

# Familiarization Kit For Directors

## Index

1.	Suzlon Group: Fact Sheet .....	3
2.	Board of Directors and Management team .....	5
3.	A 25 year Legacy .....	6
4.	Key statistics of Suzlon Group .....	12
5.	Key financial metrics .....	13
6.	Suzlon strengths in India: Unique leadership position Global footprint.....	13
7.	Global in-house R&D capabilities .....	14
8.	Existing manufacturing facilities .....	14
9.	Suzlon product portfolios .....	15
10.	Suzlon India installation overview.....	15
11.	Operations and Maintenance Services (OMS) .....	16
12.	Update on Debt Resolution .....	17
13.	CSR activities .....	22
14.	Industry update .....	23
15.	Suzlon Vision and Values .....	24
16.	Suzlon - Customer base .....	25

## Suzlon Group: Fact Sheet

- Suzlon Group, consisting of Suzlon Energy Limited (SEL) and its global subsidiaries, is India's largest renewable energy solutions provider with presence in 18 countries across six continents
- Suzlon has a strong presence across the entire wind value chain with a comprehensive range of services to build and maintain the projects, which include wind resource assessment, design, supply, site procurement and development, installation, commissioning of the project and dedicated life cycle asset management services
- Suzlon Group has over 18.8 GW of installed capacity globally, of which over 12.8 GW is in India alone, making it a market leader in the country. (~34% of total installed base in the country)
- Suzlon's Global wind installations help in reducing over 39 million tonnes of CO2 emissions every year
- Suzlon boasts of a wide range within its 2.1 MW suite of products with varying rotor blade and tower heights suitable for all wind regimes
  - The S111-120m (120 meter hub height), lattice-tubular tower prototype turbine commissioned in Gujarat in March 2016 achieved ~42% plant load factor (PLF). It received Type Certification in June, 2016
  - The S111-140m (140 meter hub height), has a formidable lattice-tubular tower. The prototype set up in August 2017 in, Gujarat, has achieved 43% plant load factor (PLF). It has received its Type Certification
  - The S120-105m (105 meter hub height) lattice-tubular prototype has been installed and commissioned in Gujarat in June 2018. It is estimated to give 6-7% higher energy yield over the earlier model - S111. The product will be available in various hub heights up to 140 meters
  - Installed and commissioned the first prototype of S120 – 140m (140 meter hub height) - Wind Turbine Generator (WTG) with a Hybrid Concrete Tubular (HCT) Tower at Tamil Nadu in December 2018. This product is available in multiple tower variants such as HCT, Hybrid Lattice Tower (HLT) and Steel Tubular Tower (STT) in order to enable us to reach untapped wind sites in challenging terrains.
- Suzlon introduced the 2.6 to 2.8 MW platforms to unlock unviable sites and deliver improved energy yield suitable for all wind regimes
  - The, S128 and S133 are few of the largest wind turbine generator (WTG) in India. The prototype of S128-105m (105 meter hub height) was set up in Tamil Nadu in January 2018. The prototype of S133-105m was set up in August 2019. These products are available in 2.6 MW to 2.8 MW variants and offers hub heights up to 140 meters. It is expected deliver 20-22% higher generation over the S120
- Suzlon is credited with developing one of Asia's largest wind farms in the western Indian states of Rajasthan and Gujarat. The Jaisalmer wind farm has over 1.6 GW of installed capacity and Kutch wind farm has of over 1.5 GW of installed capacity
- Suzlon is the first private sector player to install an offshore LiDAR based met station with remote monitoring system in the Arabian Sea



- Suzlon has its research and development centres for Wind energy in Germany, Denmark, The Netherlands and India
- Having forayed into the solar segment, Suzlon is one of the few players to provide turnkey solutions for solar and wind projects. The company has capabilities to execute wind-solar hybrid solutions
- SE Forge, a wholly-owned subsidiary of Suzlon group, incorporated in 2006, has an un-machined casting capacity of 1,20,000 metric tonnes per annum, machining capacity of 55,000 metric tonnes per annum and forging capacity of 42,000 rings per annum
- Suzlon Global Services Limited (SGSL), a wholly-owned subsidiary of Suzlon Group is the custodian of over 12.8 GW of wind assets under service in India making it the 2nd largest operations and maintenance company (over 8,900 turbines) in the Indian power sector. The Group also has around 2.5 GW of wind assets under service outside India
- Suzlon has a human capital over 5,700 employees with a diverse geographical and talent spread
- The Group is headquartered at Suzlon 'One Earth' campus in Pune, India. A LEED Platinum and GRIHA 5 star certified building; One Earth is one of greenest corporate campuses in the world



## Board of Directors and Management Team

The Company is helmed by its Founder, Chairman and Managing Director, Mr. Tulsi R Tanti, who is a pioneer in the wind energy industry in India.

### Board of Directors:

Sr. No.	Name of Board Member	Capacity
1	Tulsi R Tanti	Founder, Chairman and Managing Director
2	Girish R Tanti	Non-Executive Director
3	Vinod R Tanti	Whole Time Director and COO
4	Marc Desaedeleer	Independent Director
5	Per Hornung Pederson	Independent Director
6	Rakesh Sharma	Nominee Director
7	Sameer Shah	Independent Director
8	Seemantinee S Khot	Independent Director
9	Gautam Doshi	Independent Director
10	Hiten Timbadia	Non-Executive Director

### Executive Group:

Sr. No.	Name of the Member	Role
1	Swapnil Jain	Chief Financial Officer
2	Vinod R Tanti	Chief Operating Officer

## A 25 year legacy

Established in 1995, Suzlon has consistently strived to provide affordable renewable energy and make the world a greener place. Its journey is driven by unyielding determination and belief that led Suzlon, which began as a small and innovative entrepreneurial venture with the vision of sustainable development, to become a global enabler of climate change risk mitigation. The persistence of the Suzlon family led to the provision of continuous energy for industries and the creation of a better environment. Suzlon, since its inception, has been synonymous with green energy. Over the last two decades, it has carved for itself, opportunities in the seemingly unyielding face of challenges to achieve many milestones.

### 1995

Suzlon Energy Limited is formed and becomes operational Suzlon establishes a technical collaboration with leading German wind industry player, Sudwind Energy GmbH.

### 1996

Suzlon commissions its first 0.27 MW WTG for M/s Indian Petro Chemicals Limited at Dhank, Gujarat.

### 1998

Suzlon enters Maharashtra by installing a WTG at Vankusawade, Satara District, for Ghodawat Pan Masala Products.

### 1999

Suzlon forays into Tamil Nadu with the commissioning of its first wind turbine in the State.

### 2000

- Suzlon commissions its first 50 MW at Vankusawade, Satara District, Maharashtra.
- Suzlon crosses the 100 MW mark at Vankusawade, Satara District.
- Suzlon commissions its first 1 MW WTG for the then Tata Group Company, M/s Niskalp Investments.

### 2001

- Suzlon enters Rajasthan by commissioning its first 0.35 MW for Rajasthan State Mines and Minerals.
- Formation and commencement of operations of Suzlon Wind Energy Corp, U.S.A., a wholly owned subsidiary of Suzlon Energy Limited, India.
- Formation of Suzlon Energy GmbH, Germany, a wholly owned subsidiary of Suzlon Energy Limited, India.
- Suzlon initiates its backward integration with the despatch of the first set of blades (Type S-60) from its rotor blade unit in Daman.

**2002**

- Suzlon Energy GmbH, Germany becomes operational.
- Suzlon commissions its first 1.25 MW WTG for M/s Velathal Spinning Mills Limited in Tamil Nadu.
- Mrs. Jaywantiben, Honb'le Minister of Power, Daman, flags off Suzlon's first export order to U.S.A.

**2003**

Suzlon enters China by opening its representative office in Beijing.

**2004**

- Suzlon Energy Australia Pty Ltd. Australia, a wholly owned subsidiary of Suzlon Energy Limited, India is formed and commences operations.
- Suzlon enters Karnataka by commissioning a 3.75 MW wind power project for major mining company, MSPL.
- Suzlon integrates further backward with the formation and commencement of Suzlon Control System (SCS), an MBU at Daman, for the design and manufacture of wind turbine control systems.
- Formation of Suzlon Generators Pvt Ltd., the production unit for wind electric generators.
- Formation of Suzlon Structures Pvt Ltd., the production unit for tubular towers.
- Suzlon dedicates its one-of-its-kind 2 MW WTG to the nation after its successful commissioning on the eve of Independence Day.
- Formation of Suzlon Energy A/S, Denmark, a wholly owned subsidiary of Suzlon Energy Limited, India.
- Suzlon enters Madhya Pradesh by commissioning a 5 MW wind power project.

**2005**

- Suzlon crosses the 1 GW installation mark in India.
- Suzlon Rotor Corporation, U.S.A. is incorporated.
- Suzlon Energy Limited opens its Initial Public Offer (IPO) for 29.34 million shares to overwhelming response and successful listing on the BSE and NSE.
- Suzlon Generators (SGPL) launches its maiden 2.1 MW.
- Suzlon commissions its first 600kW WTG in Tamil Nadu.

**2006**

- Inception of Tianjin manufacturing facility in China.
- Suzlon ranks #5 among WTG manufacturers in terms of capacity installed in 2005\*.

- Suzlon enters Australia by signing a contract through its subsidiary, Suzlon Energy Australia Pty Limited (SEA), to build Australia's largest wind farm project for Australia Gas and Light (AGL) Company.
- Formation of Suzlon Energy Forge (SE Forge) Limited for the casting and forging of hub casts and other allied components.
- Suzlon enters Europe by signing a contract for a 39.9 MW wind turbine capacity project with TECNEIRA (Tecnologias Energeticas, SA) in Penamacor, Portugal.
- Suzlon crosses the 2 GW installation mark in India.
- Suzlon receives the awards of the Best Manufacturer of the Year and Best Company in Corporate Social Responsibility at the Wind India Conference in Pune.
- Suzlon is ranked as the second leading company in the category of Best Service Provider among Manufacturers at the Wind India Conference.
- Suzlon receives the IPO of the Year Award at the 3rd Euromoney and Ernst & Young Global Energy Awards 2006.
- Suzlon enters the South American market by signing a contract for 224.7 MW with Brazilian energy company, SIIF Energias do Brasil Ltd.
- Suzlon is awarded the TERI Alumini Award for Outstanding Entrepreneurship in Energy Environmental Technologies 2006.
- Tulsi R. Tanti is awarded the prestigious 8th Ernst & Young Entrepreneur of the Year Award.
- Suzlon Rotor Corporation announces the production of its first wind turbine blade in U.S.A. and begins production of blades and nose cones.
- Tulsi R. Tanti is honoured with an award under the 'Most promising entrant into the Big League' category at the CNBCTV18 India Business Leader Awards 2006 function.
- Suzlon becomes the only Indian manufacturer to attract Foreign Direct Investment in the Indian wind energy sector with the signing of a turnkey contract with British Petroleum to set up a 40 MW wind power project in Maharashtra.

## 2007

- Suzlon commissions its first wind power project in China.
- Suzlon commissions its first 2.1 MW capacity turbine, the V3 S88 test turbine installation, in Australia.
- Suzlon Energy (Tianjin) Limited (SETL) formally opens its advanced manufacturing facility, designed for the manufacture of TGs and integration of major WTG components.
- Suzlon completes its first Foreign Currency Convertible Bonds (FCCBs) issue, amounting to USD 300 million, listed on the Singapore Exchange Securities Trading Ltd.
- Suzlon enters Turkey with an order for 31.5 MW of wind turbine capacity from Ayen Enerji Co. Inc.
- Suzlon crosses 3 GW of installations in India.
- Suzlon becomes the only power company in India, only renewable energy company in Asia and the only wind power company in the world to achieve the elite status of Superbrand (2008-2009) .



- Tulsi R. Tanti is named amongst TIME's Heroes of the Environment for his contribution towards raising awareness and initiating action on global climate change.
- Suzlon sets the benchmark of obtaining the single largest order from a Government Public Sector Unit in the Indian wind industry with its new order from ONGC Limited for 51 MW wind turbine capacity.
- Suzlon floats its maiden QIP (Qualified Institutional Placement) of approximately USD 552 million.
- Suzlon enters Kerala by commissioning its first 600kW WTG at Agali in the Palakkad District.

## 2008

- Harvard Business School concludes a case study labelled 'The Suzlon Edge' which describes and analyses the evolution of Suzlon, and the business decisions and strategies that made it one of the leading players in the global wind energy arena, making Suzlon a part of the elite list of companies to participate in this activity.
- Suzlon commissions its first WTG using concrete tower technology at Nani Sindholi, Gujarat for Suzlon Towers and Structures Limited.
- Suzlon enters the Sri Lankan wind energy market by signing a deal with Senok Wind Power Pvt. Ltd. of the Sri Lankan conglomerate, Senok Group.

## 2009

- Suzlon commissions its first WTG in Spain at the Jerez site in Cádiz province for Wigep Andalucia S.A.
- Suzlon enters Nicaragua with its maiden WTG commissioning at the Amayo site in Rivas province for Arctas Capital Group LP.
- Suzlon commissions the first WTG at the Akbük site for its order from Ayen Enerji Co. Inc.
- Tulsi R. Tanti recognised for his entrepreneurial vision in combatting climate change and named Champion of the Earth for the year 2009 by the United Nations Environment Programme (UNEP).
- Suzlon announces its entry into the Balkan region through an order from Technomash Bulgarian Industrial Group AD, Bulgaria.
- Suzlon enters Sweden and, with it, the Scandinavian region, with an order from Triventus AB.

## 2010

- Suzlon sets a benchmark by becoming the first company in India to bring investment from a nationalised bank into the wind energy sector when it led the maiden foray of State Bank of India for 15 MW WPPs in the key Indian states of Tamil Nadu, Gujarat and Maharashtra.
- Suzlon crosses the 5 GW installation mark in India.
- Suzlon global headquarters 'One Earth' receives the coveted Leadership in Energy and Environment Design (LEED) Platinum Award, bestowed by Her Excellency Meera Shankar, the Ambassador of India to the United States, at a ceremony in Washington, D.C.
- Tulsi R. Tanti is honoured with the 'Special Wind Visionaries of Asia' recognition by Asian Development Bank for the quantum leap of Suzlon in wind power in Asia.
- Suzlon crosses the 2 GW installation mark in the US market.

**2011**

- Suzlon crosses the 6 GW installation mark in India.
- Suzlon announced the launch of its new S9X suite of wind turbines at the Wind Power 2011 conference.
- Suzlon voted the 6th most Green brand in India by the global 'ImagePower Green Brands Survey'.
- Suzlon launches a powerful environmental awareness campaign in Mumbai titled Pure Air Lovers' Society (P.A.L.S.) which spans 86 cities and places emphasis on the importance of clean air.
- Suzlon is named a 'New Sustainability Champion' in a World Economic Forum Boston Consulting Group study of 'fast growing, high-performing companies' from emerging markets for their environmental and social initiatives.
- Suzlon Wind Energy Corp., the North American subsidiary of Suzlon Energy Limited (SEL), opened a state-of-the-art training centre for wind technicians across its North American operations, becoming the only fully operational wind turbine dedicated exclusively for training purposes.

**2012**

- Suzlon commences the maiden commissioning of its Amherst Project in Nova Scotia, Canada, deploying the latest S9X product series.
- Suzlon announced the launch of its newest WTG, the S111-2.1 MW, the latest generation of the 2.1 MW fleet designed for low wind speed sites and becoming the highest-yielding IEC Class III wind turbine of any comparable class machine.

**2013**

Tulsi R. Tanti receives Asia's Most Influential Leader Award and Suzlon receives the award for being Asia's Most Promising Brand for 2012-2013 at the Asian Brand and Leadership Summit 2013, initiated by WCRC.

**2014**

Suzlon erects its first S97-2.1 MW WTG, built with a hybrid tower (including lattice/tubular combination) at 120 m hub height in Jamanwada, Gujarat.

**2015**

Suzlon commissioned its 10,000<sup>th</sup> WTG at the Artilleros wind farm in Uruguay. Suzlon signed definitive agreements with Dilip Shanghvi Family and Associates (DSA) for equity investments of 1,800 Crore in Suzlon Energy Limited for equity infusion to accelerate growth.

- Suzlon completes the testing, carried out by an independent third party agency, of the 50 Hz and 60 Hz variants of its S111-2100kW WTG.
- Suzlon receives the certification for its S111-2.1 MW turbine, 50 Hz and 60 Hz variants, awarded by TÜV NORD and acknowledging conformity with standards and regulations for the design, testing and manufacturing of the WTG.

**2016**

- Shri Shivraj Shingh Chauhan, Hon'ble chief minister of Madhya Pradesh inaugurates Suzlon's Rotor Blade Manufacturing unit at Badnawar, Ratlam.
- Suzlon wins Golden Peacock Eco Innovation Award for S97 120M Hybrid Tower Wind Turbine.

**2017**

- Wind Turbine Tower Technology Company of the Year and the runner-up award for Wind Turbine Manufacturer of the Year by India Wind Energy Forum.
- Suzlon surpasses the milestone of 11,000 MW installed wind energy in India.
- Suzlon's first wind farm achieves an operational milestone of 20 years.
- Year of record Installations: FY17 was a historic year for Suzlon as it achieved record installations of 1,779 MW. This is an impressive growth of around 100% from FY16. Suzlon also achieved its highest installations in the state of Andhra Pradesh by commissioning 900 MW and thereby ranking as the top OEM in the state. Andhra Pradesh continues to be a key market for Suzlon and we are committed to bring further investments to strengthen the state's objective of achieving its renewable targets.

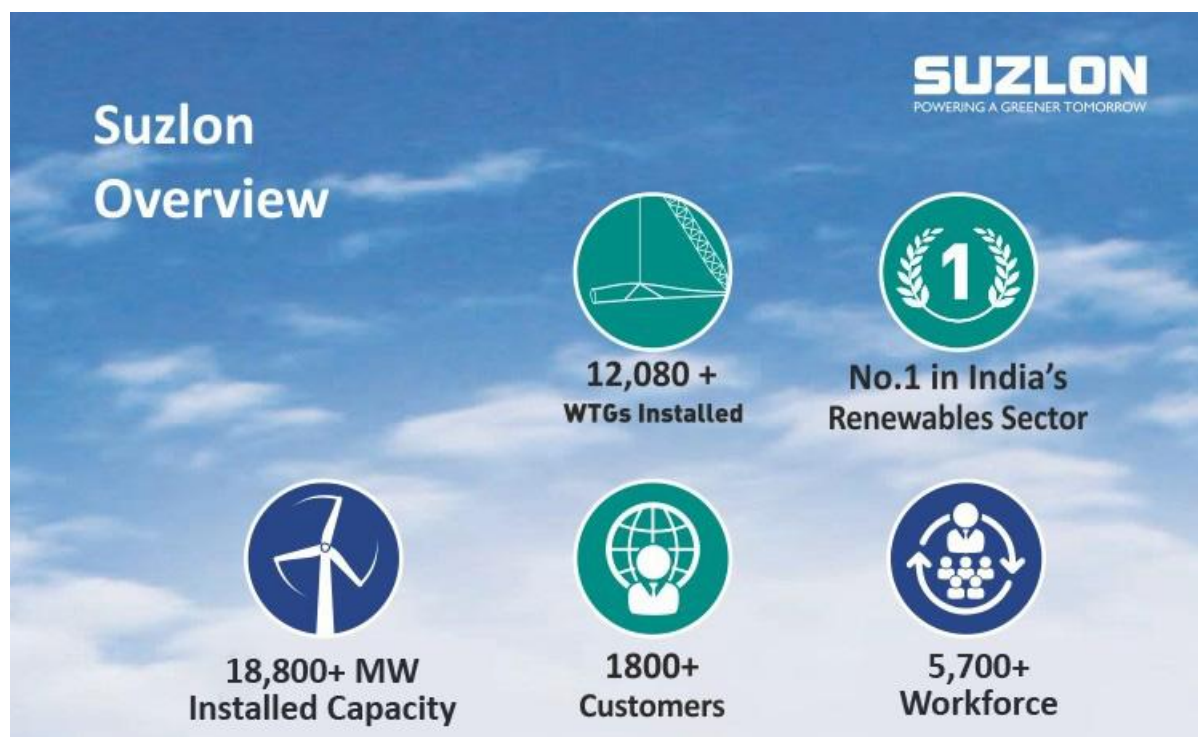
**2018**

- Suzlon and associates commissioned the first Operational Offshore Met Station in the Arabian Sea in Gujarat. The met station will collect wind data for a period of two years, which is crucial for better assessment and development of offshore wind energy projects.
- Suzlon has been awarded the SKOCH Corporate Excellence Silver Award for its SB63 Full Carbon Girder Blade.
- Suzlon installed and commissioned the new S128; the largest Wind Turbine Generator (WTG) in India. The first prototype of S128 has been commissioned at Sanganeri, in Tamil Nadu. The S128 wind turbine generator (WTG) is available in 2.6 to 2.8 MW variants and offers varied hub heights up to 140 metres.
- The logistics team at Suzlon developed an innovative two fold transport system, which used a specialised 'Adapter Trailer' for the first time in India. This innovative 'Adapter Trailer' ensures unbound manoeuvrability through the hilly terrain, while transporting the country's longest blades safely in a cost effective and time-efficient manner to the most remote wind sites.

**2019**

- SGS L won the 1<sup>st</sup> Prize of IMC RBNQ AWARD 2018 in Service category.
- Daman Plant wins prestigious National Award for Manufacturing Competitiveness 2019.
- World's 1<sup>st</sup> solar project quality certification for Suzlon's 100 MW project from DNV.
- Won Best Organisation for PoSH (Prevention of Sexual Harrasment) award.
- Certified as 'Great Place to Work' by the Great Place to Work® Institute.
- Daman Plant won Gold award by International Research Institute for Manufacturing.

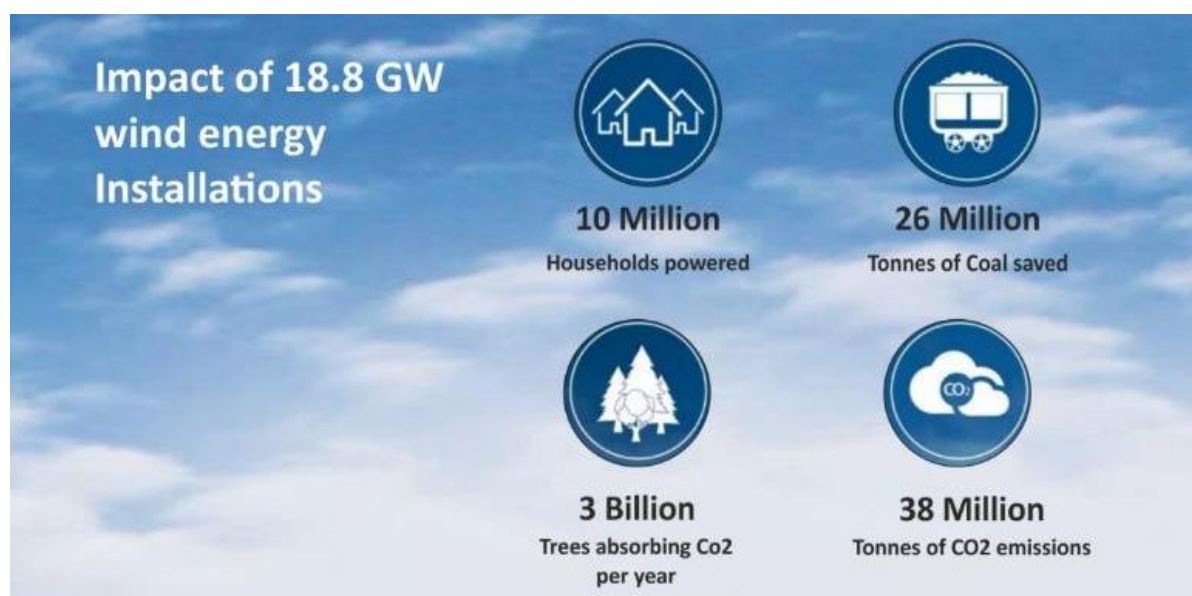
Key statistics of Suzlon Group as on 30<sup>th</sup> June, 2020 are as under



**Product (Size range):**

Product Size (range)		% of total MW installed
Small WTGs	< 750 kW	4.13
Megawatt	< 750 – 1500 kW	36.17
Mainstream	< 1501 – 2500 kW	59.70

**Impact of 18.8 GW wind energy installations**

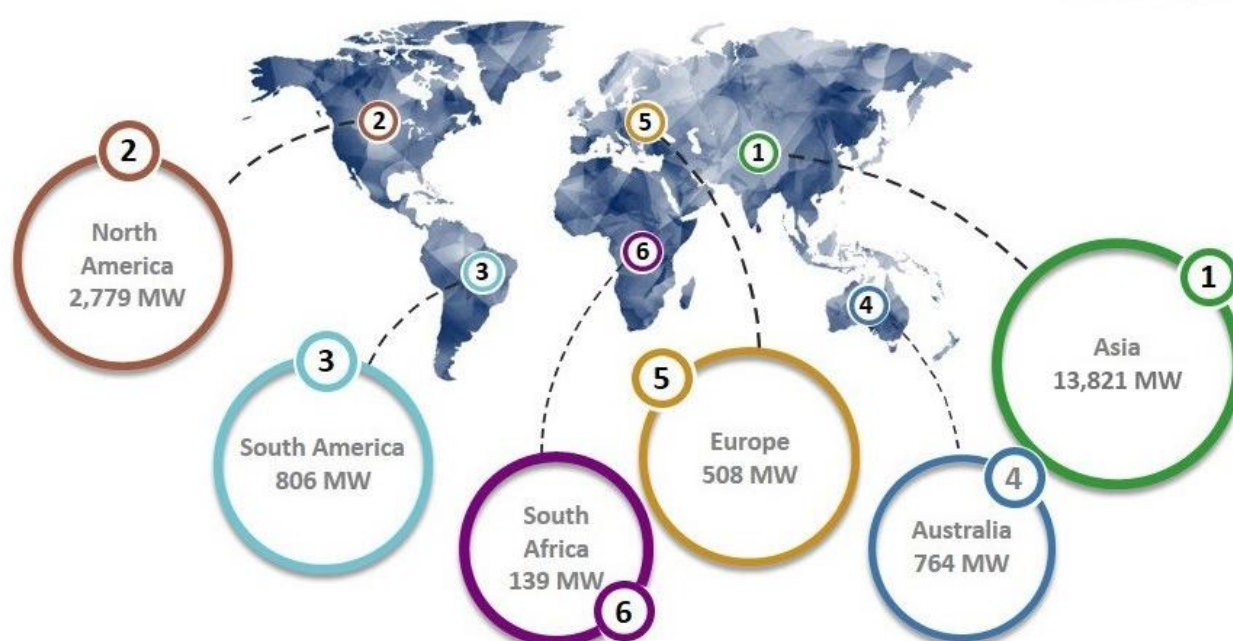


### Key financial metrics\*:

Financial figures (Rs in Cr)	Q1 performance		Annual Performance
	Q1 FY21	Q1 FY20	FY 20
Revenue	513	833	2,933
EBIDTA	91	42	(860)
Net Profit/Loss (pre-exceptional items)	(384)	(329)	(2,625)

\*All figures are for consolidated entity

### Suzlon strengths in India: Unique leadership position Global footprint (Installation by presence)





## Global in-house R&D capabilities



## Existing manufacturing facilities

The Group has 14 manufacturing facilities spread across India.

Generator	Chakan, India   Coimbatore, India
Hub	Daman, India   Padubidri, India   Puducherry, India
Nacelle	Daman, India   Padubidri, India   Puducherry, India
Rotor Blade	Anantpur, India   Badnawar, India   Bhuj, India   Daman, India   Dhule, India   Padubidri, India   Puducherry, India
Tower	Gandhidham, India



## Suzlon product portfolios

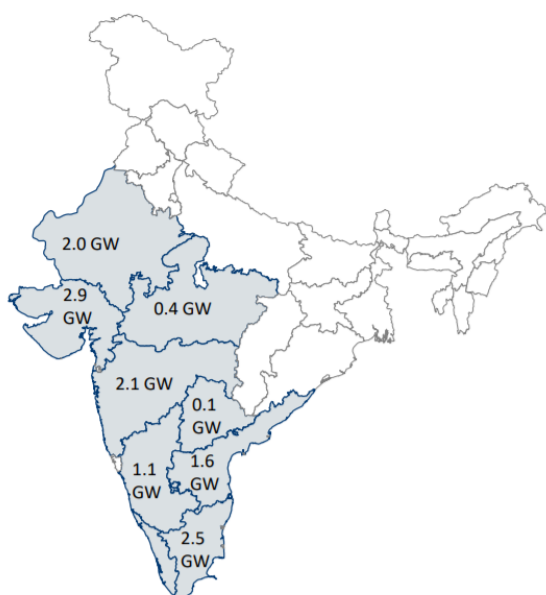


## Suzlon India installation overview (30<sup>th</sup> June, 2020)

12.8 GW Wind Energy Installations in India

Ranked **No. 1** in Renewables Sector

Largest fleet under Operation and Maintenance fold in India



(31 <sup>st</sup> Mar'20)	# of Turbines	MW
<= 1 MW	1,678	777
>1 MW < 2 MW	4,268	5,774
=>2 MW	2,997	6,296
Total	8,943	12,847

- **34% - All India installed wind capacity**
- **~15% - All India installed renewable capacity**
- **~1,800 customer relationships**
- **25 years of operating track record**
- **28 TWh estimated of annual clean energy;**
  - =2,291 mn trees planting p.a.
  - =~20.8 mn tonnes coal avoidance p.a.
  - =~27.4 mn tonnes CO<sub>2</sub> emission savings p.a.

## Operations and Maintenance Services (OMS)



### Operations and Maintenance Services (OMS)



**15+ GW**  
Under Service Globally



**10,100+**  
Wind Turbines



**Value Added Products**  
Fire Suppression System,  
SC-Trinity, Quick Climb,  
Quick Sense



**>97%**  
Average Machine  
Availability





## Update on Debt Resolution

### A. Impact on Company requiring need of Debt Resolution

#### External factors which impacted industry and company:

The Indian Wind Industry suffered a set-back in last 3 years (FY18 to FY20) due to:

1. Significant reduction in tariffs and industry volumes as a result of a paradigm shift in the regulatory environment for the Indian Wind Industry from FIT (Feed-in-Tariff) regime to Reverse Auction regime.
2. Challenges on execution front due to teething issues during transition and lack of co-ordination between Central and State regulators on policy matters leading to drastic reduction in overall volumes.

The tariffs at which wind power was sold underwent a drastic reduction from more than Rs. 4.5+ per unit to Rs. 3.46 per unit in the first SECI (Solar Energy Corporation of India) auction (in February 2017), reached an all-time low of Rs. 2.43 per unit in SECI 3 bid and now hovering between Rs. 2.70 and Rs. 2.82 per unit. On the volume front, while the total MW commissioned in the FY'17 stood at 5,502 MW, out of which a capacity of 1,779 MW was installed by Suzlon. The total commissioning in the country in FY'18 stood at 1,766 MW and in FY'19 saw total commissioning of 1,481 MW.

#### Impact of transition on the company:

The impact of the transition on the Company's profitability is evident from the table below:

Suzlon Performance for FY ended March 31 (INR Cr)	FY 2017	FY 2018	FY 2019	FY 2020
<b>EBITDA (<i>before Forex</i>)</b>	2,203	1,149	280	(423)
<b>Finance Cost</b>	1,199	1,502	1,220	1,340

#### Efforts made by company to bring investor:

The Company has been working for several months to address the stressed financial situation by engaging with Strategic as well as Financial investors. With a lot of efforts, the Company managed to get two potential investors who engaged meaningfully and even did extensive Due Diligence (DD).

- a.) **Brookfield:** They were a PE investor. The Company had been engaging with them over the course of almost 1.5 years. The Company worked with them on multiple transactions structures. They gave 3 revisions of Term Sheet also. However, they backed out looking to the prolonged transition phase as well as uncertainty on future business front.
- b.) **Vestas:** The Company submitted a One Time Settlement (OTS) Proposal on 2nd August 2019 which was backed by the non-binding Term Sheet dated 28th July 2019 from the strategic investor (Vestas Wind Systems A/s). Based on the Term Sheet, Vestas had

commenced the confirmatory due diligence (DD) and in parallel, lenders initiated their approval process for the OTS proposal post execution of ICA.

- c.) As per our understanding, Vestas was to give its final and binding proposal by 31<sup>st</sup> August 2019 and the further understanding was that this would coincide with receipt of requisite approvals from Lenders. However, unfortunately despite all efforts made by the Lenders and the Company, Vestas withdrew their offer which we informed to lenders vide our letter dated 5<sup>th</sup> September 2019.

### **Key reasons for investors backing out:**

The reasons for unfortunate back out of the investors as understood by us from their communications and interactions with us could be summarised as under:

#### **1. Macro level:**

- a. Dried up Liquidity in the country.
- b. Muted FDI interest.
- c. Overall Economic Slowdown impacting the future outlook.
- d. Complex regulatory framework.

#### **2. Industry Specific:**

- a. Cyclic Industry.
- b. Prolonged transition.
- c. Bidding uncertainty.
- d. Lack of co-ordination between nodal agencies and State and Central regulators.
- e. States backing out of signed PPAs (Power Purchase Agreements).
- f. Inordinate delays in payment by DISCOMS.

#### **3. Company Specific:**

- a. Knowledge and execution skill based Company rather than asset based.
- b. High and unsustainable debt and interest burden.
- c. Lack of availability of requisite working capital to continue operations – current valuation highly distressed.
- d. Complex debt structure.

### **Key takeaways from various interactions with potential investors:**

1. There would be increase in the sacrifice as compared to Vestas proposal due to deterioration in the business and financial health of the Company post invocation of BGs and anticipated delays in execution of the Orders.
2. Saleability as well as value proposition for standalone OMS (Operations and Maintenance Services) is low as well value destructive.



- Standalone OMS business is not sustainable without survival of WTG (Wind Turbine Generator) business due to its dependency on WTG business for Technology, Spare Parts.
  - OMS business in isolation would always be on declining path due to expiry of turbine life and risk of customers moving out of the contracts due to lack of technical support.
  - Most evident fact that the investors would stay away from taking exposure on standalone OMS business which has no visibility of volume add from WTG division and continuity of existing portfolio.
3. There is a general concern among the investor community about the unstable business operations of the Company. Any investor would need stability of Company along with a visibility of meaningful turnaround.
  4. Investors would need the Company to re-establish its track record and regain the market place which it has lost post the default. Customer confidence is currently low and any new investor will not get the requisite comfort about the market position of the Company.
  5. There has been a mounting risk of initiation of IBC proceedings against the Company from FCCB holders and operational creditors.
  6. The Company needs a time period of at least 12 months to stabilise the operations and revive investor interest.

**Importance of protecting the company:**

With a 35% market share, the Company is the only Indian entity still standing amongst global behemoths in the Wind space in India and is a subject of National Pride. Failure of the Company would make this entire sector dependent upon foreign investors. Apart from this it will have following catastrophic effects on the country:

1. Threat to ~13GW of power generating assets impacting the nation's Power Security.
2. Banking system's direct exposure on the Company of ~Rs. 15,000 Crs. along with indirect exposure of more than Rs. 60,000 Crs. on the vendors and customers of the Company is at big risk.
3. The Company is the torchbearer for the government's Renewable Energy (RE) missions and its exit from the sector would put the planned achievement of RE targets a real threat.
4. Collapse of the indigenous supply chain leading to adverse impact on the government's Make in India program.
5. Company provides direct and indirect employment to more than 35,000 people and its failure would result in large scale job losses.
6. Large number of MSME companies are dependent on the Company for their future.
7. Risk of more than one million investors losing their wealth significantly.

## B. Key Objective of Debt Resolution:

Keeping all the constraints in mind, the Company believed that the most suitable course of action is to restructure the existing debt with an objective of preventing the value destruction of all stake holders. The key objectives of the restructuring are as under:

1. Find an intermediate and immediate solution to protect the value.
2. Get time for preparing the Company for attracting investment over the next 12-18 months.
3. Reduce the exposure of the existing lenders by selling the non-core businesses.
4. Repay the existing lenders in shortest possible time through a strategic transaction post stabilizing the business.

## C. Key Contours of Debt Resolution:

### (a) Debt of Consortium Lenders

Topic	Terms
Envisaged Effective Date	31 <sup>st</sup> March 2020 or such date as is mutually agreed by Group Lenders and STG
Debt proposed for Resolution	Rs 12,414 Crs (as on Envisaged Effective Date) – including overdue interest
Part A Debt	Fund Based – Rs 3,600 Crs (RTL-II) + Rs 261 Cr (RTL-III: IREDA PSF O/s) Non-Fund Based – Rs 1,300 Crs
Part B Debt	0.01% OCD – Rs 4,100 Crs Term of 10+10 years (compulsory extension) <u>Note:</u> Early payment through cash-flow sweep as per term sheet
Part C Cumulative convertible Preference Shares	0.0001% CCPS – ~Rs 4,453 Crs Term of 20 Years bullet
Equity	<ul style="list-style-type: none"> <li>• Lenders were allotted ~100 Crs shares and ~50 Crs warrants as part of restructuring</li> <li>• Equity locked in for a period till 31<sup>st</sup> March 2022</li> </ul>
DSRA	In year 1 – 1 quarter of interest From year 2 onwards – 1 quarter of interest + principal
New Equity Infusion	Fresh Equity investment of Rs 375 Crs brought in by promoters and other shareholders plus vendors, customers and employees
Upgrade of Account	The company will make payment of Rs 900 Crs in a structured schedule of repayment in first 2 years from Envisaged Effective Date
Asset monetisation	The company will monetize certain non-core assets and raise Rs. 950 Crs.,

**(b) FCCB**

Topic	Terms
Total outstanding Bonds	USD 172 million plus accrued but unpaid interest as on 31 <sup>st</sup> March 20 of USD 15 million
Terms of New Bond	<ul style="list-style-type: none"> <li>• Amount: USD 36 mln</li> <li>• Maturity: June 2032</li> <li>• Rate of interest: 4% (1.25% payable in cash and balance PIK)</li> <li>• Conversion Price: Rs 2.61 per share at fixed exchange rate of Rs 74.8464 per USD</li> </ul>
New Equity shares issued	<ul style="list-style-type: none"> <li>• Holders of USD 60 mln worth of erstwhile bonds opted for allotment of equity against their holding</li> <li>• ~53 Crs. shares were issued against the same, converted @ Rs. 6.77 per share with face value of Rs. 2 per share</li> </ul>

**D. Status of Debt Resolution**

COMPLETE

## CSR activities

Suzlon Group implements all CSR activities through Suzlon Foundation, a non-profit company owned by its promoters. Suzlon Foundation's CSR programs operate across India, in eight states and Union Territory of Daman. Active community participation and sizable contribution in kind and cash indicate that CSR programs create shared value. It is a partnership in development, with all stakeholders making their own contributions to enhance natural, financial, social, human and physical resources. The Foundation has a multi-pronged approach: Transformative (working with internal stakeholders), Responsive (working with neighbourhood communities to offset our footprint) and Proactive (working for overall sustainability of the planet).

The Suzlon CSR Model is a unique model called 'Suz-Tain' that aligns itself to the Sustainable Development Goals (SDGs). The model has over time evolved from being an existing provider-beneficiary approach for development to be a partnership approach. This new broadened approach brings together local communities, development functionaries, company CSR teams, government departments and NGOs in planning, implementing, monitoring and sustaining village level sustainable development interventions. The approach is implemented through 'Engage-Empower-Sustain' principles of Suzlon CSR. The **primary focus** of the CSR program in the remote rural areas is, to form and strengthen Village Development Committees who would become empowered enough to address the village needs and to steer the development process of the village when Suzlon Foundation's focus exits from the village to unmet strategic development needs of the area. The basket of interventions is very diverse, unique and customized for each village addressing the needs of the beneficiaries.

The **secondary focus** of the CSR program is to address some necessary needs in select villages. These needs are usually unarticulated as they are not recognized as basic needs for most or in situations where stakeholders have remained excluded from the development process.

To ensure the holistic development of the community, each of the activities conducted under the CSR program are categorized into one of the six thematic areas i.e. Environment, Empowerment, Health, Livelihood, Education and Civic Amenities.

Suzlon Foundation also collaborates with Suzlon's customers and other organizations to create greater impact in Suzlon's neighbourhood villages.



## Industry update

### International:

- 52,800 MW (Megawatt) of Wind energy was installed in 2019, taking the overall capacity of all wind turbines installed worldwide to 621 GW (Gigawatt) by the end of 2018, according to World Wind Energy Association (WWEA).
- Top 5 countries by installed capacity by end of 2019:
  - China – 221 GW
  - USA – 102 GW
  - Germany – 59 GW
  - India – 37 GW
  - Spain – 25 GW
- As per Global Wind Energy Council (GWEC) 14<sup>th</sup> edition of the Global Wind Report, 300 GW of new capacity will be added in the next five years. 40 GW of new offshore wind capacity to be installed over the next five years.
- Indonesia, Philippines, Thailand, Vietnam, Argentina, Colombia and Peru are emerging markets to watch out for as the governments have set targets to increase the installation of wind energy and reduce reliability on fossil fuels for their energy needs.
- UK, Germany, China and Denmark continue to lead the Offshore Wind market, which is expected to expand to 18 countries by 2027.

### India:

- The country currently has the fourth highest wind installed capacity in the world with total installed capacity of 37 GW by the end of 2019, against a target of 60 GW by 2022.
- 37 GW of Wind energy contributes 10% of India's Energy mix.
- 2.4 GW of wind power capacity was added in the calendar year (CY) 2019, compared to 2.3 GW in 2018.
- Top 5 states by installed capacity by end of 2019.
  - Tamil Nadu – 9,300 MW
  - Gujarat – 7,500 MW
  - Maharashtra – 5,000 MW
  - Karnataka – 4,700 MW
  - Rajasthan – 4,299 MW
- The capacity additions were through Feed in Tariff (FiT) mechanism till 2017 and was shifted to reverse auctions by Ministry of New and Renewable Energy (MNRE).
  - Till Dec, 2019 the Solar Energy Corporation of India (SECI) has announced bids for 15 GW and auctioned over 12 GW of projects.
- MNRE has set a target of 5 GW by 2022 and 30 GW by 2030 for offshore wind capacity addition.
  - 35 national and international parties have shown interest in 1 GW EoI (Expression of Interest) floated by MNRE.
- The National Wind-Solar Hybrid Policy was issued in May 2018, and MNRE has awarded 1,440 MW capacity of wind solar hybrid projects.

*\*Source: MNRE, IWTMA, WWEA, GWEC*



## Suzlon Vision and Values

### Suzlon 2020 Vision

#### Vision

- *To be the Best Renewable Energy Company in the world*
- *Work towards Social, Economic and Sustainable development*
- *To create better life for future generations*

#### Mission

*Deliver utility scale, best in class, end to end integrated renewable energy solutions to our customers*

### VALUES

#### AGILITY

I will encourage and facilitate rapid and decisive actions on all matters related to Suzlon's progress.

#### CREATIVITY

I will ensure that I do my work creatively and innovatively. I will work towards building a more efficient, competitive and responsive organization.

#### ADDING VALUE

I will do my best to add value to all matters related to my work and contribute to that of my team, and other stakeholders of Suzlon.

#### COMMITTED

I will commit my energies and partner with all stakeholders to achieve the Suzlon Corporate Objectives.

#### INTEGRITY

I will abide by truth, transparency, honesty and sincerity in everything that I do and encourage my co-workers to do the same. I will strive to uphold the highest standards of ethics and all the laws that apply to our business.

## Customer base

	Project Owner	Project State	Commissioned Capacity (MW)	Industry Segment
	Mytrah Energy Limited (MEIL)	AP, GJ, RJ, MH, TL	566.10	IPP
	Leap Green Energy Private Limited	TN, RJ, MP	340.55	IPP
	ReNew Power	GJ, MH, MP, AP, KN	632.10	IPP
	Malpani Group	MH, MP, KR, RJ	164.20	Diversified
	Techno Electric & Engineering Co. Ltd.	TN, KR	162.90	Electrical
	Oil & Natural Gas Corporation Limited (ONGC)	GJ, RJ	153.90	Oil & Gas
	Gujarat State Fertilizers & Chemicals Ltd.	Gujarat	152.80	Fertilizers & Chemicals
	Gujarat Mineral Development Corporation (GMDC)	Gujarat	150.90	Mines & Minerals
	Hindustan Zinc	RJ, MH, TN, KR	150.30	Mining & Metal
	Enel Green Power	GJ	150.00	IPP
	Gujarat Alkalies & Chemicals Ltd.	Gujarat	155.15	Fertilizers & Chemicals
	MSPL	KR, MH	137.50	Mining
	Orange Renewable Power	RJ, AP	140.70	IPP
	Gujarat State Petroleum Corporation Ltd.	Gujarat	123.90	Oil & Gas
	Bothe Wind farm	Maharashtra	119.70	IPP
	Rajasthan Gum Pvt Ltd Group	MH, RJ, MP, TN, KR, AP, GJ	136.85	Food & Agro
	Ruchi Soya Industries Limited	GJ, KR, TN, MP, RJ, MH	102.70	Food & Agro
	CLP India Pvt Limited	RJ	100.80	IPP
	Friends Group	GJ, KR, RJ	99.40	Logistics
	KRBL Limited	RJ, TN, KR, MH, MP, AP, GJ	114.35	Food & Agro
	Rajasthan State Mines & Minerals Ltd. (RSMMIL)	RJ	91.30	Mines & Minerals
	Gujarat NRE Coke	GJ	87.50	Mining
	Gangadhar Narsingdas Agrawal (Agrawal Group, Goa)	KN, MH, RJ, TN, MP	85.80	Mining
	Sembcorp Green Infra Limited	TN, MH	331.90	IPP
	Hindustan Petroleum Corporation Limited (HPCL)	RJ, MH	100.90	Oil & Gas
	Essel Mining ( Aditya Birla group )	MH	75.00	Mining



**SUZLON**  
POWERING A GREENER TOMORROW

**GROUP HEADQUARTERS:**  
One Earth, Hadapsar,  
Pune - 411 028, India  
Ph.: +91.20.6702 2000,  
Fax : +91.20.6702 2100

[www.suzlon.com](http://www.suzlon.com)