

# Suzlon Energy Limited

## Investor Presentation Q4, FY 22-23

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30<sup>th</sup> May 2023



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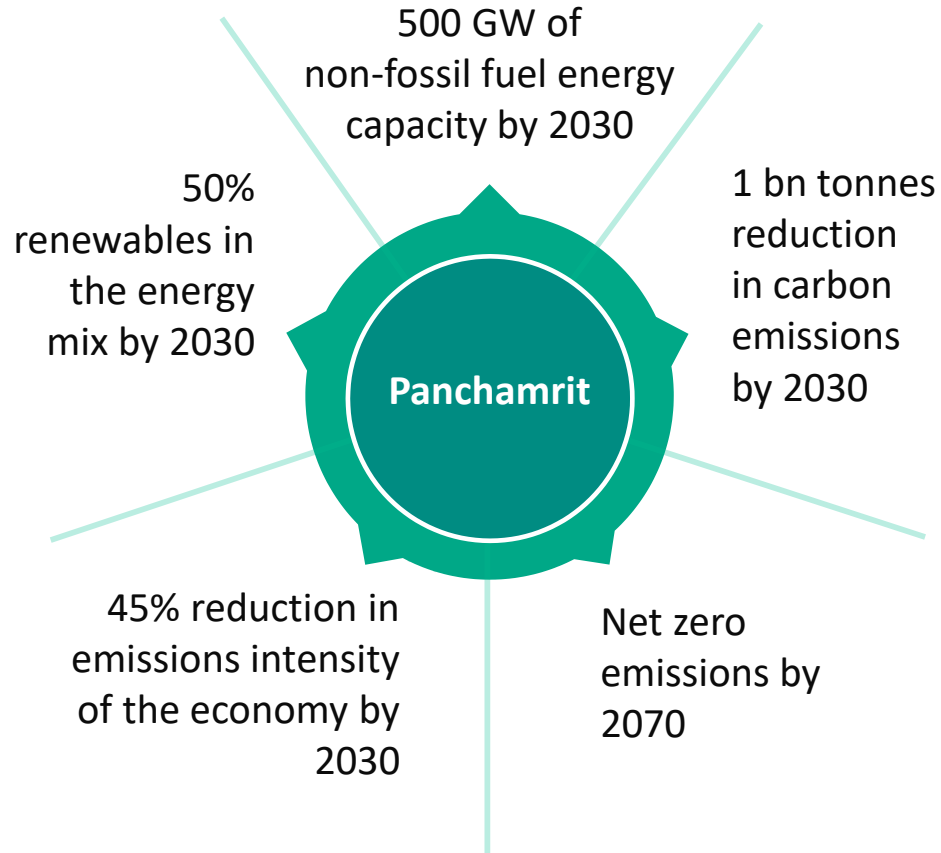
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**Industry Outlook**

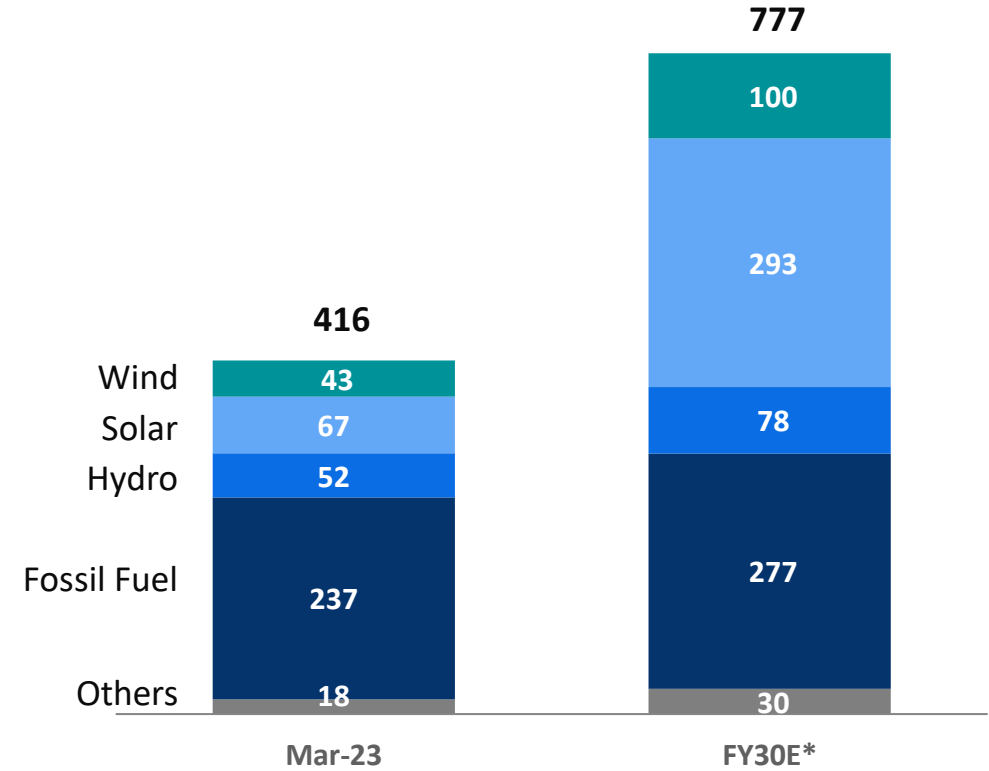
**Suzlon Strengths**

**Financial Performance**

# Renewable Energy growth to be driven by Wind & Solar



Installed Power Generation Capacity (GW)



\*CEA's Report On Optimal Generation Capacity Mix for 2029-30 issued in Apr 2023 – Base Case scenario

The share of renewable in the overall power capacity mix to substantially increase by 2030

## RE projects bidding trajectory: 50 GW p.a. (incl. 10 GW wind) in FY24-FY28\*

- 1 India will invite RE projects bids for 50 GW p.a. (incl. 10 GW p.a. wind) during FY24 to FY28
- 2 RE bids by Renewable Energy Implementing Agencies (REIA): SECI, NTPC, NHPC & SJVN
- 3 RE bids can be vanilla solar, vanilla wind, solar-wind hybrid, RE-RTC with/without storage
- 4 Year-wise targeted bid capacity would be allocated among the REIAs
- 5 REIA-wise monthly bidding plan for RE projects has been announced for FY24 for 50 GW
- 6 FY24 wind bid plan: 2.5 GW each by SECI (May), NTPC (July), NHPC (Dec) & SJVN (Mar) = 10 GW

**Predictable bidding trajectory will significantly boost RE industry**

\*MNRE letter dated 31<sup>st</sup> March 2023 & 24<sup>th</sup> April 2023 addressed to SECI, NTPC, NHPC and SJVN

## Opportunities: Favorable market conditions & strong demand outlook

- ✓ Yearly installation ~8 GW of wind capacity required to reach the target of 100 GW by 2030
- ✓ REIAs to invite RE project bids of 50 GW p.a. (including 10 GW pure wind bids) during FY24-FY28
- ✓ E-reverse bidding discontinued for wind, new regime on single stage two envelope closed bids leading to better tariffs
- ✓ Under new bidding regime, wind capacity shall come up in all 8 windy states ensuring even growth and pooling of tariff
- ✓ With ISTS charges waiver for COD till June'25, C&I & corporate PPA market to further drive demand for wind projects
- ✓ Wind repowering potential at 25.4 GW ( for old WTGs < 2MW capacity)
- ✓ Green Hydrogen Mission targets capacity of 5-10 MMT p.a. requiring RE capacity of 125-250 GW by 2030
- ✓ RPO trajectory from 24.61% (FY23) to 43.33% (FY30) to drive accelerated RE adoption
- ✓ RGO notified for under construction thermal power plants to have RE capacity of 40%

**Suzlon well positioned to capture the market opportunity from energy transition**

**Industry Outlook**

**Suzlon Strengths**

**Financial Performance**



# Suzlon Strengths

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**19.8 GW**

Installed Wind Energy  
Capacity



**17 Countries**

Presence



**5,900+**

Global Workforce



**~33%**

Cumulative Market  
Share in India



As on 31<sup>st</sup> March 2023



# Suzlon's Strengths in Indian Wind Energy Market

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## No.1 OEM in India's Renewable Sector

**End-to-end  
Service  
Provider**

**Pan India  
Presence**

**Technology  
Leadership**

**Best-in-class  
Service  
Capabilities**

**Strong  
Customer  
Relationship**

**28 Years  
Track Record**

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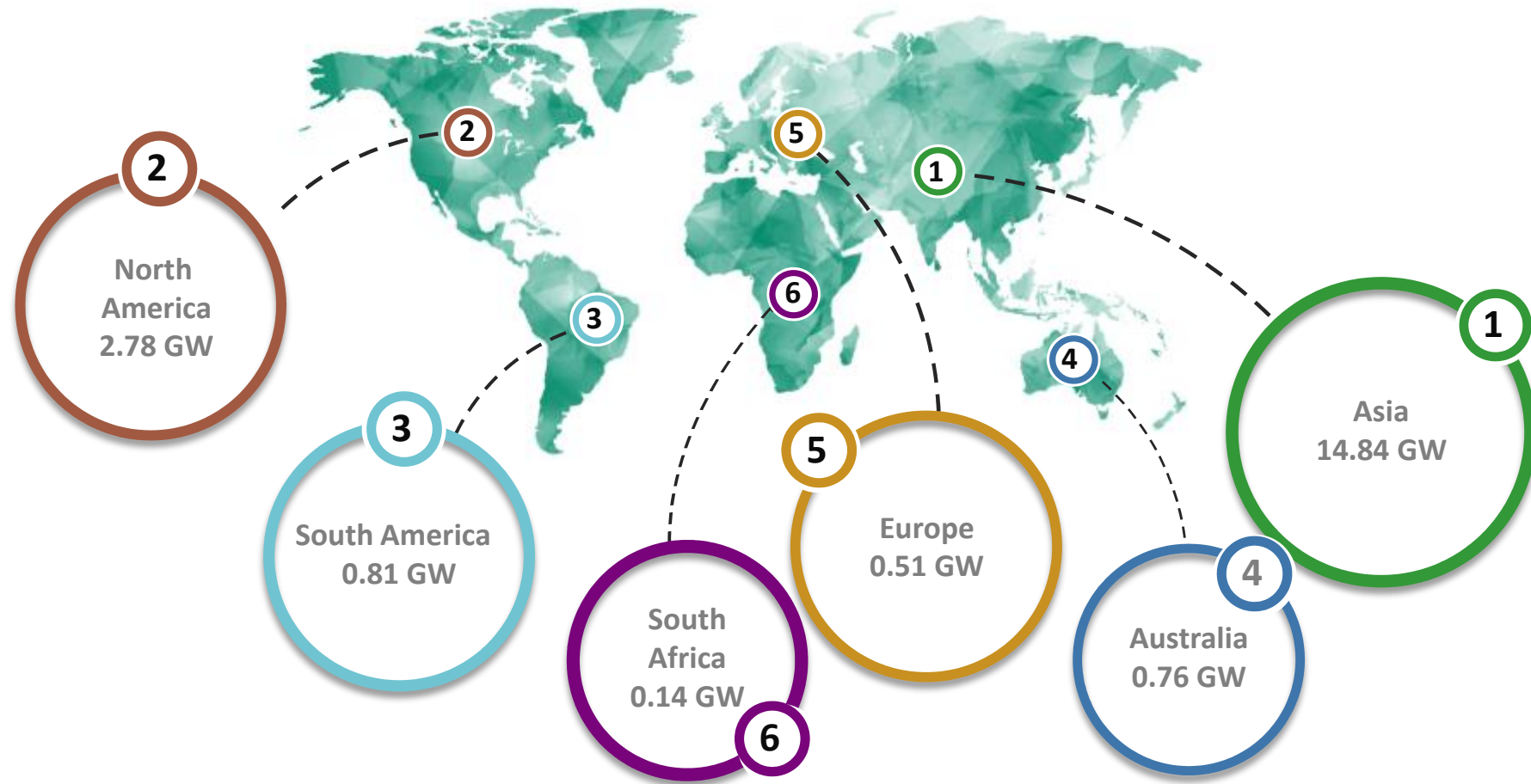
**Strong presence across value chain & customer segments**

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*As on 31<sup>st</sup> March 2023*



# Suzlon's Global Presence (19.8 GW)



Suzlon's strong relationships across regions positions it well

## Key clientele among marquee customers globally

ACC

adani  
Renewables



APRAVA  
ENERGY

Brookfield  
Renewable Energy Partners

BLACKROCK



Clearway

enel  
Green Power



Greenko

Hero

HYATT



JINDAL  
Jindal Aluminium

Leap Green Energy  
We Partner You to Succeed



Reliance  
Industries Limited

RELIANCE

ReNew  
POWER

SBI

semcorp

SERUM INSTITUTE  
OF INDIA  
Cyrus Poonawalla Group

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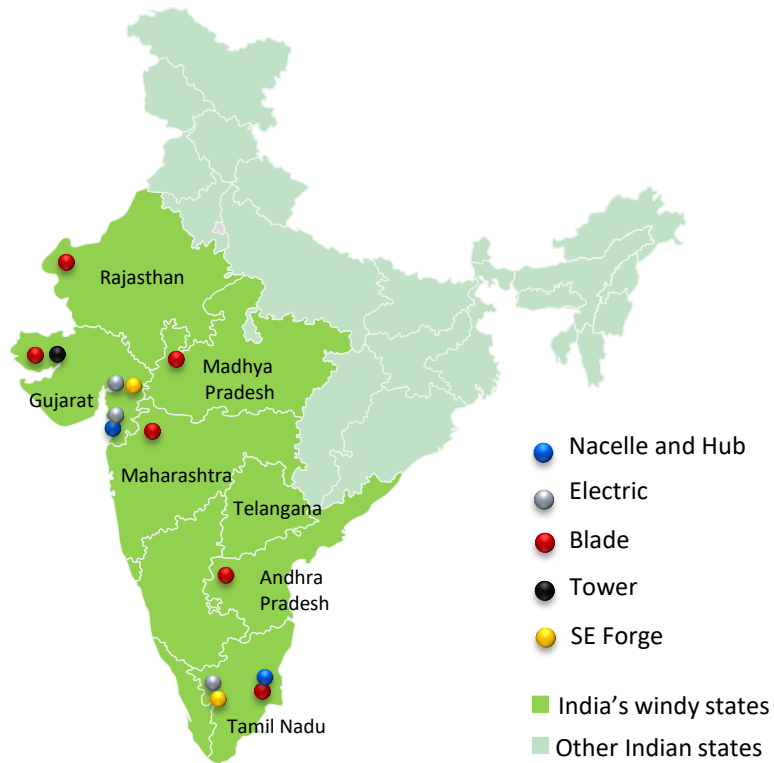
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And many more customers.....

# Geographically diversified manufacturing base

## Best-in-class manufacturing capability

### Manufacturing locations across India



Map not to scale. All data, information, and map is provided "as is" without warranty or any representation of accuracy or completeness

## Vertically integrated low-cost supply chain

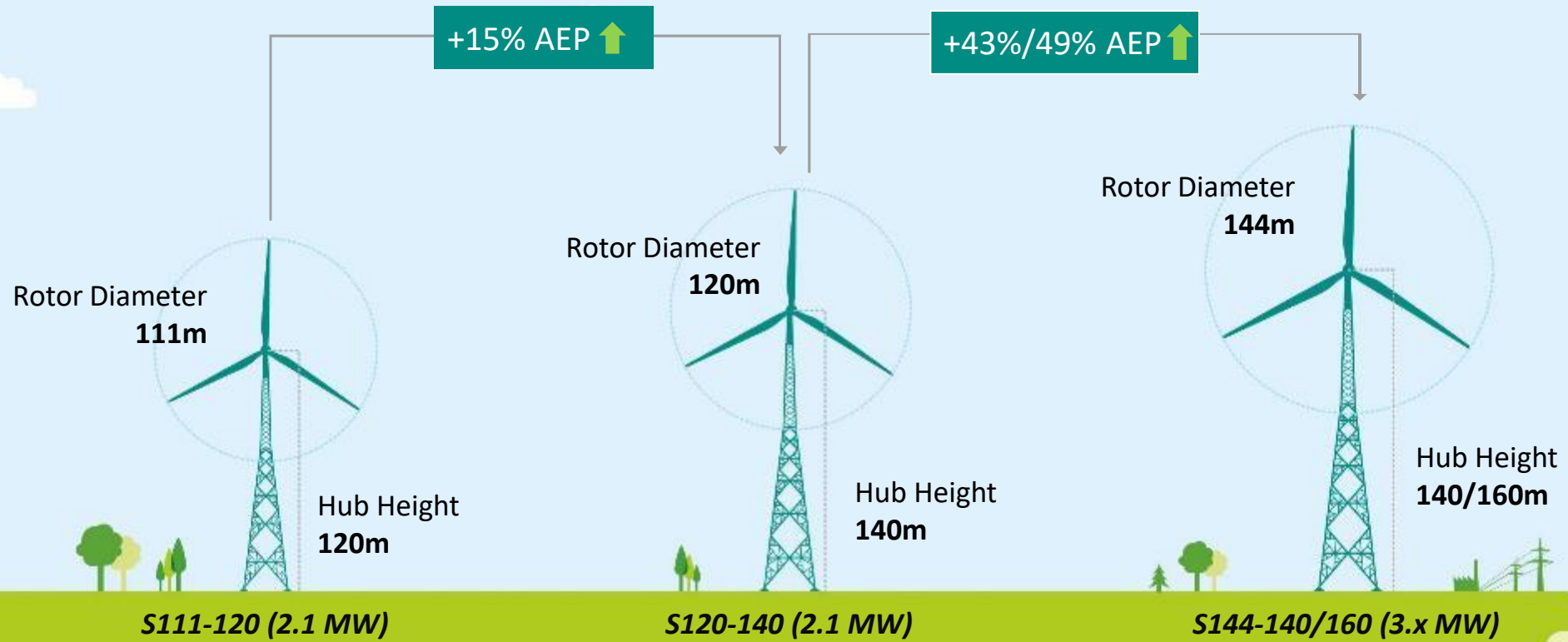
Sufficient & flexible manufacturing capacity to cater to the market

India  
Manufacturing Capacity  
~3,150<sup>1</sup> MW



**Note:** <sup>1</sup> SEL has a ramp up/ramp down capacity. Capacity of 3150 MW is for 2.1 MW WTGs. When Suzlon manufactures 3+ MW WTGs, capacity can be ramped up to 4500 MW in phased manner

# Product Optimized for Higher Energy Output



Consistent Reduction of Levelised Cost of Energy (LCoE)

# Overview of asset management capabilities

## Overview of Global OMS

**USD 12 Bn**

Assets under management

**16.1\* GW+ / 14 Countries**

Footprint

**10,600+**

Turbines

**111**

Sites

**1,900+**

Customers

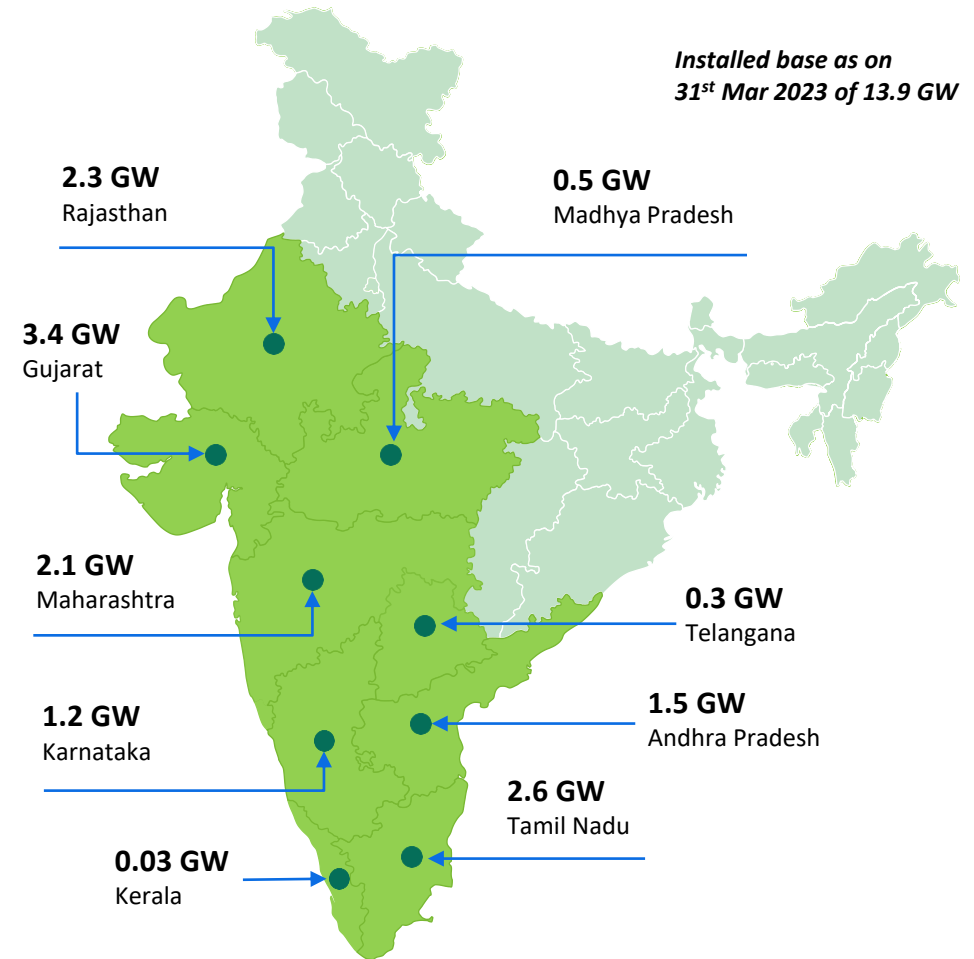
**3,500+**

Team

- ~33% share of all India installed wind capacity
- Impact of clean energy:
  - ~ 4.24 Bn trees absorbing CO<sub>2</sub> per year
  - ~ 12.90 Mn households powered p.a.
  - ~ 50.93 MT of CO<sub>2</sub> emissions prevented p.a.

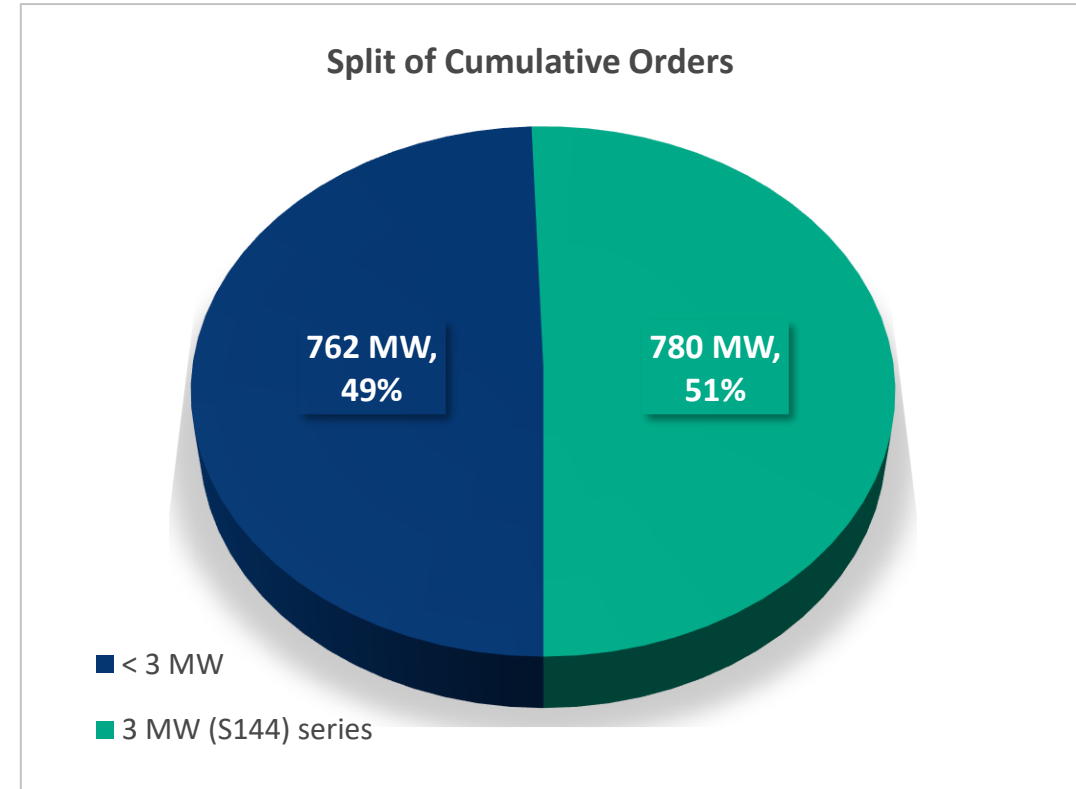
\*include WTGs under Technical Service Agreements (TSA) for Spares and Repairs

## Presence in all windy states in India



# Wind Order Book

Particulars	Capacity (MW)
Central Auctions	322
State Auctions	57
Captive/Retail/PSUs/C&I	273
<b>Order Book on 31<sup>st</sup> March 2023</b>	<b>652</b>
Orders secured post 31 <sup>st</sup> March 2023*	890
<b>Cumulative Orders</b>	<b>1,542</b>



\*Includes orders for 3 MW (S144) WTG series of 780 MW

**Healthy order book provides revenue visibility**

# Management Profile



**Tulsi Tanti**  
*Founder, Late Chairman and Managing Director*



**Vinod Tanti**  
**Chairman and Managing Director**

- Over 34 years experience
- Founding member - Suzlon
- Established its technology & service leadership
- Deep experience in wind resource evaluation, product-design, prototyping, comprehensive SCM, project execution & lifecycle management through OMS
- Education: BE Civil



**Girish Tanti**  
**Vice Chairman**

- Over 27 years experience
- Founding member - Suzlon
- Instrumental in establishing global business operations & corporate development
- Established technology development centres in Europe & India, set up the global supply chain & developed wind markets across India
- Led various functions - IT, communications, HR & CSR
- Education: BE Electronics & Communication, MBA (UK)



**JP Chalasani**  
**Group CEO**

- Over 40 years of experience across entire gamut of power sector in India
- Renowned for his project management & people leadership skills
- Joined Suzlon Group in April 2016 as CEO, transitioned to a Strategic Advisor role with the group in July 2020 and re-appointed as CEO in April 2023
- Worked earlier with NTPC, Reliance Power and Punj Lloyd.



**Himanshu Mody**  
**Group CFO**

- More than 22 years experience in Finance & Strategy with focus on Corporate Finance, M&A, Fund Raising and Financial Restructuring
- Earlier worked with Essel group for 20 years of which over one decade was as Group CFO managing fund raising, M&A activities & business entry/exit decisions
- Joined Suzlon as Group CFO in Aug'21



**Bernhard Telgmann**  
**CTO**

- More than 28 years of experience across engineering, thermal power plants, consulting in fuel cells & wind energy.
- Expert in global technology driven plant engineering & construction business
- Joined Suzlon 2017
- Prior to Suzlon, he held leadership roles in IAC, Servnion & Siemens



**Ishwar C Mangal**  
**CEO Global OMS**

- More than 27 years of professional experience mainly with Suzlon
- Played significant role in growth of Suzlon & development of wind power market in India
- Headed Business Development, Sales, Projects and OTC
- Currently responsible for Global OMS & Sales in Emerging Markets
- Joined Suzlon in 1996

**Professional senior management team backing the rich experience of the Board  
Succession planning was in place ensuring smooth transition after demise of the founder  
ESOPs granted to eligible employees in order to retain, attract and reward talent**



**Industry Outlook**

**Suzlon Strengths**

**Financial Performance**



## Highlights of the Performance

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- ✓ Uptick in order book with rolling out of the highly competitive 3MW WTG series providing revenue visibility
- ✓ Net worth has turned positive at Rs 1,099 crores after a decade
- ✓ Substantial reduction of debt due to rights issue and refinancing accomplished during FY23
- ✓ PAT (before exceptional items) turned positive after 6 years at Rs 167 crores for FY23
- ✓ Substantial reduction in net finance costs by ~44% on YoY basis

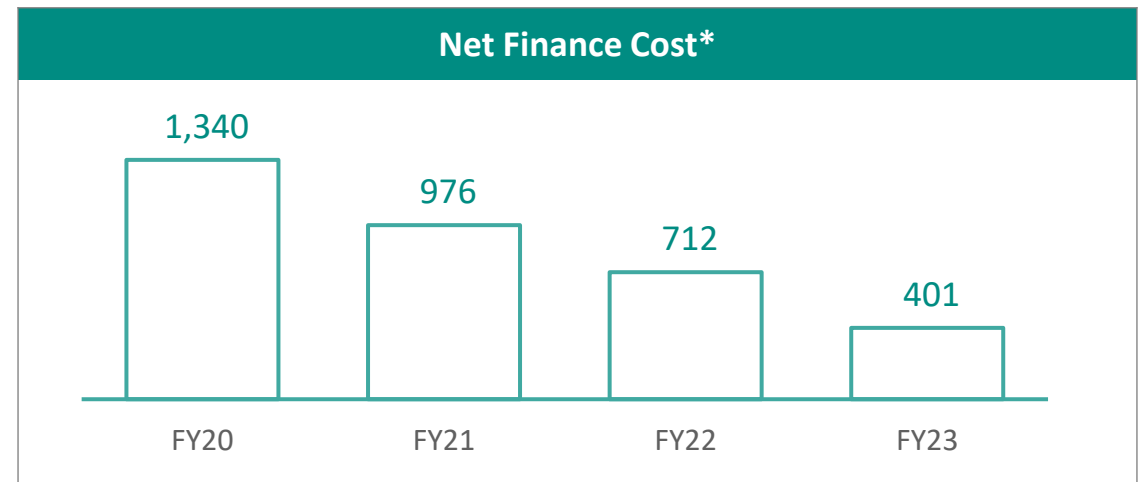
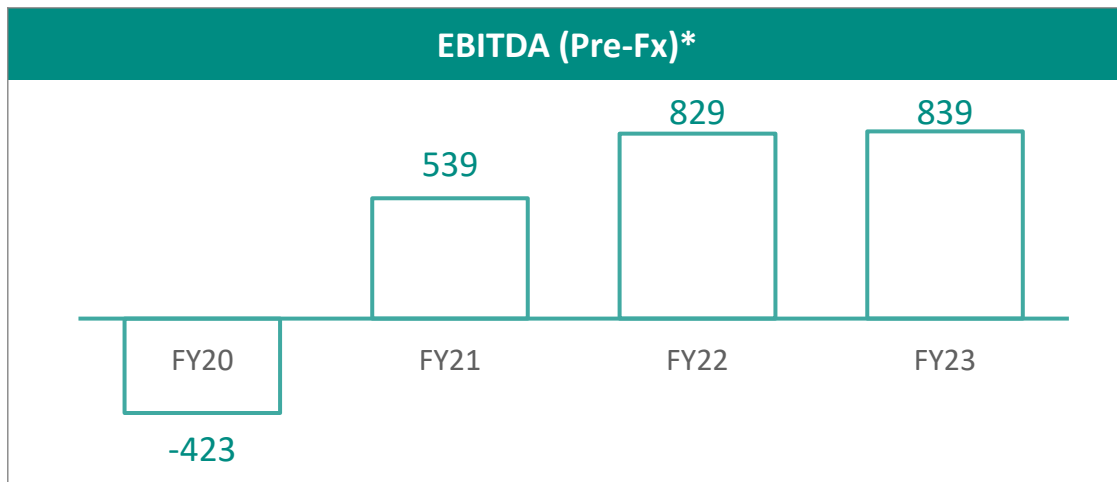
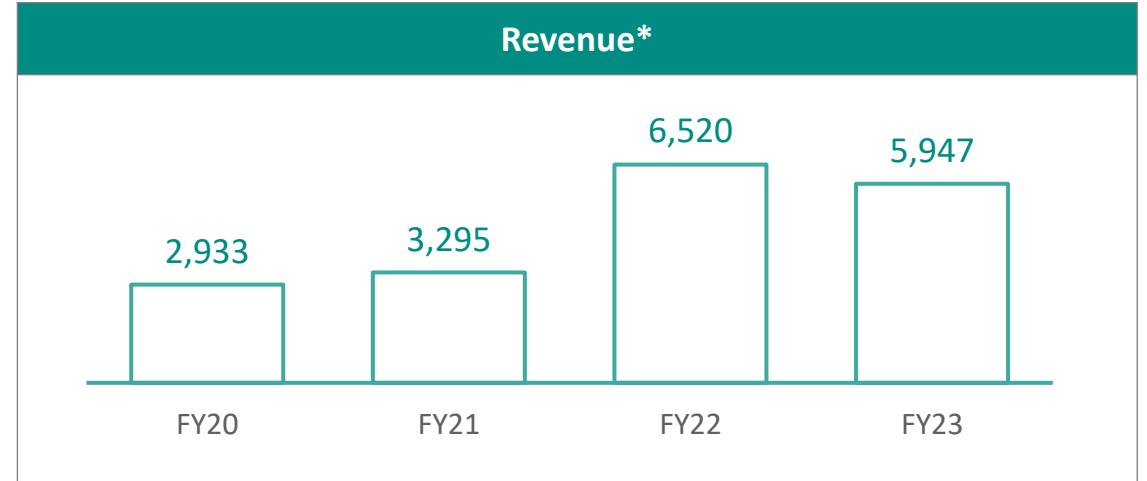
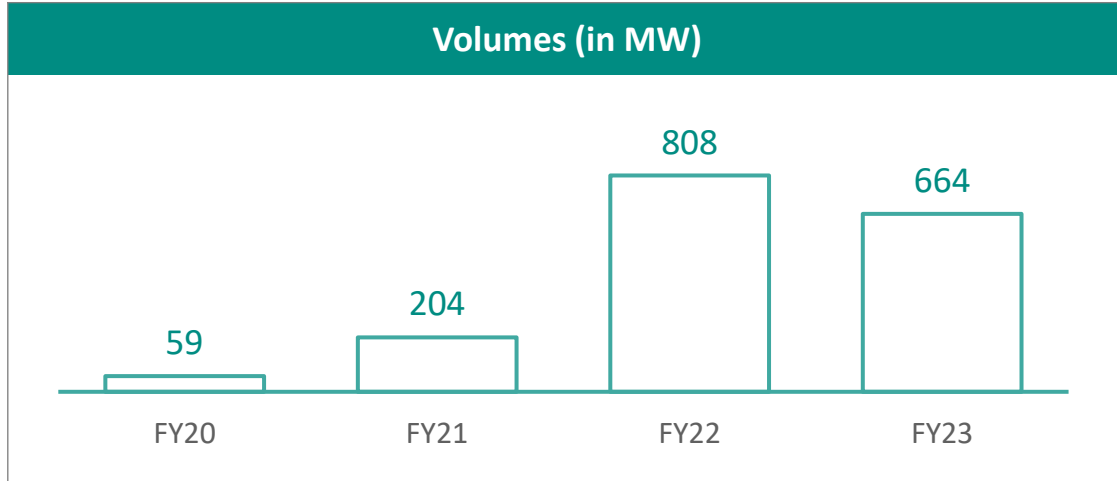
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**Stronger balance sheet brings ability to meaningfully participate in growth amid ongoing energy transition**

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# Transformation...

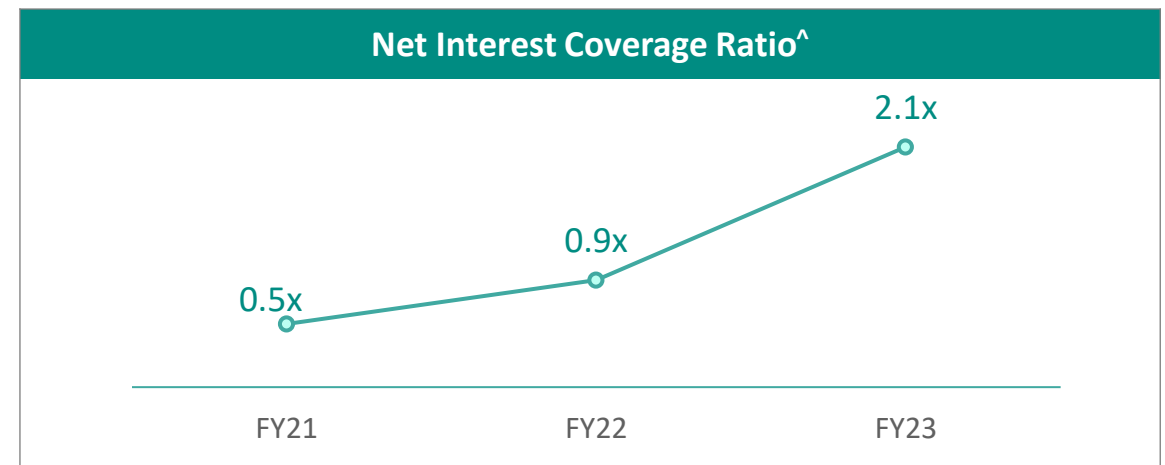
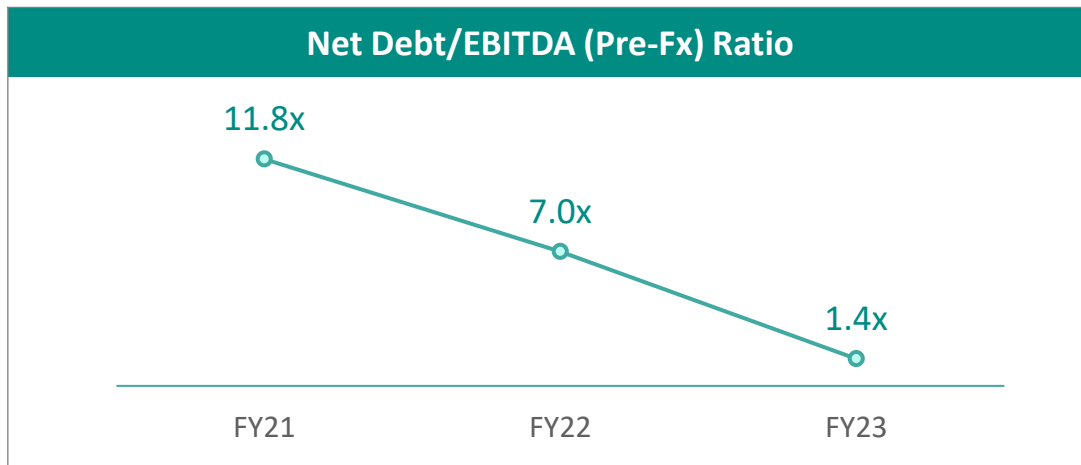
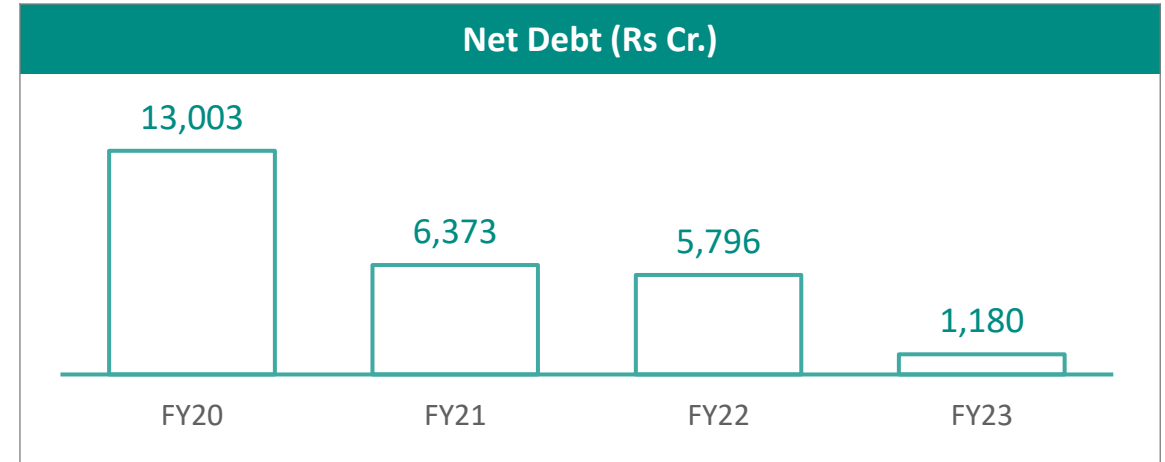
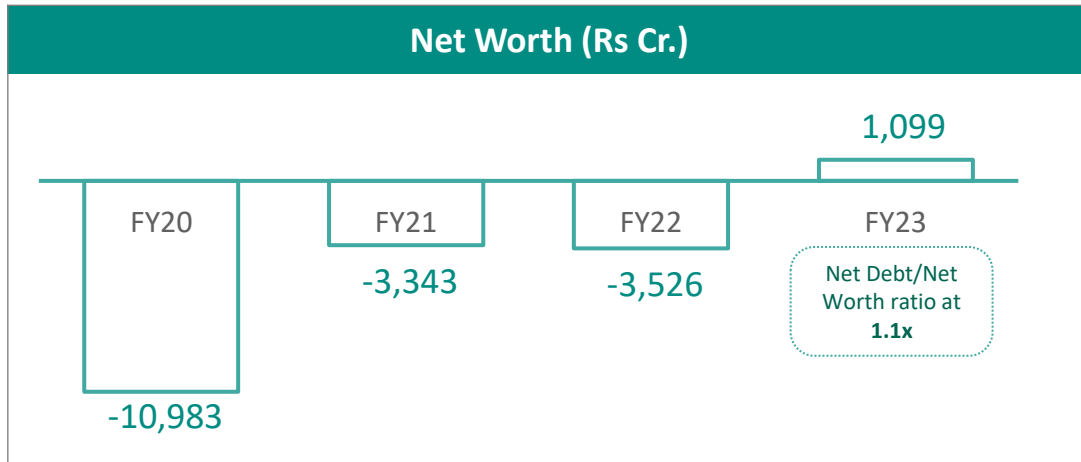
(₹ Cr.)



\*Consolidated

**Improvement in EBITDA margins & substantial reduction in net finance cost**

# Substantial improvement in financial parameters



<sup>^</sup> Calculated as {EBITDA (Pre-Fx) – Tax}/Net Finance Cost

Note: All calculations and data are based on the consolidated numbers

# Consolidated Income Statement

(₹ Cr.)

Particulars	Q4 FY23	Q3 FY23	Q4 FY22	FY23	FY22
	Unaudited	Unaudited	Unaudited	Audited	Audited
Net Volumes (MW)	182	170	336	664	808
Net Revenue	1,690	1,449	2,442	5,947	6,520
<b>Contribution</b>	<b>526</b>	<b>492</b>	<b>467</b>	<b>1,965</b>	<b>1,877</b>
<b>Contribution Margin</b>	<b>31.1%</b>	<b>34.0%</b>	<b>19.1%</b>	<b>33.0%</b>	<b>28.8%</b>
Employee Expenses	157	157	131	609	545
Other Expenses (net)	135	123	144	517	503
<b>EBITDA (Pre FX)</b>	<b>233</b>	<b>212</b>	<b>192</b>	<b>839</b>	<b>829</b>
<b>EBITDA Margin (Pre FX)</b>	<b>13.8%</b>	<b>14.7%</b>	<b>7.9%</b>	<b>14.1%</b>	<b>12.7%</b>
Depreciation	81	58	77	260	260
Net Finance Cost	81	80	172	401	712
Taxes	3	-1	160	4	167
<b>Net Profit/(Loss) (Pre Fx and Ex. Items)</b>	<b>69</b>	<b>75</b>	<b>-218</b>	<b>174</b>	<b>-310</b>
Exchange Loss / (Gain)	1	-3	-25	7	-61
Exceptional Loss / (Gain)	-252	0	0	-2,721	-83
<b>Net Profit After Tax</b>	<b>320</b>	<b>78</b>	<b>-193</b>	<b>2,887</b>	<b>-166</b>

# Consolidated Balance Sheet

(₹ Cr.)

Particulars <sup>3</sup>	Mar-23	Dec-22	Sept-22	Mar-22
	Audited	Unaudited	Unaudited	Audited
<b>Equity &amp; Liabilities</b>				
Net Worth	1,099	340	-313	-3,526
Non-controlling interests	-	-42	-41	-36
Borrowings (non-current and current)	1,905	2,512	3,150	6,391
Non-current Liabilities	206	212	207	210
Current Liabilities	2,313	2,883	2,890	3,436
<b>Total equity and liabilities</b>	<b>5,523</b>	<b>5,905</b>	<b>5,893</b>	<b>6,475</b>
<b>Assets</b>				
Non-current Assets	988	1,099	1,127	1,295
Inventories	1,827	2,078	2,181	2,208
Trade Receivables	1,170	1,281	1,162	1,377
Other current assets	813	971	996	1,000
Cash and cash equivalents	725	476	427	595
<b>Total assets</b>	<b>5,523</b>	<b>5,905</b>	<b>5,893</b>	<b>6,475</b>
<b>Net Debt</b>	<b>1,180</b>	<b>2,035</b>	<b>2,723</b>	<b>5,796</b>

# Glossary

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1. BESS - Battery Energy Storage System
2. C&I – Commercial and Industrial
3. CEA - Central Electricity Authority
4. EBITDA – Earnings before Interest, Tax, Depreciation and Amortizations
5. GoI – Government of India
6. GW – Gigawatt
7. KPI – Key Performance Indicators
8. LCoE – Levelized Cost of Energy
9. MNRE – Ministry of New And Renewable Energy
10. MW – Megawatt
11. OEM - Original Equipment Manufacturer
12. OMS – Operations and Maintenance Services
13. PLF – Plant Load Factor
14. PSA – Power Sale Agreement
15. PSU – Public Sector Undertaking
16. RE – Renewable Energy
17. REIA – Renewable Energy Implementing Agency
18. RGO -- Renewable Generation Obligation
19. RPO – Renewable Purchase Obligation
20. RTC – Round The Clock
21. SCoD – Scheduled Commissioning Date
22. WTG – Wind Turbine Generator
23. Y-o-Y – Year on Year



**Thank You!**

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