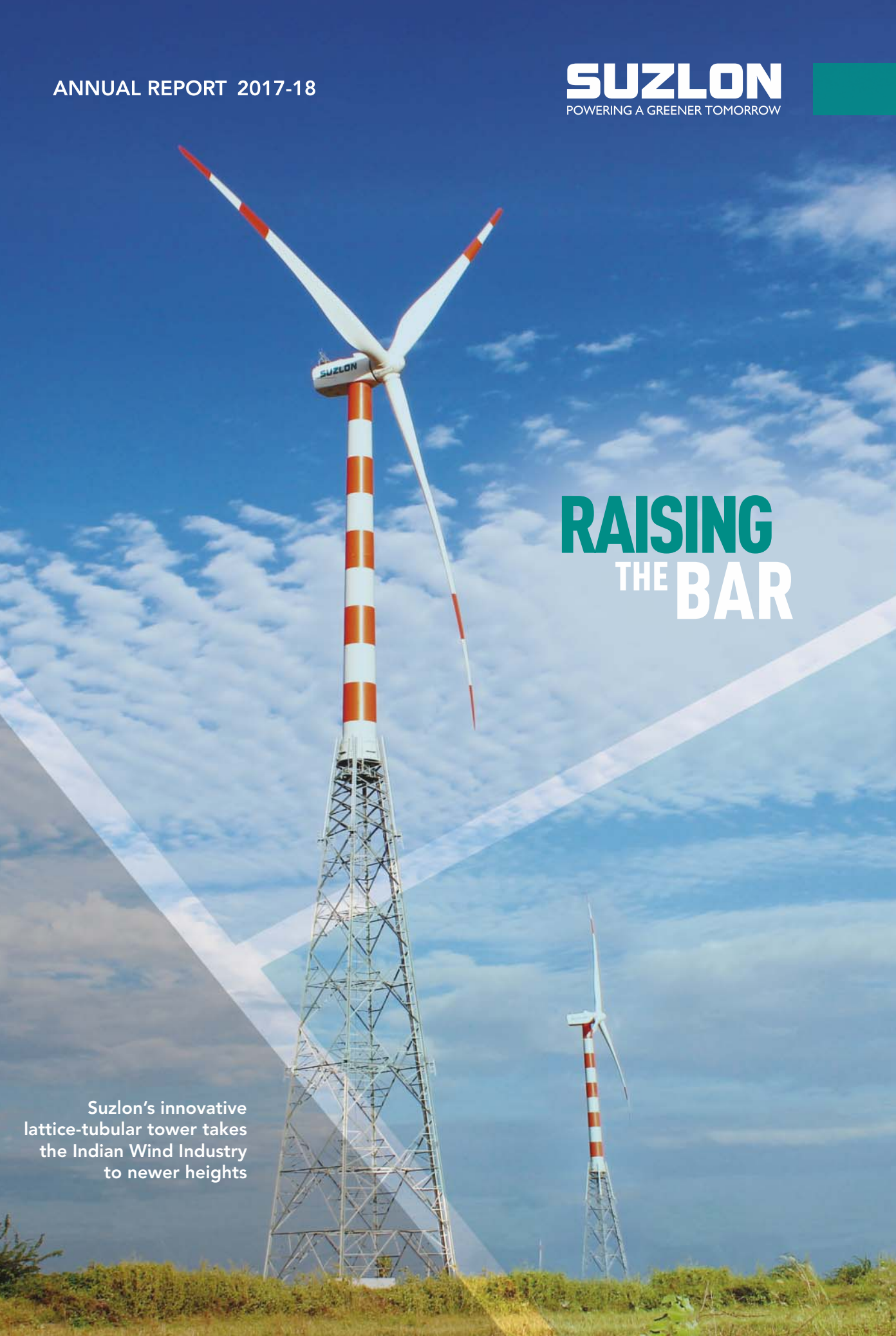




RAISING THE BAR

Suzlon's innovative
lattice-tubular tower takes
the Indian Wind Industry
to newer heights



RAISING THE BAR

This encapsulates Suzlon's preparedness to seize opportunities and face challenges that the future brings. It can be substantiated by our R & D capabilities, manufacturing infrastructure, service set up, our manpower, experience, leadership position etc.



Cover Image:

Featuring the S111 Wind Turbine Generator – Suzlon's latest innovation that has raised the bar for tower heights in India. The S111 with a lattice-tubular tower is available in 120m (metres) and 140m tower heights that allow for higher energy generation and optimization of resources.

SUZLON VISION 2020

 To Be The Best Renewable Energy Company In The World

 To Work Towards Sustainable, Social, Economical And Ecological Development

 To Create A Better Life For Future Generations

KEY MARKETS

INDIA

- Realise 'Make in India' vision of the government by developing our vertically integrated value chain in order to build India's position as a hub for renewable energy
- Aim to achieve, and surpass the annual wind energy target of 5,000 MW set by the government
- Be the number one renewable energy player in the Indian market

NORTH AMERICA

- The regions of U.S.A., Mexico and Canada remain attractive for Suzlon
- Development of technology, R&D and innovation

OTHER MARKETS

- Australia to remain attractive for Suzlon
- Emerging markets to enhance Suzlon's growing footprint

TECHNOLOGY ADVANCEMENT FOR REDUCED COST OF ENERGY

- Innovate to develop highest efficiency products to meet market requirements
- Establish new R&D facilities to further advance in technology and innovation
- Digitalisation of services and use of big data to increase efficiency and performance of wind turbines
- Aim to reduce the Levelised Cost of Energy (LCoE) and enable higher return on investment for customers

GLOBAL CUSTODIAN OF CUSTOMERS' ASSETS

- Ensure profitable functioning of wind turbines across the world and expansion to 20 GW
- Ensure smooth functioning of products through long-term services
- Strengthen Operation and Maintenance Services (OMS) capabilities to develop solutions that enhance the life of Wind Turbine Generators (WTGs) and operational excellence to enable energy security and reliability
- Provide value-added products and services to meet the ever-growing customer needs

A TALENTED WORKFORCE OF BRAND AMBASSADORS

- To sustain an environment where the global workforce of over 7,600 employees can work with increased transparency and measurable goals, aided by promoting employee initiatives
- Inspire a culture where employees are brand ambassadors of the organization
- Inculcate values where employees and the organization work in tandem to deliver optimum performance of the business

COMPANY OF CHOICE FOR RENEWABLE ENERGY

- Building utility scale, GW size, viable projects as investment opportunities, with the aim of installing additional 15 GW in the next five years
- Develop innovative business models with the aim of offering repowering, wind-solar hybrid and offshore solutions
- Improve technological strength, enhance successful project execution and best-in-class service to retain market leadership, with an aim to capitalize on the potential available under the government's new policy framework

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COMPANY INFORMATION

SUZLON ENERGY LIMITED
CIN: L40100GJ1995PLC025447

Mr. Tulsi R. Tanti

(DIN: 00002283)
Chairman & Managing Director

Mr. Vinod R. Tanti

(DIN: 00002266)
Wholetime Director &
Chief Operating Officer

Mr. Girish R. Tanti

(DIN: 00002603)
Non-Executive Director

Mrs. Pratima Ram

(DIN: 03518633)
A nominee of
State Bank of India
Non-Executive Director

Mr. Brij Mohan Sharma

(DIN: 07193258)
A nominee of IDBI Bank Limited
(appointed as Additional Director
w.e.f. January 1, 2018)
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)
Non-Executive
Independent Director

Mr. Per Hornung Pedersen

(DIN: 07280323)
Non-Executive
Independent Director

Mrs. Vijaya Sampath

(DIN: 00641110)
Non-Executive
Independent Director

Mr. Sunit Sarkar

(DIN: 02806212)
A nominee of IDBI Bank Limited
(ceased to be a Director w.e.f.
January 1, 2018)
Non-Executive Director

Mr. Rajiv Ranjan Jha

(DIN: 03523954),
A nominee of Power Finance Corporation Limited
(ceased to be a Director w.e.f. April 6, 2018).
Non-Executive Director

GROUP CHIEF EXECUTIVE OFFICER

Mr. J. P. Chalasani

DIN: 00308931

GROUP CHIEF FINANCIAL OFFICER

Mr. Kirti J. Vagadia

DIN: 00605991
ICAI Membership No.042833

COMPANY SECRETARY

Mr. Hemal A. Kanuga

ICSI Membership No.F4126

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 Overseas Bank |
Indian Renewable Energy Development Agency Limited |
Life Insurance Corporation of India | Oriental Bank of
Commerce | Power Finance Corporation Limited |
Punjab National Bank | State Bank of India | The Saraswat
Co-operative Bank Limited | Union Bank of India | Yes Bank

REGISTERED OFFICE

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REGISTRAR AND SHARE TRANSFER AGENTS

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Karvy Selenium, Tower B, Plot 31 & 32, Gachibowli,
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STATUTORY AUDITORS

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Chartered Accountants,
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BOARD OF DIRECTORS



Standing (L to R): Mr. Venkatramanan Subramanian, Mr. Marc Desaedeeler, Mr. Ravi Uppal
Seated (L to R): Mr. Vaidhyanathan Raghuraman , Mrs. Pratima Ram



Standing (L to R): Mr. Per Hornung Pederson, Mr. Vinod Tanti, Mr. Brij Mohan Sharma, Mr. Girish Tanti
Seated (L to R): Mr. Tulsi Tanti, Mrs. Vijaya Sampath

CHAIRMAN'S LETTER

Dear Stakeholders,

Financial Year 2017-18 (FY18) has been a watershed year for the renewable energy sector. The overall wind industry installations plummeted from 5,400 MW in FY17 to 1,766 MW in FY18 (32% of FY17 installations) due to transition from FiT (Feed in Tariff) regime to auction-based price discovery. It is indeed heartening to see that amidst the business paucities resultant of the reformed market dynamics, Suzlon continues to remain the market leader. This fact is reflected in Suzlon gaining a market share of 35% in FY18, which is the largest by any Original Equipment Manufacturer (OEM) in India. Suzlon's achievement this fiscal year comes in the backdrop of a paradigm shift in the way wind business is conducted in India, with the advent of competitive bidding. Our agility to adapt quickly and efficiently to the changing market dynamics combined with technologically advanced products, project execution capabilities, vertically integrated operations, superior O&M services, pan-India presence across all customer segments has helped us lead with highest installations in FY18.

RENEWABLES – GLOBAL OUTLOOK

Whilst developing countries witness economic overhauls; such a heavy impetus on industrialization does have an ensuing effect on our ecosystem. To mitigate the ill-effects of climate change, several countries have already adopted or are in the process of adopting strategies that combat climate change. These include carbon neutrality goals, reducing emission of greenhouse gases, optimum utilisation of natural resources, conserving forest covers, bringing in total energy efficiency and harnessing renewable energy, among others. Moreover, there have been record investments through public as well as private investors in the renewable energy industry primarily due to reduced capital costs in setting up both solar and wind power plants and year-on-year increased focus on clean energy solutions by governments through policy regimes and competitive bidding. The investments in clean energy solutions in Calendar Year (CY) 17 stood at \$330 billion, this is about 3% higher than CY16. A 3%

rise in investments fuelled a growth rate of 8% increase in clean energy capacity addition. This is a clear indication of the reduced project capital costs and tariffs for both solar and wind projects and this trend is expected to continue in the years to come. Similarly, more than 60% of the new investments in the global power sector have been in renewables, and this momentum will continue for the next five to ten years in India too. Wind energy across the globe has achieved grid parity and is now being seen as a commercial source of energy and no more an alternate source subsidized through schemes supported by the government. This gradual perception shift has helped the industry as a whole to become mainstream, relevant and commercially viable.

RENEWABLES – INDIA OUTLOOK

The future for clean energy in India is promising; as evinced in the last three years with the installation of renewable energy capacity being doubled from 32 GW to 63 GW. The government's target of 175 GW has now been revised to 227 GW by 2022 including 67 GW wind energy. This target is closer to becoming a reality propelled by technology and conducive policy environment for renewables; thereby helping the nation achieve energy security in a sustainable, affordable and environmentally friendly way. Further, the Ministry of New and Renewable Energy (MNRE) has also announced target of 30 GW offshore by 2030. Wind industry is supporting the Government's vision and policy of 'Make in India'. Today more than 4,000 SME units in our country are producing wind turbine components across the value chain and providing large scale employment. There is an immense potential for the country to become a global manufacturing hub for wind energy, which is visible as a number of global companies have set up their manufacturing units in India. This gives us a huge leverage to start a robust export network from our nation to other countries. Additionally, the market visibility is improving and the government is deeply committed to pushing resources at the highest priority to exponentially grow the wind sector over the next few years. The wind industry is poised to grow at around 12 to 15 GW every year from FY20 facilitated by state and central bidding along with captive projects. India will add 60 to 75 GW in the next five years.

The renewable sector is already contributing around 20% of India's total installed power

capacity which is mainly driven by over 34 GW of wind power. Renewables will play a critical role in India's energy basket in order to ensure long-term energy security of the country and optimum utilization of existing grid infrastructure, enabled by rapidly evolving technology. There is a good visibility of volume for the next five years and we are fully equipped to capitalize on it.

TECHNOLOGY AND INNOVATION – SETTING THE STANDARD

Over the years, we have successfully overcome challenges to keep pace with technology-driven changes that have ensuing effects on our business and society. Suzlon's best-in-class in-house technology and robust experience in the wind sector enables us to have a very strong and diverse customer base making us the preferred partner of choice. The high share of orders from the bidding volumes is a testament to our loyal customer base as well as our attractiveness to new customers. We are well equipped with the latest technology and innovative next-generation turbines that enable the most competitive

Levelised Cost of Energy (LCoE) and our vertically integrated manufacturing base gives us a huge cost advantage.

In FY18, three new Wind Turbine Generators (WTGs) were launched. The S111-140m (metres) is expected to deliver 5-6% higher generation than S111-120m, the S120-140m is expected to deliver 6-7% higher generation than S111, and the S128-140, the largest wind turbine generator in the country is available in the 2.6 – 2.8 MW platform and is expected to deliver 20-22% higher generation than S120. These next-generation turbines are well equipped to improve energy yield and support competitive tariff environment in India while protecting customers return on investment (ROI). We achieved another important milestone; Suzlon is the first private sector player to install and commission an operational Offshore LiDAR based Met Station with a remote monitoring system in the Arabian Sea, south-west of Jakhau port in Kutch, Gujarat. From designing and producing India's longest blade to collaborating with our logistics partner for its transportation; from innovation in carbon fibre blades to digitalisation initiatives such as usurping innovation in technology and research,



Tulsi Tanti
Founder and CMD

at the organisational front, it requires us to constantly innovate and integrate the best technology available in our products and services. We pride ourselves on being an innovative company, and I am of the firm opinion that innovation is indispensable to any business, especially in today's ever-evolving market. We continue to focus on developing state-of-the-art business models with the aim of offering repowering and wind-solar hybrid solutions.

DIGITALISATION IN THE WIND INDUSTRY

Digitalisation of services, innovation in tower and blade technologies aimed towards making unviable wind sites viable, ensuring better yield and increasing turbine utilisation will be the key focus areas. The industry will collaborate further for improving the supply chain, enabling grid integration and leveraging digital technologies.

Predictive/Prognostics Analytics based Maintenance, Condition Monitoring System (CMS) and Inventory optimisation enable us to maximise turbine efficiency and availability by leveraging the big data technologies. These digitalisation initiatives not only increase energy production at lower lifecycle cost but also ensure greater transparency of performance parameters at all levels. Further, digitalisation is a win-win situation for customers and wind farm operators since it assists in enhancing revenue and reduces operations and maintenance cost.

SUZLON CSR – A DECADE OF DIFFERENCE

We have completed 10 glorious years of making a difference in innumerable lives through our Suzlon Foundation. A journey that began with a small village in Maharashtra has now reached to more than 800 villages across the country. The foundation empowers Village Development Committees (VDC) and engages them in community development activities that lead to an increased well-being of the community members. Among the many ground-breaking activities initiated by the foundation are two such initiatives Zero Cataract Blindness Program and Zero Darkness Program that have tangibly lit up many lives around the country. While one is an endeavour to eliminate darkness from the villages and the other from their lives. In the last 10 years, Suzlon Foundation has improved livelihoods of 1,83,308 families across the country, restored eye-sight of

5,654 cataract patients and lit up homes with more than 8,047 solar lighting systems. As a renewable energy solutions provider, we endeavour that no home remains dark, even though they may be off the grid. Our focus has always been on the overall sustainability and balanced growth of communities in and around our area of operations.

THE FUTURE IS BRIGHT

The government's commitment to Renewable Energy remains intact and we strongly believe that the long-term fundamentals of the wind industry are sound. With the newly discovered tariff, wind energy is competitive with respect to other sources of energy and has emerged as a mainstream energy source. Going forward, we are well positioned to capitalize on the market opportunities with our superior technology, project execution experience spanning over two decades, new generation turbines offering higher energy yield, presence across the entire value chain, vertically integrated operations and best-in-class service capabilities. It is through technological innovation and the pursuit of sustainable social, economic and ecological development that we can chart the country's path to progress and power a greener tomorrow.

I firmly believe that technology and innovation will remain the catalyst in this endeavour. India's shift to renewable energy as a priority has laid the foundation to unlock 300 GW wind energy potential in the country. There is a good visibility of volume for the next five years and we are fully equipped for that. With government's thrust, the country is experiencing positive winds of change in the energy sector, particularly, in renewables. Indeed, India has the potential and capability to lead the global transition to renewable energy sources and become the renewable energy technology hub to the world.

I take this opportunity to thank all our stakeholders who are associated with Suzlon in whatever capacity for the unrelenting support and trust you all have bestowed on Suzlon, without which this journey towards creating a greener tomorrow would not be possible. Let us continue to take this momentum forward!

Best wishes,
Tulsi Tanti