04

PERFORMANCE IN CONTEXT

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC OVERVIEW

World economic review

Geopolitical risks intensified during the year, with the global landscape increasingly influenced by deepening geoeconomic confrontation and a retreat from multilateral cooperation. The outbreak of war in the Middle East conflict in late February 2026 posed a significant downside risk to global growth through its impact on crude oil prices, commodity prices, inflation expectations, increase in logistics cost and tightening financial conditions — offsetting otherwise-improving growth momentum.

Despite these headwinds, the global economy demonstrated resilience. Strong tailwinds from technology-related investment, supportive fiscal and monetary policies, including a weaker US dollar helped sustain GDP growth at 3.4% in 2025. Without the impact of the Middle East conflict, the global growth projections for 2026 would have been revised upward, however, a 0.2 percentage point downward revision reflects the disruptions caused by the Middle East conflict.

According to the IMF's baseline scenario- assuming the conflict remains contained – global growth is projected at 3.1% in 2026 and 3.2% in 2027, below the historical average of 3.7% for the period 2000–2019

Global headline inflation is expected to rise to 4.4% in 2026 before declining to 3.7% in 2027, driven by higher energy prices and supply disruptions.

The impact of these developments is uneven. Emerging market and developing economies (EMDEs) have witnessed a 0.3 percentage points downward revision in growth while advanced economies remain broadly unchanged. Commodity-importing EMDEs particularly those with existing vulnerabilities are most exposed.

Downside risks remain significant. Under an adverse scenario with larger, sustained increase in energy price, global growth could decline to 2.5% with inflation at 5.4%. In a more severe scenario involving damage to energy infrastructure, global growth could fall to ~2.0% with inflation exceeding 6% by 2027 — with the impact on EMDEs nearly twice that on advanced economies.

In this context, policymakers must prioritise preserving price, macroeconomic stability and strengthen financial stability and accelerating structural reforms. Fostering adaptability, maintaining credible policy frameworks, and reinforcing international cooperation are essential to navigating this environment.

Sources:

World Economic Outlook, April 2026: Global Economy in the Shadow of War

World GDP growth (actuals and projections) (%)

	2025	2026	2027
	Estimate	Projections	
World Output	3.4	3.1	3.2
Advanced Economies	1.9	1.8	1.7
Emerging Markets and Developing Economies	4.4	3.9	4.2
China	5.0	4.4	4.0
India	7.6	6.5	6.5

(Source: IMF)

JSW Energy Barmer Power Plant

India Economic Overview

India continued to remain the world's fastest-growing large economy in FY26, demonstrating resilience against heightened global uncertainties and external shocks, including higher US tariffs imposed in April 2025. Growth was anchored by robust domestic demand, particularly private consumption and fixed investment as the primary drivers.

India's provisional estimate for FY 2026 GDP pegs real GDP growth at 7.7% for FY 2026 compared to 7.1% in FY 2025. Growth was largely driven by domestic factors, particularly private consumption and fixed investment. Both the Private Final Consumption Expenditure and Gross Fixed Capital Formation have exhibited more than 7.5% growth rate in FY 2026.

From a sectoral perspective, growth was broad-based, led by the secondary and tertiary sectors, which are estimated to grow at 8.8% and 9.3%, respectively, at constant prices in FY 2026. Manufacturing remained a key growth driver, with estimated real growth of 10.7%, while the trade, hotels, transport, communication and services related to broadcasting/storage segment is estimated to grow by 11.0%.

With the clear ambition of becoming a developed nation (Viksit Bharat) by 2047, the centenary year of its independence, the country is building on strong foundations of economic growth, structural reforms, and social progress. Robust domestic demand, easing inflation, and improving labour market conditions, place India on a steady path towards its 2047 development goals.

Monetary Policy – RBI June 2026 MPC

The MPC voted unanimously to hold the repo rate at 5.25% and maintained a 'neutral' monetary policy stance at its June 2026 meeting while highlighting risks from from the prolonged West Asia conflict, rising energy prices, supply-chain disruptions and weather-related uncertainties. The CPI inflation remains contained but is expected to rise moderately due to fuel price increases and supply-related pressures.

The RBI revised FY27 real GDP growth down to 6.6% (from 6.9% at the April MPC) and raised its CPI inflation forecast by 50 bps to 5.1% for FY27. Petrol and diesel prices have risen 7.4% and 8.4% cumulatively since May; the RBI estimates these directly add ~36 basis points to headline inflation, with further second-round effects through logistics costs. A likely deficient south-west monsoon and El Niño conditions are flagged as key domestic downside risks.

Future outlook

India's growth potential remains strong with GDP expected to grow at ~7%, in FY 27 with RBI GDP growth estimated at 6.6% and the Economic Survey estimates GDP growth at 6.8–7.2%. The growth outlook is supported by: continued public capital expenditure; improving private capex intentions; tax rationalisation broadening the urban consumption base; healthier household, corporate and bank balance sheets; and stable financial sector conditions. External risks remain elevated owing to geopolitical tensions, trade disruptions, supply-chain fragmentation, and volatile global capital flows.

Looking ahead, the growth outlook will be primarily driven by domestic engines of consumption and investment, while external risks remain elevated due to geopolitical tensions, trade disruptions, fragmented supply chains, and volatility in global capital flows. Moreover, healthier balance sheets across households, corporates and banks, continued public investment support, improving private capex intentions, moderated inflation and stable financial sector conditions remain supportive of growth. Overall, the FY 2027 outlook remains constructive, with India expected to remain one of the fastest-growing major economies, provided macroeconomic stability is preserved and reform momentum continues.

(Source: PIB, Economic Survey)

INDUSTRY REVIEW

Electricity plays an increasingly important role in the functioning of modern economies, powering advanced manufacturing, high value-added services, the digital economy and AI. Global power demand continues to rise rapidly supported by the increasing electrification of industry, transportation, and the building sectors. Consumption is also increasing from some of the most dynamic segments of global economies, such as artificial intelligence, data centres, and evolving technological innovations.

2025 was another turning point for global energy, driven by rising geopolitical tensions. Energy security, resource access, and technological sovereignty are now taking priority over climate goals. This year's data reveals three trends that are shaping the energy landscape: energy use is rising, but patterns are shifting; electrification is rapidly accelerating; and the energy transition remains chaotic.

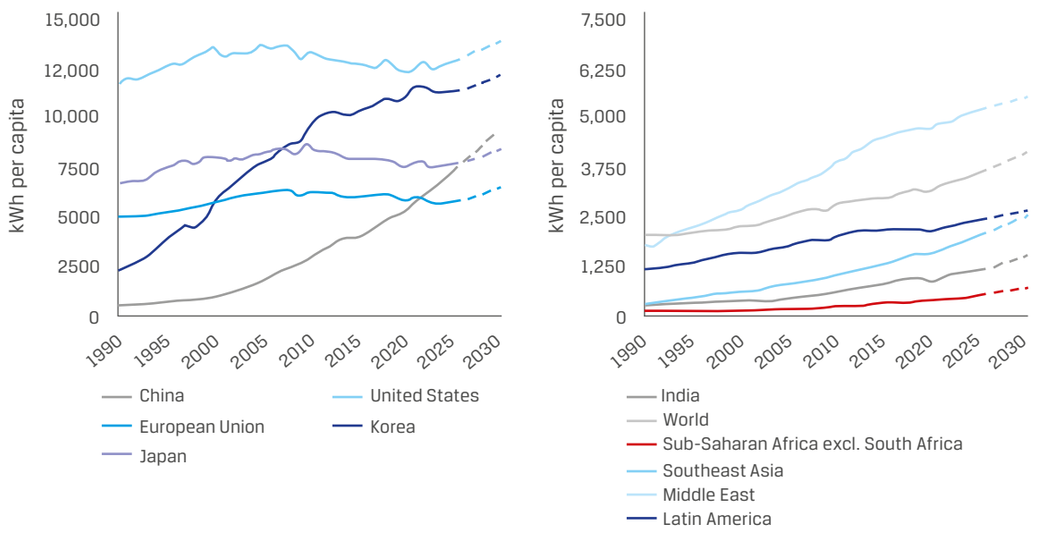
These trends underscore a stark truth: while renewable energy is scaling faster than ever, global demand is rising even faster. Rather than replacing fossil fuels, renewables are adding to the overall energy mix. This pattern, marked by simultaneous growth in clean and conventional energy illustrates the structural, economic, and geopolitical barriers to achieving a truly coordinated global energy transition.

(Source: Statistical Review of World Energy, KPMG)

Increasing electricity consumption

Global electricity demand is entering a structurally stronger growth phase, with demand forecast to increase at a brisk annual average rate of 3.6% over 2026-2030, supported by rising consumption from industry, electric vehicles, air conditioning and data centres. India is expected to be one of the key contributors to this growth, with electricity demand projected to grow at around 6.4% annually through 2030, adding over 570 TWh of incremental annual consumption, driven by robust economic growth, industrial activity, rising household and services consumption, increasing electrification, and rapid growth in cooling demand. India and Southeast Asia's share of emerging-market electricity demand growth is set to rise materially, with air-conditioning demand expected to lift both annual electricity consumption and peak load requirements, reinforcing the need for continued capacity addition, grid strengthening and flexibility solutions.

Electricity consumption per capita in select countries and regions – 1990-2030



Note: Data for 2026-2030 are forecast values

Source: IEA - Electricity 2026 – Forecast to 2030

Global energy outlook

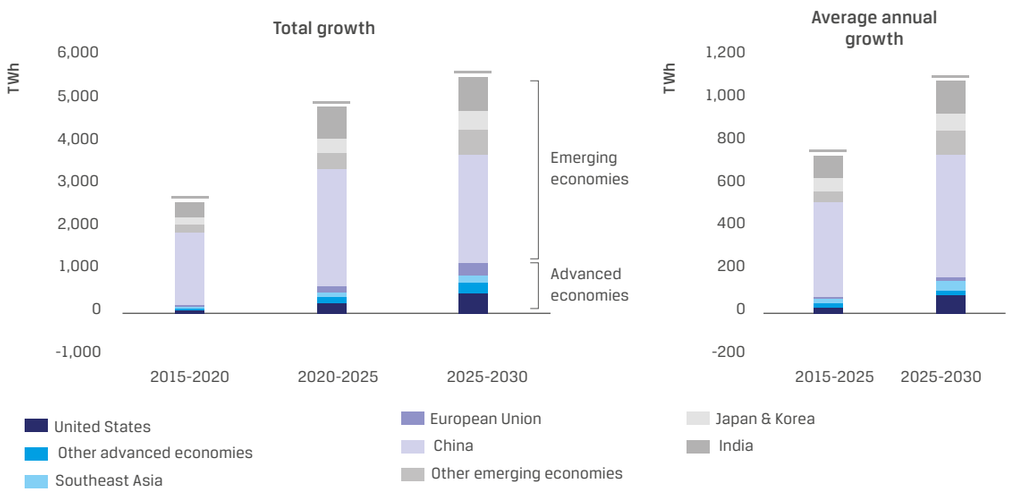
Geopolitical uncertainty, shifting policies, and increasing demand for power are reshaping the energy landscape. Global demand for oil, gas and coal increasing, global demand for electricity, particularly in advanced economies and Asian countries. Global power demand is expected to increase, driven by electrification and data centres in OECD countries. Traditional growth in electricity demand, driven by buildings and industry, will likely continue in emerging markets.

Global electricity demand is forecast to increase by an average annual rate of 3.6% over the 2026-2030 forecast period vis-à-vis 3.0% in 2025, supported by rising consumption from industries, air conditioning (AC) and data centres, as well as significant strides in electrification. Looking ahead, annual demand for electricity over the next five years is set to be 50% higher on average, compared with the average across the previous decade.

Emerging economies will continue to be the main pillar of electricity demand growth, accounting for nearly 80% of additional electricity consumption through 2030. While India and Southeast Asia are increasingly set to drive rising energy demand over the coming decade, China is forecast to remain the single-largest contributor to global electricity demand growth through 2030, accounting for close to 50% of the increase.

Further, electricity demand in the advanced economies is accelerating again after 15 years of stagnation. In 2025, advanced economies accounted for almost 20% of the global electricity demand growth, up from 17% in 2024. This resurgence signals a new era in which electricity is a major energy input to some of the most dynamic drivers of global economies such as artificial intelligence, data centres, and advanced manufacturing.

Global electricity demand growth by region – 2015-2030



Source: IEA - Electricity 2026 – Forecast to 2030

Renewables and nuclear – overtaking the electricity mix

During the 2026-2030 period, renewables, natural gas and nuclear together are expected to meet all additional global electricity demand in aggregate. Total generation from renewables is overtaking coal. With solar PV generating record increase of electricity, renewable output rose rapidly in 2025, matching the level of coal-fired generation. Renewable output is forecast to grow by roughly 1, 000 terawatt-hours (TWh) annually through 2030, with solar PV alone accounting for over 600 TWh. In percentage terms, renewable generation is forecast to rise at an annual rate of 8% per year. Renewables and nuclear are together expected to account for around half of global electricity generation by 2030.

Nuclear generation set a record in 2025 and is set to continue rising steadily through 2030. Nuclear power output in 2025 was supported by reactor restarts in Japan, higher generation in France, and new capacity additions in China, India and other countries. While most of the growth in nuclear generation through 2030 is expected to occur in emerging economies, with China alone accounting for around 40% of the global increase, nuclear energy is also regaining strategic importance in many advanced economies, underpinned by supportive policy frameworks to extend the lifetime of reactors and add new capacity.

JSW Energy Barmer Power Plant

Grids and flexibility – At the forefront of policymaking

Variable renewable generation from solar PV and wind continues to expand quickly, with their share of global generation set to rise from 17% in 2025 to 27% by 2030. Meanwhile, newer sources of demand – such as electric vehicles, heat pumps and highly concentrated loads, such as data centres – are expected to grow rapidly. However, grid infrastructure has emerged as a key bottleneck, with over 2,500 gigawatts (GW) of renewable, storage and large load projects currently stalled in grid connection queues worldwide. Since grid investment has lagged well behind investment in generation capacity, many power systems are already experiencing rising congestion-related curtailment.

Emissions from electricity to plateau through 2030

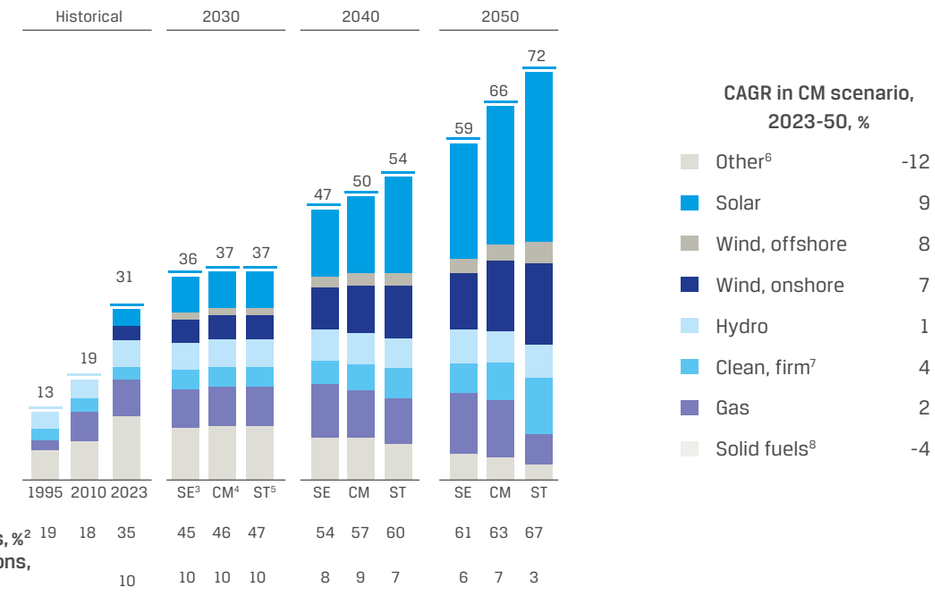
Global power sector emissions remained flat in 2025 and are forecast to plateau over the 2026-2030 period as renewables and nuclear account for a growing share of generation. Electricity generation remains the largest source of energy-related emissions, producing around 13,900 million tonnes of carbon dioxide (CO_2) annually. After rising in the preceding years, emissions from electricity generation stabilised in 2025 despite strong demand growth, reflecting rapid additions of low-emissions generation. The global CO_2 intensity of electricity generation declined by an estimated 3% in 2025 and is expected to fall faster through 2030, declining from around 435 gCO_2/kWh in 2025 to around 360 gCO_2/kWh by 2030.

Economies to ensure affordable clean and secure energy

Renewables are meeting a large portion of this demand growth and is beginning to surpass coal in the energy mix. Variable renewable energy sources and gas-powered generation will likely dominate new power supply. However, local market dynamics will influence the uptake of clean technologies and lead to varied decarbonisation pathways.

Renewables have the potential to provide 61 to 67% of the 2050 global power mix.

Global power generation,[1] thousands of terawatt-hours



[1]Excl generation from storage (batteries, long-duration energy storage, and pumped hydro). [2]Incl bioenergy with carbon capture and storage, geothermal, hydro, hydrogen-fired gas turbines, solar, and wind. [3]Slow Evolution scenario. [4]Continued Momentum scenario. [5]Sustainable Transformation scenario. [6]Incl bioenergy (with and without carbon capture, utilisation, and storage) and oil. [7]Incl coal and gas with carbon capture, utilisation, and storage; geothermal; hydrogen; and nuclear. [8]Incl thermal coal and biomass.

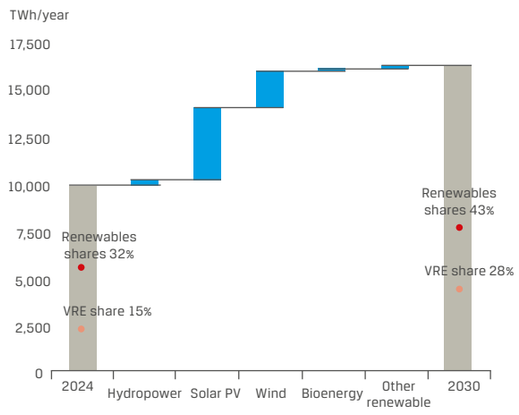
(Source: Global Energy Perspective 2025, McKinsey & Company)

Reaffirming the energy goals

COP30 was a reminder that the momentum for a clean energy future is real and irreversible. The UN climate conference in Belém, Brazil, held in November 2025, concluded with an agreement calling for a tripling of funding for developing nations to protect their people from the growing impacts of the climate crisis, and for stepping up support for workers and communities in the transition to clean energy. COP30 has delivered progress. Yet, the gap between where we are and what science demands remains dangerously wide. Keeping global temperature rise below 1.5°C by the end of the century is vital, and requires deep, rapid emission cuts – with clear and credible plans to transition away from fossil fuels and towards clean energy.

(Source: IEA)

Global Renewable Power Generation by technology (2024-2030)



(Source: IEA)

Solar PV and wind to dominate renewables expansion

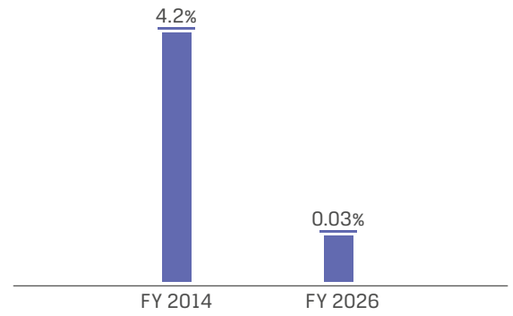
Global wind and utility-scale solar project pipelines continued to expand in 2025, with prospective capacity rising by 11% from 4.4 TW to 4.9 TW, according to Global Energy Monitor. Despite accounting for nearly half of global wealth, G7 countries represent only 11% of the world's prospective wind and utility-scale solar capacity additions, underscoring a decisive shift in clean power development toward emerging and developing economies. This reflects sustained momentum in clean energy development. China remains the dominant force, hosting 448 GW of wind and utility-scale solar projects under construction – more than half of the global under-construction total of 758 GW. India follows with 125 GW currently under construction, advancing toward its 2030 target of 500 GW non-fossil capacity.

India's power sector

Year 2025 marked a landmark period for India's power sector, with historic advancements and sustained additions in energy generation, transmission, and distribution. During FY 2026, India successfully met a peak power demand of 245 gigawatts (GW). The power shortage also declined sharply to 0.03%, compared to 4.2% in FY 2014, reflecting a significant improvement in supply adequacy, and demonstrating resilience and commitment to sustainable growth. Significant strides in energy conservation, consumer empowerment, and infrastructure development underscore the government's efforts to ensure reliable, affordable, and clean energy for all. With groundbreaking initiatives such as universal electrification, enhanced rural power availability, and the adoption of cutting-edge technologies, India is firmly on the path to becoming a global energy leader.

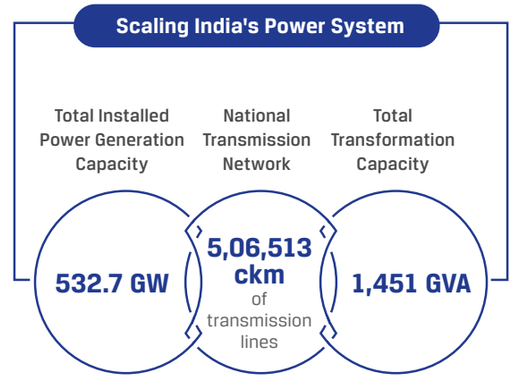
(Source: PIB)

Reduction in Power Shortage



Source: Ministry of Power

Scaling India's Power System



As of March 2026

Increase in electricity consumption

Electricity demand growth moderated to less than 1% YoY in FY 2026 — one of the weakest rates in recent years — driven by milder summer temperatures, an extended monsoon season, and softer cooling demand. This lower demand growth in FY 2026 is not reflective of the India's structural growth trajectory: over the five years to FY 2025, as net demand grew by ~430 TWh, with buildings (households and services) accounting for ~half of incremental demand, industry contributing 36%, and cooling alone adding 15%. Looking ahead, India's electricity demand is forecast to grow at ~6.4% annually through 2030, adding over 570 TWh of incremental annual consumption — with cooling expected to account for over 20% of incremental demand growth through 2030.

The sector continues to witness strong structural drivers, including urbanisation, industrialisation, electrification of transport, and expansion of digital infrastructure.

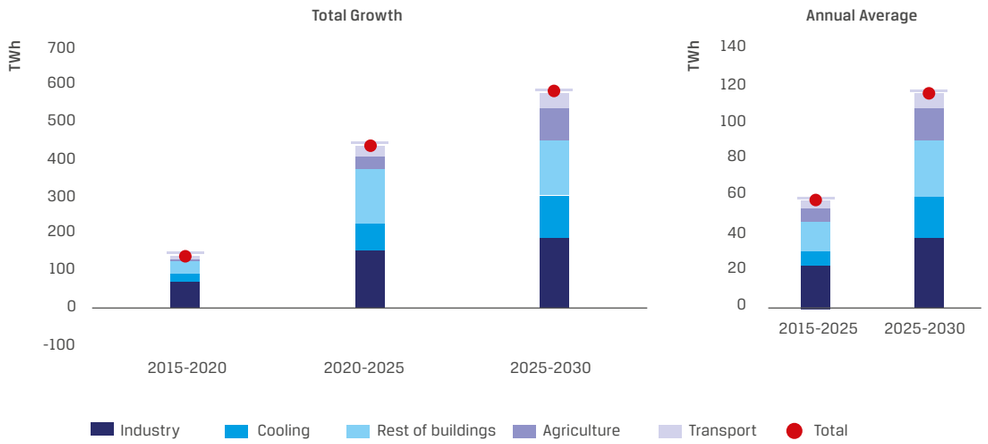
(Source: IEA)

Peak load and demand increase across India

Over the five-year period from 2021 to 2025, India's net electricity demand increased by close to 430 TWh, reflecting the country's structural growth trajectory. The buildings sector, comprising households and services, accounted for around half of the total demand growth, supported by rising urbanisation, higher appliance penetration and increasing cooling requirements. Space cooling alone contributed 15% of overall demand growth and nearly one-third of the increase in the buildings sector. Industry accounted for 36% of total demand growth, while agriculture and transport contributed the balance.

Looking ahead, India's electricity demand is expected to grow at an average annual rate of 6.4% through 2030, broadly in line with the country's economic growth outlook. Over the next five years, India is projected to add over 570 TWh to annual electricity consumption. The industrial sector is expected to contribute around one-third of this incremental growth, while the share of households and services is likely to moderate slightly compared with the previous five-year period. Rising ownership and usage of air-conditioners are expected to make cooling an increasingly important driver, accounting for over 20% of total demand growth through 2030. At the same time, electrification and continued development of agriculture and transport infrastructure are expected to jointly contribute around one-fifth of incremental electricity demand, reinforcing the long-term growth opportunity for India's power sector.

Electricity demand growth by sector and end-use in India – 2015-2030



Source: IEA - Electricity 2026 – Forecast to 2030

Key trends in India's Power Sector

1. **Record demand met:** India successfully met the maximum power demand of 245 GW during FY 2026.
2. **Sharp reduction in power shortages:** Due to significant additions in generation and transmission capacities, energy shortages at the national level have reduced to a mere 0.03% in FY 2026, a major improvement from 4.2% in FY 2014.
3. **Rise in per capita electricity consumption:** Per capita electricity consumption in India has surged to 1,460 kWh in 2024-25, marking a 52.6% increase (503 kWh) from 957 kWh in 2013-14.
4. **Improved power availability:** The average availability of electricity in rural areas has increased from 12.5 hours in 2014 to 22.6 hours, while urban areas now enjoy up to 23.4 hours of power supply as compared to 22.1 hours in 2014, reflecting substantial improvements in the reliability and reach of electricity services.

(Source: PIB)

Installed capacity of electricity in India (FY 2026)

Sector	Capacity (GW)	Contribution to Total (%)
Thermal	249.3	46.8%
Nuclear	8.8	1.6%
Renewable Energy (including large hydro)	274.7	51.6%
Total	**532.7**	**100%**

(Source: CEA)

Key segments in the power sector

Power generation

India's power sector witnessed continued capacity expansion in FY 2026, despite relatively muted electricity demand growth during the year, primarily due to an early and prolonged monsoon, cooler temperatures that reduced cooling-related demand. Total power generation stood at 1,846 BU, up 1.0% YoY, while installed generation capacity increased to 532.7 GW as of March 31, 2026, compared with 475.2 GW as of March 31, 2025, translating into 12.1% YoY growth. During FY 2026, India added 64.9 GW of generation capacity, reflecting sustained investments in the sector. Further, to address medium-term baseload requirements and strengthen system reliability, approximately 13.32 GW of new coal-based thermal capacity was awarded during FY 2026 up to November 30, 2025.

Generation from Fossil and Non-Fossil Fuel

Category	Target Generation in FY 2026 (BU)	Actual Generation in FY 2026 (BU)	Generation in FY 2025 (BU)	Growth vs previous year (%)	% of Total Generation
Fossil Fuel	1,503.66	1,306.95	1,363.06	-4.12%	70.8%
Non-Fossil Fuel	496.73	538.97	465.80	15.7%	29.2%
Wind	91.71	106.08	83.34	27.29%	5.7%
Solar	152.49	173.52	144.15	20.38%	9.4%
Bio-Power	30.78	29.19	27.51	6.13%	1.6%
Hydro	155.67	167.16	148.63	12.47%	9.1%
Total Generation	**2,000.40**	**1,845.92**	**1,828.87**	**0.93%**	**100%**

https://www.pib.gov.in/PressReleasePage.aspx?PRID=2250039&reg=3&lang=1

JSW Jaisalmer Solar Plant

Power Transmission

India's transmission infrastructure is entering a decade-long expansion phase, driven by rising electricity demand and the accelerating integration of renewable energy into the national grid. The country's transmission network crossed 5 lakh circuit kilometres (ckm) of lines of 220 kV and above in January 2026, supported by 1,407 GVA of transformation capacity, reflecting a 71.6% increase in the network since April 2014. Inter-regional power transfer capacity has also strengthened to 120 GW, enabling seamless power flow across regions under the "One Nation – One Grid – One Frequency" framework. With India targeting 500 GW of non-fossil capacity by 2030, ongoing inter-state and intra-state transmission projects are expected to add approximately 67,500 ckm of transmission lines and 533 GVA of transformation capacity, enhancing grid reliability and renewable power evacuation capability. In parallel, India's transmission sector is expected to witness nearly ₹ 9 trillion of government-committed capex by 2032, supported by the need to connect expanding renewable capacity, strengthen substations, transformers and transmission corridors, and serve emerging demand from data centres, railway electrification, electric vehicles and industrial growth.

(Source: PIB, ET)

Power Distribution

Adequate generation alone does not guarantee access. Electricity must reach homes, farms, and enterprises through a strong and efficient distribution network. Recognising this, focussed attention was given to strengthening last-mile infrastructure across the country.

Under the Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) and the Integrated Power Development Scheme (IPDS) both launched in December 2014, significant investments were made to strengthen and modernise distribution infrastructure. DDUGJY focussed on creating basic electricity infrastructure in villages through the strengthening and augmentation of existing networks, along with metering of feeders and distribution transformers.

IPDS targeted urban areas by upgrading sub-transmission and distribution networks, introducing metering of distribution transformers, feeders, and consumers, and implementing information technology-enabled systems such as Enterprise Resource Planning, smart metering, Gas Insulated Substations, and Real-Time Data Acquisition Systems. These efforts were complemented by the Pradhan Mantri Sahaj Bijli Har Ghar Yojana (Saubhagya), recognised as one of the world's largest universal electrification initiatives. It focussed on providing last-mile connectivity and electricity connections to all unelectrified households in the country.

In 2021, the Revamped Distribution Sector Scheme (RDSS) was launched with a total outlay of about ₹ 3.03 lakh crore. Projects worth ₹ 2.8 lakh crore have already been approved under the scheme. The Scheme was launched to support States and Union Territories in improving the operational efficiency and financial sustainability of distribution utilities, to provide a reliable and quality power supply.

https://www.pib.gov.in/PressReleasePage.aspx?PRID=2241822&reg=3&lang=2

Smart Meters Deployed in India

5.62 Crore
Smart meters installed in total.

Out of the total 5.62 Crore,
4.05 Crore
Smart meters installed under Revamped Distribution Sector Scheme.

Enroute to a sustainable and inclusive energy future

In line with the Hon'ble Prime Minister's vision outlined at COP-26, Government is working to reach 500 GW Non-fossil energy capacity by 2030. India achieved the milestone of 50% of its cumulative electric power installed capacity from non-fossil fuel sources in June 2025, five years ahead of the 2030 target set under its Nationally Determined Contribution (NDC) to the Paris Agreement. The total non-fossil power installed capacity has reached 283.5 GW in March 2026 which is 53.2% of the total installed electricity capacity in the country (532.74 GW). As per IRENA RE Statistics 2026, India stands 3rd globally in total renewable energy.

Growing non-fossil fuel capacity in India

In 2025-26, India recorded its highest-ever non-fossil capacity addition in any single year – adding 55.29 GW vis-à-vis 29.5 GW in FY 2025 and demonstrating India's strong commitment to clean energy. As on March 31, 2026, a total of 283.5 GW of capacity has been installed in India from non-fossil fuel sources, solidifying its position as the third-largest globally. This includes 274.7 GW Renewable Energy (150.26 GW Solar Power, 56.09 GW Wind Power, 11.75 GW Bio Energy, 5.17 GW Small Hydro Power, 51.41 GW Large Hydro Power) and 8.78 GW Nuclear Power capacity.

India's total power generation during 2025-26 reached 1,846 BU as against 1,829 BU during the previous year, indicating a growth of 1.0%.

The share of non-fossil fuels in total power generation reached 29.3% at 541 BU in FY 2026. Installed capacity of renewable energy increased 3.59 times since 2014 – increased from 76.38 GW in March 2014 to 274.68 GW in March 2026 – an increase of 198.30 GW.

- Solar energy installed capacity increased from 2.82 GW in March 2014 to 150.26 GW in March 2026 – an increase of 147.44 GW
- Wind energy installed capacity increased from 21.04 GW in March 2014 to 56.09 GW in March 2026 – an increase of 35.05 GW

India's Renewable Energy Installed Capacity

Solar Power	150.3 GW
Wind	56.1 GW
BM & Waste Energy	11.7 GW
Small Hydro Power	5.2 GW
Hydro	51.4 GW

(Note: Above data is as on March 31, 2026)

India stands 3rd globally in Renewable Energy Installed Capacity (as of Dec'25, as per IRENA RE Statistics 2026).

Country	Renewable Energy Installed Capacity (GW)
China	2,258.02
USA	467.92
India	250.52
Brazil	228.20
Germany	199.92
Japan	134.53
Canada	110.51
World	5,149.28

Key challenges and opportunities

Despite its progress, India's renewable energy sector faces several challenges and opportunities, as given below:

Grid integration challenges

Challenges of grid integration arise from variability and intermittency of renewable energy sources, including solar and wind. These factors can destabilise the grid, requiring upgrades in infrastructure, advanced grid management technologies, and energy storage solutions to ensure a stable and reliable electricity supply.

Financing and investment

High initial costs and perceived risks pose key challenges for securing funding for energy projects. Despite this, the sector offers investment opportunities, attracting interest from international investors wanting to capitalise on the growing market and potential long-term returns.

Technological advancements

Continuous innovation in energy technologies is the key to enhancing efficiency and cutting costs. Progress in energy storage, smart grids, and energy management systems will lead to positive development in the sector.

Future outlook and trends

The renewable energy sector in India is poised for significant growth:

Projections for renewable energy growth

India is expected to witness an increase in its energy capacity, driven by favourable policies, technological advancements, and international collaboration. The nation is well-positioned to emerge as a player in renewable energy.

Emerging technologies and innovations

Innovative technologies like floating panels, offshore wind farms, and green hydrogen are changing the renewable energy sector and present opportunities to expand the capacity of energy sources.

Potential for global leadership

India has the potential to lead in renewable energy with ample resources and strong policies. By investing in research, development, and infrastructure, India can inspire other countries to adopt sustainable practices.

Key segments in India's renewable energy sector

Solar energy

Solar has been the major contributor to the progress in renewable energy in India. Solar energy installed capacity crossed 150 GW mark in March 2026. Solar capacity addition in FY 2026 stood at 44.6 GW, compared to 23.8 GW in FY 2025.

Solar PV

India has made significant progress in boosting solar module manufacturing capacity. Indigenous solar module manufacturing capacity under the Approved List of Models and Manufacturers (ALMM) for Solar Modules reached 144 GW per annum, with 81 GW added in calendar year 2025, reflecting an impressive 99% year-on-year increase from around 41 GW added in 2024. The PLI Scheme for High-Efficiency Solar PV Modules is helping in developing and enhancing solar manufacturing across various stages. Beneficiaries under PLI Scheme installed around 11 GW of solar PV module manufacturing and around 5 GW of solar PV cell manufacturing capacities during 2025 under the scheme.

Wind power

The wind energy installed capacity registered a substantial growth with capacity addition of 6.1 GW in FY 2026 compared to 4.2 GW in FY 2025, reaching 56.1 GW by March 2026 – an increase of over 12.1% YoY.

Hydro energy

India is the fifth-largest producer of hydropower in the world. As of March 2026, India had an installed capacity of 56.6 GW, including large and small hydro projects. Hydropower now makes up around 9% of India's total electricity generation. India's National Resource Adequecy Plan 2026 called for 84 GW of hydropower capacity by 2035-36, including pumped storage. Several states, including Maharashtra, Andhra Pradesh, and Madhya Pradesh, are going ahead with large hydropower projects. The systems will assist in maintaining a stable grid with additional renewable energy.

Unlocking India's energy storage potential

India's energy storage sector is set for robust growth, driven by the rising demand for storage solutions to support the country's expanding renewable energy capacity. With projections for energy storage capacity reaching 174 GW by 2035-36, India's energy storage infrastructure is evolving through diverse tenders aimed at enhancing grid stability, scalability, and the seamless integration of renewable energy. The government is actively fostering the adoption of BESSs and PSPs through financial incentives, regulatory measures like ESO, and dedicated policy initiatives. Landmark projects, such as the 40 MW BESS project in Chhattisgarh, demonstrate significant progress in integrating energy storage with the grid.

(Source: EY)

Hydro pumped storage

Based on the CEA's Resource Adequacy framework, hydro pumped storage is expected to play a central role in supporting India's high-renewable grid, with long-duration storage becoming critical beyond 2030 for managing intermittency and peak demand. The outlook envisages a scale-up to 100 GW of PSP capacity by 2035–36, positioning it as the backbone of storage deployment, enabling peak shaving, load shifting and grid stability.

Battery energy storage

Installation of battery energy storage projects is set to increase almost ten-fold in 2026 as India's energy storage landscape reaches an inflection point. As per India Energy Storage Alliance, capacity addition of battery energy storage is expected to leap from 507 MWh in 2025 to 5 GWh in 2026. Government support added to impetus-to-growth via schemes such as the Viability Gap Funding of ₹ 5,400 crore (USD 607.9 million) and interstate transmission charge waivers. Surge in energy storage is significant for meeting increased future demand and decarbonisation goals as India integrates more renewable power and strengthens grid stability.

(Source: IBEF)

Driving India's green energy financing

India's green transition demands USD 150-200 billion annually, however, despite raising USD 44 billion in 2019-20, barriers like high capital needs, long payback periods, and technological risks persist. To address this, the government has introduced sovereign green bonds, green deposit guidelines, and SEBI's BRSR framework. Investments are surging in solar, wind, EVs, green hydrogen, and energy storage, with climate tech funding quadrupling since 2019. Blended finance, public-private partnerships, and development finance institutions are crucial to mitigating risks and mobilising private capital.

(Source: EY)

Green hydrogen

Green hydrogen, a superior and a more sustainable alternative to fossil fuels is rapidly emerging as the clean fuel of the future in India. It has zero carbon emissions and broad industrial applications and has the potential to transform the energy mix in India leading to a decrease in fossil fuel use. To aid its growth, the Indian government launched the National Green Hydrogen Mission, with a target of 5 million tonnes of annual production by 2030, backed by 125 gigawatts (GW) of new solar and wind energy. This has the potential to usher in investments of USD 89.45 billion, generate six lakh new jobs, and prevent almost 50 million metric tonnes of greenhouse gas emissions annually.

(Source: IBEF)

Future outlook

India's power sector is poised for sustained growth, supported by strong demand fundamentals, policy support, and an accelerating energy transition. Electricity demand is expected to grow at around 5-6% CAGR over the coming decade, driven by robust

economic expansion, urbanisation, industrialisation, and rising electrification across sectors. Emerging demand from electric vehicles, data centres, artificial intelligence-driven digital infrastructure, and green hydrogen production is expected to further strengthen power consumption. Peak power demand is projected to rise significantly, necessitating substantial investments in generation, transmission, and storage infrastructure.

To meet this demand, India is undertaking a large-scale capacity expansion with a strong focus on clean energy, targeting 500 GW of non-fossil fuel capacity by 2030. Renewable energy – particularly solar and wind – is expected to account for the majority of incremental capacity additions, supported by competitive tariffs, supportive policy frameworks, and large-scale renewable auctions.

At the same time, energy storage solutions, including battery energy storage systems and pumped hydro, are gaining increasing importance to address intermittency, enhance grid flexibility, and enable higher renewable penetration. Thermal power is also expected to play a complementary role in maintaining grid stability during the transition. Alongside generation growth, the sector is witnessing significant investments in transmission expansion, grid modernisation, and storage infrastructure, positioning India's power sector for a resilient, reliable, and increasingly sustainable energy future.

Company Overview

About JSW Energy Limited

JSW Energy Limited , the JSW Group's energy arm of the USD 25 billion JSW Group, has evolved into one of India's largest and most diversified Independent Power Producers (IPPs) since commencing commercial operations in the year 2000. Incorporated in 1994, with the objective to develop, construct and operate power plants, we have been in the business of power generation since 2000. Over time, the Company's operational capacity has shifted toward renewable sources, aligning with a commitment to net zero carbon emissions by 2050. Today, with its assets strategically spread across the country, it has evolved from a conventional power generator into a comprehensive provider of advanced and reliable energy products and services. The Company has progressively transitioned toward a cleaner energy portfolio while maintaining a balanced mix of thermal and renewable capacity to ensure reliability and energy security.

The portfolio of JSW Energy includes thermal, renewable, and hydroelectric power generation. It maintains a strong emphasis on delivering reliable and dispatchable next-generation energy solutions, including battery energy storage and pumped hydro storage projects. It is also foraying into wind equipment manufacturing and developing green hydrogen and its derivatives business for green steel production by having commissioned India's largest 3,800 TPA commercial-scale green hydrogen project at Vijayanagar.

With an integrated business model, JSW Energy is intensifying and supporting decarbonisation of India's power sector and the nation's energy security needs. The Company is executing a dual-pronged strategy that aggressively focusses on green energy for future growth, while concurrently expanding its thermal power capacity to ensure national energy security, thereby exemplifying its dual focus on ensuring reliable baseload capacity and contributing towards clean energy transition. Its business operations include: (i) power generation, including thermal, solar, wind and hydro energy; and (ii) power transmission and trading. In addition, it is also investing in energy storage, including battery storage and hydro pump storage; and foraying into energy products and services, including power equipment manufacturing to de-risk the supply chain, and green hydrogen and its derivatives.

Our current PPA locked-in portfolio (including under-construction projects) of 27.50 GW includes 18.64 GW of renewable energy capacity and 8.86 GW of thermal energy capacity as of March 31, 2026. As part of the power generation business, it owns and operates power plants in 14 states in India and has a presence across all modes of power generation, namely, thermal, hydro, wind and solar, with a key milestone of total power generation installed capacity of 13,454 MW across various power generation modes, as of March 31, 2026. The installed capacity has increased by a CAGR of 27.03% in FY 2026, compared to 6.56 GW in FY 2023.

JSW Energy Ratnagiri Power Plant

The total installed capacity includes 5,658 MW of thermal energy, 3,656 MW of wind energy, 1,631 MW of hydro energy, 2,058 MW of solar energy and 451 MW of hybrid renewable energy as of March 31, 2026. In addition, it is also in the process of constructing power plants with a cumulative generation capacity of 14,048 MW, consisting of 2,353 MW of wind energy, 3,547 MW of solar energy, 4,798 MW of renewable hybrid power projects, 150 MW of hydro energy and 3,200 MW of thermal energy projects. Furthermore, with 4,561 MW of power projects under implementation, as of March 31, 2026, the total locked-in capacity stand at 32,062 MW.

The Company aims to transition from a pure play power generation company to one providing energy products and services. To that end, it has entered into the business of green hydrogen manufacturing and energy storage, encompassing both our BESS and PSP projects. Its evolution from a traditional power generation company to one that offers energy products and services is marked by its entry into energy storage, equipment manufacturing, and green hydrogen projects.

In energy storage, the Company continued to make constant progress underscoring its commitment to delivering reliable and flexible energy solutions. The Company has a locked-in energy storage capacity of 29.6 GWh, encompassing 26.4 GWh of hydro pumped storage and 3.2 GWh of battery energy storage. The Company remains committed to achieving its future energy targets – aiming for 30 GW of generation capacity and 40 GWh of energy storage by 2030, with a target portfolio mix of 70% renewables and 30% thermal.

A long operating history, with a proven track record of operational efficiency and a deep understanding of the power industry in India, positions the Company favourably within the Indian power sector. Given its strong execution capabilities, disciplined capital allocation, and a robust financial foundation, JSW Energy is building a future-ready, low-carbon energy platform that is strongly aligned with India's ambitious and long-term clean energy goals of achieving net-zero emission and renewable energy development. The Company remains committed to achieving 30 GW of generation capacity and 40 GWh of storage capacity by 2030, with a long-term goal of carbon neutrality by 2050. The Company remains committed to achieving carbon neutrality by 2050, aligning with global efforts to limit temperature rise to 1.5°C under the Paris Climate Agreement. The Company's ESG performance continues to be recognised through strong external ratings, including an S&P Global (DJSI–ESG) score of 82, TPI Level 5 (highest rating), and inclusion in the FTSE4Good Index, reflecting JSW Energy's leadership in responsible and sustainable growth.

Leveraging synergies as part of JSW Group

JSW Energy is the energy arm of the JSW Group, which is amongst India's leading conglomerates with interests in the steel, energy, infrastructure, cement, paints, venture capital and sports sectors. We believe that we achieve group synergies, including access to talent, securing competitive commercial terms, and sourcing critical equipment and supplies. Additionally, various group companies within the JSW Group are adopting a de-carbonisation strategy, which provides it with additional opportunities apart from the opportunities received through procurement bids from central and state government bodies.

Further, JSW Steel is on a significant growth path which provides opportunities within the group. The Company has also signed two memoranda of understanding ("MoU") with JSW Steel to provide (i) 6.2 GW of renewable capacity along with 2.7 GWh of energy storage, and (ii) 85,000-90,000 tonnes per annum of green hydrogen and the required capacity of green oxygen with associated renewable power solutions.

Demonstrated inhouse project execution capabilities across all segments of generation

All the projects of JSW Energy are managed entirely in-house, with comprehensive oversight provided by our internal project management teams. Through the successful development, commissioning, and operation of various plants, it has built a strong foundation of technical expertise and deep domain knowledge across multiple modes of power generation.

The dedicated teams are currently executing all ongoing power projects, while selectively subcontracting specific workstreams to optimise efficiency. It has also built its organisational capabilities in the renewable energy sector, and is currently in the process of commissioning additional renewable energy capacity through our in-house project management teams. Due to the long gestation period and the capital-intensive nature of power projects, its efficient project management is essential to avoid timing delays and cost overruns.

The Company's Growth is underpinned by a prudent capital allocation strategy consistently maintained since incorporation. This approach includes carefully selecting new projects to ensure appropriate returns, as well as successfully integrating acquired assets into its operations. It prioritises efficiency in both project execution and operational management, as reflected in disciplined O&M costs.

FY 2026: A Milestone Year

FY 2026 marked another milestone for JSW Energy, underscored by strong operational and financial performance. The Company delivered robust results, driven by substantial capacity additions, which translated into record-high power generation and sales. This performance reflects enhanced earnings visibility and resilient cash flows.

JSW Energy achieved industry-leading growth, further strengthened its portfolio of long-term contracts, and continued to make meaningful progress on organizational excellence and sustainability initiatives.

Record financial performance: Reported highest-ever annual EBITDA of ₹ 11,041 crore and record PAT of ₹ 2,762 crore. EBITDA increased at ₹ 11,041 crore driven by significant contribution from acquired assets (primarily JSW Mahanadi and 02 Power) and cash profit was ₹ 4,359 crore.

Integration of acquired assets: The company has well integrated the acquired assets of JSW Mahanadi and 02 power portfolio which has significantly contributed to the EBITDA. For FY 2026, JSW Mahanadi generated an EBITDA of ₹ 3,343 Crore and 02 Power Portfolio has contributed EBITDA of ₹ 1,026 Crore.

Focussed innovation: In FY 2026, JSW Energy commissioned India's largest green hydrogen plant with a capacity of 3,800 tonnes per annum (tpa), along with 30,000 tpa of oxygen, backed by a 7-year firm offtake agreement with JSW Steel at Vijayanagar, Karnataka. Additionally, it also commissioned 19.8 MW floating solar at Vijayanagar.

Sector Leading Capacity Addition: The Company added 2.6 GW of renewable capacity in FY 2026, gaining total installed capacity of 13.45 GW as on March 31, 2026. This was aided via a calibrated and prudent combination of organic and inorganic pursuits.

Sustainability & ESG Leadership: JSW Energy has established a comprehensive sustainability framework anchored around 17 focus areas with 2030 targets (year 2020 as the base year), integrating environmental stewardship, social responsibility, and strong governance practices across its operations. The Company remains committed to achieving carbon neutrality by 2050, aligning with global efforts to limit temperature rise to 1.5°C under the Paris Climate Agreement. Key environmental priorities include reducing carbon emissions by over 50%, increasing renewable power to two-thirds of total installed capacity, achieving zero liquid discharge, 100% ash utilisation, responsible water management, and ensuring no net loss of biodiversity.

Complementing these goals are strong social and governance pillars covering operational health and safety, supply chain sustainability, employee wellbeing, human rights, indigenous community engagement, social sustainability, and ethical business conduct.

Oversight of sustainability initiatives is provided by the Board-level Sustainability Committee, comprising independent and executive directors, ensuring robust governance and accountability. The Company's ESG performance continues to be recognised through strong external ratings, including an S&P Global (DJSI–ESG) score of 82, TPI Level 5 (highest rating), and inclusion in the FTSE4Good Index, reflecting JSW Energy's leadership in responsible and sustainable growth.

People and Culture: JSW Energy was certified as a Great Place to Work® for the fourth consecutive year, which reaffirm the Company's commitment to fostering an inclusive, high-performance culture as it continues to scale new heights.

Strategy 3.0: Firmly committed to FY 2030 goals

JSW Energy aspires to become a leading, full-service integrated power company in India, with a strong presence across the entire value chain and the ability to capitalise on the significant opportunities in the Indian power sector.

As part of its growth strategy, the Company is committed to aligning with India's ambition for carbon neutrality by steadily increasing the accessibility of clean energy. It aims to reduce its carbon footprint by approximately 50% by 2030 and achieve carbon neutrality by 2050 through a transition to renewable energy.

By strengthening its market presence and deepening its expertise in green energy, the Company continues to invest in energy storage, recognising its critical role in ensuring reliable power as renewable energy's share in the overall energy mix increases.

With disciplined capital allocation, strong execution capablities, and a de-risked business model, the Company is building a resilient, sustainable, and future-ready energy platform. Under its Strategy 3.0, the Company is entering an accelerated growth phase and remains firmly committed to its 2030 goals of trebling its generation capacity to 30 GW and creating energy storage of 40 GWh, thereby reaffirming its commitment to India's energy security goals. The PPA locked-in portfolio, including under-construction projects, stands at a total capacity of 27.50 GW as of March 31, 2026.

JSW Solar Energy Jaisalmer Power Plant

As of FY 2026, the Company's locked-in power generation capacity stands at 32.1 GW, comprising installed capacity of 13.45 GW, under construction of 14.05 GW and under implementation capacity of 4.56 GW.

Further, on the energy storage, the Company has a locked-in capacity of 29.6 GWh – consisting of 3.2 GWh of Battery Energy Storage System (BESS) and 26.4 GWh of Hydro Pumped Storage. Overall, the Company is on track to achieve its "Strategy 3.0" target of 30 GW installed generation capacity and 40 GWh energy storage by 2030.

To achieve its capacity expansion targets, a capital expenditure of ₹ 130,000 crore has been lined up during FY 2026-30. This strategic acceleration in investments underscores its determination to meet its capacity expansion targets and strengthen its position in India's rapidly evolving power sector.

Looking ahead, the Company will continue to adopt a prudent and balanced approach while leveraging emerging opportunities. It is targeting an energy mix of two-thirds green and one-third conventional capacity by FY 2030, with the long-term objective of becoming a full-spectrum energy solutions provider.

Key Highlights, FY 2026

Completion of 02 Portfolio acquisition

JSW Energy successfully completed its largest acquisition to date—the 4.7 GW renewable energy platform from 02 Power Pooling Pte. Ltd.—during the year. This transaction underscores the Company's commitment to value-accretive growth and disciplined capital allocation. The acquisition has added a portfolio of high-quality assets across resource-rich states, strengthening JSW Energy's operational capabilities and geographic presence.

It also provides additional connectivity of approximately 900 MW, enabling a strong pipeline for future capacity expansion.

Commissioned India's largest Green Hydrogen plant

Marking a major step in the Company's journey towards clean energy, JSW Energy commissioned India's largest green hydrogen plant, with an annual capacity of 3,800 tons of Green Hydrogen and 30,000 tons of Green Oxygen.. Strategically located at the JSW Steel complex in Vijayanagar, Karnataka, the plant will supply green hydrogen directly to the steel-maker's Direct Reduced Iron (DRI) unit. This initiative supports the production of low-carbon steel and reduces reliance on on fossil fuels, representing a meaning step in advancing India's sustainable industrial ecosystem.


JSW Wind Energy
Sandur Power Plant

The project involves a 150 MW run-of-river hydroelectric plant in the Tidong Valley, Himachal Pradesh. The project is progressing well, with Unit I (50 MW) commissioned in May 2026, while the remaining capacity is under execution and targeted for phased commissioning.

The plant benefits from a 22-year power purchase agreement with Uttar Pradesh Power Corporation for 75 MW power during the months of May to October at a tariff of ₹ 5.57/KWh.

Acquisition of GE Power's boiler manufacturing business

The Company entered into an agreement with GE Power India to acquire its boiler manufacturing unit in Durgapur, West Bengal. This move is aimed at achieving vertical integration, significantly reducing dependence on third-party suppliers and mitigating supply chain risks for expanding thermal power projects. This will enhance the Company's in-house capabilities with technology and people, which is critical for equipment manufacturing, besides supporting its expansion plan for thermal power. This acquisition is currently underway.

As part of a seven-year offtake agreement, JSW Energy will supply 3,800 TPA of green hydrogen and 30,000 TPA of green oxygen to JSW Steel. This aligns with its allocation of 6,800 TPA allocation under the Strategic Interventions for Green Hydrogen Transition (SIGHT) program administered by the Solar Energy Corporation of India (SECI).

Commissioned our first battery plant in Pune

JSW Energy commissioned its 5 GWh battery assembly facility in Pune during Q4 of FY 2026, marking a key milestone in its energy storage strategy and diversification into new-age technologies. The plant, designed to support Battery Energy Storage Systems (BESS), will cater to both utility-scale and commercial applications, enabling grid balancing, renewable integration, and improved reliability of power supply. The facility also strengthens JSW Energy's backward integration, supports domestic content requirements and advances the Company's target of building ~40 GWh of energy storage capacity by 2030.

Acquisition of Stratkraft's hydro power project

JSW Neo Energy completed the acquisition of Tidong Power Generation from Norway's Statkraft IH Holdings AS for an enterprise value of ₹ 1,728 crore.

Business Segments

Power generation

Primarily engaged in the business of power generation, the Company today has a well-diversified portfolio of thermal and renewable assets spread across multiple geographies in India. The total locked-in generation capacity stands at 32.1 GW.

Power transmission

Jaigad Power Transco Limited (JPTL) is a 74:26 joint venture between the Company and Maharashtra State Electricity Transmission Company Limited (MSETCL). It owns and operates two 400 kV transmission lines in Maharashtra, contributing towards the region's stable electricity supply.

Power trading

In a strategic step toward its vision of becoming a full-spectrum energy company, JSW Power Trading Company Limited (JSWPTC) was established over two decades ago, and is recognised as one of India's leading power trading entities. It holds a Category "II" licence from the Central Electricity Regulatory Commission (CERC), enabling it to trade electricity across the country. It is an active member of all major power exchanges, including the Indian Energy Exchange (IEX), Power Exchange India Limited (PXIL), and Hindustan Power Exchange Limited (HPX).

Portfolio as on March 31, 2026

13,454 MW
Installed

14,048 MW
Under-Construction

4,561 MW
Pipeline

Installed Projects

Installed	Capacity (MW)
Barmer	1,080 MW
Ratnagiri	1,200 MW
Vijayanagar	860 MW
Nandyal	18 MW
Utkal	700 MW
JSW Mahanadi	1,800 MW
Total Thermal	**5,658 MW**

Hydro Power Plants

Installed	Capacity (MW)
Baspa-II	300 MW
Karcham Wangtoo	1,091 MW
Kutehr	240 MW
Total Hydro	**1,631 MW**

Solar Power Plants

Installed	Capacity (MW)
Vijayanagar	225 MW
Rooftop and Captives	28 MW
Mytrah Solar	422 MW
Barmer – Captive for TPP	5 MW
JSW Steel Vijayanagar Floating	20 MW
02 Power	1,358 MW
Total Solar	**2,058 MW**

Wind Power Plants

Installed	Capacity (MW)
Mytrah Wind	1,331 MW
SECI X (Renew Two)	454 MW
SECI IX (Renew Energy)	702 MW
JSW Steel (Sandur)	601 MW
JSW Steel – Dolvi I	99 MW
JSW Steel – Salem I (TN)	38 MW

Installed	Capacity (MW)
Vashpet	45 MW
Hetero Group	125 MW
02 Power	262 MW
Total Thermal	**3,656 MW**

Hybrid Power Plants

Installed	Capacity (MW)
Group Captive (Anjar)	17 MW
C&I DCM	52 MW
JSW Cement (Nandyal)	5 MW
JSW Cement (Vijayanagar)	11 MW
02 Power	367 MW
Total Hybrid	**451 MW**

13,454 MW
Total installed capacity as of March 31, 2026

Under-Construction: PPA Signed

Under-Construction	Installed
Salboni	3,200
Thermal	**3,200**
Tidong	150
Total Hydro	**150**
SJVN (Tranche I)	700
SECI XIII	700
GUVNL (Khavda)	300
NTPC Solar II	700
Pavagada (Karnataka)	300
C&I (Indus Tower)	130
KREDL (Solar + BESS)	100
Group Captive	72
02 Power	545
Total Solar	**3,547**
SECI-IX	108
SECI-XII	300
SECI-XVI	1,025
C&I (Amazon)	182
Adani Energy – Wind I	250
02 Power	488
Total Wind	**2,353**
GUVNL (Phase 2)	234
MSEDCL (Hybrid III & IV)	1,600
C&I	287
FDRE IV	350
Group Captive	1,259
02 Power	1068
Total Hybrid	**4,798**
Total under-construction	**14,048**

Pipeline projects

Letter of Award/Intent Received – Pipeline 4,561 MW

Under-Construction	Installed
NTPC Solar III	400
SECI XV (Solar + ESS)	500
Total Solar	**900**
SECI (Hybrid VIII)	330
SJVN (Hybrid II)	330
NTPC (Hybrid VI)	330
Group Captive	250
O2 Power	621
Total Hybrid	**1,861**
Total Pipeline	**2,761**
JSW Mahanadi Thermal Growth Optionality	**1,800**

Operational Review

The Company's total installed capacity increased by 2.6 GW to 13.45 GW. The total current locked-in generation capacity stood at 32.1 GW.

During the year, net generation stood at 51,276 MUs, up 58% YoY, while net generation under long-term PPA increased 54% at 42,932 MUs, driven by organic renewable energy capacity additions, contribution from JSW Mahanadi and O2 Power. Short-term thermal generation increased 98% YoY with the shift towards domestic coal-based capacity.

Thermal power plants

Thermal generation grew 59% to 33,060 MUs, led by contribution from the Mahanadi Plant and Utkal Unit-II. The Company signed a power purchase agreement with Karnataka Discoms for the supply of 400 MW from the Utkal Thermal Plant, and a short-term PPA to supply power of 115 MW to Assam Discom from April 1, 2026.

The Company secured the supply of 1,600 MW steam turbine generators from Toshiba JSW for Salboni Thermal Project, West Bengal, de-risking the equipment availability risk. It also signed a second PPA with West Bengal Discom for 1,600 greenfield thermal project, increasing the total under-construction capacity at the site to 3,200 MW.

Vijayanagar

The Vijayanagar thermal power plant (860 MW) witnessed a sharp improvement in operational performance in FY 2026, driven by full tie-up under long-term PPAs and stronger dispatch levels. The plant's utilisation improved significantly, with PLF rising to 75% in FY 2026 compared to 59% in FY 2025, reflecting a structural shift in offtake visibility and scheduling. This translated into materially higher generation during the year, positioning Vijayanagar as a stable baseload contributor within the thermal portfolio. The operational turnaround underscores the benefits of transitioning merchant exposure to contracted capacity, leading to improved reliability, better capacity utilisation, and sustained contribution to overall generation growth.

Ratnagiri

The Ratnagiri thermal power plant (1,200 MW) delivered a relatively moderate operational performance in FY 2026, with generation impacted by lower dispatch levels during the year. Net generation declined to 6,963 MUs in FY 2026 from 7,880 MUs in FY 2025 (12% YoY decline), while long-term generation stood at 5,961 MUs vs. 6,580 MUs in FY 2025. Correspondingly, plant load factor (PLF) moderated to 72% in FY 2026 from 82% in FY 2025 (overall basis), reflecting lower utilisation amid changing demand dynamics and dispatch considerations. Despite the decline in output, the plant continued to maintain stable operations with healthy availability levels, underscoring its role as a dependable base-load asset within JSW Energy's thermal portfolio, albeit with relatively softer dispatch during the year.

Barmer

The Barmer lignite-based thermal power plant (1,080 MW) delivered a stable operational performance in FY 2026, continuing to operate at healthy utilisation levels supported by integrated fuel availability and strong baseload characteristics. Net generation for the plant stood at 5,559 MUs in FY 2026 as compared to 6,000 MUs in FY 2025 (7% YoY decline), reflecting marginally lower dispatch during the year. Correspondingly, plant load factor (PLF) moderated slightly to 67% in FY 2026 from 71% in FY 2025, while maintaining steady operational efficiency. Overall, Barmer remained a reliable contributor to the thermal portfolio, underpinned by its fuel security and consistent operating profile, ensuring dependable supply despite minor variations in demand and scheduling.

JSW Mahanadi

The JSW Mahanadi thermal power plant (1,800 MW operational) emerged as a key growth driver for JSW Energy in FY 2026 following its successful integration into the portfolio. The plant delivered a sharp ramp-up in generation, with net generation increasing to 11,430 MUs in FY 2026 from 790 MUs in FY 2025 (refers to part-period generation post-acquisition of this asset in March 2025), reflecting a full year contribution post-acquisition. Correspondingly, plant load factor (PLF) remained healthy at 78% in FY 2026, while operating at high availability with deemed PLF levels around 95%, highlighting strong dispatch and PPA-backed offtake. The plant's scale, fuel linkage security, and high utilisation enabled it to significantly augment overall thermal generation during the year, positioning it as a cornerstone baseload asset within JSW Energy's portfolio.

JSW Energy (Utkal)

The Utkal thermal power plant (700 MW) delivered a strong operational ramp-up in FY 2026, driven by improved unit availability and increasing contribution from recently commissioned capacity. Net generation from the plant nearly doubled to 3,795 MUs in FY 2026 from 1,935 MUs in FY 2025 (96% YoY growth), supported by higher dispatch and stabilisation of operations. Correspondingly, the plant operated at a PLF of 67% in FY 2026 compared to 65% in FY 2025, reflecting improved utilisation levels. The significant increase in generation underscores the plant's transition into a steady contributor within the thermal portfolio, with performance expected to further strengthen as long-term PPA tie-ups and operational efficiencies continue to improve.

Nandyal

The Nandyal thermal power plant (18 MW) continued to deliver stable and consistent performance in FY 2026, operating as a small but reliable contributor within JSW Energy's thermal portfolio. Net generation increased to 95 MUs in FY 2026 from 82 MUs in FY 2025 (16% YoY growth), reflecting steady dispatch and improved operational output. The plant maintained PLF of 68% in FY 2026 compared to 59% in FY 2025, along with high deemed availability levels, indicating efficient plant operations.

Hydro Power Plants

Baspa-II

This project is a 300 MW (3 x 100 MW) run of the river hydro-electric power plant located on the river Baspa, a tributary of river Sutlej in Kinnaur district, Himachal Pradesh with a design energy of 1,213 MUs. As per the implementation agreement entered into in this regard, the project is required to supply 12% of the net energy generated to Government of Himachal Pradesh ("GoHP") free of cost. The implementation agreement is valid for 40 years from the commercial operation date of the project with an option to extend for another 20 years. The tariff is recovered on a cost-plus basis with assured post-tax return on equity of 16.00%, as approved by the Himachal Pradesh Electricity Regulatory Commission (the "HPERC"). The project earns most of its income in the first half of a financial year due to increased water flow during peak season from April to October.

During Fiscal 2026, the Baspa plant achieved a plant load factor of 50% with net generation of 1,312 MUs.

JSW Wind Energy Tuticorin Power Plant

Karcham Wangtoo

This project is 1,000.0 MW (4 x 250.0 MW) run of the river hydro-electric power plant located on river Sutlej in Kinnaur district of Himachal Pradesh. It has an in-built capacity of 1,091.0 MW with 10% overload and design energy of 4,131 MUs for 1,000.0 MW capacity. As per the implementation agreement entered into in this regard, the project is required to supply to the GoHP, 12% of net energy generated up to 12 years from commercial operation date and 18% of the net energy generated for the remaining 28 years free of cost. The agreement is valid for 40 years from the commercial operation date with an option to extend by another 20 years. The Karcham project has a PPA with PTC India Limited on a long-term basis, valid till September 13, 2046. The tariff for power sale under the PPA is based on applicable CERC tariff guidelines with assured post-tax return on equity of 16.50% per annum. During Fiscal 2026 and Fiscal 2025, the Karcham Wangtoo plant achieved a plant load factor of 51% and 50%, respectively, with net generation of 4,661 MUs and 4,511 MUs.

Kutehr Hydroelectric Project

JSWEKL is a wholly-owned subsidiary of JSWNEL and a step-down subsidiary of the Company. The entity houses a 240.0 MW run-of-river hydro power project on the river Ravi in the Chamba district of Himachal Pradesh, which has achieved full commissioning on August 8, 2025. JSWEKL entered into a long-term PPA on March 5, 2022, with the Haryana Power Purchase Centre for purchase of power on behalf of Uttar Haryana Bijli Vitran Nigam and Dakshin Haryana Bijli Vitran Nigam from the 240 MW Kutehr power plant. The PPA is valid for a period of 35 years for the entire 240 MW capacity of the Kutehr power plant from date on which the last unit of the project was commissioned.

Renewable power plants

In FY 2026, total Renewable energy generation (including hydro) rose 57% YoY to 18,217 MUs from 11,611 MUs, supported by 2.6 GW of capacity additions during the year.

Solar power plants

Operational Solar Capacity (incl. hybrid): 2,370 MW

Net Power Generated: 3,949 MUs

The solar power portfolio of JSW Energy delivered a robust operational performance in FY 2026, driven by significant capacity additions and improved plant efficiencies. Net solar generation increased sharply to 3,949 MUs in FY 2026 from 1,286 MUs in FY 2025 (207% YoY growth), reflecting strong scale-up across both organic projects and acquired assets. Correspondingly, solar plants operated at a stable CUF of 21% in FY 2026 (vs. 22% in FY 2025), indicating consistent performance. The strong growth in generation underscores effective execution and portfolio integration, positioning solar as a key driver of overall renewable output, while maintaining operational stability and contributing meaningfully to JSW Energy's clean energy transition.

Wind power plants

Operational Wind Capacity (incl. hybrid): 3,794 MW

Net Power Generated: 7,924 MUs

The wind power portfolio of JSW Energy delivered strong operational performance in FY 2026, supported by capacity additions and improved output across sites. Net wind generation increased to 7,924 MUs in FY 2026 from 4,462 MUs in FY 2025 (78% YoY growth), driven by contribution from newly added capacities and integration of acquired assets. The portfolio maintained a healthy CUF of 25% in FY 2026 (vs. 22% in FY 2025), reflecting consistent operating efficiency despite rapid scaling. Overall, the wind segment remained a key growth driver within the renewable portfolio, contributing significantly to higher overall generation while maintaining stable performance metrics and supporting the Company's expanding clean energy footprint.

Financial Review (Including financial ratios)

Standalone Financial Performance

Revenue from Operations

(₹ Crore)

Parameters	FY 2025	FY 2026	Change (%)
Sale of Power	2,535.24	1,392.89	-45%
Interest Income on Assets Under Finance Lease	56.54	52.03	-8%
Sale of Goods	0.02	48.62	NA
Sale of Services	1,302.31	1,501.10	15%
Other Operating Revenue	45.20	34.76	-23%
Total	**3,939.31**	**3,029.40**	**-23%**

In FY 2026, revenue from operations stood at ₹ 3,029.40 crore as compared with ₹ 3,939.31 crore in the previous year. The fall in operating revenue is primarily due to lower short-term sales and increased job work arrangements in the current year for power generation.

Other Income

(₹ Crore)

Parameters	FY 2025	FY 2026	Change (%)
Interest Income	201.75	497.82	147%
Dividend Income from Long-term Investments	348.34	347.00	0%
Net Gain on Sale of Investments	67.18	24.29	-64%
Other Non-Operating Income	63.27	73.17	16%
Total	**680.54**	**942.28**	**38%**

Other income increased in the current fiscal, primarily on account of unwinding of interest on related party loans and treasury income.

Cost of Fuel

(₹ Crore)

Parameters	FY 2025	FY 2026	Change (%)
Cost of Fuel	1,987.02	1,148.79	-42%

The cost of fuel decreased primarily due to lower short-term sales and increase in quantum of power sold under the job work. Under job work agreements, the coal is provided by the customer while the Company converts this coal into power and supplies to the customer.

Expenses

(₹ Crore)

Parameters	FY 2025	FY 2026	Change (%)
Employee Benefit Expense	203.26	298.33	47%
Finance Costs	365.06	885.83	143%
Depreciation and Amortisation Expenses	243.26	225.32	-7%
Other Expenses	513.11	478.45	-7%

Employee Benefit Expenses increased by 47% primarily due to increase in headcount and normal salary increments, while Finance Cost increased primarily due to increase in working capital loans and funding new acquisitions.

Ratios

Parameters	FY 2025	FY 2026	% Change	Reasons
Debtors Turnover (number of days)	62.00	82.00	32%	The absolute average trade receivables are almost in line with previous year. However, revenue from operations has reduced due to lower short-term sales and increased job work arrangements which has led to an increase in number of days
Inventory Turnover (number of days)	60.00	80.00	33%	Increase is primarily on account of increase in inventory
Interest Coverage Ratio	6.40	3.04	-53%	Decrease is primarily on account of increase in finance costs
Current Ratio	0.55	0.23	-58%	Decrease was primarily on account of increase in current liabilities (mainly increase in current borrowings)
Debt Equity Ratio	0.44	0.61	40%	Increase due to increase in borrowings
Operating Profit Margin (%)	30.63	33.49	9%	Increase is due to improvement in operating profit margin
Net Profit Margin (%)	26.43	21.63	-18%	Decrease is primarily due to increase in Finance costs which is partially offset by increase in other income

Consolidated Financial Performance

The Company's Total Income increased by 57% to ₹ 19,877.72 crore from ₹ 12,639.49 crore in FY 2025, while EBITDA for the year grew by 81% YoY to ₹ 11,041 crore from ₹6,114.92 crore driven by Renewable Energy capacity additions, contributions from JSW Energy (Utkal) Limited and JSW Mahanadi Power Company Limited, thermal power plants. Consolidated Profit After Tax increased by 15% YoY to ₹ 2,239.31 crore as compared to ₹ 1,950.89 crore. Consolidated Net Worth and Net Debt as on March 31, 2026 were ₹ 30,751.51 crore and ₹ 65,834 crore, respectively, resulting in Net Debt to Equity ratio of 2.14x. Net Debt to EBITDA stood at 5.96x.

EBITDA and Profit After Tax (₹ Crore)

Parameters	FY 2025	FY 2026	Change (%)
EBITDA before Exceptional items	6,114.92	11,041.00	81%
Profit for the year	1,950.89	2,239.31	15%
Other Comprehensive Income	1,338.46	296.68	-78%
Total Comprehensive Income	3,289.35	2,535.99	-23%

Income & Expenses (₹ Crore)

Parameters	FY 2025	FY 2026	Change (%)
Revenue from Operations	11,745.39	18,901.13	61%
Other Income	894.10	976.59	9%
Fuel Cost	4,456.03	5,581.38	25%
Purchase of Stock-in-Trade	140.39	85.71	-39%
Employee Benefits Expense	464.29	727.66	57%
Finance Costs	2,269.13	5,816.45	156%
Depreciation and Amortisation Expense	1,654.64	3,185.27	93%
Other Expenses	1,463.86	2,441.97	67%

Risk Management and Mitigation

JSW Energy follows the globally recognised 'COSO' framework of Enterprise Risk Management (ERM). ERM brings together the understanding of the potential upside and downside of all those factors which can affect the organisation with an objective to add maximum sustainable value to all the activities of the organisation and to various stakeholders.

The Company recognises that the emerging and identified risks need to be managed and mitigated to:

- Protect its shareholders and other stakeholder's interest,
- Achieve its business objective, and
- Enable sustainable growth.

Pursuant to the requirement of Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the company has a Risk Management framework in place. It has constituted a committee of Directors to oversee Enterprise Risk Management framework to ensure:

- Execution of decided strategies with focus on action, and
- Monitoring risks arising out of unintended consequences of decisions or actions related to performance, operations, compliance, incidents, processes, systems and the same are managed appropriately.

The Risk management process and structure is given below:

- **Department Heads at Plants:** Identification, assessment, response and tracking of risks is done by the Risk Owners (Department Heads) at respective locations.
- **Plant Heads:** Risk identified by the Risk Owners at the plant level is reviewed by the respective Plant Heads. Plant level integration across the Plants is done to ensure consistency in risk identification and benchmarking.
- **Senior Management at Corporate:** Risks at all the plants, contingency planning and organisational risks requiring review of macro environment, policies, processes are discussed at the corporate level.
- **Board of Directors:** Oversee the Risk strategy and Risk Management framework, reviews the key risks and mitigation plans.
- All these activities are coordinated by the Chief Risk Officer.

Risks and their Mitigation Plans

Type of Risk: Regulatory and Policy Risk

Risk Movement: Up

Impact: Changes in tariff regulations, renewable policies and environmental norms impacting project viability and returns

Risk Response Strategies:

- Active engagement with regulators and policymakers
- Diversified portfolio across technologies and geographies
- Conservative bid assumptions and disciplined capital allocation

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Type of Risk: Fuel and Resource Availability Risk

Risk Movement: Unchanged

Impact: Variability in fuel supply and renewable generation impacting PLF and revenues

Risk Response Strategies:

- Long-term fuel linkages and diversified sourcing
- Increasing share of RE + storage portfolio
- Deployment of advanced forecasting and scheduling tools

Type of Risk: Hydrology Risk

Risk Movement: Unchanged

Impact: Variability in rainfall and water inflows affecting hydro generation

Risk Response Strategies:

- Conservative hydrology assumptions in planning
- Tariff true-ups partly mitigating hydrology risk

Type of Risk: Foreign Exchange Risk

Risk Movement: Up

Impact: Currency fluctuations impacting import costs and foreign currency debt servicing

Risk Response Strategies:

- Hedging through derivatives
- Optimisation of foreign currency exposure
- Increasing supply chain localisation

Type of Risk: Interest Rate Risk

Risk Movement: Unchanged

Impact: Rising interest rates impacting borrowing costs and project IRRs

Risk Response Strategies:

- Timely refinancing and liability management
- Leveraging strong credit profile for competitive financing

Type of Risk: Project Execution Risk

Risk Movement: Unchanged

Impact: Delays in project execution impacting timelines, costs and returns

Risk Response Strategies:

- Strong EPC and project management capabilities
- Strategic vendor tie-ups and supply chain planning
- Robust monitoring and control systems

Type of Risk: Counterparty Credit Risk

Risk Movement: Unchanged

Impact: Delay or default in payments affecting liquidity and cash flows

Risk Response Strategies:

- Diversified customer portfolio
- Credit evaluation and risk-based contracting
- Payment security mechanisms (LCs, guarantees)

Type of Risk: Commodity Price Risk

Risk Movement: Down

Impact: Volatility in equipment prices impacting project capex

Risk Response Strategies:

- Long-term supply agreements
- Technology partnership and inhouse manufacturing
- Leveraging softening RE equipment prices
- Strategic sourcing and vendor diversification

Type of Risk: Cyber Security Risk

Risk Movement: Up

Impact: Cyber threats impacting operational continuity and data security

Risk Response Strategies:

- Robust IT security architecture and real-time monitoring
- Periodic cyber audits and vulnerability assessments
- Employee awareness and training programs

Type of Risk: Climate and ESG Risk

Risk Movement: Unchanged

Impact: Transition and physical climate risks impacting asset performance and investor expectations

Risk Response Strategies:

- Accelerating clean energy portfolio
- Alignment with ESG frameworks and disclosures
- Climate-resilient asset design and planning

Business Continuity Plan

The Business Continuity Policy (BCP) has been duly approved by the Board and all the major generation plants have formulated their Business Continuity Plans (BCP). The key objective of BCP is to maintain business continuity during / post disruptive incidents with an aim to minimise impact on:

- Human life and other living beings
- Environment and related ecosystems
- Economic losses
- All stakeholders (such as employees, vendors, local communities, etc.)

Human Resource Management

At JSW Energy, human resource is the key for strategic business growth and its HR policies help achieve the organisation's key objectives of agility, progress, speed, adaptability and nimble-footedness. During the year, several new HR initiatives were undertaken to augment business efficiency and to ensure team cohesion and a high level of commitment. The CARE (Communication, Agility, Responsibility and Elevation) model continued to provide a holistic growth environment, an outstanding workplace culture and a high-quality work environment, and to elevate people experience.

⊕ **Read more** PG.112

Total Quality Management

Total Quality Management (TQM) strengthens the capabilities of frontline employees and encourages them to participate in several regional, national and international quality competitions. TQM is a key part of JSW Energy's business culture and promotes its motto of "Better Every day". Through its culture of continuous improvement, the Company ensures sustainable growth in the future. The "Daily-Sunrise Meeting" is a layered communication structure for daily work management which enhances business processes and also increases employee engagement.

Key TQM practices:

- reviewing in the TQM way
- organising business plans
- providing assistance in performance assessments
- visiting quality benchmark industries
- inter-plant quality cross learning
- implementing quality management tools for the business
- Kaizen competition
- 5S implementation

Internal Control Systems

The Company has a well-designed and strong internal control system with below features:

- Preparation of annual budgets and monitoring it regularly
- Ensuring integrity of accounting system through an integrated ERP system
- Well documented authorisation matrix, policies, procedures and guidelines covering all important operations
- Deployment of a compliance tool to ensure compliance with laws, regulations and standards
- Testing of internal financial controls over reporting by internal auditors and statutory auditors to ensure reliability of financial information
- Protection of Company's assets/resources against any loss through adequate insurance
- A comprehensive Information Security Policy and continuous updation of IT systems
- Review by the Board-appointed Audit Committee, comprising Independent Directors who are experts in their respective fields

Internal Audit

The integral Internal Audit function at JSW Energy inculcates best global standards and practices of international majors into its operations. The Company has a strong Internal Audit Department that reports to the Audit Committee comprising Independent Directors who are experts in their respective fields. The Company successfully integrated the COSO framework with its audit process to enhance the quality of its financial reporting compatible with business ethics, effective controls and governance. The Company extensively practices delegation of authority across its team, which creates effective checks and balances within the system to identify and correct all possible gaps. The Internal Audit team has access to all information in the organisation facilitated by the ERP implementation across the organisation.

Internal Financial Control

As per Section 134(5)(e) of the Companies Act 2013, the Directors have an overall responsibility for ensuring that the Company has implemented a robust system and framework of Internal Financial Controls. The Company has already developed and implemented a framework for ensuring Internal Controls over Financial Reporting. This framework includes entity-level policies, processes controls, IT General Controls and Standard Operating Procedures (SOP). The entity-level policies include anti-fraud policies (such as code of conduct, conflict of interest, confidentiality and whistleblower policy) and other policies (such as Organisation structure, Insider Trading policy, HR policy, IT security policy, Treasury policy and Business continuity and disaster recovery plan).