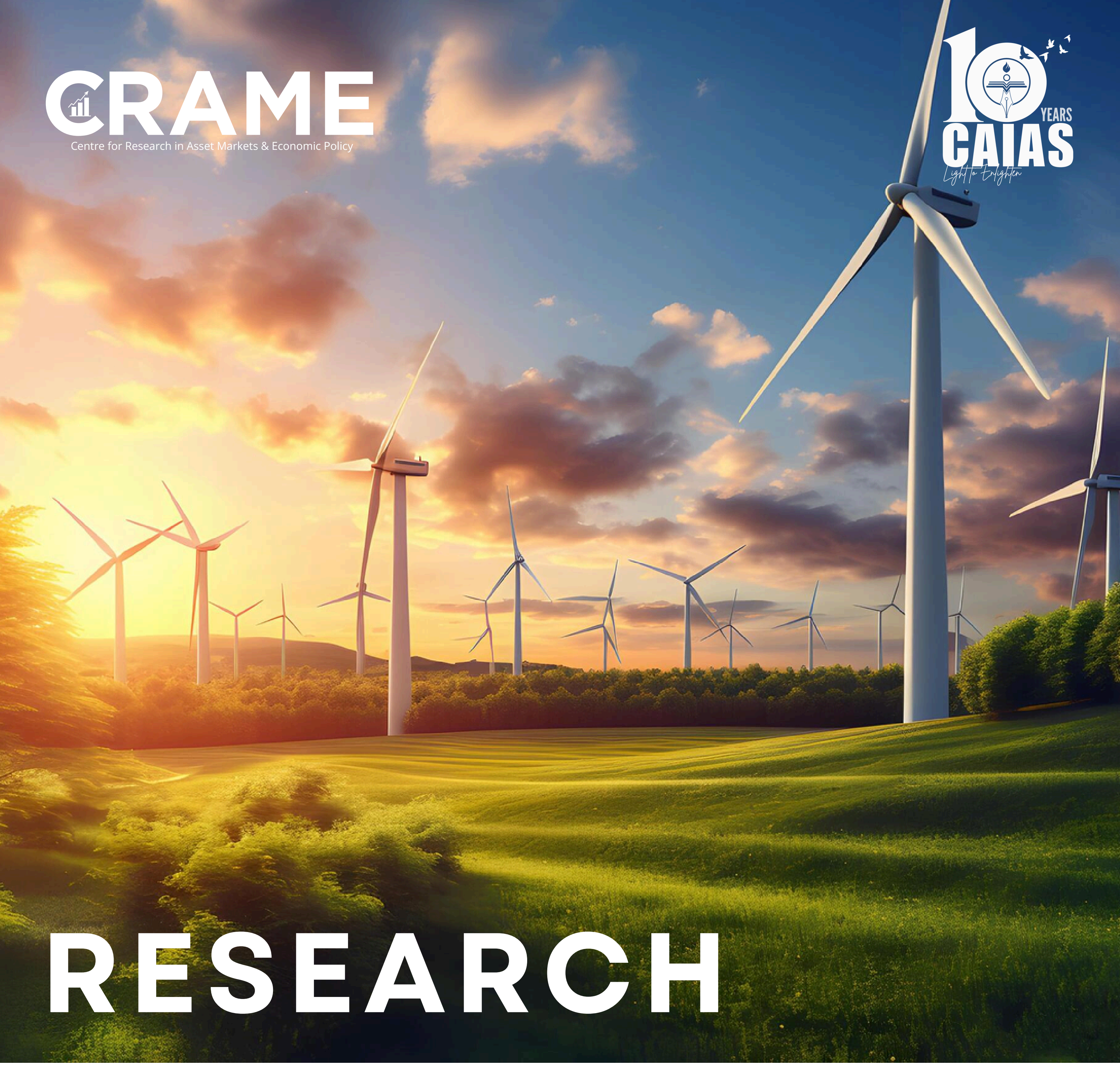

RESEARCH REPORT

Suzlon Energy Ltd

EQUITY SERIES #01

APRIL 2026

Centre for Research in Asset Markets & Economic Policy (CRAME)

Research Report

Suzlon Energy Ltd

April 2026

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Company Overview

Suzlon Energy Limited is India's leading wind energy solutions provider, with approximately 21 GW of installed wind capacity across 17 countries and about 15.1 GW within India as of March 2025. It has 30 % cumulative market share in Indian wind installations, powering about one in three turbines in the country. [1]

The group is vertically integrated, with in-house R&D centers in Germany, the Netherlands, Denmark and India, and 14 manufacturing locations across India with total annual wind turbine manufacturing capacity of about 4.5 GW. [2]

By the way, 1 GW typically powers 2.8 million urban households annually in India

CRAME
Centre for Research in Asset Markets & Economic Policy

Business Model

Core Business Segment [2]

WTG (Wind Turbine Generators)
Design, manufacture and supply of onshore wind turbines plus project execution (foundations, erection, commissioning).

India OMS (Operations & Maintenance Services)
Long-term service contracts for Suzlon's installed base (about 15.1 GW in India), it earns recurring fees that increases every year

SE Forge (Foundry & Forging)
Supplies castings and forged rings for Suzlon and external wind/industrial customers; smaller, steadier contributor that deepens vertical integration and supports margins.

Land/Project Development (SRDL)
Identifies, aggregates and prepares wind sites and parks; earns from land development and enables faster, de-risked project rollout for Suzlon and its customers.

1 Suzlon Energy Ltd - Investor PresentationQ2 FY26
2 Suzlon Energy Ltd - Investor PresentationQ3 FY26

Revenue Generation Model [3]

Project revenues (WTG)

One-time, cyclical revenues linked to new wind capacity additions and execution of its 6.4 GW-plus order book.

Service/annuity revenues (OMS + Renom*)

Recurring fees for operating and maintaining turbines over 15–20+ years, historically contributing a large share of consolidated EBITDA, especially in weaker years.

Component revenues (SE Forge)

Sale of castings/forgings to Suzlon and third-party OEMs, with export exposure and operating leverage as utilisation rises.

Customer & Contract Structure [2]

Customer mix

Large corporates, PSUs and government entities, IPPs and some retail/captive buyers across India's windy states.

Contract types

Turbine sale and project contracts (often non-EPC, with customer doing part of infra) plus long-term O&M contracts that lock in recurring service revenue and strong contract retention.

Operating Model [3]

Cyclical + annuity mix

The WTG business drives revenue growth and operating leverage during industry upcycles, while OMS and SE Forge provide steadier earnings and cash flows through the cycle.

Asset-light orientation

The model emphasizes manufacturing, technology and execution rather than owning large power-generation assets, keeping capital intensity relatively low

India focused

Major revenue is anchored in India's wind capex cycle and supportive policy framework, but Suzlon's technology and supply chain are configured to participate in export opportunities when they are economically attractive.

2 Suzlon Energy Ltd - Investor PresentationQ3 FY26
3 Suzlon Energy Ltd - Investor PresentationQ1 FY26

* Renom Energy Services Private Limited, which is India's largest multi-brand renewable energy O&M (operations and maintenance) service provider, now majority-owned by Suzlon

Fundamental Analysis

Tailwinds

Economic tailwind – Rising India power demand and RE push

India's electricity demand is projected to grow strongly over the next decade, with policy explicitly targeting a much higher share of renewables (50% of capacity already from non-fossil sources, large RE and wind targets to 2030–2047).[4]

Industry tailwind – Structural need for wind in RTC mix

Policy and studies show that in a 100 MW, 100% RTC case wind makes up over 65% of the capacity mix at around ₹4.95/kWh, and in FY25 REIAs tendered 33.1 GW of RE, 71% of which was hybrid/RTC/FDRE, signaling a clear shift towards wind-heavy firm renewables.[5]

Company tailwind – Repaired balance sheet

Suzlon now has net cash of about ₹1,900 crore, a 6.4 GW firm wind order book, 30% share of India's installed wind base, and OMS EBITDA margins around 40%, so it participates in the upcycle without relying on high debt.

Headwinds

Economic headwind – Discom and funding constraints

State discom finances, interest-rate/funding conditions and broader fiscal constraints can slow signing of PPAs, payment cycles and actual capex flow into projects even when targets are ambitious.

Industry headwind – Execution bottlenecks

Sector-wide issues around land acquisition, permits, grid evacuation readiness, logistics and tendering pace/design continue to create delays and cost pressure for wind projects.

Company headwind – Execution and working-capital intensity

Suzlon's WTG EPC model ties up large working capital: in FY25 inventories rose by about ₹940 crore and trade receivables by about ₹2,040 crore year-on-year, while contract liabilities jumped from ₹346 crore to ₹1,744 crore, so any execution slip can quickly affect cash flow and profits

4. India Energy Security Scenarios (IESS) 2047 – NITI Aayog / IIT Bombay
5. CEEW-GFC Market Handbook Q3 FY25 – Renewable Energy Auctions and Tenders

Financial Metrics and Valuation

Metric	FY23	FY24	FY25	FY26 (9M)
Revenue (₹ Cr)	5,947	6,497	10,851	11,211
EBITDA (₹ Cr)	832	1,029	1,857	2,058
Net Profit (₹ Cr)	-2,887	660	2,072	2,049
Net Cash / (Debt) (₹ Cr)	-3,427	-283	1,943	1,556
Order Book (GW)	0.65	2.9	5	6.4

The Historical Trend [6]

Suzlon's trajectory over the last three years reflects a textbook corporate turnaround. Execution has accelerated rapidly, with 9M FY26 revenues already beating FY25 totals. The most critical shift is the balance sheet repair—transforming from ₹3,427 Cr in net debt to ₹1,556 Cr in net cash, effectively de-risking future operations.

Competitive Positioning [6]

Suzlon exhibits strong quantitative tailwinds when benchmarked against peers. The company operates with vastly superior capital efficiency, generating an exceptional 41.4% ROE and 32.5% ROCE. Combined with a robust asset turnover of 1.08x and a virtually debt-free balance sheet, Suzlon is heavily insulated from interest rate and working-capital headwinds

Operating & Efficiency Metric	Suzlon Energy	Inox Wind Energy (Direct Peer)	Industry Average
Return on Equity (ROE)	41.40%	5.84%	18%
Return on Capital (ROCE)	32.50%	11.40%	15%
Debt to Equity	0.05	0.49	0.5
Asset Turnover	1.08	0.45	0.7
Book-to-Bill Ratio	1.85	1.5	1.5

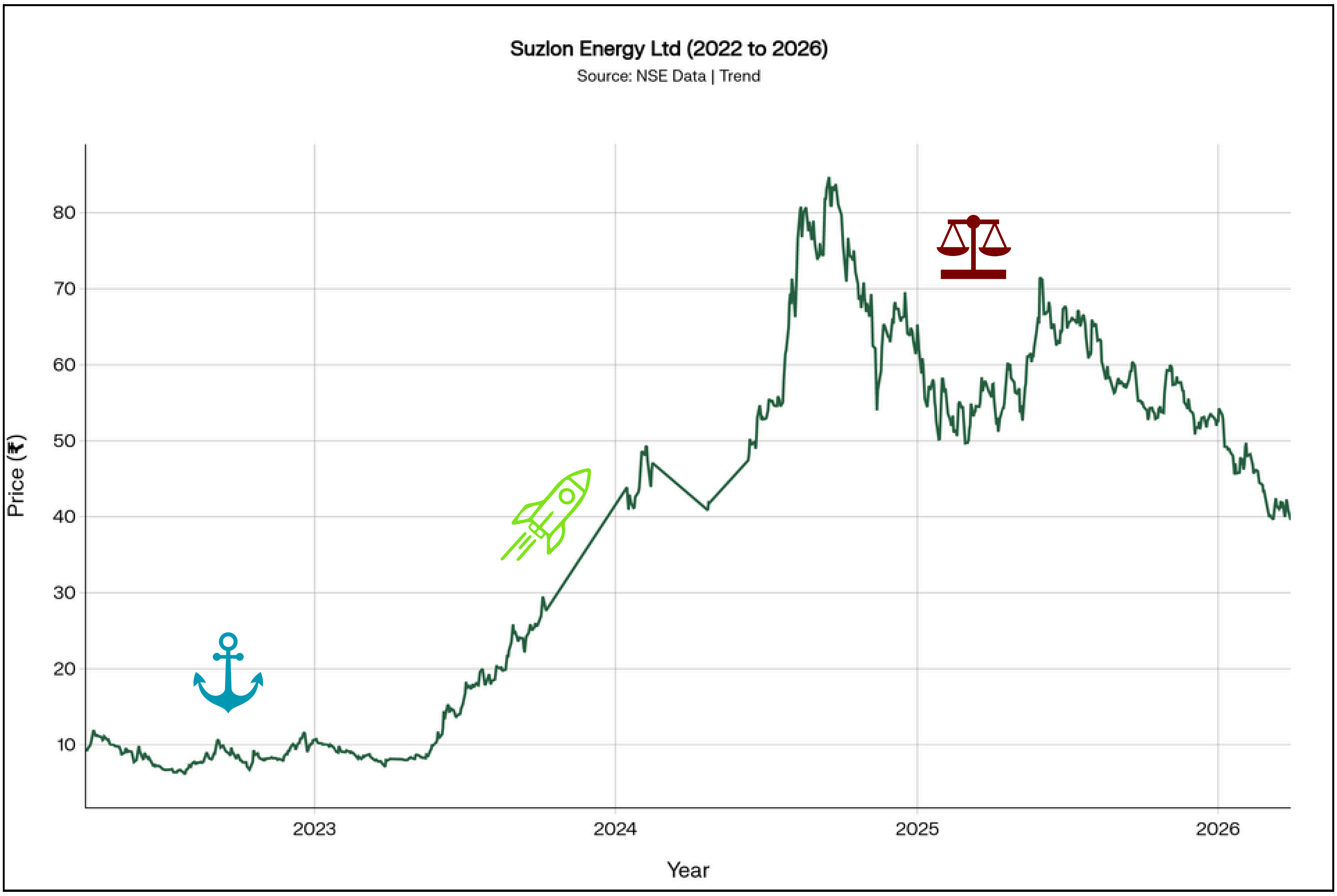
Valuation Metric	Suzlon Energy	Inox Wind Energy (Direct Peer)	Industry Average
P/E Ratio	16.7	86.7	28.6
EV / EBITDA	18.7	15.2	20
Price to Book (P/B)	6.85	4.06	5.52

Valuation

Suzlon trades at 16.7x P/E versus 86.7x for Inox Wind and 28.6x for the industry average. EV/EBITDA stands at 18.7x, against 15.2x for Inox Wind and 20x for the industry benchmark. P/B is 6.85x versus 4.06x and 5.52x, though book value should be read cautiously given historical losses.

6. Suzlon Energy Ltd - Financial Reports & Presentations

Historical Price Action (2022–2026)[7]



Restructuring (2022 – Early 2023)

The stock oscillated in single digits (₹6–₹10), exhibiting heavy volatility and sharp 20% monthly drops. Weighed down by legacy debt, market sentiment remained highly skeptical. The pivotal turnaround began in October 2022 with a fully subscribed ₹1,200 Cr rights issue, providing critical capital for deleveraging.

The Turnaround Surge (Mid-2023 – Oct 2024)

A massive rally occurred, with the stock surging from ₹8 to a peak near ₹84, marked by explosive 30%+ monthly gains. Fundamentals caught up with the narrative as Suzlon became net-cash positive through QIPs while securing a record 6.4 GW order book, proving its operational revival.

The Valuation Correction (Late 2024 – Mar 2026)

The stock underwent a natural 50% correction from its peak, steadily declining to the ₹40 range by early 2026. The pullback was driven by sector-wide execution bottlenecks—such as land and grid delays and sudden management transitions, which tempered investor euphoria.

7. Suzlon Energy Limited - Historical Data (NSE)

Technical Analysis

Moving Averages Analysis [8]

Period	SMA	EMA
10D	41.1	41
20D	41.07	41.68
50D	44.35	44.32
100D	49.1	47.85
200D	54.75	51.82

Oscillators & Momentum [8]

Indicator	Current Value
RSI (14)	38.61
MACD (12, 26, 9)	-1.08 / +0.15
CCI (20)	-110.45
Momentum (10)	-1.78

Moving Averages Analysis

The current price (₹39.56) is trading strictly below all moving averages, indicating a confirmed structural breakdown and a strong overarching downtrend.

Oscillators & Momentum

Oscillators show a mixed picture, momentum is bearish, indicators (like CCI and RSI) suggest the selling is becoming extended, hinting at a potential near-term consolidation.

Shareholding Pattern [9]

Investors	Holdings %	3M change
Promoter Holdings	11.73%	-0.03%
Foreign Institutions	22.84%	0.60%
Mutual Funds	4.82%	-1.94%
Retail Investors	55.30%	-0.18%
Others	5.31%	1.21%

Support and Resistance Levels

The price action is heavily skewed to the downside, breaking multiple support floors. Upward movement will face immediate friction at ₹40.28 and ₹41.16.

Shareholding Pattern

The shareholding pattern remains retail-dominated at 55.30%, while foreign institutions hold 22.84%. Over the last three months, mutual funds declined by 1.94%, whereas others and foreign institutions increased their stake.

8. Suzlon Energy Ltd - Tradingview
9. Suzlon Energy Ltd - Shareholding Pattern (31/12/2025)

GLOSSARY OF ABBREVIATIONS

Abbreviation	Description
WTG	Wind Turbine Generators.
OMS	Operations & Maintenance Services (long-term turbine service).
SE Forge	Suzlon's foundry and forging component business.
SRDL	Land/Project Development arm referenced in the segment table.
RTC	Round-the-clock power, usually using a mix of sources to give firm supply.
FDRE	Firm and Dispatchable Renewable Energy.
PPA	Power Purchase Agreement, long-term electricity offtake contract.
ROE	Return on Equity, a profitability ratio on shareholders' equity.
ROCE	Return on Capital Employed, return generated on total capital used.
QIP	Qualified Institutional Placement, capital raised from institutional investors.
SMA	Simple Moving Average, technical trend indicator.
EMA	Exponential Moving Average, moving average with more weight on recent prices.
RSI	Relative Strength Index, momentum oscillator.
MACD	Moving Average Convergence Divergence, trend/momentum indicator.
CCI	Commodity Channel Index, momentum oscillator.

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