

Ladies and Gentlemen,

I am happy to welcome you to the 27th Annual General Meeting of the shareholders of JSW Energy Limited, being held at Mumbai today. This AGM is being held through video-conferencing due to the unprecedented situation we are in. I feel honoured to present your Company's performance highlights, some of the significant initiatives and achievements during financial year 2021, and a glimpse into a vastly transformative direction that will change the future of your Company, and what it stands for. The Report of the Board of Directors and the audited financial statements of your Company for the year ended 31st March 2021 are already with you and with your permission, I take these as read.

I would first like to talk about our response to the Pandemic – and how we are shaping our future with sustainability at our core.

2020 and 2021 have been amongst the most challenging years in decades. The unprecedented health crisis, caused by the novel coronavirus, has taken an immense human as well as economic toll globally. I share my deep condolences to all those of you that might have lost dear ones to the pandemic.

At JSW Energy, we responded swiftly with a comprehensive Covid-19 response plan. This meant putting in place health and safety measures to protect our employees; running our plant operations smoothly to ensure supply to our customers; and providing essential support and assistance to our local communities in need.

Yet, even in such critical circumstances, our company reported a solid set of financial results - and laid a strong foundation to our growth plans with an aggressive push into renewable energy. This has clearly proved the strength and resilience of our business model. Today, we have significantly de-risked our operating portfolio and created a robust balance sheet – one of the strongest in the sector. This strength is enabling us to pursue dynamic and sustainable growth.

The pandemic has highlighted the need to build sustainable businesses for navigating such future headwinds that could appear because of climate change in the coming years. I would like to underscore that, today, Climate change and Sustainability is at the core of

JSW Energy's growth agenda. We have reset our growth strategies that will now transform our generation portfolio to more than 70% renewable-driven, by financial year 2025. By embracing new-age, green energy as our foundation for dynamic growth, we aspire to become a 'net-zero' contributor of greenhouse gas emissions by 2050 - or even earlier.

We aim to grow our portfolio to a capacity of 10 GW by financial year 2025 - and 20 GW by financial year 2030, solely through the renewable energy route. In line with this, we have already announced 2.5 GW of growth projects, that are currently under-construction. We have also taken various actions to strengthen our ESG agenda, including (1) the adoption of comprehensive sustainability policies, (2) clearly laid out targets and (3) developing a 2030 sustainability roadmap.

Let me now share with you a summary on how we performed.

In financial year 2021, even in the middle of a relatively weak macro-economic scenario, peak power demand hit an all-time high of 190 GW. The overall power demand in the country, though weaker in first half of the fiscal, saw a sharp recovery in the second half, and saw only a 1.2% decline YoY. Out of the 12 GW total capacity added in the country in financial year 2021, 8 GW was contributed by the renewable energy sector, including hydro energy.

Despite the pandemic induced challenges, your company delivered a healthy performance, driven by focused execution and financial prudence. In-line with our strategic intent to de-risk the business, our long term PPA tie-ups have now increased to 86%, up from 81% of the total installed capacity at the end of financial year 2020. Overall, net generation from our long-term portfolio increased by 3% YoY during the year, supported by a healthy offtake from our customers.

Our O&M cost per MW continued to further decline YoY in financial year 2021, and today - this is a benchmark in the industry across various segments of thermal, lignite and hydro. We further improved our operational efficacy, by (1) accelerating the digitalization of our operations, (2) by increasing our agility in working remotely, and (3) by adopting best industry practices via TQM processes. Both, increasing long term tie-ups as well as optimizing O&M costs have helped us to improve the quality of our earnings, resulting in

a steady EBITDA generation over the past few years, and so insulating us from the volatility that this sector sees.

Our financial risk profile continues to remain strong, helped in a great part by our significant deleveraging and efficient working capital management.

Over the last 3-4 years, we have optimized our capital structure through proactive repayments, prepayments, and refinancing of debt. This effectively helped us to improve our bottom line through a meaningful reduction in finance costs. Our leverage profile now enables us to execute our growth plans, while keeping our debt at prudent levels.

On the receivables front, we made good progress despite the fact that a large section of the power generating stations in the country are facing stretched receivable days - due to the weak financial profile of the Discoms. Our stringent working capital practices have helped us in reducing our receivables, which stood at a three-year low at the end of financial year 2021.

We achieved two key milestones in our hydro power portfolio. First, the CEA has approved the uprating of our Karcham Wangtoo plant by 91 MW to 1091 MW, in a phased manner. Second, we successfully issued a green bond of USD 707 million, to refinance the term-loans on some of our operating assets. It is noteworthy that we were able to tap the offshore bond market during a tough pandemic scenario. The overwhelming response to this maiden issue has been very humbling and has enabled us to further diversify our funding sources and develop strong relationships with global investors. This also bodes well for our future funding needs - for fulfilling our aspirations around a renewables - led growth agenda.

I would now like to talk about our investment plans, and how we plan to implement this growth agenda.

It's quite clear that India's incremental power needs will need to be largely met by renewable energy. Our business strategy is perfectly aligned with this, offering us an opportunity to create new value for all our stakeholders in the years to come. Our strategic priority is to grow our generation portfolio by investing in renewable energy: namely wind, solar and hydro. Our target is to grow our portfolio to 10 GW by financial year 2025 and

20 GW by financial year 2030 from the current 4.6 GW./ This will involve a total capex outlay of Rs. 75,000 crores over the next decade.

In the first half of financial year 2021, we secured the largest wind bid of 810 MW with SECI under the tranche-9 blended auction. In the next tranche, SECI-10 wind auction, we secured another 450 MW. Recently, we also received the approval from the Board for tying up 958 MW of a consolidated portfolio of solar and wind projects, under the group captive model, at an arms-length basis with JSW Steel. Furthermore, in our hydro portfolio, we started full-fledged construction of our 240 MW Kutehr hydro-electric project.

I am pleased to share with you all that we have already signed PPAs for the 810 MW SECI tranche – 9 and for the 958 MW projects under Group Captive model. Land is in possession, connectivity approvals are in place, orders have been placed, construction work has commenced and we expect phase-wise commissioning to commence by the fourth quarter of the current financial year.

In total, we currently have ~2.5 GW of renewable energy projects under-construction, with a total envisaged outlay of ~Rs. 15,800 Crore. The availability of strong internal accruals, healthy cash balances and a large balance sheet headroom, all allow us to fund these projects comfortably. We are targeting additional quality projects in the upcoming competitive bidding auctions. We will continue to apply our robust risk-return approach to select projects that are returns accretive and deliver value to our stakeholders.

Recently, the Board of Directors has granted an in-principle approval for evaluating various options for re-organising the Company's Green (i.e. Renewable) and Grey (i.e. Thermal) businesses with an objective of unlocking long term value for all stakeholders.

I would now like to say a little about our path towards becoming a Net Zero Company

As someone rightly said - "We are the first generation to feel the sting of climate change, and we are the last generation that can do something about it." There's no doubt that climate change is one of the most pressing problems facing humanity. The challenge to reach net zero is huge, so practical action by all of us is a priority.

As the world has raised the bar on Climate Change, so too has your Company. We see investment in renewables as an active way to engage with future generations. We wish to be leaders in energy transition, with our generating portfolio becoming predominantly renewables based by 2030.

During the last year, the need for climate action and sustainability intensified globally, and our own focus on ESG also deepened further. We released our sustainability policies aligned to the UN's 17 Sustainable Development Goals. We created a comprehensive Sustainability Roadmap that covered Climate Change, Water Security, Waste Management, Air Emissions & Biodiversity targets for 2030, along with a pledge to achieve Carbon Neutrality by the year 2050.

In financial year 2021, we achieved a 11% YoY reduction in our specific greenhouse gas emissions, making solid progress on our goals. In addition, we continued to achieve 100% utilisation of fly ash and zero liquid discharge across our plant locations. We also committed ourselves to 'Business Ambition for 1.5°C', to set science-based emission targets set by global bodies, and to step up our ambition to tackling climate change. During the year, we also formed a Sustainability Committee to review the progress of our various initiatives, and to periodically assess our ESG performance.

Further, we recently announced a framework agreement with Fortescue Future Industries Pty Ltd (FF), a 100% subsidiary of FMG, an Australian company to collaborate and conduct scoping work on potential projects relating to the production of green hydrogen and utilizing it for green steel making, hydrogen mobility, green ammonia and other mutually agreed industrial applications in India.

We also expect to see substantial reskilling taking shape within the workforce over the next few years, strengthening our internal capabilities in the new areas of renewable expansion. I am incredibly pleased to share that our initiatives on climate and sustainability are being recognized externally as well. I am pleased to inform you that your Company is amongst the highest rated power companies in India, by several global ESG rating agencies. Going forward, we aim to be a sustainable growth engine – contributing positively to the economy, the environment, and to society at large. We intend to play this role by meeting the country's growing future demand for energy; by meeting the

Government's target for adding 450GW of renewable generation by 2030; and in enabling India to outperform its Paris pledges.

Concluding remarks:

Looking at the immediate future, while challenges to the economy will continue in financial year 2022, various targeted interventions by the Government and the RBI should help financial and socio-economic conditions to improve. On the health front, stronger public health systems and mass covid vaccination should help contain and combat the spread of covid-19 gradually, and limit the loss of valuable human life.

I am pleased to report to you that your Company - JSW Energy - stands on strong foundations, allowing us both to manage the ongoing covid-19 situation, and to pursue growth sustainably. I view the optimism and commitment displayed by our employees, in the face of such exceptional challenging environment, with tremendous pride. I take this opportunity to extend my thanks to all of them for their diligence and delivering key business milestones during a tough year.

Finally, I would like to thank all our external stakeholders - including the Central and State Governments, customers, investors, regulators, lenders, rating agencies, suppliers, and advisors, for their continued support throughout the year.

Thank you