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Sustainable growth through disciplined capital allocation, leading to Robust financial profile & Credit Ratings

Calibrated growth anchored in capital discipline

A. Pursuing a balanced growth strategy that combines organic capacity expansion with value-accretive inorganic opportunities

We follow a balanced growth strategy that combines organic capacity expansion with selective, value accretive acquisitions, enabling rapid scale up while maintaining capital discipline and return thresholds. Recent inorganic acquisitions have strengthened our portfolio diversification, accelerated entry into priority segments, and unlocked operational and financial improvements through active asset management.

Mytrah Portfolio

We accelerated scale up in renewables by acquiring a large, operating Renewable energy platform (422 MW of Solar and 1,331 MW of wind) with long-term PPAs, improving portfolio diversification and cash flow visibility.

02 Power Platform

We enabled rapid expansion in solar and wind through a development ready platform (4.7 GW platform – 1.3 GW operational at the time of acquisition. This is expected to be fully operational by CY 2027) at a net enterprise value (EV) of ~₹12,468 crore with blended tariff of ₹3.37/kWh, enhancing execution speed and capital efficiency in renewable growth.

JSW Mahanadi

We revived a stressed thermal asset (3,600 MW of plant size of which 1,800 MW operational) through operational stabilisation and efficient integration, converting it into a strategic baseload platform with long-term growth optionality.

Tidong Power

The acquisition of 150 MW run of river project in Himachal offers operational and execution synergies with the nearby Karcham Wangtoo plant, expanding our capabilities in experienced hydro development.

Collectively, these acquisitions demonstrate our ability to identify value accretive assets, execute disciplined turnarounds, and unlock long term value, while also preserving balance sheet strength.

B. Evaluating all investments through a disciplined 'Build vs Buy framework' to optimise time-to-market, cost efficiency, and strategic fit

We apply a disciplined Build-vs-Buy lens to the portfolio, and ushered in scale to beat Greenfield projects on speed and economics. For instance, 02 Power (~4.7 GW) was acquired at ~₹12,468 crore net Enterprise Value with PPAs/pipeline and connectivity, materially below typical India wind/solar build bands, delivering faster cash flow visibility.

We acquired JSW Mahanadi (3,600 MW) via IBC at ~₹16,084 crore of Enterprise value – below new supercritical replacement norms and with fuel/PPAs/infrastructure in place, with brownfield upside. In parallel, we build controlling execution and grid alignment, e.g., the ongoing wind/solar and storage, thereby targeting mid-teen returns within industry capex ranges.



JSW Hydro Energy Power Plant - Shaltu

Risk-adjusted return focus

A. Deploying capital only into opportunities that meet defined risk-adjusted return thresholds and long-term value creation criteria

We deploy capital only into opportunities that clear our risk-adjusted return thresholds and support long-term value creation. For example, the Mytrah acquisition (1,753 MW) at an EV of ~₹10,150 crore (≈₹5.8 crore/MW) comprises operating Wind (1,331 MW) and Solar (422 MW) assets with relatively higher legacy tariffs and long-tenor PPAs. This delivers strong contracted cash-flow visibility and attractive risk-adjusted returns at competitive capital intensity versus greenfield.

B. Prioritising projects with strong offtake visibility, contracted revenues, and predictable cash flows

We have secured high-quality, large-scale assets, backed by firm offtake agreements, providing long-term revenue visibility and stability. We also locked-in a total of 29.6 GWh of energy storage capacity across battery energy storage system and pumped hydro storage projects. We prioritise projects with strong offtake visibility, contracted revenues, and predictable cash flows. For example, the JSW Mahanadi acquisition added 1,800 MW of operating thermal capacity, which is ~95% tied up under long- and medium-term PPAs, providing stable baseload cash flows and downside protection.



C. Actively recycling capital from mature assets to fund higher-growth opportunities and improve portfolio returns

We recycle capital from mature, cash-generative assets – such as operating thermal capacity with contracted offtake – to fund renewables and storage growth, enhancing ROCE and long-term value creation. These stabilised operational assets with a high operating track record provide growth capital to be deployed into value-accretive new projects, thereby creating value for our shareholders along with maintaining balance sheet strength.

Strengthening execution certainty in organic projects

A. Securing critical inputs land, transmission connectivity, fuel linkages, equipment supply and EPC partnerships - well in advance to de-risk project delivery

We are proactively securing critical inputs – land, transmission connectivity, fuel linkages, equipment supply, and EPC partnerships – well in advance to de-risk execution, ensure schedule certainty, and protect project returns.

B. We have secured high-quality, large-scale assets, backed by firm offtake agreements, providing long-term revenue visibility and stability. We also locked-in a total of 29.6 GWh of energy storage capacity across battery energy storage system and pumped hydro storage projects.

B. Building execution-ready pipelines to ensure timely commissioning and to minimise cost overruns

Through the successful development, commissioning, and operation of various plants, we have built a strong foundation of technical expertise and deep domain knowledge across multiple modes of power generation. Our dedicated teams are currently executing all ongoing power projects, while selectively subcontracting specific workstreams to optimise efficiency.

Our project management and execution expertise is also evident through the efficient turnaround of the renewable energy assets acquired through the Mytrah Acquisition and successful integration of the O2 Power Acquisition.

The Company is building execution-ready pipelines to ensure timely commissioning and cost discipline. For example, the acquisition of Tidong Hydro Power added an advanced-stage project with key approvals, construction progress, and offtake arrangements already in place, significantly reducing execution risk and enabling predictable commissioning timelines.

C. Leveraging scale procurement and standardised project development practices to enhance capital efficiency

At JSW Energy, we enhance capital efficiency through scale procurement and standardised project development. This results in enabling cost optimisation, faster execution, and tighter control over capex and timelines across O2 Power and Mytrah platforms.

Maintaining balance sheet strength

A. Maintaining prudent leverage levels and funding expansion through a mix of internal accruals and structured financing

The Company has one of the most robust balance sheets in India's power sector. Strong free cash flow generation and efficient working capital management is leading us to pursue value-accretive growth opportunities

and enable internal accruals to finance under-construction and pipeline projects sufficiently.

~5.2X

Operational Net Debt to EBITDA Ratio

From 76 days to 62 Days

Decline in Receivables Days Outstanding YoY

B. Optimising cost of capital to enhance equity returns, while safeguarding financial resilience across cycles

We focus on optimising our cost of capital to enhance equity returns, while preserving balance sheet strength across cycles. We are able to achieve this through prudent leverage, diversified funding sources, long-tenor project financing aligned with asset lives, and a calibrated mix of contracted cash flows, ensuring financial resilience and flexibility to fund growth through market cycles.

Our liquidity reserves and access to diverse capital sources empower us to navigate the capital-intensive nature of the renewable energy industry. This financial resilience positions us effectively to capitalise on new market opportunities, forge strategic partnerships, and undertake expansive projects, such as the development of new energy storage systems and the expansion of green hydrogen production facilities.

C. Ensuring capital allocation decisions remain aligned with long-term shareholder value and credit strength

We maintain a track record of best-in-class, prudent, disciplined and efficient capital allocation to ensure every investment aligns with our long-term strategic vision and proven project execution excellence and also delivers healthy cash returns. Our disciplined approach helps maintain a healthy balance sheet, supported by low-cost debt and robust financial management.

Our capital allocation decisions are underpinned by disciplined investments, strong execution, and a resilient balance sheet. These are demonstrated through value accretive platforms like Mytrah, JSW Mahanadi and O2 Power, and funded with prudent leverage and low cost debt. We are committed to maintaining a net debt to EBITDA below 5x by FY 2030. This leads to ensuring financial resilience, balance-sheet flexibility, and sustained access to competitive funding.

Additionally, the Company's long-term debt is rated at IND AA/Stable by ICRA and India Ratings, underscoring the strong credit profile and prudent financial management.

