



To create value for all our stakeholders, we actively focus on maintaining a prudent financial management system.

JSW Energy Limited has always focused on improving shareholder returns by maintaining an optimal capital structure. We have significantly enhanced our operational performance by establishing prudent risk management framework. Moreover, the secure and reliable management of our cash flows ensures access to adequate funding opportunities to meet our operating needs and strategic objectives.

Financial Overview

Over the years, we have demonstrated significant prudence in our capital allocation decisions while balancing our growth aspirations. We continue to be one of the few power generating companies in India with a strong balance sheet, and this provides us with financial strength and flexibility to be on course and focus on the future, even in adverse macroeconomic scenarios.

Despite the Covid-19 pandemic crisis, our plant operations continue to run smoothly, while ensuring adherence to necessary safety measures. Our balance sheet and liquidity margins remain robust, well-positioned to navigate challenging circumstances. Our Net Debt to Equity ratio improved to 0.77x from 0.85x a year ago and Net/Debt to EBITDA stood at 2.76x vis-à-vis 3.12x at the end of previous fiscal.

During the year, the total revenue declined by ~10% on a YoY basis to ₹8,560 Crore from ₹9,506 Crore in the corresponding previous year primarily due to lower sales and decline in fuel cost. However, we maintained steady EBITDA of ₹3,244 Crore as compared to ₹3,221 Crore in the previous year.

Creating Value

(₹in Crore)

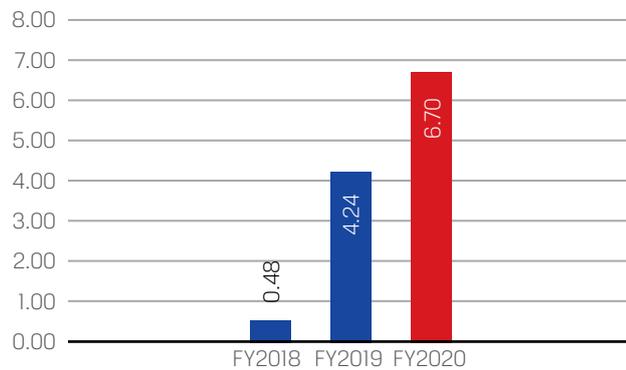
Delivering Shareholder Value	KPI	Trend	FY2018	FY2019	FY2020
Profit after tax (before exceptional items) was ₹1,038.46 Crore, up by 49%. This reflects strong operational performance.	Profit after Tax (before exceptional items)	●	495.91	695.13	1038.46
Return on Equity improved to 8.92% (before exceptional items), reflecting an enhanced value to shareholders.	Return on Equity (%)	●	4.46%	5.88%	8.92%
Our Net Debt to Equity Ratio was at 0.77, making us well-positioned to pursue future growth opportunities	Net Debt to Equity Ratio (x)	●	1.02	0.85	0.77

Legend

- Increasing Trend
- Decreasing Trend
- No Trend

We use the following financial measures to track progress against our strategy to create value from our business.

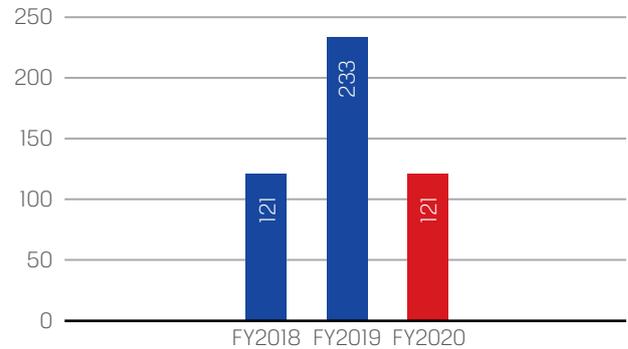
Earnings Per Share (₹)



Strategic Relevance: Earnings per share is an important barometer to gauge a company's profitability per unit of shareholder ownership.

Performance: In FY2019-20, the Earnings Per Share of the Company increased by 58% due to improvement in margins, lower operating cost, reduction in finance cost and one time reversal of deferred tax liability

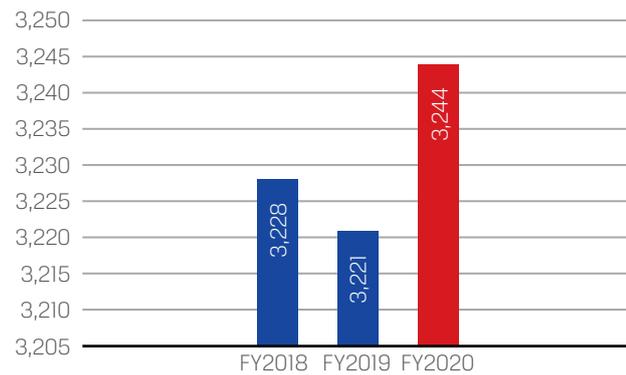
CAPEX (₹in Crore)



Strategic Relevance: Capital expenditures are used to purchase, improvement, or maintenance of long-term assets to improve the efficiency or capacity of the Company.

Performance: There was higher cash outflow for the capital expenditure (Capex) in FY 2019 on account of 18 MW Thermal Power project each at Nandyal and Salboni and 10MW of Solar projects.

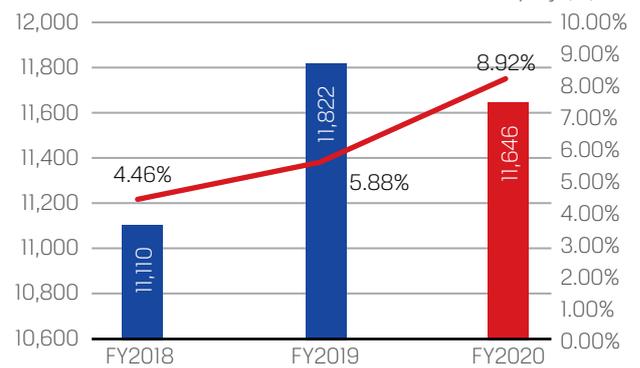
EBITDA (₹in Crore)



Strategic Relevance: Our strategic objective is to earn a sustainable level of operating profit over the long term.

Performance: We have maintained stable growth in our operating profit with our prudent expense management.

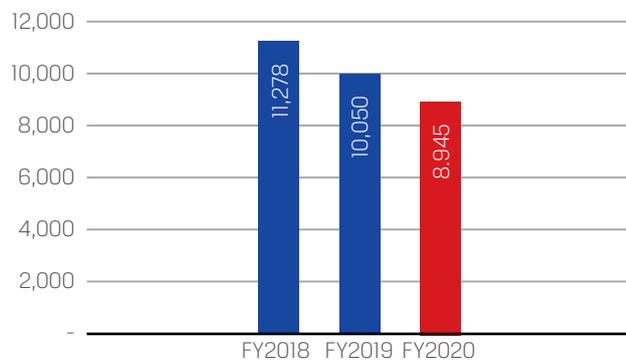
Return on Equity (%)



Strategic Relevance: Return on Equity indicates the value created on the shareholder's capital.

Performance: Our increasing return on equity signifies the profits that we have generated with the money invested by shareholders.

Net Debt (₹in Crore)



Strategic Relevance: Our focus is on actively striking a balance between growth aspirations and risk management.

Performance: By proactively reducing our net debt levels, we have significantly improved balance sheet strength.

Net Debt to EBITDA and Net Debt to Equity



Strategic Relevance: These leverage metrics are important parameters of the credit profile strength of the Company.

Performance: By following sound capital allocation principles and robust balance sheet management, we have managed through downturns while at the same time enabled sufficient headroom to meet our long-term growth objectives.