



“Suzlon Energy Limited  
Q3 FY '26 Earnings Conference Call”  
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**Moderator:** Ladies and gentlemen, good day, and welcome to the Suzlon Energy Limited Q3 FY '26 Earnings Conference Call. During this call, the company management may make certain statements that reflect their outlook of the future, which could be construed as forward-looking statements.

These statements are based on management's current expectations and are associated with uncertainties and risk, as detailed in the annual report. Actual results may differ, so this statements should be reviewed in conjunction with the risk the company faces.

As a reminder, all participants line will be in listen-only mode and if you need assistance during this conference call, please signal an operator by pressing star and zero on your touchtone phone. Please note that this conference is being recorded.

We will begin with the opening remarks followed by a Q&A session. To be fair to others, we kindly request each participant to ask no more than two or three questions. From the management, we have with us Mr. J.P. Chalasani, Group CEO, Mr. Rahul Jain, Group CFO and senior members of a finance team.

I now hand over the conference to Mr. J.P. Chalasani sir. Thank you and over to you sir.

**J.P. Chalasani:** Thank you so much. Good afternoon everyone and thank you for joining us for Suzlon Quarter 3 FY '26 Earnings Conference Call. For the first time I am joined by Rahul Jain, our Group CFO. Of course, some of you have met and more of you meeting him.

Unfortunately, my throat is in pretty bad condition, continuously coughing this morning. I want to preserve my energy for Q&A, so I would request Rahul to take you through our opening comments. And but I am here for subsequent Q&As. Sorry for about that.

**Rahul Jain:** Thank you, J.P. Chalasani sir. Good afternoon, ladies and gentlemen. Many of you may know me from previous and earlier associations, but for the benefit of the larger group, please allow me to introduce myself. I am Rahul Jain and I recently joined Suzlon Energy Limited as Group CFO. It is truly my privilege to be a part of this forum today. Prior to Suzlon, I have been associated with SRF Limited and Jubilant Organosys Limited.

I'll now take you through talking about the industry, certain business highlights, and continue on the financial piece as well. We recently celebrated an important milestone, 30 years of Suzlon's journey and TRT's birthday on 2nd February.

It reinforces the vision, resilience and forward-looking spirit that Tulsi Bhai instilled in Suzlon, values that continue to guide us and inspire us even today. Talking about the industry, India's wind sector is witnessing its strongest growth phase. The year 2025 has been a landmark with wind installations touching a record 6.34 gigawatt, surpassing the previous peak and clearly reaffirming the vast demand potential of wind energy in the country.

Industry is well positioned to move to higher installation year-after-year with a clear trajectory to surpass 10 gigawatt over the next 2 years. With 54 gigawatt already installed and a strong pipeline with STU and PSU bids as well as C&I demand, India is set to achieve the near-term target of 100 gigawatt by 2030.

Repowering also started gaining traction and there is rising customer interest, which gives visibility of several opportunities ramping up in the next 1 to 2 years. The market opportunity for Indian wind industry is even larger as it is gearing up to become a global sourcing hub for wind turbines and components.

With adequate and low-cost domestic manufacturing capacity, India is emerging as a credible supplier for nearly 10% of global wind demand. Suzlon is also focusing for strong export-driven volume growth powered by competitive Make in India manufacturing base and our long-standing global operating experience.

To accelerate this, we have strengthened our global leadership with the appointment of Paulo Soares as President Europe, ensuring deeper engagement and faster market scaling across key geographies.

With the EU trade agreement already in place and a US trade deal getting finalized, Suzlon is well positioned to tap significant export opportunities both for WTGs and for SE Forge's castings.

Coming to business highlights, we are pleased to report yet another record-breaking quarter, as Suzlon has set a new benchmark in execution by delivering a record-breaking 617 megawatt in Q3 FY '26, the highest ever quarterly deliveries in India since inception.

Yet again, highest ever order book of 6.4 gigawatt reaffirming our market leadership, powered by over 3 gigawatt new order wins in this financial year itself, resulting in book-to-bill ratio of 1.9x. The focus now is on expanding our EPC offering, which has grown from 20% to 27% in Q3, which enhances our competitive edge and further help to accelerate order book growth.

The S144 order book has exceeded 5.4 gigawatt, a strong endorsement of its advanced technology and customer trust. On the manufacturing front, our 4.5 gigawatt manufacturing capacity is fully operational and scaled to support the current order book. We are also establishing three new AI-enabled smart blade factories, further expanding our footprint.

Suzlon commissioned 442 megawatt in 9 months and, further to that, another 2,354 megawatt is in active execution in various stages. Further, we are also working to develop a strong development pipeline of 25-plus gigawatt. We have included these details as a part of our investor presentation. Kindly refer to Slide 23.

Our OMS business remains strong with 15.5 gigawatt-plus under management in India and machine availability consistently above 95%. Renom AUM is consistently growing on the back of steady fleet additions and healthy pipeline.

Our forging and foundry business is unlocking its potential, delivering 33% Y-o-Y revenue growth in nine months to INR429 crores with EBITDA to INR88 crores. We expect this growth momentum to continue with stronger domestic demand and export opportunities.

Suzlon has been ranked among the top 10 most sustainable companies globally for 2026 by Global 100 Most Sustainable Corporation list by Corporate Knights. We are deeply honored by this recognition, especially as Suzlon is the only Indian company featured in the list.

With strong performance in the first 9 months, we are firmly on track to achieve our FY '26 guidance of 60% Y-o-Y growth across key KPIs. I would be using Slides 18 to 27 of our investor presentation, which has been uploaded on our website, as the reference point for my discussion during the presentation.

In Q3 FY '26, Suzlon continues its exponential growth trajectory, delivering 617 megawatt, highest ever India deliveries for any quarter with all financial parameters showing strong uptrend. Suzlon reported a revenue of INR4,228 crores in Q3 FY '26 with an EBITDA reaching INR739 crores, a robust 48% year-on-year growth with PBT of INR567 crores and a PAT of INR445 crores.

In 9 months FY '26, deliveries grew 66% to 1,625 megawatt surpassing the full-year FY '25 level of 1,550 megawatt in FY '25. Strong execution momentum drove revenues to INR11,211 crores, up 58% Y-o-Y.

Consolidated EBITDA increased to INR2,058 crores, reflecting a strong turnaround with 77% Y-o-Y growth. PBT rose 77% to INR1,589 crores with reported PAT improving to INR2,049 crores.

We are pleased to report that our balance sheet as of December '25 reflects a position of exceptional strength. Strong consolidated net worth of INR8,332 crores. Our net cash position is at INR1,556 crores, further enhancing our financial flexibility and resilience. Adequate working capital limits tied up for execution of the current order book.

Our end-to-end wind energy model supported by an integrated supply chain, strong execution and industry-leading service provides a competitive edge that is unique and difficult for others to match.

Thank you, and I now request the operator to open the line for Q&A.

**Moderator:** Thank you very much, sir. We will now begin the question and answer session. The first question is from the line of Sumit Kishore from Axis Capital. Please go ahead, sir.

**Sumit Kishore:** Good evening, J.P.C. sir, and welcome Mr. Rahul Jain. My first question is out of the 2,354 megawatt execution pipeline, how many megawatts aging-wise are pre-FY '25?. Similarly, in your trade receivables of INR5,745 crores, how much receivable is due beyond 1-year. So on both counts, can you cover the risk of further delays for both your customer and for Suzlon? That's my first question.

- J.P. Chalasani:** So if you take out quarter 3 supplies which is 617 megawatts, the balance is what we're talking about 2,354, which is what is under execution. So current supplies what happened in Q3 are the one which are not in the different states of execution, predominantly.
- Sumit Kishore:** No. Sir, the first question was also that how much of this 2,354 has been sitting under execution? Even pre-FY '25, how much is sitting in 2,354, which has been under execution for the last 7-plus quarters?
- J.P. Chalasani:** There would be -- let me pull that number. I don't have it right away. Pre '25 I think would be somewhere around 50 to 60 megawatts. Talking about pre-FY '25, okay?
- Sumit Kishore:** Yes.
- J.P. Chalasani:** So that is what it is that -- be predominantly one project in Karnataka, which is stuck because of land and various things. Otherwise, there's nothing beyond that.
- Sumit Kishore:** On receivables?
- Rahul Jain:** Okay. So to answer on the receivables, right, our total receivables are roughly about INR5,700 crores. Those that are not due in terms of saying that certain milestones are still to be completed are roughly about INR2,100 crores. Therefore, the balance number INR3,600 crores
- Sumit Kishore:** INR3,600 crores less than 1-year?
- Rahul Jain:** Yes, largely, I would say. There are no big overdue receivables, I would say. Some obviously are there, but not big ones.
- Sumit Kishore:** Got it. The second question is on WTG EBITDA margin in Q3, which is 13.7% versus 15.6% in H1 and 16% in Q2. So why is the dip in Q3 happening? Is it going to higher EPC in the mix? Or are there other reasons as well?
- J.P. Chalasani:** What happens is that it depends upon a couple of things. One is the average sales price during the quarter depending upon who is the customer we supplied. So the impact of one large customer not being there this quarter impact is almost about 1.9%. And then the another is roughly because the project revenues have gone up, project margin is being lower than the supply margin. So therefore, you see this. These two are basically causing 300 basis points.
- Sumit Kishore:** So basically, EPC share is higher than product delivery, when you say project margin?
- J.P. Chalasani:** No, no, not EPC share. I'm saying average sales price of turbine has come down in this quarter because it depends upon whom are we supplying because contract to contract realization changes, okay? In the previous 2 quarters, we had a customer where the realization was very high.
- The impact of change in the mix of customers because we'll keep changing quarter-to-quarter, change in the mix of customers to whom we supplied and the average sales price coming down, impact of that is almost close to 200 basis points, 190 basis points, not EPC, I'm talking about supply.

Secondly, is the project revenue, yes, that is where you can say EPC or SIA, only EPC SIA. Projects revenue has gone up this quarter. So projects revenue margin being very low compared to supply margins. The proportion of project revenue keeps increasing, your margins fall.

Like, for example, we always keep saying the overall group level and WTG revenues goes up and OMS being the higher margin, but that proportion comes down, our overall margins also come down. Similar way, here, the average sales price and the project revenue is what will decide quarter-to-quarter for the margin. But if you see our 9 months level, we are still healthy.

**Sumit Kishore:**

Got it. My last question, sir, on the key -- in the press release for Suzlon 2.0, you mentioned that your plan includes launching DevCo as a stand-alone FDRE project development vertical. What is the implication on balance sheet commitment for Suzlon? And what does it mean for ROCE and leverage levels for Suzlon targeted going forward?

**J.P. Chalasani:**

No, this is nothing, but what we have been talking from, I think, last few quarters of our taking the development route to increase our EPC share.

**Sumit Kishore:**

Okay. It does not mean committing balance sheet? Okay.

**J.P. Chalasani:**

We said that we keep some seed capital and start doing it. What this development company, because we wanted a more focused approach, not getting concerned with the day-to-day project execution and the land concerns in the projects. This business, call it a separate company subsidiary, but this business unit would concentrate on two things.

So because the first thing it identifies which are the potential sites over the next 5 years based on the wind data what we have, okay? Then therefore, it identifies what are the sites for year 3, 4 and 5 from now. And we start acting on that. And that is where we will have more strategic sales with the large customers for work in the renewable energy business to do on a long-term basis.

Mostly if you want to do year 3, 4 and 5, so let's now tie up for 3, 4, 5 for the purpose of land and everything. And by the time we start in year 3, most of the land is acquired, your connectivity is there, everything is there. So when you start your work, your time to execute will be the shortest. Plus you have a clear visibility of year 3, 4, 5 targets, okay. That's one segment what development company does. So we will start having that strategic sales for year 3, 4, 5.

Second one, what it does is, what I explained earlier that we start acquiring the land and before we reach 25% we get a client and they take over the 25% and start paying us for the land thereafter, but EPC NTP will come a little later and, let's say, 50%, 60%, 70%, what is the comfort of both levels, both of us to do so that their IDC would come down substantially and the project gets executed much faster.

And once it enters into a project phase, let's say, there is 25%, 30% of the land still to be acquired, that's the only portion the projects division will take over because project activities have already started, EPC activity started. And the team which is working on the land from the development on the ground team will get subsumed into that projects division.

Basically, this is an advanced action. And what it does is after identifying sites, we need to get local authorities approvals, whether it is MEDA or it is GEDA or it is Netcap in AP or wherever it is, you get those approvals. So acquiring, if it's an STU, we will also start getting connectivity. We will also plan in future what is to be done on the CTU depending upon how the business unfolds on CTU.

So keep everything ready so that the execution is faster and we will get more and more EPC contracts. It's good for us and good for the clients. It does business in a very, very focused way. There is no significant change in business model, but we are creating a business unit, which is more focused only in that. And here, it is not to do with any balance sheet putting, we just put the seed capital. Am I clear, Sumit?

**Sumit Kishore:** Thanks. Yes, yes, thanks for the detailed reply, sir, and wish you all the best.

**J.P. Chalasani:** Yes, thank you.

**Moderator:** Thank you. The next question is from the line of Deepesh Agarwal from UTI AMC. Please go ahead.

**Deepesh Agarwal:** Yes, good evening team. Sir, my first question is over past few months renewable tenders have been quite weak in the country. How confident are you of growing your order book specially when the execution pace goes up from here?

**J.P. Chalasani:** Let me start with our order book mix. Deepesh. First one is that the current order book even if you look at 51% is from C&I and captive segment. No involvement in the bidding. 36% is from bidding.

**Management:** Deepesh, if you could put yourself on mute, I think there is background noise so we could control that.

**J.P. Chalasani:** And about the 13% is from PSU segment. So our involvement in the bidding is to the extent of 36%. That also is gone up I explained in the last quarter because we had a huge order from Tata Power. While what you say in terms of bidding activity at the central level has taken a pause, I don't say stopped, taken a pause because they want to resolve the issues of outstanding PPAs and various things. State-level bidding is now picking up.

You're seeing in GUVNL bid has come in, MPUVNL has come in, now other states are talking about it, that will keep going up. Even in the central level if you see that the I'm sure that all of you have followed yesterday was the SECI-19 or something reverse auction happened. And till date most of the bids for SECI were undersubscribed. This is a pure wind bid for 1,200 megawatts. It was oversubscribed by 3x. Okay?

So there were offers for 3,000 megawatts and the tariff is 3.67 to 3.69 depending upon who are the people who won after that. So therefore for the wind, wherever there is standalone wind bid, there is still there is a significant amount of demand happening. While I see that there is a pause, but I think the with what is going to happen in terms of state bidding and more importantly, with

the significant amount of data centers now planned to be commissioned by 2030, and all these data centers are supposed to be the green data centers.

That's going to push significant growth in the renewable energy and our strength is in that area which comes under C&I. So while I accept your point, but I don't see that is going to have a significant impact for our business.

**Deepesh Agarwal:**

Sure. Can you also add some color on exports now given EU FTA has been signed, US trade deal has happened. I think you have also appointed someone as head of your European business, so some more color on how is our export pipeline shaping up?

**J.P. Chalasani:**

On the US, Deepesh, everyday morning I check whether we have a potential or not. Because it depends upon what comes on the truth threshold. So wind will happen or wind will not happen, you know and I know. So it is nothing to do with the trade deal because right now from the current government point of view, wind is not favored and they don't want to do wind.

While that is a significant potential for us because that was our largest market in the previous time, but we will continue to wait and watch when that market opens up. That's why we moved our focus to Europe. That's where you have seen Paulo's announcement. In fact, he was with us earlier, when we stopped international business he went out but came back to us.

We are exploring Europe, Australia, South Africa, Middle East and few other countries. As I said earlier, you will see some traction some terms of orders getting announced in the next financial year, but the supply starting and the revenue flowing in will be in FY28. And the US we need to wait and watch when that gets opened up.

**Deepesh Agarwal:**

Sure. And lastly, sir, I think some of our Chinese peers have introduced 5 megawatt platform which is 8% to 10% cheaper in LCOE over 3 megawatt platform. Want to understand how far is Suzlon from launching that 5 megawatt platform?

**J.P. Chalasani:**

Let me define how far is actually a very subjective question, Deepesh. If you ask me, we are very near. Okay? But that very near could be little far for you. But anyway, what I want to reassure you is that our 5 megawatt turbine is now getting into the proto stage and that will come at appropriate time. But the thing let me tell you is that the in spite of the fact there is a 5 megawatt turbine launched, our 3.15 megawatt is going significantly. And now we have also introduced started selling 3.3 megawatt with the revised power curve which has a lower cost per kilowatt hour compared to 3.15.

And my feedback, I am sure that some of you would have the feedback, 5 megawatt when they started actually implementing because original feeling was that you need less number of footprints is actually land acquisition is becoming a big headache because a 5 megawatt footprint actually need multiple farmers to sign because you need a larger land area compared to a 3 megawatt.

So making each farmer to agree for one footprint because you have a multiple farmers is creating an issue. In fact I was talking to few of the developers I think they are they are actually saying that is it the right strategy for us to go because we fell into it because you need less number of

footprints, less number of footprints doesn't mean that it's a faster execution. Even that is happening, but still we are coming with 5 megawatt. So therefore I am not against 5 megawatt. So our 5 megawatt will come at the appropriate time and we will ensure that turbine delay will not impact our intake of orders.

**Deepesh Agarwal:** Sure. Thank you and sir please take care of your health.

**J.P. Chalasani:** Thanks, Deepesh.

**Moderator:** Thank you. The next question is from the line of Shiva from Purnartha Investment Advisors. Please go ahead.

**Shiva:** Good evening, team. So my first question is with respect to forging. Obviously the last time when we said we are planning to increase the revenue, but in the nine months others that is the revenue that we get from the other not Suzlon, that hasn't improved much, it's more or less flat. So could you just throw what was the issue over there and going ahead how do you look at it?

**J.P. Chalasani:** Yes. The SE Forge as we said in our opening comments is the one which is now unfolding its potential. As we said that the overall between foundry and forging, the capacity utilization has gone up from 21 to 31. 31 is small, but fine but relatively we improved by 10 percentage points in the last three quarters and profitability has improved.

EBITDA has gone up from doubled from INR40 crores and our margins have gone up from 12% to 20%. On your specific question of non-wind and other things. Work has started in terms of non-wind like your injection mould machines and various other things, but what happens in case of castings is it takes before order start get getting implemented, the process of preparing a casting prototype and getting it approved is a long-drawn process.

They're going through that process. You would clearly see in FY 27 the revenues coming from non-wind substantially going up compared to what it is now. So that's clearly we're on that path of increasing non-wind. And second is that because of the US trade deal till now whatever the tariff was there, so we had an impact on US exports.

We export big way to US specifically to GE. But now with the trade deal announced and that will again come back. The GE is again would be back in that. So both ways: in the wind also it will increase and the non-wind also it will increase and we are I am especially personally quite excited on SE Forge as we move forward. Number of things we're doing there in SE Forge, especially in the forging.

**Shiva:** Understood. That's helpful. The second is with respect to installations. Just obviously they were slightly slower, but if we take a seven quarter data also and the ratio of deliveries to installations we are at 36% odd. So whatever we've delivered roughly 2 gigawatts more has to be installed and just wanted to understand what are the main pain points or where which are the regions where we're struggling or in this specific 3 gigawatts that have already been installed or delivered and compared to other players, how are we placed in those regions?

**J.P. Chalasani:**

Definitely Shiva I am not going to say that we are great at doing an execution, execution obviously remains a challenge for us as well as sector, in fact maybe for us more because of the numbers because others numbers we don't know fully. We only know the total numbers. Okay, the segment wise we don't know and how old it is also we don't know. So therefore I am not really concerned about what others are doing and why we can't do it.

I know that we are only at 10% market share as of today. We gave a guidance we'll reach like 25% by end of this year taking 6 gigawatts as the top and we are still working towards that. The reason why the execution is getting delayed is the first of all this is until now it is 80-20. 20 is EPC and 80 is non-EPC.

So we have a limited control on land and BOP in those projects. So that's one reason. Even it doesn't mean that where we are doing EPC everything is just great. Even we are having issues with respect to execution, but slightly better compared to them. The challenges are the same.

Your ROW and first of all land coming in time because the acquiring each land negotiating with farmers becoming a major issue. And then thereafter ROW issues keep cropping up every single day. And the ROW not just for the turbine, including for your 33 kV system. And then your the main evacuation system to be done. For example, this quarter we have a 253 megawatts of turbines pre-commissioned means they can generate today provided they get connected to the grid.

Okay, some places grid is not there which a client is supposed to provide which leads to delays. In fact there is 80 megawatts sitting out there could have been easily commissioned, but for the issue of temperature, which confusion between MNRE and MoP which they're trying to resolve.

So while there are -- there is definitely a need and scope for us to improve on execution there is no second doubt about it, but there are these issues already known to us. That's the reason we gave that breakup of how much is on implementation. We are reasonably confident that by end of this year especially in the quarter 4 you will see a significant jump in terms of our execution.

And it will pick up and once we start getting into more and more EPC through development this will change. Question is whether somebody else is able to do better than us I am not too sure. I would not be able to comment. But one can obviously ask that you are only 10% and somebody else has done 90%. That's a legitimate question to say that there are people who have done 90%. But that aging and those things I really don't know. I am only looking at myself, not looking at the market. There is a significant scope for us to improve this and we are working at it and we will improve it. There is no second opinion about it. We got to do it and we will do it.

**Shiva:**

Okay. Thank you sir. Helpful. And the last one is with respect to battery storage. Obviously it is not a source of generation, but if the battery cost go down and the quantity of batteries goes up the plant load factor of solar and wind will go up indirectly. So the amount of gigawatts that in the long term, just trying to understand in a very long term, might not be that much it invariably decreases the amount of gigawatts that need to be set up. So is it not highly dependent on the cost of battery?

**J.P. Chalasani:**

No. Battery doesn't add any generation.

**Shiva:** I am saying the plant load factors will increase because it will store energy. So the 1 gigawatt which are 20?

**J.P. Chalasani:** But if you want to store energy, it has to be produced. So whatever is the solar or wind connected to the battery, they have to still generate. So if you need let's say a billion units, you still need billion units to be generated. What battery does is actually it tries to match your load curve and the generation curve. That's all it does. It has no impact on your PLFs.

**Shiva:** No I am saying if earlier 1 gigawatt of wind used to produce like X amount. Now because of the battery 1 gigawatt of wind and 1 gigawatt of solar used to give X amount. Now when we put in battery because the unused hours you can store that and you can indirectly increase the energy, the electricity consumed at the night. So you don't need that much amount of gigawatts to set up right if the battery becomes efficient and low cost?

**J.P. Chalasani:** Shiva let me tell you that it is little more complex. Your point is answer is yes and no. If you are -- if you have a generation curve, let's say, or I mean the load demand curve, you have a peak demand. Fine. You are creating your generating capacity to meet peak demand and which remains not utilized during the off-peak period, rest of the period, PLF will be low. Definitely low because you are not utilizing it.

So therefore the moment you put the battery, the amount of generating capacity what is to be put to meet the same load curve will come down. You're fine from that point of view. So will come down. So therefore that's the reason I said that this only matches between the demand curve and the load curve, but today people -- that is not what people are doing it. People are -- that is how we went ahead in solar.

So what's happening now is the solar getting the backing down is happening in solar. So directionally your point is valid, means like theoretically yes you are right. So if you are setting up a capacity to meet peak demand, now if you put the battery, the capacity what is to be created solar or wind would come down because you are trying to flatten the generation curve to match the load curve. That I agree with you. But then what it does is the cost per kilowatt hour would come down.

**Shiva:** So if the batteries become very cheap in like 10 years or then this projections might get a hit right? I mean we don't know what happens, but it is highly dependent on how efficient the batteries are and what is the manufacturing cost of the battery?

**J.P. Chalasani:** See battery we really don't know anything, Shiva today.

**Shiva:** Yes, yes, as of now.

**J.P. Chalasani:** And then single source. Okay? Single source. So today and one single source can actually turn the key and then actually tighten the supply chain. So therefore what happens to the battery, what is going to happen, you are seeing the what is happening in the modules suddenly you see the prices going up, prices coming down. So I think the -- what is important for the country as a whole, storage is mandatory. There is no second opinion about it if you want to increase

renewable energy consumption, storage is mandatory otherwise only alternative is more and more fossil fuel.

Whether it is battery or the Pump Storage and how it happens is what we need to wait and see. But storage is mandatory. Without storage, renewable energy will not grow. Earlier also we said clearly the standalone solar will not grow unless solar and wind is there.

And at the same time if you answer to your question is that for a given demand, the capacity required for wind and solar will come down. But the moment you put storage, you're flattening the generation curve or matching generation curve with demand curve. Overall demand for renewable energy will go up. You get my point?

**Shiva:** Yes, yes.

**Moderator:** The next question is from the line of Mahesh Patil from ICICI Securities.

**Mahesh Patil:** First of all congrats on a good set of results. Sir my question is since we have you know completed nine months and regarding our guidance, right, 60% growth across all parameters and around 2.5 gigawatt of deliveries. So 1.6 gigawatt we have already done. I am not expecting any numbers but directionally how do you see is there any change in guidance or how do you see Q4 panning out?

**J.P. Chalasani:** We stand by our guidance. 100%. If there was any change we would have come forward ourselves to say that. pretty confident to meet what we said on an annual basis

**Mahesh Patil:** Sorry that the voice is not clear.

**J.P. Chalasani:** I said 100% we're committed. 60% we will achieve that. If there was any downward revision we would have come forward on our own to say that. But there is no downward revision. Pretty confident to get to that 60% growth rate. There is absolutely no doubt about it. You might back calculate, you might say this is -- till now you're not done it, can such capacity be dispatched?

Maybe you know a year back if I told you that we will dispatch 600 megawatt in one quarter, you wouldn't believe it. So okay so therefore I can only say at this point of time not commenting on individual deliveries, I can reassure everyone that 60% guidance what we gave is completely online and we will achieve that.

**Moderator:** The next question is from the line of Sudhanshu from JM Financial.

**Sudhanshu:** So I have the two queries: one is can you please share the order pipeline if possible and second why our working capital requirement is increasing?

**J.P. Chalasani:** The order pipeline is strong. as we speak today, we are now clearly talking about three to four gigawatts non bidding route of discussions are happening.

I still maintain while people might say that your order intake is only 800 megawatt last meeting to this meeting and things like that, I still maintain the statement which I have been making

Sudhanshu every single quarter: order is not an issue for us. The issue is execution if we improve the execution as a sector, we can supply more.

We did 617 last quarter. It pains me to stop at 617. We could have easily done 750 megawatt. Easily. Without any problem. But then your projects have got to be ready to offtake. That's the issue. Issue is not that how much can we supply in a quarter. We can actually supply 1100 megawatt in a quarter if there is a consistent offtake from the projects. problem is execution is killing us.

Ours as well as others because that ours is 20% and 80% is controlled by someone else. And it is better than anyone else in the sector, okay? That's the problem. On the working capital you're spot on. So obviously that the I explained earlier that one of the contracts which we built in the provision to the last contract because of the delayed payments and everything we have taken separate line of credit for that particular contract.

But still the payments there the processes have taken much longer time. That's what made us to get stuck. And working capital requirements today Sudhanshu as long as we keep doing this public sector projects these projects would continue to be at a high level. It may not significantly increase but will remain at this levels. Unless we start seeing the results of our development company which is what I said that will start maybe giving us results from the let's say end of next year second half of next year to FY 28.

For example like we have taken latest contract of ArcelorMittal. That's a typical of what we have been talking. So there we have the land contract much in advance. By the time we signed this contract we already have 50% of the land. But still we are not taking the NTP for EPC. So we said that let's acquire more land, get all the pathways everything then we will take an NTP.

And we can do a quick execution good for them, good for us their IDC comes down our working capital comes down. I think we got to move to that stage. We're moving it consciously in that direction but it will take some more time. We need some patience to move there.

**Moderator:** The next question is from the line of Harish Singh from Subh Labh Research Private Limited.

**Harish Singh:** Greetings. Mr. Chalasani, I just wanted some granular details on this slow offtake which you have been mentioning in this call so far. Because you know for the past 4, 5 quarters probably this issue has come for the first time in our conference call. You know, so far the deliveries were good and we were executing well. But probably this quarter, the deliveries has gone down and this slow offtake issue has come up. So if you can you know help us understand a bit more about...

**J.P. Chalasani:** Let's be clear about it. It is not the first time. Each of those quarters compared to what we supplied, we could have supplied at least 15% to 20% more. In each of the quarters, whether it's quarter 1, quarter 2 or quarter 3, okay? And it is not our supplies have come down, maybe it has come down with respect to the expectations what people had building up to 2.5 gigawatts. But otherwise this is as we said in our opening comments, this is highest delivery we ever did in a single quarter.

But the expectation was different Because everybody is doing arithmetic calculation and saying that you know if 60% was said then 2.5 has to be done then fine, at least 700 megawatts will be done in this quarter. So when it is 617, you know some people felt that we have not met the expectations. That's the issue. Not that when you're dealing with respect to 60% and you see, obviously, the growth is big. Okay? So I don't think that's an issue.

The issue of offtake which we have been saying is there every single quarter, even last year, we had 3 gigawatts of manufacturing capacity, we supplied 1,550. Now we have 4.5 gigawatts of capacity and we're talking about 2.5 gigawatts of supply. So, therefore, offtake not just for us, every single OEM has offtake issue in India.

So as all the OEMs put together, supply can be much more than what today the absorption is happening on the project side. So it is nothing new. So because this quarter it is less than what you've been expecting while we are seeing that we have done the highest but still highest is not meeting your expectation, you're saying this is coming for the first time. It's not.

**Harish Singh:**

Understood, Mr. Chalasani. Just a follow up on this, Mr. Chalasani. So how are you seeing the ground situation now? Because we have been reading about probably 30-35 gigawatt of solar capacities lying unutilized. So is it the same with wind capacity as well, the PPA -- the absence of PPA etcetera is hurting your end customers also?

**J.P. Chalasani:**

Let me tell you two things. One is, we don't have any contract which is awarded to us where the PPA is not signed. That 36% bid route was what we have. Our order book, 36% is bid route. So there is nothing where the PPA is not signed. That's number one. So, therefore, orders intake whatever you already taken, there is no risk of not signing the PPA.

Second, that 43, 45 gigawatts whatever we are talking about, to my knowledge, the standalone wind doesn't exist in that. There is some wind capacity which is part of hybrid. Because the states are now started saying that, you know, you increase your wind capacity in that compared to the solar, we want more wind, which obviously you can't do after the bid is done because tariff is locked.

That capacity if you take it, I was told that about -- out of this 43 or 44, 11 gigawatts is wind, which is part of hybrid capacity where the PPAs are held up, not the standalone wind. And in fact, I was also telling earlier that if you look at yesterday's response to the reverse auction. If there is any problem of standalone wind getting PPAs, you wouldn't see 3x response to a 1,200 megawatts bid. Completely oversubscribed. So I don't think there is any problem with respect to PPA for standalone wind.

**Harish Singh:**

Understood, Mr. Chalasani. Understood. So another question, Mr. Chalasani, related to this only. Probably you mentioned about this ROW and little bit of PPAs also getting resolved probably because of coordination between MNRE and MoP. If you can throw some more light on that, Mr. Chalasani, I probably missed that point?

**J.P. Chalasani:** Yes. See, finally with our efforts two to three weeks back, they formally announced a task force by MNRE by giving the terms of reference which includes MNRE, includes MoP and includes every state nodal agency and other people basically to resolve issues with respect to land and ROW and the connectivity. So, therefore, it is now picking up the importance of it. But will this get resolved overnight? I don't think so.

Because the local people are becoming more and more active in terms of creating trouble for projects because it's now become a political issue that it's more easy because project is underway, halfway through they will be under pressure, you know, if you create some trouble. Those things are happening. But the government is trying its best. So, therefore, that's the reason we expect some things.

But that's why best way is that you get your land and pathways, including 33 kV, the ROW clearly signed up beforehand before you start the project. Because the response -- what we have seen is a response of people there when they see a turbine. After that you talk about land acquisition versus when there is no turbine, no construction happening when you look at the land. Because we do both.

In development, there is nothing, no project activity happening. And we do land in where the projects have already started. So completely different response. Where there are no project activities, much more smoother. But once they see the turbines on the ground, the problems of ROW increase manifold.

**Harish Singh:** Got it. Just one follow-up, then I'll move back into the queue. This task force formation was done like very recently and in your opinion how much time might be required to at least roll the ball in the direction of resolution?

**J.P. Chalasani:** You know the government better than me. Because you guys interact with government officials much more than me. This is a step one, and the decision to create a Task Force was taken 6 months back.

**Harish Singh:** 6 months back?

**J.P. Chalasani:** And now the Task Force is formed. So I only look at it as a positive. It is moving in the positive direction. May not be on the timeline-wise.

**Harish Singh:** Right, right. Very helpful Mr. Chalasani. Thanks a lot. Please take care. And Rahul, welcome to Suzlon. Thank you.

**Rahul Jain:** Thank you. Thank you Harish.

**Moderator:** The next question is from the line of Nikhil from Kizuna Wealth. Please go ahead.

**Nikhil:** Yes, sir, thank you for giving me the opportunity and congratulations on a good set of numbers. So, sir, my first question is like we said that we have a pipeline of 3 to 4 gigawatts. So how much of the wind data are we expecting on these orders? And sir with the headwind, so many

headwinds in the order flow, but we are saying that we are able to win the orders. So can we assume that you're going to surpass or even meet FY '25s order inflow or even higher than that?

**J.P. Chalasani:**

See, I have given a guidance earlier and which I will maintain that. Each quarter my closing -- our closing order book will be larger than the opening order book. And each quarter our supplies are increasing. In spite of that our closing order book would be more. Which you can see for the last six to seven quarters and this will continue.

And I would like to maintain at that guidance because at any point of time 6.2, 6.4, 6.6 whatever it's happening and after supplying, then that means there is a steady inflow of orders. Because between the last meeting of Board and this meeting of the Board we added 803 megawatt. So, therefore the -- again, I just want to reassure that because that's what I believe in, not trying to sidetrack the issue. I firmly believe in the -- for Suzlon order intake is not the issue at all.

**Management:**

Book-to-bill is 1.9x.

**J.P. Chalasani:**

Yes. So the -- our book-to-bill ratio is 1.9x. But I can tell you that earlier also I said, I keep repeating that it is not out of any arrogance, I am saying that order intake is not an issue. And especially with this development activity what we started now, it's all the more important. You've seen our EPC share has gone from 20% to 27% in one quarter.

Two largest orders what we announced in the last 1, 1.5 months are of EPC, both BrightNight and ArcelorMittal. So I think that's not an issue for us. And especially that our more of a concentration on the C&I segment, which is our 51% of the share, so I don't see this is going to be an issue.

Every quarter we will keep getting orders more than what we supply. So therefore we will constantly have a good healthy order book at the end of the quarter.

**Nikhil:**

Yes sir, that's quite reassuring sir. And Rahul sir, I have a question on our tax rate. Like we have created a DTA, then I do understand that we will not be having any kind of cash outflow and we do have a INR14,000 crores of carry forward losses. I would like to understand like what would be on the face of the P&L, like how much effective tax rate would be shown in the P&L? I would like to understand that sir.

**Rahul Jain:**

The way to look at it also, Nikhil, is that once all of these deferred tax assets that we have are fully recognized, your effective tax rate, cash or noncash should come to 25% because that's the regime that you're in.

**Nikhil:**

Sir, I do understand that, but we are going to utilize...

**Rahul Jain:**

It's a simple...

**Nikhil:**

Yes, but sir, currently because we have the accumulated losses, we're going to utilize that in the coming years too and current year too?

**Rahul Jain:**

Okay, so the way it works is that the accountants will actually do an assessment sometimes on an annual basis and sometimes on a semi-annual basis where based on your future projection to

be looked at it will consider whether there is DTA losses that were earlier not, let's say, allowed to be set-off will now be set-off.

And based on that an assessment is done annually. So again, I would say that there are certain other which are not on the book as of now, an assessment will happen at the March end also. So there would be something that comes through again.

**J.P. Chalasani:**

Nikhil, simple way non-complicated non-finance person what I understand is simple. Even as on today, we still have INR1,100 crores more deferred tax assets sitting in our bank. Even if we don't recognize anything further up to INR4,400 crores of cumulative profit from now on what we get we will not pay single rupee of tax. That's one part of it.

Even after whatever happened in quarter 3, we still have that much sitting in our bank. I can keep drawing that, okay? That's what I only ask my CFO, sir only how much can I draw?' I only understand what I can draw. Okay? Now how much can I earn is my second question. Even after this we still have about INR8,000 crores of carry-forward losses.

At different points of time, the auditors will look at it, they look at 3 years ahead and they'll keep adding to my bank account. Okay? So therefore this what I have INR1,100 I am assuming that will keep increasing and they did last quarter and my expectations that they will do again in the coming quarter towards the March ending quarter.

So I am assuming that this INR1,100 kitty what I have in my bank in my simple language would further go up. My bank balance will increase. That's my understanding of all these complicated DTA rules and everything. Okay?

**Nikhil:**

Yes sir.

**J.P. Chalasani:**

To me this is what matters to me as a CEO.

**Nikhil:**

Yes sir. Thank you, sir. That's it from my side and all the very best, sir.

**J.P. Chalasani:**

Thank you.

**Moderator:**

Ladies and gentlemen, we will only take last two questions for today. The next question is from the line of Akash Mehta from Canara HSBC Life. Please go ahead.

**Akash Mehta:**

Hi, sir. Thanks for the opportunity. Just one question in terms of, I think, in the call you had mentioned some AI, I mean, enabling in wind turbines uh going ahead. So can you just help us understand what you all Sare kind of trying to do and what are the developments in that space that you all are looking at?

**J.P. Chalasani:**

Yes. This is again you know layman explanation previously was finance this is technology. So my only understanding of AI what we're going to use is that my entire OMS system is going to get digitized. So therefore the our predictive maintenance, preventive maintenance and everything can be tracked and which turbine when and how long it's there down popping up so therefore it actually improves our up-time because of this data because constantly we keep getting data analyzing and it's throwing up this.

It improves our it reduces our cost because it is throwing up telling me the predictive maintenance much before actually the system fails so therefore we can act in that. So I think significantly that is what we are looking at it. If today we are at 96.1% of availability, how do we go towards 97, 97.5, 98 is one.

Second thing is today I am at 40% EBITDA margin, plus how do I not just sustain can I increase this margin. This is what AI would help me. Otherwise you know my CTO my CFO will say sir we will do this we will do that end result is this. Yes, I think that that's very helpful. Yes thanks a lot and all the best. Thank you.

**Moderator:** Thank you very much. Ladies and gentlemen, that was the last question for today. I now hand over the conference to management for closing comments. Over to you, sir.

**J.P. Chalasani:** Yes I think uh having the having coughed all along anyway let me say that thank you very much for bearing with my cough and you know not able to hear the opening comments I am I'm sorry but I didn't want to miss this call, it's extremely important for me I'll just go back home the moment this call is done.

I feel I not as a CEO I personally feel that it was a great set of quarter for us in the constraints what we know as I said that offtake of turbines and various things. And I standing here pretty confident I reiterate that the guidance what we gave stands absolutely no change. In fact last quarter some of you asked me that are we going to revise upwards, I said no.

And some of you are asking now do we revise it downwards, I am again saying no. We will maintain that 60% guidance completely online and the third is that the orders is not an issue. And this issue of DTA and people not understanding share price impacting up and down will still continue to be there. Next quarter we will have a huge amount of DTA asset coming in our net profit suddenly jump and people will say 300% profit improved.

So I think and these things would keep happening but you people understand that what is the meaning of all this. So but having said that, we are open at any point of time my colleagues or me for to discuss on any industry level issue or as well as anything specific is bothering you on Suzlon. Thank you very much.

**Rahul Jain:** Thank you everyone.

**Moderator:** Thank you. On behalf of Suzlon Energy Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.