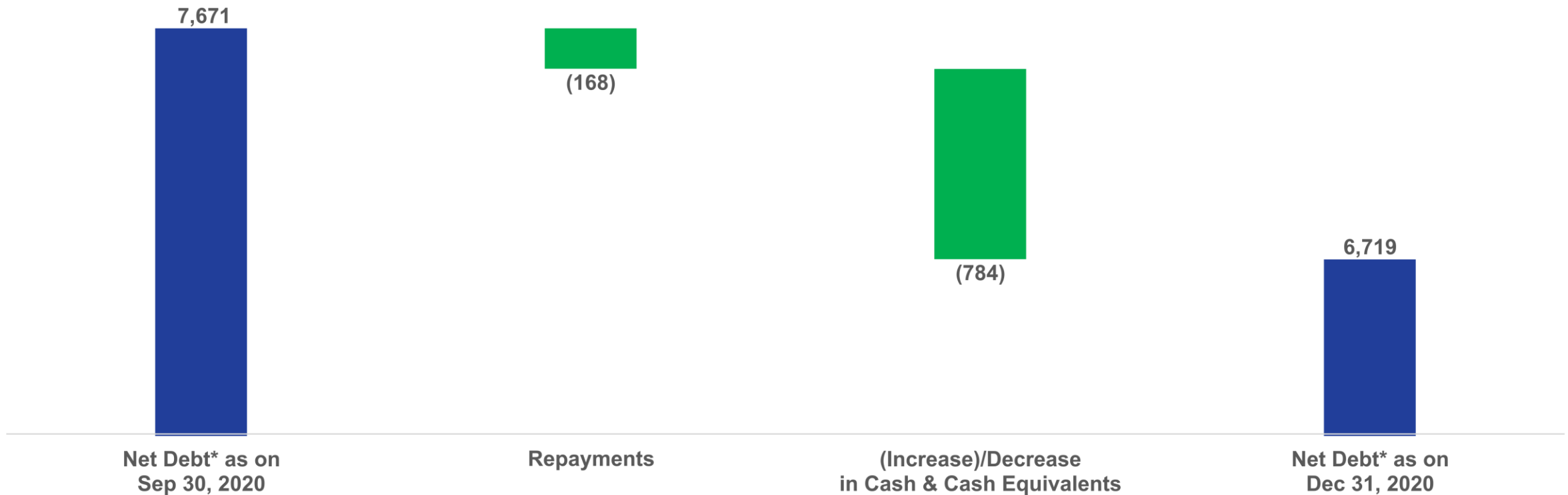
Particulars in ₹ Crore



High long term PPA tie-ups ensuring stable EBITDA generation

Net Debt Movement - Consolidated

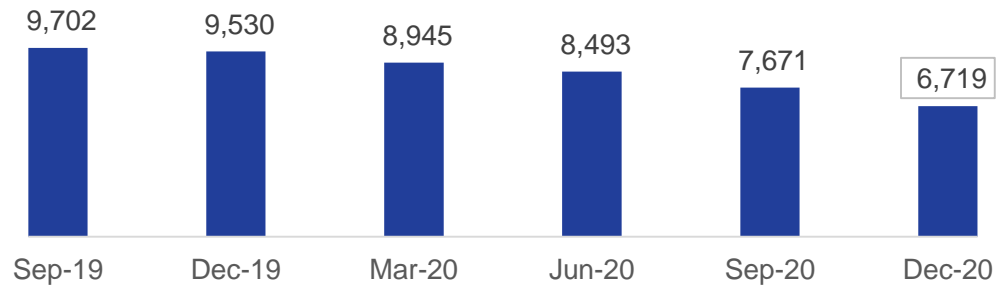
Particulars in ₹ Crore



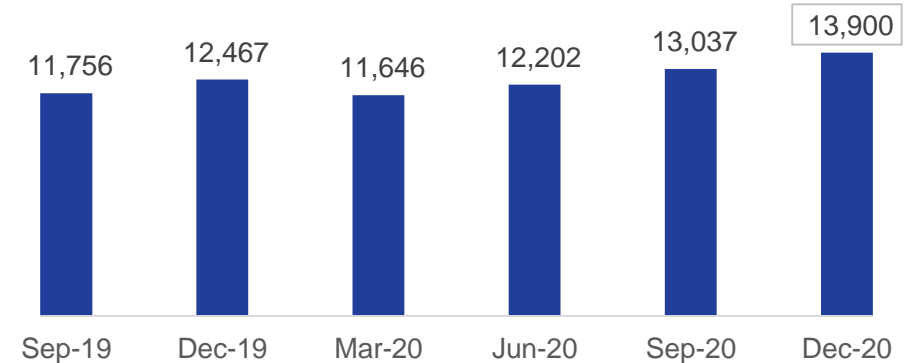
Net Debt* reduced by ~₹952 Crore in Q3FY21
Large balance sheet headroom available to embark on growth projects

Robust Balance Sheet

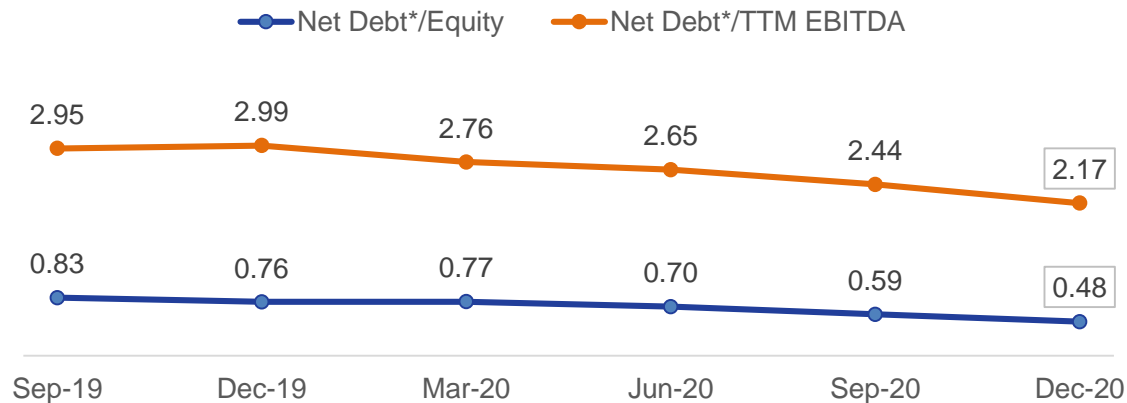
Net Debt* (₹ Crore)



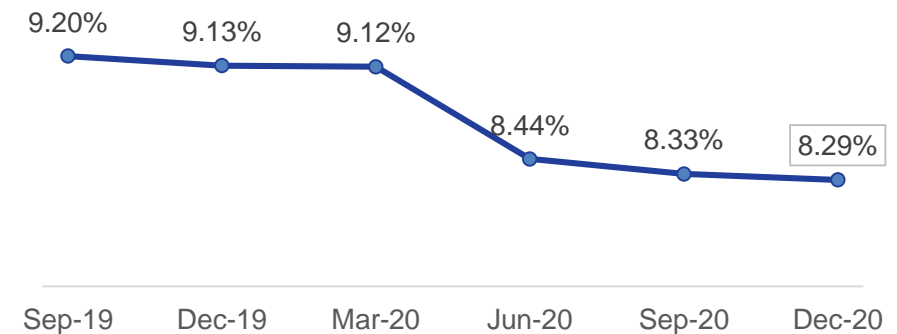
Net Worth (₹ Crore)



Leverage Ratios



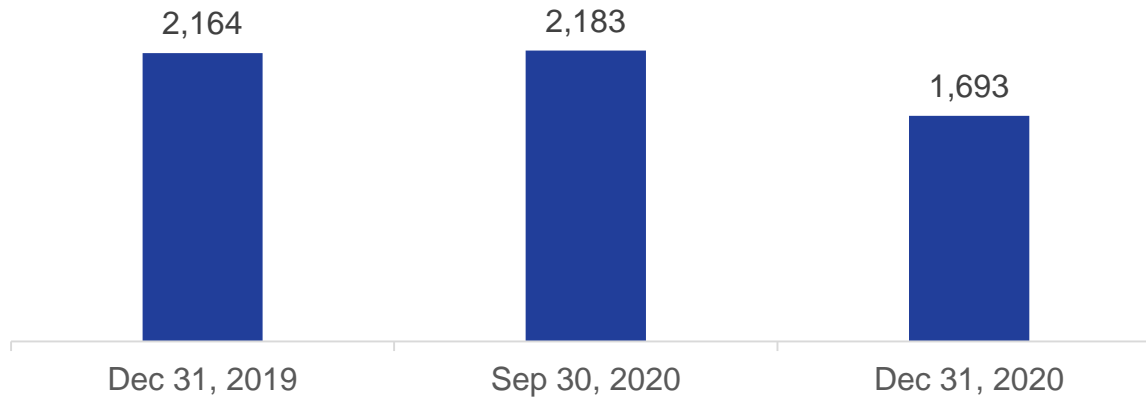
Wt. Average Cost of Debt



Amongst the strongest balance sheets in the sector - Well positioned to pursue growth opportunities

Trade Receivables

Consolidated Trade Receivables* (₹ Crore)



- Receivables decline 22% QoQ and 22% YoY in Q3FY21 – Lowest outstanding in last 7 quarters
- All plants placed favourably in States' Merit Order Dispatch
 - Further, Hydro plants under 'Must-run status' with no scheduling risk
- No history of any bad debts from routine long term trade receivables
- Payment security mechanism in force for power tied under long term PPA with Discoms

Receivables decline contrary to broader sector trends amidst Covid-19 situation



Agenda

Business Environment

Operational and Financial
Performance

ESG Focus

Sustainability Targets – Our Ten Commitments

Focus Areas

Climate Change

Water Security

Waste Management

Air Emissions

Biodiversity

10 Years
Cleaner
Power
Roadmap
(2020-30)

Make our operations **Carbon Neutral by 2050**

Reduce our **carbon emissions** by more than 50%

Enhance the **renewable power** to 2/3rd of our Total Installed Capacity

Reduce our **energy intensity** and **auxiliary power consumption** by more than 50%

Reduce our **water consumption** per unit of energy produced by 50%

Maintain a '**ZERO LIQUID DISCHARGE**' for all our power plants

Maintain 100% **recycling of fly ash** and wastes generated from our operations

Reduce the **dust emissions**, per unit of energy produced, by 2/3rd

Reduce the **emissions of Oxides of Sulphur and Nitrogen**, per unit of energy produced, by 60%

Achieve a '**no net loss**' of **biodiversity** at all our operating sites

Committed to set science based emission reduction targets to keep global warming to 1.5°C under SBTi¹

Continuing our Health & Safety Excellence Journey

Figures are for 9MFY21



Zero Severe/Major Injuries
REPORTED AT OUR SITES



Zero Lost Time Injuries (LTIs)
REPORTED AT OUR SITES



60,000+ Safety Observations
INFLUENCING POSITIVE SAFETY BEHAVIOR OF OUR WORKFORCE



4300+ Employees and 2500+ Associates
Completed Safety Training
INCLUDES SAFETY E-LEARNING MODULES COVERING 5 HIGH RISK AREAS



JSW CARES Launched
CONTRACTOR ASSESSMENT & RATING FOR EXCELLENCE IN SAFETY
Program launched to motivate contractors towards excellence and continued improvement in Health & Safety Systems



Safety Excellence continues with the achievement of following 'Accident Free Operations'

Accident Free Operations (Man-Days)	
Baspa	5,901
Barmer	1,432
Ratnagiri	1,228
Karcham Wangtoo	951
Vijayanagar	903

Forward Looking and Cautionary Statement

This presentation has been prepared by JSW Energy Limited (the “Company”) based upon information available in the public domain solely for information purposes without regard to any specific objectives, financial situations or informational needs of any particular person. This presentation should not be construed as legal, tax, investment or other advice. This presentation is confidential, being given solely for your information and for your use, and may not be copied, distributed or disseminated, directly or indirectly, in any manner. Furthermore, no person is authorized to give any information or make any representation which is not contained in, or is inconsistent with, this presentation. Any such extraneous or inconsistent information or representation, if given or made, should not be relied upon as having been authorized by or on behalf of the Company. The distribution of this presentation in certain jurisdictions may be restricted by law. Accordingly, any persons in possession of this presentation should inform themselves about and observe any such restrictions. Furthermore, by reviewing this presentation, you agree to be bound by the trailing restrictions regarding the information disclosed in these materials.

This presentation contains statements that constitute forward-looking statements. These statements include descriptions regarding the intent, belief or current expectations of the Company or its directors and officers with respect to the results of operations and financial condition of the Company. These statements can be recognized by the use of words such as “expects,” “plans,” “will,” “estimates,” “projects,” or other words of similar meaning. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those specified in such forward-looking statements as a result of various factors and assumptions. The risks and uncertainties relating to these statements include, but are not limited to, (i) fluctuations in earnings, (ii) the Company’s ability to manage growth, (iii) competition, (iv) government policies and regulations, and (v) political, economic, legal and social conditions in India. The Company does not undertake any obligation to revise or update any forward-looking statement that may be made from time to time by or on behalf of the Company. Given these risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements.

The information contained in this presentation is only current as of its date and has not been independently verified. The Company may alter, modify or otherwise change in any manner the contents of this presentation, without obligation to notify any person of such revision or changes. No representation, warranty, guarantee or undertaking, express or implied, is or will be made as to, and no reliance should be placed on, the accuracy, completeness, correctness or fairness of the information, estimates, projections and opinions contained in this presentation. None of the Company or any of its affiliates, advisers or representatives accept any liability whatsoever for any loss howsoever arising from any information presented or contained in this presentation. Please note that the past performance of the Company is not, and should not be considered as, indicative of future results. Potential investors must make their own assessment of the relevance, accuracy and adequacy of the information contained in this presentation and must make such independent investigation as they may consider necessary or appropriate for such purpose. Such information and opinions are in all events not current after the date of this presentation.

None of the Company, any placement agent or any other persons that may participate in the offering of any securities of the Company shall have any responsibility or liability whatsoever for any loss howsoever arising from this presentation or its contents or otherwise arising in connection therewith.

This presentation does not constitute or form part of and should not be construed as, directly or indirectly, any offer or invitation or inducement to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of the Company by any person in any jurisdiction, including in India or the United States, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any investment decision or any contract or commitment therefore.

Securities of the Company may not be offered, sold or transferred in to or within the United States absent registration under the United States Securities Act of 1933, as amended (the “Securities Act”), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state of other jurisdiction of the United States. The Company’s securities have not been and will not be registered under the Securities Act.

This presentation is not a prospectus, a statement in lieu of a prospectus, an offering circular, an advertisement or an offer document under the Companies Act, 2013, as amended, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, or any other applicable law in India.

Thank You