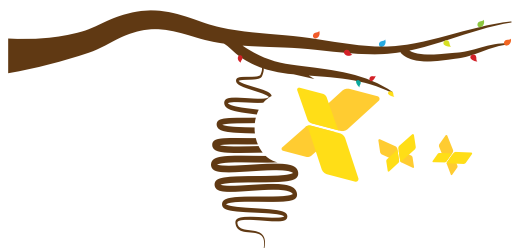


# ANNUAL REPORT 2014-15

CHANGE  
HAS THE  
POWER  
TO MAKE  
THINGS  
BEAUTIFUL



**SUZLON**  
POWERING A GREENER TOMORROW



INSTALLATION OF OVER  
**14,000 MW**



ACROSS 19 COUNTRIES IN  
**6 CONTINENTS**



WORKFORCE OF OVER  
**6,900**



INSTALLED  
**10,000**  
WIND TURBINES GLOBALLY



**30,000** GWh  
POWER GENERATED  
PER YEAR FROM OVER  
14,000 MW INSTALLATIONS



OVER **30 million**  
TONNES OF CARBON  
EMISSIONS  
AVOIDED ANNUALLY



BENEFITS COMPARABLE  
TO PLANTING OVER  
**2.5 billion**  
TREES EVERY YEAR



LIGHTING UP OVER  
**34 million** LIVES\*



SAVING MORE THAN  
**22 million**  
TONNES OF COAL PER ANNUM



CARBON EMISSIONS  
AVOIDED EQUIVALENT TO  
**5 million**

CARS TAKEN OFF THE  
STREET ANNUALLY



**14 MANUFACTURING**  
FACILITIES SPREAD ACROSS  
INDIA, CHINA (JV) & USA

\*IN THE INDIAN CONTEXT



<b>COMPANY INFORMATION</b>	<b>02</b>
<b>SUZLON VALUES REINFORCED</b>	<b>03</b>
<b>BOARD OF DIRECTORS</b>	<b>04</b>
<b>CHAIRMAN'S LETTER</b>	<b>06</b>
<b>FINANCIAL HIGHLIGHTS</b>	<b>10</b>
<b>KEY HIGHLIGHTS</b>	<b>11</b>
<b>SUZLON VISION 2020</b>	<b>14</b>
<b>SUZLON ONE EARTH</b>	<b>16</b>
<b>20 YEARS OF POWERING A GREENER TOMORROW</b>	<b>19</b>
<b>EMPOWERING LIVES FOR A GREENER TOMORROW</b>	<b>22</b>
<b>DIRECTORS' REPORT AND ANNEXURES THERETO</b>	<b>25</b>
<b>MANAGEMENT DISCUSSION AND ANALYSIS</b>	<b>59</b>
<b>CORPORATE GOVERNANCE REPORT</b>	<b>67</b>
<b>STANDALONE FINANCIAL STATEMENTS</b>	
• INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS	83
• BALANCE SHEET	87
• STATEMENT OF PROFIT AND LOSS	88
• CASH FLOW STATEMENT	89
• NOTES TO FINANCIAL STATEMENTS	91
• FORM AOC-1 STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATE COMPANIES / JOINT VENTURES AS PER COMPANIES ACT, 2013	125
<b>CONSOLIDATED FINANCIAL STATEMENTS</b>	
• INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS	127
• CONSOLIDATED BALANCE SHEET	132
• STATEMENT OF CONSOLIDATED PROFIT AND LOSS	133
• CONSOLIDATED CASH FLOW STATEMENT	134
• NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	136
<b>NOTICE AND PROXY FORM</b>	<b>171</b>



SUZLON ENERGY LIMITED  
(CIN: L40100GJ1995PLC025447)

**Mr. Tulsi R.Tanti**  
(DIN: 00002283)  
**Chairman & Managing Director**

**Mr. Vinod R.Tanti**  
(DIN: 00002266)  
**Non-Executive Director**

**Mr. Girish R.Tanti**  
(DIN: 00002603)  
**Non-Executive Director**

**Mr. Rajiv Ranjan Jha**  
(DIN: 03523954),  
A nominee of Power Finance Corporation Limited  
**Non-Executive Director**

**Mrs. Medha Joshi**  
(DIN: 00328174)  
A nominee of IDBI Bank Limited  
**Non-Executive Director**

**Mrs. Pratima Ram**  
(DIN: 03518633)  
A nominee of State Bank of India (appointed as nominee director w.e.f. March 27, 2015)  
**Non-Executive Director**

**Mr. Vaidhyanathan Raghuraman**  
(DIN: 00411489)  
**Non-Executive Independent Director**

**Mr. Marc Desaedeleer**  
(DIN: 00508623)  
**Non-Executive Independent Director**

**Mr. Ravi Uppal**  
(DIN: 00025970)  
**Non-Executive Independent Director**

**Mr. Venkataraman Subramanian**  
(DIN: 00357727)  
Appointed as an Additional Director in the capacity of Independent Director w.e.f. September 25, 2014  
**Non-Executive Independent Director**

**Mrs. Bharati Rao**  
(DIN: 01892516)  
A nominee of State Bank of India who ceased to be a Director w.e.f. March 27, 2015  
**Non-Executive Director**

**CHIEF FINANCIAL OFFICER (CFO)**  
**Mr. Kirti J. Vagadia**  
(ICAI Membership No. 042833)  
(Appointed as Group CFO w.e.f. August 1, 2015)

**Mr. Amit Agarwal**  
(ICAI Membership No. 056880)  
(Resigned as CFO w.e.f. August 1, 2015)

**COMPANY SECRETARY**  
**Mr. Hemal A.Kanuga**  
(ICSI Membership No. F4126)

**AUDITORS**  
**SNK & Co.**  
Chartered Accountants  
ICAI Firm Registration No. 109176W  
E-2-B, 4th Floor,  
The Fifth Avenue,  
Dhole Patil Road,  
Pune - 411001, India

**S.R.Batliloi & Co., LLP**  
Chartered Accountants  
ICAI Firm Registration No. 301003E  
C-401, 4th Floor,  
Panchshil Tech Park, Yerawada,  
(Near Don Bosco School),  
Pune - 411006, India

## BANKERS / INSTITUTIONS

Axis Bank Limited | Bank of Baroda | Bank of India | Bank of Maharashtra | Central Bank of India Corporation Bank | Dena Bank | Export Import Bank of India | ICICI Bank Limited | IDBI Bank Limited Indian Renewable Energy Development Agency Limited | Indian Overseas Bank | Life Insurance Corporation of India Oriental Bank of Commerce | Power Finance Corporation Limited | Punjab National Bank State Bank of Bikaner and Jaipur | State Bank of India | State Bank of Patiala | The Saraswat Co-operative Bank Limited Union Bank of India | Yes Bank

**CORPORATE OFFICE**  
One Earth,  
Hadapsar,  
Pune - 411028, India  
Tel.: +91 20 6702 2000  
Fax.: +91 20 6702 2100

**REGISTERED OFFICE**  
"Suzlon", 5, Shrimali Society,  
Near Shri Krishna Complex,  
Navrangpura,  
Ahmedabad - 380009, India  
Tel.: +91.79.6604 5000  
Fax: +91.79.2656 5540  
Email: investors@suzlon.com  
Website: www.suzlon.com

**REGISTRAR AND SHARE TRANSFER AGENTS**  
**Karvy Computershare Private Limited**  
Karvy Selenium, Tower B, Plot 31 & 32,  
Gachibowli, Financial District, Nanakramguda,  
Hyderabad 500 032 India  
Toll Free No. 1800-3454-001  
Website: www.karvycomputershare.com  
Email: einward.ris@karvy.com

# SUZLON VALUES REINFORCED



## OUR VALUE SYSTEM

The foundation of our organization is built on strong values that help us in achieving our vision. These values ensure that we stay true to everything we do.

AGILITY

ADDING VALUE

CREATIVITY

COMMITTED

INTEGRITY

### **AGILITY**

I will encourage and facilitate rapid and decisive actions on all matters related to Suzlons progress.

### **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.

### **CREATIVITY**

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

### **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.

# BOARD OF DIRECTORS



Left to right: Mr. Marc Desaeleer | Mr. Girish R.Tanti | Mrs. Pratima Ram | Mr. Venkataraman Subramanian | Mr. Tulsi R.Tanti



Mr. V. Raghuraman | Mr. Vinod R. Tanti | Mrs. Medha Joshi | Mr. Ravi Uppal | Mr. Rajiv Ranjan Jha



# CHAIRMAN'S LETTER

Dear Stakeholders,

Financial Year 2014-15 (FY15) has been a year of evolutionary change for us, characterized by several milestones and transformational decisions. We have successfully navigated through the tough times to embark upon a journey that ensures commendable sustainable growth for Suzlon in the years to come. Our strategic and transformational initiatives, backed by relentless efforts, have efficaciously guided Suzlon back to a growth trajectory.

In April 2015 we completed 20 years, a journey that began with a modest and humble beginning in 1995. Our legacy of 20 years gives us insights and confidence to march ahead. Hence, today the Group has global footprint across 19 countries in 6 continents. As a Group we aim to focus on high volumes and emerging markets such as India, USA, China and Brazil in years to come. With a defined business blueprint and significant liquidity infusion, we are now best placed to capitalize on several market opportunities available in domestic and international markets.

## Encouraging results

Aligned to our strategic vision, some key decisions were taken in FY15 which translated into optimistic results. Our profitability and performance reflects the improvement in our operational efficiency. We have achieved this by addressing our liquidity concerns through capital infusion and Servion sale, which has translated into sizeable debt and interest cost reduction, accelerated our growth plans and increased stakeholder confidence. The equity infusion of Rs. 1,800 crores by Dilip Shanghvi & Associates (DSA) has further strengthened our balance sheet. Building on this momentum, we have today an ambitious order book of ~1100 MW and many orders in pipeline for FY16.

## Greener tomorrow

The Global renewable energy landscape is poised for progressive growth. The world leaders are championing the cause of energy security, aiming for affordable and accessible energy for all, within the gambit of climate change. The Indian wind energy sector is also poised for exponential growth with government's thrust on clean energy coupled with conducive policy framework and improved business environment.

Government's vision towards energy security is further aided by greater emphasis on transmission linkages and infrastructure. Laying down an ambitious target of 175 GW of renewable energy by 2022 that comprises 60 GW of wind energy, the Government has taken a quantum leap in building a greener tomorrow.

A lot of Independent Power Producers (IPP) have already entered into this segment with confidence in the new Government's thrust on renewables. With the reinstatement of Accelerated Depreciation (AD) for wind SMEs, Corporates and PSU sectors are also inclined to invest more in wind power in addition to their captive power consumption and need to hedge their power cost for 25 years.

Renewable energy can play a critical role in the success of Make in India, by improving cost competitiveness of Indian manufacturing and exports. It has the potential to enable India to become an export oriented economy as well as a technological hub of the world.

## Road ahead

Our priority for FY16 will be to ramp up volume by executing a strong order book of ~1100 MW, take advantage of the immense traction in new orders and improve margins. FY16 will also mark our foray into Solar, with plans to offer wind-solar integrated solutions.

Our Pan-India presence and experience of operating ~40% of the total installed wind capacity in India, renders us with the confidence to achieve our goals and regain our market share. We will continue to develop high yield products that effectively bring down the cost of energy (COE) and improve customer's Return on Investment (ROI). Constant efforts of our R&D team towards providing sustainable and affordable energy for all has resulted in two path-breaking products:

- The S97-120m (2.1MW) turbine with hybrid tower launched in November 2014 ensures 12% - 15% higher energy generation over other turbines of the same capacity. Further, it also enables viability of low wind sites to harness wind energy.
- The S111 (2.1MW) turbine prototype is successfully tested in India and USA. The S111 with its 111.8m is the largest rotor diameter wind turbine generator commissioned in India. Touted to be a potential game-changer in the industry with increased energy production by 20%, S111 is one of the highest yielding IEC Class III wind turbine.

We aim to establish 3 rotor blade manufacturing units in India during this fiscal year and over the next 5 years we aim to leverage our technology to attain 15% reduction in COE averaging at a 3% reduction per year. Additionally, we are conducting techno-commercial analysis along the coastline of Gujarat to examine the potential of India's pilot offshore wind project. Our technological expertise has led us to offer several customized solutions suiting all wind class sites to our customers and a continuous up-gradation of our product portfolio.

## 20 Years journey

As we discuss about our vision to build a better tomorrow, I would like to take a moment to take you through Suzlon's journey since its inception in 1995. It has been 20 years and we've had our share of ups and downs that we endured with great resilience. Two decades back Suzlon Energy Ltd., was incorporated in Rajkot, Gujarat, with a small team of 20 members.

With a vision to be amongst the technological leaders in the wind energy sector, Suzlon collaborated with German technology in 1995. Over the past 20 years, our technical collaborations and acquisitions have enabled us to remain amongst the top OEM players in the industry. Additionally, our in-house R&D facilities in Netherlands, Germany, Denmark and India have been significant in aiding to our vision of technological leadership.

Our comprehensive product portfolio, over the years, have led us to foray into several international markets, beginning with the USA in 2001. Our unique end-to-end business model in India has led us to be amongst the market leaders and hence today we have an impressive line-up of over 1700 customers. Various accolades that we have won in these 20 years bear testimony to our commitment towards excellence and sustainable development.

At this 20 year milestone, we renew our vigor and zeal to enter the next phase of growth.

## Future prospects

With a strengthened balance sheet and improved liquidity, we are better positioned to ramp-up our volumes, improve our operating performance and scale-up our margins. With these new wave of developments we shall strive for long-term growth of not only Suzlon but also of the renewable energy sector at large.

Our vision is to be the best renewable energy company in the world and to work towards social, economic and sustainable development to create a better life for our future generations.

On behalf of the entire Suzlon management team, I'm sincerely thankful to all our key stakeholders including but not limited to - Investors, customers, suppliers, government bodies, bankers and employees who have held great patience and supported us through difficult times. It has been your tremendous support that has paved the path for our resurgence and with it we continue on our path to powering a greener tomorrow.

Best wishes

**Tulsi Tanti**

Mumbai, July 31, 2015



USA  
Wind farm

