

13<sup>th</sup> September 2016.

**National Stock Exchange of India Limited,**  
"Exchange Plaza",  
Bandra-Kurla Complex, Bandra (East),  
Mumbai-400051.

**BSE Limited,**  
P.J. Towers,  
Dalal Street,  
Mumbai-400001.

Dear Sirs,

**Sub.: Outcome of the Board Meeting dated 13<sup>th</sup> September 2016.**

**Ref.: Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

This is to inform that the Board of Directors of the Company (the "Board"), at its Meeting held on 13<sup>th</sup> September 2016 (which commenced at 11.30 a.m. and concluded at 5.30 p.m.), has, inter alia, approved the Unaudited Limited Reviewed Financial Results of the Company on standalone and consolidated basis for the quarter ended 30<sup>th</sup> June 2016. Enclosed please find copy of the said results and a copy of the Limited Review Reports (stand alone and consolidated) dated 13<sup>th</sup> September 2016. Also find enclosed a copy of the press release in this regard.

This is to further inform that a conference call for the analysts and investors on financial results is scheduled to be held on Wednesday, 14<sup>th</sup> September 2016 at 2.30 p.m. The copy of the presentation in this regard is attached herewith and is also available on the website of the Company (www.suzlon.com).

This is for your information as also for the information of your members and the public at large.

Thanking you,

Yours faithfully,  
**For Suzlon Energy Limited**

*H.A. Kanuga*  
**Hemal A. Kanuga,**  
**Company Secretary.**  
**M. No. F4126.**



STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2016

Particulars		Quarter ended			Year ended
		June 30, 2016 (Unaudited)	March 31, 2016 (Unaudited)	June 30, 2015 (Unaudited)	March 31, 2016 (Unaudited)
(Rs. in crores)					
<b>1</b>	<b>Income from operations</b>				
	a) Income from operations	1,649.58	3,245.60	2,587.15	9,461.17
	b) Other operating income	5.51	26.95	21.90	54.11
	<b>Total income from operations</b>	<b>1,655.09</b>	<b>3,272.55</b>	<b>2,609.05</b>	<b>9,515.28</b>
<b>2</b>	<b>Expenses</b>				
	a) Consumption of raw materials (including project bought outs)	1,253.80	1,964.01	943.66	5,185.64
	b) Purchase of stock-in-trade	-	-	-	-
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(339.58)	118.26	614.08	416.16
	d) Employee benefits expense	259.30	233.53	329.28	965.44
	e) Depreciation and amortisation expense	83.61	118.02	106.04	398.21
	f) Foreign exchange loss / (gain)	48.47	13.54	77.37	359.95
	g) Other expenses	310.30	496.90	464.01	1,606.52
	<b>Total expenses</b>	<b>1,615.90</b>	<b>2,944.26</b>	<b>2,534.44</b>	<b>8,931.92</b>
<b>3</b>	<b>Profit / (loss) from operations before other income, finance costs, exceptional items and tax (1-2)</b>	<b>39.19</b>	<b>328.29</b>	<b>74.61</b>	<b>583.36</b>
<b>4</b>	<b>Other income</b>	<b>13.85</b>	<b>18.34</b>	<b>32.10</b>	<b>85.56</b>
<b>5</b>	<b>Profit / (loss) before finance cost, exceptional items and tax (3+4)</b>	<b>53.04</b>	<b>346.63</b>	<b>106.71</b>	<b>668.92</b>
<b>6</b>	<b>Finance cost</b>	<b>304.10</b>	<b>318.88</b>	<b>416.88</b>	<b>1,294.70</b>
<b>7</b>	<b>Profit / (loss) before exceptional items and tax (5-6)</b>	<b>(251.06)</b>	<b>27.75</b>	<b>(310.17)</b>	<b>(625.78)</b>
<b>8</b>	<b>Exceptional items</b>	<b>-</b>	<b>267.42</b>	<b>(1,314.46)</b>	<b>(1,079.56)</b>
<b>9</b>	<b>Profit / (loss) before tax (7-8)</b>	<b>(251.06)</b>	<b>(239.67)</b>	<b>1,004.29</b>	<b>453.78</b>
<b>10</b>	<b>Tax expenses</b>	<b>3.96</b>	<b>3.43</b>	<b>(14.88)</b>	<b>(10.97)</b>
<b>11</b>	<b>Net profit / (loss) after tax (9-10)</b>	<b>(255.02)</b>	<b>(243.10)</b>	<b>1,019.17</b>	<b>464.75</b>
<b>12</b>	<b>Share of profit/ (loss) of associates and joint ventures</b>	<b>(4.98)</b>	<b>1.44</b>	<b>(6.31)</b>	<b>(12.73)</b>
<b>13</b>	<b>Share of minority interest</b>	<b>0.03</b>	<b>10.05</b>	<b>1.48</b>	<b>6.91</b>
<b>14</b>	<b>Net profit / (loss) for the period (11+12+13)</b>	<b>(259.97)</b>	<b>(231.61)</b>	<b>1,014.34</b>	<b>458.93</b>
<b>15</b>	<b>Other comprehensive income/ (loss), net of tax</b>	<b>(89.92)</b>	<b>(182.66)</b>	<b>(72.73)</b>	<b>(111.28)</b>
<b>16</b>	<b>Total comprehensive income/ (loss), net of tax (14+15)</b>	<b>(349.89)</b>	<b>(414.27)</b>	<b>941.61</b>	<b>347.65</b>
<b>17</b>	<b>Paid up equity share capital (Face value of Rs. 2/- each)</b>	<b>1,004.10</b>	<b>1,004.10</b>	<b>965.15</b>	<b>1,004.10</b>
<b>18</b>	<b>Earnings / (loss) per share (EPS)</b>				
	- Basic (Rs.)	(0.52)	(0.46)	2.35	0.96
	- Diluted (Rs.)	(0.52)	(0.46)	1.84	0.89

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2016

Particulars		Quarter ended			Year ended
		June 30, 2016 (Unaudited)	March 31, 2016 (Unaudited)	June 30, 2015 (Unaudited)	March 31, 2016 (Unaudited)
(Rs. in crores)					
<b>1</b>	<b>Income from operations</b>				
	a) Income from operations	1,139.14	2,345.60	1,094.12	5,906.20
	b) Other operating income	3.90	1.80	3.66	8.72
	<b>Total income from operations</b>	<b>1,143.04</b>	<b>2,347.40</b>	<b>1,097.78</b>	<b>5,914.92</b>
<b>2</b>	<b>Expenses</b>				
	a) Consumption of raw materials (including project bought outs)	985.87	1,333.78	568.84	3,661.65
	b) Purchase of stock-in-trade	-	7.55	3.27	30.66
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(251.29)	155.62	153.70	37.97
	d) Employee benefits expense	88.07	68.06	61.09	237.19
	e) Depreciation and amortisation expense	39.51	69.70	26.06	165.49
	f) Foreign exchange loss / (gain)	33.33	(5.49)	67.90	99.59
	g) Other expenses	209.52	337.81	207.03	968.53
	<b>Total expenses</b>	<b>1,105.01</b>	<b>1,967.03</b>	<b>1,087.89</b>	<b>5,201.08</b>
<b>3</b>	<b>Profit / (loss) from operations before other income, finance costs, exceptional items and tax (1-2)</b>	<b>38.03</b>	<b>380.37</b>	<b>9.89</b>	<b>713.84</b>
<b>4</b>	<b>Other income</b>	<b>102.18</b>	<b>154.63</b>	<b>157.74</b>	<b>519.11</b>
<b>5</b>	<b>Profit / (loss) before finance cost, exceptional items and tax (3+4)</b>	<b>140.21</b>	<b>535.00</b>	<b>167.63</b>	<b>1,232.95</b>
<b>6</b>	<b>Finance cost</b>	<b>195.47</b>	<b>202.42</b>	<b>213.28</b>	<b>750.72</b>
<b>7</b>	<b>Profit / (loss) before exceptional items and tax (5-6)</b>	<b>(55.26)</b>	<b>332.58</b>	<b>(45.65)</b>	<b>482.23</b>
<b>8</b>	<b>Exceptional items (refer Note 4)</b>	<b>306.97</b>	<b>386.60</b>	<b>82.76</b>	<b>455.31</b>
<b>9</b>	<b>Profit / (loss) before tax (7-8)</b>	<b>(362.23)</b>	<b>(54.02)</b>	<b>(128.41)</b>	<b>26.92</b>
<b>10</b>	<b>Tax expenses</b>	<b>-</b>	<b>0.07</b>	<b>-</b>	<b>0.07</b>
<b>11</b>	<b>Net profit / (loss) after tax (9-10)</b>	<b>(362.23)</b>	<b>(54.09)</b>	<b>(128.41)</b>	<b>26.85</b>
<b>12</b>	<b>Other comprehensive income/ (loss), net of tax</b>	<b>(2.87)</b>	<b>(0.87)</b>	<b>1.26</b>	<b>1.17</b>
<b>13</b>	<b>Total comprehensive income/ (loss), net of tax (11+12)</b>	<b>(365.10)</b>	<b>(54.96)</b>	<b>(127.15)</b>	<b>28.02</b>
<b>14</b>	<b>Paid up equity share capital (Face value of Rs. 2/- each)</b>	<b>1,004.10</b>	<b>1,004.10</b>	<b>965.15</b>	<b>1,004.10</b>
<b>15</b>	<b>Earnings / (loss) per share (EPS)</b>				
	- Basic (Rs.)	(0.72)	(0.11)	(0.30)	0.06
	- Diluted (Rs.)	(0.72)	(0.11)	(0.30)	0.06



**Notes:**

- 1 The Company adopted Indian Accounting Standards ("IND AS") from April 01, 2016 with transition date of April 01, 2015 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Accounting Standard (Ind AS) 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India. The impact of transition has been accounted for in opening reserves and the comparative periods have been restated accordingly. There is a possibility that the results for the quarter and year to date period ended June 30, 2016 along with the provisional financial statements as of and for the year ended March 31, 2016 may require adjustment before constituting the final Ind AS financial statements as of and for the year ending March 31, 2017.
- 2 The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors at its meeting held on September 13, 2016. The statutory auditors of the Company have carried out a limited review of the above results for the quarter ended June 30, 2016. The Ind AS results for the quarter ended June 30, 2015, March 31, 2016 and year ended March 31, 2016 have not been subjected to limited review or audit. These results have been compiled by management, and the management has exercised necessary due diligence to ensure that the results provide a true and fair view of its affairs.
- 3 The Company and its certain specified subsidiaries (collectively the "Group") and the CDR Lenders executed a Master Restructuring Agreement ("MRA") during FY 2012-13. The MRA as well as the provisions of the Master Circular on Corporate Debt Restructuring issued by the Reserve Bank of India, give a right to the CDR Lenders to receive recompense of their waivers and sacrifices made as part of the CDR Proposal. The Company is in negotiation with CDR lenders for a voluntary exit from the CDR scheme. The amount payable by the Company as recompense is dependent on various factors and also on discussions and negotiations with the CDR lenders. The Company has recorded an estimated liability which it believes to be sufficient for the recompense that it may have to pay. However, as with any such estimate the liability can vary depending on the changes in the assumptions used and the outcome of the negotiated settlement. The auditors have given an Emphasis of Matter on the same.
- 4 Exceptional item in standalone financial results for the quarter ended June 30, 2016 includes provision towards diminution in investments in subsidiaries.
- 5 The reconciliation of net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with the requirements of Ind AS 101 - First time Adoption of Indian Accounting Standards is given below:

**a Unaudited consolidated results**

Particulars	Quarter ended		Year ended
	March 31, 2016 (Unaudited)	June 30, 2015 (Unaudited)	March 31, 2016 (Unaudited)
<b>Net profit/ (loss) under IGAAP</b>	<b>(270.55)</b>	<b>1,047.41</b>	<b>482.59</b>
Effect of discounting long term liabilities	(7.08)	(4.60)	(23.62)
Actuarial gain/ (loss) on defined benefit obligation recognised in other comprehensive income	2.34	(1.46)	0.54
Effect of measuring ESOP at fair value	(2.90)	(8.40)	(17.30)
Others	46.58	(18.61)	16.72
<b>Net profit/ (loss) under Ind AS</b>	<b>(231.61)</b>	<b>1,014.34</b>	<b>458.93</b>
Other comprehensive income, net of tax	(182.66)	(72.73)	(111.28)
<b>Total comprehensive income as per Ind AS</b>	<b>(414.27)</b>	<b>941.61</b>	<b>347.65</b>

**b Unaudited standalone results**

Particulars	Quarter ended		Year ended
	March 31, 2016 (Unaudited)	June 30, 2015 (Unaudited)	March 31, 2016 (Unaudited)
<b>Net profit/ (loss) under IGAAP</b>	<b>(82.44)</b>	<b>(97.38)</b>	<b>46.75</b>
Effect of discounting long term liabilities	(6.01)	(3.31)	(18.95)
Actuarial gain/ (loss) on defined benefit obligation recognised in other comprehensive income	0.87	(1.26)	(1.17)
Effect of measuring ESOP at fair value	(2.33)	(6.73)	(13.88)
Others	35.82	(19.73)	14.10
<b>Net profit/ (loss) under Ind AS</b>	<b>(54.09)</b>	<b>(128.41)</b>	<b>26.85</b>
Other comprehensive income, net of tax	(0.87)	1.26	1.17
<b>Total comprehensive income as per Ind AS</b>	<b>(54.96)</b>	<b>(127.15)</b>	<b>28.02</b>



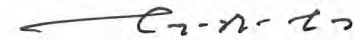
6 Segment reporting:

Particulars	Quarter ended			Year ended
	June 30, 2016 (Unaudited)	March 31, 2016 (Unaudited)	June 30, 2015 (Unaudited)	March 31, 2016 (Unaudited)
<b>Segment Revenue</b>				
a) Wind Turbine Generator	1,196.86	2,767.61	2,164.69	7,659.29
b) Foundry & Forging	123.29	118.22	72.99	388.55
c) Operation & Maintenance Service	426.26	410.39	404.22	1,664.57
d) Others	3.48	38.06	2.55	47.01
<b>Total</b>	<b>1,749.89</b>	<b>3,334.28</b>	<b>2,644.45</b>	<b>9,759.42</b>
Less: Inter segment revenue	100.31	88.68	57.30	298.25
<b>Income from operations</b>	<b>1,649.58</b>	<b>3,245.60</b>	<b>2,587.15</b>	<b>9,461.17</b>
<b>Segment Results</b>				
a) Wind Turbine Generator	(15.84)	284.65	20.14	376.52
b) Foundry & Forging	21.20	21.34	(4.53)	30.62
c) Operation & Maintenance Service	38.61	12.77	58.62	170.14
d) Others	(4.78)	9.53	0.38	6.08
Adjusted for:				
a. Other income	(13.85)	(18.34)	(32.10)	(85.56)
b. Finance cost	304.10	318.88	416.88	1,294.70
c. Exceptional items	-	267.42	(1,314.46)	(1,079.56)
<b>Profit / (loss) before tax</b>	<b>(251.06)</b>	<b>(239.67)</b>	<b>1,004.29</b>	<b>453.78</b>
<b>Segment assets</b>				
a) Wind Turbine Generator	6,639.43	6,545.50	4,809.22	6,545.50
b) Foundry & Forging	741.04	746.19	771.75	746.19
c) Operation & Maintenance service	1,083.03	980.85	957.75	980.85
d) Others	88.91	115.23	80.44	115.23
e) Unallocable	1,056.33	1,427.35	3,329.61	1,427.35
<b>Total assets</b>	<b>9,608.74</b>	<b>9,815.12</b>	<b>9,948.77</b>	<b>9,815.12</b>
<b>Segment liabilities</b>				
a) Wind Turbine Generator	4,385.47	4,596.30	4,043.50	4,596.30
b) Foundry & Forging	133.86	112.70	182.81	112.70
c) Operation & Maintenance service	737.29	703.39	660.30	703.39
d) Others	53.35	29.85	-	29.85
e) Unallocable	11,966.87	11,654.26	12,477.85	11,654.26
<b>Total liabilities</b>	<b>17,276.84</b>	<b>17,096.50</b>	<b>17,364.46</b>	<b>17,096.50</b>

7 On August 23, 2016, the Company has allotted 3,895,537 equity shares on conversion of 1,000 Bonds worth USD 1,000,000 pursuant to the conversion notices received from certain bondholders of the USD 546,916,000 Step-up Convertible Bonds due July 2019 (the "Bonds") for conversion of Bonds in to equity shares with a fixed rate of exchange on conversion of Rs. 60.225 to USD 1.00 in terms of the Information Memorandum dated June 17, 2014.

Place: Pune  
Date: September 13, 2016

For and on behalf of the Board of Directors



Tulsi R. Tanti  
Chairman & Managing Director  
DIN No: 00002283



SUZLON ENERGY LIMITED  
LIMITED REVIEW REPORT FOR THE 3 MONTHS PERIOD ENDED JUNE 30, 2016  
STANDALONE FINANCIAL RESULTS

S.R. BATLIBOI & CO. LLP  
CHARTERED ACCOUNTANTS

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Pune 411 001

S. R. BATLIBOI & CO. LLP  
Chartered Accountants  
C-401, Fourth Floor  
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Yerwada  
Pune 411 006

**Review Report to  
The Board of Directors  
Suzlon Energy Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Suzlon Energy Limited ('the Company') for the quarter ended June 30, 2016 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. We draw attention to Note 4 of the accompanying financial results in respect of 'compensation payable in lieu of bank sacrifice', the outcome of which is dependent on various factors including negotiation with CDR lenders. Our conclusion is not qualified in respect of this matter.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.



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**Other matters**

6. We have not audited or reviewed the accompanying financial results and other financial information as of and for the year ended March 31, 2016 and for the three months ended March 31, 2016 and June 30, 2015 which have been presented solely based on the information compiled by Management.

For SNK & CO.  
Chartered Accountants  
ICAI Firm registration number: 109176W

  
per Sanjay Kapadia  
Partner

Membership No.: 38292

Place: Pune  
Date: September 13, 2016

For S. R. BATLIBOI & CO. LLP  
Chartered Accountants  
ICAI Firm registration number:  
301003E/E300005

  
per Paul Alvares  
Partner

Membership No.: 105754

Place: Pune  
Date: September 13, 2016



SUZLON ENERGY LIMITED  
LIMITED REVIEW REPORT FOR THE 3 MONTHS PERIOD ENDED JUNE 30, 2016  
CONSOLIDATED FINANCIAL RESULTS

S.R. BATLIBOI & CO. LLP  
CHARTERED ACCOUNTANTS



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Review Report to  
The Board of Directors  
Suzlon Energy Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Suzlon Group comprising Suzlon Energy Limited ('the Company') and its subsidiaries (together, 'the Group'), and joint ventures, for the quarter ended June 30, 2016 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We draw attention to Note 3 of the accompanying unaudited consolidated financial results in respect of 'compensation payable in lieu of bank sacrifice', the outcome of which is dependent on various factors including negotiation with CDR lenders. Our conclusion is not qualified in respect of this matter.
4. We did not review revenues and assets of Rs. 26.83 Crore and Rs. 73.35 Crore respectively, included in the accompanying unaudited consolidated financial results relating to subsidiaries. These accompanying unaudited financial results have been certified by Management and our conclusion on the unaudited consolidated financial results, to the extent they have been derived from such unaudited financial results is based solely on such Management certified unaudited financial results. Our conclusion is not qualified in respect of this matter.
5. We did not review company's share of loss in joint ventures of Rs. 4.98 Crore, included in the accompanying unaudited consolidated financial results. These accompanying unaudited financial results have been certified by Management and our conclusion on the unaudited consolidated financial results, to the extent they have been derived from such unaudited financial results is based solely on such Management certified unaudited financial results. Our conclusion is not qualified in respect of this matter.



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Yerwada  
Pune 411 006

6. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated financial results prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Other matters

7. We have not audited or reviewed the accompanying consolidated financial results and other financial information as of and for the year ended March 31, 2016 and for the three months ended March 31, 2016 and June 30, 2015 which have been presented solely based on the information compiled by Management.

For SNK & CO.  
Chartered Accountants  
ICAI Firm registration number: 109176W


per Sanjay Kapadia  
Partner  
Membership No.: 38292

Place: Pune  
Date: September 13, 2016

For S. R. BATLIBOI & CO. LLP  
Chartered Accountants  
ICAI Firm registration number:  
301003E/E300005



per Paul Alvares  
Partner  
Membership No.: 105754



Place: Pune  
Date: September 13, 2016

## Suzlon continues growth trajectory

- Strong wind order book at 1,205 MW for the current year
- Delivered 204 MW in Q1FY17
- Records stable volumes, margins and reduced interest costs
- New generation wind turbine, S111 120m received type certification
- Received innovation award for its 120m hybrid tower

**Pune, India:** Suzlon Group, one of the leading global renewable energy solutions providers, today announced its quarterly (Q1) results of financial year 2016-17 (FY17) as per India Accounting Standards (IND AS).

**J.P. Chalasani, Group CEO, Suzlon, said,** *“We are very optimistic on the growth of renewables in India. The country witnessed record renewable energy installations in FY16 and the industry will surpass it by over 30% in the current fiscal. Combined, wind and solar capacity has surpassed hydro capacity and is only next to coal-based capacity in India. The government thrust on renewables is supported by positive policy actions to enable the target of 175 GW renewables by 2022. Our confidence to achieve higher than the industry growth rate comes from our product portfolio, strong order backlog, execution capabilities and strong presence across the value chain and customer segments.”*

**Kirti Vagadia, Group Chief Financial Officer (CFO), Suzlon, said,** *“In FY17, we are focused on ramping up volumes by executing our strong order backlog, ensuring that we continue to maintain tighter control on our working capital and fixed costs. We are also adequately capitalized to deliver high volume in the coming quarters. Our long term debt and overall finance cost is progressively reducing. The introduction of new accounting regime in form of IND AS mainly reflects in two major areas namely foreign exchange (FOREX) and impact of Right of Recompense (RoR) on a potential Corporate Debt Restructuring (CDR) exit scenario.”*

### **Suzlon Group Q1 FY17 financial performance at a glance (consolidated):**

- **Revenue** – Rs 1,650 Crores
- **Operating performance (Before Forex gain/ loss)**
  - EBITDA - Rs 171 Crores, EBITDA margin at 10.4%
  - EBIT - Rs 88 Crores EBIT margin at 5.3%
- **Debt (excluding FCCB)**
  - Gross term debt at Rs 7,526 Crores
  - Working capital debt at Rs 2,475 Crores
  - Rupee term debt reduced by Rs 228 Crores QoQ

➤ **Order book and order intake**

- Order book stands at 1,205 MW valued at Rs. 7,657 Crores
- Consolidated customer advance of over Rs. 1,000 Crores
- 55% of order book resulting from new products (S97 120m and S111 90m)

**Key highlights:**

1. Key order wins till date
  - 132 MW repeat order from ReNew Power
  - 75.60 MW from various public sector undertaking (PSU) and small and medium enterprises (SMEs)
  - 58.8 MW from a leading independent power producer (IPP)
2. Technology update:
  - The S111 120 meter hybrid tower turbine received type certification
3. Net working capital
  - Disciplined working capital level at 61 days
  - Increase in working capital debt due to inventory built up for supporting the current years volume ramp up
4. Solar update
  - Suzlon and CLP India, one of the largest foreign investors in the Indian power sector, entered into a joint venture for a 100 MW solar project at Veltloor in Telangana
5. Milestones and recognition
  - Commissioned 4.20 MW maiden wind project for Ahmedabad Municipal Corporation (AMC)
  - Evolutionary S97 120m 2.1MW hybrid tower wind turbine with an all-steel hybrid tower received the prestigious Golden Peacock Award 2016 in the “Eco- Innovation” category
  - Suzlon’s first wind farm at Dhank, Gujarat completed an operational milestone of 20 years
  - Suzlon recognised as the number one green energy company in India and ranked 67th globally in the inaugural Carbon Clean 200 list of clean energy companies worldwide
6. Market outlook
  - Wind energy in India delivered highest installation of over 3,400 MW in FY16 and is expected to grow by more than 30% in FY17
  - India’s commitment at COP21 to achieve 40% renewables by 2030 will continue to fuel demand for clean energy
  - Strong intent of the Government and supportive policy actions to enhance the role of renewables in India’s energy security
  - Policy stability in USA with 5 year production tax credit (PTC) extension will result in immense growth for wind energy in USA

- Global Wind Energy Council forecasts global wind energy capacity to double over the next five years, representing growing demand

**Note to the editors**

- *The Q1 FY16 and Q1 FY17 is not directly comparable because Q1 FY16 included:*
  - *Exceptional one-time gain of Rs 1,289 Crores*
  - *One month of Servion performance*
- *As per industry trend in India, Q1 volumes are 10-15% of the annual volumes*

**About Suzlon Group:**

The Suzlon Group is one of the leading renewable energy solutions providers in the world with an international presence across 19 countries in Asia, Australia, Europe, Africa and North and South America. With over two decades of operational track record, the Group has a cumulative installation of approximately 15.5 GW of wind energy capacity, over 8,000 employees with diverse nationalities and world-class manufacturing facilities. Suzlon is the only Indian wind energy company with a large in-house Research and Development (R&D) set-up in Germany, the Netherlands, Denmark and India. Approximately 9.50 GW of the Group’s installation is in India, which makes up for ~36% of the country’s wind installations, making Suzlon the largest player in this sector. The company has recently forayed into the solar space. The Group, headquartered at Suzlon One Earth in Pune, India, is comprised of Suzlon Energy Limited and its subsidiaries. Suzlon corporate website: [www.suzlon.com](http://www.suzlon.com)

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# Suzlon Energy Limited

Q1 FY17

13 September 2016

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# Agenda

**Q1 FY17 Highlights**

Order Book

Solar Vertical

Debt Overview

Technology Update

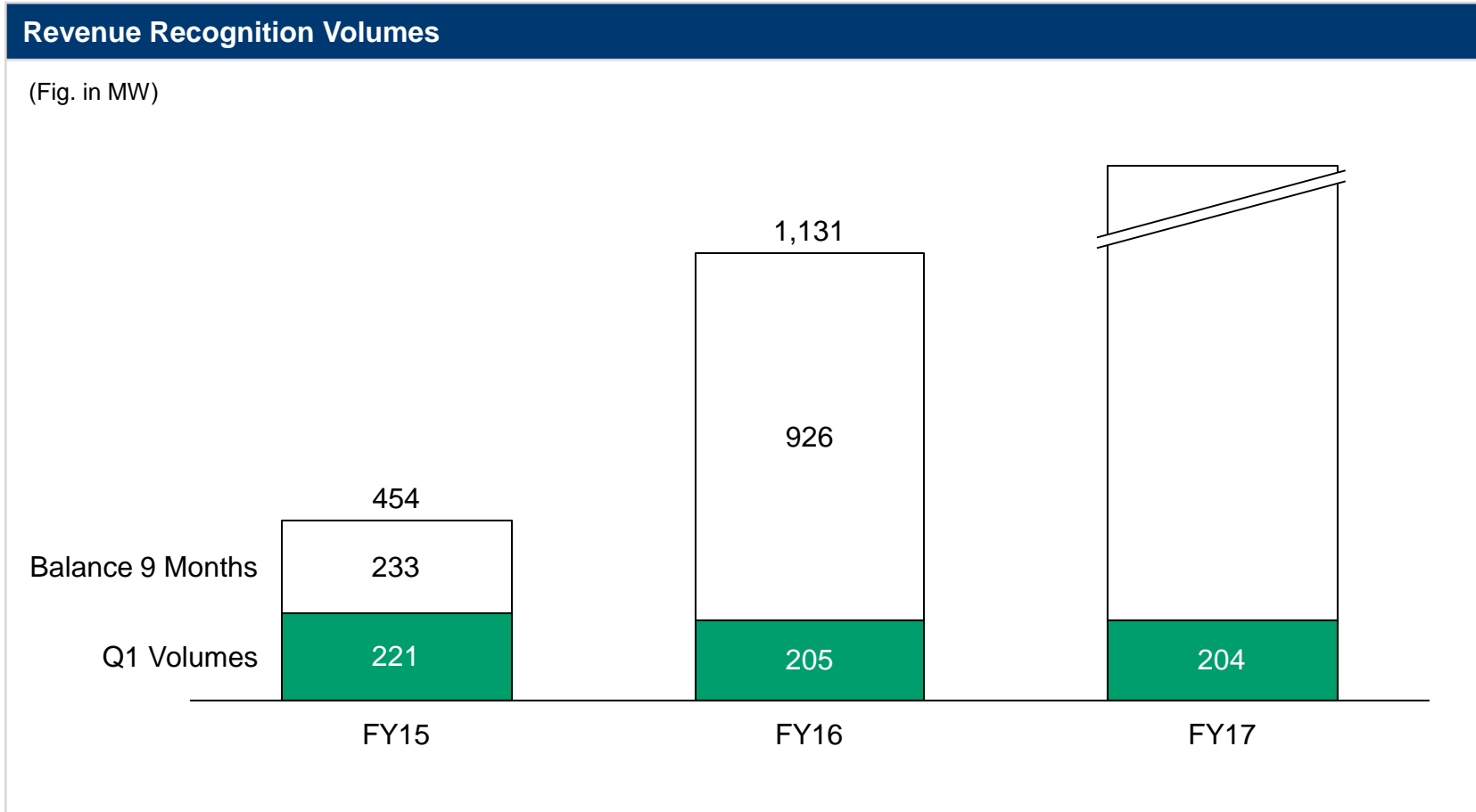
Industry Opportunity

**Detailed Financials**



- ✓ **Stable Q1 FY17 Volumes; ~204 MW**
- ✓ **Disciplined Working Capital levels; ~61 Days**
- ✓ **Reducing term debt and overall finance cost;**
- ✓ **Strong Wind Order Book Position; ~1,205 MW (as on 30<sup>th</sup> June 2016)**
- ✓ **Ongoing Divestment of Solar Bid Capacity**

# Q1 Volume Trend



**Q1 typically is 10-15% of the full year volume in India**

**Stable Q1 volumes; Improved liquidity leads to growth volume in next 9 months**

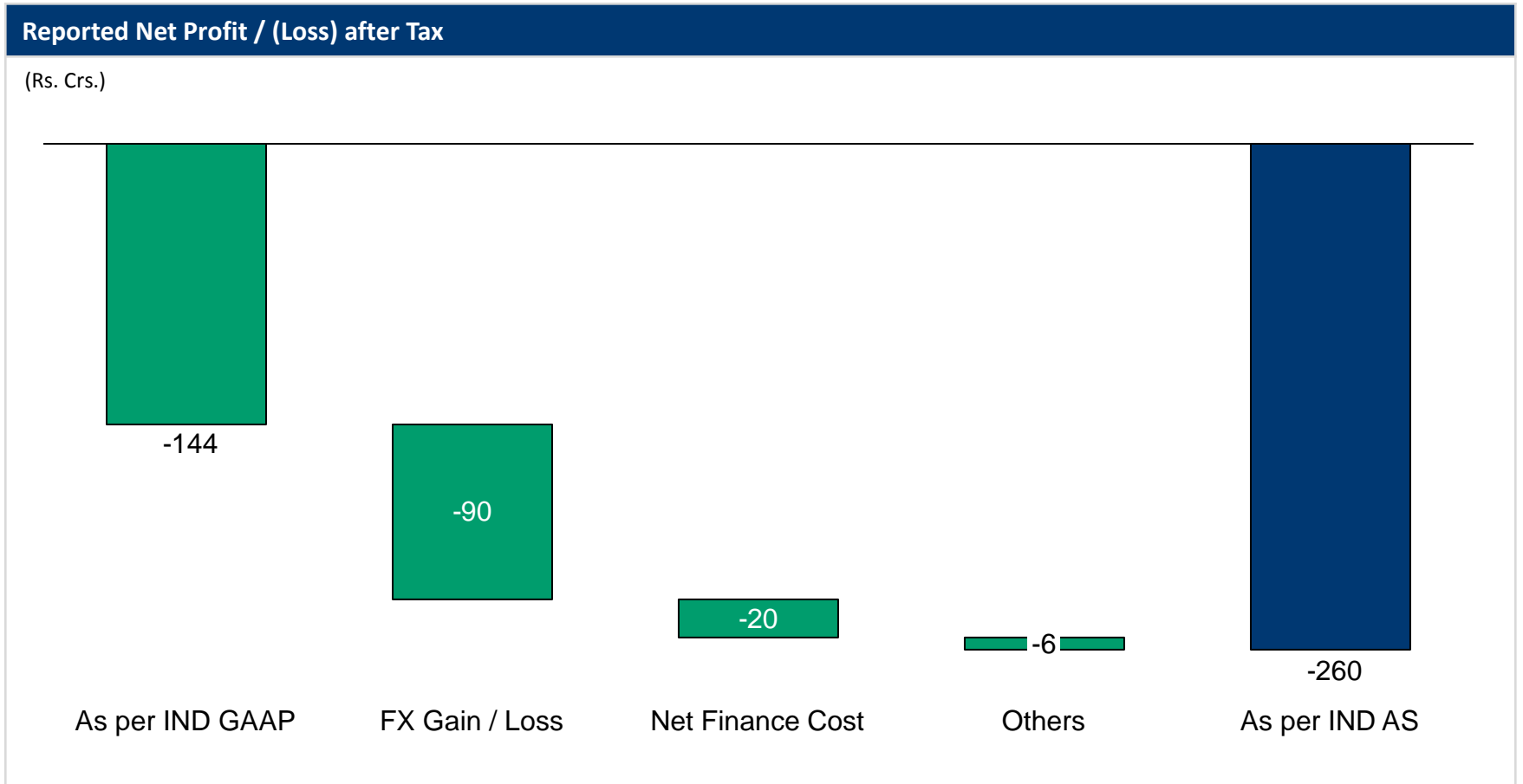
## Result Snapshot (Consolidated)

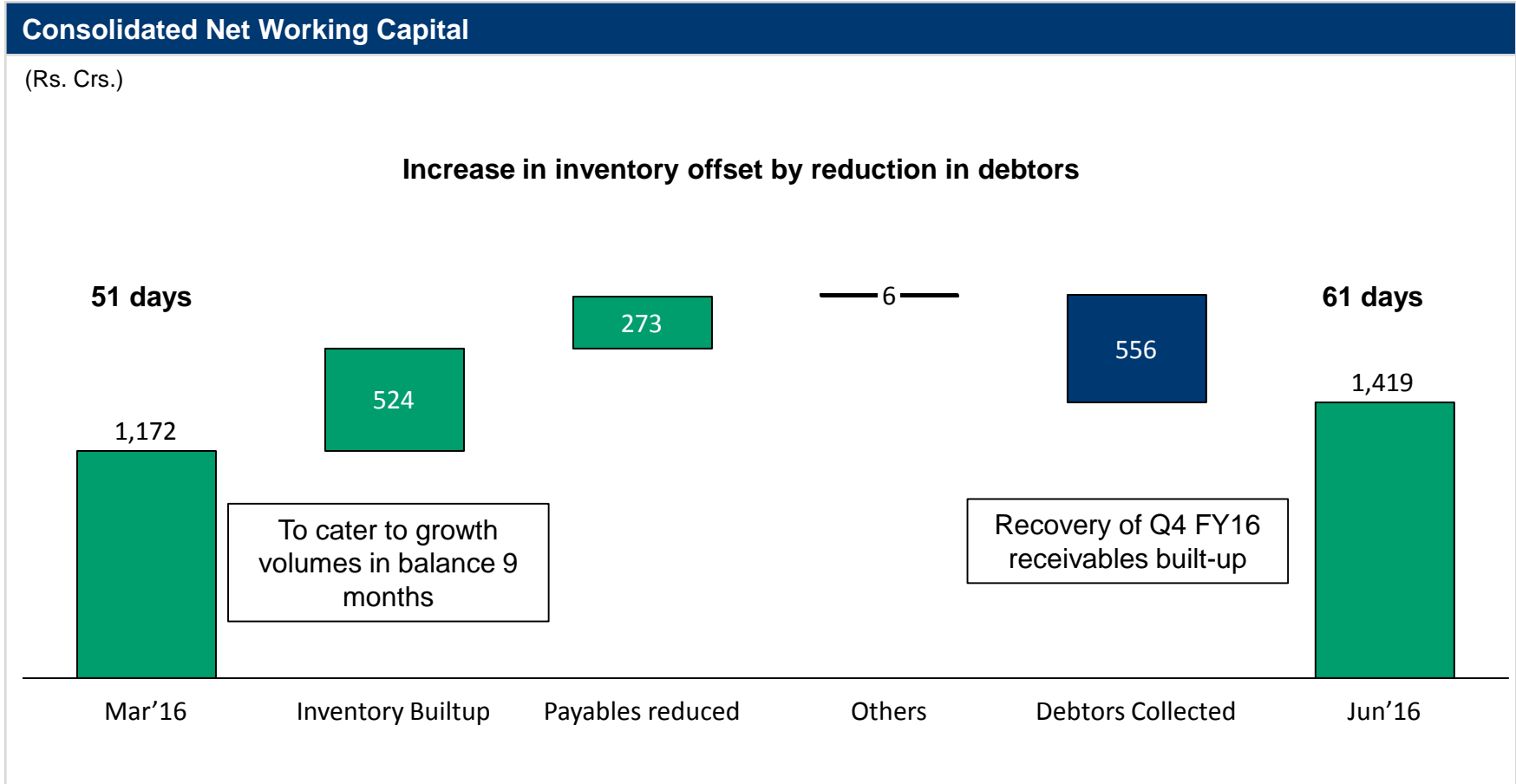
(Rs. Crs.)

Particulars	As per IND AS			As per IND GAAP		
	Q1 FY17 Limited Review	Q4 FY16 Unaudited	Q1 FY16 Unaudited	Q1 FY17 Unaudited	Q4 FY16 Audited	Q1 FY16 Limited Review
Revenue	1,650	3,246	2,587	1,649	3,245	2,606
<b>Gross Profit</b>	<b>735</b>	<b>1,163</b>	<b>1,029</b>	<b>733</b>	<b>1,168</b>	<b>1,046</b>
<i>Gross Margin</i>	<i>44.6%</i>	<i>35.8%</i>	<i>39.8%</i>	<i>44.5%</i>	<i>36.0%</i>	<i>40.1%</i>
Employee Expenses	259	234	329	258	234	321
Other Expenses (net)	305	470	442	301	477	435
<b>EBITDA (Pre FX)</b>	<b>171</b>	<b>460</b>	<b>258</b>	<b>174</b>	<b>456</b>	<b>290</b>
<i>EBITDA Margin (Pre FX)</i>	<i>10.4%</i>	<i>14.2%</i>	<i>10.0%</i>	<i>10.5%</i>	<i>14.1%</i>	<i>11.1%</i>
Depreciation	84	118	106	85	119	107
Net Finance Cost	290	301	385	270	287	385
Taxes, Minority Interest and Others	9	(8)	(10)	4	0	(13)
<b>PAT (Pre Fx and Exceptional Items)</b>	<b>(212)</b>	<b>49</b>	<b>(223)</b>	<b>(185)</b>	<b>50</b>	<b>(189)</b>
FX (Gain) / Loss	48	14	77	(42)	38	78
Exceptional Items	0	267	(1,314)	0	283	(1,314)
<b>Reported PAT</b>	<b>(260)</b>	<b>(232)</b>	<b>1,014</b>	<b>(144)</b>	<b>(271)</b>	<b>1,047</b>

Note: Servion was fully divested by Suzlon group on 29<sup>th</sup> April 2015. Accordingly Q1 FY16 consolidated results include 1 month of Servion performance, hence not directly comparable

# Q1 FY17 IND GAAP to IND AS Bridge

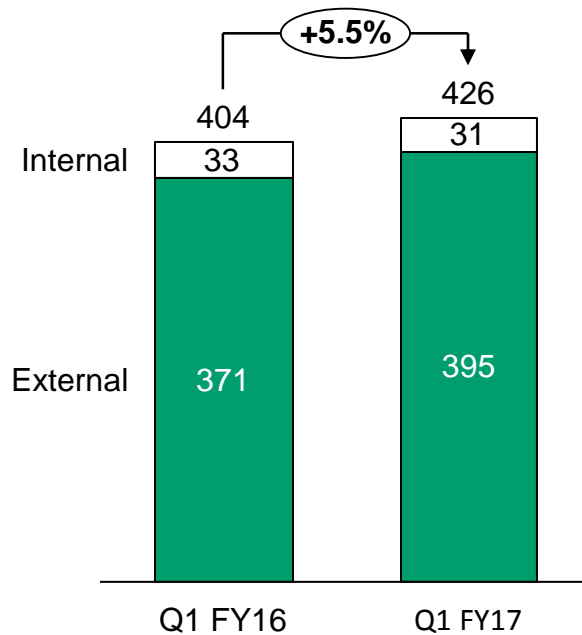




Note: Working capital days calculated on trailing 12 months revenue

## Service Revenues

(Rs. Crs.)



✓ **Growing into a sizeable & profitable business**

- ~24% revenue share in Q1 FY17

✓ **Annuity like business**

- Non cyclical business in nature
- Steady cash flow generation

✓ **100% renewal track record in India**

- Every turbine sold by Suzlon in India is under our Service fold
- Custodian of ~9.5 GW of Assets (US\$ 10 bn)
- 20 years of track record in India

*Note: Q1 FY16 Operation and Maintenance Service revenue does not include Servion*

**Stable cash generation**

# Agenda

Q1 FY17 Highlights

**Order Book**

Solar Vertical

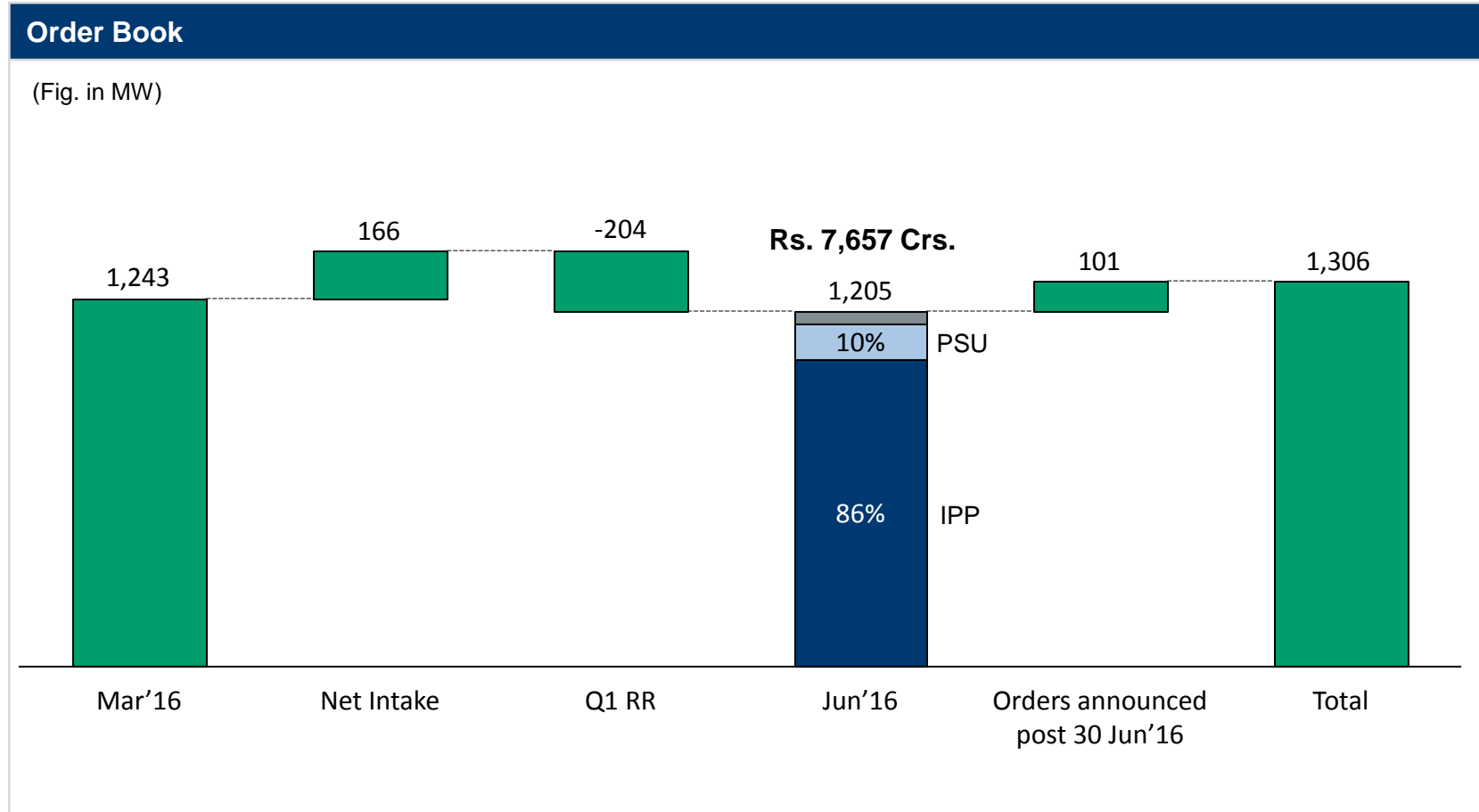
Debt Overview

Technology Update

Industry Opportunity

Detailed Financials

# Strong Wind Order Backlog



**Backlog for Operation and Maintenance Service, SE Forge and Solar is over and above**

**Firm order book backed by customer advances of more than Rs. 1,000 Crs.**



# Agenda

Q1 FY17 Highlights

Order Book

**Solar Vertical**

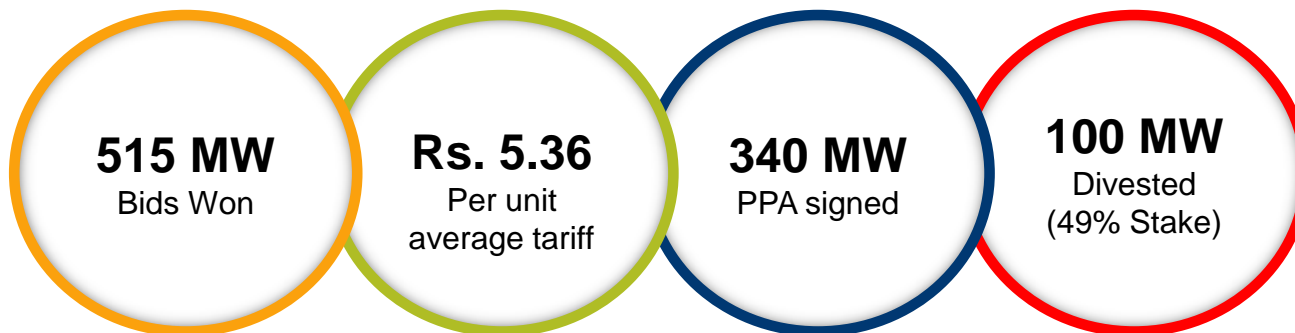
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## Solar Bidding Status Update



State	Bids Won	Configuration	Off-taker	Average Tariff	PPA Signed
Telangana <sup>(1)</sup>	210 MW	1 x 100 MW	Telangana DISCOMs	Rs. 5.58 / Unit	Y
		1 x 50 MW			
		4 x 15 M			
Jharkhand	175 MW	1 x 100 MW, 1 x 50 MW 1 x 25 MW	JREDA	Rs. 5.42 / Unit	Pending
Maharashtra	70 MW	1 x 50 MW, 1 x 20 MW	SECI	Rs. 4.43 / Unit + VGF Rs. 54 lakh/ MW	Y
Rajasthan	60 MW	2 x 20 MW 2 x 10 MW	NTPC	Rs. 5.07 / Unit	Y

**Note: (1) 49% Stake already divested in 100 MW; Investors identified for the balance 110 MW projects**

# Agenda

Q1 FY17 Highlights

Order Book

Solar Vertical

**Debt Overview**

Technology Update

Industry Opportunity

Detailed Financials

# Debt Profile

(As on 30<sup>th</sup> June 2016)

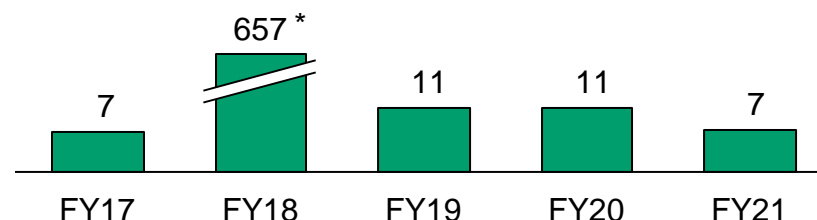
## Consol. Debt (Excluding FCCBs)

<b>Rupee Term Debt (A)</b>		<b>Rs. 2,805 Crs.</b>
Credit Enhanced Debt (SBLC Backed)	US\$ 647 M	Rs. 4,369 Crs.
Others	US\$ 52 M	Rs. 352 Crs.
<b>FX Term Debt (B)</b>	<b>US\$ 699 M</b>	<b>Rs. 4,721 Crs.</b>
<b>Gross Term Debt (C = A+B)</b>		<b>Rs. 7,526 Crs.</b>
<b>Net Term Debt</b>		<b>Rs. 6,961 Crs.</b>
<b>Working Capital</b>		<b>Rs. 2,475 Crs.</b>

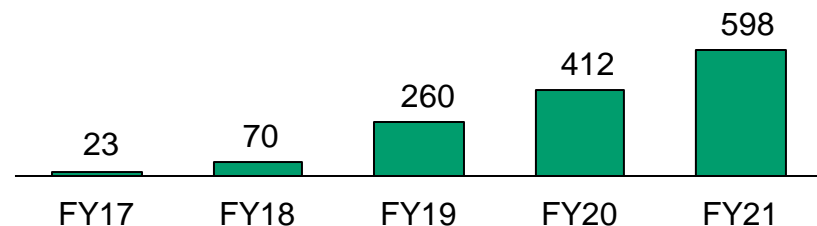
✓ Rupee term debt reduction of Rs. ~228 Crs. QoQ

## 5 Year's Maturity Profile (excluding FCCBs)

For FX Term Debt (US\$ Mn)



For Rupee Term Debt (Rs. Crs.)



✓ Total repayment of Rs. ~1,700 Crs. in next 5 years (Assuming extension of Maturity of SBLC bonds)

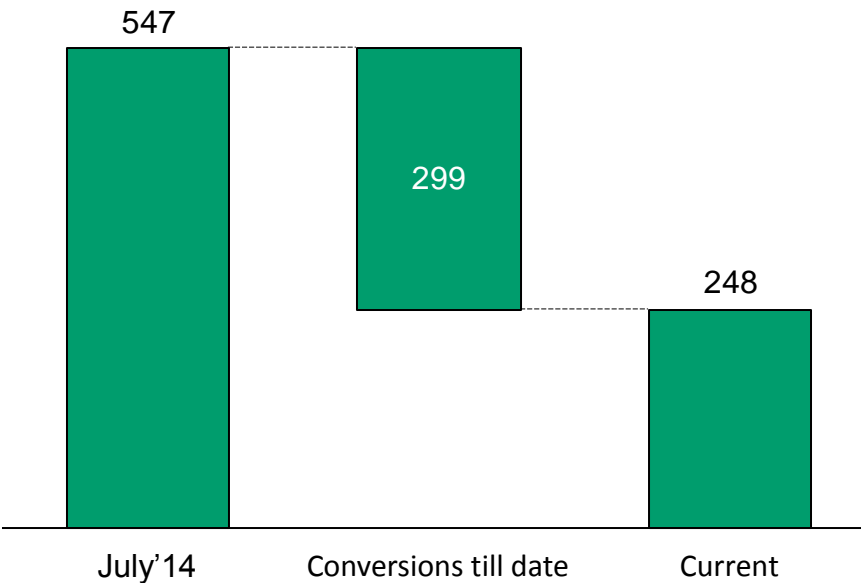
\*Credit Enhanced Debt and SBLC has a current bullet maturity of March 2018. SBLC facility lenders have consented to extend the SBLC till 2023; subject to procedural formalities

**Back ended maturity profile; Sufficient headroom for operations**

# July 2019 FCCB Series Overview

## FCCB Principal Value

(US\$ Mn)



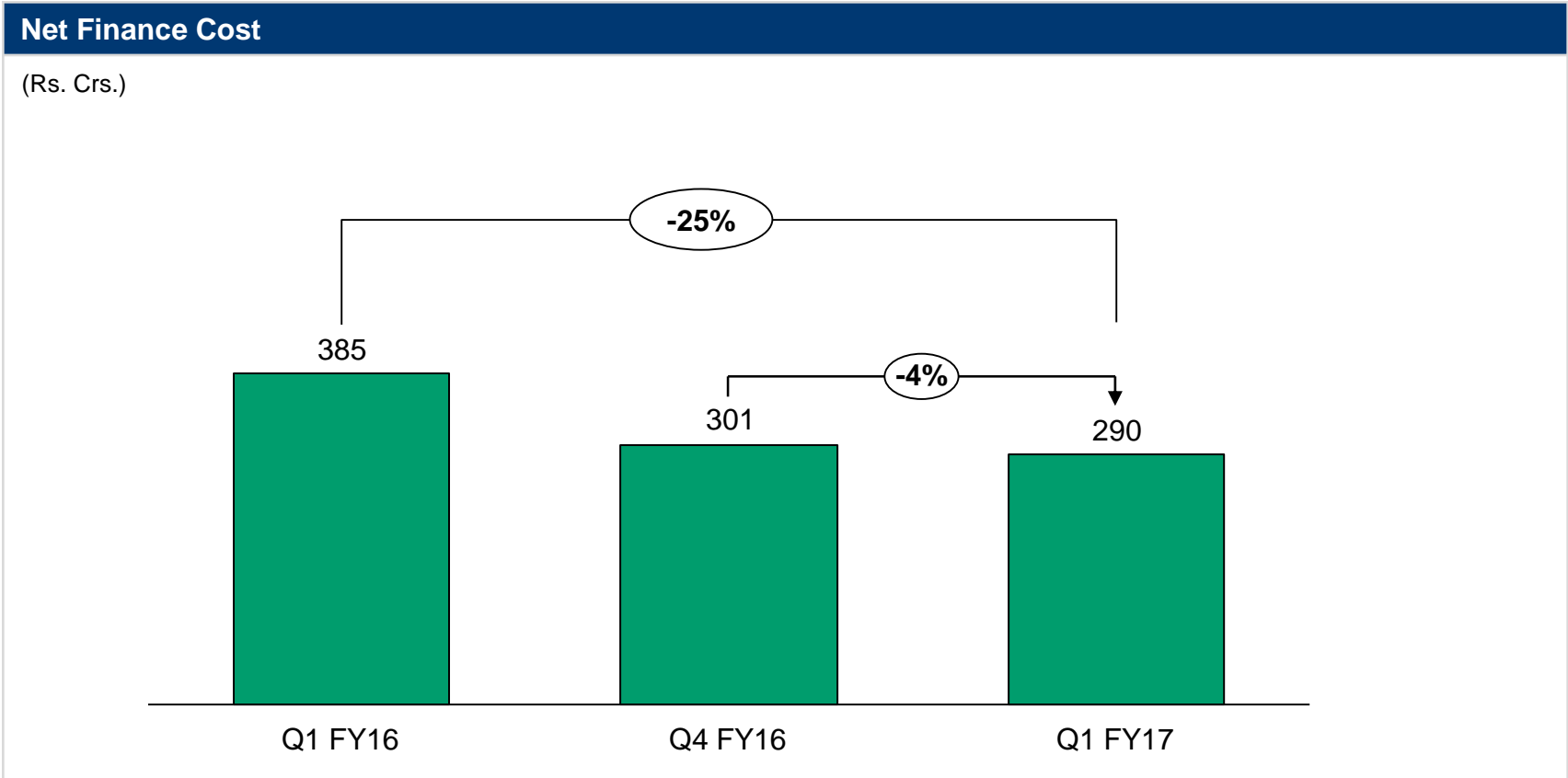
## Current and Diluted No. of Shares (Crs.)

Current Outstanding	502
Pending Conversion	97
Post Full Conversion	599

## Conversion Details

Price (Per Share)	Rs. 15.46
Exchange Rate	Rs. 60.225

Upon conversion, debt to reduce and Net worth to strengthen by US\$ 248 Mn



Note: Servion was fully divested by Suzlon group on 29<sup>th</sup> April 2015. Accordingly Q1 FY16 consolidated results include 1 month of Servion performance, hence not directly comparable

# Agenda

Q1 FY17 Highlights

Order Book

Solar Vertical

Debt Overview

**Technology Update**

Industry Opportunity

Detailed Financials

# Globally Proven In-House R&D Capabilities

Suzlon Technology Locations:		
Germany	Hamburg	<ul style="list-style-type: none"> <li>- Development &amp; Integration</li> <li>- Certification</li> </ul>
	Rostock	<ul style="list-style-type: none"> <li>- Development &amp; Integration</li> <li>- Design &amp; Product Engineering</li> <li>- Innovation &amp; Strategic Research</li> </ul>
The Netherlands	Hengelo	<ul style="list-style-type: none"> <li>- Blade Design and Integration</li> </ul>
India	Pune	<ul style="list-style-type: none"> <li>- Design &amp; Product Engineering</li> <li>- Turbine Testing &amp; Measurement</li> <li>- Technical Field Support</li> <li>- Blade Engineering</li> </ul>
	Vadodara	<ul style="list-style-type: none"> <li>- Blade Testing Center</li> </ul>
	Hyderabad	<ul style="list-style-type: none"> <li>- Design &amp; Product Engineering (BOP team)</li> </ul>
	Chennai	<ul style="list-style-type: none"> <li>- Design &amp; Product Engineering (Gear Box Team)</li> </ul>
Denmark	Aarhus Vejele	<ul style="list-style-type: none"> <li>- SCADA</li> <li>- Blade Science Center</li> </ul>



Hamburg



Rostock



Hengelo



Pune



Aarhus

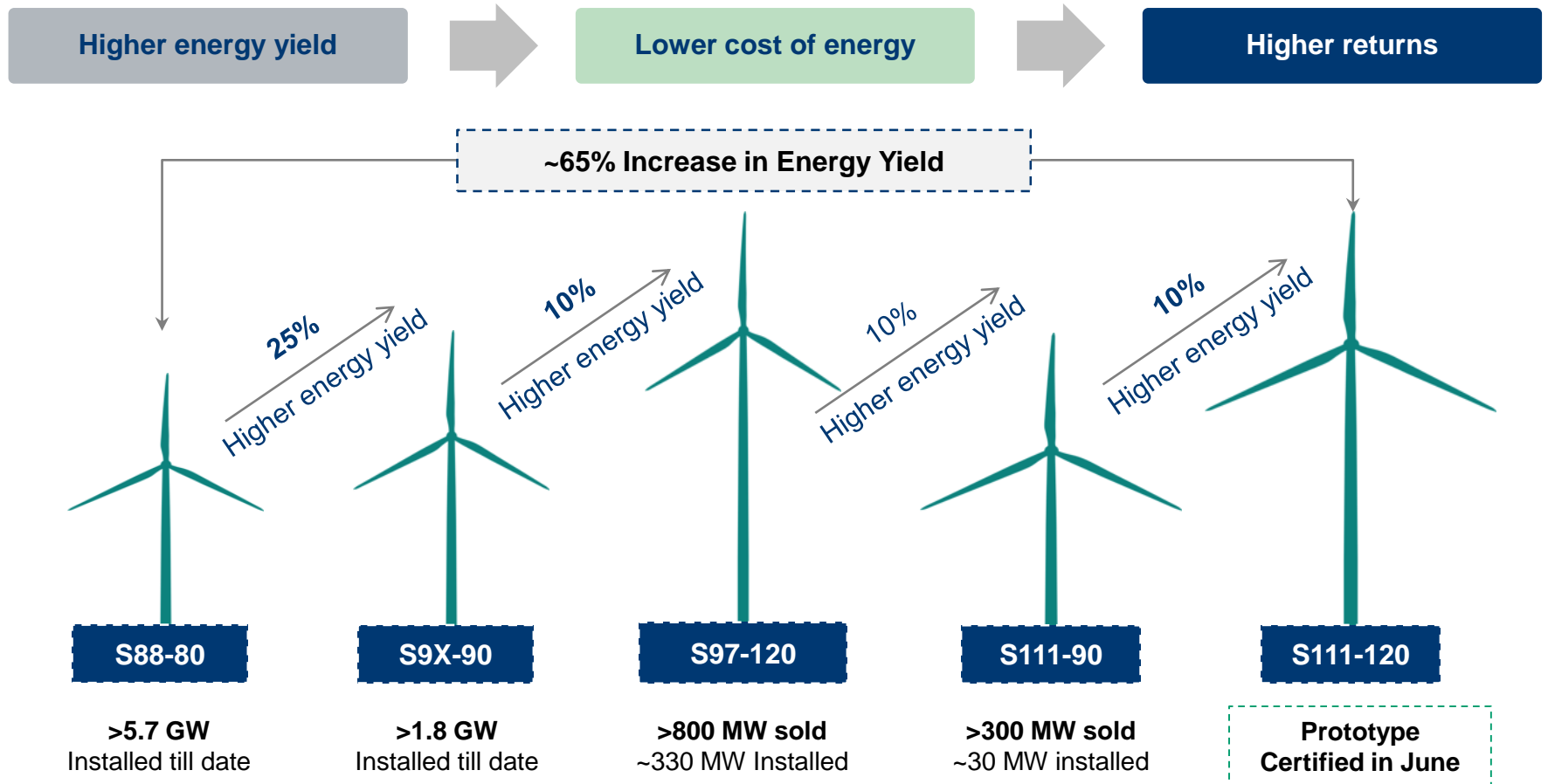


Vejele

Best match between skills & location – Efficient leverage of R&D spending



## 2.1 MW Series: Proven Platform with 100,000,000 Operating Hours



# Hybrid Towers – Innovation at Work

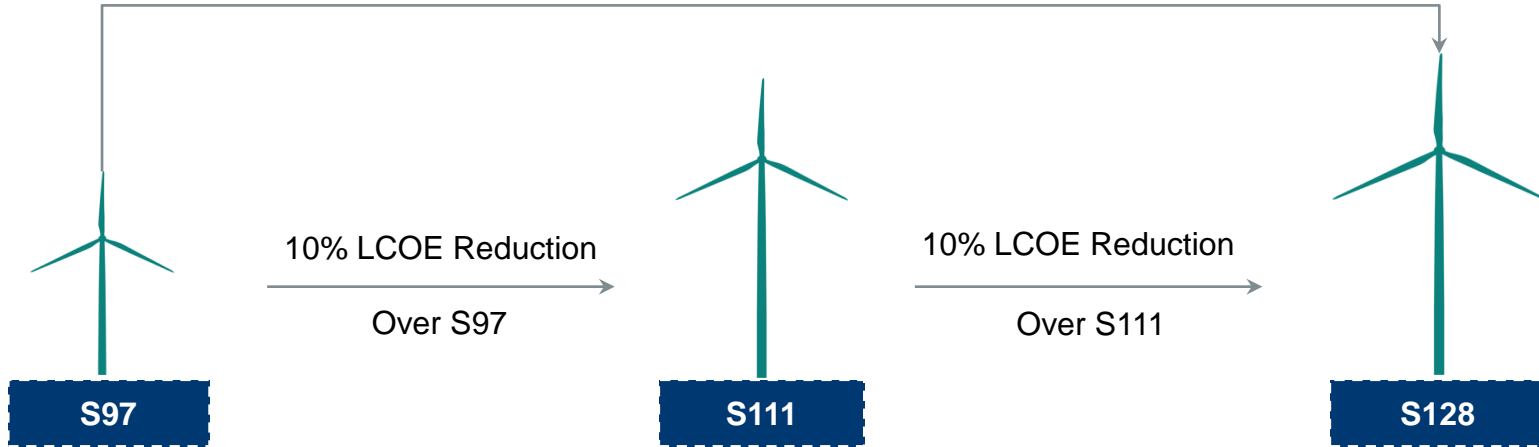
## Hybrid Tower - Combination of lattice and tubular



- **Higher hub height (120 M) at optimized cost**
  - Reduced LOCE due to higher AEP
  - Reduced steel requirement
  - Lower foundation cost
  - Logistic friendly – access to sites that were earlier logistically challenging
- **Available in S97 and S111 product suite**
- **S97-120 is under serial production**
  - 487 MW unexecuted orders in the order book
- **S97 – 120 Prototype achieved 35% PLF**
  - Installed in Jan'14; At Nani Ber District of Kutch, Gujarat
  - Generated 64.28 lacs units (kWh) over 12 months
- **S111-120: Prototype Certified**
  - Targets over 40% PLF

# Global Coverage - Next Generation Products

~20% reduction in Wind Levelized Cost Of Electricity (LCOE)



Product	S128 – 2.6 MW	S128 – 3.0 MW
MW Rating	2,600 kW	3,000 kW
Rotor Diameter	128 meters	128 meters
Tower Height	120 m - 140 m	120 m - 140 m
Wind Class	IEC III (Low Wind)	IEC II (Medium Wind)
Focus Markets	Domestic	International
Time to Market	2018	2018

# Agenda

Q1 FY17 Highlights

Order Book

Solar Vertical

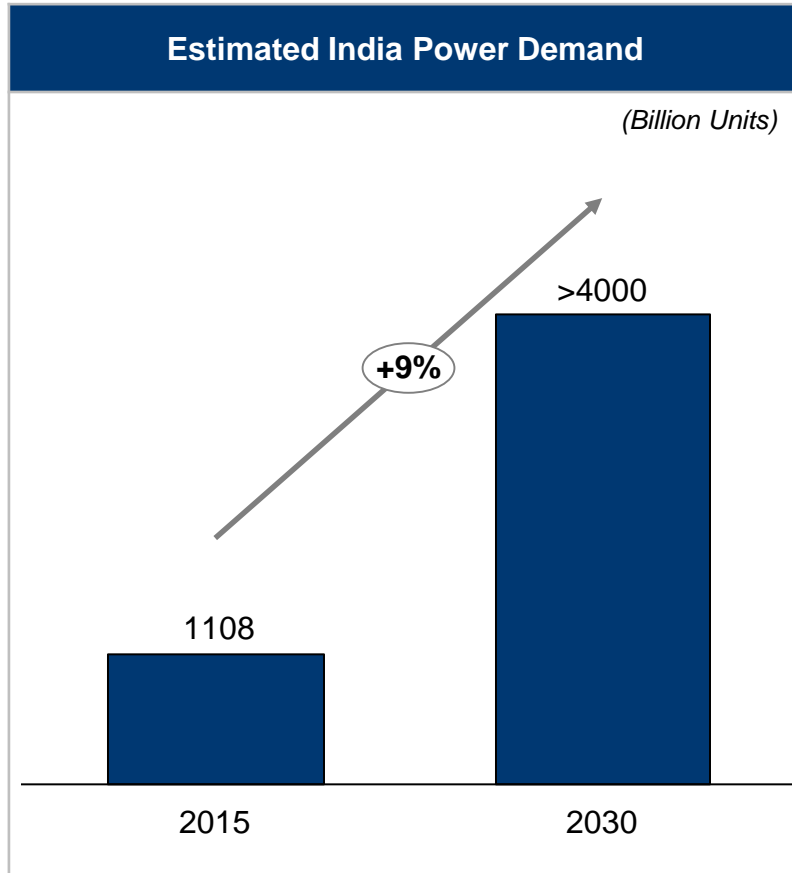
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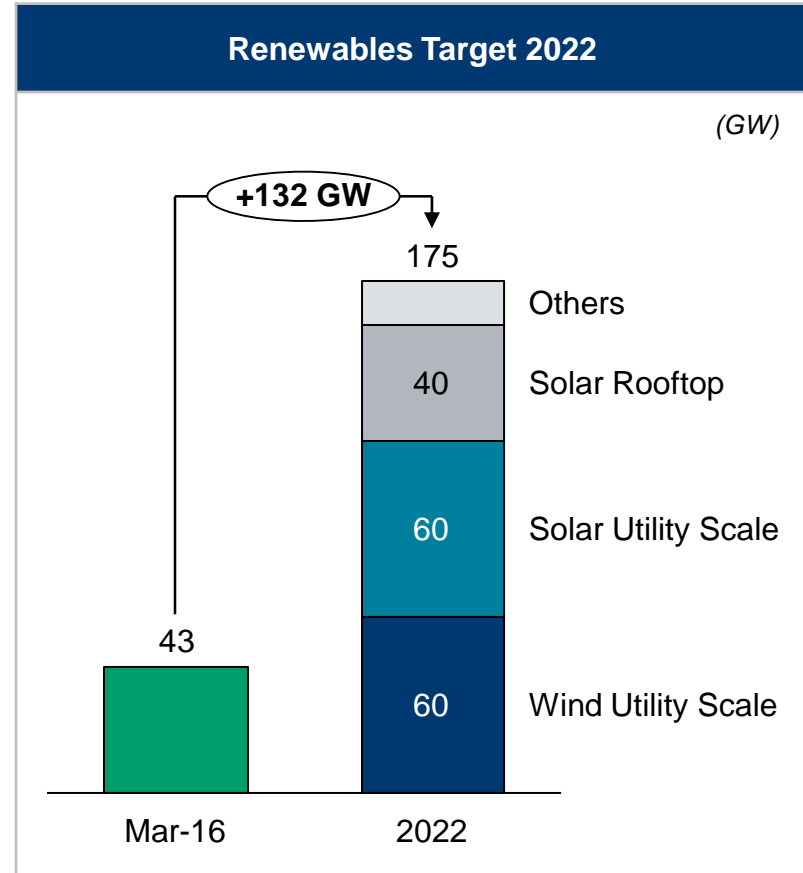
**Industry Opportunity**

Detailed Financials

# India: Strong Growth Fundamentals for Renewables



Source: Ministry of Power

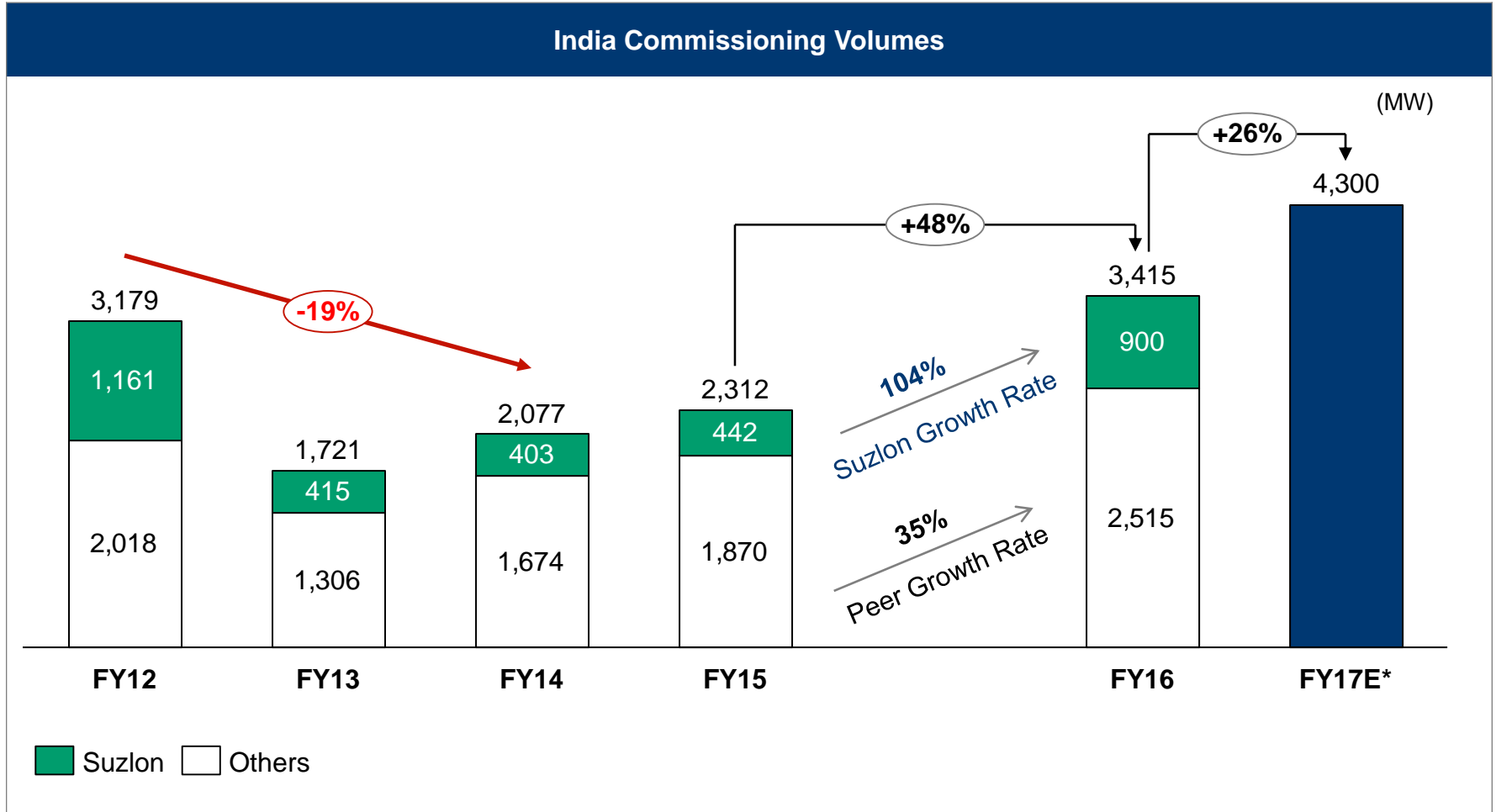


Source: MNRE

Renewables now 2<sup>nd</sup> largest source of power in terms of installed capacity

Renewables preferred for affordability, sustainability and security

# FY16 Saw Highest Annual Wind Capacity Addition in Two Decades



\*FY17 E – Source: Internal Estimates

On a strong growth trajectory...

## State Wise FiT and RPO Details

	Tariff Control Period	Non AD Tariff (Rs./Unit)			RPO Target (Non Solar)		
		FY17	FY16		FY17	FY16	
AP	31 <sup>st</sup> March 2020	4.84	4.83	↑	4.75%	4.75%	↔
GJ	31 <sup>st</sup> March 2019	4.19	4.15	↑	8.25%	7.00%	↑
KN	31 <sup>st</sup> March 2018	4.50	4.50	↔	11.00%	10.00%	↑
MP	31 <sup>st</sup> March 2019	4.78	5.92	↓	6.50%	6.00%	↑
TN	31 <sup>st</sup> March 2018	4.16	3.96	↑	9.00%	9.00%	↔
RJ	31 <sup>st</sup> March 2019	6.04-5.76	5.74-6.02	↑	8.90%	8.20%	↑
MH	31 <sup>st</sup> March 2020	5.56-3.82	5.71-3.92	↓	10.00%	8.50%	↑

 **New Update**

# Key Government Initiatives: Preparing India for Renewable Growth

## Strengthening Demand Environment

- Introducing Renewable Generation Obligation (RGO)
- Enforcing Renewable Purchase Obligation (RPO)
- Creation of demand from non renewable rich states
- Waiver of Inter State transmission charges & losses
- UDAY scheme to improve DISCOM financial health

## Strengthening Grid and transmission systems

- Green Corridor
- Scheduling and Forecasting
- Inter State Transmission

## Future Growth Drivers (Policy Under Draft)

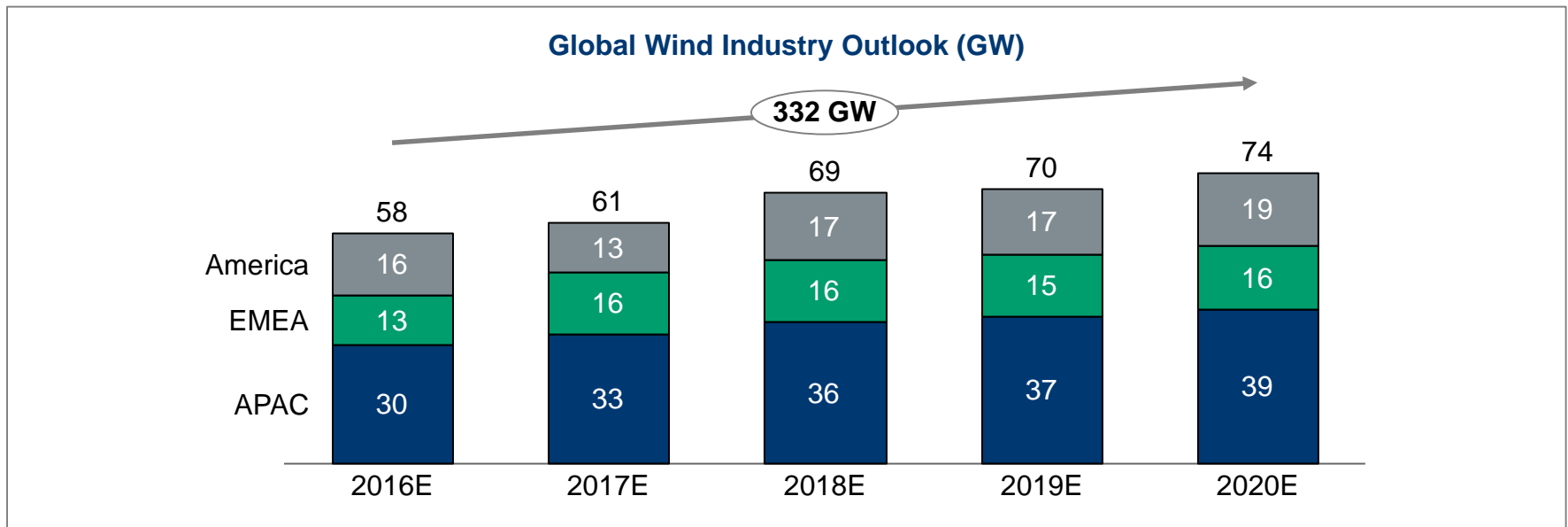
- Wind Solar Hybrid Farms
- Repowering
- Offshore
- National Renewable Energy, Act



# Suzlon Strengths in India Wind Market



# International Market Roadmap



Source: BENF Q2 2016 Wind Market Outlook

Prioritizing markets based on opportunity, sustainability and ease of access

# Agenda

Q1 FY17 Highlights

Order Book

Solar Vertical

Debt Overview

Technology Update

Industry Opportunity

**Detailed Financials**

# Consolidated Income Statement

IND AS

Rs Crs.

Particulars	Q1 FY17	Q4 FY16	Q1 FY16
	Limited Review	Unaudited	Unaudited
Revenue from operations	1,650	3,246	2,587
Less: COGS	914	2,082	1,558
<b>Gross Profit</b>	<b>735</b>	<b>1,163</b>	<b>1,029</b>
<b>Margin %</b>	<b>44.6%</b>	<b>35.8%</b>	<b>39.8%</b>
Employee benefits expense	259	234	329
Other expenses (net)	305	470	442
Exchange Loss / (Gain)	48	14	77
<b>EBITDA</b>	<b>123</b>	<b>446</b>	<b>181</b>
<b>EBITDA (Pre-FX Gain / Loss)</b>	<b>171</b>	<b>460</b>	<b>258</b>
<b>Margin %</b>	<b>10.4%</b>	<b>14.2%</b>	<b>10.0%</b>
Less: Depreciation	84	118	106
<b>EBIT</b>	<b>39</b>	<b>328</b>	<b>75</b>
<b>EBIT (Pre-FX Gain / Loss)</b>	<b>88</b>	<b>342</b>	<b>152</b>
<b>Margin %</b>	<b>5.3%</b>	<b>10.5%</b>	<b>5.9%</b>
Net Finance costs	290	301	385
<b>Profit / (Loss) before tax</b>	<b>-251</b>	<b>28</b>	<b>-310</b>
Less: Exceptional Items	0	267	-1,314
Less: Taxes and Minority	9	-8	-10
<b>Net Profit / (Loss) after tax</b>	<b>-260</b>	<b>-232</b>	<b>1,014</b>

Note: Servion was fully divested by Suzlon group on 29<sup>th</sup> April 2015. Accordingly Q1 FY16 consolidated results include 1 month of Servion performance, hence not directly comparable

## IND AS Convergence – Major Impact Items

Description	IND GAAP Position	IND AS Position
<b>CDR Recompense</b>		
<p>Upon exit from CDR, CDR Lenders get a right to recompense of their waivers and sacrifice made as part of the CDR Proposal.</p>	<p>Recompense payable is disclosed under contingent liability as the same is contingent upon various factors and the outcome is materially unascertainable.</p>	<p>Recompense considered as financial liability and quarterly provisions to be made until exit of CDR and disclosed under finance cost.</p> <p>Restatement of prior financial statements required.</p>
<b>FX Gain Loss</b>		
<p>Exchange differences pertaining to long term foreign currency monetary items.</p>	<p>Allowed to be amortised up to March 31, 2020 or remaining debt tenure which ever is earlier.</p>	<p>No provision on amortisation of forex on new/restructured loans after transition date i.e 31<sup>st</sup> March 2016. Gain / loss to be charged off in the same quarter.</p> <p>Restatement of prior financial statements not required.</p>

## IND AS Convergence – Major Impact Items

Description	IND GAAP Position	IND AS Position
<b>FCCB</b>		
Accounting for FCCB	FCCB was treated as a debt instrument. Further, cost incurred on restructuring of FCCB was amortized over the period of FCCB.	FCCB is treated as a compound financial instrument and accordingly equity component is recognised. The cost incurred for restructuring is charged to retained earnings on the transition date as the original FCCB stands substantially modified.
<b>Discounting/ Impairment</b>		
Discounting of provisions and impairment testing of financial assets / liabilities	Discounting of liabilities is not permitted and provisions are carried at their book values.	All financial assets/ liabilities are required to be carried at their fair value on initial recognition. All financial assets are subject to discounting/ impairment testing. All financial liabilities and provisions are subject to discounting.

## Reconciliation between IND GAAP and IND AS – Income Statement

Rs Crs.

Net Profit	Q4 FY16	Q1 FY16	FY16
Reported Consolidated Profit / (Loss) as per IND GAAP	(271)	1,047	483
Effect of discounting long term liabilities	(7)	(5)	(24)
Acturial gain/ (loss) on defined benefit obligation recognised in other comprehensive income	2	(1)	1
Effect of Measuring ESOP at fair value	(3)	(8)	(17)
Others	47	(19)	17
<b>Reported Profit / (Loss) as per IND AS</b>	<b>(232)</b>	<b>1,014</b>	<b>459</b>

# Consolidated Net Working Capital

IND AS

*Rs Crs.*

	30 <sup>th</sup> Jun'16	31 <sup>st</sup> Mar'16	31 <sup>st</sup> Dec'15
Inventories	3,078	2,554	2,512
Trade receivables	2,060	2,616	1,946
Loans & Advances and Others	1,675	1,481	1,637
<b>Total (A)</b>	<b>6,814</b>	<b>6,651</b>	<b>6,095</b>
Sundry Creditors	2,540	2,813	2,347
Advances from Customers	1,116	1,130	862
Provisions and other liabilities	1,739	1,536	1,553
<b>Total (B)</b>	<b>5,395</b>	<b>5,479</b>	<b>4,762</b>
<b>Net Working Capital (A-B)</b>	<b>1,419</b>	<b>1,172</b>	<b>1,333</b>



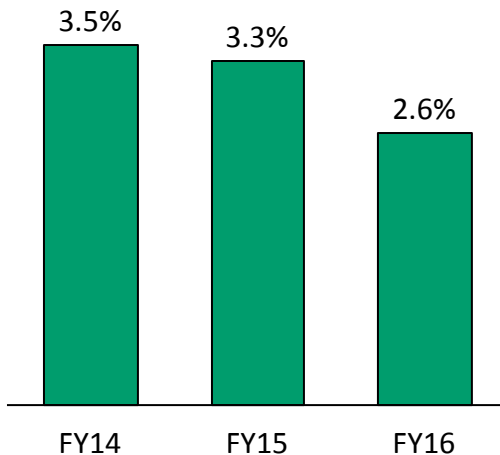
# Key Accounting Policies – Revenue Recognition and Order Booking

<p><b>Opening Order Book</b></p>	
<p><b>(-) Sales during the period</b></p>	<ul style="list-style-type: none"> <li>• <b>Sales (WTG Revenue Recognition)</b> <ul style="list-style-type: none"> <li>– WTG revenue is recognised upon transfer of risks and rewards to the buyer of complete WTG viz: Nacelle, Blade and Tower.</li> </ul> </li> </ul>
<p><b>(+) Order Intake during the period</b></p>	<ul style="list-style-type: none"> <li>• <b>Order Intake during the period</b> <ul style="list-style-type: none"> <li>– Only firm orders backed by threshold advance is added to order book</li> </ul> </li> </ul>
<p><b>Closing Order Book</b></p>	<ul style="list-style-type: none"> <li>• <b>Closing Order Book</b> <ul style="list-style-type: none"> <li>– Represents MW value of contract against which no revenue is recognized in the income statement</li> </ul> </li> </ul>

# Key Accounting Policy: Maintenance Warranty Provisions

## Maintenance Warranty Provisions

(Average calculated as % of Revenue)



### ✓ Accounting Policy:

- Comprise of provisions created against maintenance warranty issued in connection with WTG sale
  - Created when revenue from sale of wind turbine is recognized
- Provisions estimated based on past experience
- Reversals of unused provision on expiry of Maintenance warranty period

### ✓ Global Wind Industry Standard Practice:

- Followed by top listed global industry leaders
- Despite Insurance and back to back warranty from suppliers

Carrying value of maintenance warranty provisions in Balance Sheet ~Rs. 545 Crs.



**THANK YOU**

