

INDEPENDENT AUDITOR'S REPORT

To The Members of Suzlon Global Services Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Suzlon Global Services Limited** ("the Company"), which comprise the Balance Sheet as at 31 March, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2021, and its profit total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The other information comprises of the Directors' report (but does not include the financial statements and our auditors' report thereon) which we obtained prior to the date of this auditors' report.

- Our opinion on the financial statements does not cover the other information and will not express any form of assurance conclusion thereon. We have nothing to report in this regard.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 31 March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

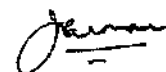
In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/ provided managerial remuneration to its directors during the year and hence provisions of Section 197 of the Act are not applicable to the Company.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Jayesh Parmar
Partner
Membership No. 106388
UDIN: 21106388AAAACJ9599

Place: Mumbai
Date: 28 June 2021

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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Suzlon Global Services Limited ("the Company") as of 31 March, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

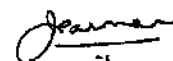
Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2021, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)



Jayesh Parmar
Partner
Membership No. 106388
UDIN: 21106388AAAACJ9599

Place: Mumbai
Date: 28 June 2021

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of property plant and equipment.
- b. The Company has a program of verification of property, plant and equipment to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us and the records examined by us and based on the examination of the registered transfer deed and registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold and leasehold land, are held in the name of the Company as at the balance sheet date, except the following:

Particulars of the land and building	Gross Block (Rs. in Crore)	Net Block (Rs. in Crore)	Remarks
17 freehold lands located at various locations admeasuring 61.7 acre.	10.98	10.98	The title deeds are in the name of Suzlon Energy Limited- OMS Division which was merged with the Company w.e.f. 29 March 2014. As explained to us by the Management, the title deeds are mortgaged with various bankers.
2 Leasehold lands located at various locations admeasuring 2.21 acres.	0.12	0.04	The title deeds are in the erstwhile name of the Company i.e. Suzlon Structures Limited.

In respect of immovable properties of land and buildings that have been taken on lease and disclosed as Right to use assets in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement, except the following:

Particulars of the land and building	Gross Block (Rs. in Crore)	Net Block (Rs. in Crore)	Remarks
2 leasehold lands Located at various locations admeasuring 2.21 acres	0.12	0.03	The leasehold agreement are in the erstwhile name of the Company i.e. Suzlon Structures Limited.

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- (ii) As explained to us, the Inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.
- (iv) The Company has not granted any loans or provided any guarantees under Section 185 of the Act and hence reporting under clause 3 (iv) of the order is not applicable. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and hence reporting under clause 3 (v) of the order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Act. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Act, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- The Company has not been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, Goods and Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
 - There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, Goods and Service Tax, cess and other material statutory dues in arrears as at 31 March, 2021 for a period of more than six months from the date they became payable except the following:

Name of Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Subsequent payment
The Town Panchayats Municipalities and Municipal Corporation (Collection of tax on Professions, Trades, Callings and Employments) Rules, 1999	Professional tax	2,965	September, 2020	01 October, 2020	Unpaid

- There are no dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Goods and Service Tax as on 31 March, 2021 on account of disputes.

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- (viii) In our opinion and according to the information and explanations given to us, the Company has defaulted in the repayment of loans or borrowings to financial institutions and banks during the year as under:

Due to Banks (including working capital loans)	Default in repayment of principal and interest (Rs. In crore)	Period of default
State Bank of India	31.38	April 2020 to June 2020

Such defaults have been waived off on account of restructuring before the balance sheet date. Further, the Company does not have any borrowings from government, nor has it issued any debentures.

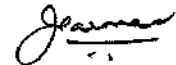
- (ix) The Company has not raised moneys by way of initial public offer or further public offer including debt instruments or term loans and hence reporting under clause 3(ix) of the order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not paid/ provided managerial remuneration during the year. Accordingly, reporting under the clause 3(xi) of the order is not applicable.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them and hence provisions of section 192 of the Act are not applicable.

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- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Jayesh Parmar
Partner
Membership No. 106388
UDIN: 21106388AAAACJ9599

Place: Mumbai
Date: 28 June 2021

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Suzlon Global Services Limited
Balance Sheet as at March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
Assets			
Non-current assets			
Property, plant and equipment	6	71.33	77.45
Right of use assets		0.03	0.04
Capital work-in-progress	6	5.91	2.32
Goodwill	7	727.90	1,092.13
Other intangible assets	7	1.04	1.03
Financial assets			
Investments	8	0.00*	0.00*
Loans	10	440.91	-
Other financial assets	11	1.55	0.72
Other non-current assets	12	35.06	24.46
		1,284.73	1,198.15
Current assets			
Inventories	13	383.14	341.59
Financial assets			
Trade receivables	9	356.30	388.69
Cash and cash equivalents	14 (a)	33.07	17.18
Bank balance other than above	14 (b)	-	1.87
Loans	10	269.57	-
Other financial assets	11	110.28	72.55
Current tax assets, net		0.12	6.53
Other current assets	12	39.42	72.06
		1,191.90	898.47
Total assets		2,476.63	2,096.62
Equity and liabilities			
Equity			
Equity share capital	15	29.37	29.37
Other equity	16	353.52	824.76
		382.89	854.13
Non-current liabilities			
Financial liabilities			
Borrowings	17	1,802.84	377.35
Provisions	20	13.22	9.78
Other non-current liabilities	21	24.57	29.52
		1,640.43	416.65
Current liabilities			
Financial liabilities			
Borrowings	17	-	363.53
Trade payables	18		
Total outstanding dues of micro enterprises and small enterprises		8.24	7.97
Total outstanding dues of creditors other than micro enterprises and small enterprises		221.49	184.36
Other financial liabilities	19	27.98	51.11
Contract liabilities		67.75	54.41
Other current liabilities	21	38.35	53.61
Provisions	20	89.50	100.85
		453.31	825.84
Total equity and liabilities		2,476.63	2,096.62

Summary of significant accounting policies

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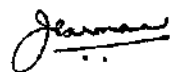
*Less than ₹ 0.01 Crore

 The accompanying notes are an integral part of the financial statements.
 In terms of our report attached.

For Deloitte Haskins & Sells LLP

Chartered Accountants

ICAI Firm registration no. 117366W/W-100018




Jayesh Parmar

Partner

Membership No : 108388


 For and on behalf of the Board of Directors of
 Suzlon Global Services Limited


 Vinod R. Tanti
 Chairman
 DIN : 0002256


 Ishwar C. Manger
 Chief Executive Officer


 Om Prakash Talwar
 Chief Financial Officer


 Priti Kaur Budhbra
 Company Secretary
 Membership No : A55640


Place : Mumbai

Date : 28 JUN 2021

Place : Pune

Date : 28 JUN 2021

Suzlon Global Services Limited

Statement of profit and loss for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

Particulars	Notes	March 31, 2021	March 31, 2020
Income			
Revenue from contract with customer	22	1,477.30	1,379.94
Other operating income		2.65	2.22
Other income	23	50.08	5.66
		1,530.03	1,387.82
Expenses			
Cost of raw materials components and services consumed	24	452.08	394.54
Employee benefits expense	25	129.79	147.36
Finance costs	26	129.09	97.31
Depreciation and amortisation expense	27	374.50	376.63
Other expenses	28	198.33	187.40
		1,283.79	1,203.24
Profit/ (loss) before tax		246.24	184.58
Tax expense	29	-	-
Profit/ (loss) after tax		246.24	184.58
Other comprehensive income			
Item that will not be reclassified to profit or loss in subsequent periods :			
Remeasurements of the defined benefit plans	31	(0.36)	0.37
Income tax effect on the above		-	-
Other comprehensive income for the year, net of tax		(0.36)	0.37
Total comprehensive income for the year		245.88	184.95
Earnings/ (loss) per equity share:	30		
- Basic earnings per share [Nominal value of share ₹ 10 (₹ 10)]		63.85	62.85
- Diluted earnings per share [Nominal value of share ₹ 10 (₹ 10)]		63.85	62.85
Summary of significant accounting policies	2.3		

The accompanying notes are an integral part of the financial statements.
In terms of our report attached.

For Deloitte Haskins & Sells LLP

Chartered Accountants

ICAI Firm registration no. 117366WW-100018

Jayesh Parmar

Jayesh Parmar
Partner

Membership No : 106368



For and on behalf of the Board of Directors of
Suzlon Global Services Limited

Vinod R. Tanti

Vinod R. Tanti
Chairman
DIN : 00002268

Ishwar C. Mangal

Ishwar C. Mangal
Chief Executive Officer

Om Prakash Talwar

Om Prakash Talwar
Chief Financial Officer

Priti Kaur Budhbraja

Priti Kaur Budhbraja
Company Secretary
Membership No : A55640

Place : **MUMBAI**
Date : **28 JUN 2021**

Place : **Pune**
Date : **28 JUN 2021**



Suzlon Global Services Limited

Statement of changes in equity for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

A. Equity share capital

Equity shares of ₹ 10 each, subscribed and fully paid

	No. In Crore	₹ in Crore
At April 01, 2019	2.94	29.37
Issue of share capital (refer Note 15)	-	-
At March 31, 2020	2.94	29.37
Issue of share capital (refer Note 15)	-	-
At March 31, 2021	2.94	29.37

B. Other equity

	Equity component of compound financial Instruments	Reserve & surplus				Total
		General reserve	Capital contribution and other equity	Securities premium	Retained earnings	
As at April 01, 2019	6.78	3.22	-	922.20	(292.39)	639.81
Profit/ (loss) for the year	-	-	-	-	184.58	184.58
Other comprehensive income (refer Note 31)	-	-	-	-	0.37	0.37
Total comprehensive income	-	-	-	-	184.95	184.95
As at March 31, 2020	6.78	3.22	-	922.20	(107.44)	824.76
As at April 01, 2020	6.78	3.22	-	922.20	(107.44)	824.76
Profit/ (loss) for the year	-	-	-	-	246.24	246.24
Loss on financial liabilities pursuant to resolution plan (refer Note 4 and 17)	-	-	(743.61)	-	-	(743.61)
Resultant difference on extinguishment of debt, net (refer Note 4 and 17)	-	-	26.49	-	-	26.49
Other comprehensive income (refer Note 31)	-	-	-	-	(0.36)	(0.36)
Total comprehensive income	-	-	(717.12)	-	245.88	(471.24)
As at March 31, 2021	6.78	3.22	(717.12)	922.20	138.44	353.52

Refer Note 16 for nature and purpose of reserves.

Summary of significant accounting policies (refer Note 2.3)

The accompanying notes are an integral part of the financial statements.

In terms of our report attached.

For Deloitte Haskins & Sells LLP

Chartered Accountants

ICAI Firm registration no. 117368W/W-100018



Jayesh Parmar

Partner

Membership No : 106388



For and on behalf of the Board of Directors of
Suzlon Global Services Limited



Vinod R. Tanti

Chairman

DIN : 00002266



Om Prakash Talwar

Chief Financial Officer



Ishwar C. Mangal

Chief Executive Officer



Priki Kaur Budhraj

Company Secretary

Membership No : A55640



Place : Mumbai
Date : 28 JUN 2021

Place : Pune
Date : 28 JUN 2021

Suzlon Global Services Limited
Statement of cash flows for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

Particulars	March 31, 2021	March 31, 2020
Cash flow from operating activities		
Profit/ (loss) before tax	246.24	184.58
Adjustments for:		
Depreciation and amortisation expense	374.50	378.63
(Gain)/ loss on disposal of property, plant and equipment, net	(0.00)*	0.43
Other income	(50.08)	(5.66)
Interest expenses and other borrowing cost	127.24	97.31
Machine availability expenditure	27.24	52.51
Bad debts written off	15.67	10.95
Allowance/ (reversal) for doubtful debts and advances, net	10.62	3.20
Impairment allowance	2.75	1.68
Operating profit/ (loss) before working capital changes	754.18	721.63
Movements in working capital		
Decrease/ (increase) in financial assets and other assets	(5.23)	(58.43)
Decrease/ (increase) in trade receivable	0.98	(233.29)
Decrease/ (increase) in inventories	(41.56)	34.81
(Decrease)/ increase in other liabilities, financial liabilities and provisions	(24.86)	22.77
Cash (used in)/ generated from operating activities	683.51	487.49
Direct taxes paid (net of refunds)	(4.46)	(12.57)
Net cash (used in)/ generated from operating activities	679.05	474.92
Cash flow from investing activities		
Payment for purchase of property, plant and equipment including capital work-in-progress and intangible assets	(6.75)	(7.77)
Proceeds from sale of property, plant and equipment	0.00*	0.08
Inter-corporate deposits granted, net	(264.99)	-
Interest received	0.83	0.73
Net cash (used in)/ generated from investing activities	(272.91)	(6.96)
Cash flow from financing activities		
Proceeds/ (repayment) of short term borrowings, net (refer Note 4 and 17)	(346.14)	(411.09)
Interest and other borrowing cost paid	(45.98)	(38.12)
Net cash (used in)/ generated from financing activities	(392.12)	(449.21)
Net decrease in cash and cash equivalents	14.02	18.75
Cash and cash equivalents at the beginning of year	19.05	0.30
Cash and cash equivalents at the end of year	33.07	19.05

Components of cash and cash equivalents	As at March 31, 2021	As at March 31, 2020
Balance with banks	32.64	17.07
Bank balance other than above	-	1.87
Cash on hand	0.43	0.11
	33.07	19.05

Summary of significant accounting policies (refer Note 2.3)

*Less than ₹ 0.01 Crore

The figures in brackets represent outflows.

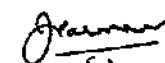
The accompanying notes are an integral part of the financial statements.

In terms of our report attached.

For Deloitte Haskins & Sells LLP

Chartered Accountants

ICAI Firm registration no. 117366W/W-100018

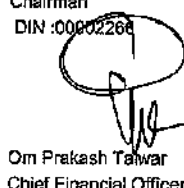


 Jayesh Parmar
Partner
Membership No : 106388

 For and on behalf of the Board of Directors of
Suzlon Global Services Limited



 Vinod R. Tanti
Chairman
DIN : 00002266


 Om Prakash Taiwar
Chief Financial Officer



 Ishwar C. Mangal
Chief Executive Officer


 Priti Kaur Budhraya
Company Secretary
Membership No : A55640

 Place : Mumbai
Date : 28 JUN 2021

 Place : Pune
Date : 28 JUN 2021

Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

1. Company information

Suzlon Global Services Limited ['SGSL' or the 'Company'] (formerly Suzlon Structures Limited (SSL)) having CIN: U27109GJ2004PLC044170, is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The registered office of the Company is located at "Suzlon", 5 Shrimali Society, Near Shree Krishna Complex, Navrangpura, Ahmedabad – 380 009, India. The principal place of business is its headquarters located at One Earth, Hadapsar, Pune – 411 028, India.

The Company is primarily engaged into the business of Operation and Maintenance of Wind Turbine Generators (WTG's) and also continues to carry on the power generation business.

The financial statements were authorised for issue in accordance with a resolution of the directors on June 28, 2021.

2. Basis of preparation and significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 together with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("the Rules").

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments refer 2.3(n)).

The financial statements are presented in Indian ₹ and all values are rounded to the nearest Crore (INR 0,000,000) up to two decimals, except when otherwise indicated.

2.2 Recent accounting developments

Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the company's financial statements are not applicable as there were no standards issued but not effective at the time of adoption of the financial statements.

2.3 Summary of significant accounting policies

a. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Company classifies all other liabilities as non-current. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

b. Foreign currencies

The Company's financial statements are presented in Indian ₹, which is also the Company's functional currency.

Transactions and balances

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income (OCI) or profit or loss are also recognised in OCI or profit or loss, respectively).

c. Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

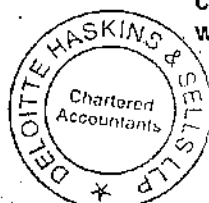
A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

The Company management determines the policies and procedures for recurring and non-recurring fair value measurement. Involvement of external valuers is decided upon annually by company management. The management decides after discussion with external valuers about valuation technique and inputs to use for each case.

At each reporting date, the Company's management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Company, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d. Revenue from contract with customers

Revenue from contracts with customers is recognised at the point in time when control of the asset is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Operation and maintenance income

Revenues from operation and maintenance contracts are recognised pro-rata over the period of the contract and when services are rendered.

Sale of goods

Revenue from sale of goods is recognised in the statement of profit and loss at the point in time when control of the asset is transferred to the buyer as per the terms of the respective sales order, generally on delivery of the goods. Revenue from the sale of goods is measured at the fair value of consideration received or receivable, net of returns and allowances and discounts.

Power generation

Income from power generation is recognised on sale of unit generated and invoiced to respective state electricity board.

Payment terms:

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties). In determining the transaction price for the sale of equipment, the Company considers the effects of variable consideration and consideration payable to the customer (if any).

i. Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the services to the customer. The contracts for sale of services provide customers with a right for penalty for performance shortfall of the guarantee assured.

ii. Significant financing component

Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

Contract balances

i. Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

ii. Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (n) Financial instruments – initial recognition and subsequent measurement.

iii. Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

e. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or in equity. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates the positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

f. Property, plant and equipment ('PPE')

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment loss, if any.

Capital work-in-progress comprises of the cost of PPE that are not yet ready for their intended use as at the balance sheet date. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss when they are incurred.

Depreciation is calculated on the written down value method ('WDV') based on the useful lives and residual values estimated by the management in accordance with Schedule II to the Companies Act, 2013. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

Type of asset	Useful lives (years)
Buildings	28-58
Electrifications	20
Plant and machinery	15
Windfarm plant and machinery	22
Computers	3
Servers and networks	6
Office equipments	5
Furniture and fixtures and vehicles	10

Gains or losses arising from de recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset on the date of disposal and are recognised in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

g. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. Intangible assets are amortized on a straight line basis over the estimated useful economic life.



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Intangible assets are amortised on a straight line basis over the estimated useful economic life. A summary of amortisation policies applied to the Company's intangible assets is as below:

Type of asset	Useful lives (years)
Goodwill	Amortisation as per law or acquired cost less impairment allowance, as applicable
SAP and other software	Straight line basis over a period of five years

h. Borrowing costs

Borrowing cost includes interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

i. Leases

Company as a lessee

The Company's lease asset classes primarily consist of leases for land. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset
- the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

Lease liability and ROU assets have been separately presented in the balance sheet and lease payments have been classified as financing cash flows.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases other than land and building are included in property, plant and equipment. Lease income on an operating lease is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the statement of profit and loss.

J. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ('CGU') net selling price and its value in use.

The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognised in the statement of profit and loss. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

The impairment loss recognised in prior accounting periods is reversed if there has been a change in estimates of recoverable amount. The carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

k. Inventories

Inventories comprise of components, stores and spares and are valued at lower of cost and estimated net realisable value. Inventories include some materials that are repaired as well as repairable as at the balance sheet date. Cost of inventory is determined on a weighted average basis.

Net realisable value of such materials is determined considering the remaining useful life of the material after repairs based on the technical estimates.

l. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

m. Retirement and other employee benefits

Retirement benefits in the form of provident fund, employee state insurance and superannuation fund are defined contribution schemes. The Company has no obligation other than the contribution payable to the funds and the contribution payable to fund is recognised as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

Retirement benefits in the form of gratuity is defined benefit obligations and is provided for on the basis of an actuarial valuation, using projected unit credit method as at each balance sheet date.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re measurements are not reclassified to statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognised the following changes in defined benefit obligation as an expense in statement of profit or loss:

- Service cost comprising of current service cost, past service cost gains and loss on entitlements and non-routine settlement.
- Net interest expenses or income.

Short-term compensated absences are provided based on estimates. Long term compensated absences and other long-term employee benefits are provided for on the basis of an actuarial valuation, using projected unit credit method, as at each balance sheet date. The entire leave is presented as a current liability in the balance sheet, since the Company does not have an unconditional right to defer its settlement for 12 months after the reporting date.

n. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. In case of extinguishment and settlement of financial assets with Parent as part of restructuring of debt wherein the Lenders of the Company have potential exercisable participative rights pre and post restructuring, the resultant gain or loss arising on restructuring shall be recognised to other equity.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

The Company has not designated any financial asset as at FVTOCI.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL.

For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. The Company has not designated any equity instruments as at FVTOCI.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - a) the Company has transferred substantially all the risks and rewards of the asset, or
 - b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- Financial assets that are debt instruments and are measured as at FVTOCI
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115
- Loan commitments which are not measured as at FVTPL
- Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

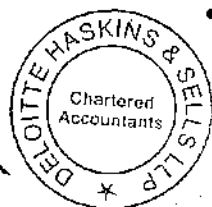
Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivables balance and historical experience. Individual trade receivables are written off when management deems them not to be collectible.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income / expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the profit and loss. The balance sheet presentation for various financial instruments is described below:

- *Financial assets measured as at amortised cost and contractual revenue receivables:* ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

- **Loan commitments and financial guarantee contracts:** ECL is presented as a provision in the balance sheet, i.e. as a liability.
- **Debt instruments measured at FVTOCI:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase / origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, at fair value through other equity, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. In case of extinguishment of financial liabilities with Parent or of restructuring of the existing debt and financial liabilities of Lenders wherein the Lenders of the Company have potential exercisable participative rights pre and post restructuring, the resultant gain or loss arising on extinguishment of the existing debt with restructured debt and issuance of securities to Lenders shall be recognised to other equity.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

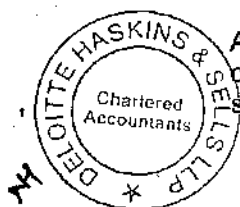
Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains / losses attributable to changes in own credit risk are recognized in OCI. These gains / loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.



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Notes to financial statements for the year ended March 31, 2021

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This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

The Company on a contract by contract basis, elects to account for financial guarantee contracts, as a financial instrument or as an insurance contract, as specified in Ind AS 109 of Financial Instrument and Ind AS 104 on Insurance Contracts. For insurance contract, the Company performs a liability adequacy test (i.e. assesses the likelihood of any pay-out based on current discounted estimates of future cash flows), and any deficiency is recognised in statement of profit and loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

o. Redeemable cumulative preference shares

Redeemable cumulative preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the redeemable cumulative preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not re-measured in subsequent years.



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

Transaction costs are apportioned between the liability and equity components of the redeemable cumulative preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

p. Earnings/ (loss) per share

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the year and also after the balance sheet date but before the date the financial statements are approved by the board of directors. For the purpose of calculating diluted earnings / (loss) per share, the net profit / (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

q. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

r. Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resource embodying economic benefit will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

The Company does not recognise a contingent liability but discloses it as per Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets in the financial statements unless the possibility of an outflow of resources embodying economic benefit is remote.

2.4 Changes in accounting policies and disclosures

Few amendments apply for the first time for the year ended March 31, 2021, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards, amendments that have been issued but are not yet effective/ notified.

2.5 Estimation of uncertainties relating to the global health pandemic from COVID-19:

- a. In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19). The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, intangible assets inventories, receivables, other assets and liabilities. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic and impact of the same on future performance, the Company has used information from internal and external sources including likely impact on the industry. The Company based on the current estimates, expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements. However, the Company believes that the difference should not be significant.
- b. The Company's ability to generate sufficient cash flows to meet its financial obligations in the foreseeable future could be impacted by the undetermined circumstances arising from the pandemic.



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Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

3. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a. Significant judgements in applying the Company's accounting policy

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Revenue from contract with customers

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

• Identifying performance obligations

The Company is primarily engaged in into the business of Operation and Maintenance of Wind Turbine Generators (WTG's) and also continues to carry on the power generation business. The Company determined that the operation and maintenance activity can be performed distinctly on a stand-alone basis which indicates that the customer can benefit from respective performance obligations on their own. Further, the Company chose output method for measuring the progress of performance obligation.

b. Significant accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Uncertainty about these assumption and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Allowance for trade receivables

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated credit loss (ECL). The Company recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. The carrying value of allowance for doubtful debts is ₹ 40.27 Crore as at March 31, 2021 (previous year ₹ 30.41 Crore), refer Note 9.

Taxes

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, future tax planning strategies. The Company has unabsorbed depreciation which can be carried forward indefinitely, refer Note 29. The MAT credit can be carried forward for 15 years. As there are not certain taxable temporary differences, the Company has not recognised deferred tax assets on conservative basis.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

The estimates of future salary increases take into account the inflation, seniority, promotion and other relevant factors

Further details about gratuity obligations are given in Note 31.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 36 further disclosures.

Property, plant and equipment

Refer Note 2.3 (f) for the estimated useful life of property, plant and equipment. The carrying value of property, plant and equipment has been disclosed in Note 6.

4. Debt Resolution Plan approval

On June 30, 2020 ('Effective Date'), the Company along with its parent company Suzlon Energy Limited ('SEL') and identified domestic subsidiaries Suzlon Power Infrastructure Limited ('SPIL') and Suzlon Gujarat Wind Park Limited ('SGWPL') and a joint venture Suzlon Generators Limited ('SGL') collectively referred to as the 'Borrowers' or 'STG' and individually as the 'Borrower', implemented a resolution plan for restructuring of the debt of STG formulated under the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 issued by Reserve Bank of India vide its circular dated June 7, 2019 ('the RBI Circular' / "Regulatory Framework").

As per the resolution plan, the Company has allotted 4,45,301 fully paid up compulsorily convertible preference shares ('CCPS') with various exit options having a face value of ₹ 1,00,000/- each aggregating to ₹ 4,453.01 Crore to the lenders in part conversion of existing debt of STG.

Refer Note 17(a) for key features of the Resolution Plan and terms and conditions of CCPS.

5. Proposed merger

The Board of Directors of the Company, at its meeting held on February 03, 2021 has approved (i) the Scheme of Amalgamation involving merger by absorption ('Scheme 1') of Suzlon Power Infrastructure Limited ('SPIL') with the Company and (ii) the Scheme of Arrangement involving transfer and vesting of Project Execution Business ('Demerged Undertaking I') and Power Evacuation Business ('Demerged Undertaking II') ('Scheme 2') of Suzlon Gujarat Wind Park Limited ('SGWPL') into the Company. The proposed Scheme 1 and Scheme 2 have been filed with the Honourable National Company Law Tribunal, Ahmedabad and Chennai Bench ('NCLTs') for their respective approvals. The amalgamation and arrangement shall be in accordance with the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. The Merger of SPIL with the Company is proposed from the appointed date of April 01, 2020. The Demerger of the Project Execution Business and Power Evacuation Business of SGWPL with the Company is proposed from the appointed date of April 02, 2020.

Pursuant to the Scheme 1 becoming effective, the Amalgamation of SPIL into the Company shall be accounted as per 'the pooling of interests method' in accordance with the Indian Accounting Standard 103 - 'Business Combinations' as notified under section 133 of the Companies Act, 2013. No goodwill shall be created pursuant to Scheme 1.

Pursuant to the Scheme 2 becoming effective, the Demerger of Demerged Undertaking I and Demerged Undertaking II of SGWPL into the Company shall be accounted as per 'the pooling of interests method' in accordance with the Indian Accounting Standard 103 - 'Business Combinations' and other accounting principles prescribed under the Companies (Indian Accounting Standards) Rules, 2015 as notified under section 133 of the Companies Act, 2013. No goodwill shall be created pursuant to Scheme 2.



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

Pending approvals, the effect of the Scheme 1 and Scheme 2 has not been considered in the financial statements of the Company for the year ended March 31, 2021.

6. Property, plant and equipment

Particulars	Gross block			Accumulated depreciation			Net block	
	As at April 1, 2020	Additions	Deduction / adjustments	As at March 31, 2021	As at April 1, 2020	Charge for the year	As at March 31, 2021	As at March 31, 2021
Freehold land	19.30	0.02	-	19.32	-	-	-	19.32
Buildings	34.75	0.21	-	34.96	7.96	2.53	10.49	24.47
Plant and machinery	48.72	1.52	-	50.24	23.03	5.14	28.17	22.07
Windfarm plant and machinery	1.76	-	-	1.76	1.02	0.11	1.13	0.63
Computer	14.27	0.65	-	14.92	11.79	1.21	13.00	1.92
Office equipment	2.30	0.80	-	3.10	1.25	0.47	1.72	1.38
Furniture and fixtures	4.01	0.59	-	4.60	2.64	0.44	3.08	1.52
Vehicles	0.06	-	-	0.06	0.03	0.01	0.04	0.02
Total	125.17	3.79	-	128.96	47.72	9.91	57.63	71.33

Particulars	Gross block			Accumulated depreciation			Net block	
	As at April 1, 2019	Additions	Deduction / adjustments	As at March 31, 2020	As at April 1, 2018	Charge for the year	As at March 31, 2020	As at March 31, 2020
Freehold land	19.20	0.10	-	19.30	-	-	-	19.30
Buildings	29.82	5.16	0.23	34.75	5.86	2.21	7.96	26.79
Plant and machinery	45.30	4.12	0.70	48.72	16.70	6.82	23.03	25.69
Windfarm plant and machinery	1.76	-	-	1.76	0.89	0.13	1.02	0.74
Computer	14.00	0.34	0.07	14.27	10.11	1.74	11.79	2.48
Office equipment	2.03	0.47	0.20	2.30	0.81	0.58	1.25	1.05
Furniture and fixtures	4.13	0.24	0.36	4.01	2.37	0.57	2.64	1.37
Vehicles	0.18	-	0.12	0.06	0.10	0.01	0.03	0.03
Total	116.42	10.43	1.68	125.17	36.84	12.06	47.72	77.45

- Buildings include those constructed on leasehold land.
- For contractual commitment with respect to property, plant and equipment refer Note 33.
- For details of property, plant and equipment given as security to Lenders refer Note 17(c).

Capital work in progress:

Capital work in progress as at March 31, 2021 is ₹ 6.91 Crore (previous year: ₹ 2.32 Crore), primarily includes building and plant and machinery under construction.

7. Goodwill and other intangible assets

Particulars	Gross block			Accumulated depreciation			Net block	
	As at April 1, 2020	Additions	Deduction / adjustments	As at March 31, 2021	As at April 1, 2020	Charge for the year	As at March 31, 2021	As at March 31, 2021
Goodwill	2,550.66	-	-	2,550.66	1,458.53	364.23	1,822.76	727.90
SAP and other software	1.70	0.37	-	2.07	0.67	0.36	1.03	1.04

Particulars	Gross block			Accumulated depreciation			Net block	
	As at April 1, 2019	Additions	Deduction / adjustments	As at March 31, 2020	As at April 1, 2019	Charge for the year	As at March 31, 2020	As at March 31, 2020
Goodwill	2,550.66	-	-	2,550.66	1,094.30	364.23	1,458.53	1,092.13
SAP and other software	1.68	0.02	-	1.70	0.33	0.34	0.67	1.03

For details of intangible assets given as security to Lenders refer Note 17(c).



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

8. Investments

Non-current investments comprise of Government or trust securities (unquoted) of ₹ 0.00* Crore (previous year: ₹ 0.00* (Crore)).

9. Trade receivables

Non-current

Credit impaired

Less : Allowance for doubtful debts

Total

March 31, 2021	March 31, 2020
37.48	26.50
(37.48)	(26.50)
-	-

Current

Unsecured, considered good

Less : Impairment allowance

Total

March 31, 2021	March 31, 2020
362.96	390.60
(6.66)	(3.91)
356.30	386.69

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person, nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

For details of trade receivables given as security to Lenders refer Note 17(c).

The movement in impairment allowance as per ECL model is as under:

	March 31, 2021	March 31, 2020
Balance as at beginning of the year	3.91	2.23
Impairment allowance during the year	2.75	1.68
Balance as at the end of the year	6.66	3.91

* Less than ₹ 0.01 Crore.

10. Loans

Non-current

Receivable towards debt assignment #

March 31, 2021	March 31, 2020
440.91	-
440.91	-

Current

Unsecured, considered good

Loans to employees

Inter-corporate deposits to related parties

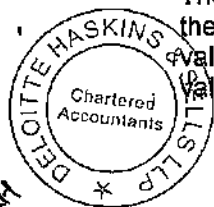
Total

March 31, 2021	March 31, 2020
0.01	-
269.56	-
269.57	-

The Resolution Plan stipulated the issuance of CCPS of ₹ 4,453.01 Crore by SGSL to the Lenders towards discharge of a part of the debt owned by SEL to the Lenders. In order to give effect to the above stipulation, The Company has assigned the equivalent amount of debt of ₹ 4,453.01 Crore as a loan receivable from SEL.

The terms of the CCPS include a coupon of 0.0001% and conversion into equity shares of SGSL on or after March 31, 2040 at fair market value as on the conversion date. Correspondingly, the loan receivable from SEL has been recognised on the matching terms in line with the aforesaid CCPS i.e. an interest rate of 0.0001% and maturity till March 31, 2040.

The loan receivable is initially recognised at fair value and subsequently measured at amortised cost using the effective interest method at 13.00%. The resultant gain or loss at initial recognition is recognised at fair value through other equity. The resultant gain or loss on subsequent measurement is recognised at fair value through statement of profit and loss.



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

11. Other financial assets

	March 31, 2021	March 31, 2020
Non-current		
Bank balances #	0.82	0.02
Security deposits (unsecured, considered good)	0.73	0.70
Total	1.55	0.72
Current		
Loans and advances to employees	-	0.01
Income accrued but not due	103.55	72.54
Other assets	6.73	0.00*
Total	110.28	72.55

Bank balances represents margin money deposits, which are subject to first charge towards non-fund based facilities from borrowers.

All the financial assets are disclosed at amortised cost. For details of financial assets given as security to Lenders refer Note 17(c).

12. Other assets

	March 31, 2021	March 31, 2020
Non-current		
Capital advances (unsecured, considered good)	0.35	0.62
Advance income tax (net of provisions)	34.71	23.84
Total	35.06	24.46
Current		
Advances recoverable in kind		
Unsecured, considered good	31.74	61.72
Unsecured, considered doubtful	0.40	0.77
	32.14	62.49
Less : Allowance for doubtful advances	(0.40)	(0.77)
	31.74	61.72
Advances to employees	0.10	0.63
Prepaid expenses	1.96	0.72
Balances with government authorities	5.51	8.99
Others	0.11	-
Total	39.42	72.06

For details of other assets given as security to Lenders refer Note 17(c).

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

	March 31, 2021	March 31, 2020
Raw materials [including goods in transit ₹ 3.95 Crore (previous year: ₹ 2.78 Crore)]	364.49	322.33
Stores and spares	18.65	19.26
Total	383.14	341.59

For details of inventories given as security to lenders refer Note 17(c).



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

14. Cash and bank balance

	March 31, 2021	March 31, 2020
a. Cash and cash equivalents		
Balances with banks	32.64	17.07
Cash on hand	0.43	0.11
	33.07	17.18
b. Bank balance other than (a) above (earmarked)	-	1.87
Total	33.07	19.05

There are no restrictions with regard to cash and cash equivalents as the end of the financial year and previous year.

15. Equity share capital

	March 31, 2021	March 31, 2020
Authorised share-capital		
5,146,000,000 (previous year: 5,146,000,000) equity shares of ₹ 10 each	5,146.00	5,146.00
21,000,000 (previous year: 21,000,000) preference shares of ₹ 100 each	210.00	210.00
450,000 (previous year: 450,000) preference shares of ₹ 100,000 each	4,500.00	4,500.00
Issued, subscribed and paid-up capital		
29,366,800 (previous year: 29,366,800) equity shares of ₹ 10 each fully paid.	29.37	29.37

a. Reconciliation of the equity shares outstanding at the beginning and at the end of the financial year

	March 31, 2021		March 31, 2020	
	Number of shares (Crore)	₹ In Crore	Number of shares (Crore)	₹ In Crore
At the beginning of the year	2.94	29.37	2.94	29.37
Issued during the year	-	-	-	-
Outstanding at the end of the year	2.94	29.37	2.94	29.37

b. Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by holding company

Out of equity shares issued by the Company, shares held by its holding Company is 29,366,800 (previous year: 29,366,800) equity shares of ₹ 10 each fully paid aggregating to ₹ 29.37 Crore (previous year: ₹ 29.37 Crore).

d. Details of shareholders holding more than 5% equity shares in the Company:

	March 31, 2021		March 31, 2020	
Name of the shareholder	Number of shares (Crore)	% holding	Number of shares (Crore)	% holding
Suzlon Energy Limited				
Equity shares of ₹ 10 each fully paid	2.94	100%	2.94	100%



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

Note: As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

- e. 1,18,800 and 8,81,200 8% Redeemable Cumulative Preference Shares of ₹ 100/- each fully paid are redeemable at par at the discretion of Board after 20 years from date of allotment, i.e. March 29, 2005 and June 28, 2005 respectively. The Company as well as the preference shareholders shall respectively have the call and put option to redeem preference shares at any time after 1(one) month from the date of allotment subject however to the consent of the preference shareholder and Company, as the case may be.
- f. On June 27, 2020, the Company has allotted 445,301, 0.0001% Compulsorily Convertible Preference Shares ("CCPS") having a face value of ₹ 1,00,000/- each to the Lenders, in part conversion of their debt aggregating to ₹ 4,453.01 Crore as part of the implementation of Resolution Plan. The CCPS are scheduled to be converted to equity as on March 01, 2040. In addition, there are certain terms and conditions agreed with Lenders for early conversion and call and put options as part of the Resolution Plan (refer Note 17(d)).

16. Other equity

Refer statement of changes in equity for detailed movement in other equity balance.

	March 31, 2021	March 31, 2020
Equity component of redeemable preference shares	6.78	6.78
General reserve	3.22	3.22
Securities premium	922.20	922.20
Capital contribution	(717.12)	-
Retained earnings	138.44	(107.44)
Total	353.52	824.76

Nature and purposes of other reserves:

a. General reserve

The Company has transferred a portion of the net profit of the company before declaring dividend or a portion of net profit kept separately for future purpose is disclosed as general reserve.

b. Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

c. Capital contribution

The resultant gain arising on extinguishment of existing debt and fair value of financial instruments issued as per the terms of Resolution plan is transferred to Capital contribution since the Lenders have potential exercisable participative rights.

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Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

17. Borrowings

Non-current

Liability component of:

8% redeemable preference shares (unsecured)

9% compulsorily convertible debentures (unsecured)

Compulsory convertible preference shares (secured)

Total

March 31, 2021	March 31, 2020
16.76	15.10
366.10	362.25
1,219.78	-
1,602.64	377.35

Current

Loans and advances from related parties (unsecured)

Working capital facilities from banks and others (secured)

Total

-	334.58
-	28.95
-	363.53

a. Implementation of Resolution Plan

On June 5, 2020, the Borrowers entered into Framework Restructuring Agreement (FRA) to give effect to the Resolution Plan. On June 30, 2020, the Resolution Plan was implemented upon completion of compliance of all conditions precedent to the satisfaction of the consortium lenders and the Resolution Plan is effective from June 30, 2020 (Effective date).

The key features of the Resolution Plan are as follows:

The existing facilities of STG are restructured in following manner and divided into 3 parts:

Part A – Existing facilities to the extent of ₹ 5,188.41 Crore is restructured as follows:

- Repayment of Rupee Term Loan ('RTL') of ₹ 3,600 Crore in 40 structured quarterly instalments commencing from September, 2020 to June 2031 at the rate of interest of 9.00% per annum,
- Repayment of Rupee Term Loan under project specific facility of ₹ 261 Crore on or before December 31, 2020,
- Continuation of existing non-fund based working capital facilities of ₹ 1,300 Crore.

Part B – Existing facilities to the extent of ₹ 4,100 Crore is converted in to 410,000, 0.01% Secured Optionally Convertible Debentures ('OCD') of face value of ₹ 100,000 each of SEL issued to the Lenders.

Part C – Existing facilities to the extent of ₹ 4,453.01 Crore is converted in to 445,301, 0.0001% Unsecured Compulsorily Convertible Preference Shares ('CCPS') of face value of ₹ 100,000 each of the Company issued to the Lenders and 99,71,76,872 equity shares of face value of ₹ 2 each of SEL for an aggregated consideration of ₹ 1 per Lender.

- Issuance of 498,588,439 warrants of SEL to the Lenders as a security towards achieving upgrade of the account within a period of 18 months from the implementation date.
- Restructuring of foreign currency convertible bonds ('Bonds') with bondholders i.e. roll over / conversion into equity shares of SEL.
- Waiver of existing defaults, events of defaults and penal interest and charges and waiver of right to recompense in accordance with Master Restructuring Agreement (MRA) dated March 28, 2013 till effective date.
- Equity infusion of ₹ 342.16 Crore and issue of compulsory convertible debentures of ₹ 49.98 Crore by promoters and investors in SEL.

b. Non-cash item in statement of cash flow

Pursuant to the implementation of Resolution Plan, the Existing facilities of the Company has been restructured. The statement of cash flow does not contain certain non-cash movements in the equity, borrowings and financial liabilities pursuant to implementation of the Resolution Plan.



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

c. The details of security for the current and non-current secured loans are as follows:

- i. In case of financial facilities from Lenders in accordance with Resolution Plan ₹ Nil classified as long-term borrowings and non-fund based working capital facilities are secured by first pari-passu charge over all current assets of each of the Borrowers as on the effective date (except for certain identified assets), present and future current assets under identified orders and in case of SGSL all current assets of both present and future, first pari-passu charge with new PSF Lenders (under liquidation scenario) on current assets of Borrowers (except SGSL) generated from execution of WTG orders pursuant to availment of Assessed Project Specific Facilities ('APSF') where inventory (if any) as on effective date is utilised as per assessment of such orders, second charge on cash flows arising out of such new orders which are funded by APSF with ceding first charge to such new PSF Lender, first pari-passu charge over all fixed assets of Borrowers whether movable or immovable, first charge over Trust and Retention Account ('TRA') and of the Borrowers and DSR account to assenting lenders (excluding IREDA), first pari-passu pledge of equity shares held by SEL in its identified domestic subsidiaries and a joint venture which are forming part of the Borrowers, except SGSL where the pledge is till conversion of CCPS into equity shares of SGSL, negative lien over the equity shares held by SEL in SE Forge Limited, Suzlon Energy Limited, Mauritius ('SELM') and AE Rotor Holding BV held by SEL, first pari-passu pledge of certain equity shares of SEL held by the promoters and other members of the SEL promotor group, brand image of Suzlon, personal guarantee of the chairman and managing director of SEL and corporate guarantee of each Borrower.
- ii. In case of financial facilities from CDR Lenders in accordance with MRA and non-CDR lenders, fund based working capital facilities of ₹ Nil (previous year ₹ 28.95 Crore), and non-fund based working capital facilities are secured by first pari passu charge except PFC's FITL I and II on all chargeable present and future tangible / intangible movable assets of each of the Borrowers, first charge on all chargeable present and future immovable assets (excluding the identified properties) of each of the Borrowers, first charge on all present and future chargeable current assets of each of the Borrowers, first charge over Trust and Retention Account ('TRA') and other bank accounts of the Borrowers, pledge of equity shares held by SEL in its identified domestic subsidiaries and a joint venture which are forming part of the Borrowers, negative lien over the equity shares held by SEL in SE Forge Limited, negative lien over the shares of Suzlon Energy Limited, Mauritius ('SELM') and AE Rotor Holding BV held by SEL, pledge of certain equity shares of SEL held by its promoters, personal guarantee of the chairman and managing director of SEL and limited personal guarantee of an erstwhile director of a subsidiary.

The rate of interest on cash credit from banks and long-term borrowings is 9.00% p.a. (previous year: 11.00% p.a.) depending upon the prime lending rate of the bank and financial institutions, wherever applicable, and the interest rate spread agreed with the banks.

d. Compulsory convertible preference shares ('CCPS')

On June 27, 2020, the Company issued 4,45,301 fully paid up compulsorily convertible preference shares having a face value of ₹ 1,00,000/- each aggregating to ₹ 4,453.01 Crore to the lenders in part conversion of their existing debt to Lenders as per the Resolution plan with various exit options. The salient features of the instrument are:

- Unsecured with fixed, non-cumulative dividend at 0.0001% of the face value payable annually calculated on and from Effective Date i.e. June 30, 2020.
- CCPS contains below "Exit options":
 - i. *First exit option* - From the Effective Date, and upto three months thereafter, the securities holders may, with consent of majority Lenders, require SEL to acquire the Securities, by issuing a notice in writing and SEL shall, upon receipt of the said notice, within a period as required by the Lenders, subject to applicable laws allot equity shares in SEL equivalent to the face value of Securities at a conversion price determined at the time of conversion as per SEBI ICDR Regulations, RBI regulations and the Companies Act.



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

- ii. *Second exit option* - Till the expiry of a period of five years from the Effective Date in the event of any capital raising by the Company or offer for sale of the Company by SEL, the proceeds of such capital raising exercise or offer for sale shall be utilised, in priority, in: (a) buyback / redeeming all the outstanding CCPS from its holders at the Exit Price; (b) buyback/ redeeming all the OCDs at the OCD Exit Price; and (c) closure of entire outstanding Part A Facilities. Within such period as indicated by the lenders from the date of completion of such capital raise, or offer for sale, the Group is required to issue a notice to the lenders for buyback/ redemption of OCDs and Securities and closure of all outstanding Part A Facilities.
 - iii. *Third exit option* - In the event that the first and second exit option remains unexercised, the securities holders may, within a period of six months from the expiry of the fifth year from the Effective Date issue a notice in writing to SEL, requiring them to acquire all Securities held by the securities holders. On receipt of notice, SEL shall, allot its equity shares equivalent to the face value of CCPS of the Company at a conversion price determined at the time of conversion as per SEBI ICDR Regulations, RBI regulations and the Companies Act.
- Call option - On and after Effective Date and till the fifth anniversary of the security issuance, the Promoters of SEL shall have option to buy the Securities from its holders through a secondary market transaction at a price which shall yield a return (on NPV of the securities arrived at as per RBI guidelines) equal to at least discount rate prescribed by RBI for marking Securities on books of the Securities subscribers as on Effective Date (Exit Price).
 - If none of the above mentioned exit options are exercised, then the CCPS issued to the Lenders shall compulsorily be converted into equity shares on March 1, 2040 ("Conversion Date")
 - On the Conversion Date, the CCPS issued shall be converted into the higher of:
 - i. such number of fully paid up equity shares of the Company such that resultant shareholding of securities holders post conversion is 74.00% of outstanding equity share capital of the Company as on date of such conversion, calculated on a fully diluted basis, provided that upon upgrade of Part A Facilities as per the Regulatory Framework, at any time prior to the conversion date, the securities shall convert into such number of fully paid up equity shares of the Company such that the resultant shareholding of securities holders post conversion is 49.00% of the outstanding equity share capital of the Company as on the date of such conversion, calculated on a fully diluted basis;
 - ii. such number of fully paid up equity shares of the Company such that aggregate fair value of converted equity shares equals to the face value of securities outstanding as on date of conversion.

Immediately on conversion of securities into equity shares of the Company as above, such shareholders of the Company may at their discretion exercise a put option ("Put Option") to sell their equity shares of the Company to SEL at a price which shall be higher of (a) fair value of the equity shares of the Company; or (b) at the Exit Price.

Since the CCPS are unlisted and held by Lenders as an asset, therefore income method approach is considered as an appropriate method for fair valuation.

CCPS have been classified as financial liability in its entirety as SGSL is required to issue variable number of its own equity shares to the holders of CCPS. CCPS are unlisted and held by Lenders as an asset, they are measured from the perspective of market participant that hold the CCPS as an asset. The fair value is determined based on a "transfer model" and income approach is considered as an appropriate for fair valuation.

CCPS contains multiple embedded derivatives and call and put options ("Exit Options") available to holders of CCPS, the Company, SEL and promoters of SEL. CCPS are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method at 13.00% or at risk free rate as applicable on respective Exit Options. The resultant gain or loss at initial recognition is recognised at fair value through other equity. The resultant gain or loss on subsequent measurement is recognised at fair value through statement of profit and loss.



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

- e. The Company has made certain defaults in repayment of financial facilities and payment of interest. There was no continuing default as at March 31, 2021:

Particulars	March 31, 2021		March 31, 2020	
	Amount	Period of delay	Amount	Period of delay
	₹ Crore	in days	₹ Crore	in days
Repayment of interests and other finance cost	Nil	-	1.64	\$
Repayment of working capital facility	Nil	-	17.33	\$

During the year, the Company was having a default for repayment of term loan, working capital facility and interest thereon for a period from 1 day to 90 days. On implementation of the Resolution Plan, there is waiver of existing defaults, events of defaults, penal interest and charges and waiver of right to recompense in accordance with MRA dated March 28, 2013.

\$ continuing default for repayment of term loan, working capital facility and interest thereon for a period from 1 day to 365 days.

18. Trade payables

	March 31, 2021	March 31, 2020
Outstanding dues of micro enterprises and small enterprises (refer Note below)	8.24	7.97
Trade payables to related parties	3.96	16.00
Trade payables to others	217.53	178.36
Total	229.73	202.33

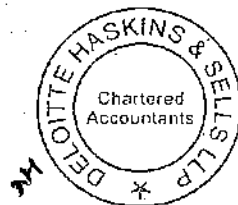
Details of due to micro and small enterprises as defined under MSMED Act, 2006

Sl. No.	Particulars	March 31, 2021	March 31, 2020
a.	The principal amount remaining unpaid to any supplier as at the end of the accounting year	8.24	7.97
b.	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	0.03	0.12
c.	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	45.46	45.17
d.	The amount of interest due and payable for the year of delay in making payment but without adding the interest specified under this Act	0.37	0.53
e.	The amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil
f.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid	0.40	0.65

The Company has identified small enterprises and micro enterprises, as defined under the MSMED Act, 2006 by requesting confirmation from the vendors through the letters circulated by the Company.

19. Other financial liabilities

Current: It primarily consists of incentive and bonus payable of ₹ 27.98 Crore (previous year: ₹ 51.11 Crore). The financial liabilities are disclosed at amortised cost.



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

20. Provisions

Non-current: It consists of provision for employee benefits of ₹ 13.22 Crore (previous year: ₹ 9.78 Crore).

Current: It consists of provision for employee benefits of ₹ 11.67 Crore (previous year: ₹ 11.50 Crore) and provision for machine availability of ₹ 77.83 Crore (previous year: ₹ 89.35 Crore).

In pursuance of Ind AS 37 - 'Provisions, contingent liabilities and contingent assets', the provisions required have been incorporated in the books of account in the following manner:

Particulars	Machine availability	
	March 31, 2021	March 31, 2020
Opening balance	89.35	58.80
Additions	48.69	77.56
Utilisation	(38.75)	(21.96)
Reversal	(21.46)	(25.05)
Closing balance	77.83	89.35

Machine availability provision represents obligation of the Company to compensate the customer in connection with unplanned suspension of operations or the expected outflow of resources against claims for the loss incurred by the customer on account of the wind turbine generator uptime being lower than the specific threshold of the time the grid was available, as defined in the contracts.

21. Other liabilities

Non-current – It consists of deferred liability* of ₹ 24.57 Crore (previous year: ₹ 29.52 Crore).

	March 31, 2021	March 31, 2020
Current		
Statutory dues	33.19	48.44
Deferred liability*	4.94	4.95
Other liabilities	0.22	0.22
Total	38.35	53.61

* Compulsory convertible debentures has been classified as financial liability and are measured at amortised cost.

22. Revenue from contract with customers

22.1 Disaggregated revenue information

	March 31, 2021	March 31, 2020
Income from operating and maintenance service and power generation	1,370.29	1,298.47
Part sales	94.87	70.16
Scrap sales	12.14	11.31
Total	1,477.30	1,379.94
Geography		
India	1,460.29	1,373.57
Outside India	17.01	6.37
Total	1,477.30	1,379.94



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

Timing of revenue recognition

Goods transferred at a point in time	107.01	81.47
Services transferred over time	1,370.29	1,298.47
Total	1,477.30	1,379.94

22.2 Contract balances

	March 31, 2021	March 31, 2020
Trade receivables	356.30	386.69
Contract liabilities	67.75	54.41

Trade receivables are non-interest bearing and are generally on payment terms of within 30 days from invoice date which is raised as per contractual agreement.

22.3 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

	March 31, 2021	March 31, 2020
Revenue as per contracted price	1,504.54	1,432.45
Less: Variable consideration		
Machine availability	(27.24)	(52.51)
Total	1,477.30	1,379.94

22.4 Performance obligation

The performance obligation is satisfied over-time and payment is quarterly due within 30 days from invoice date which is raised as per contractual agreement.

23. Other income

	March 31, 2021	March 31, 2020
Interest income on:		
on deposits with banks	0.01	0.00*
on other	50.07	5.66
Total	50.08	5.66

24. Cost of raw materials, components and services consumed

	March 31, 2021	March 31, 2020
Opening inventory	322.33	356.37
Add : Purchases	494.24	360.50
	816.57	716.87
Less : Closing inventory	364.49	322.33
	452.08	394.54

*Less than 0.01 Crore

25. Employee benefits expense

	March 31, 2021	March 31, 2020
Salaries, wages, allowances and bonus	107.20	124.44
Contribution to provident fund and other funds (refer Note 31)	10.06	10.32
Staff welfare expenses	12.53	12.60
Total	129.79	147.36



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

26. Finance costs

Interest expenses on:

Financial liabilities measured at amortised cost & FVTPL

on inter corporate deposits

on other financial liabilities

Bank charges

Dividend on convertible preference shares

Total

March 31, 2021	March 31, 2020
9.22	52.62
118.03	44.05
1.84	0.64
0.00*	-
129.09	97.31

* Less than ₹ 0.01 Crore

27. Depreciation and amortisation expense

Depreciation on property, plant and equipment (refer Note 6)

Amortisation of intangible assets (refer Note 7)

Total

March 31, 2021	March 31, 2020
9.91	12.06
364.59	364.57
374.50	376.63

28. Other expenses

Site expenses

Repairs and maintenance :

Plant and machinery

Building

Others

Rent (refer Note 32)

Rates and taxes

Insurance

Advertisement and sales promotion

Freight outward and packing expenses

Travelling, conveyance and vehicle expenses

Communication expenses

Auditors' remuneration and expenses #

Consultancy charges

CSR, charity and donations \$

Security expenses

Miscellaneous expenses

Exchange differences, net

Impairment allowance

Bad debts written off

Allowance for doubtful debts and advances

Loss on disposal of property, plant and equipment, net

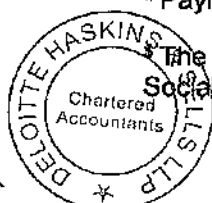
Total

March 31, 2021	March 31, 2020
7.00	5.15
0.73	0.55
0.38	0.28
3.00	2.09
11.10	12.45
5.38	9.00
5.07	4.35
0.24	0.16
9.28	6.11
32.92	31.19
3.29	3.22
0.29	0.20
42.44	41.75
2.05	1.40
37.49	42.14
10.60	9.78
(1.97)	1.32
2.75	1.68
15.67	10.95
10.62	3.20
0.00*	0.43
198.33	187.40

* Less than ₹ 0.01 Crore.

Payment to auditors towards statutory audit fees is ₹ 0.29 Crore (previous year: ₹ 0.20 Crore).

\$ The Company has spent ₹ 2.05 Crore (previous year: ₹ 1.40 Crore) towards various schemes of Corporate Social Responsibility as prescribed under section 135 of the Companies Act, 2013. The details are



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

- I. Gross amount required to be spent by the Company during the year: ₹ 0.89 Crore (previous year: ₹ 0.89 Crore)

- II. Amount spent during the year on

	March 31, 2021		March 31, 2020	
	In cash	Yet to be paid in cash	In cash	Yet to be paid in cash
i. Construction/acquisition of any asset	-	-	-	-
ii. For purposes other than (i) above	2.05	-	1.40	-
Total	2.05	-	1.40	-

- III. Above includes a contribution of ₹ 1.10 Crore (previous year: ₹ 0.75 Crore) to Suzlon Foundation, a subsidiary registered under Section 8 of the Companies Act, 2013, with the main objectives of working in the areas of social, economic and environmental issues such as empowerment, health, education, civic amenities, environment, livelihood, transformative, Proactive and enable the less privileged segments of the society to improve their livelihood by enhancing their means and capabilities to meet the emerging opportunities.

- IV. The Company does not carry any provisions for Corporate social responsibility expenses for current year and previous year.

29. Income tax

- a. Income tax expenses is Nil (previous year: Nil).

- b. Reconciliation of income tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2021 and March 31, 2020:

	March 31, 2021	March 31, 2020
Accounting profit before income tax	246.24	184.58
Enacted tax rates in India	25.17%	25.17%
Computed tax expense	61.97	46.45
Non-deductible expenses as per income tax	119.51	97.71
Deductible expenses for tax purpose	(181.48)	(144.16)
Tax expenses as per statement of profit or loss	-	-

- c. Carried forward losses

Unabsorbed depreciation to be carried forward is ₹ 238.66 Crore (previous year ₹ 786.09 Crore). Unabsorbed depreciation is available for offsetting all future taxable profits of the Company. Further the Company has opted for scheme u/s 115BAA hence no provisions of MAT will be applicable as well as no MAT Credit will be available to the Company.

30. Earnings per share (EPS)

	March 31, 2021	March 31, 2020
Basic and diluted		
Net profit after tax attributable to equity shareholders	246.24	184.58
Weighted average number of equity shares	2,93,66,800	2,93,66,800
Basic and diluted # earnings per share of ₹ 10 each	83.85 #	62.85 #

Since the earnings per share computation based on diluted weighted average number of shares is anti-dilutive, the basic and diluted earnings per share is the same. As CCPS are contingently issuable ordinary shares in the year 2040 the same has not been considered in calculating diluted EPS.



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

31. Post-employment benefit plans

Defined contribution plan:

During the year the Company has recognised ₹ 6.01 Crore (previous year ₹ 6.45 Crore) in the statement of profit or loss towards employer contribution to provident fund/ pension fund.

Defined benefit plan

The Company has a defined benefit gratuity plan. Every employee who has completed five or more years of service is eligible for gratuity. Gratuity is computed based on 15 days salary based on last drawn salary for each completed year of service. The scheme is partially funded with an insurance company in the form of a qualifying insurance policy.

Net employee benefits expense recognised in statement of profit and loss and in other comprehensive income:

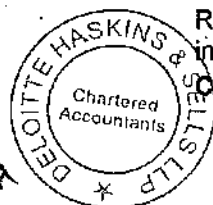
	March 31, 2021	March 31, 2020
Current service cost	2.49	2.32
Net interest cost	0.59	0.50
Net defined benefit cost recognised in profit or loss	3.08	2.82
Other comprehensive income		
Re-measurement for the period - obligation (gain) / loss	0.04	(0.49)
Re-measurement for the period - plan assets (gain) / loss	0.32	0.12
Total defined benefit cost recognised in OCI	0.36	(0.37)
Total	3.44	2.45

Changes in the defined benefit obligation:

	March 31, 2021	March 31, 2020
Opening defined benefit obligation	20.81	17.86
Current service cost	2.49	2.32
Interest cost	1.35	1.35
Benefits paid	(1.34)	(1.46)
Acquisition adjustments/ settlement cost	(0.11)	1.23
Re-measurement adjustments:		
Actuarial changes arising from changes in demographic assumptions	0.60	(0.49)
Actuarial changes arising from changes in financial assumptions	(0.92)	0.41
Experience variance (i.e. actual experience vs assumptions)	0.36	(0.41)
Closing defined benefit obligation	23.24	20.81

Changes in the fair value of plan assets:

	March 31, 2021	March 31, 2020
Opening fair value of plan assets	11.81	11.20
Interest income	0.77	0.85
Contributions by employer towards approved fund	0.14	0.11
Benefits paid	(1.34)	(1.46)
Acquisition adjustments/ settlement cost	(0.11)	1.23
Mortality charges and taxes	-	-
Re-measurement adjustments:		
Return on plan assets, excluding amount recognised in net interest expense	(0.32)	(0.12)
Closing fair value of plan assets	10.95	11.81



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

Major categories of plan assets (as percentage of total plan assets)

Funds managed by insurer is 100% for March 31, 2021 (previous year: 100%).

The composition of investments in respect of funded defined benefit plans are not available with the Company, the same has not been disclosed.

Net asset/ (liability) recognised in the balance sheet:

	March 31, 2021	March 31, 2020
Current portion of the above	2.26	2.72
Non-current portion of the above	20.98	18.10
Present value of defined benefit obligation as at the end of the financial year	23.24	20.82
Fair value of plan assets as at the end of the year	10.95	11.82
Net asset/ (liability) recognised in the balance sheet	(12.29)	(9.00)

Principal assumptions used in determining gratuity and post-employment medical benefit obligations:

	March 31, 2021	March 31, 2020
Discount rate (in %)	6.40	6.50
Future salary increases (in %)	3% for first year and 8% thereafter	0% for first year and 8% thereafter
Life expectation (in years)	7.58	5.52
Attrition rate	13.20% at younger ages and reducing to 7.40% at older ages according to graduated scale	14.30% at younger ages and reducing to 9.40% at older ages according to graduated scale

During the year, the Company has re-assessed the actuarial assumption for attrition rate based on trend of attrition.

Quantitative sensitivity analysis for significant assumptions:

	March 31, 2021		March 31, 2020	
	Decrease	Increase	Decrease	Increase
Discount rate (- / + 1%)	3.06	1.90	1.76	(1.53)
Future salary increases (- / + 1%)	1.91	3.04	(1.54)	1.73
Attrition rate (- / + 50% of attrition rates)	2.53	2.27	1.27	(0.65)

For the year ending on March 31, 2022 the Company expects to contribute ₹ 14.79 Crore (previous year: ₹ 11.20 Crore) towards its defined benefit plan.

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (previous year: 9 years).

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Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

32. Leases

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" 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. The Company has lease contracts for land used in its operations. Leases of land have lease terms of 99 years. Generally, the Company is restricted from assigning and subleasing the leased assets. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Below are the carrying amounts of right of use assets recognised and the movements during the year ended March 31, 2021 are as follows:

Particulars	March 31, 2021	March 31, 2020
Opening balance	0.04	-
Reclassified on account of adoption of Ind AS 116	-	0.04
Additions	-	-
Depreciation	0.00*	0.00*
Closing balance	0.03	0.04

* Less than ₹ 0.01 Crore

The Company also has certain leases of premises under cancellable with lease terms of 12 months or less and with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases. The total rental expenses under operating lease and rental contracts during the year is ₹ 11.10 Crore (previous year: ₹ 12.45 Crore).

33. Capital and other commitments

Estimated amount of contract remaining to be executed on capital accounts and not provided for, net of advances ₹ 6.95 Crore (previous year: ₹ 1.70 Crore).

34. Contingent liabilities

	March 31, 2021	March 31, 2020
Claims against the Company by employees	0.28	0.28
Interest payable under MSMED Act, 2006	0.40	0.65

The Company has stood as co-borrower and guarantor for loans granted to SEL and its identified domestic subsidiaries and a joint venture for which certain securities are provided, the amount of which is not ascertainable.

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Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

35. Related party transactions

A. Related parties with whom transactions have taken place during the year

Sr. No.	Name of the entity	Nature of relationship
1	Suzlon Energy Limited	Holding company
2	Suzlon Power Infrastructure Limited	Fellow subsidiary
3	Suzlon Gujarat Windpark Limited	Fellow subsidiary
4	Suzlon Wind Energy (Lanka) Pvt. Limited	Fellow subsidiary
5	Suzlon Wind Energy South Africa (PTY) Ltd	Fellow subsidiary
6	Suzlon Wind Energy Corporation	Fellow subsidiary
7	Suzlon Energy Australia Pty. Ltd	Fellow subsidiary
8	Suzlon Wind Energy Espana S.L.U.	Fellow subsidiary
9	Suzlon Energy A/S	Fellow subsidiary
10	Suzlon Generators Limited	Joint venture
11	Aalok Solarfarms Limited	Joint venture
12	Abha Solarfarms Limited	Joint venture
13	Vayudoot Solarfarms Limited	Joint venture
14	Heramba Renewables Limited	Joint venture
15	Shreyas Solarfarms Limited	Joint venture
16	Mr. Vinod R. Tanti	Key Management Personnel (KMP)
17	Mr. Vaidhyanathan Raghuraman	Key Management Personnel (KMP)
18	Mr. Bakul N. Rathod	Key Management Personnel (KMP)
19	Mr. Per Hornung Pederson	Key Management Personnel (KMP)
20	Mr. Ishwar Chand Mangal	Key Management Personnel (KMP)
21	Mr. Om Prakash Talwar	Key Management Personnel (KMP)
22	Mrs. Seemantinee Khot ⁽ⁱ⁾	Key Management Personnel (KMP)
23	Ms. Nidhi T. Tanti ⁽ⁱⁱ⁾	Key Management Personnel (KMP)
24	Mrs. Priti Kaur Budhreja	Key Management Personnel (KMP)
25	Mr. Girish R. Tanti	Relatives of Key Management Personnel (RKMP)
26	Mr. Tulsi R. Tanti	Relatives of Key Management Personnel (RKMP)
27	Mr. Jitendra R. Tanti	Relatives of Key Management Personnel (RKMP)
28	Rambhaden Ukabai	Relatives of Key Management Personnel (RKMP)
29	Suzlon Foundation	Entities where KMP/ RKMP have significant influence
30	PT Wind Energy	Entities where KMP/ RKMP have significant influence
31	Sarjan Realities Private Limited ⁽ⁱⁱⁱ⁾	Entities where KMP/ RKMP have significant influence
32	Tanti Holdings Private Limited	Entities where KMP/ RKMP have significant influence
33	Samiran Realities Limited	Entities where KMP/ RKMP have significant influence
34	Samanvaya Holdings Private Limited	Entities where KMP/ RKMP have significant influence
35	SE Freight and Logistics India Private Limited	Entities where KMP/ RKMP have significant influence
36	Suzlon Global Services Limited- Gratuity Fund	Employee Fund

(i) Joined with effect from August 01, 2020

(ii) Resigned with effect from July 26, 2020

(iii) Name changed with effect from January 01, 2021



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

B. Transactions between the Company and related parties during the year and the status of outstanding balances as at March 31, 2021:

Particulars	Holding company	Fellow subsidiary	Joint venture	Entities where KMP/ RKMP have significant influence	KMP	RKMP	Employee fund
Purchase of property, plant and equipment	- (-)	- (0.04)	- (-)	- (-)	- (-)	- (-)	- (-)
Purchase of goods and services	35.46 (17.37)	2.04 (2.11)	7.46 (5.31)	2.82 (2.70)	- (-)	- (-)	- (-)
Sale of goods and services	182.97 (154.52)	3.06 (7.34)	2.31 (3.36)	1.03 (1.46)	0.25 (0.24)	1.02 (0.97)	- (-)
Interest expense	50.73 (93.56)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Domestic consultancy charges	40.00 (40.00)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Interest income	48.74 (4.94)	0.51 (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Reimbursement of amount receivable	- (0.75)	- -	- -	- -	- -	- -	- -
Rent paid	- (-)	- (-)	- (-)	6.15 (7.32)	- (-)	- (-)	- (-)
Corporate social welfare expenses	- (-)	- (-)	- (-)	1.10 (0.75)	- (-)	- (-)	- (-)
Managerial remuneration	- (-)	- (-)	- (-)	- (-)	4.35 (3.60)	- (-)	- (-)
Director sitting fees	- (-)	- (-)	- (-)	- (-)	0.02 (0.01)	- (-)	- (-)
Loans taken	447.28 (604.29)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Contribution to gratuity fund	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	0.14 (0.10)
Loans given	559.33 (-)	200.00 (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Debt given pursuant to assignment of debt	11.22 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Machine availability expenditure	- (-)	- (-)	- (-)	- (0.48)	- (0.18)	- (0.46)	- (-)
Reimbursement of expenses payable	5.39 (2.86)	- (-)	- (-)	0.02 (-)	- (-)	- (-)	- (-)

Outstanding balances:

Particulars	Holding company	Fellow subsidiary	Joint venture	Entities where KMP/ RKMP have significant influence	KMP	RKMP
Advance to supplier and other receivables	- (-)	- (-)	- (-)	- (1.62)	- (-)	- (-)
Director sitting fees payable	- (-)	- (-)	- (-)	0.00* (0.00*)	- (-)	- (-)
Managerial remuneration payable	- (-)	- (-)	- (-)	0.11 (0.30)	- (-)	- (-)



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

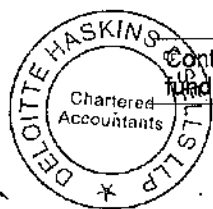
All amounts in ₹ Crore, unless otherwise stated

Particulars	Holding company	Fellow subsidiary	Joint venture	Entities where KMP/ RKMP have significant influence	KMP	RKMP
Loans outstanding (including interest)	510.00 (-)	200.47 (-)	- (-)	- (-)	- (-)	- (-)
Trade receivables	2.36 (25.71)	7.69 (6.26)	2.03 (3.72)	1.15 (0.97)	0.08 (0.00)*	0.32 (0.08)
Trade payables	3.16 (6.07)	0.10 (1.20)	0.23 (0.82)	0.47 (7.91)	- (-)	- (-)
Compulsorily convertible debentures	366.10 (362.25)	- (-)	- (-)	- (-)	- (-)	- (-)
Preference shares	16.76 (15.10)	- (-)	- (-)	- (-)	- (-)	- (-)
Unsecured loan outstanding (including interest)	- (334.58)	- (-)	- (-)	- (-)	- (-)	- (-)
Income accrued but not due	18.12 (23.81)	- (-)	- (-)	- (-)	- (-)	- (-)
Equity portion of CCD	29.51 (34.46)	- (-)	- (-)	- (-)	- (-)	- (-)

Figures in the bracket are in respect of previous year.

C. Disclosure of significant transactions with related parties

Type of the transaction	Type of relationship	Name of the entity / person	Year ended March 31,	
			2021	2020
Purchase of property plant and equipment	Holding company	Suzlon Energy Limited	-	-
	Fellow subsidiary	Suzlon Gujarat Windpark Limited	-	0.04
	Fellow subsidiary	Suzlon Power Infrastructure Ltd	-	-
Purchase of goods and services	Holding company	Suzlon Energy Limited	35.46	17.37
	Joint venture	Suzlon Generators Limited	7.46	5.31
Sale of goods and services	Holding company	Suzlon Energy Limited	182.97	154.52
Managerial remuneration	KMP	Mr. Ishwar Chand Mangal	3.29	2.67
	KMP	Mr. Om Prakash Talwar	1.01	0.75
Rent paid	Entities where KMP/ RKMP have significant influence	Sarjan Realities Limited	6.08	7.23
Interest expense	Holding company	Suzlon Energy Limited	50.73	93.56
Domestic consultancy charges	Holding company	Suzlon Energy Limited	40.00	40.00
Interest income	Holding company	Suzlon Energy Limited	48.74	4.94
Director sitting fees	KMP	Mr. Per Hornung Pedersen	0.01	0.01
	KMP	Mr. Vaidhyanathan Raghuraman	0.01	0.01
Corporate social welfare expenses	Entities where KMP/ RKMP have significant influence	Suzlon Foundation	1.10	0.75
Machine availability expenditure	KMP	Mr. Vinod R. Tanti	-	0.18
	RKMP	Mr. Girish R. Tanti	-	0.16
	RKMP	Rambhoben Ukabhai	-	0.13
	Entities where KMP/RKMP have significant influence	Tanti Holdings Private Limited	-	0.48
Contribution to gratuity	Employee funds	Suzlon Energy Limited- Employee Group Gratuity Scheme	0.14	0.10



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

Type of the transaction	Type of relationship	Name of the entity / person	Year ended March 31,	
			2021	2020
Debt given pursuant to assignment of debt	Holding company	Suzlon Energy Limited	11.22	-
Loans taken	Holding company	Suzlon Energy Limited	447.28	604.29
Loans given	Holding company	Suzlon Energy Limited	559.33	-
	Fellow subsidiary	Suzlon Gujarat Windpark Limited	200.00	-
Reimbursement of expenses payable	Holding company	Suzlon Energy Limited	5.39	2.86
	Entities where KMP/RKMP have significant influence	SE Freight and Logistics India Private Limited	0.02	-

36. Fair value measurements

- a. The fair value of the financial assets and liabilities are considered to be same as their carrying values except for details given below. The valuation requires the management to make certain assumptions about the model inputs, including forecast cash flows, the discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted instruments.

Description of significant unobservable inputs to valuation:

	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
FVTPL Put Option – (Financial Liability)	Monte Carlo Simulation (20,000 Scenarios)	Volatility in Stock Price of Unlisted Entity	March 31, 2021 – 58.83% Volatility Rate	1% increase in volatility rate would result in increase in fair value by ₹ 7.13 Crore and 1% decrease in volatility rate would result in decrease in fair value by ₹ 7.80 Crore

b. Fair value hierarchy

There are no transfers between level 1 and level 2 during the year and earlier comparative periods. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the financial year.

The following table provides quantitative disclosure of fair value measurements hierarchy of the Company's liabilities:

Financial liabilities at fair value	Level 3	
	March 31, 2021	March 31, 2020
Financial liabilities		
Financial liabilities at fair value through profit or loss:		
Compulsory Convertible preference shares	778.87	-
	778.87	-

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Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

Reconciliation of financial instruments measured at fair value through profit or loss:

	March 31, 2021	March 31, 2020
Financial liabilities		
Opening balance	-	-
Addition during the year	743.61	-
Finance cost recognised in statement of profit and loss	35.26	-
Closing balance	778.87	-

37. Financial risk management

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide support to its operations. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

c. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and foreign currency risk. Financial instruments affected by market risk include loans and borrowings.

i. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

ii. Price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the on-going purchase of electrical items for power evacuation which are affected by the commodity price. The Company has a risk management strategy and planning regarding commodity price risk and its mitigation.

iii. Foreign currency risk and sensitivity

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. As the Company does not have material exposure to the foreign currency, there is no risk associated with changes in foreign exchange rates.

The Company's exposure to foreign currency risk as at the end of the financial year are:

	March 31, 2021			March 31, 2020		
	USD	Euro	Others	USD	Euro	Others
Financial assets						
Trade receivables	4.35	-	6.24	1.36	-	5.2
Other Assets	2.38	2.01	-	-	-	-
Total	6.73	2.01	6.24	1.36	-	5.2



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

Financial liabilities

Trade payables	1.18	21.89	0.03	1.37	3.23	0.07
Other Liabilities	0.40	-	-	-	-	-
Total	1.58	21.89	0.03	1.37	3.23	0.07

Foreign currency sensitivity

The Company's currency exposures in respect of monetary items as at March 31, 2021 and March 31, 2020 that result in net currency gains and losses in the income statement and equity arise principally from movement in US Dollar and Euro exchange rates.

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EURO exchange rates, with all other variables held constant. The Company's exposure to foreign currency changes for all other currencies is not material. The other currencies includes Australian Dollar, Great Britain Pound and Danish Kroner.

Currency	Change in currency rate	Effect on profit before tax	
		March 31, 2021	March 31, 2020
USD	+5%	(0.26)	(0.00)*
USD	-5%	0.26	0.00*
EURO	+5%	(0.99)	(0.16)
EURO	-5%	0.99	0.16

*Less than ₹ 0.01 Crore

d. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities (primarily loans). The Company consistently monitors the financial health of its customers and sales proceeds are being realised as per the milestone payment terms agreed to minimise the loss due to defaults or insolvency of the customer. Progressive liquidity management is being followed to de-risk the Company from any non-fulfilment of its liabilities to various creditors, statutory obligations, or any stakeholders.

i. Trade receivables

The Company's exposure to trade receivables is limited due to diversified customer base. The Company consistently monitors progress under its contracts with customers and sales proceeds are being realised as per the milestone payment terms agreed to minimise the loss due to defaults or insolvency of the customer.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

ii. Financial instruments

Financial instruments that are subject to concentrations of credit risk primarily consist of cash and cash equivalents, term deposit with banks, investment in mutual funds, and other financial assets. Investments of surplus funds are made only with approved counterparties and within credit limits assigned.

The Company's maximum exposure to credit risk as at March 31, 2021 and as at March 31, 2020 is the carrying value of each class of financial assets.

Refer Note 2.3(n) for accounting policy on financial instruments.



Suzlon Global Services Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

e. Liquidity risk

Liquidity risk refers to that risk where the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirement. In doing this, management considers both normal and stressed conditions. The Company manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring cash flow forecast and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the contractual maturity profile of the Company's financial liabilities based on contractual undiscounted payment:

	Up to 1 year	1 - 5 years	> 5 years	Total
March 31, 2021				
Redeemable cumulative preference shares	-	-	16.76	16.76
Compulsorily convertible debentures	-	-	366.10	366.10
Compulsory convertible preference shares	-	-	1,219.78	1,219.78
Other financial liabilities	27.98	-	-	27.98
Trade and other payables	229.73	-	-	229.70
Total	257.71	-	1,602.64	1,860.32
March 31, 2020				
Borrowings	363.53	-	-	363.53
Redeemable cumulative preference shares	-	-	15.10	15.10
Compulsorily convertible debentures	-	-	362.25	362.25
Other financial liabilities	51.11	-	-	51.11
Trade and other payables	202.33	-	-	202.34
Total	616.97	-	377.35	994.32

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Suzlon Global Service Limited

Notes to financial statements for the year ended March 31, 2021

All amounts in ₹ Crore, unless otherwise stated

38. Capital management


For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to safeguard its ability to reduce the cost of capital and to maximise shareholder value.

The capital structure of the company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The calculation of the capital for the purpose of capital management is as below:

	March 31, 2021	March 31, 2020
Equity share capital	29.37	29.37
Other equity	353.52	824.76
Total capital	382.89	854.13


Vinod R. Tanti
Chairman
DIN : 00002266


Om Prakash Talwar
Chief Financial Officer


Ishwar C. Mangal
Chief Executive Officer


Priti Kaur Budhreja
Company Secretary
Membership No : A55640

Place : Pune

Date : 28 JUN 2021

