

# Suzlon Energy Limited

Investor Presentation

Q4, FY 2021-22

25<sup>th</sup> May 2022



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## Suzlon Overview



**19.3 GW**

Installed Wind Energy Capacity



**17 Countries**

Presence



**No.1 OEM in India's**

Renewable Energy Sector



**5,437**

Global Workforce



**1,800+**

Customers Globally



**~33%**

Cumulative Market Share  
in India

*As on 31<sup>st</sup> March'22*

## Key Updates

- ✓ Supplies of 336 MW done in Q4 FY 2021-22 - highest quarterly supplies in the last 20 quarters
- ✓ Increase in supplies from 204 MW in FY21 to 808 MW in FY22
- ✓ Service business continued to perform well despite Covid challenges
- ✓ Refinancing of debt facilities completed
- ✗ Indian Wind Industry installations continued to be low for fifth consecutive year
- ✗ Covid Pandemic - Supply chain disruption and wide-scale impact across sectors
- ✗ Geopolitical Disturbance – Impact on commodity prices and logistics cost

**Financial Performance**

Industry Outlook

Suzlon Strengths

Detailed Financials

## Q4 FY22 Consolidated Financial Metrics

(₹ Cr.)

Particulars	Q4 FY22 Unaudited	Q3 FY22 Unaudited
Net Volumes (MW)	336	200
Net Revenue	<b>2,442</b>	<b>1,597</b>
<b>Contribution</b>	<b>467</b>	<b>501</b>
<b><i>Contribution Margin</i></b>	<b><i>19.1%</i></b>	<b><i>31.4%</i></b>
Employee Expenses	131	141
Other Expenses (net)	144	116
<b>EBITDA (Pre FX)</b>	<b>192</b>	<b>244</b>
<b><i>EBITDA Margin (Pre FX)</i></b>	<b><i>7.9%</i></b>	<b><i>15.3%</i></b>
Depreciation	77	63
Net Finance Cost	172	181
Taxes	160	5
<b>Net Profit/(Loss) Pre Fx and Ex. Items</b>	<b>-218</b>	<b>-5</b>
Exchange Loss / (Gain)	-25	-42
Exceptional Loss / (Gain)	0	0
<b>Net Profit/(Loss) After Tax</b>	<b>-193</b>	<b>37</b>


## FY22 Consolidated Financial Metrics

(₹ Cr.)

Particulars	FY22 audited	FY21 audited
Net Volumes (MW)	808	204
Net Revenue	<b>6,520</b>	<b>3,295</b>
<b>Contribution</b>	<b>1,877</b>	<b>1,587</b>
<b><i>Contribution Margin</i></b>	<b><i>28.8%</i></b>	<b><i>48.2%</i></b>
Employee Expenses	545	553
Other Expenses (net)	503	495
<b>EBITDA (Pre FX)</b>	<b>828</b>	<b>539</b>
<b><i>EBITDA Margin (Pre FX)</i></b>	<b><i>12.7%</i></b>	<b><i>16.4%</i></b>
Depreciation	260	258
Net Finance Cost	712	976
Taxes	167	5
<b>Net Profit/(Loss) Pre Fx and Ex. Items</b>	<b>-310</b>	<b>-701</b>
Exchange Loss / (Gain)	-61	4
Exceptional Loss / (Gain)	-83	-805
<b>Net Profit/(Loss) After Tax</b>	<b>-166</b>	<b>100</b>



## Wind Order Book (As on 31<sup>st</sup> March 2022)

Particulars	Capacity (MW)	Remarks
Central Auctions	501.9	The order book comprises of orders from marquee customers such as Adani group, Apraava Energy (formerly known as CLP India) and Enel Group.
State Auctions	56.7	
Captive/Retail/PSUs	229.2	
<b>Wind Firm Order Book</b>	<b>787.8</b>	
<div style="text-align: center;">   <b>SE Forge Ltd and Service orders over and above this order book</b> </div>		



Financial Performance

**Industry Outlook**

Suzlon Strengths

Detailed Financials

## Enhanced Government Focus



**High Priority for Renewable Energy**



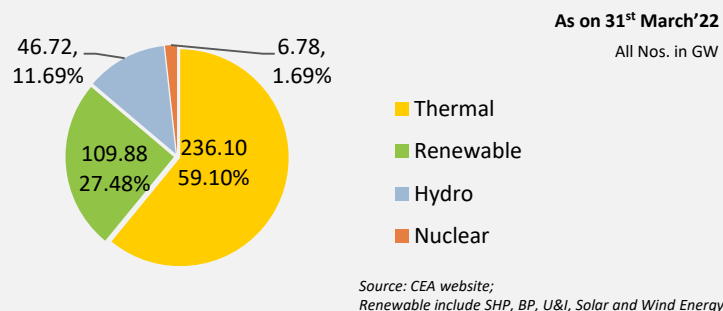
**Atmanirbhar Bharat**

## Opportunities : Future Drivers for Renewable Energy growth in India

- Renewable Energy target of 500 GW by 2030
- Rising demand for Green Hydrogen
- Ensuring resilience against volatile cost of fossil fuels
- Energy security is top priority for every country, especially due to geopolitical uncertainties
- Renewable Energy has become competitive as compared with conventional sources of energy
- Policy - RTC and Hybrid Projects are the next big thing in which Wind is an essential part (GOI increased minimum share of any component in Hybrid projects to 33% from existing 25%)

# Renewable Energy driven by Wind & Solar has begun to outstrip Thermal power installations

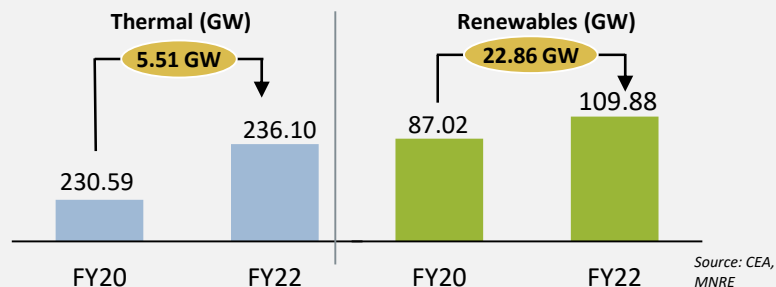
## Renewable Energy (Wind and Solar) is already 2<sup>nd</sup> largest source of power



## Renewable Energy helping the country to be ATMANIRBHAR in power supply

- Renewable Energy ensures Energy Security
- Government has strong commitment towards pushing growth of Renewable Energy
- Renewable Energy has also achieved grid parity and not totally dependent on favourable policies for competing with conventional power tariffs

## In last 2 years, Renewable Energy installation is > than Thermal sources



Parameter	Conventional	Solar	Wind
PLF	60-70%	~18-24%	~38-45%
Equipment	Domestic / Imported	Largely Imported	"Made in India"
Fuel	Domestic / Imported	No Fuel Cost	No Fuel Cost
Tariff Stability	Variable	Constant for 25 years	Constant for 25 years

**Renewable Energy steadily becoming dominant in Energy basket in India**

# Key Industry Updates

## Major Policy updates

- Ministry of Power (MoP) notified the Green Hydrogen Policy
- MoP issued the Clarification on Electricity (Timely Recovery of Costs due to Change in Law) Rules, 2021
- MNRE has issued the amendment in the Guidelines for Tariff based competitive bidding process for procurement for grid connected wind solar hybrid projects
- Further Time-extension in SCoD of Wind Energy Projects on case to case basis, considering disruption due to post-COVID supply chain and monsoon related disruptions
- Constitution of Committee under MNRE for unlocking of untapped wind potential uniformly across all windy states
- Rajasthan Electricity Regulatory Commission issued Amendments in the Procedure for implementation of the Framework on Forecasting and Scheduling for Renewable Energy (RE) Generating Stations (Wind and Solar)
- Government of Gujarat extended the Wind Energy Policy till July 31, 2022
- Government of Karnataka issued the Renewable Energy Policy for next 5 years

## New Wind/Hybrid bids announced

S.N	Agency	Capacity (MW)	Status	Bid Submission Date / Reverse Auction (RA)	L1 Tariff (INR / KWhr)
1	SECI XIII (Wind)	1,200	Bids yet to be submitted	03/06/2022	
2	SECI XII (Wind)	1,200	Reverse Auction completed	24/05/2022	2.89
3	SECI Hybrid V	1,200	Reverse Auction completed	05/05/2022	2.53
4	MP Hybrid (RUMSL)	750	Pre bid meeting on 18 <sup>th</sup> May 2022	08/06/2022	
5	GUVNL – 3	500	Pre bid meeting on 30 <sup>th</sup> May 2022	15/06/2022	

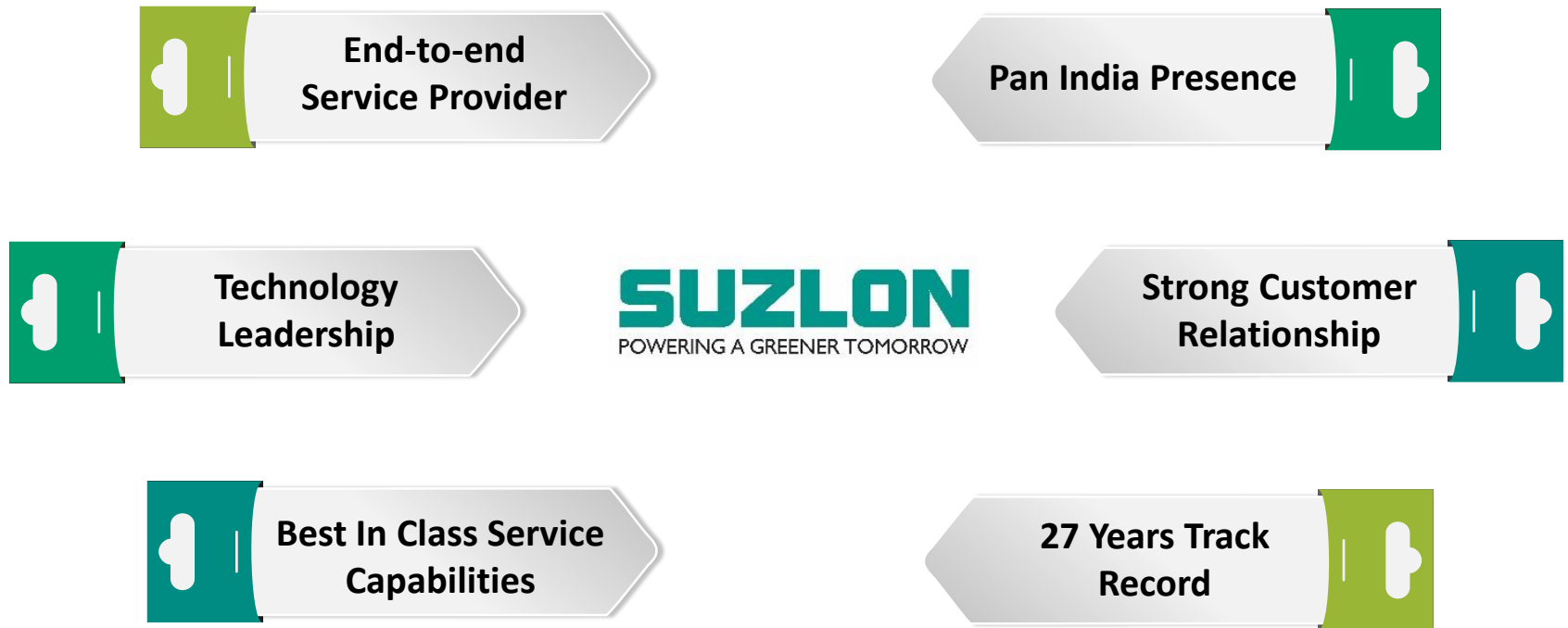
Financial Performance

Industry Outlook

**Suzlon Strengths**

Detailed Financials

# Suzlon's Strengths in Indian Wind Energy Market



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

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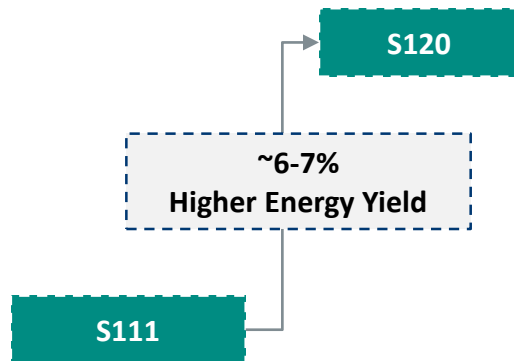


## Products Optimized for Market Demand

### *S120-140*

**2.1 MW**

Proto	Status	Date
S120-105	Commissioned	Jun'18
S120-140	Commissioned	Dec'18

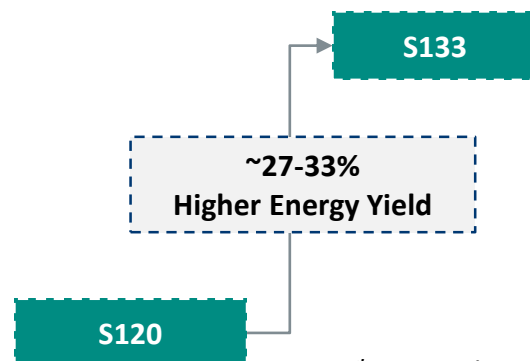


### *S133-140, 160*

**2.6 MW- 3.0 MW**

*(product series)*

Proto	Status	Date
S133-105	Commissioned	Aug'19
S133-140	Commissioned	Oct'21
S133-160*	Installed	May'22



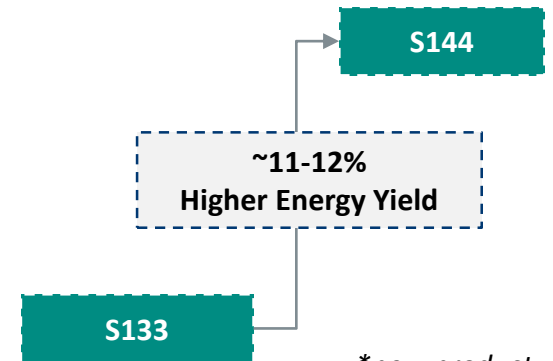
*\*new variant*

### *S144-140, 160*

**3.0 MW- 3.15 MW**

*(product series)*

Proto	Status	Expected Date
S144-105*	Proto planned	Oct'22
S144-160*	Planning WIP	May'23



*\*new product*

**Gaining competitive edge in auction regime – Leverage cost out & AEP**

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# Consolidated Income Statement

(₹ Cr.)

Particulars	Q4 FY22	Q3 FY22	Q4 FY21	FY22	FY21
	Unaudited	Unaudited	Unaudited	Audited	Audited
Net Volumes (MW)	336	200	95	808	204
Net Revenue	<b>2,442</b>	<b>1,597</b>	<b>1,120</b>	<b>6,520</b>	<b>3,295</b>
<b>Contribution</b>	<b>467</b>	<b>501</b>	<b>467</b>	<b>1,877</b>	<b>1,587</b>
<b><i>Contribution Margin</i></b>	<b><i>19.1%</i></b>	<b><i>31.4%</i></b>	<b><i>41.7%</i></b>	<b><i>28.8%</i></b>	<b><i>48.2%</i></b>
Employee Expenses	131	141	122	545	553
Other Expenses (net)	144	116	234	503	495
<b>EBITDA (Pre FX)</b>	<b>192</b>	<b>244</b>	<b>111</b>	<b>828</b>	<b>539</b>
<b><i>EBITDA Margin (Pre FX)</i></b>	<b><i>7.9%</i></b>	<b><i>15.3%</i></b>	<b><i>9.9%</i></b>	<b><i>12.7%</i></b>	<b><i>16.4%</i></b>
Depreciation	77	63	62	260	258
Net Finance Cost	172	181	190	712	976
Taxes	160	5	1	167	5
<b>Net Profit/ (Loss) Pre Fx and Ex. Items</b>	<b>-218</b>	<b>-5</b>	<b>-142</b>	<b>-310</b>	<b>-701</b>
Exchange Loss / (Gain)	-25	-42	-85	-61	4
Exceptional Loss / (Gain)	0	0	1	-83	-805
<b>Net Profit/(Loss) After Tax</b>	<b>-193</b>	<b>37</b>	<b>-58</b>	<b>-166</b>	<b>100</b>

# Consolidated Balance Sheet

(₹ Cr.)

Liabilities	Mar-22	Mar-21	Assets	Mar-22	Mar-21
Shareholders' Fund	-3,526	-3,343	<b>Non Current Assets</b>		
Non controlling interest	-36	-58	Property, plant and equipment	774	804
	<b>-3,562</b>	<b>-3,401</b>	Right-of-use assets	134	131
<b>Non-Current Liabilities</b>			Capital work-in-progress	15	104
<b>(a) Financial Liabilities</b>			Investment property	31	33
(i) Borrowings	5,592	6,027	Goodwill	-	8
(ii) Lease Liabilities	58	55	Other intangible assets	121	190
(iii) Other Financial Liabilities	22	22	Intangible assets under development	4	4
(b) Provisions	130	83	Investments in asso. and joint ventures	-	23
(c) Other Non-Current Liabilities	0	1	<b>Financial assets</b>		
	<b>5,802</b>	<b>6,188</b>	(I) Other Investments and financial assets	264	403
			Other non-current assets	47	54
				<b>1,390</b>	<b>1,754</b>
<b>Current Liabilities</b>			<b>Current Assets</b>		
<b>(a) Financial Liabilities</b>			(a) Inventories	2,208	2,173
(i) Borrowings	798	831	(b) Financial assets		
(ii) Lease Liabilities	17	12	(i) Trade receivables	1,377	1,190
(iii) Trade Payables	1,840	1,582	(ii) Cash and cash equivalents	500	263
(iv) Other financial liabilities	363	357	(iii) Loans	1	21
Contract Liabilities	477	405	(iv) Other Financial Assets	121	176
Other cur. Liabilities	81	88	(c) Current tax asset, net	1	6
Provisions	658	539	(d) Other curr. assets (incl. held for sale)	877	1,019
	<b>4,234</b>	<b>3,814</b>		<b>5,085</b>	<b>4,847</b>
<b>Total Equity and Liabilities</b>	<b>6,475</b>	<b>6,601</b>	<b>Total Assets</b>	<b>6,475</b>	<b>6,601</b>

Thank You!

