

AE Rotor Holding B.V.

All amounts in EUR, unless otherwise stated

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**AE Rotor Holding B.V.**

**Standalone financial statements for the year ended 31 March 2021**

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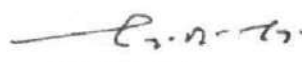
AE Rotor Holding B.V.

All amounts in EUR, unless otherwise stated

**Statement of financial position as at the end of the year 31 March 21**

| Particulars                                     | Note | March 21             | March 20             |
|-------------------------------------------------|------|----------------------|----------------------|
| <b>Assets</b>                                   |      |                      |                      |
| <b>Non-current assets</b>                       |      |                      |                      |
| Financial assets                                | -    |                      |                      |
| Investments in subsidiaries, associates and JCE | 5    | 18,000               | 18,000               |
| Loans to group companies                        | 7    | 97,48,861            | 3,76,06,357          |
| Other non-current assets                        | 9    | 2,71,45,197          | 56,516               |
| <b>Total</b>                                    |      | <b>3,69,12,058</b>   | <b>3,76,80,873</b>   |
| <b>Current assets</b>                           |      |                      |                      |
| Financial assets                                |      |                      |                      |
| Trade receivables                               | 6    | 10,39,200            | 10,39,200            |
| Cash and cash equivalents                       | 10   | 1,57,196             | 25,649               |
| Other financial assets                          | 8    | -                    | 3,55,391             |
| Other current assets                            | 9    | 2,94,114             | 4,06,492             |
| <b>Total</b>                                    |      | <b>14,90,510</b>     | <b>18,26,732</b>     |
| <b>Total assets</b>                             |      | <b>3,84,02,568</b>   | <b>3,95,07,605</b>   |
| <b>Equity and liabilities</b>                   |      |                      |                      |
| <b>Equity</b>                                   |      |                      |                      |
| Equity share capital                            | 11   | 68,72,37,120         | 68,72,37,120         |
| Other equity                                    | 12   | -1,25,43,18,691      | -1,28,48,71,926      |
| <b>Total</b>                                    |      | <b>-56,70,81,571</b> | <b>-59,76,34,806</b> |
| <b>Liabilities</b>                              |      |                      |                      |
| <b>Non-current liabilities</b>                  |      |                      |                      |
| Financial liabilities                           |      |                      |                      |
| Borrowings                                      | 13   | 7,53,51,337          | 7,10,86,168          |
| Other financial liabilities                     | 14   | 49,17,83,945         | -                    |
| <b>Total</b>                                    |      | <b>56,71,35,282</b>  | <b>7,10,86,168</b>   |
| <b>Current liabilities</b>                      |      |                      |                      |
| Financial liabilities                           |      |                      |                      |
| Borrowings                                      | 13   | 1,71,170             | 3,62,02,499          |
| Other financial liabilities                     | 14   | 3,81,77,686          | 52,98,53,744         |
| <b>Total</b>                                    |      | <b>3,83,48,856</b>   | <b>56,60,56,243</b>  |
| <b>Total liabilities</b>                        |      | <b>3,84,02,568</b>   | <b>3,95,07,605</b>   |

For or on the behalf of the Board of Directors of  
AE Rotor Holding B.V.

  
(Tulsi R. Tanti)



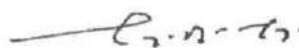
AE Rotor Holding B.V.

All amounts in EUR, unless otherwise stated

**Statement of profit and loss account and other comprehensive income for the year ended 31 March 21**

| Particulars                                              | Note | March 21             | March 20             |
|----------------------------------------------------------|------|----------------------|----------------------|
| <b>Income</b>                                            |      |                      |                      |
| Other income                                             | 15   | 17,87,624            | 30,64,252            |
|                                                          |      | <b>17,87,624</b>     | <b>30,64,252</b>     |
| <b>Expenses</b>                                          |      |                      |                      |
| Employee benefits expense                                | 16   | -                    | 6,94,193             |
| Finance costs                                            | 17   | 38,79,620            | 1,91,68,223          |
| Other expenses                                           | 18   | 42,01,312            | 671,172              |
| Foreign exchange (gain)/ loss on restatement of balances |      | (3,35,19,684)        | 1,36,54,998          |
| Impairment of financial assets, net                      | 19   | (33,26,859)          | 1,39,45,942          |
|                                                          |      | <b>(2,87,65,611)</b> | <b>4,81,34,528</b>   |
| <b>Profit/ (loss) before tax</b>                         |      | <b>3,05,53,235</b>   | <b>(4,50,70,276)</b> |
| Tax expense                                              |      | -                    | -                    |
| <b>Profit after tax</b>                                  |      | <b>3,05,53,235</b>   | <b>(4,50,70,276)</b> |
| Other comprehensive income                               |      | -                    | -                    |
| <b>Total comprehensive income for the year</b>           |      | <b>3,05,53,235</b>   | <b>(4,50,70,276)</b> |

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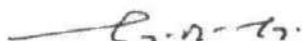
AE Rotor Holding B.V.

All amounts in EUR, unless otherwise stated

**Statement of cash flows for the year ended 31 March 21**

| Particulars                                                              | March 21         | March 20              |
|--------------------------------------------------------------------------|------------------|-----------------------|
| <b>Cash flow from operating activities</b>                               |                  |                       |
| Profit/ (loss) before tax                                                | 3,05,53,235      | (4,50,70,276)         |
| <b>Adjustments for :</b>                                                 |                  |                       |
| Impairment of trade and other receivables                                | (33,26,859)      | 1,39,45,942           |
| Diminution in value of investments/ reversal thereof                     | -                | -                     |
| Interest income                                                          | (17,87,624)      | (30,64,252)           |
| Interest expense                                                         | 38,79,620        | 1,60,50,371           |
| Amortisation of borrowing costs - Term loan                              | -                | -                     |
| Amortisation of borrowing costs - SBLC charges                           | -                | 31,17,852             |
| Exchange loss / (gain)                                                   | (3,35,19,684)    | 1,36,54,998           |
| Balance written off/ (written back), net                                 | 42,01,312        | -                     |
| Changes in working capital                                               | (463,051)        | 49,63,00,487          |
| <b>Net cash generated from / (used in) operating activities</b>          | <b>(463,051)</b> | <b>49,49,35,122</b>   |
| <b>Cash flow from investing activities</b>                               |                  |                       |
| Interest received                                                        | 2,833            | -                     |
| Inter-corporate deposits repaid / (granted), net                         | 3,81,190         | -                     |
| <b>Net cash generated from / (used in) investing activities</b>          | <b>3,84,023</b>  | <b>-</b>              |
| <b>Cash flow from financing activities</b>                               |                  |                       |
| Proceeds from issuance of share capital and premium                      | -                | -                     |
| Interest paid during the year                                            | (9,025)          | (1,11,92,286)         |
| Proceeds /(repayment) of borrowings                                      | 2,18,781         | (48,38,74,088)        |
| <b>Net cash generated from / (used in) financing activities</b>          | <b>2,09,756</b>  | <b>(49,50,66,374)</b> |
| <b>Net increase / (decrease) in cash and cash equivalents</b>            | <b>1,30,728</b>  | <b>(1,31,252)</b>     |
| Add / (less): Effect of exchange difference on cash and cash equivalents | 819              | (374)                 |
| <b>Total</b>                                                             | <b>131,547</b>   | <b>(131,626)</b>      |
| Cash and cash equivalents at beginning of the year                       | 25,649           | 1,57,275              |
| <b>Cash and cash equivalents at end of year</b>                          | <b>157,196</b>   | <b>25,649</b>         |

For or on the behalf of the Board of Directors of  
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(Tulsi R. Tanti)



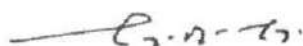
AE Rotor Holding B.V.

All amounts in EUR, unless otherwise stated

Statement of changes in equity for the year ended 31 March 21

| Particulars                             | Equity capital      | Share premium       | Retained earnings       | Total                 |
|-----------------------------------------|---------------------|---------------------|-------------------------|-----------------------|
| <b>As at April 1, 2019</b>              | <b>68,72,37,120</b> | <b>38,77,07,811</b> | <b>(1,62,75,09,461)</b> | <b>(55,25,64,530)</b> |
| Share capital issued during the year    | -                   | -                   | -                       | -                     |
| Profit/ (loss) for the year             | -                   | -                   | (4,50,70,276)           | (4,50,70,276)         |
| Other comprehensive income for the year | -                   | -                   | -                       | -                     |
| <b>As at March 31, 2020</b>             | <b>68,72,37,120</b> | <b>38,77,07,811</b> | <b>(1,67,25,79,737)</b> | <b>(59,76,34,806)</b> |
| <b>As at April 1, 2020</b>              | <b>68,72,37,120</b> | <b>38,77,07,811</b> | <b>(1,67,25,79,737)</b> | <b>(59,76,34,806)</b> |
| Profit/ (loss) for the year             | -                   | -                   | 3,05,53,235             | 3,05,53,235           |
| Other comprehensive income for the year | -                   | -                   | -                       | -                     |
| <b>As at March 31, 2021</b>             | <b>68,72,37,120</b> | <b>38,77,07,811</b> | <b>(1,64,20,26,502)</b> | <b>(56,70,81,571)</b> |

For or on the behalf of the Board of Directors of  
AE Rotor Holding B.V.



(Tulsi R. Tanti)



**Notes, comprising a summary of significant accounting policies and other explanatory notes**

**1. Notes to the accounts**

**1.1. Activities**

AE-Rotor Holding B.V.'s principal activities are asset management and provision of capital. AERH and its subsidiaries / investments are engaged in the design, development, import, export and trade in wind turbine generators ('WTG') and parts and fittings.

**1.2. Registered office**

The Company has its registered office at Jan Tinbergenstraat 290, 7559 ST, Hengelo. The Company, registered under KvK number 08097459, has its statutory seat in Hengelo. The ultimate parent company is Suzlon Energy Limited, situated at Pune, India.

**1.3. Group structure**

Suzlon Energy B.V., SE Blade Technology B.V., Valum Holding B.V., SE Drive Technik GmbH, and AE-Rotor Holding B.V. constitute a group. The head of this group is AE-Rotor Holding B.V.

**1.4. Related parties**

All group companies mentioned in Note 1.3 above and the affiliates / group companies mentioned in Notes below are considered to be related parties. The direct parent company Suzlon Wind Energy Limited, UK, intermediate parent company Suzlon Energy Limited, Mauritius and ultimate parent company Suzlon Energy Limited, India and their subsidiaries (Affiliates) also qualify as related parties.

**1.5. Estimates**

The preparation of financial statements in conformity with the relevant rules requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the group's accounting policies. If necessary for the purposes of providing the view required under International Financial Reporting Standards, the nature of these estimates and judgments, including the related assumptions, is disclosed in the notes to the financial statement items in question. Key estimates include those required in the accounting for valuation / impairment of participations and intercompany receivables and intangible assets. Actual results could differ from those estimates.

**1.6. Going concern**

During the year, the Company recognized a net profit of EUR 3,05,53,235 mainly due to notional exchange gain on foreign currency transactions (previous year loss: EUR 4,50,70,276).

The net worth of the Company is negative Euro 567.08 Million. The Company has certain Loan and financial liability payable to ultimate holding company which are payable after 12 months. The Company has also payable and receivable from other related parties. These factors indicate the existence of a material uncertainty that may cast doubt on the Company's ability to continue as going concern. The management of the Company believes that they will be able make the settlement of the liability payable to the extent the assets available with the Company and realize its assets to meet its financial obligations. Accordingly, the financial statements have been prepared on the basis that the Company will continue as a going concern.

**2. Accounting policies for statement of financial position**

**2.1. General**

The basis of preparation of these financial statements complies with Indian accounting standards (Ind AS) and interpretations adopted by the International Accounting Standards Board (IASB).



## **2.2. Changes in accounting policies**

The accounting policies are consistent with those used in the previous year.

## **2.3. Comparative figures**

The previous year figures have been reclassified wherever necessary to confirm with the classification in the financial statement for the year ended 31 March 2021.

## **2.4. Foreign currencies**

### **Transactions, assets and liabilities**

The financial statements are prepared in EUROS, the functional currency of the Company.

Transactions denominated in foreign currencies are initially carried at the functional exchange rates ruling at end of the month. Monetary balance sheet items denominated in foreign currencies are translated at the functional exchange rates ruling at the balance sheet date. Non-monetary balance sheet items that are measured at historical cost in a foreign currency are translated at the functional exchange rates ruling at the date of transaction.

Exchange differences arising on the settlement or translation of monetary items denominated in foreign currencies are taken to the income statement.

The functional and presentation currency of the company and the foreign activities have not changed compared with the previous financial year.

## **2.5. Intangible assets**

An intangible asset is recognized in the balance sheet if:

- It is probable that the future economic benefits that are attributable to the asset will accrue to the company, and
- The cost of the asset can be reliably measured

Costs relating to intangible assets not meeting the criteria for capitalization are taken directly to the income statement.

Intangible assets are carried at the lower of cost of acquisition or production net of accumulated amortization and their recoverable amount (being the higher of value in use and fair value less costs to sell).

## **2.6. Financial assets**

### **2.6.1. Investments**

Due to the international structure of the group, participations are recognized at cost. If an asset qualifies as impaired, it is measured at its impaired value; any write offs are disclosed in the income statement. The impaired value (recoverable amount) is determined on the basis of, amongst others, the net equity as per financial statements of the participating interests and their long-term forecasts. In case the impairment is no longer considered to be present, it is being reversed (up to the original amount of acquisition).

### **2.6.2. Receivable due from group companies/affiliated companies**

Receivables are stated initially at fair value and subsequently at amortized cost based on the effective interest method less provisions considered necessary for doubtful receivables. Insofar the difference between the discounted and nominal value is not material, trade and other receivables are stated at cost.

If the receivable to subsidiaries is considered to be part of the net-investment, valuation is at cost or lower recoverable value. Reference is made to note 2.6.1.



## **2.7. Impairment of non-current assets**

At each balance sheet date, the Company tests whether there are any indications of assets being subject to impairment. If any such indications exist, the recoverable amount of the asset is determined. If this proves to be impossible, the recoverable amount of the cash generating unit to which the asset belongs is identified. An asset is subject to impairment if its carrying amount exceeds its recoverable amount; the recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Fair value less costs to sell is determined based on the active market. For the purposes of determining value in use, cash flows are discounted. An impairment loss is directly expensed in the income statement. If it is established that a previously recognized impairment loss no longer exists or has declined, the increased carrying amount of the assets in question is not set any higher than the carrying amount that would have been determined had no asset impairment been recognized. The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. If any such evidence exists, the impairment loss is determined and recognized in the income statement.

The amount of an impairment loss incurred on financial assets stated at amortized cost is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss shall be reversed. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortized cost would have been had the impairment not been recognized at the date the impairment is reversed. The amount of the reversal shall be recognized in income statement.

If an impairment loss has been incurred on an investment in an equity instrument carried at cost, the amount of the impairment loss is measured as the difference between the carrying amount of the financial assets and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. The impairment loss shall be reversed only if the evidence of impairment is objectively shown to have been removed.

## **2.8. Receivables**

Receivables are stated initially at fair value and subsequently at amortized cost based on the effective interest method less provisions considered necessary for doubtful receivables. Insofar the difference between the discounted and nominal value is not material, trade and other receivables are stated at cost.

## **2.9. Cash and cash equivalents**

Cash and cash equivalents include cash in hand, bank balances and deposits held at call with maturities of less than 3 months. Bank overdrafts are shown in current liabilities on the balance sheet. Cash and cash equivalents are stated at face value. All cash and cash equivalents are at free disposal of management.

## **2.10. Non-current liabilities**

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost, being the amount received taking account of any premium or discount, less transaction costs.

## **2.11. Taxes**

A deferred tax liability is recognized for all taxable temporary differences. A deferred tax asset is recognized for all deductible temporary differences and carry-forward losses, to the extent that it is probable that future taxable profit will be available for set-off.





Deferred tax liabilities and deferred tax assets are carried on the basis of the tax consequences of the realization or settlement of assets, provisions, liabilities or accruals and deferred income as planned by the group at the balance sheet date. Deferred tax liabilities and deferred tax assets are carried at non-discounted value. Deferred and other tax assets and liabilities are netted off if the general conditions for netting off are met. Taxes are calculated on the result disclosed in the income statement, taking account of tax-exempt items and partly or completely non-deductible expenses.

The Company is the fiscal parent of the fiscal unity for Dutch corporate income tax purposes (AE Rotor Holding B.V., SE Blades Technology B.V. and Valum Holding B.V. are included in the fiscal unity). The tax position of the fiscal unity has been appropriately split per unity member. The Company is responsible for the remittance of all tax payments to the tax authorities and is jointly and severally liable.

### 3. Accounting policies for the statement of profit or loss

#### 3.1. Result

Profit is determined as the balance of the realizable value of the products sold, services rendered and the costs and other charges for the year. Profits on transactions are recognized in the year in which they are realized; losses are taken as soon as they are foreseeable.

#### 3.2. Revenue recognition

##### 3.2.1. Dividend

Dividends are recognized in the income statement if the group is entitled to them and the dividends are probable to be received.

##### 3.2.2. Interest income

Interest income is recognized pro rata in the income statement, taking into account the effective interest rate for the asset concerned, provided the income can be measured and the income is probable to be received.

#### 3.3. Expenses

Expenses are determined with due observance of the aforementioned accounting policies and allocated to the financial year to which they relate. Foreseeable and other obligations as well as potential losses arising before the financial year-end are recognized if they are known before the financial statements are prepared, provided all other conditions for forming provisions are met.

#### 3.4. Interest expense

Interest is allocated to successive financial reporting periods in proportion to the outstanding principal. Premiums and discounts are treated as annual interest charges so that the effective interest rate, together with the interest payable on the loan, is recognized in the income statement, with the amortized cost of the liabilities being recognized in the balance sheet. Period interest charges and similar charges are recognized in the year in which they fall due.

### 4. The Company's direct interests in group companies comprise the following:

| Name, registered office                   | Share in issued capital as percentage |               |
|-------------------------------------------|---------------------------------------|---------------|
|                                           | 31 March 2021                         | 31 March 2020 |
| SE Blade Technology B.V., the Netherlands | 100                                   | 100           |
| Suzlon Energy B.V., the Netherlands       | 100                                   | 100           |
| Valum Holding B.V., the Netherlands       | 100                                   | 100           |
| SE Drive Technik GmbH., Germany           | 100                                   | 100           |



AE Rotor Holding B.V.

All amounts in EUR, unless otherwise stated

## 5. Investments in subsidiaries companies, associates and JCE companies

|                                                                        | 31 March 2021  | 31 March 2020  |
|------------------------------------------------------------------------|----------------|----------------|
| SE Blade Technology B.V. (1,800 (1,800) equity shares of Euro 10 each) | 18,000         | 18,000         |
| Provision on participation SE Blade Technology B.V.                    | (18,000)       | (18,000)       |
| Suzlon Energy B.V. (540,000 (540,000) equity shares of Euro 10 each)   | 17,20,00,095   | 17,20,00,095   |
| Provision on participation Suzlon Energy B.V.                          | (17,20,00,095) | (17,20,00,095) |
| SE Drive Technik GmbH (25,000 (25,000) equity shares of Euro 1 each)   | 58,58,34,452   | 58,58,34,452   |
| Provision on participation SE Drive Technik GmbH                       | (58,58,34,452) | (58,58,34,452) |
| Valum Holding B.V. (1,800 (1,800) equity shares of Euro 10 each)       | 18,000         | 18,000         |
| <b>Total</b>                                                           | <b>18,000</b>  | <b>18,000</b>  |

## 6. Trade receivables

|                                    | 31 March 2021    | 31 March 2020    |
|------------------------------------|------------------|------------------|
| <b>Non-current</b>                 |                  |                  |
| Suzlon Wind Energy South Africa    | 1,85,969         | 1,65,270         |
| Less: Provision for doubtful debts | (1,85,969)       | (1,65,270)       |
| <b>Total</b>                       | <b>-</b>         | <b>-</b>         |
| <b>Current</b>                     |                  |                  |
| Suzlon Energy Limited, India       | 10,39,200        | 10,39,200        |
| <b>Total</b>                       | <b>10,39,200</b> | <b>10,39,200</b> |

## 7. Loans to group companies

|                                               | 31 March 2021    | 31 March 2020      |
|-----------------------------------------------|------------------|--------------------|
| <b>Non-current</b>                            |                  |                    |
| Suzlon Energy A/S                             | 97,48,861        | 1,15,46,389        |
| Suzlon Wind Energy South Africa (Pty) Limited | 3,03,11,242      | 2,97,76,175        |
| Less: Impairment provision                    | (3,03,11,242)    | (2,97,76,175)      |
| Suzlon Wind Energy Corporation                | -                | 3,33,45,472        |
| Less: Impairment provision                    | -                | (1,79,67,217)      |
| Suzlon Energy B.V.                            | -                | 1,11,387           |
| Tarilo Holding B.V                            | 86,25,797        | 83,97,466          |
| Less: Impairment provision                    | (86,25,797)      | (83,97,466)        |
| SE Drive Technik GmbH                         | 15,74,55,924     | 15,52,12,853       |
| Less: Impairment provision                    | (15,74,55,924)   | (14,46,42,527)     |
| <b>Total</b>                                  | <b>97,48,861</b> | <b>3,76,06,357</b> |

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## 8. Other financial assets

|                                  | 31 March 2021 | 31 March 2020   |
|----------------------------------|---------------|-----------------|
| <b>Non-current</b>               |               |                 |
| Suzlon Rotor Corporation, USA    | 63,52,206     | 68,10,351       |
| Less: Impairment provision       | (63,52,206)   | (68,10,351)     |
| Suzlon Wind Energy Nicaragua     | -             | 25,259          |
| Less: Impairment provision       | -             | (25,259)        |
| Suzlon Energy Tianjin Ltd, China | 61,27,525     | 60,61,587       |
| Less: Impairment provision       | (61,27,525)   | (60,61,587)     |
| <b>Total</b>                     | <b>-</b>      | <b>-</b>        |
| <b>Current</b>                   |               |                 |
| Bank of New York Mellon          | -             | 3,55,391        |
| <b>Total</b>                     | <b>-</b>      | <b>3,55,391</b> |

## 9. Other assets

|                                               | 31 March 2021      | 31 March 2020   |
|-----------------------------------------------|--------------------|-----------------|
| <b>Non-current</b>                            |                    |                 |
| Suzlon Wind Energy Corporation                | 8,57,785           | 56,516          |
| Less: Impairment provision                    | (8,57,785)         | -               |
| Suzlon Energy Limited                         | 2,71,45,197        | -               |
| <b>Total</b>                                  | <b>2,71,45,197</b> | <b>56,516</b>   |
| <b>Current</b>                                |                    |                 |
| VAT input credit                              | -                  | 66,792          |
| Suzlon Wind Energy Equipment Trading Co. Ltd. | 15,809             | 12,462          |
| Less: Impairment provision                    | (15,809)           | -               |
| Suzlon Energy Limited                         | 2,94,114           | 2,90,778        |
| Suzlon Wind Energy Romania                    | -                  | 11,554          |
| Suzlon Wind Enerji, Turkey                    | -                  | 24,906          |
| Suzlon Wind Energy Limited, UK                | 1,72,160           | 1,61,812        |
| Less: Impairment provision                    | (1,72,160)         | (1,61,812)      |
| Other receivable                              | 25,699             | 25,699          |
| Less: Impairment provision                    | (25,699)           | (25,699)        |
| <b>Total</b>                                  | <b>2,94,114</b>    | <b>4,06,492</b> |



**10. Cash and cash equivalents**

|              | 31 March 2021  | 31 March 2020 |
|--------------|----------------|---------------|
| Rabo Bank    | 157,196        | 25,649        |
| <b>Total</b> | <b>157,196</b> | <b>25,649</b> |

**11. Equity share capital**

|                                                            | 31 March 2021         | 31 March 2020         |
|------------------------------------------------------------|-----------------------|-----------------------|
| <b>Authorised shares</b>                                   |                       |                       |
| 12,00,000,000 (12,00,000,000) equity shares of EUR 10 each | 1,20,00,00,000        | 1,20,00,00,000        |
|                                                            | <b>1,20,00,00,000</b> | <b>1,20,00,00,000</b> |
| <b>Issued, subscribed and fully paid-up shares</b>         |                       |                       |
| 6,87,23,712 (6,87,23,712) equity shares of EUR 10 each     | 68,72,37,120          | 68,72,37,120          |
|                                                            | <b>68,72,37,120</b>   | <b>68,72,37,120</b>   |

**Reconciliation of the equity shares outstanding at the beginning and at the end of the financial year:**

|                                           | 31 March 21        |                     | 31 March 20        |                     |
|-------------------------------------------|--------------------|---------------------|--------------------|---------------------|
|                                           | Number of shares   | EUR                 | Number of shares   | EUR                 |
| At the beginning of the year              | 6,87,23,712        | 68,72,37,120        | 6,87,23,712        | 68,72,37,120        |
| Issued during the year                    | -                  | -                   | -                  | -                   |
| <b>Outstanding at the end of the year</b> | <b>6,87,23,712</b> | <b>68,72,37,120</b> | <b>6,87,23,712</b> | <b>68,72,37,120</b> |

There is non-disposal undertaking (negative lien) in favour of SBICAP Trustee Company Limited for the benefit of the lenders of SEL in respect of shares of AE Rotor Holding B.V. and Suzlon Energy Limited, Mauritius until RBI approval is received and thereafter, pledge of 100% of the equity share capital of AE Rotor Holding B.V and Suzlon Energy Limited, Mauritius is required to be made.

**12. Other equity**

Refer Statement of Changes in Equity for detailed movement in equity balance.

|                   | 31 March 21             | 31 March 2020           |
|-------------------|-------------------------|-------------------------|
| Share premium     | 38,77,07,811            | 38,77,07,811            |
| Retained earnings | (1,64,20,26,502)        | (1,67,25,79,737)        |
| <b>Total</b>      | <b>(1,25,43,18,691)</b> | <b>(1,28,48,71,926)</b> |

**13. Borrowings**

|                              | 31 March 2021      | 31 March 2020      |
|------------------------------|--------------------|--------------------|
| <b>Non-current</b>           |                    |                    |
| Suzlon Energy Limited, India | 7,53,51,337        | 7,10,86,168        |
|                              | <b>7,53,51,337</b> | <b>7,10,86,168</b> |



**Current**

|                                  |                 |                    |
|----------------------------------|-----------------|--------------------|
| Suzlon Wind Energy Uruguay SA    | 1,64,112        | 2,15,624           |
| Term loan from banks             | -               | 3,57,90,930        |
| Suzlon Energy Limited, Mauritius | 7,058           | -                  |
| Valum Holding B.V.               | -               | 1,95,945           |
| <b>Total</b>                     | <b>1,71,170</b> | <b>3,62,02,499</b> |

**14. Other financial liabilities**

|                               | 31 March 2021       | 31 March 2020       |
|-------------------------------|---------------------|---------------------|
| <b>Non-current</b>            |                     |                     |
| Suzlon Energy Limited, India  | 49,17,83,945        | -                   |
|                               | <b>49,17,83,945</b> | <b>-</b>            |
| <b>Current</b>                |                     |                     |
| Interest accrued on term loan | -                   | 5,74,146            |
| Payable to group companies    | 3,76,92,429         | 52,85,80,410        |
| Other payables                | 4,85,257            | 6,99,188            |
| <b>Total</b>                  | <b>3,81,77,686</b>  | <b>52,98,53,744</b> |

**15. Other income**

|                                        | 31 March 2021    | 31 March 2020    |
|----------------------------------------|------------------|------------------|
| Interest income on group company loans | 17,87,624        | 30,62,344        |
| Interest income from banks             | -                | 1,908            |
| <b>Total</b>                           | <b>17,87,624</b> | <b>30,64,252</b> |

**16. Employee benefits expense**

|                          | 31 March 2021 | 31 March 2020   |
|--------------------------|---------------|-----------------|
| Salaries and wages       | -             | 5,99,649        |
| Social security premiums | -             | 10,290          |
| Pension charges          | -             | 84,254          |
| <b>Total</b>             | <b>-</b>      | <b>6,94,193</b> |

**17. Finance costs**

|                                                    | 31 March 2021    | 31 March 2020      |
|----------------------------------------------------|------------------|--------------------|
| Interest and other expenses on bonds and term loan | -5,60,329        | 1,50,53,202        |
| Interest expense on group company loans            | 44,35,819        | 41,11,501          |
| Bank charges                                       | 4,130            | 3,520              |
| <b>Total</b>                                       | <b>38,79,620</b> | <b>1,91,68,223</b> |

**18. Other expenses**

|                     | 31 March 2021    | 31 March 2020   |
|---------------------|------------------|-----------------|
| General expenses    | 42,01,312        | 5,68,226        |
| Rates & taxes       | -                | 28,810          |
| Travelling expenses | -                | 74,136          |
| <b>Total</b>        | <b>42,01,312</b> | <b>6,71,172</b> |

**19. Impairment of financial assets, net**

|                                               | 31 March 2021      | 31 March 2020      |
|-----------------------------------------------|--------------------|--------------------|
| Provision on receivables/ participation of:   |                    |                    |
| Suzlon Rotor Corporation, USA                 | -                  | 7,15,363           |
| Suzlon Wind Energy Equipment Trading Co. Ltd  | 15,717             | -                  |
| Suzlon Wind Energy South Africa (Pty) Limited | 7,39,420           | 7,42,137           |
| SE Drive Technik GmbH                         | 1,28,13,397        | 8,90,350           |
| Suzlon Wind Energy Nicaragua                  | (24,814)           | 7,400              |
| Suzlon Wind Energy Limited, UK                | 10,500             | 17,000             |
| Suzlon Wind Energy Corporation, USA           | (1,71,09,409)      | 32,39,168          |
| SE Blade Technology BV                        | -                  | (88,641)           |
| Tarilo Holding BV                             | 2,28,330           | 83,97,466          |
| Suzlon Wind Energy Corporation, USA           | -                  | 25,699             |
| <b>Total</b>                                  | <b>(33,26,859)</b> | <b>1,39,45,942</b> |

**20. Average number of employees**

During the year 2020-21, the average number of employees as calculated on a full-time equivalent basis was Nil (2019/20: 1), i.e., Whole-time Director.

**21. Director's remuneration**

The Company paid remuneration to Director of EUR Nil (2020 - EUR 6,94,193).

**22. Income tax expense**

The income tax payable for the year is Nil (2019/20 - Nil).

No corporate income benefit has been accounted for as future taxable profits are uncertain.

The Company has unutilized carry forward losses of approximately EUR 15,56,80,795 as on the balance sheet date.

The Company has incurred losses in the period and has carried forward losses from previous periods. It is not clear that the company can substantiate a future claim to use these losses and no deferred tax asset has been booked as a result. Also the tax returns of the company are currently under routine audit by the tax authorities and there may be a possibility of difference of opinion between the position of the company and of the tax authorities. Given the uncertainty of any outcome, no provision has been recognized nor does the company recognizes the need to disclose a contingent liability in this respect.

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**23. Contingent liabilities**

Claims against the Company not acknowledged as debts is Nil (2020 – EUR 25 Million).

**24. Commitments**

Refer to note 5 with respect to the pledges, note 2.11 and note 22 with respect to taxes and note 13 with respect to long term loans. Further, the Company (head) forms together with SE Blade Technology B.V. and Suzlon Energy B.V. a fiscal unity for VAT. The Company is jointly and severally liable as a member of the fiscal unity.

**25. Related party transactions**

Transactions take place between the Company and other subsidiaries of the Suzlon Group. These transactions are conducted in the ordinary course of business at an arm's length basis and are subject to commercial agreements. The main transactions with related parties relate to SBLC commission paid by Suzlon Energy Limited, India to various Banks on behalf the Company.

In accordance with IAS 24, the persons and entities, which control the Group or exercise a significant influence on it or which the Group controls or on which it exercises a significant influence are regarded as related parties for the group.

**Related parties with whom transactions have taken place during the year:**

|                                |                                               |                                 |
|--------------------------------|-----------------------------------------------|---------------------------------|
| Ultimate holding company       | Suzlon Energy Limited, India                  |                                 |
| Other holding company          | Suzlon Wind Energy Ltd. UK,                   | Suzlon Energy Limited Mauritius |
| Subsidiaries                   | Suzlon Energy B.V.,                           | SE Blade Technology B.V.        |
|                                | SE Drive Technik GmbH ,                       | Valum Holding B.V.              |
| Affiliates                     | Suzlon Wind Energy Corporation,               | Suzlon Energy A/S               |
|                                | Tarilo Holding B.V.                           | Suzlon Wind Energy Uruguay SA   |
|                                | Suzlon Wind Energy South-Africa (Pty) Limited |                                 |
|                                | Suzlon Rotor Corporation, USA                 |                                 |
| Key Management Personnel (KMP) | Tulsi R. Tanti                                |                                 |

**Transactions between the Group and related parties during the year and the status of outstanding balances as at 31 March 21 and 31 March 20.**

(Previous year figures are shown in bracket)

| Particulars             | Ultimate holding | Subsidiaries | Affiliates  | KMP        |
|-------------------------|------------------|--------------|-------------|------------|
| Interest income         | -                | 7,91,902     | 9,95,722    | -          |
|                         | -                | (7,90,249)   | (22,72,095) | -          |
| Interest expense        | 42,65,170        | 1,63,653     | 6,996       | -          |
|                         | (40,23,745)      | (75,063)     | (12,693)    | -          |
| Managerial remuneration | -                | -            | -           | -          |
|                         | -                | -            | -           | (6,94,193) |

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**Outstanding balances**

| Particulars                   | Ultimate holding              | Other holding          | Subsidiaries                   | Affiliates                   |
|-------------------------------|-------------------------------|------------------------|--------------------------------|------------------------------|
| Trade receivables             | 10,39,200<br>(10,39,200)      | -<br>-                 | -<br>-                         | 1,85,969<br>(1,65,270)       |
| Loans / advances receivable   | -<br>-                        | -<br>-                 | 15,74,55,924<br>(15,53,24,240) | 4,86,85,900<br>(8,30,65,502) |
| Investments                   | -<br>-                        | -<br>-                 | 75,78,70,547<br>(75,78,70,547) | -<br>-                       |
| Other assets                  | 2,94,114<br>(2,90,778)        | 1,72,160<br>(1,61,812) | -<br>-                         | 8,73,594<br>(1,05,438)       |
| Other financial assets        | -<br>-                        | -<br>-                 | -<br>(-)                       | 1,24,79,731<br>(1,28,97,198) |
| Other Non-current liabilities | 49,17,83,945<br>-             | -<br>-                 | -<br>-                         | -<br>-                       |
| Other current liabilities     | 3,44,50,512<br>(52,59,12,874) | -<br>-                 | 32,41,917<br>(26,67,536)       | -<br>-                       |
| Loans payable                 | 7,53,51,337<br>(7,10,86,168)  | -<br>-                 | -<br>(1,95,945)                | 1,64,112<br>(2,15,624)       |

**26. Financial risks****Foreign exchange risk**

The Company is influenced by transactions in foreign currencies. The Company does not enter into any forward currency contracts.

**Credit risk/ liquidity risk**

The Company is primarily involved with transactions with related parties. The Company has liability towards repayment of the loan. The Company also has a significant concentration of credit risk with respect to the long term loan receivable due from SE Drive Technik GmbH, Suzlon Wind Energy Corporation and Suzlon Wind Energy South Africa.

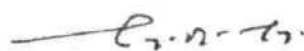
**27. Proposed appropriation of the net result for the year 2021**

The proposal to the General Meeting of Shareholders for the appropriation of the net result for the year 2021, being a profit of EUR 3,05,53,235 is to add this to the retained earnings.

**28. Subsequent events**

There have been no material events after the balance sheet date.

Santa Clara, 15 June 2021  
AE-Rotor Holding B.V.  
Director



(Tulsi R. Tanti)







**COMPONENT AUDITOR CLEARANCE MEMORANDUM — AUDIT OF THE COMPONENT'S FINANCIAL INFORMATION**

Date: 16th June, 2021

To: Deloitte Haskins & Sells LLP, Pune

Attn: Jayesh Parmar, Partner

In accordance with your instructions dated 1st March, 2021, we have audited for purposes of your audit of the consolidated financial statements of **Suzlon Energy Limited** (the "Group"), the financial information included in Ind AS reporting package ("financial information") of **AE Rotors Holding B.V.** (the "Component") for the year ended 31st March 2021. This financial information has been prepared solely to enable the Group to prepare its consolidated financial statements.

**Management's Responsibility**

Management is responsible for the preparation and presentation of the financial information on the basis of Ind AS and the Group's accounting policies, and for such internal control as management determines is necessary to enable the preparation of the financial information that is free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the financial information using Standards on Auditing (SAs), issued by Institute of Chartered Accountants of India based on our audit and in accordance with your instructions.

As requested by you, we planned and performed our audit using the component materiality and component performance materiality specified in your instructions, which is different than the materiality that we would have used had we been designing the audit to express a conclusion on the financial information of the component alone.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. The conclusions reached in forming our opinion are based on the component materiality and component performance materiality specified by you, in the context of the audit of the consolidated financial statements of the Group.

We have complied with Code of Ethics issued by the Institute of Chartered Accountants of India, including independence and professional competence, as it relates to our independence and professional competence.

**Opinion**

Based on our audit, the financial information for AE Rotors Holding B.V. as of and for the year ended 31st March 2021 have been prepared, in all material respects, on the basis of Ind AS and group accounting policies.





# **K R S K & ASSOCIATES**

## **CHARTERED ACCOUNTANTS**

### **Emphasis of Matter**

We draw your attention to note 1.6 to accompanying financial information regarding preparation of financial information of component on going concern basis.

The net worth of the Company is negative Euro 567.08 million. The Company has certain loans and financial liabilities payable to ultimate holding company which are payable after 12 months. The Company has also payables and receivables from other related parties. These factors indicate the existence of a material uncertainty that may cast doubt on the Company's ability to continue as going concern. The management of the Company believes that they will be able to make the settlement of the liability payable to the extent the assets available with the Company and realize its assets to meet its financial obligations. Accordingly, the financial statements have been prepared on the basis that the Company will continue as a going concern.

Our opinion is not modified in respect of this matter.

### **Restriction on Use and Distribution**

This report has been prepared and provided to you to assist you in your reporting on of the consolidated financial results of Suzlon Energy Limited for the year ended 31st March 2021 and to comply with the Indian laws. It should not be used by any other person or for any other purpose without our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come.

**Certificate No.: 21-22/SA/001**

**UDIN: 21170638AAAAAZ7211**

**For KRSK & Associates.**  
**Chartered Accountants.**  
**FRN – 131780W**

*Milap Rupchandani*  
**CA Milan Rupchandani**  
**Partner**

**Membership No.: 170638**

