

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2019

Particulars	(₹ in crores)			
	Quarter ended		Year ended	
	June 30, 2019 (Unaudited)	March 31, 2019 (refer note 6)	June 30, 2018 (Unaudited)	March 31, 2019 (Audited)
1 Income from operations				
a) Revenue from operations	833.15	1,421.19	1,271.60	4,978.46
b) Other operating income	10.07	23.67	5.89	46.23
Other income	7.87	5.61	12.45	49.95
Total income from operations	851.09	1,450.47	1,289.94	5,074.64
2 Expenses				
a) Consumption of raw materials, components consumed and services rendered	299.34	840.08	662.22	2,956.50
b) Purchase of stock-in-trade	-	-	-	-
c) Changes in inventories of finished goods, semi-finished goods and work-in-progress	96.79	112.53	120.37	41.85
d) Employee benefits expense	208.27	248.94	193.96	874.16
e) Finance cost	303.45	282.03	327.95	1,269.91
f) Depreciation and amortisation expense	73.41	87.29	83.99	341.85
g) Foreign exchange loss / (gain)	19.81	(93.27)	253.64	288.28
h) Other expenses	177.32	228.43	223.91	872.65
Total expenses	1,178.39	1,706.03	1,866.04	6,645.20
3 Profit / (loss) before exceptional items and tax (1-2)	(327.30)	(255.56)	(576.10)	(1,570.56)
4 Exceptional items				
a) Loss/ (profit) on sale of investments and fair value of asset classified as held for sale (refer Note 3a)	7.98	(8.45)	-	(69.34)
b) Impairment of investments in associates	-	41.77	-	41.77
Total	7.98	33.32	-	(27.57)
5 Profit / (loss) before tax (3-4)	(335.28)	(288.88)	(576.10)	(1,542.99)
6 Tax expenses				
a) Current tax	1.42	4.54	1.90	3.09
b) Deferred tax	-	-	(4.71)	(14.99)
7 Net profit / (loss) after tax (5-6)	(336.70)	(293.42)	(573.29)	(1,531.09)
8 Share of profit/ (loss) of associate and joint ventures	(0.18)	(1.22)	(1.81)	(6.10)
9 Net profit / (loss) for the period (7+8)	(336.88)	(294.64)	(575.10)	(1,537.19)
10 Other comprehensive income/ (loss), net of tax				
a) Items that will not be reclassified to profit and loss	(2.12)	(0.03)	3.07	0.56
b) Items that will be reclassified to profit and loss	13.36	(59.42)	(39.58)	(40.34)
11 Total comprehensive income/ (loss), net of tax (9+10)	(325.64)	(354.09)	(611.61)	(1,576.97)
12 Net profit/ (loss) for the period attributable to:				
Owners of the Company	(335.11)	(292.60)	(572.86)	(1,527.18)
Non-controlling interest	(1.77)	(2.04)	(2.24)	(10.01)
Other comprehensive income/ (loss) for the period attributable to:				
Owners of the Company	11.24	(59.45)	(36.51)	(39.78)
Non-controlling interest	-	-	-	-
Total comprehensive income for the period attributable to:				
Owners of the Company	(323.87)	(352.05)	(609.37)	(1,566.96)
Non-controlling interest	(1.77)	(2.04)	(2.24)	(10.01)
13 Paid up equity share capital (Face value of ₹ 2/- each)	1,063.95	1,063.95	1,063.95	1,063.95
14 Other equity (excluding revaluation reserve)	-	-	-	(9,561.56)
15 Earnings / (loss) per equity share (EPS) (*not annualised)				
- Basic (₹)	*(0.63)	*(0.55)	*(1.08)	(2.87)
- Diluted (₹)	*(0.63)	*(0.55)	*(1.08)	(2.87)

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2019

Particulars	(₹ in crores)			
	Quarter ended		Year ended	
	June 30, 2019 (Unaudited)	March 31, 2019 (refer note 6)	June 30, 2018 (Unaudited)	March 31, 2019 (Audited)
1 Income from operations				
a) Revenue from operations	141.54	723.03	761.98	2,471.08
b) Other operating income	20.30	24.28	4.99	72.42
Other income	112.28	97.97	90.82	435.98
Total income from operations	274.12	845.28	857.79	2,979.48
2 Expenses				
a) Consumption of raw materials, components consumed and services rendered	56.47	358.05	435.39	1,517.92
b) Purchase of stock-in-trade	47.20	5.81	-	5.81
c) Changes in inventories of finished goods, semi-finished goods and work-in-progress	70.01	170.65	130.71	196.00
d) Employee benefits expense	244.35	106.96	68.15	326.54
e) Finance cost	98.81	198.42	236.37	943.65
f) Depreciation and amortisation expense	15.50	137.44	90.12	438.91
g) Foreign exchange loss / (gain)	106.12	(4.59)	57.80	112.73
h) Other expenses	163.72	161.47	161.47	568.52
Total expenses	638.26	1,136.46	1,180.01	4,110.08
3 Profit / (loss) before exceptional items and tax (1-2)	(364.14)	(291.18)	(322.22)	(1,130.60)
4 Exceptional items (refer Note 3b)	33.18	6,202.04	12.06	6,281.38
5 Profit / (loss) before tax (3-4)	(397.32)	(6,493.22)	(334.28)	(7,411.98)
6 Tax expenses				
a) Current tax	-	1.07	-	1.35
b) Deferred tax	-	-	-	-
7 Net profit / (loss) after tax (5-6)	(397.32)	(6,494.29)	(334.28)	(7,413.33)
8 Other comprehensive income/ (loss), net of tax				
a) Items that will not be reclassified to profit and loss	(0.16)	0.29	2.04	0.54
b) Items that will be reclassified to profit and loss	-	-	-	-
9 Total comprehensive income/ (loss), net of tax (7+8)	(397.48)	(6,494.00)	(332.24)	(7,412.79)
10 Paid up equity share capital (Face value of ₹ 2/- each)	1,063.95	1,063.95	1,063.95	1,063.95
11 Other equity (excluding revaluation reserve)	-	-	-	(8,086.93)
12 Earnings / (loss) per equity share (EPS) (*not annualised)				
- Basic (₹)	*(0.75)	*(12.21)	*(0.63)	(13.94)
- Diluted (₹)	*(0.75)	*(12.21)	*(0.63)	(13.94)



Notes:

- 1 The above results have been reviewed by the Audit Committee at its meeting held on August 13, 2019 and approved by the Board of Directors at its meeting held on August 14, 2019. The statutory auditors of the Company have carried out a limited review of the above results for the quarter ended June 30, 2019. The Auditors' conclusion on quarterly financial results of the Company (standalone and consolidated) dated August 14, 2019 is unmodified.
- 2 Effective April 1, 2019, the Group adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method along with the transition option to recognise Right-of-Use asset (ROU) at an amount equal to the lease liability. Accordingly, comparatives for the quarters ended June 30, 2018 and March 31, 2019 and year ended March 31, 2019 have not been, retrospectively adjusted. The effect of this adoption is not material on the profit for the period and earning per share.
- 3a Exceptional Item in consolidated financial results for the quarter ended June 30, 2019 includes loss on sale of assets classified as held for sale.
- 3b Exceptional Item in standalone financial results for the quarter ended June 30, 2019 includes impairment provision on advances in subsidiaries, investment in joint venture and loss on sale of assets classified as held for sale.
- 4 The group had incurred losses during the previous year and has continued to incur losses during the current quarter, primarily due to lower volumes and finance costs which has resulted in increase in negative net worth as at June 30, 2019. The net current liabilities in standalone and consolidated financial results were ₹ 6,243 crores and ₹ 4,915 crores respectively as at June 30, 2019. Suzlon Energy Limited ('the Parent') and certain subsidiaries have defaulted in repayment of loans and interest aggregating to ₹ 1,301 crores, and in making payments to certain overdue trade creditors out of total outstanding of ₹ 1,757 crores, as at June 30, 2019. Subsequent to the quarter ended June 30, 2019, the Parent has defaulted in repayment of unsecured Foreign Currency Convertible Bonds (FCCB) amounting to ₹ 1,219 crores. Further, the above defaults give right to the lenders who have issued Standby Letter of Credit (facility) for a loan taken by a subsidiary to recall the facility of ₹ 3,917 crores. However till date, the said lenders have not sent any notice for demand of ₹ 3,917 crores. The aforesaid conditions indicate liquidity stress and existence of a material uncertainty that may cast a significant doubt about the group's ability to continue as a going concern. Subsequent to the quarter, the lenders (excluding lenders of aforesaid subsidiary and FCCB holders) have entered into Intercreeitor Agreement (ICA) under the Reserve Bank of India (Prudential Framework for resolution of stressed assets) Direction, 2019 issued by Reserve Bank of India (RBI) for resolution on June 07, 2019. The ICA is valid for the period of 180 days from the end of review period. The Board of directors have evaluated these conditions and have advised the management to take measures to improve liquidity of the group, to address these concerns, the Parent is continuously working on a resolution plan with the lenders and FCCB holders. The Parent had received a non-binding offer from a potential investor during the quarter ended March 31, 2019, however, it expired on June 3, 2019. Subsequently, the Parent received a revised non-binding offer from the potential investor. Based on the said offer, a One Time Settlement (OTS) proposal with the lenders has been filed, which envisages infusion of additional equity in the Parent, purchase of a business line by the investor and waiver of a considerable amount of existing debts by the lenders (including FCCB holders). However, improvement of liquidity condition is contingent upon fructification of the offer from the potential investor, approval of the OTS plan by the lenders, approval by FCCB holders for the waiver and approval of the shareholders of the Parent before expiry of the period allowed under the ICA. Such events are not within the control of the Group. The Group's ability to continue as a going concern is solely dependent on successful outcome of the aforesaid resolution plans. The Management is reasonably confident about fructification of all the above referred measures and consequently, continuation of business operations in the foreseeable future. Accordingly, the standalone and consolidated financial results have been prepared on the basis that the Group will continue as a going concern, and no adjustments have been made to the carrying amounts (including adjustment on account of impairment of assets) of the assets.
- 5 Consolidated segment reporting:

Particulars	(₹ in crores)			
	Quarter ended			Year ended
	June 30, 2019 (Unaudited)	March 31, 2019 (refer note 6)	June 30, 2018 (Unaudited)	March 31, 2019 (Audited)
Segment Revenue				
a) Wind Turbine Generator				
b) Foundry & Forging	249.78	852.50	775.00	2,849.10
c) Operation & Maintenance Service	110.42	112.22	58.20	356.61
d) Others	501.13	477.57	456.71	1,906.73
Total	2.42	29.36	27.07	88.16
Less: Inter segment revenue	863.75	1,471.65	1,316.98	5,200.60
Income from operations	30.60	50.46	45.38	222.14
Segment Results				
a) Wind Turbine Generator	(210.58)	(94.54)	(384.82)	(798.32)
b) Foundry & Forging	(2.42)	(6.95)	(2.02)	(11.24)
c) Operation & Maintenance Service	180.35	82.40	131.67	428.70
d) Others	0.93	39.95	(5.43)	30.26
Adjusted for:				
a) Other Income	(7.87)	(5.61)	(12.45)	(49.95)
b) Finance cost	303.45	282.03	327.95	1,269.91
c) Exceptional Items	7.98	33.32	-	(27.57)
Profit/(loss) before tax	(335.28)	(288.88)	(576.10)	(1,542.99)
Segment assets				
a) Wind Turbine Generator	6,105.37	6,443.01	7,178.91	6,443.01
b) Foundry & Forging	697.28	730.16	718.95	730.16
c) Operation & Maintenance service	1,108.02	1,008.25	1,067.78	1,008.25
d) Others	31.73	73.12	572.14	73.12
e) Unallocable	587.64	616.37	959.22	616.37
Total assets	8,530.04	8,870.91	10,497.00	8,870.91
Segment liabilities				
a) Wind Turbine Generator	3,409.06	4,168.12	4,168.82	4,168.12
b) Foundry & Forging	115.01	132.40	72.28	132.40
c) Operation & Maintenance service	714.19	666.83	656.85	666.83
d) Others	-	31.46	109.45	31.46
e) Unallocable	13,024.26	12,375.19	13,029.54	12,375.19
Total liabilities	17,342.52	17,374.00	18,036.94	17,374.00

- 6 The figures for the quarter ended March 31, 2019 are the balancing figures between audited figures in respect of the full financial year and the limited reviewed year-to-date published figures for the nine month period ended December 31, 2018.
- 7 Figures for the previous periods have been regrouped/re-classified to conform to the classification of the current period.

For and on behalf of the Board of Directors

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



Place: Mumbai
Date: August 14, 2019