Suzlon Energy Limited

21 January 2026

Leveraging scale in an availability focused RE market

INITIATING COVERAGE

Sector: Capital Goods | **Rating: BUY**

CMP: Rs 46 | **Target Price: Rs 67**

Stock Info

Sensex/Nifty	81,909/25,157
Bloomberg	SUEL IN
Equity shares (bn)	14
52-wk High/Low	74/46
Face value	Rs 2
M-Cap	Rs 627bn/USD 7bn

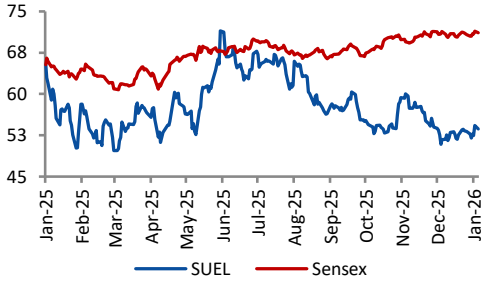
Financial Snapshot (Rs bn)

Y/E Mar	FY26E	FY27E	FY28E
Sales	166	215	240
EBITDA	33	44	51
PAT	21	29	34
EPS (Rs)	2	2	2
PE (x)	39	28	24
EV/EBITDA (x)	24	17	16
RoE (%)	34	36	32
RoCE (%)	25	26	23

Shareholding pattern (%)

	Sep'25	Jun'25	Mar'25
Promoter	11.73	11.75	13.25
–Pledged	0	0	0
FII	22.7	23.02	23.04
DII	10.14	10.17	8.73
Others	55.4	55.07	54.98

Stock Performance (1-year)



We initiate coverage on Suzlon Energy Limited (SUEL IN) with a BUY rating and a target price of Rs 67, based on 30x 1HFY28E EPS. SUEL is a leading provider of wind energy solutions, with its integrated capabilities spread across manufacturing, engineering, procurement, and construction (EPC) and operations and maintenance (O&M). The company has a total manufacturing capacity of 4.5GW and an installed base of over 20GW. The company enjoys ~35% market share in India's wind turbine installations and is strategically placed to benefit from the country's targeted wind capacity addition. India's RE procurement landscape is evolving from pure capacity addition to higher availability, which fundamentally favors wind power. When paired with battery energy storage systems (BESS), wind lowers the overall storage requirement per unit of firm renewable energy (RE), improving project economics under FDRE and hybrid tenders. We expect the company to execute 2,480MW/3,224MW in FY26/FY27, respectively, likely translating into revenue/EBITDA/PAT CAGR of 30%/39%/18% over FY25-FY28E. Execution delays, grid evacuation constraints and logistical bottlenecks are key risks that could impact project timelines.

A market leader with scale advantage: SUEL's 35% market share in India's wind installations, is underpinned by a pan-India presence, long-standing relationships with IPPs and utilities, and a cumulative domestic installed base of nearly 17GW. Scale enables tender participation, cost absorption, and operating leverage. A strong order book of 6.5GW solidifies SUEL's position in the OEM market, which should help it to deliver 33% CAGR in the wind turbine generator (WTG) segment over FY25 to FY28E.

Integrated business with annuity upside: SUEL's presence across manufacturing, EPC, and O&M enables it to monetize across a project's lifecycle. Order inflows and EPC execution support turbine volumes, while its expanding O&M portfolio (roughly 17GW domestic) provides recurring, high-visibility cash flows and margin stability over a longer time frame. This is visible from the consistent EBITDA margin expansion from 12.6% in FY22 to 17.1% in FY25, which is slated to touch 21.2% by FY28E.

Strengthening financial profile with a lean balance sheet: SUEL's balance sheet has materially improved compared to its highly leveraged phase that followed its global expansion phase in late 2000s. The company achieved a stable financial footing through sustained deleveraging, capital restructuring, and improved cash flow generation. SUEL's financial profile strengthened and working capital management improved, allowing it to bid for larger RE tenders, supporting earnings visibility.

Strong growth guidance across operational and financial parameters: SUEL has demonstrated rapid execution and timely deliveries that have translated into revenue/EBITDA/PAT growth of 67%/84%/190%, respectively, in FY25. Management has reiterated a robust outlook and remains on track to achieve its guidance of minimum 60% growth across all financial and operational parameters in FY26. Strong order book coupled with higher deliveries and favorable industry tailwinds should support growth in future.

Valuation and view: SUEL's growth trajectory reflects underlying market leadership in domestic wind installations, improving execution track record, and increasing relevance in hybrid and firm, dispatchable tenders. We value SUEL at 30x 1HFY28E EPS to arrive at a target price of Rs 67. SUEL plays a pivotal role in achieving India's wind capacity addition targets and is strategically set to deliver 30%/39%/18% revenue/EBITDA/PAT CAGR over FY25 to FY28E. We initiate coverage on SUEL with a BUY rating, as we believe the company aptly placed to participate in and contribute to India's wind capacity addition cycle over the medium term, supported by execution discipline.

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Investors are advised to refer disclosures made at the end of the research report.

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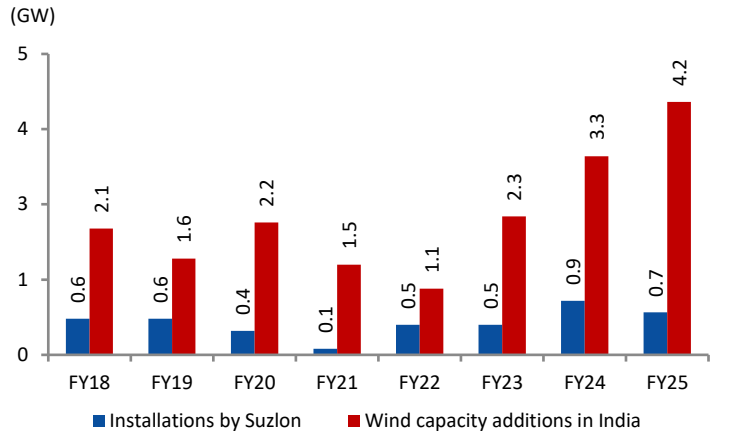
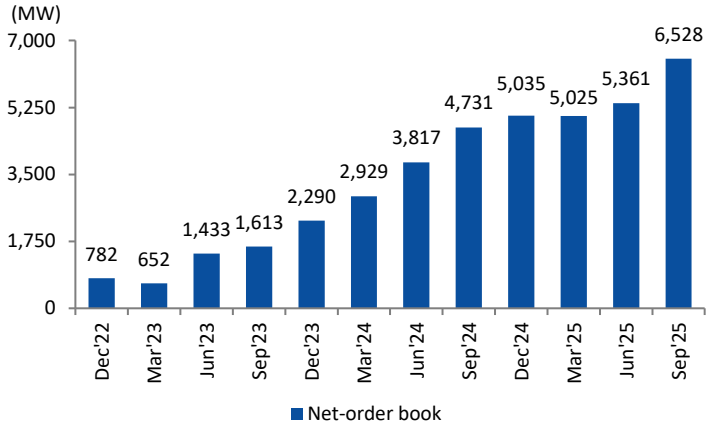


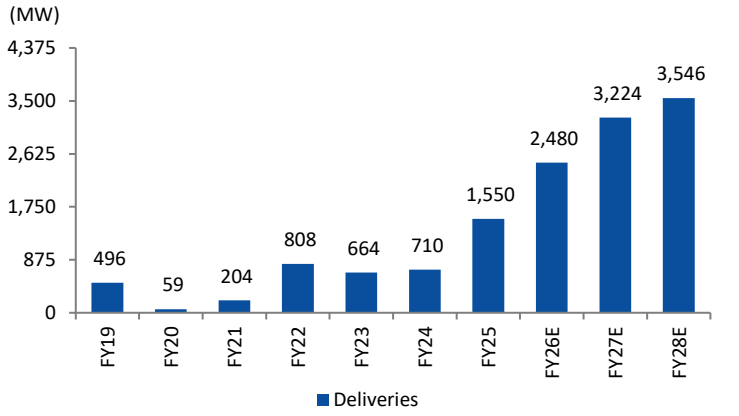
Source: Company, Systematix Research

Exhibit 2: …visible from a robust and expanding order book



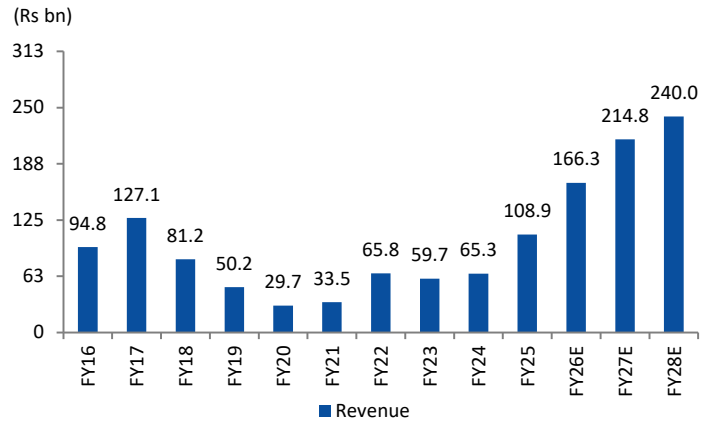
Source: Company, Systematix Research

Exhibit 3: …translating to strong deliveries…



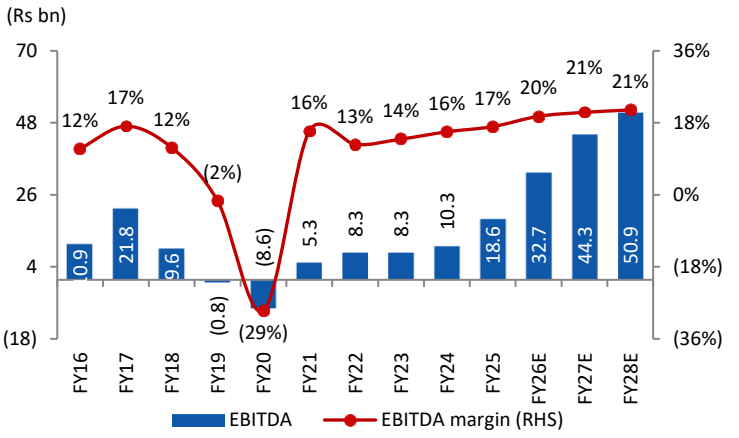
Source: Company, Systematix Research

Exhibit 4: …and financial growth



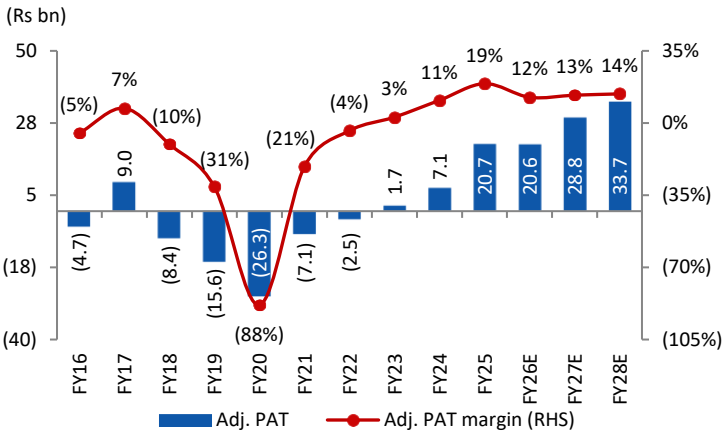
Source: Company, Systematix Research

Exhibit 5: WTG segment to be a major growth driver and support margin expansion



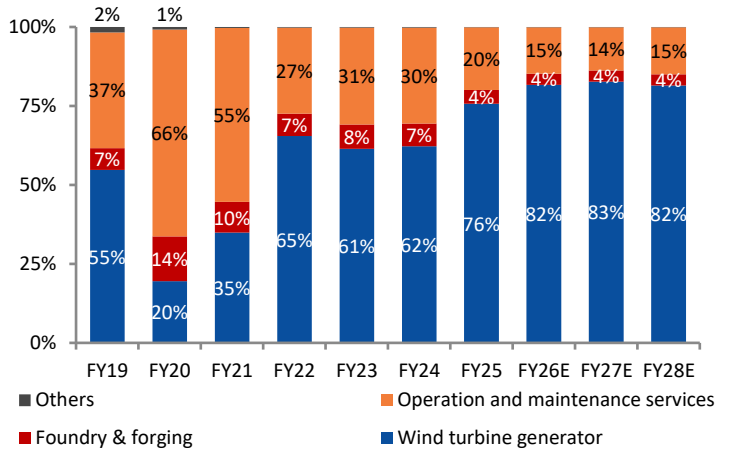
Source: Company, Systematix Research

Exhibit 6: Strong earnings trend with improving profitability



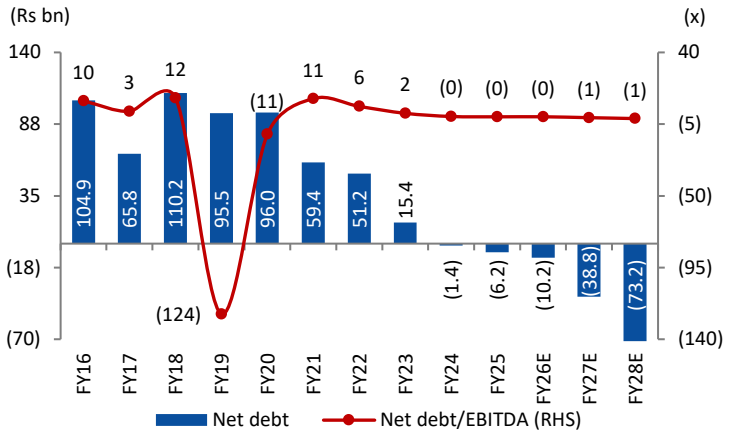
Source: Company, Systematix Research

Exhibit 7: Segment-wise revenue contribution



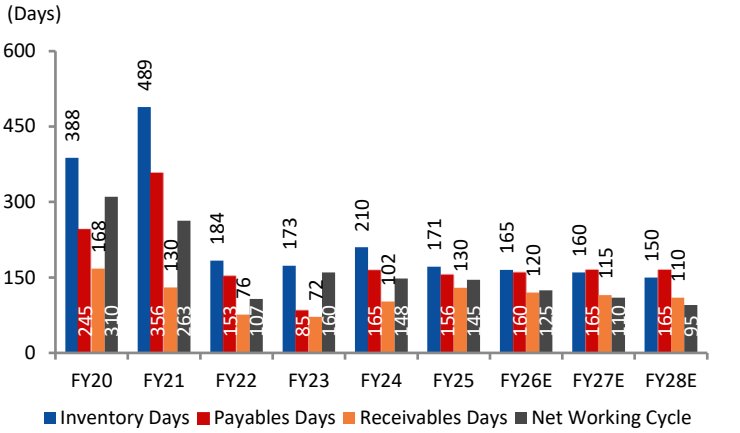
Source: Company, Systematix Research

Exhibit 8: SUEL has deleveraged, with a stable Net Debt/EBITDA



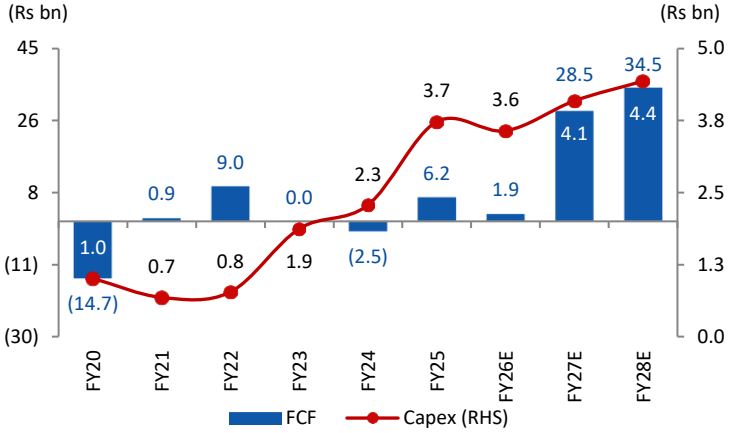
Source: Company, Systematix Research

Exhibit 9: …normalizing net working capital cycle



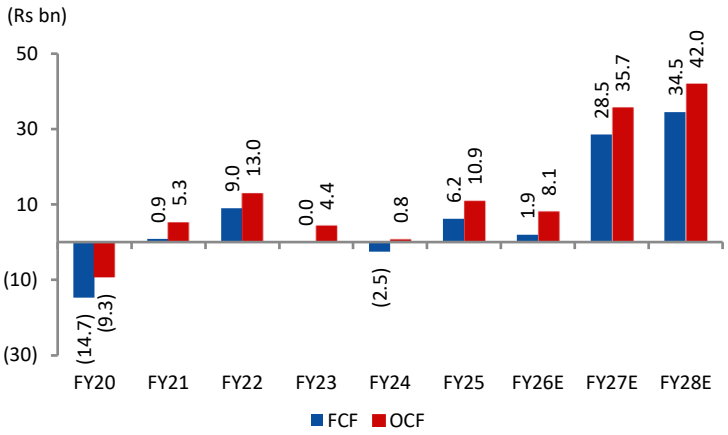
Source: Company, Systematix Research

Exhibit 10: Simplified capital allocation with minimal capex



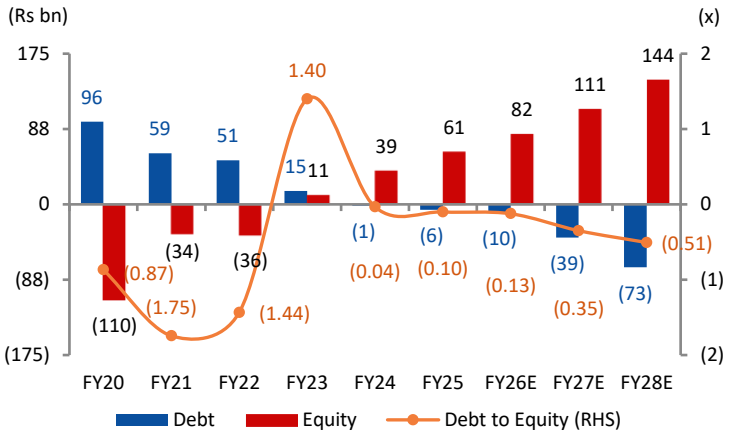
Source: Company, Systematix Research

Exhibit 11: …enabling robust cash flow generation…



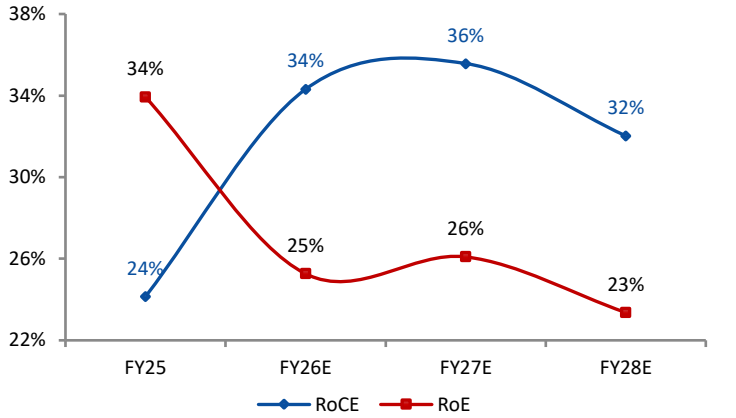
Source: Company, Systematix Research

Exhibit 12: …improved leverage metrics…



Source: Company, Systematix Research

Exhibit 13: …and superior return ratios



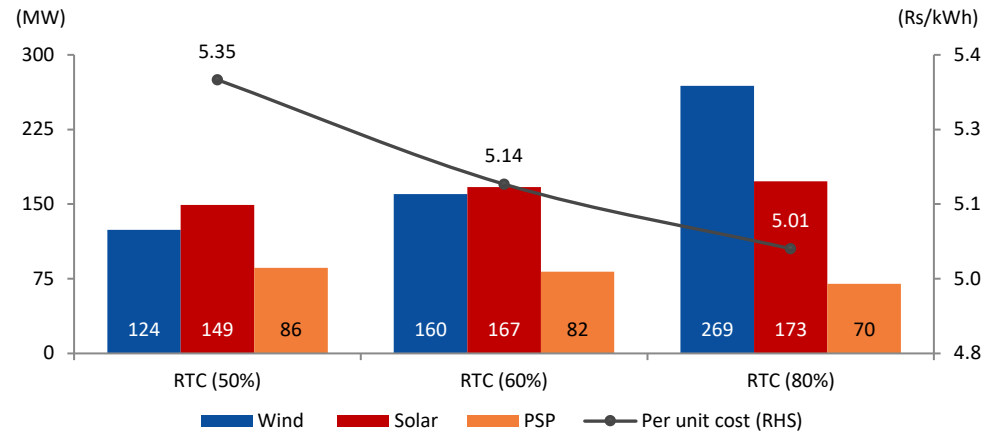
Source: Company, Systematix Research

Investment thesis

Wind energy gaining relevance in an availability focused RE market

The structural importance of wind energy is strengthening with India's RE market shifting from singular focus on capacity addition toward delivering firm and reliable power. Wind's typical generation profile, characterized by output during non-solar hours, evening peaks and monsoon complements solar power effectively. Coupled with a higher plant load factor (PLF) of more than 35% for wind versus ~20% for solar, helps in reducing system-level intermittency and lowers the storage requirement relative to solar-heavy configurations. Further, a Global Wind Energy Council (GWEC) study on round-the-clock (RTC) power indicates that higher wind penetration results in lower per-unit RTC costs, particularly at higher reliability thresholds. India currently has 54GW of installed wind capacity, representing around 10.6% of total grid capacity, with additional 30GW under implementation through various renewable energy (RE) procurement frameworks (such as wind/solar hybrid, wind/solar) integrated with energy storage systems (ESS), and firm, dispatchable renewable energy (FDRE) tenders.

Exhibit 14: Leveraging wind capacity to optimize cost in RE-RTC solutions through lower Rs/kWh at high reliability



Source: GWEC; Systematix Research; ***Note:*** *PSP: Pumped Storage Power*

Exhibit 15: Nearly half of the awarded RE capacity till December 2024 is yet to be commissioned, implying a strong pipeline

Bidding agency (MW)	Capacity awarded	Capacity cancelled	Net capacity	Capacity commissioned	Bidding agency type	Min. tariff (Rs/kWh)
SECI - I	1,050	50	1,000	1,000	Central	3.46
SECI - II	1,000	240	760	760	Central	2.64
SECI - III	2,000	850	1,150	950	Central	2.44
SECI - IV	2,000	1,140	860	722	Central	2.51
SECI - V	1,190	300	890	622	Central	2.76
SECI - VI	1,200	227	973	973	Central	2.82
SECI - VII	480	300	180	180	Central	2.79
SECI - VIII	441	0	441	246	Central	2.83
SECI IX - Blended	970	0	970	619	Central	2.99
SECI - X	1,200	300	900	750	Central	2.77
SECI - XI	1,200	750	450	0	Central	2.69
SECI - XII	1,100	300	800	0	Central	2.89
SECI - XIII	600	0	600	0	Central	2.90

Bidding agency (MW)	Capacity awarded	Capacity cancelled	Net capacity	Capacity commissioned	Bidding agency type	Min. tariff (Rs/kWh)
SECI XIV	690	0	690	0	Central	3.18
SECI Wind - XVI	1,175	0	1,175	0	Central	3.60
SECI Wind - XVII	50	0	50	0	Central	3.81
NTPC Wind - I	1,150	1,150	0	0	Central	2.77
SJVN Wind - I	170	0	170	0	Central	3.41
GUVNL Wind Phase - I	470	0	470	476	State	2.43
GUVNL Wind Phase - II	203	0	203	160	State	2.80
GUVNL Wind Phase - III	560	0	560	131	State	2.84
GUVNL Wind Phase - IV	300	0	300	0	State	2.96
GUVNL Wind Phase - V	350	0	350	0	State	3.11
Tamil Nadu (TANGEDCO)	450	0	450	50	State	3.42
Maharashtra (MSEDCL)	500	0	500	350	State	2.85
Total wind commissioned in India	20,499	5,607	14,892	7,989		

Source: MNRE Annual Report FY25, Systematix Research

Exhibit 16: Wind-solar hybrid continue to rise, with and without storage configurations

Bid	Capacity allocated	Tender size	Tender type	Min. tariff (Rs/kWh)
SJVN Pan India Solar-Wind-Storage Hybrid (Peak Power)	1,500	1,500	Central Government	6.74-6.75
TPC - D Pan India Solar-Wind-Storage Hybrid (Firm Power)	250	250	State	4.76-4.77
SECI Pan India Wind Tranche - XVIII	300	600	Central Government	3.96-3.97
SECI Pan India Solar-Wind-Storage Hybrid RTC Tranche IV	420	1,200	Central Government	5.06-5.07
GUVNL Pan India Wind Tranche - IX	250	250	State	3.64-3.66
NTPC Pan India Solar Wind Hybrid Tranche - IX	1,200	1,200	Central Government	3.35-3.36
NHPC Pan India Solar Wind Hybrid	1,200	1,200	Central Government	3.41-3.42
SJVN Pan India Wind Tranche - II	312	600	Central Government	3.74-3.81
SJVN Pan India Solar-Wind-Storage Hybrid (Firm Power)	448	1,200	Central Government	4.82-4.91
Total	5,880	8,000		

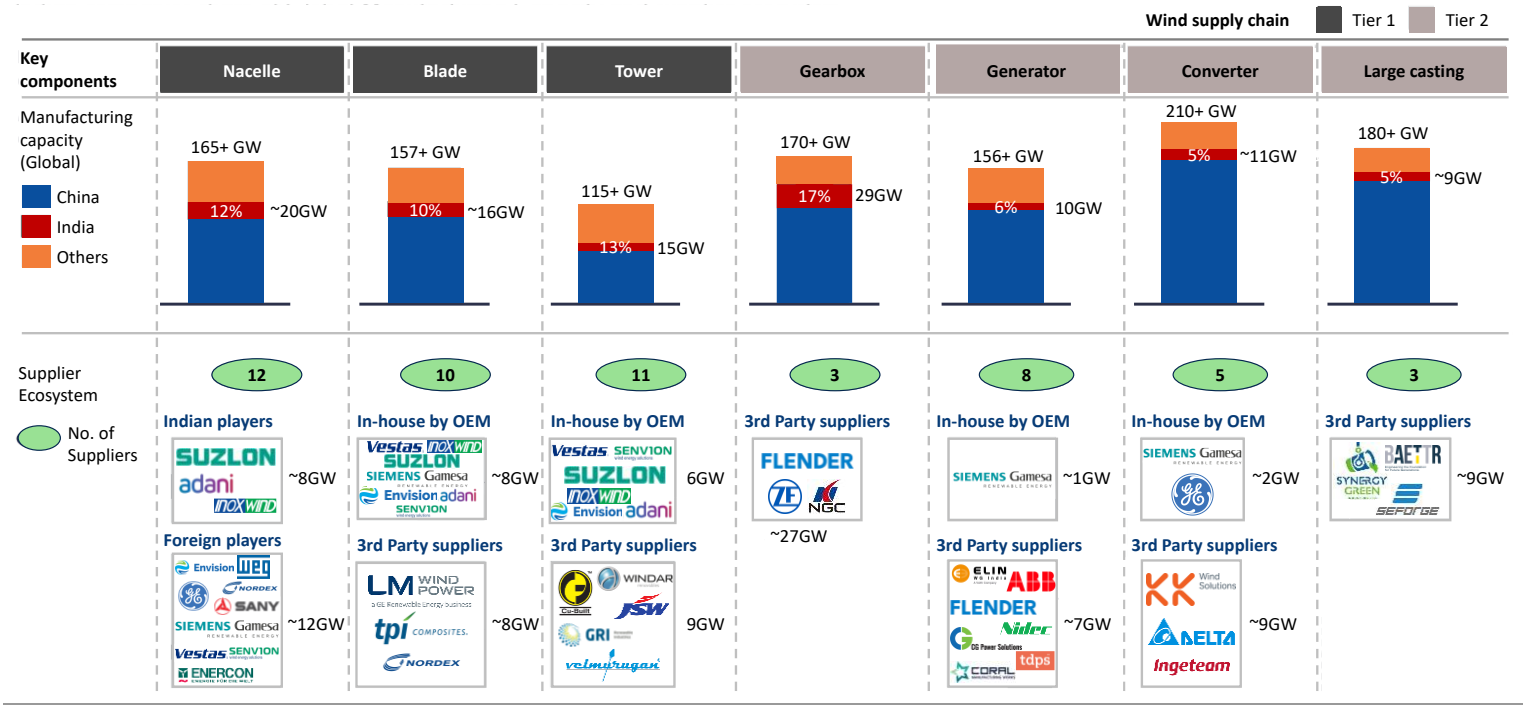
Source: India RE Navigator, Systematix Research; ***Note:*** *SJVN: Satluj Jal Vidyut Nigam; TPC-D: Tata Power Company - Distribution; SECI: Solar Energy Corporation of India; GUVNL: Gujarat Urja Vikas Nigam Limited; NTPC: National Thermal Power Corporation; NHPC: National Hydro-Project Corporation*

Higher wind capacity in India would allow the domestic wind supply ecosystem to scale and develop strong global export capabilities

A market leader with scale advantage in domestic wind installations

India has established itself as a global manufacturing hub for WTG components, with a strong supplier network and expanding capacities across key Tier 1 (nacelle, blade, tower) and Tier 2 (gearbox, generator, converter, casting) segments, reinforcing its global competitiveness. SUEL is one of the leading in-house OEMs, commanding nearly 35% market share in India's wind installations, supported by a pan-India presence, established relationships with independent power producers (IPPs) and utilities and a large installed base. SUEL's domestic presence spans 14 manufacturing locations and four domestic and international R&D centers, facilitating accessibility across key states, especially the windy ones. Scale enables tender participation, cost absorption, and operating leverage, as industry volumes scale.

Exhibit 17: Indian companies' share of global manufacturing capacity and supplier ecosystem



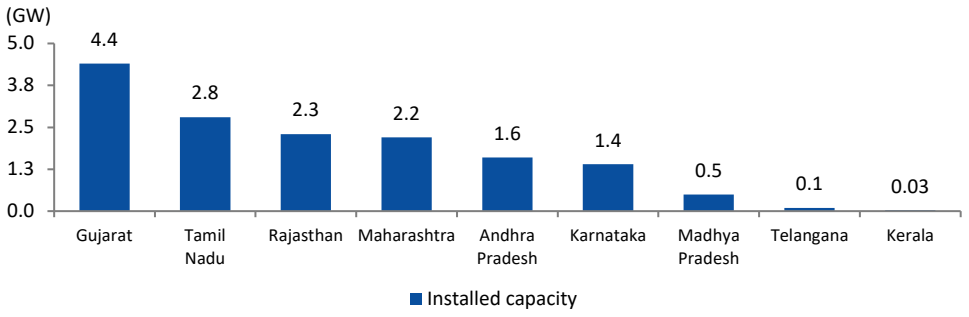
Source: GWEC; Wind at the core, August 2025; Systematix Research

Exhibit 18: SUEL Manufacturing units with components and capacity

Products	Unit	Location	Installed capacity
Nacelle and Hub	MW/Yr	Puducherry (UT)	1,260
		Daman (UT)	2,394
Nacelle Cover	MW/Yr	Daman (UT)	2,394
Control Systems	MW/Yr	Daman (UT)	2,394
Transformers	MW/Yr	Vadodara, Gujarat	3,150
Rotor Blades	MW/Yr	Dhule, Maharashtra	1,050
		Bhuj, Gujarat	840
		Anantapur, Andhra Pradesh	1,260
		Ratlam (Unit 1), Madhya Pradesh	630
		Ratlam (Unit 2), Madhya Pradesh	630
		Jaisalmer (Unit 1), Rajasthan	630
		Jaisalmer (Unit 2), Rajasthan	630
Tubular Towers	MW/Yr	Gandhidham, Gujarat	1,890
SE Forge			
Casting	MT/Yr	Coimbatore, Tamil Nadu	1,20,000
Forging	Rings/Yr	Vadodara, Gujarat	42,000

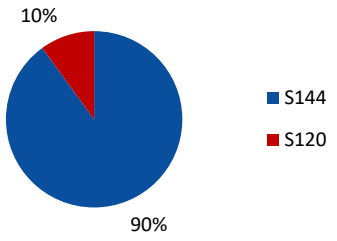
Source: Company, Systematix Research

Exhibit 19: SUEL: State-wise installed capacity as on Sept 2025



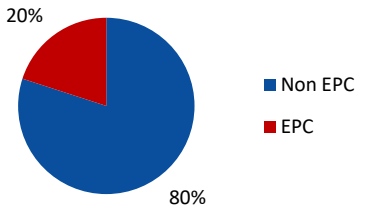
Source: Company, Systematix Research

Exhibit 20: WTG order mix as of 2QFY26*



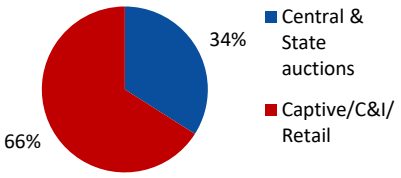
Source: Company, Systematix Research
*Note: * As of September 2025*

Exhibit 21: Order scope mix as of 2QFY26*



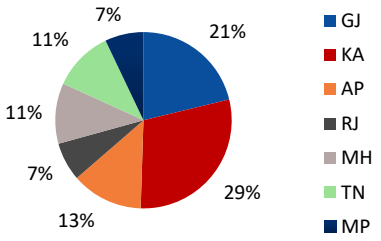
Source: Company, Systematix Research
*Note: * As of September 2025*

Exhibit 22: Project wise order mix as of 2QFY26*



Source: Source: Company, Systematix Research
*Note: * As of September 2025*

Exhibit 23: State wise order mix as of 2QFY26*



Source: Company, Systematix Research
*Note: * As of September 2025*

Robust order book and capex plans support multi-year execution visibility

With an order book of roughly 6.5GW, SUEL has improved medium term revenue visibility. Order inflows are increasingly skewed towards complex configurations (RTC, FDRE, hybrid), which typically carry higher execution requirements and longer delivery timelines. Although lack of infrastructure carries inherent execution risks, a strong order book provides clear earnings visibility in comparison to the past.

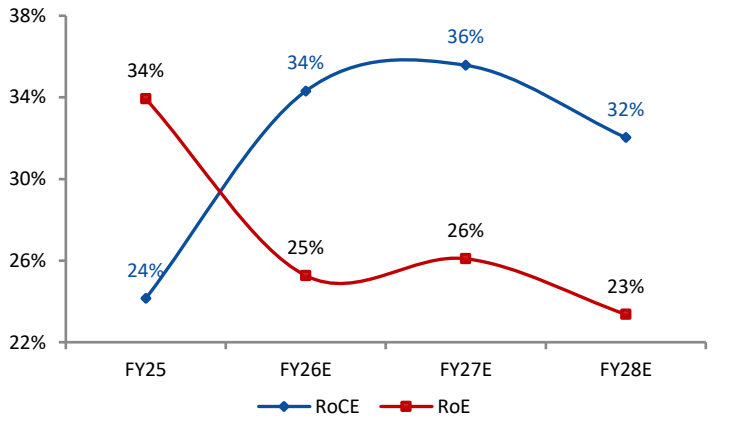
An integrated business model (OEM+EPC+OMS) enables lifecycle participation: SUEL's presence across manufacturing, EPC, and OMS facilitates participation across the lifecycle of a project. Order inflows and EPC execution support turbine volumes, while its expanding O&M portfolio (roughly 17GW domestic) provides recurring, high-visibility cash flows and margin stability over a longer time frame. The business model brings about customer stickiness and increases the likelihood of repeat orders.

A lean balance sheet reduces execution and liquidity risks: SUEL now operates with a lean, simplified balance sheet, following prolonged restructuring. SUEL's balance sheet has materially improved versus the highly leveraged phase that followed its global expansion phase in the late 2000s. Through sustained deleveraging, capital restructuring, and improved cash flow generation, the company has transitioned from a balance-sheet-constrained phase to a stable financial footing. With its strengthened financial profile improving working capital management, SUEL is able to bid for larger RE tenders and support its earnings visibility.

Manufacturing ready without capex overhang: SUEL has expanded its annual manufacturing capacity to 4.5GW primarily through debottlenecking, process optimization, and productivity enhancement across its existing facilities. This calibrated approach contrasts earlier expansion-led cycles, during which the company operated at significantly underutilized capacity amid balance sheet stress. In recent years, SUEL rebuilt manufacturing with utilization-led scaling rather than through large, capital-intensive greenfield additions. Management has outlined an annual growth capex of Rs 5-5.5bn with a phased capacity roadmap through FY30. Through this plan, it is looking to establish three new smart blade manufacturing facilities, one each in Gujarat and Karnataka, and is yet to decide the location of the third facility. The company's utilization-led capacity scaling, disciplined capex, and targeted greenfield projects support its preparedness to take on large orders without meaningfully increasing the financial risk.

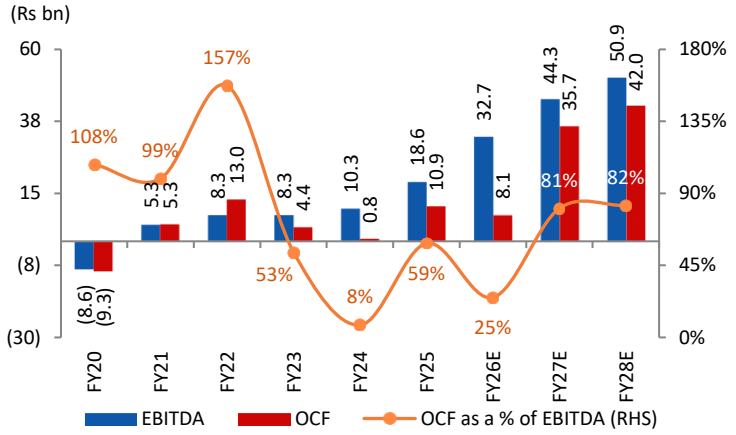
Utilisation-led growth to drive RoCE and cash conversion: We expect SUEL's RoCE to meaningfully improve over FY25 to FY28E, with scaling order deliveries and EPC execution driving operating leverage on a broadly fixed asset base. Near-to-medium-term growth hinges on utilization rather than balance sheet expansion, limiting the growth in capital employed. Lower interest outflows and debt-free capex should support healthy cash conversion.

Exhibit 24: Consolidated return ratios



Source: Company, Systematix Research

Exhibit 25: EBITDA to OCF conversion estimated to notably improve from 59% in FY25 to 81%/82% in FY27E/FY28E



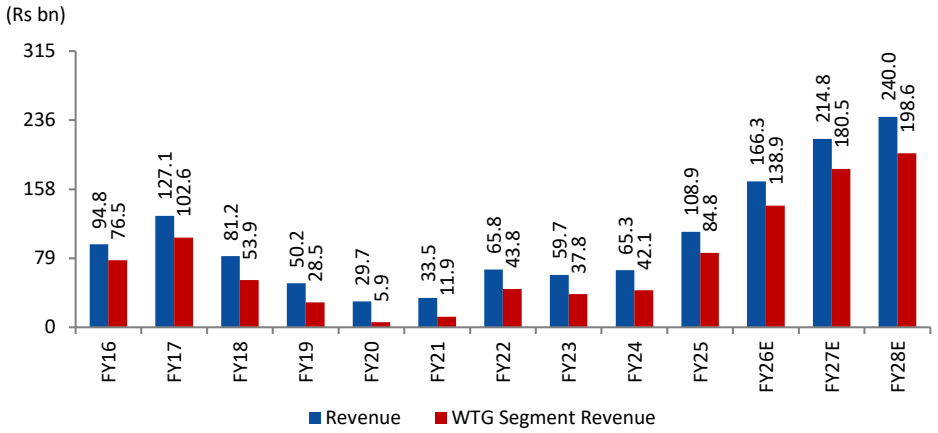
Source: Company, Systematix Research

Financial Outlook

WTG segment to sustain revenue growth acceleration

SUEL's 67% YoY revenue growth in FY25 was primarily fueled by 101% YoY revenue growth in the WTG segment. The segment shaped up to contribute 76% to SUEL's total revenue in FY25 from 55% in FY19. We estimate the contribution from this segment to increase to 82%, resulting in a 30% revenue CAGR over FY25-FY28E for SUEL.

Exhibit 26: Revenue to expand at 30% CAGR (FY25-FY28E)

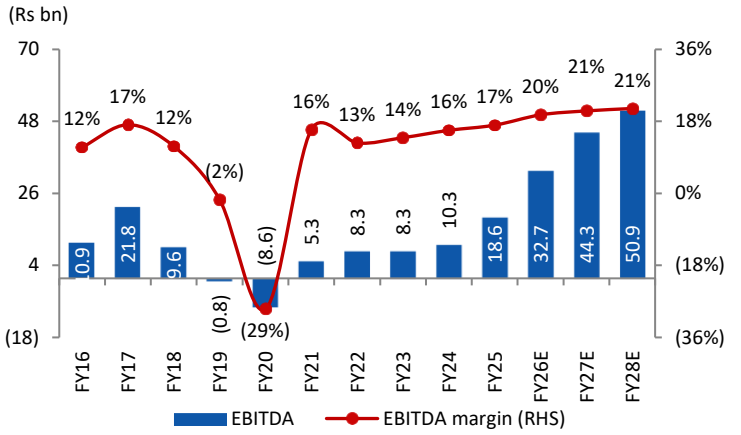


Source: Company, Systematix Research

Scale and operating leverage to boost profitability and sustain margins

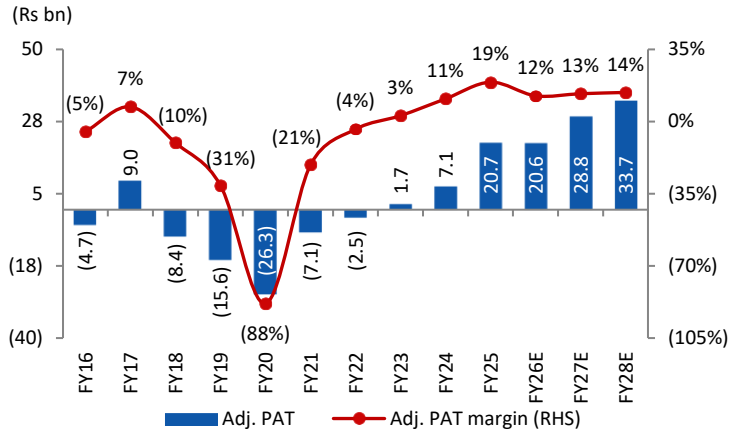
SUEL's EBITDA margin surged from ~16% in FY21 to ~18.6% in 2QFY26, supported by higher utilization from the expanded manufacturing capacity, operating leverage from rising volumes and superior cost absorption. We expect operating leverage from higher order execution and a gradual increase in deliveries to support margins ahead, although pricing competitiveness, input cost volatility, and the execution complexity of hybrid and RTC projects remain key moderating factors. Rising contribution from the higher margin (>40%) O&M business supplemented by backward integration benefits through SE Forge could provide additional support to margins over the medium term.

Exhibit 27: WTG: Key growth driver to support margin expansion



Source: Company, Systematix Research

Exhibit 28: Strong earnings trend with improving profitability

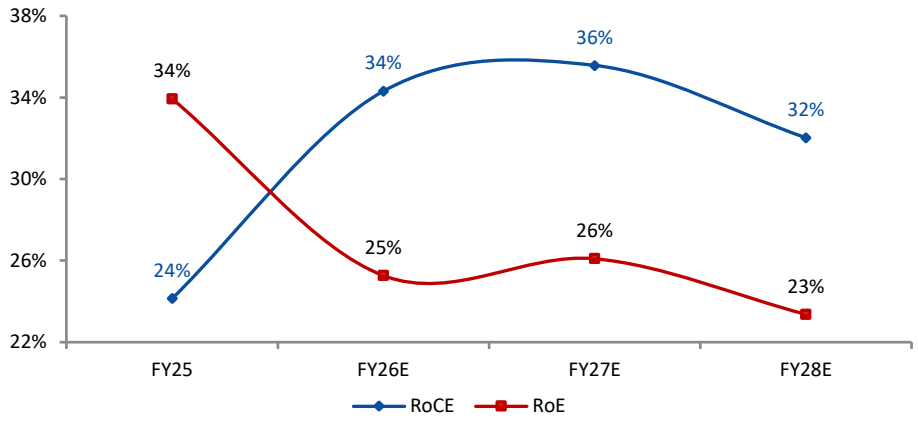


Source: Company, Systematix Research

Utilization rather than capital expansion to support RoCE

RoCE would continue to improve meaningfully from FY25 levels (24%), as we expect debottlenecking-led capacity expansion rather than capital-intensive greenfield investments to sustain incremental growth. Higher topline on a relatively stable capital base should drive RoCE accretion over FY26E-FY28E, contingent on timely execution and effective working capital management.

Exhibit 29: RoCE growth trajectory (FY25-FY28E)

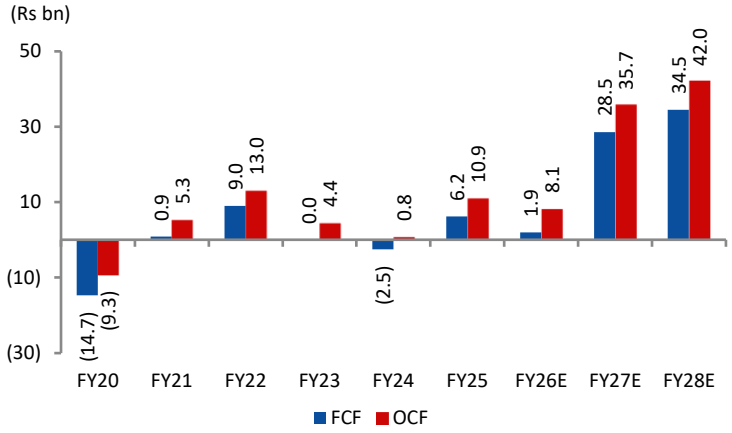


Source: Company, Systematix Research

Improving cash generation supported by balance sheet headroom

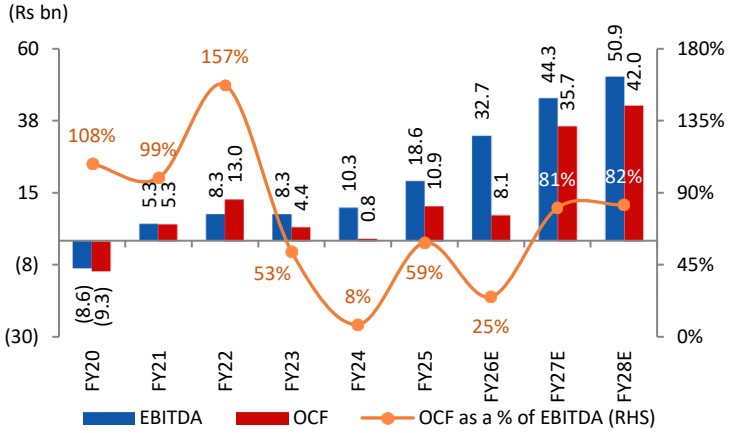
Cash generation is expected to strengthen, in line with profitability and lower interest outflows, improving operating cash flow conversion over the forecast period. The company's lean balance sheet provides sufficient headroom to absorb incremental working capital requirements during periods of elevated execution, without materially impacting leverage. SUEL's EBITDA to OCF conversion has notably improved from 8% in FY24 to 59% in FY25 and is estimated to touch 82% by FY28E.

Exhibit 30: Robust cash flow generation



Source: Company, Systematix Research

Exhibit 31: EBITDA to OCF conversion to improve ahead



Source: Company, Systematix Research

Valuation and View

SUEL's market leadership and integrated business operations portend a sanguine growth outlook for the company. Its growing and robust 6.5GW order book provides execution visibility, positioning it favorably to contribute to India's targeted capacity additions in an evolving RE market. The share of hybrid tenders is rapidly growing in India's RE market, faster than any other standalone RE source. SUEL's integrated manufacturing — EPC-O&M platform enables participation across the full lifecycle of a project. Its WTG order book supports near-to-medium-term visibility, while the domestic O&M base of around 17GW safeguards recurring revenue and margin stability, partially mitigating the inherent cyclicality in equipment-led earnings. SE Forge's foundry and forging segment supports execution, retaining supply chain control with the company. The segment also supports backward integration and captive usage, reducing dependence on external vendors, in turn helping protect delivery timelines once turbine volumes ramp up.

SUEL's net cash balance sheet (~Rs 7.01bn as of 1HFY26) and an asset light capital allocation framework improve returns and cash generation across cycles. Focus on debottlenecking, productivity enhancement, and digitalization have amplified operating leverage, evident from the consistent expansion in margins from 12.6% in FY22 to 21% by FY28E. We estimate RoCE to meaningfully expand from 24% in FY25 to ~32% by FY28E, led by 30%/39%/18% CAGR in revenue/EBITDA/PAT, respectively, over this period. Our valuation of 30x 1HFY28E EPS for SUEL reflects a) higher utilization of an expanded manufacturing base of ~4.5GW, b) operating leverage from rising turbine deliveries and EPC execution, and c) steady annuity structure cash flows from its expanding O&M portfolio. The company plans to add three more smart-blade manufacturing facilities in India, which solidifies its growth outlook beyond FY28. We initiate coverage on SUEL with a BUY rating and a TP of Rs 67/share. SUEL currently trades at 39x FY25 P/E, compared with ~41x for its closest domestic peer and ~53x for the broader domestic capital goods universe. We apply a conservative mid-cycle valuation multiple of 30x, at a discount to SUEL's current trading multiple and peer valuations (31x FY28 P/E) that explicitly factors in execution risks while recognizing improving earnings quality, cash conversion, and balance sheet strength.

Exhibit 32: SUEL: Valued at 30x 1HFY28E P/E, Mar YE

	PAT (Rs mn)	Multiple (x)	Equity value (Rs bn)	Per Share (Rs)
Consol. Profit After Tax	31	30	924	67
Target price per share			**67**	

Source: Company, Systematix Research

Exhibit 33: Peer Comparison

Company name	Mcap (Rs bn)	CMP (Rs/sh)	P/E (x)				RoCE (%)				RoE (%)			
			FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E
Suzlon	627	46	39	39	28	24	24	34	36	32	34	25	26	23
Inox Wind	183	105	41	25	16	14	13	13	21	NA	3	6	8	17
			CY24	CY25E	CY26E	CY27E	CY24	CY25E	CY26E	CY27E	CY24	CY25E	CY26E	CY27E
Goldwind	98	25	61	33	24	21	4	NA	NA	NA	5	8	10	11
Vestas	179	177	29	31	22	18	10	NA	NA	NA	15	20	24	25

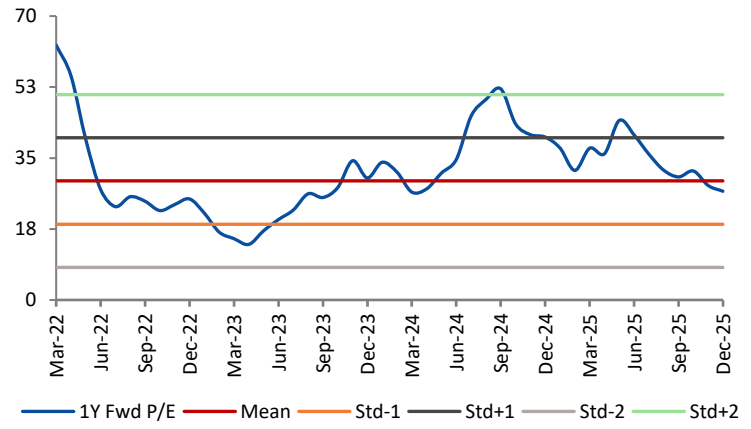
Source: Company and Bloomberg, Systematix Research

Exhibit 34: Peer Comparison of other capital goods companies

Company name	Mcap (Rs bn)	CMP (Rs/sh)	P/E (x)				RoCE (%)				RoE (%)			
			FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E
Thermax	349	2929	52	51	39	32	12	NA	NA	NA	14	12	15	16
L&T	5181	3767	36	28	23	20	9	NA	NA	NA	16	17	19	19
Bharat Electronics Ltd	2943	403	55	49	41	35	29	NA	NA	NA	29	27	27	27
Cummins India Ltd	1109	4001	55	46	41	36	28	NA	NA	NA	28	30	30	29
Bharat Forge	660	1380	61	52	39	32	7	NA	NA	NA	11	13	15	16
Average Capital Goods P/E			**52**	**45**	**37**	**31**								

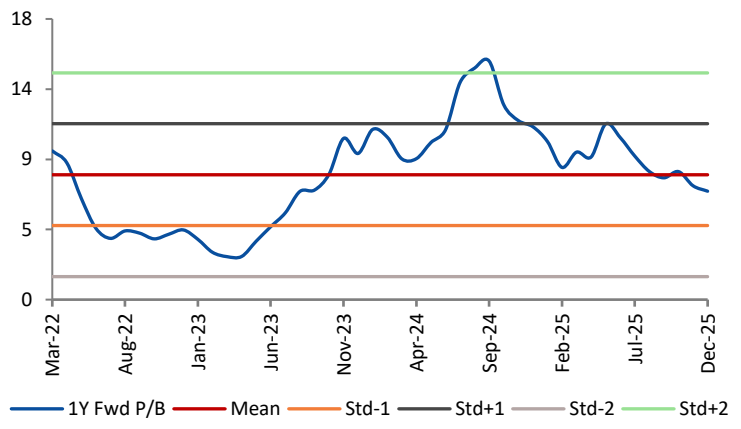
Source: Company and Bloomberg, Systematix Research

Exhibit 35: Price to earnings



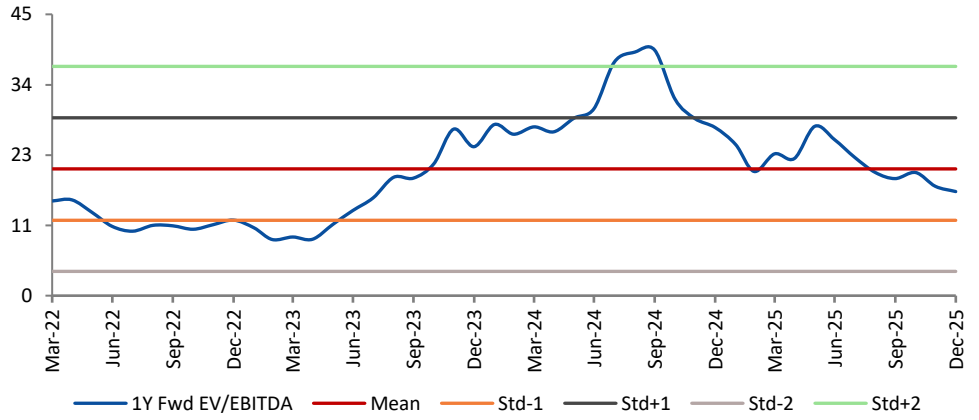
Source: Company, Systematix Research

Exhibit 36: Price to book



Source: Company, Systematix Research

Exhibit 37: EV/EBITDA



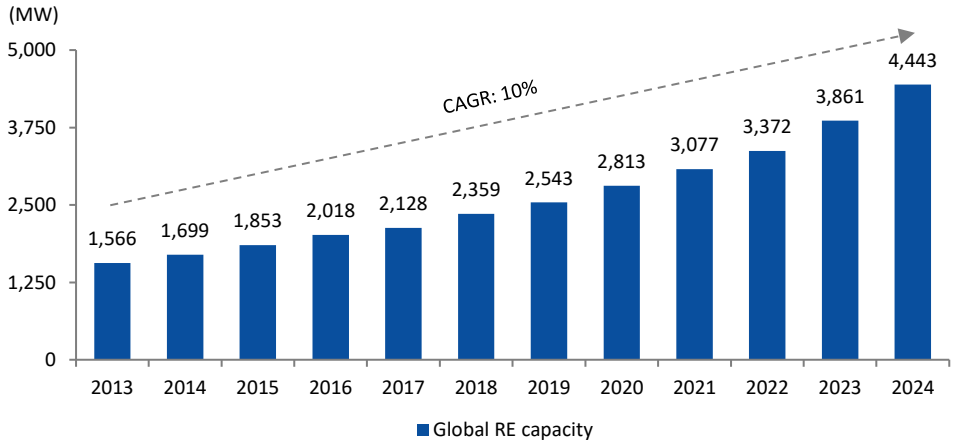
Source: Company, Systematix Research

Industry overview – RE on the rise

By 2030, renewable energy sources are expected to account for >80% of all new electricity generation capacities added worldwide. The Net Zero Emissions (NZE) by 2050 Scenario charts an accelerated pathway to transform the global energy system. This pathway is designed to limit the rise in global temperatures to ~1.5°C above pre-industrial levels.

The global renewable energy (RE) sector is poised for sustained acceleration, driven by the urgent need for energy security, climate action, and economic resilience. Factors such as falling tariffs, supportive policies, and increasing electrification are pushing the shift toward a cleaner and sustainable global energy system. This transition is supported by rising government and robust public and private investments; however, challenges of intermittency persist due to the sheer nature of RE sources. Wind and solar energy are pivotal to this transformation, especially when paired with robust investments in grid infrastructure, energy storage, and supportive government regulatory policies.

Exhibit 38: Global RE installed capacity grew at 10% CAGR over 2013-2024

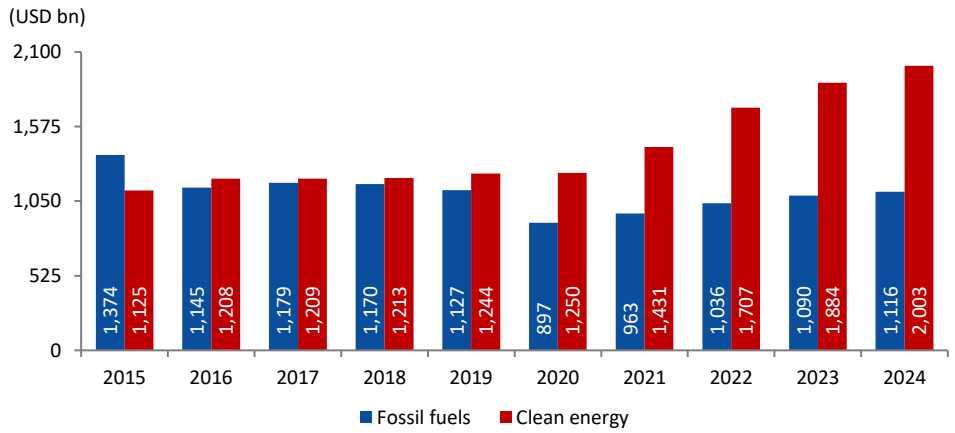


Source: International Renewable Energy Agency (IRENA); Systematix Research

Intuitively, growth in RE highly depends on how nations and corporations across the globe reinforce their net-zero commitments, with initiatives like the India-UK Comprehensive Economic and Trade Agreement (CETA) fostering collaboration in clean technologies and renewable energy investments.

As per International Renewable Energy Agency (IRENA), while global RE installed capacity expanded at a steady 10% CAGR over 2013-2024, much of it was seen during 2019-2024 at 12% and more so in 2024 at 15% YoY.

Exhibit 39: Global investments in clean energy surged at a rapid pace over 2020-2024



Source: IEA; Systematix Research

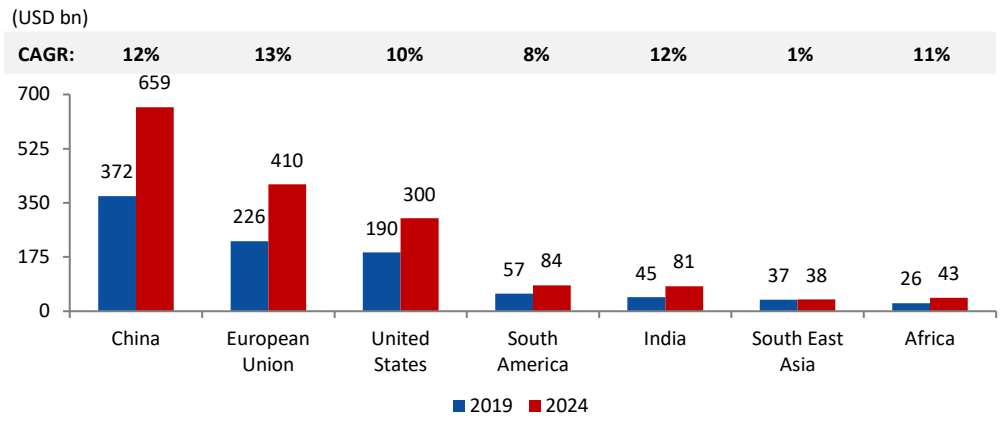
Globally, investments in clean energy increased to USD 2trn during FY24 compared with USD 1.8trn in FY23, witnessing 6% YoY growth, as per an IEA report. FY25 is estimated to have seen ~USD 3trn of total of investments in global energy, of which, with USD 2trn is toward clean energy and USD 1.1tn toward oil, natural gas and coal (fossil fuels)

Investments in clean energy have been gathering pace since 2020 and is now higher than the total investment in fossil fuels. During 2015 clean energy attracted USD 1,125bn of investments compared with USD 1,374bn in fossil fuels. The same expanded to ~USD 2,003bn in clean energy during 2024 versus USD 1,116bn in fossil fuels.

Driven by increased investments favoring RE over fossil fuels, clean energy capacity rose at 7% CAGR during FY15-24, with FY23 to FY24 seeing growth of 6% YoY.

According to the World Economic Forum (WEF), the European Union, China, and India lead annual investments in clean energy globally, growing at 13%, 12%, and 12% CAGR, respectively, over 2019-2024.

Exhibit 40: Geographical break up of annual investments in clean energy (2019 and 2024)

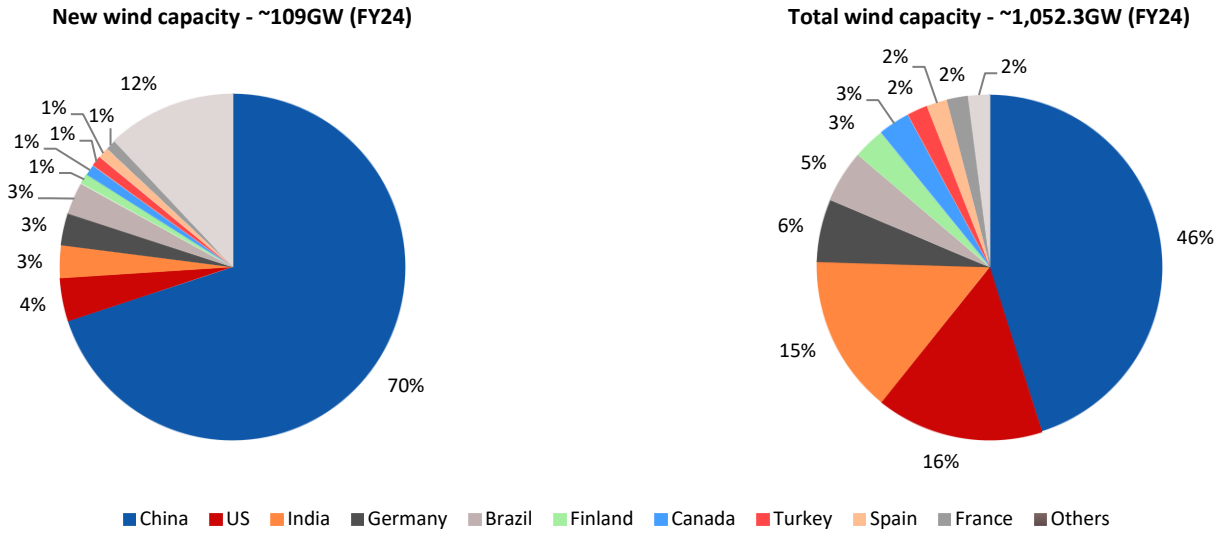


Source: IEA and World Economic Forum Report; Systematix Research

The global wind energy landscape

Of the total current global installed wind capacity of about 1,052.3GW, ~11% was installed in 2024, led by China, US, Germany, India, and Brazil. Of this, the US, India, Germany, and Brazil collectively added 13% of new onshore wind capacity, with China single handedly accounting for 70% of the new installations. China retains the top spot of having installed about half the world's onshore wind capacity within the country. India currently holds the fourth place, with a cumulative installed capacity of 54GW as of November 2025.

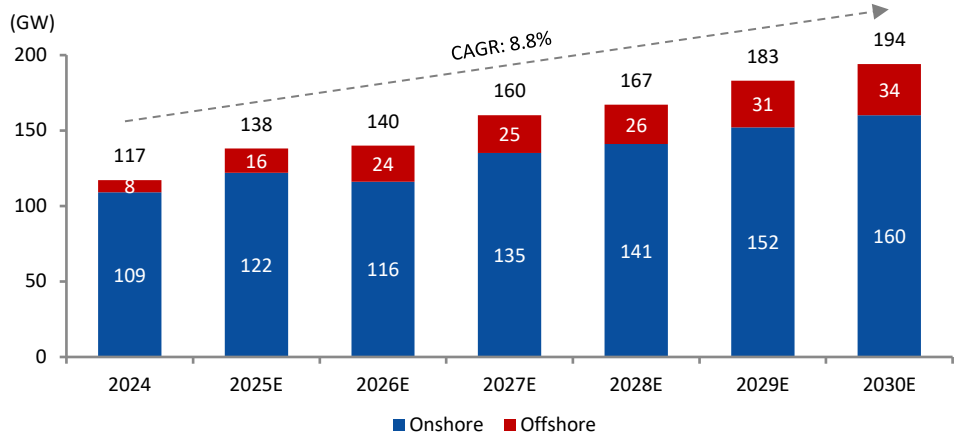
Exhibit 41: Cumulative global installations (onshore)



Source: Company; Systematix Research

By FY30, global wind energy mix is expected to grow at 8.8% CAGR.

Exhibit 42: Projected global wind energy mix to expand at 8.8% CAGR by 2030



Source: Company, Systematix Research

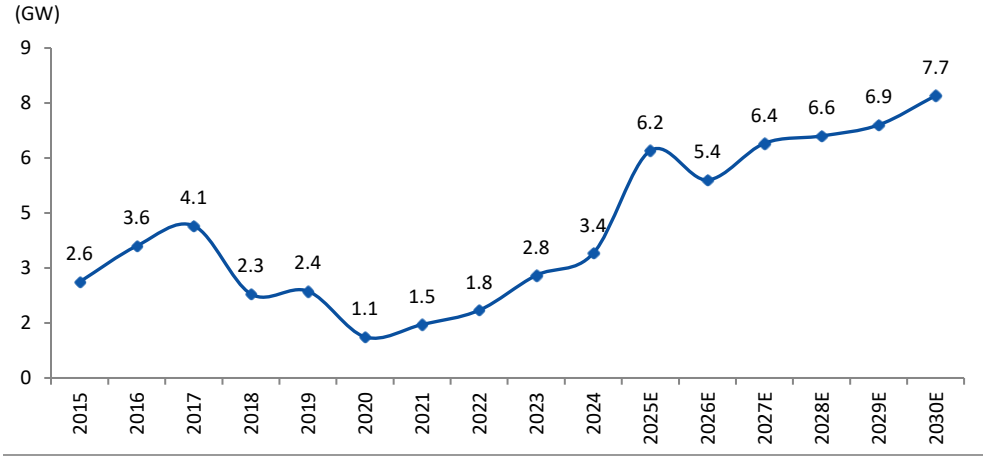
A higher share of wind power could provide significant cost benefits; for instance, scaling installations to 8GW annually could create ~1,16,000 jobs and to 15GW annually could generate ~1,54,000 jobs

The domestic wind energy landscape

India has strengthened its position as a clean energy leader, ranking fourth globally in total renewable and in installed wind capacity, as of March 2025. Despite macroeconomic challenges, global geopolitical disruptions, India remains at a sweet spot and has maintained its commitment towards green energy transition, supported by policy reforms, investor confidence, and rising electricity consumption.

Currently, India has a total wind potential of 1,164GW, but only 5% of this has been utilized with an installation base of 54GW, leaving significant headroom for growth. Bloomberg estimates India's annual wind capacity addition to touch reach 7.7GW by 2030 from an estimated 6.2GW in 2025, up 82% YoY.

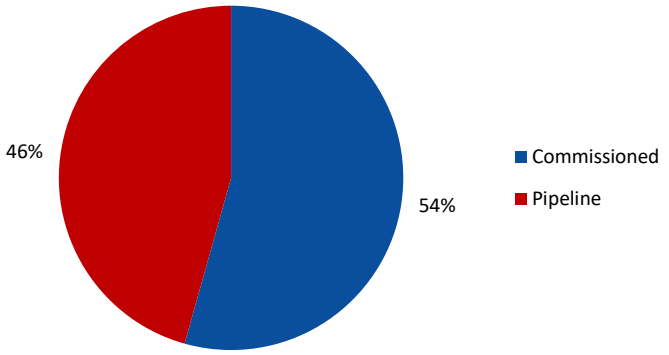
Exhibit 43: India's annual wind capacity addition expected to reach 7.7GW by 2030



Source: Bloomberg, Systematix Research

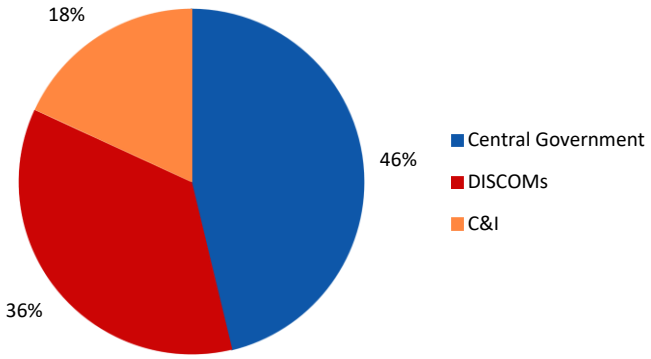
Capacity addition is expected to pick pace in the near to medium term, with 46.3GW of capacity in the pipeline, on an already commissioned capacity base of 54GW. This is slated to expand India's wind capacity to 100.3GW.

Exhibit 44: India's wind capacity — commissioned and in the pipeline



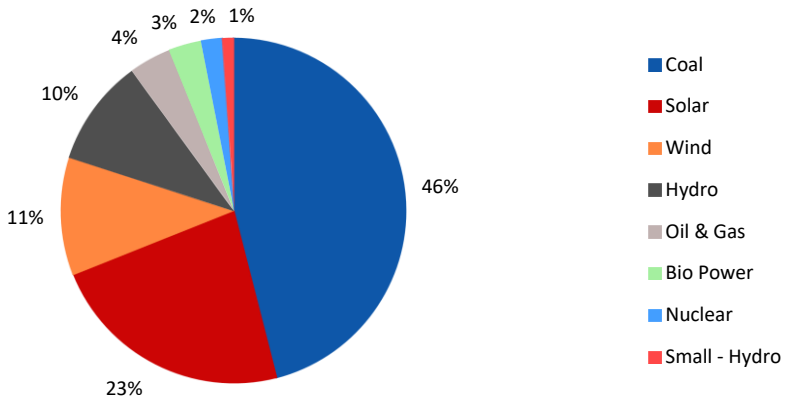
Source: Company, Systematix Research

Exhibit 45: Central government accounts for 43.1GW of wind capacity in India



Source: Company, Systematix Research

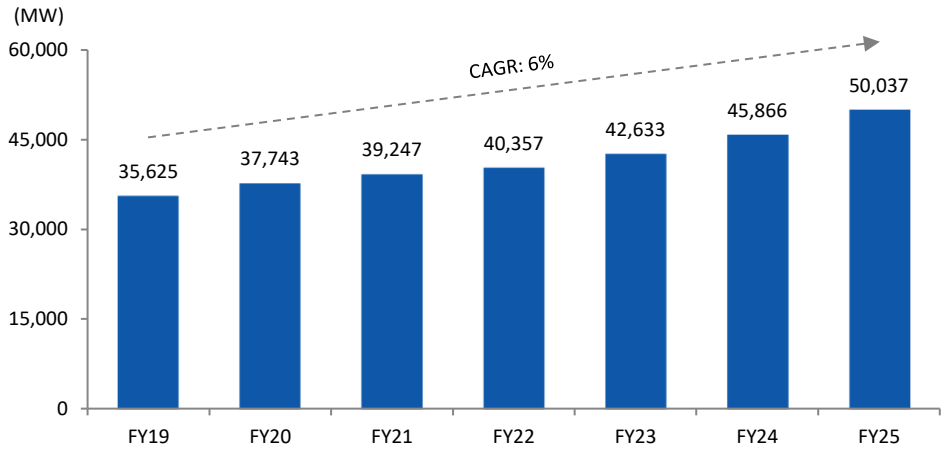
Exhibit 46: Wind power contributes 11% to India's current energy mix



Source: India Climate and Energy Dashboard, Systematix Research

Wind energy currently accounts for 11% of India's energy mix, up from 7% in FY24. We believe it would continue to gain share, as capacity addition increasingly favors hybrid and RTC/FDRE configurations.

Exhibit 47: India's cumulative wind installed capacity recorded 6% CAGR over FY19-25



Source: India Climate and Energy Dashboard, Systematix Research

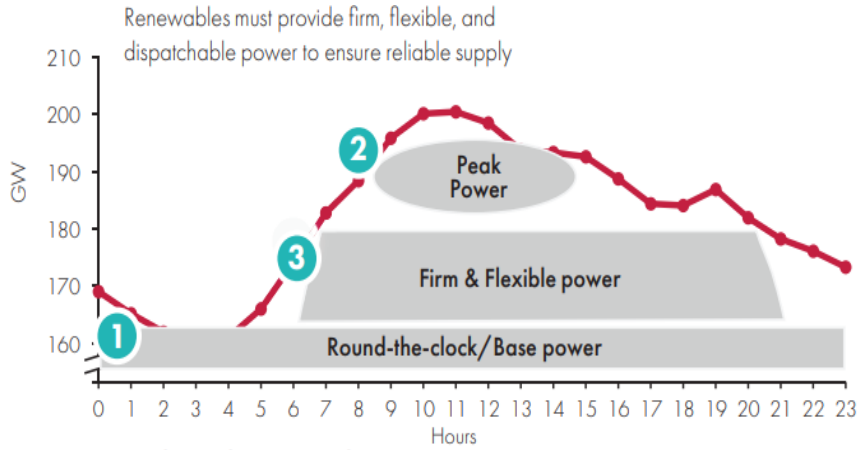
In FY25, India crossed a major milestone by surpassing 50GW of installed wind capacity to touch 54GW as of November 2025. The sector is on a growth path towards the government's target of 122GW by 2031-32, with an interim goal of 25GW of additional installations by FY28.

Wind energy remains relevant in an evolving RE market

A 100% RE RTC configuration represents the ideal power procurement case, built on the diversity and complementarity profiles of both solar and wind

A successful green energy transition requires uninterrupted RE power, with wind energy playing a central role in enabling 24x7 solutions. In this context, BESS has emerged as the critical enabler in enhancing grid flexibility, maintaining frequency and voltage stability, managing peak loads, while facilitating various combinations of RE sources, especially for wind and solar. The two profiles are inherently variable and unlike thermal power, they are not available round the clock. Energy storage systems are necessary to address this challenge to enable storing excess energy when not needed and supplying it during peak demand periods.

Exhibit 48: Typical all India demand curve and supply planning

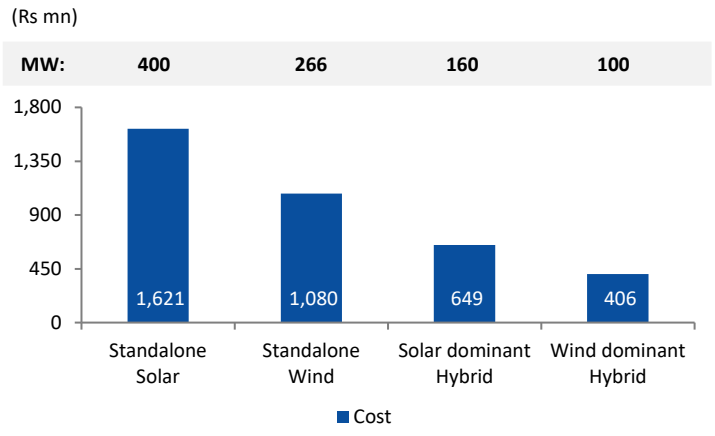


Source: GWEC; Wind at the core, August 2025; Systematix Research

Overall, hybrid RE and storage systems can be integrated to provide base, peak, and flexible renewable power solutions

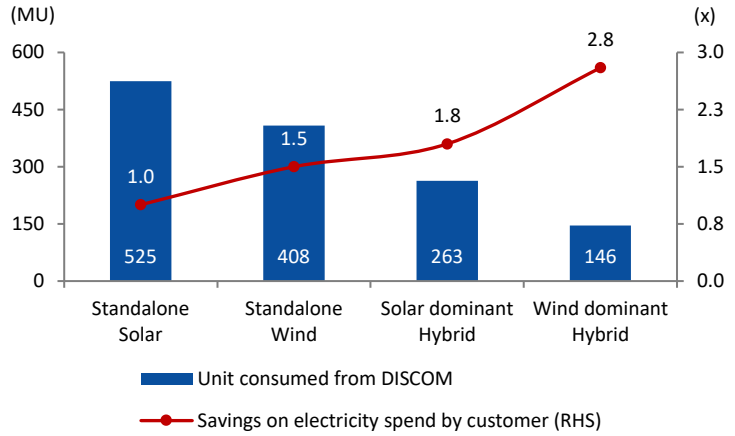
Wind energy remains structurally relevant in India's evolving RE landscape, as preference is evidently shifting from capacity addition towards availability, reliability, and round-the-clock (RTC) power delivery. Wind plays a critical role in balancing, especially during the evening, night and monsoon season, as it is more reliable than solar-heavy configurations, which have where higher cost and storage intensity even when combined with battery storage. As RTC requirements increase, higher wind penetration could improve availability. The required wind capacity notably increases with tighter reliability thresholds. For instance, wind capacity requirement increases from 124MW at 50% RTC to 269MW at 80% RTC. Despite the increase in capacity, this shift results in a decline in per-unit RTC costs (Refer exhibit 14).

Exhibit 49: Standalone versus hybrid solutions: Transmission cost savings and capacity requirements for 700 MU consumption…



Source: GWEC; Wind at the core, August 2025; Systematix Research

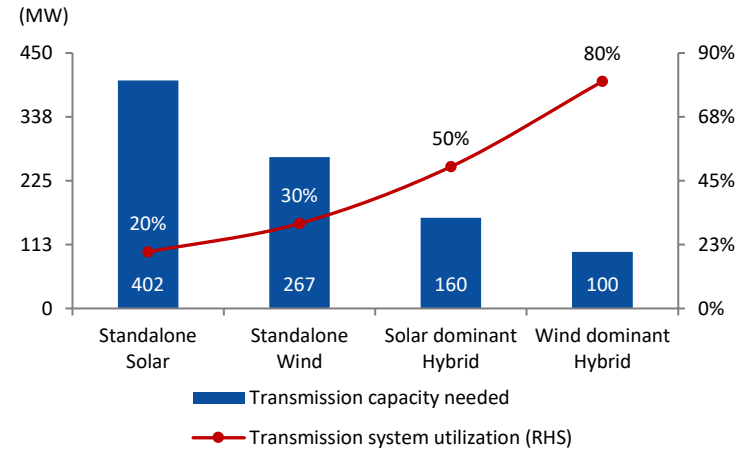
Exhibit 50: …and huge customer savings and lower DISCOM consumption, depending on the type of RE purchased



Source: GWEC; Wind at the core, August 2025; Systematix Research

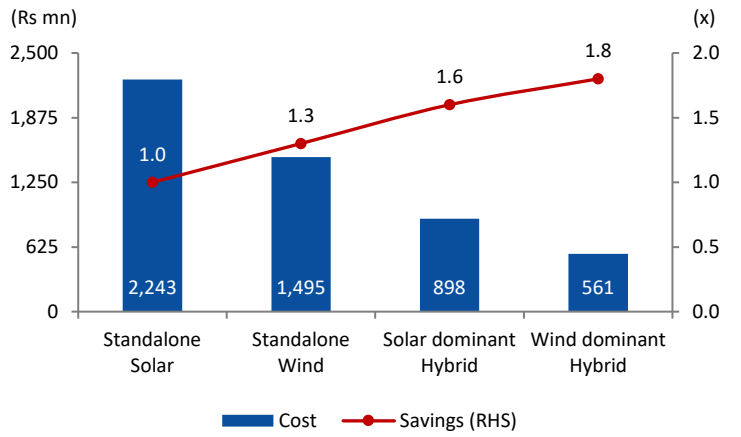
Transmission-related benefits show huge improvement when hybrid renewable configurations are used instead of standalone projects. Higher transmission capacity requirements and costs are observed for standalone solar and wind, which turn out to be lower for wind-dominant hybrid setups. Customer savings on electricity expenditure rose sharply under hybrid purchase agreements, with wind-dominant hybrids providing the highest savings multiple. Units drawn from DISCOMs also fell progressively with the adoption of hybrid configurations, reflecting improved self-generation and reduced grid dependence.

Exhibit 51: Improved transmission efficiency from wind-enabled hybrid solutions



Source: GWEC; Wind at the core, August 2025; Systematix Research

Exhibit 52: Wind-enabled solutions drive 35%–40% capex reduction in both standalone and hybrid project models



Source: GWEC; Wind at the core, August 2025; Systematix Research

Economic and system efficiency advantages of wind-dominant hybrid solutions

Wind-enabled hybrid solutions offer significant reduction in transmission costs while improving overall system efficiency. Transmission capacity requirements decline sharply in hybrid configurations, reaching their lowest levels in wind-dominant hybrids. At the same time, transmission system utilization improves, peaking in these configurations. As a result, transmission capex is expected to be 35-40% lower in wind-based configurations. This combination of higher utilization and lower capex translates into superior savings multiples, positioning wind-dominant hybrids as the most economically efficient option.

In the renewable hybrid category, NTPC's pan India solar-wind hybrid tranche-IX recorded the lowest tariff of Rs 3.35-3.36/kWh, followed by NHPC's solar-wind hybrid at Rs 3.41-3.42/kWh. These outcomes highlight the cost efficiencies unlocked through optimal resource integration, economies of scale, and competitive central government tender frameworks. In contrast, hybrid tenders incorporating storage or firm power commitments commanded higher tariffs of Rs 4.76-6.75/kWh, reflecting the incremental cost associated with delivering RTC or peak power availability.

Exhibit 53: Awarded hybrid projects through assured supply during peak hours, FDRE and RTC bids

Bid (MW)	Capacity awarded	Capacity commissioned	Min. tariff (Rs/kWh)
SECI Assured Peak Power - VII	1,200	290	2.88
SECI RTC	400	0	2.90
SECI FDRE - IV	630	0	4.98
NTPC FDRE - I	1,530	0	4.64
NTPC FDRE - 0I	760	0	4.69
NHPC FDRE - I	1,400	0	4.55
NHPC FDRE - II	2,100	0	4.37
NHPC FDRE - III	1,200	0	4.48
SJVN FDRE - I	2,368	0	4.38
SJVN FDRE - II	1,200	0	4.25
Total	12,788	290	

Source: MNRE Annual Report FY25, Systematix Research

Exhibit 54: Status of hybrid projects under wind solar hybrid policy

Bid (MW)	Capacity awarded	Capacity commissioned	Min. tariff (Rs/kWh)
SECI Hybrid - I	840	840	2.67
SECI Hybrid - II	600	600	2.69
SECI Hybrid - III	1,110	0	2.41
SECI Hybrid - IV	1,200	0	2.34
SECI Hybrid - V	1,170	0	2.53
SECI Hybrid - VI	1,200	0	4.64
SECI Hybrid - VII	900	0	3.15
SECI Hybrid - VIII	1,200	0	3.43
SECI Hybrid - IX	600	0	3.25
NTPC Hybrid - I	1,080	0	3.35
NTPC Hybrid - IV	1,500	0	3.27
NTPC Hybrid - V	1,000	0	3.41
NTPC Hybrid - VI	1,000	0	3.43
NTPC Hybrid - 01/2024-25	1,170	0	3.28
NHPC Hybrid - I	960	0	3.48
SJVN Hybrid - I	1,500	0	3.43
SJVN Hybrid - II	1,500	0	3.41
SJVN Hybrid - III	1,200	0	3.19
GUVNL Hybrid - I	200	0	2.99
GUVNL Hybrid - II	832	0	3.24
Total	20,762	1,440	

Source: MNRE Annual Report FY25, Systematix Research

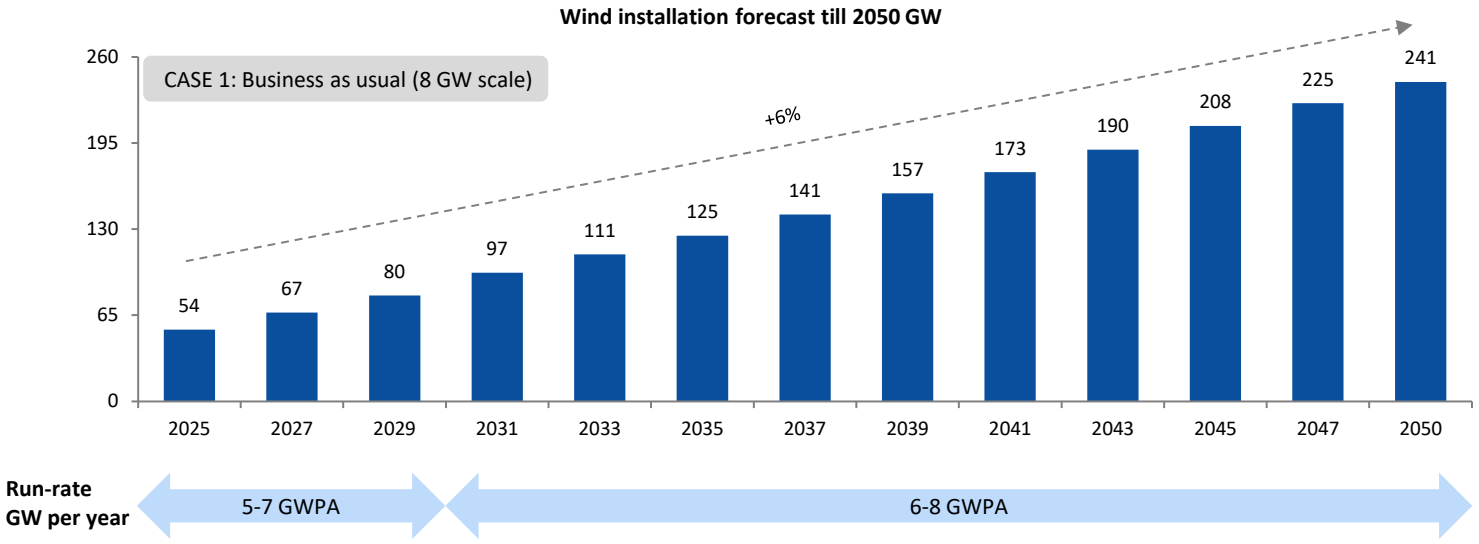
A total of 20.76GW of hybrid renewable capacity has been awarded across SECI, NTPC, NHPC, SJVN, and GUVNL bids, of which only 1.44GW has been commissioned. The discovered competitive tariffs range between Rs 2.34/kWh and Rs 4.64/kWh and reflect the growing focus on hybrid projects that combine wind and solar to deliver more reliable power. While most awarded projects are still under implementation, they represent a significant pipeline aimed at ensuring RTC renewable supply and supporting India's transition to a higher share of clean energy.

What lies ahead

In December 2025, a total of ~USD 2.5bn investments were made in the RE sector in India as against USD 1.9bn in November 2025.

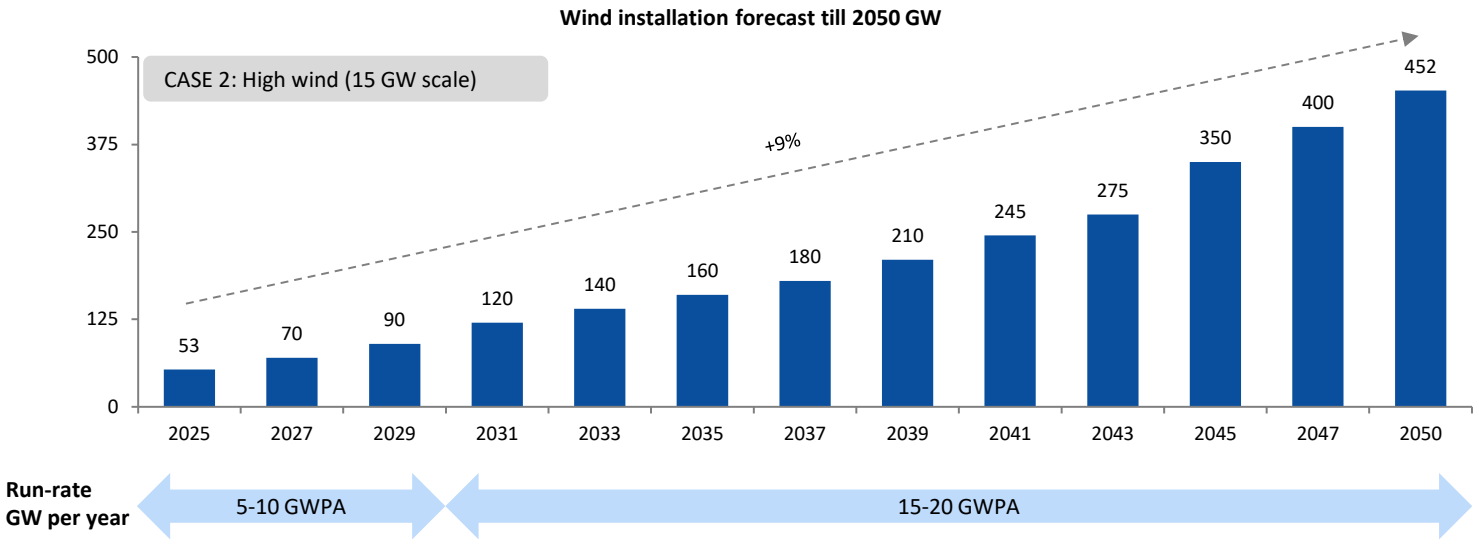
Addressing the current execution and policy constraints could potentially lift the annual wind capacity addition to 8GW. But achieving India's Viksit Bharat 2047 RE target of 1,800GW would require immense acceleration to at least 15GW of annual installations.

Exhibit 55: Forecast of cumulative wind installed capacity at normal wind of 8GW scale



Source: GWEC; Wind at the core, August 2025; Systematix Research

Exhibit 56: Forecast of cumulative wind installed capacity at high wind of 15GW scale



Source: GWEC; Wind at the core, August 2025; Systematix Research

Wind turbines manufactured in India can achieve greater cost competitiveness, with 10% cost reduction at an 8GW scale and up to 20% reduction at 15GW scale. These reductions would primarily be driven by economies of scale, technological advancements (transition from 3MW to 5MW+ turbines), government support, and logistical optimization.

Evolution of India's wind market over the years

Exhibit 57: Reminiscing at government policies and provisions implied on India's wind power industry

Period	Policy/Provisions	Features of policies/provisions
Period I (Before 2021)	Provisions	• In the 1990s, a tax benefit called accelerated depreciation (AD) was introduced, allowing companies to write off 100% of their investment costs quickly. The government reduced this benefit to 80% in 2002 and then to 40% in 2017. • The ministry also introduced a provision for power purchase at a price of Rs 2.25/kWh with an escalation of 5% every year, which ensured price certainty for RE developers. • Ministry of Non-conventional Energy Sources (MNES) was renamed as Ministry of New and Renewable Energy (MNRE) in 2006. • First order of tariffs determined in 2009 was Rs 18.44 for utility-scale solar PV and wind power tariffs of Rs 5.63, Rs 4.90, Rs 4.17, and Rs 3.75 for Wind Zones 1,2,3, and 4, respectively. • Wind Zone 1 represents the lowest wind resource category consisting of lower wind power density/capacity utilization factors. Wind Zone 2 represents moderate wind resources. Wind Zone 3 represents good wind resources and Wind Zone 4 represents the best wind resources, i.e. highest expected generation. • Earlier policies focused on getting companies to invest in RE, but did not guarantee the production of power. To fix this, the government introduced the generation-based incentive (GBI) scheme, which rewarded wind projects for the actual electricity generated and sent to the grid.
	Revised List of models and manufacturers (RLMM)	• Mandated type certification and domestic assembly of nacelles. • Regulated and ensured quality along with standardization in wind turbines and components.
	Inter State Transmission System (ISTS) charge waiver extension	• ISTS charged waiver for RE projects and was extended until 30 June 2025. • Projects commissioned by this date would enjoy a 25-year exemption from ISTS charges.
Period II (2022-2023)	Bidding trajectory for RE projects	• Annual issue of 10GW wind tenders and appointment of additional Renewable Energy Implementing Agencies (REIAs). • Aims to maintain a steady pipeline of new projects for continuous growth in the wind energy sector.
	Excise Duty and Concessional Customs Duty Certificates (CCDC)	• 100% exemption from excise duty on certain wind turbine components. • Financial incentive on import of sub-components by providing concessions on custom duty.
	Wind Renewable Purchase Obligations (RPO)	• Gradually increases wind energy targets from 0.67% in 2025 to 3.48% by 2030. • Imposed penalties on distribution companies (DISCOMs) and captive consumers for non-compliance.
	Other financial incentives	• Permitting FDI in the RE sector. • Special incentives for promotion of WTG component exports. • ISTS charges waiver and funding R&D up to 100%.
Period III (2024-2025)	Mandatory localization (%)	• National Institution for Transforming India (NITI) Aayog has proposed to mandate a 60% cost percentage of locally manufactured components in WTGs. • Percentage of local content to increase over time, giving a boost.
	Modification to tariff-based competitive bidding	• Streamline procurement of RE projects with storage, enabling location specific bids, stricter capacity utilization factor (CUF) compliance, faster power purchase agreements (PPA) signing, and introduced insurance surety bonds.
	Draft amendment to RLMM listing	• Mandated disclosure of key specifications and domestic vendors under revised RLMM clause. • Mandate to procure tower, blade, gearbox and generator locally, with limited import exemption.
	Revised procedure for uniform renewable energy tariff (URET)	• URET withdrawn due to substantial RE capacity awaiting signing of power sales agreements (PSA) and to expedite RE deployment.

Source: GWEC; Wind at the core, August 2025; Systematix Research

Approved list of models and manufacturers (ALMM) in wind

MNRE started significant transformation in India's wind industry through its 31 July 2025 announcement, wherein the revised list of models and manufacturers (RLMM) were renamed to the approved list of models and manufacturers (ALMM). The policy aims to ensure turbine quality and grid stability, while introducing mandatory use of major wind components from the ALMM (wind turbine components) list, providing a boost to local wind manufacturers. It has fewer compliance checks and no prototype testing mandates for locally manufactured components, raising reliability concerns and encouraging the import of well-tested components. Important point to note is that lack of equivalent financial support mechanisms, for instance, production linked incentive (PLI) scheme, could directly impact the growth in indigenous manufacturing in India's wind energy sector.

Company Overview

Suzlon Energy Ltd - Overview

Established **1995**

Manufacturing presence
India, US, Europe, Asia, Australia and Africa

No of Manufacturing Location **14 in India**

Operational capacity

Global wind installations	**21GW**	Domestic Manufacturing	**4,500MW**
Pan India installation Presence	**+15.2GW**	Domestic Order book	**5.7GW**

No of employees (as on 31st March 2025): **8,100+**

Suzlon Group is a leading wind energy solutions provider with over 21.1GW of wind turbines installed in 17 countries across Asia, Australia, Europe, Africa and the US. The company's wide range of wind turbines, supported by advanced research and development, are aimed at achieving peak performance, given its experience of more than 20 years in this industry.

SUEL has some of the Asia's largest operational onshore wind farms in nine states including Gujarat, Rajasthan, Maharashtra and Tamil Nadu, along with 14 manufacturing plants in India, with four R&D centers each in India and internationally.

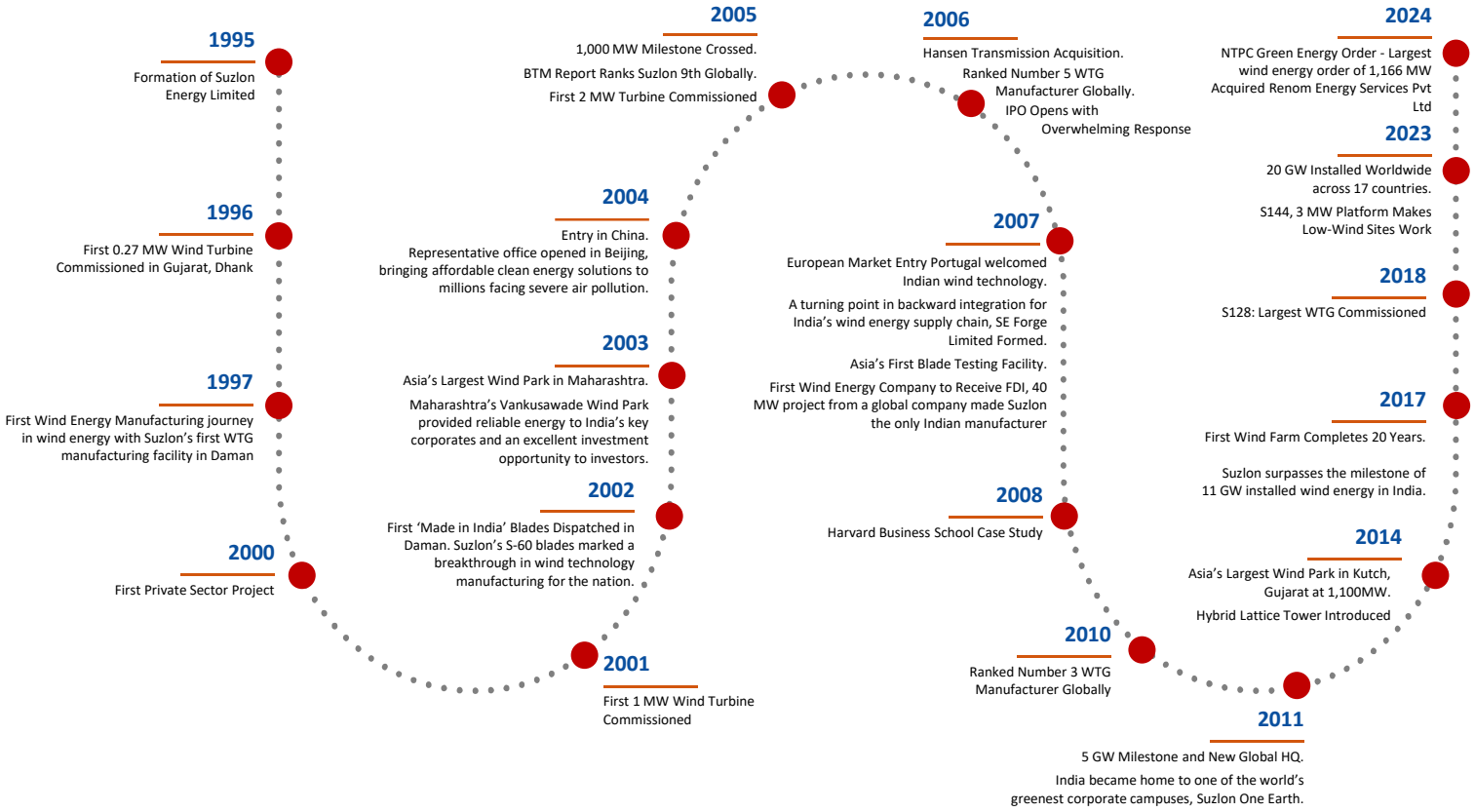
SUEL has three major business segments — WTG, OMS and SE Forge — which design, develop and manufacture all major wind turbine components in-house to ensure quality and cost control. The company offers long-term O&M services to Suzlon customers and users of turbines from other OEMs. The company uses supervisory control and data acquisition (SCADA) technology to monitor turbines worldwide. Additionally, the company also manufactures casting and forgings required for wind turbines and other heavy industries.

Exhibit 58: SUEL — key management personnel

Name	Designation	Background
Mr. Vinod Tanti	Chairman and Managing Director	Mr. Vinod Tanti is a founding member of Suzlon Energy Limited. He holds a bachelor's degree in civil engineering and has extensive experience of over 34 years managing various key functions at SUEL. He held the position of Chief Operating Officer at Senvion, Germany, from 1 June 2012 to 15 June 2013, at a time when Senvion was a global leader in wind turbine technology.
Mr. Girish R. Tanti	Executive Vice Chairman	Mr. Girish R. Tanti is also the founding member of SUEL. He has a bachelor's degree in Electronics and Communication Engineering and a master's degree in business administration from the United Kingdom. He brings extensive experience of about three decades in renewables and international business and Mr. Girish R. Tanti possesses a unique blend of understanding technology dynamics and a strong business acumen.
Mr. J P Chalasani	Chief Executive Officer	Mr. J P Chalasani, with over 40 years of experience in India's power sector, is renowned for his exceptional project management and people leadership skills. He joined SUEL in April 2016 as CEO, transitioned to the role of a strategic advisor within the group in July 2020 and was re-appointed as the Group CEO in April 2023. Previously, he worked at NTPC, Reliance Power, and Punj Lloyd.
Mr. Rahul Jain	Chief Financial Officer (appointed on 15 December 2025)	With over two decades of experience in corporate finance, Mr. Jain has spent nearly 17 years at SRF Limited, where he led financial transformation by streamlining systems, leveraging technology, and strengthening financial discipline during his tenure. His work supported SRF's inorganic and organic growth by identifying new avenues and unlocking capital allocation. Prior to SRF, he worked with Jubilant Organosys Limited for a decade, contributing to its growth initiatives. A Chartered Accountant by qualification, Mr. Rahul Jain brings with him extensive experience from reputable organizations.

Source: Company, Systematix Research

Exhibit 59: SUEL: Milestones

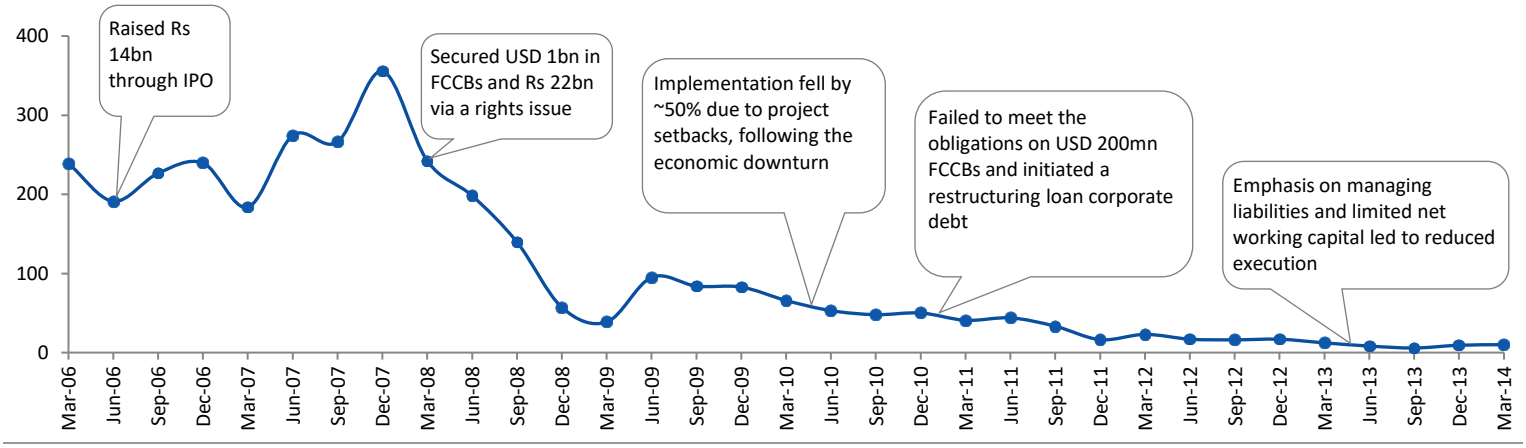


Source: Company, Systematix Research

A tumultuous journey of expansion, stress and stabilization

SUEL is one of India's leading and vertically integrated wind turbine manufacturers, in terms of annual installed capacity. The company has faced challenges from internal and external factors like its peers. Following two rounds of restructuring, exit from global markets and favorable domestic dynamics, SUEL is now strategically placed to capture growth.

Exhibit 60: Historical price trend (2006 – 2014)



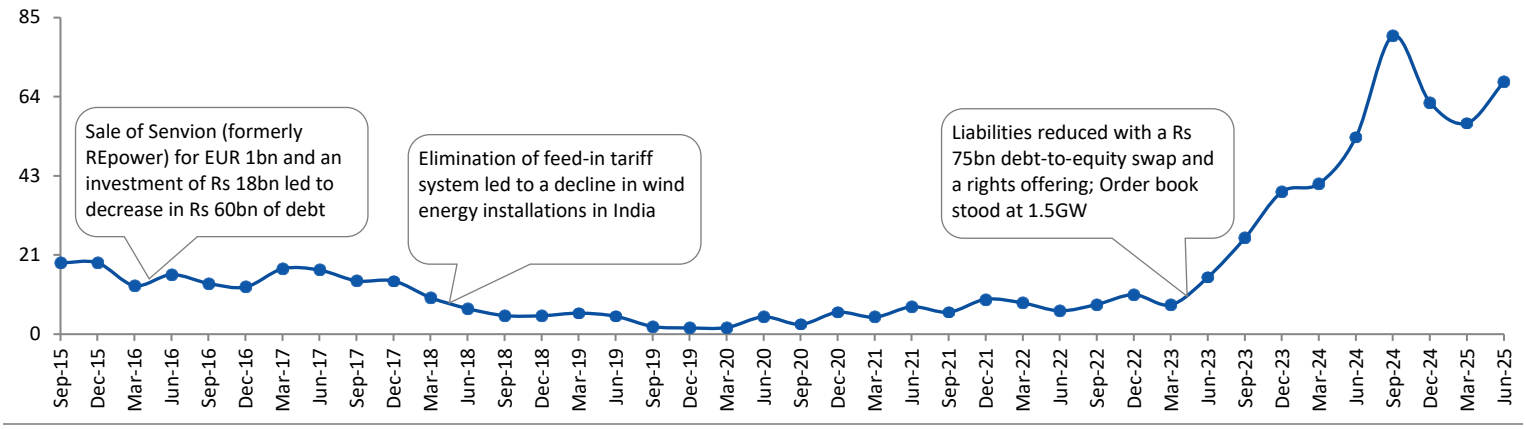
Source: Bloomberg, Systematix Research

Exhibit 61: The empire's downfall begins

Period	Expansion and downfall
FY06-14	• Suzlon was a new entrant in the market, focused on establishing a presence in the wind energy industry. The company entered the sector by acquiring Sudwind Energy AG and expanded rapidly after raising Rs 14bn through an IPO in FY06. • It further pursued aggressive growth by acquiring Hansen Transmissions in 2006 (EUR 465mn) and Senvion in 2007 (EUR 1.4bn), while simultaneously entering the German, US and Chinese markets with major contracts. • These largely debt-funded expansions increased borrowings from Rs 2.4bn to Rs 150bn between FY04-09. However, the global financial crisis led to a sharp slowdown in wind installations worldwide, including India. • As a result, SUEL's execution halved from 2.8GW in FY09 to 1.4GW in FY10, with EBITDA slipping from Rs 28bn to Rs 8bn during this period, pushing the company into losses. • Burdened by high leverage, including USD 500mn foreign currency convertible bonds (FCCBs) raised to fund acquisitions, SUEL defaulted on repayments in FY13 and sought its first restructuring under the corporate debt restructuring (CDR) mechanism. • The company received the support of lenders and shareholders, who extended their repayment timelines and partially converted debt into equity. • Despite these measures, project cancellations, deferrals, and rising working capital needs kept SUEL in operational losses until FY14.

Source: Company, Systematix Research

Exhibit 62: Historical price trend (2015–2025)



Source: Bloomberg, Systematix Research

Exhibit 63: Strong bounce back

Period	Resurrection phase
FY15-23	• SUEL undertook a major deleveraging exercise by raising Rs 18bn from financial investors, divesting non-core assets and selling its remaining stake in Senvion SE to Centerbridge Partners for Rs 72bn. • These initiatives reduced debt from Rs 180bn in FY15 to Rs 114bn in FY16, leading to a significant decline in finance costs. • With renewed focus on a recovering domestic market, SUEL launched the S111 turbine series and lattice-tubular tower technology, achieving record installations of 1,779MW in FY17 and returning to profitability with EBITDA of Rs 22bn and net profit of Rs 5.6bn. • However, the transition from a feed-in-tariff regime to an e-reverse bidding mechanism disrupted market dynamics, resulting in irrational bidding, stalled projects and a sharp decline in installations. Combined with elevated leverage, this pushed the company back into losses between FY18 and FY22. • SUEL subsequently underwent a second debt restructuring, reduced borrowings from Rs 130bn in FY20 to Rs 19bn in FY23 through debt-to-equity conversions and a Rs 12bn rights issue, bringing the debt-to-EBITDA ratio, down to a healthier 2.3x. • The company planned further deleveraging through the sale of non-core assets, while continuing product innovation with its 3MW turbine series and hybrid lattice tubular tower technology. • Overall, SUEL's ability to navigate multiple downturns and emerge stronger highlights the resilience of its turnaround and its long-term positioning in the renewable energy sector.

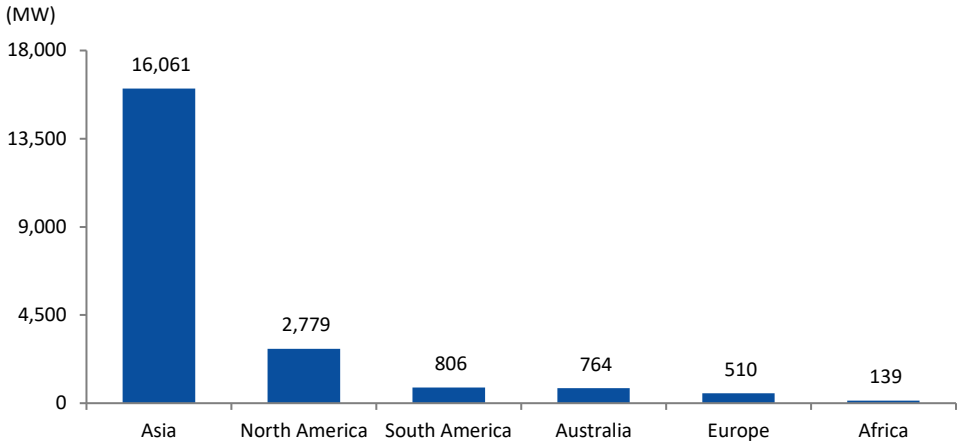
Source: Company, Systematix Research

Diversified installed capacity across the globe

SUEL has installed 13,170 WTGs worldwide, garnering 29% market share

SUEL has powered clean energy transitions in the key markets US, Brazil, China, South Africa, India, Australia, and several European nations, including Germany, Spain, and Portugal. By delivering reliable and cost-efficient wind energy solutions across continents, SUEL continues to strengthen India's position in the global renewable energy landscape, while driving the transition toward a more sustainable future.

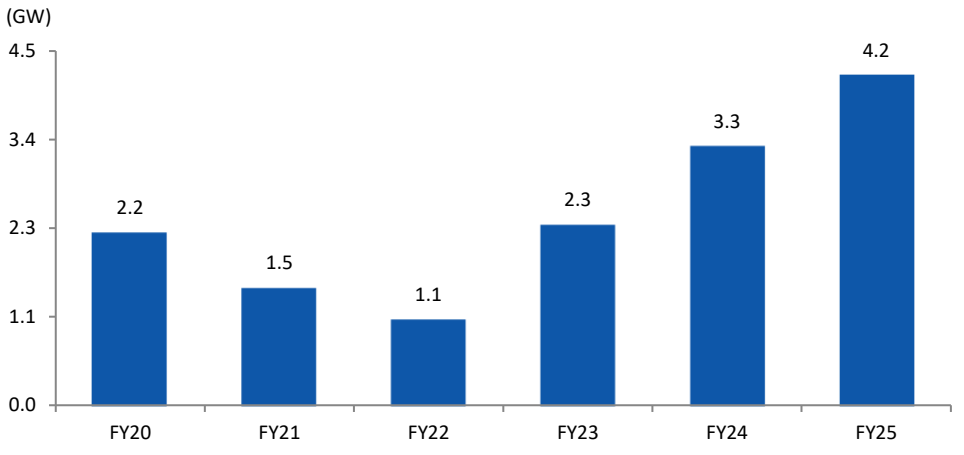
Exhibit 64: SUEL: 21,059MW of cumulative installed capacity continent wise



Source: Company, Systematix Research

India's installed capacity of ~7.5GW during FY24-25 alone constitutes ~51% of its total 15.2GW capacity

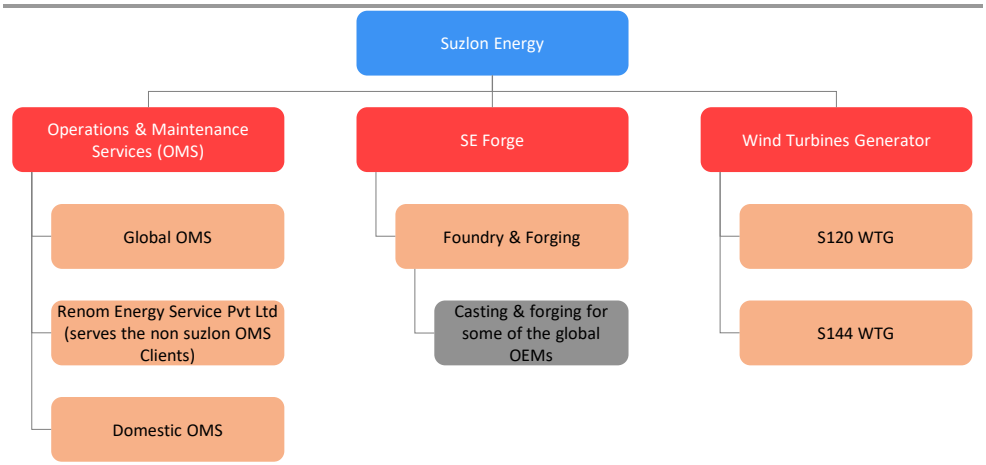
Exhibit 65: India installed a total capacity of ~15GW over FY20-25



Source: Company, Systematix Research

Business segments

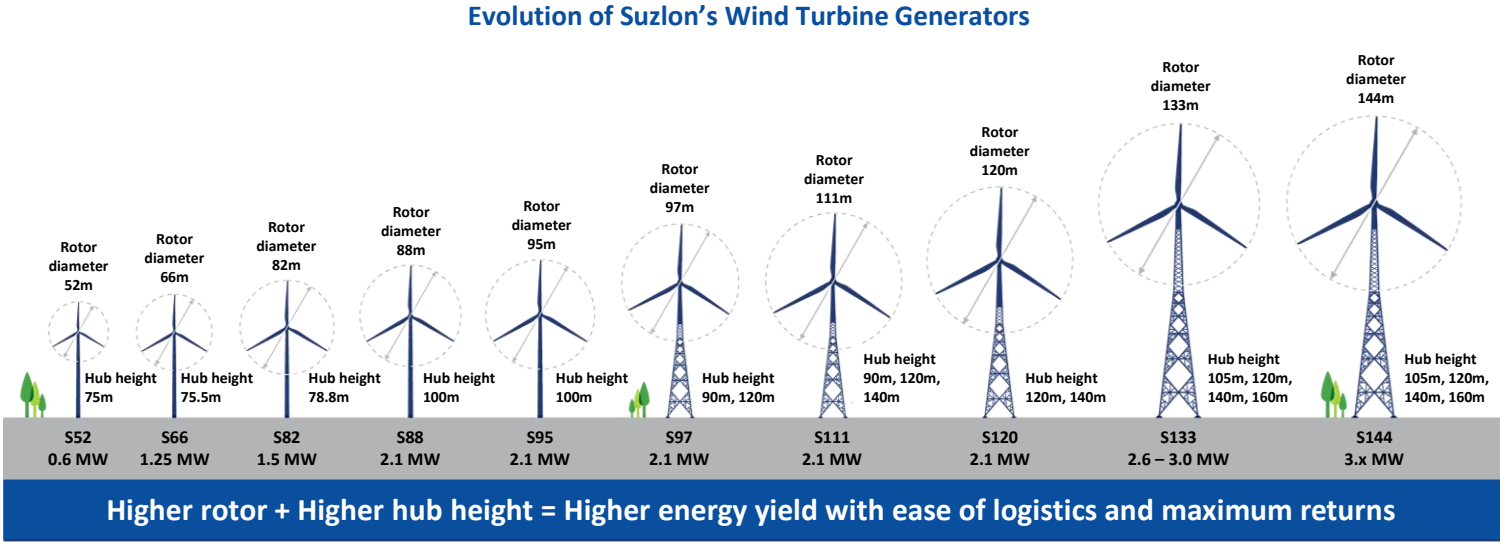
Exhibit 66: Overview of business operations



Source: Company, Systematix Research

Wind turbine generators (WTG): SUEL's products are backed by advanced R&D facilities, ensuring high reliability and a strong proven track record. Since inception, the company's turbine portfolio has evolved significantly, with power capacity increasing from 0.6MW to 3.xMW, alongside an increase in hub height from 75m to 160m, enabling more efficient capture of wind energy across varying levels and speeds. In terms of execution scope the mix was predominantly 78% non-EPC and 22% EPC until August 2025. The project segment mix is skewed toward captive/C&I/retail customers, with central and state auction-based projects constituting the remaining 25% during this period.

Exhibit 67: SUEL's evolution in WTG trend in the market



Source: Company, Systematix Research

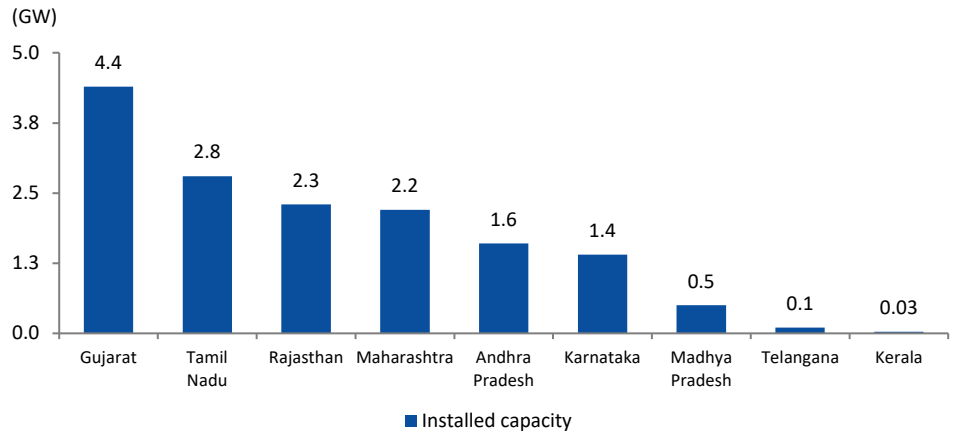
SUEL's latest flagship WTG model, S144 3.xMW, is extendable up to 3.15MW power, depending on wind conditions. This model targets India's low wind regimes and is available at a hub height of 140-160m, delivering remarkable 40-43% higher generation compared to smaller turbines. S144 complies with the latest MNRE regulation for component sourcing. This model has over 1.6GW of deliveries and 5GW of firm orders, making it a dominant product in the Indian market. It is further

compatible with hybrid/FDRE projects and grid requirements. The S144 model held 90% of its WTG order book as of September 2025.

SUEL's O&M team provides comprehensive or semi and non-comprehensive O&M contracts to customers with turbines of various brands, depending on their requirements

Operations and maintenance services (OMS): SUEL provides sustainable OMS for the entire life cycle of each of its WTGs. The company provides and executes OMS both nationally and internationally. Its supervisory control and data acquisition (SCADA) system enables remote monitoring of over 10,000+ wind turbines worldwide, allowing the group to manage uninterrupted operations and making power generation reliable. The company currently serves 16.4GW total OMS contracts, of which, 15.4GW are domestic OMS accounts and ~1GW is global.

Exhibit 68: Domestic OMS installed capacity: 15.3GW until 30 September 2025



Source: Company, Systematix Research

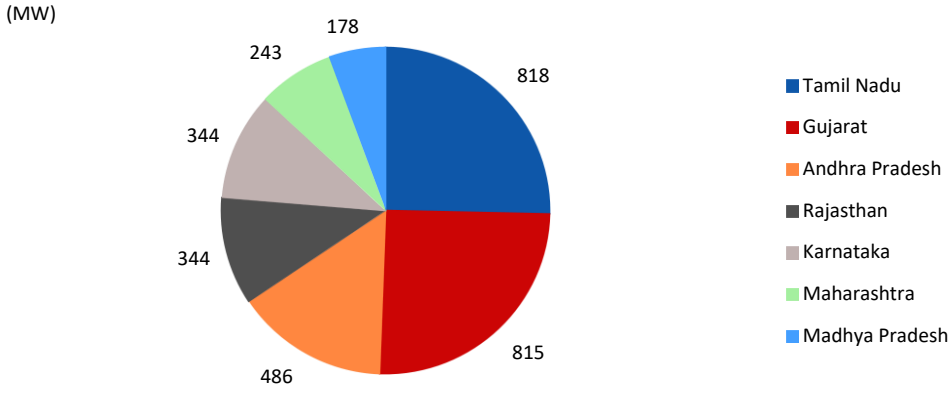
Comprehensive service: Under this service, SUEL offers end-to-end OMS that includes scheduling and maintenance of multi-make WTGs.

Semi or non-comprehensive service: This service includes the breakdown maintenance of turbines and provides SCADA support for multiple OEM turbines and technical support as per the requirement.

Renom has 3,229MW of assets under management, which comprises 2,118MW in wind, 148MW in solar and 963MW in balance of plant (BOP)

SUEL acquired Renom Energy Services Private Limited, India's multi-brand renewable OMS provider, as part of its strategy. The company manages a 3GW renewable energy portfolio, demonstrating a strong operational track record. This acquisition creates synergies in talent, systems, and scale, giving SUEL a solid platform for long-term growth in the multi-brand O&M sector and caters to non-SUEL customers as well through Renom.

Exhibit 69: Renom has ~3,229MW of asset spread across Indian states



Source: Company, Systematix Research

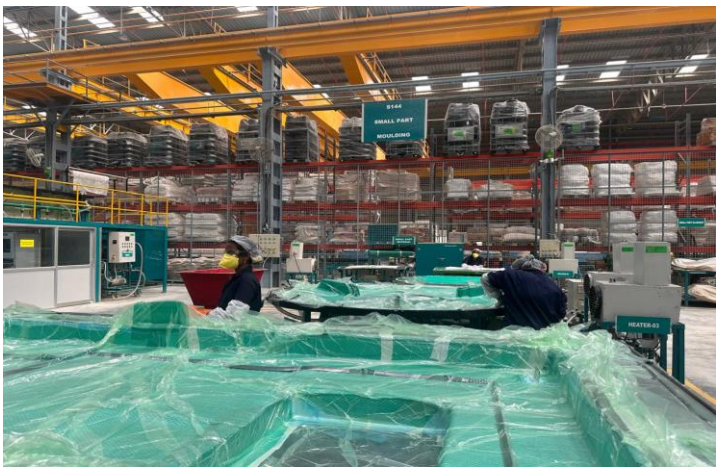
SE Forge: The business consists of supplying fully finished castings and forgings to global OEMs of wind turbines, power generation, oil and gas, transportation, construction, aerospace and heavy machinery. The company has an annual manufacturing capacity of 120,000MT, in addition to robust and lean manufacturing systems. It manufactures low carbon products, inculcating sustainability at the product level. This business segment recently achieved 31% capacity utilization to record 19% EBITDA margin. SE Forge contributed ~28% of exports to total turnover and operated at 21% capacity utilization during FY25.

Key risks

- **Supply chain limitations:** Import dependency on critical components could enhance costs due to global supply chain disruptions.
- **Inability to keep up with technological advancements:** Outdated turbine design and poor customization facilities.
- **Grid risk:** Incompatibility of the system with locations and delays in response to cyberattacks.
- **Policy and regulatory issues:** Certification and commissioning delays. New policy implementation issues.
- **Low installations:** Slowdown in installations could impact new job creation, cost competitiveness compared to China, in achieving the projected target installations and order cancellations. Issues in PSA signing and delays in grid commissioning delays could pose challenges in pipeline execution, potentially reducing installations.
- **Operational efficiency:** Highly capital-intensive nature of the wind turbine business could expose SUEL to working capital challenges for operational requirements.

Annexure

Exhibit 70: SUEL's manufacturing facilities

Pondicherry	Daman
	
	
	

Source: Company, Systematix Research

FINANCIALS (CONSOLIDATED)

Profit & Loss Statement

YE: Mar (Rs bn)	FY24	FY25	FY26E	FY27E	FY28E
Net revenues	**65.3**	**108.9**	**166.3**	**214.8**	**240.0**
Expenditure	55.0	90.3	133.7	170.5	189.1
EBITDA	**10.3**	**18.6**	**32.7**	**44.3**	**50.9**
Depreciation	1.9	1.9	1.9	1.9	1.9
Other income	0.4	1.0	1.1	1.1	1.2
EBIT	**8.8**	**17.7**	**31.9**	**43.5**	**50.2**
Interest cost	1.6	2.5	3.7	4.2	4.3
PBT	**7.1**	**14.5**	**27.5**	**38.5**	**44.9**
Taxes	0.0	-6.3	6.9	9.6	11.2
Adj. PAT	**7.1**	**20.7**	**20.6**	**28.8**	**33.7**
Adj.EPS	0.5	1.5	1.5	2.1	2.5

Source: Company, Systematix Research

Balance Sheet

YE: Mar (Rs bn)	FY24	FY25	FY26E	FY27E	FY28E
Share capital	27.2	27.3	27.3	27.3	27.3
Reserves & Surplus	12.0	33.7	54.4	83.2	116.9
Minority interest	0.0	0.0	0.0	0.0	0.0
Share warrants & outstanding	0.0	0.0	0.0	0.0	0.0
Net worth	**39.2**	**61.1**	**81.7**	**110.5**	**144.3**
Total Debt	1.1	2.8	2.8	2.8	2.8
Non-Current liabilities	2.5	9.4	9.4	9.4	9.4
Current liabilities	30.1	59.1	102.7	126.9	138.3
Total liabilities	**71.8**	**129.6**	**193.8**	**246.8**	**292.0**
Net Block	8.1	8.2	9.3	10.6	12.1
CWIP	0.2	0.9	0.9	0.9	0.9
Non-current investments	0.0	0.0	0.0	0.0	0.0
Total Non-current assets	18.9	37.1	35.8	28.2	29.7
Cash	2.5	9.0	13.1	41.6	76.1
Inventories	22.9	32.3	75.2	94.2	98.6
Receivables	18.3	38.7	54.5	67.7	72.3
Other Current Assets	5.9	7.6	7.6	7.6	7.6
Current Assets	52.9	92.5	157.9	218.6	262.2
Total Assets	**71.8**	**129.6**	**193.8**	**246.8**	**291.9**

Source: Company, Systematix Research

Cash Flow

YE: Mar (Rs bn)	FY24	FY25	FY26E	FY27E	FY28E
Profit Before Tax	**6.6**	**14.5**	**27.5**	**38.5**	**44.9**
Add: Depreciation	1.9	2.6	2.5	2.8	2.9
Add: Interest	1.1	1.1	3.7	4.2	4.3
Less: Taxes paid	-0.2	0.0	-6.9	-9.6	-11.2
Add: Other Adjustments	2.1	1.7	-3.6	7.8	-1.2
Less: WC changes	-10.6	-8.9	-15.1	-8.0	2.3
CFO	**0.8**	**10.9**	**8.1**	**35.7**	**42.0**
CFI	**-1.5**	**-7.5**	**-3.6**	**-4.1**	**-4.4**
Capex	-2.3	-3.7	-3.6	-4.1	-4.4
Interest & dividend received	0.3	0.8	0.0	0.0	0.0
Others	0.5	-4.6	0.0	0.0	0.0
CFF	**1.3**	**3.4**	**-2.6**	**-3.1**	**-3.1**
Interest paid	-1.1	-1.0	-2.6	-3.1	-3.1
Share issuances	20.7	0.0	0.0	0.0	0.0
Net Borrowings	-18.3	4.4	0.0	0.0	0.0
Net Cash Inflow / Outflow	**0.6**	**6.8**	**1.9**	**28.5**	**34.5**
Opening Cash & Equivalents	3.7	4.3	11.1	13.1	41.6
Closing Cash & Equivalent	**4.3**	**11.1**	**13.1**	**41.6**	**76.1**

Source: Company, Systematix Research

Ratios

YE: Mar (%)	FY24	FY25	FY26E	FY27E	FY28E
YoY growth in Revenue	9%	67%	53%	29%	12%
YoY growth in EBITDA	25%	84%	72%	35%	15%
YoY growth in Adj. PAT	328%	190%	0%	40%	17%
Margins					
EBITDA margin (%)	15.8	17.1	19.6	20.6	21.2
Operating profit margin (%)	13.4	16.3	19.1	20.3	20.9
Profit margin (%)	10.9	19.0	12.4	13.4	14.0
ROCE (%)	21.0	24.2	34.3	35.6	32.0
ROE (%)	16.8	33.9	25.3	26.1	23.4
Per Share Numbers (Rs):					
Book Value	2.9	4.5	6.0	8.1	10.6
Valuations (x)					
P/E	112.8	38.8	39.0	27.9	23.9
EV/EBITDA	78.2	43.0	24.5	17.3	15.7
EV/Sales	12.3	7.3	4.8	3.6	3.3
P/BV	20.5	13.2	9.8	7.3	5.6

Source: Company, Systematix Research

DISCLOSURES/APPENDIX

I. ANALYST CERTIFICATION

I, **Shweta Dikshit, Alisha Sayed;** hereby certify that (1) views expressed in this research report accurately reflect my/our personal views about any or all of the subject securities or issuers referred to in this research report, (2) no part of my/our compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this research report by **Systematix Shares and Stocks (India) Limited (SSSIL)** or its group/associate companies, (3) reasonable care is taken to achieve and maintain independence and objectivity in making any recommendations.

Disclosure of Interest Statement	Update
Analyst holding in the stock	No
Served as an officer, director or employee	No

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5. The research analyst, SSSIL or its associates have not managed or co-managed a private or public offering of securities for the company(ies) covered in this report in the previous twelve months.
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7. The research analyst has not served as an officer, director or employee of the company(ies) covered in this research report.
8. The research analyst and SSSIL have not been engaged in market making activity for the company(ies) covered in this research report.
9. Details of SSSIL, research analyst and its associates pertaining to the companies covered in this research report:

Sr. No.	Particulars	Yes / No.
1	Whether compensation was received from the company(ies) covered in the research report in the past 12 months for investment banking transaction by SSSIL.	No
2	Whether research analyst, SSSIL or its associates and relatives collectively hold more than 1% of the company(ies) covered in the research report.	No
3	Whether compensation has been received by SSSIL or its associates from the company(ies) covered in the research report.	No
4	Whether SSSIL or its affiliates have managed or co-managed a private or public offering of securities for the company(ies) covered in the research report in the previous twelve months.	No
5	Whether research analyst, SSSIL or associates have received compensation for investment banking or merchant banking or brokerage services or any other products or services from the company(ies) covered in the research report in the last twelve months.	No

10. There is no material disciplinary action taken by any regulatory authority that impacts the equity research analysis activities.

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BUY (B): The stock's total return is expected to exceed 15% over the next 12 months.
HOLD (H): The stock's total return is expected to be within -15% to +15% over the next 12 months.
SELL (S): The stock's total return is expected to give negative returns of more than 15% over the next 12 months.
NOT RATED (NR): The analyst has no recommendation on the stock under review.

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