

Managing Director's Message



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Dear Shareholders

We firmly believe that electricity access transforms societies and delivers long-lasting social impact. This belief has shaped our journey right from inception and today, we are a leading global player in power transmission infrastructure.

Across the world, climate change is seen as the greatest threat facing humanity. People are concerned about impact of climate change and making a conscious shift from fossil fuel to clean energy. The size and scale of this shift is unprecedented and the opportunity it creates for energy logistics is equally large.

Notably, over the last decade, India has risen as a Global Leader in Climate Action and firmly entrenched itself as a major player on the global stage. As India embarks upon a crucial phase of sustainable growth and development or what we call the “Amrit Kaal”, its energy demand is set to outpace its domestic supply. India is expected to be one of the largest contributor to global energy demand growth with a share of 30% till 2035.

Amidst this dynamic energy landscape, I am pleased to present the FY 2022-23 Annual Report, which reflects a year of exceptional

accomplishments and significant milestones. With India moving towards uninterrupted access to energy to all consumers while meeting a large portion of its power requirement through clean energy, and its net zero commitments, all at the same time, your Company is playing a pivotal role in solving the toughest challenges of clean energy delivery.

Scripting a Greener Tomorrow

In keeping with the nation’s commitment to combat climate change, your Company made a significant contribution by successfully commissioning one of the largest green energy corridor projects in Gujarat. Through this mega project, known as Lakadia Vadodara Transmission Project, the country has unlocked 5,000 MW of green power for the nation that will accelerate India’s renewable energy vision of 500 GW by 2030. This project forms a critical part of the world’s largest 30,000 MW hybrid renewable energy park coming up in Kutch in Gujarat, envisioned by our Hon’ble Prime Minister of India, Shri Narendra Modi.

Your Company’s effort of greening the grid continues with our recent green energy project win in Rajasthan. We secured the ‘Part G’ Phase III Rajasthan Transmission project, that will connect

the renewable Energy zones of Fatehgarh with Beawar, carrying a massive 20 GW of green energy into the heartland of the country.

In Brazil, we won two important lots - 5 and 9, with a total estimated capex of ₹ 1,800 crores, at the auctions held last year. We also commissioned our largest project – Marituba, which transports large volume of power across Amazon Forest. We also energised three more projects that connect renewable energy to the Brazilian national grid. These critical moves are in perfect harmony with the Company's vision to secure a position of global leadership within the power transmission sector. Today, the Global Infrastructure business enjoys a solid portfolio of 31 assets with cumulative capex of ~US\$ 5 billion in India and Brazil.

In the Solutions Business, your Company continues to partner with utilities in augmenting existing power infrastructure and decongest the critical parts of their network. With increasing urbanisation, we see high demand for the Master System Integration (MSI) business to upgrade and uprate aging infrastructure across various states. Further, the global focus on decarbonisation is increasing demand for our manufactured products and services, such as conductors, cables, and OPGW and the Company is building a large order book for exports to developed markets. We ended the year with an open order book of ₹ 5,200 crores.

The Convergence business also continues to grow stronger on the back of unprecedented growth in demand for data. This business is the leading best-in-class dark fibre solution providers in the country and has all top Telecom and ISPs as its customers today.

Leading with Innovation & Sustainability

Sterlite Power continues to lead the way with cutting edge innovation and technologies. We recently unveiled ground-breaking solutions for power transmission projects at ELECRAMA 2023. Developed for the first time in India, both the products - 96 Fibre OPGW and ACCC ULS Brahmaputra High-Performance Conductor have been specifically developed to enable electricity access and greater digitisation of the power sector.

Your Company has a vision of 'Zero Accidents', and we consistently strive to achieve high QHSE Standards considering them as non-negotiable and integral part of our all-business operations. Across the businesses, we have achieved more than 30 million safe work hours with total recordable injury rate sustained below 2.0. This underscores your Company's dedication to safety in every aspect, reinforcing its promise to prioritise well-being and operational integrity.

I am also proud to share that Sterlite Power's commitment to fostering an exceptional work environment was validated by its second consecutive Great Place to Work® Certification. Considered the 'Gold Standard' in recognising Great Workplace Cultures, this certification underscores the Company's dedication to its workforce. Your Company was also recognised as the 'Power Transmission Company of the Year 2023' at The Economic Times Energy Leadership Summit, evidence of its pole position in the industry.

A Year of Remarkable Results and Promise of a Prosperous Tomorrow

With continued focus on garnering new opportunities and operational efficiencies, Sterlite Power is happy to report remarkable progress and achievements in FY23. We have closed FY22 with 3.3% revenue growth at ₹ 3,923 crores, EBITDA of ₹ 558 crores and strong growth in profitability in India operations. The results demonstrate our strong fundamentals and underline our commitment to be a key player in building the nation's energy landscape.

As we look into the future, we are excited about the plethora of opportunities that this sector presents. Globally, the success of the energy transition story hinges on the presence of a robust transmission network. India is already a step ahead and the government's recently announced Transmission roadmap involving an investment outlay of ₹ 2.44 trillion by 2030. The momentum is already visible, the 14th National Committee of Transmission approved ₹ 75,408 crores worth of power transmission projects and these are likely to be awarded this year through the bidding route, making it the largest tranche under tariff-based competitive bidding (TBCB). With our solid track record of executing complex projects, technical know-how, and strong capable teams, we are well positioned to capture a sizeable chunk of this opportunity.

Once again, I extend my heartfelt gratitude to our dedicated team members and stakeholders for their steadfast support. As we reflect on the accomplishments and aspirations captured within this annual report, I am filled with pride and optimism. We have made significant strides in shaping the future of energy delivery, and I am confident that our collective efforts will continue to light the way for a brighter, more connected, and empowered world.

Your Sincerely,

PRATIK PRAVIN AGARWAL
Managing Director