


Suzlon Wind Energy Corporation
Balance sheet as at March 31, 2017

All amounts in US Dollars, unless otherwise stated

Particulars	Notes	As at	As at	As at
		March 31, 2017	March 31, 2016	April 1, 2015
Assets				
Non-current assets				
Property, plant and equipment	1	2,249,948	4,791,455	1,906,437
Capital work-in-progress		26,629	-	3,443,968
Financial assets				
Trade receivables	2	55,467,012	31,256,097	41,410,450
Other financial assets	3	5,231,926	1,605,424	1,240,224
		62,975,514	37,652,977	48,001,078
Current assets				
Inventories	4	17,982,958	21,131,679	23,219,222
Financial assets				
Trade receivables	2	633,941	1,311,396	2,645,884
Cash and cash equivalents	5	1,844,249	5,599,648	3,951,375
Other financial assets	3	6,785,204	6,338,034	46,103,277
Other current assets	6	489,491	8,399,108	8,598,789
		27,735,843	42,779,866	84,518,546
Total assets		90,711,358	80,432,843	132,519,624
Equity and liabilities				
Equity				
Equity share capital	7	1,000	1,000	1,000
Other equity				
Share premium	8	82,314,746	82,314,746	82,314,746
Retained earnings		(72,384,531)	(69,170,858)	(60,647,168)
		9,931,215	13,144,888	21,668,578
Non-current liabilities				
Financial liabilities				
Long-term borrowings	9	20,000,000	28,000,000	36,000,000
Other financial liabilities	10	32,640,986	4,879,837	40,594,064
Long-term provisions	12	2,400,000	3,200,000	
		55,040,986	36,079,837	76,594,064
Current liabilities				
Financial liabilities				
Short-term borrowings	9	8,000,000	8,000,000	4,000,000
Trade payables		4,123,348	5,074,862	7,966,585
Other financial liabilities	10	3,059,985	2,261,108	2,926,695
Other liabilities				
Other liabilities	11	5,895,707	9,290,634	10,172,460
Short-term provisions	12	4,660,117	6,581,514	9,191,241
		25,739,157	31,208,118	34,256,982
Total equity and liabilities		90,711,358	80,432,843	132,519,624

For Suzlon Wind Energy Corporation


 Andy Cukurs
 CEO


 Jesse Campbell
 CFO

Place: *Chicago, IL*
 Date: *May 17, 2017*



Suzlon Wind Energy Corporation

Statement of profit and loss for the year ended March 31, 2017

All amounts in US Dollars, unless otherwise stated

Particulars	Notes	March 31, 2017	March 31, 2016
Income			
Revenue from operations	13	56,354,330	65,218,743
Other operating income	14	2,921,659	5,315,542
Other income	15	154,816	149,873
		59,430,805	70,684,158
Expenses			
Consumption of raw materials		18,636,829	32,971,173
Changes in inventories of finished goods, work-in-progress and stock-in-trade		3,148,721	2,087,543
Employee benefits expense	16	30,303,568	33,985,496
Depreciation / amortisation (including impairment losses)	1	2,672,233	823,501
Finance costs	17	2,542,251	2,488,426
Other expenses	18	5,193,783	6,943,887
		62,497,386	79,300,025
Profit/ (loss) before tax		(3,066,581)	(8,615,867)
Tax expense		147,093	(92,178)
Profit/ (loss) after tax		(3,213,674)	(8,523,689)
Other comprehensive income, net of tax		-	-
Total comprehensive income for the period		(3,213,674)	(8,523,689)



For Suzlon Wind Energy Corporation

[Handwritten Signature]
 Andy Cukurs
 CEO

[Handwritten Signature]
 Jesse Campbell
 CFO

Place: *Chicago, IL*
 Date: *May 17, 2017*

Suzlon Wind Energy Corporation

Statement of changes in equity for the year ended March 31, 2017

a. Equity share capital

	US Dollars
Equity shares of US Dollar 1 each, subscribed and fully paid	
At April 1, 2015	500.000
Issue of share capital	-
At March 31, 2016	500.000
Issue of share capital	-
At March 31, 2017	500.000


b. Other equity, attributable to the equity holders of the parent

	Retained earnings	Share premium	Total equity
As at April 1, 2016	(69.170.858)	82.314.746	13.143.888
Profit/ (loss) for the year	(3.213.674)	-	(3.213.674)
Other comprehensive income	-	-	-
Total comprehensive income	(72.384.531)	82.314.746	9.930.215
Other movements	-	-	-
As at March 31, 2017	(72.384.531)	82.314.746	9.930.215
As at April 1, 2015	(60.647.168)	82.314.746	21.667.578
Profit/ (loss) for the year	(8.523.689)	-	(8.523.689)
Other comprehensive income	-	-	-
Total comprehensive income	(69.170.858)	82.314.746	13.143.888
Other movements	-	-	-
As at March 31, 2016	(69.170.858)	82.314.746	13.143.888

For Suzlon Wind Energy Corporation




 Andy Cukurs
 CEO


 Jesse Campbell
 CFO

Place: Chicago, IL
 Date: May 17, 2017

Suzlon Wind Energy Corporation

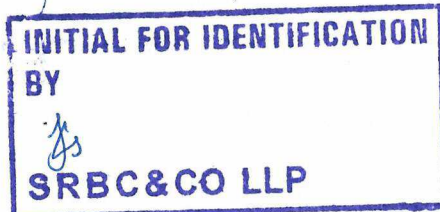
Statement of cashflow for the year ended March 31, 2017

All amounts in US Dollars, unless otherwise stated

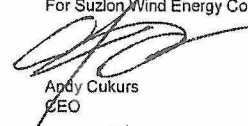

Particulars	March 31, 2017	March 31, 2016
Cash flow from operating activities		
Profit/ (loss) before tax	(3,066,581)	(8,615,867)
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation including impairment loss	2,672,233	823,501
Loss/(Profit) on sale of fixed assets	-	135,760
Unrealized foreign exchange loss/ (gain)	-	(5,098,931)
Interest expense	2,487,330	2,498,370
Interest income	(154,816)	(149,873)
Provision for doubtful debts	-	466,030
Operating profit before working capital changes	1,938,166	(9,941,011)
Movements in working capital :		
Increase/ (Decrease) in trade payables	(951,514)	(2,891,723)
Increase/(Decrease) in provisions	(2,721,397)	590,272
Increase/(Decrease) in other current liabilities	25,165,100	(37,261,641)
Decrease / (Increase) in trade receivables	(23,533,459)	11,488,840
Decrease / (Increase) in inventories	3,148,721	2,087,543
Decrease/ (Increase) in loans and advances	3,836,529	44,495,341
Decrease / (Increase) in other current assets	(584)	249,414
Cash generated from operations	6,881,562	8,817,035
Direct taxes paid (net of refunds)	147,093	(322,331)
A Net cash flow from/ (used in) operating activities	6,734,469	9,139,366
Cash flows from investing activities		
Purchase of fixed assets, including CWIP and capital advances	(162,017)	(3,713,525)
Proceeds from sale of fixed assets	4,662	(130,755)
Interest received	154,816	149,873
B Net cash flow from investing activities	(2,538)	(3,694,407)
Financing activities		
Proceeds/ (repayment) from/of borrowings	(8,000,000)	(4,000,000)
Interest paid	(2,487,330)	(2,498,370)
C Net cash flow from/ (used in) in financing activities	(10,487,330)	(6,498,370)
Net decrease in cash and cash equivalents (A + B + C)	(3,755,400)	(1,053,410)
Cash and cash equivalents at the beginning of the year	5,599,648	3,951,375
Cash and cash equivalents at the end of the year	1,844,249	2,897,965
Components of cash and cash equivalents		
Cash on hand	1,383	1,900
Balance with banks	1,842,866	5,597,748
Total cash and cash equivalents	1,844,249	5,599,648

Note

- The figures in brackets represents outflows.
- Previous periods' figures have been regrouped/ reclassified, wherever required.



For Suzlon Wind Energy Corporation


 Apdy Cukurs
 CEO

 Jesse Campbell
 CFO
 Place: Chicago, IL
 Date: May 17, 2017

Suzlon Wind Energy Corporation
1 Property, plant and equipment

Particulars	Gross block				Depreciation / amortisation				Net block		
	As at April 1, 2015	Additions	Disposals	As at March 31, 2016	As at April 1, 2015	For the year	Impairment	Disposals	As at March 31, 2016	As at March 31, 2016	As at April 1, 2015
Freehold land	9,800	-	-	9,800	-	-	-	-	-	9,800	9,800
Leasehold improvements	743,271	-	-	743,271	-	140,419	-	-	140,419	602,852	743,271
Plant and machinery	875,548	3,713,525	5,031	4,584,042	-	591,734	-	2,550	589,184	3,994,858	875,548
Computer and office equipments	250,252	-	-	250,252	-	74,905	-	-	74,905	175,347	250,252
Furniture and fixtures	11,484	-	-	11,484	-	5,472	-	-	5,472	6,012	11,484
Vehicles	16,081	-	7,571	8,510	-	10,971	-	5,047	5,924	2,566	16,081
Total	1,906,437	3,713,525	12,602	5,607,359	-	823,501	-	7,597	815,904	4,791,455	1,906,437

Particulars	Gross block				Depreciation / amortisation				Net block		
	As at April 1, 2016	Additions	Disposals	As at March 31, 2017	As at April 1, 2016	For the year	Impairment	Disposals	As at March 31, 2017	As at March 31, 2017	As at April 1, 2016
Freehold land	9,800	-	-	9,800	-	-	-	-	-	9,800	9,800
Leasehold improvements	743,271	56,573	228,969	570,875	140,419	253,239	-	228,969	164,689	406,166	602,852
Plant and Machinery	4,584,042	44,313	29,893	4,598,462	589,184	513,190	1,840,000	25,231	2,917,143	1,681,319	3,994,858
Computer and office equipments	250,252	5,139	9,521	245,870	74,905	59,934	-	9,521	125,318	120,552	175,347
Furniture and fixtures	11,484	29,362	-	40,846	5,472	3,284	-	-	8,756	32,090	6,012
Vehicles	8,510	-	-	8,510	5,924	2,586	-	-	8,510	(0)	2,586
Total	5,607,359	135,387	268,383	5,474,364	815,904	832,233	1,840,000	263,721	3,224,416	2,249,948	4,791,455

Suzlon Wind Energy Corporation

Notes to consolidated financial statements for the year ended March 31, 2017

2 Trade receivables

	March 31, 2017	March 31, 2016	April 1, 2015
Non-current			
Unsecured			
Considered good	55,467.012	31,256.097	41,410.450
Considered doubtful	1,982.491	3,115.343	3,115.343
	<u>57,449.503</u>	<u>34,371.440</u>	<u>44,525.793</u>
Less : Provision for doubtful receivables	(1,982.491)	(3,115.343)	(3,115.343)
Total	<u><u>55,467.012</u></u>	<u><u>31,256.097</u></u>	<u><u>41,410.450</u></u>
Current			
Unsecured, considered good	633.941	1,311.396	2,645.884
Total	<u><u>633.941</u></u>	<u><u>1,311.396</u></u>	<u><u>2,645.884</u></u>

3 Other financial assets

	March 31, 2017	March 31, 2016	April 1, 2015
Non-current			
Non-current bank balances	988.593	988.009	1,237.424
Security deposits	2.800	2.800	2.800
Loans and advances to employees	320.000	400.000	-
Advances recoverable in cash	3,706.464	-	-
Advance income tax	214.069	214.615	-
Total	<u><u>5,231.926</u></u>	<u><u>1,605.424</u></u>	<u><u>1,240.224</u></u>
Current			
Loans and advances to employees		1.276	-
Advances recoverable in cash	6,785.204	6,336.758	46,103.277
Total	<u><u>6,785.204</u></u>	<u><u>6,338.034</u></u>	<u><u>46,103.277</u></u>

4 Inventories (valued at lower of cost and net realisable value)

	March 31, 2017	March 31, 2016	April 1, 2015
Finished goods, semi-finished goods and work-in-progress	5,884.583	7,246.787	9,165.944
Stores and spares	12,098.375	13,884.892	14,053.279
Total	<u><u>17,982.958</u></u>	<u><u>21,131.679</u></u>	<u><u>23,219.222</u></u>

5 Cash and cash equivalents

	March 31, 2017	March 31, 2016	April 1, 2015
Balances with banks in current accounts	1,842.866	5,597.748	3,949.191
Cash on hand	1,383	1,900	2,184
Total	<u><u>1,844.249</u></u>	<u><u>5,599.648</u></u>	<u><u>3,951.375</u></u>

6 Other current assets

	March 31, 2017	March 31, 2016	April 1, 2015
Prepaid expenses	402.638	449.245	545.108
Advance for Goods	226.896	5,892.536	8,053.681
Foreign Exchange Gain to be transferred from SEAS		5,197.370	
Provision Advance for Goods	(140.043)	(3,140.043)	
Total	<u><u>489.491</u></u>	<u><u>8,399.108</u></u>	<u><u>8,598.789</u></u>

Suzlon Wind Energy Corporation

Notes to consolidated financial statements for the year ended March 31, 2017

7 Share capital

	March 31, 2017	March 31, 2016	April 1, 2015
Authorised shares			
500,000 equity shares of US dollar 1 each	500.000	500.000	500.000
Issued, subscribed & paid-up			
1000 equity shares of US dollar 1 each fully paid up.	1.000	1.000	1.000
Total	1.000	1.000	1.000

Terms/ rights attached to equity shares

The company has only one class of equity shares having par value of US Dollar 1 per share. Each holder of equity shares is entitled to one vote per share.

8 Other equity

	March 31, 2017	March 31, 2016	April 1, 2015
Securities premium	82.314.746	82.314.746	82.314.746
Retained earnings	(72.384.531)	(69.170.858)	(60.647.168)

9 Borrowings

	March 31, 2017	March 31, 2016	April 1, 2015
Non-current			
Term loan from banks/ financial institutions	20.000.000	28.000.000	36.000.000
Total	20.000.000	28.000.000	36.000.000
Current			
Current maturity of long-term borrowings	8.000.000	8.000.000	4.000.000
Total	8.000.000	8.000.000	4.000.000

The Company has obtained a long term loan from Exim Bank of India - London Branch. Loan carries interest at USD LIBOR (6 months) + 575 bps p.a payable quarterly. The loan carries a moratorium period of 2 years and 3 months. The first instalment was paid on December 17, 2015. The loan is payable in 20 quarterly installments ending on 18 Sep 2020. Loan taken is fully secured against receivables. The loan is guaranteed by AE Rotor Holding and Suzlon Energy Limited. AE Rotor Holding is the ultimate guarantor of the loan.

The security for the facility is given as follows:

- Exclusive charge on the receivables arising out of all Operations and Maintenance Services [OMS] contracts of SWECO, with a minimum cover of 1.50 times during the currency of loan.
- Exclusive charge over the TRA/Escrow account(s) capturing the entire receivables arising out of all OMS contracts of SWECO.
- Undertaking from SWECO to route all payments received under OMS contracts through the Escrow/TRA accounts.
- Confirmation from the Project Owners for remittance of OMS proceeds in the designated TRA/Escrow account.
- Corporate Guarantee of AE Rotor Holdings, Netherlands
- Pledge of entire shareholding of SWECO

10 Other financial liabilities

	March 31, 2017	March 31, 2016	April 1, 2015
Non-current			
Loans from related parties			
Due to group companies	1.213.809	1.197.871	1.182.142
Due to Group Companies	31.427.177	3.681.966	39.411.922
Total	32.640.986	4.879.837	40.594.064
Current			
Statutory dues	469.997	427.110	405.016
Others	2.589.988	1.833.999	2.521.679
Total	3.059.985	2.261.108	2.926.695

Suzlon Wind Energy Corporation

Notes to consolidated financial statements for the year ended March 31, 2017

11 Other current liabilities

	March 31, 2017	March 31, 2016	April 1, 2015
Advance from customer	10.000	154.434	2.133.628
Income received in advance	5.888.100	9.111.314	7.961.642
Others	(2.392)	24.886	77.190
Total	5.895.707	9.290.634	10.172.460

12 Provisions

	March 31, 2017	March 31, 2016	April 1, 2015
Non-current			
Provision for Liquidated damages	2.400.000	3.200.000	
Total	2.400.000	3.200.000	-
Current			
Provision for leave benefits	1.098.312	1.176.005	1.016.772
Provision for performance guarantee	424.982	607.082	1.279.197
Provision for liquidated damages	800.000	800.000	6.314.000
Provision for warranty	2.336.823	3.998.426	565.735
Provision for taxation (net of advance tax)	-	-	15.538
Total	4.660.117	6.581.514	9.191.241

Suzlon Wind Energy Corporation

Notes to consolidated financial statements for the year ended March 31, 2017

13 Revenue from operations

	March 31, 2017	March 31, 2016
Sale of finished goods/spare parts	9,124,027	5,289,822
Service income	47,230,303	59,928,922
Total	56,354,330	65,218,743

Details of finished goods sold:

Spares parts and others	9,124,027	5,289,822
Total	9,124,027	5,289,822

Details of services rendered:

Operation and maintenance services	44,236,399	53,457,940
Extended warranty services	2,993,904	6,470,982
Total	47,230,303	59,928,922

14 Other operating income

	March 31, 2017	March 31, 2016
Exchange differences (net)	1,562,570	5,197,370
Other miscellaneous income	1,359,089	118,172
Total	2,921,659	5,315,542

15 Finance income

	March 31, 2017	March 31, 2016
Interest income on		
Bank deposits	2,971	4,543
Others	151,846	145,330
Total	154,816	149,873

16 Employee benefits expense

	March 31, 2017	March 31, 2016
Salaries, wages, allowances and bonus	23,804,869	26,661,292
Social security cost	6,410,762	7,135,326
Staff welfare expenses	87,937	188,877
Total	30,303,568	33,985,496

17 Finance costs

	March 31, 2017	March 31, 2016
Interest	2,487,330	2,498,370
Bank charges	54,920	(9,944)
Total	2,542,251	2,488,426

Suzlon Wind Energy Corporation

Notes to consolidated financial statements for the year ended March 31, 2017

18 Other expenses

	March 31, 2017	March 31, 2016
Rent	1,117,219	1,254,340
Rates and taxes	81,206	73,880
Provision for performance guarantee	(115,713)	(482,770)
Repairs and maintenance		
Plant and Machinery	-	105
Building	3,526	11,802
Others	19,533	47,905
Insurance	76,301	73,504
Advertisement and sales promotion	331,081	332,347
Travelling and conveyance	752,649	905,739
Vehicle hire charges	1,491,349	1,761,425
Communication expenses	325,498	398,152
Auditors' remuneration and expenses	35,000	56,850
Consultancy charges	390,305	718,174
Charity and donations	10,094	-
Other selling and administrative expenses	456,141	665,622
IT related costs	219,595	426,582
Exchange differences (net)	-	98,441
Loss on assets sold/discarded (net)	-	135,760
Provision for doubtful debts and advances	-	466,030
Total	5,193,783	6,943,887