

Good Morning, Ladies & Gentlemen,

The Company Secretary has informed me that the requisite quorum for the meeting is present and therefore, I call the meeting to order.

Authorisations from 24 Bodies Corporate holding 115,94,93,004 shares in your Company's paid-up equity share capital, aggregating to Rs 1159.49 crores (representing 70.53% of the paid up capital) have been received. As physical attendance of Members has been dispensed with, the facility for appointment of proxies by Members is not available for this meeting.

The Register of Directors and KMPs including their shareholding and the Register of Contracts and Arrangements in which Directors are interested, both maintained under the provisions of the Companies Act, 2013 and also the Secretarial Auditors Certificate under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, stating that the Company's ESOP schemes have been implemented in accordance with the said Regulations as well as the resolutions passed by the Company in the General Meetings, are available for inspection in electronic mode throughout the meeting, and the same may be accessed by the Members upon logging into KFin Technologies Limited's website at evoting.kfintech.com.

The Annual Report for the Financial Year 2021-22, containing the Notice convening the Meeting, the audited annual financial statements for the Financial Year 2021-22 as well as the reports of the Board of Directors and Auditor thereon has already been circulated electronically to the Members of the Company.

With your permission, I take the Notice as read.

As the Reports of the Statutory and the Secretarial Auditors do not contain any adverse qualifications, observations or comments on financial transactions or other matters, the same need not be read as

per the provisions of the Companies Act, 2013.

I now proceed to deliver my formal address.

A crucial decade for energy transition

Transition to clean energy has emerged as a key driving force for sustainable development in recent years, presenting a huge economic opportunity. Countries across the globe are more determined than ever to accelerating decarbonization of their economies and securing their future energy needs. The current decade will hence be one of great climate action – that of focused planning and taking necessary actions for enabling a global energy shift.

For our nation, two key themes acted as catalysts in FY2022 for accelerating energy transition. First, at COP-26, India announced a target to achieve Net Zero emissions by 2070, implying a deep-decarbonisation of all “hard to abate” sectors like thermal power, industry, agriculture and transport over the next 50 years.

Second, geo-political tensions, supply chain constraints and elevated fossil fuel prices accentuated the importance of energy security for economic sustainability.

Electricity is only 18% of total energy consumption in India. The balance 82% energy use, which mainly depends on fossil fuels, presents a large opportunity for new green businesses.

For the last two decades, your Company has primarily been an electricity generation utility. However, as India gears for this transformative decade of serious action, it's time for us at JSW Energy to also enact change and be at the forefront of energy transition.

Therefore, over the next decade, I see your company transform from a power generating utility into an energy solutions provider for new green businesses such as energy storage and deep decarbonisation. With climate change agenda and sustainability at the core of our business, we remain committed to becoming a net zero company by 2050.

Accelerated growth for a better tomorrow

With energy transition gaining momentum in FY2022, we reimagined JSW Energy and expanded our growth strategy by establishing twin engines of growth- scaling our generation capacity to 20 GW by 2030, and being future ready with new energy solutions.

To foster a cleaner energy future, we intend to reverse our energy mix in the medium to long term. We have targeted a growth in our portfolio from 7 GW currently to 10 GW by 2025, and to 20 GW by 2030, with incremental capacity additions from renewable energy. With this the share of Renewables in our portfolio will increase to 70% by 2025 and 85% by 2030.

During the year, we achieved significant developments on this aspect. We increased our portfolio from 4.6 GW to 7 GW by signing long term PPAs for the entire 2.4 GW renewable portfolio which was announced last year. With this, the share of renewable in our portfolio increased to ~55% from ~30% a year ago.

Moreover, of this 2.4 GW growth pipeline, we commenced operations at the 225 MW solar plant at Vijayanagar in Karnataka in April 2022. This was a notable feat as our teams diligently commenced the operations within 12 months despite headwinds of COVID-related disruptions, elevated commodity prices and global supply chain outages.

For the balance wind capacities of 2 GW, we are on track to commence operations in a phase-wise manner from the second quarter of the current year. In parallel, construction of our 240 MW Kutehr

hydroelectric project in Himachal Pradesh is progressing well, ahead of its scheduled timelines of commissioning of September 2024.

We are also keenly evaluating various attractive inorganic growth opportunities, which can leapfrog our growth trajectory while delivering long term value creation.

Leveraging upon our strong track-record of project execution within budget & time, inorganic growth optionalities, and a robust balance sheet, we are more confident of achieving our stated goals by 2030 or earlier.

As we accelerate growth to 20 GW, we are constantly ensuring that JSW Energy is “Future Ready”, and remain geared to creating significant value for our shareholders, employees, and the society we serve.

To this effect, we are evaluating emerging technologies across green hydrogen / green ammonia and its derivatives including carbon capture, storage solutions including battery & pumped hydro storage, and energy solutions.

We are expeditiously securing key resources for Hydro Pump Storage Projects in various resource-rich states for projects with a targeted capacity of 10 GW. During the last twelve months, we tied up resources totalling to 5 GW with various states.

Further, we are continuing to lock-in key renewable resources to optimise our future-readiness and making meaningful investments in digitalisation, innovation, and technology to increase our agility.

We are strengthening our knowledge base and internal capabilities, and re-skilling the workforce for a renewable-led future. We also continue to thrust on placing adequate safety measures to ensure employee well-being at our operational and under-construction projects.

Finally, to streamline the structure for value unlocking at the right time, we implemented a reorganisation of our businesses into grey (thermal) and green (renewable) verticals. As a result, all existing and upcoming renewable energy businesses will be housed under JSW Neo Energy and this entity will be the vehicle to drive our growth plans in renewable energy across generation, energy storage and green hydrogen / ammonia and its derivatives.

Performing while Transitioning

During the year under review, we demonstrated our resilience and ability to consistently respond to the needs of our customers. What adds to our strength is our deep industry expertise, distinctive capabilities and footprint, sustainable supply chains and operational excellence.

With respect to operating sustainably, our company achieved the Leadership Band (A Minus) in Climate Disclosure Project (CDP), making us the highest rated and the only Indian company to achieve this feat in the power sector. We have set an ambitious target for 50% reduction in carbon footprint by 2030 and becoming net zero by 2050.

On the financials front, we continued demonstrating our ability to generate steady cashflows. During the year the total Revenue increased by 22% YoY to Rs. 8,736 Crore and EBITDA for FY2022 was higher by 32% YoY at `4,138 Crore resulting in the highest ever PAT of Rs.1,729 Crore.

Moreover, we have one of the strongest balance sheets in the sector with Net Debt to Equity at 0.4x and Net Debt to EBITDA at 1.68x - built over the years through proactive de-leveraging and prudent capital allocation. This provides us the latitude to pursue attractive growth opportunities.

The Board has recommended a dividend of INR 2/share subject to your approval.

Sector Outlook

With 150 GW of renewable energy capacity already been achieved as a significant milestone (including large hydro), the country is well on course to increase its renewable energy capacity to its target of 500 GW by 2030 – the deadline it has set for itself.

India has been adding higher and higher renewable capacity every year, although it is still not sufficient to support the robust power demand growth in the country. We saw peak power demand in India reach an all-time high of 211 GW just last week. This demand, with the key drivers of rural electrification, urbanisation and industrialisation, will continue to grow strongly over the next decade.

Hence, it will be critical to add large-scale renewable energy with storage capacities in the country. The government and the private sector are working together to ensure this energy transition is inclusive and just, and we make India energy-secure in the long term.

Policy support is of utmost importance to drive climate and energy agenda in the country. With clean energy and climate change taking centre-stage, the Union Budget emphasised on taking action through different schemes to encourage domestic manufacturing of solar power equipment, battery swapping, and decentralised renewable energy, among others.

As India imports more than 4/5th of its oil and half of its natural gas requirements, the government's supportive policies for ecosystem development and energy transition are a step in the right direction. The Green Hydrogen and Green Ammonia policy, notified in February 2022, is a key step towards India's clean energy ambitions.

Both policy support and rising energy needs aid your Company in its aim to play a meaningful role in India's energy sector. Having managed to build a strong position as a leading energy company, we will continue to apply our capabilities to innovate, scale and accelerate the transformation of India's energy systems through new green energy businesses and its derivatives.

In conclusion

I am proud of the work we have done to make our company more equitable and sustainable. We have so much to look forward to in future years.

We owe a huge thanks to all the talented and dedicated employees in JSW Energy. Our team is passionate, tenacious, and has made our achievements possible despite challenging situations over the years such as the COVID-19 pandemic and supply chain disruptions.

I also take this opportunity to thank all our stakeholders – all our esteemed shareholders, the Central and State Governments, our customers, investors, regulators, lenders, rating agencies, suppliers and advisors.

Thank you for taking this leap with us, and I look forward to building our future with your constant support. Together, I'm sure we can achieve a bright future for our society at large.

Sajjan Jindal
Chairman & Managing Director