SUZLON ENERGY LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

DATE: 03 June 2022

SUZLON ENERGY LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

CONTENTS

		Date of Appointment
DIRECTORS	: Mrs. Caryl Rey	17 March 2006
	Mr. Tulsi Ranchhodbhai Tanti	17 March 2006
	Mr. Nimish Harendra Shah (alternate to Mr. Tulsi Ranchhodbhai Tanti)	22 April 2015
	Mr. Julien Rey	14 November 2017
	Mr. Tejjas Amarsinh Parmar	22 December 2021

ADMINISTRATOR AND SECRETARY : Navitas Management Services Ltd.
Navitas House
Robinson Lane
Floreal
Mauritius

REGISTERED OFFICE : C/o Navitas Management Services Ltd.
Navitas House
Robinson Lane
Floreal
Mauritius

AUDITOR : Ernst & Young
9th Floor
NeXTeracom Tower I
Cybercity
Ebene
Mauritius

BANKERS : AfrAsia Bank Ltd
Bowen Square, 10, Dr Ferriere Street
Port Louis, Mauritius

Indian Bank
No 57, Sir Baron Jayathilake Mawatha,
Fort, Colombo-01,
Sri Lanka

The directors present the audited financial statements of Suzlon Energy Limited (the "Company") for the year ended 31 March 2022.

PRINCIPAL ACTIVITY

The principal activity of the Company is that of an investment holding company engaged in projects involving in the use of non-conventional resources such as wind energy and wave energy.

MEMBERS OF THE BOARD OF DIRECTORS

Mrs. Caryl Rey
Mr. Tulsi Tulsibhai Ranchhodbhai Tanti
Mr. Nimish Harendra Shah - alternate to Mr. Tulsibhai Ranchhodbhai Tanti
Mr. Julien Rey
Mr. Tejjas Amarsinh Parmar

RESULTS AND DIVIDENDS

The Company's net loss for the year ended 31 March 2022 is EUR 258,101 (2021: Loss of EUR 1,795,385).

The directors do not recommend the payment of a dividend for the year under review. (2021: Nil).

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Company's directors are responsible for the preparation and fair presentation of the financial statements, comprising the Company's statement of financial position at 31 March 2022 and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and the Companies Act 2001 applicable to a Company holding a Global Business Licence as described in note 2 of the financial statements.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material missatements, whether due to fraud or error.

The Company had incurred a loss of Euro 258,101 during the year ended 31 March 2022 (31 March 2021: Loss of Euro 1,795,385) and has net current liabilities of 84,830 Euro as at 31 March 2022. These factors indicate the existence of uncertainty that may cast doubt on the Company's ability to continue as a going concern. The continuation of the Company's operations depends upon future profitable operation and continued financial support from the shareholders. The Company sought and obtained a letter of support from Suzlon Energy Limited, the parent to continue to provide financial support to enable it to continue operations through at least 12 months from the date of the directors' report.

AUDITOR

The Auditor, Ernst & Young, has expressed its willingness to continue in office.

Approved and authorised for issue by the Board of directors on 03.06.2022

Nimish Harendra Shah (DIRECTOR)

Julien Rey (DIRECTOR)

Secretary's Certificate under section 166(d) of the Companies Act 2001

In accordance with section 166(d) of the Companies Act 2001, we certify that to the best of our knowledge and belief, the Company has filed with the Registrar of Companies, all such returns as are required of the Company under the Companies Act 2001.

....
For and on behalf of
Navitas Management Services Ltd.
Secretary

Date: 03 JUN 2022

Ernst & Young Mauritius
9th Floor, NeXTeracom Tower I
Cybercity, Ebene
Mauritius

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SUZLON ENERGY LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Suzlon Energy Limited ("the Company") set out on pages 7 to 24, which comprise the statement of financial position as at 31 March 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including significant accounting policies.

In our opinion, the accompanying financial statements of the Company are prepared in all material respects, in accordance with the basis of accounting described in note 2 to the financial statements and the requirements of the Companies Act 2001 applicable to a company holding a Global Business Licence.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the "International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code")" and other independence requirements applicable to performing audits of financial statements of the Company and in Mauritius. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits of the Company and in Mauritius. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the Management and Administration, Commentary of Directors and the Secretary's Certificate as required by the Companies Act 2001. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

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 in the 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.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2001 applicable to a company holding a Global Business Licence, as described in note 2 to the financial statements and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are 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 the directors either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SUZLON ENERGY LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditor's Responsibilities 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 ISAs 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 ISAs, we exercise professional judgement and maintain professional scepticism 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the director'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.

We communicate with the directors 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.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body for our audit work, for this report, or for the opinions we have formed.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SUZLON ENERGY LIMITED

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditor and dealings in the ordinary course of business.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Ernst & Young

ERNST & YOUNG
Ebène, Mauritius

Roger de Chazal

ROGER DE CHAZAL, A.C.A.
Licensed by FRC

Date: 03 June 2022

SUZLON ENERGY LIMITED
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2022

ASSETS	Notes	2022 EUR	2021 EUR
Non-current assets			
Investment in subsidiaries	5	714,042	885,368
		714,042	885,368
Current assets			
Prepayments		1,501	8,542
Cash at bank		6,093	4
		7,594	8,546
Total assets		721,636	893,914
EQUITY AND LIABILITIES			
Equity			
Share capital	6	11,646,591	11,646,591
Accumulated losses		(11,017,379)	(10,759,280)
Shareholders' interest		629,212	887,311
Current liabilities			
Other payables	8	92,424	6,602
		92,424	6,602
Total equity and liabilities		721,636	893,914

Approved and authorised for issue by the Board of directors on 03 JUN 2022

NAME OF DIRECTORS	SIGNATURES
Nimish Harendra Shah (DIRECTOR)	
Julien Rey (DIRECTOR)	

The notes on pages 11 to 24 form an integral part of these financial statements.
Auditor's report on pages 4 to 6.

	Note	2022 EUR	2021 EUR
Income			
Dividend income		-	141,125
Interest income		659	4,540
		659	145,665
Expenses			
Director fees		(3,096)	(3,383)
Audit fees		(5,587)	(5,605)
Legal expenses		(2,043)	(2,191)
Bank charges		(15,800)	(1,864)
External assistance/consultancy		(7,047)	(6,274)
Insurance - other		(4,988)	(5,570)
Courier charges		(190)	-
Impairment of investment in subsidiaries	5	(219,326)	(794,633)
Impairment of loan receivables	7	(659)	(1,117,938)
Loss on foreign exchange		(24)	(3,591)
Total expenses		(258,760)	(1,941,049)
Loss before taxation		(258,101)	(1,795,385)
Taxation	9	-	-
Loss for the year		(258,101)	(1,795,385)
Other comprehensive income for the year		-	-
Total comprehensive loss for the year, net of tax		(258,101)	(1,795,385)

The notes on pages 11 to 24 form an integral part of these financial statements.
Auditor's report on pages 4 to 6.

	Stated capital	Accumulated losses	Total
	EUR	EUR	EUR
At 01 April 2020	11,646,591	(8,963,893)	2,682,698
Loss for the year	-	(1,795,385)	(1,795,385)
Othe comprehensive income for the year	-	-	-
At 31 March 2021	11,646,591	(10,759,277)	887,313
Loss for the year	-	(258,101)	(258,101)
Othe comprehensive income for the year	-	-	-
At 31 March 2022	11,646,591	(11,017,379)	629,212

The notes on pages 11 to 24 form an integral part of these financial statements.
Auditor's report on pages 4 to 6.

SUZLON ENERGY LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022	2021
		EUR	EUR
Cash flow from operating activities			
Loss for the year before taxation		(258,101)	(1,795,385)
Adjustments for:			
Loss on exchange difference		24	3,591
Interest Income	7	(659)	(4,540)
Dividend Income		-	(141,125)
Impairment of investment in subsidiaries	5	219,326	794,633
Impairment of loan receivable	7	659	1,117,938
Changes in working capital:			
Decrease/(increase) in prepayments		7,042	(6,921)
Increase in other payables	8	85,822	539
Net cash from/ (used in) operating activities		54,113	(31,269)
Cash flows from investing activities			
Investment in subsidiary	5	(48,000)	-
Dividend income		-	141,125
Net cash (used in)/ from investing activities		(48,000)	141,125
Cash flows from financing activities			
Disbursement of loan given to Group company	7	-	(136,056)
Net cash used in financing activities		-	(136,056)
Net movement in cash and cash equivalents		6,113	(26,201)
Cash and cash equivalents at 01 April 2021		4	29,795
Effect of foreign exchange difference		(24)	(3,590)
Cash and cash equivalents at 31 March 2022		6,093	4

The notes on pages 11 to 24 form an integral part of these financial statements.
Auditor's report on pages 4 to 6.

1. CORPORATE INFORMATION

Suzlon Energy Limited ("the Company") is a private Company with liability limited by shares incorporated in the Republic of Mauritius on 17 March 2006. The Company was initially granted a Category 1 Global Business Licence under the Financial Services Act 2007. Following the enactment of Finance Act 2018, since the Company's GBC1 licence was issued before 16 October 2017, it has been grand fathered till 30 June 2021. With effect from 01 July 2021 the Company is deemed to hold a Global Business Licence. The Company has its registered office at c/o Navitas Management Services Ltd., Navitas House, Robinson Lane, Floreal, Republic of Mauritius.

The principal activity of the Company is that of an investment holding in companies engaged in projects involved in the use of non-conventional resources such as wind energy and wave energy.

The financial statements of the Company for the year ended 31 March 2022 were authorised for issue in accordance with a resolution of the directors on the date as stamped on page 2.

2. BASIS OF PREPARATION

The financial statements are prepared under the historical cost convention and are presented in Euro ('EUR'). The preparation of financial statements in conformity with IFRS requires the use of certain critical account estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

The Company is the holder of a Global Business License and has subsidiaries. The Company has elected in accordance with the Fourteenth Schedule of the Companies Act 2001, Section 12, to not to prepare group financial statements in accordance with Section 211 of the Companies Act 2001 "Contents and form of financial statements".

The basis of preparation of these financial statements complies with International Financial Reporting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board (IASB), except for the application of IFRS 10 - Consolidated Financial Statements, IFRS 11 - Joint Arrangements and IFRS 12 - Disclosure of Interests in Other Entities. Instead of presenting consolidated financial statements of the Group, the Company only presents separate financial statements as described in IAS 27 - Separate Financial Statements.

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below:

Foreign currency translation

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Euro ("EUR"), which is the Company's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at its functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date. All differences are taken to profit or loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Non-monetary items in a foreign currency that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial assets

Classification and measurement of financial assets

Financial assets are classified as financial assets at fair value through profit or loss, at fair value through other comprehensive income and at amortised cost, as appropriate. The Company determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at fair value plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs and also depends on the financial assets' contractual cash flow characteristics and the Company's business model for managing them.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

The Company's financial assets include bank balances.

Subsequent measurement

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

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial assets (Continued)

Subsequent measurement (Continued)

Impairment

The Company recognises a loss allowance for expected credit losses on debt instruments that are measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company recognises 12-months ECL for amount due by related party based on the general approach. As long as group companies are adequately capitalised, most amount due by related party will be in stage 1 and so, will require an allowance equal to the 12 month ECLs.

Those balances that are repayable on demand will attract a negligible ECL, since ECLs are only measured over the period in which the entity is exposed to credit risk.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

For financial assets, the expected credit loss is estimated as 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 Company expects to receive, discounted at the original effective interest rate.

If the Company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Company shall recognise an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account only where there is an impact of ECL based on the general approach.

Derecognition

A financial asset (or where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired; and

- 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.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset.

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial assets (Continued)

Subsequent measurement (Continued)

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.

Financial liabilities

Classification and measurement of financial liabilities

Financial liabilities are classified as other financial liabilities at amortised cost.

Other financial liabilities are initially measured at fair value, net of transaction costs. Other financial liabilities include trade and other payables.

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

The Company measures its financial liabilities at amortised cost.

Derecognition

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 a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

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

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity instruments

Equity instruments are recorded at the proceeds received, net of direct issue costs, and are classified as equity.

Investment in subsidiaries

A subsidiary is an enterprise which the Company controls. Control is achieved where the Company has power over more than one half of the voting rights or the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

An Investment in subsidiary is shown at cost in the Company's financial statements. Where an indication of impairment exists, the recoverable amount of the investment is assessed. Where the recoverable amount of the investment is less than its carrying amount, the investment is written down immediately to its recoverable amount and the impairment loss is recognised as an expense in profit or loss.

On disposal of the investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss.

Consolidated financial statements

The Company owns 100% of the issued share capital of Suzlon Wind Energy Limited UK, 100% of Suzlon Wind Energy Uruguay SA, 100% of Suzlon Wind Energy (Lanka) Pty Ltd, 80% of Suzlon Wind Energy South Africa, 99% of Suzlon Energy A/S, which are considered to be subsidiary undertakings. Also it holds 12.39% for the issued share capital of Suzlon Energia Eolica do Brasil Ltda. in which is 87.61% is held by Suzlon Energy A/S.

The Company being the parent is required to prepare consolidated financial statements under IFRS 10 "Consolidated Financial Statements". The Company has taken advantage of the exemption provided by the Companies Act 2001 allowing a wholly owned parent company holding a Category 1 Global Business License not to present consolidated financial statements which contain financial information of the Company. These financial statements are of the individual company only and do not contain consolidated financial information as parent of the group.

Under IFRS 10 "Consolidated Financial Statements", consolidated financial statements of the Company and its subsidiaries as a group should have been presented as the Company's ultimate parent does not produce consolidated financial statements available for public use that comply with International Financial Reporting Standards. The directors are of opinion that preparation of consolidated financial statements that comply with International Financial Reporting Standards will not be useful to its parent as the Company is wholly owned by its ultimate parent Suzlon Energy Limited (India) which produces consolidated financial statements prepared in accordance with Indian Generally Accepted Accounting Principles. The registered office of Suzlon Energy Limited (India) is "Suzlon", 5, Shrimali Society, Near Shri Krishna Complex, Navarangpura, Ahmedabad - 380009.

Taxes

Current taxation

Current income tax assets and liabilities for the current period 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 in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxes (Continued)

Deferred taxation

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

Deferred tax liabilities are recognised for all taxable temporary differences unless the deferred tax liability arises from goodwill amortisation or 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.

Deferred tax liabilities are recognised for all taxable temporary differences associated with investments in subsidiaries except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. In case of interest charged to customers, interest is accounted for on availability of documentary evidence that the customer has accepted the liability.

Dividend income

Dividend income from investments is recognised when the right to receive payment is established.

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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in profit or loss net of any reimbursement.

Related parties

Related parties are individuals and companies where the individual or the Company has the ability directly or indirectly to control the other party or exercise significant influence over the other party in making financial and operating decisions.

Expenses

All expenses are recognised in profit or loss on an accruals basis.

3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

In the current year, there are no changes in accounting policies and disclosures. The Company has applied revised standards and interpretations that are effective for the current financial year and that are relevant to its operations. Their application has not had any significant impact on the amounts reported for the current and prior periods but may affect the accounting for future transactions or arrangements.

3.1 ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

A number of new standards, amendments to existing standards and interpretations have been issued and are not yet effective at the date of issuance of the financial statements of the Company. The Company intends to adopt these standards and interpretations, however, the directors do not consider these will have a material impact on the Company.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Critical accounting judgements in applying the Company's accounting policies

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the amounts recognised in the financial statements. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Judgements

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.

Determination of functional currency

The determination of the functional currency of the Company is critical since recording of transactions and exchange differences arising therefrom are dependent on the functional currency selected. The directors have considered those factors described therein and have determined that the functional currency of the Company is the Euro (refer to note 13 for more information).

Going concern

The Company had incurred a loss of Euro 258,101 during the year ended 31 March 2022 (31 March 2021: Loss of Euro 1,795,385) and has net current liabilities of 84,830 Euro as at 31 March 2022. The continuation of the Company's operations depends upon future profitable operation and continued financial support from the shareholders. The Company sought and obtained a letter of support from Suzlon Energy Limited dated 10 May 2022, the parent to continue to provide financial support to enable it to continue operations through at least 12 months from the date of the director's report. In addition, its sister Company, AE Rotors Holding has issued a subordination letter for the amount owed by the Company to them. Based on these factors, the Company's management is satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any other material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

Impairment of investment in subsidiaries

The Company's management evaluates the net worth of the investees on the reporting date. In case there is uncertainty of return of the amount invested into that investee company, a provision is created against the investment up to that extent.

The Company has provided for the investment made in Suzlon Energia Eolica do Brasil Ltda. of EUR 1 as the investee company is under the process of liquidation, the investment in Suzlon Wind Energy Limited UK, Suzlon Wind Energy Uruguay S.A and Suzlon Energy AS were already fully provided as per management decision. The Company has partially provided its investment in Suzlon Wind Energy (Lanka) Pty Ltd.

5. INVESTMENT IN SUBSIDIARIES

	2022	2021
	EUR	EUR
At 01 April	885,368	1,680,001
Addition	48,000	-
Impairment	(219,326)	(794,633)
At 31 March	714,042	885,368

Details of investment are as follows:

Name of the Company	Type of shares	Place of incorporation	% Effective Holding		2022	2021
			2022	2021	EUR	EUR
Suzlon Wind Energy Limited	Equity	United Kingdom	100%	100%	-	-
Suzlon Wind Energy Uruguay , SA	Equity	Uruguay	100%	100%	-	-
Suzlon Energia Eolica do Brasil Ltda.	Equity	Brazil	99%	99%	-	-
Suzlon Wind Energy South Africa	Equity	South Africa	80%	80%	-	-
Suzlon Energy A/S	Equity	Denmark	99%	99%	-	-
Suzlon Wind Energy (Lanka) Pty. Ltd.	Equity	Sri Lanka	100%	100%	714,042	885,368

The Company has fully impaired all its stake in Suzlon Wind Energy Limited, UK, Suzlon Energia Eolica do Brasil Ltda, Suzlon Wind Energy Uruguay , SA and Suzlon Energy A/S. During the year the Company has made an impairment of Euro 219,326 (previous year 794,633) in Suzlon Wind Energy (Lanka) Pty. Ltd. Also the Company has purchased 48 ordinary shares of Suzlon Wind Energy South Africa @1,000 Euro each from AE Rotor Holding BV, which was subsequently impaired.

6. STATED CAPITAL

	2022	2021
	EUR	EUR
Issued and fully paid:		
4,401,315,657 (2021: 4,401,315,657) ordinary shares at no par value	11,646,591	11,646,591

7. LOANS AND OTHER RECEIVABLES

	2022	2021
	EUR	EUR
Loan from Suzlon Wind Energy Corporation:		
At 01 April	-	977,342
Repayment/ disbursement during the year	-	136,056
Accrued Interest	659	4,540
Impairment	(649)	(978,036)
Loss on exchange difference	(10)	(139,902)
At 31 March	-	-

Interest is chargeable at an Annual Short-term Applicable Federal Rate as published monthly by Internal Revenue Service of United States, to be compounded annually. The total loan amount was written off.

8. TRADE AND OTHER PAYABLES

	2022	2021
	EUR	EUR
Accruals	6,666	6,602
Amount due to related companies (note 10)	85,758	-
	92,424	6,602

Amount due to related companies are unsecured, interest-free and repayable on demand.

9. TAXATION

The Company holds a Global Business Licence for the purpose of the Financial Sercvices Act 2007 of Mauritius. Pursuant to the enactment of the Finance Act 2018, with effect as from 1 January 2019, the deemed tax credit has been phased out, through the implementation of a new tax regime. Entities which had obtained their Global Business Licence on or before 16 October 2017, including the Company, have been grandfathered and would benefit from the deemed tax credit regime up to 30 une 2021.

Accordingly, the Company was entitled to a foreign tax credit equivalent to the higher of the actual tax suffered or 80% of the Mauritian tax ("Deemed foreign tax credit") on its foreign source income resulting in a maximum effective tax rate on net income of up to 3%, up to 30 June 2021. Further, the Company is exempted from income tax in Mauritius on profits or gains arising from sale of securities. In addition, there is no witholding tax payable in Mauriitus in respect of payments of dividends to Shareholders or in respect of the redemptions or exchanges of shares.

Post 30 June 2021 and under the new tax regime and subject to meeting the necessary substance requirements as required under the Financial Services Act 2007 (as amended by the Finance Act 2019) and such guidelines issued by the Financial Services Commission, the Company is entitled to either (a) a foreign tax credit equivalent to the actual foreign tax suffered on its foreign income against the Company's tax liability computed at 15% on such income, or (b) a partial examption of 80% of some of the income derived, including but not limited to foreign source dividends or interest income.

A reconciliation between accounting profit and tax expense for the years 31 March 2022 and 2021 is as follows:

	2022	2021
	EUR	EUR
Loss for the year	(258,101)	(1,795,385)
Add: Expenditure disallowed	219,985	1,912,571
(Tax loss)/chargeable income	(38,116)	117,186
Loss brought forward	(84,330)	(201,516)
Loss carried forward	(122,446)	(84,330)

10. RELATED PARTY DISCLOSURES

During the year, the Company had the following transactions on an arm's length basis with related entities. Details of the nature, volume of transactions and balances with these related entities are as follows:

Name of company	Relationship	Nature of transactions	Volume of transactions during the year (net)	Balances at 31 March 2022	Balances at 31 March 2021
			EUR	EUR	EUR
Suzlon Wind Energy South Africa	Group companies	Investment	-	-	-
AE Rotor Holding B.V		other payables	85,758	85,758	-

11. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Fair values

The carrying amount of the Company's financial assets and financial liabilities approximate their fair values.

Financial risk factors

The Company's activities expose it to a variety of financial risks such as credit risk, market risk (including cash flow interest rate risk, foreign currency risk and other price risk) and liquidity risk. The Company's overall risk management programme focuses on the unpredictabilty of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Credit risk

With respect to credit risk arising from financial assets, which comprises of its cash at bank and loan given to group company, the Company's exposure to credit risk arises from the default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets.

11. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (Continued)

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

2022

	Carrying amount	Of which: neither impaired or past due	Of which: not impaired and past due in the following periods		
			Less than 90 days	Between 91 and 180 days	More than 180 days
	EUR	EUR	EUR	EUR	EUR
Cash at bank	6,093	6,093	-	-	-
At 31 March 2021	6,093	6,093	-	-	-

2021

	Carrying Amount	Of which: neither impaired or past due	Of which: not impaired and past due in the following periods		
			Less than 90 days	Between 91 and 180 days	More than 180 days
	EUR	EUR	EUR	EUR	EUR
Cash at bank	4	4	-	-	-
At 31 March 2020	4	4	-	-	-

The financial assets are neither past due nor impaired at the reporting date. The cash balance is held with reputable institutions.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The types of risk that the Company is exposed in relation to market prices are: cash flow interest rate risk, foreign currency risk and other price risk.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments.

The impact of changes in interest rates on the Company's financial assets on account of Cash and cash equivalents is minimal. As such, the effect of a sensitivity analysis on the Company's profit before tax is be negligible.

The impact of changes in interest rates on the Company's financial liabilities is nil since there are no interest sensitive financial liabilities.

11. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (Continued)

Interest rate risk (continued)

The table below analyses the Company's interest rate risk exposure in terms of the remaining period to the next contractual repricing date or to the maturity date, whichever is the earlier. The floating rate column represents the financial assets and liabilities which have floating rates of interest that do not reprice at set dates, but rather reprice whenever the underlying interest rate index changes.

	Total	Floating	Non-interest sensitive
	EUR	EUR	EUR
As at 31 March 2022			
Financial assets	6,093	6,093	-
Financial liabilities	92,424	-	92,424
As at 31 March 2021			
Financial assets	4	4	-
Financial liabilities	6,602	-	6,602

Foreign currency risk

The Company has financial assets and financial liabilities which are denominated in Mauritian Rupee ("MUR") and United States Dollar ("USD"). Consequently, the Company is exposed to the risk that the exchange rate of the EUR relative to the MUR and USD may change in a manner which has a material effect on the reported value of the Company's financial assets and financial liabilities denominated in MUR and USD.

The Company's financial assets mainly comprise bank balances. The impact in exchange rates on the bank balances is minimal. As such, the effect of a sensitivity analysis on the Company's profit before tax is as below.

There are no financial liabilities denominated in foreign currency, therefore the impact of exchange rates and the effect of sensitivity analysis on company's financial liabilities remains nil.

	% Change in currency rate	Effect on profit before tax
31 March 2022	+5%	274
	-5%	(274)
31 March 2021	+5%	0
	-5%	(0)

11. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Currency profile

The currency profile of the Company's financial assets and liabilities is summarised as follows:

	2022		2021	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
	EUR	EUR	EUR	EUR
Euro	-	92,424	-	6,602
LKR	2	-	4	
United States Dollar	6,091	-	-	-
	6,093	92,424	4	6,602

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company maintains sufficient cash to address any liquidity risks that may arise.

Residual contractual maturity of financial liabilities are presented below in Euro (EUR).

	At 31 March 2022		
	Within 1 year	Greater than 1 year	Total
	EUR	EUR	EUR
Trade and other payables	92,424	-	92,424

	31 March 2021		
	Within 1 year	Greater than 1 year	Total
	EUR	EUR	EUR
Trade and other payables	6,602	-	6,602

12. CAPITAL MANAGEMENT

Capital includes equity attributable to the equity holders of the parent.

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes during the years ended 31 March 2022 and 31 March 2021.

13. FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements of the Company are presented in Euro ("EUR"). The directors of the Company have determined that the functional currency should be the EUR. As the Company conducts most of its transactions in foreign currencies, the Company has determined the Euro as its functional and presentation currency as it reflect the fundamentals of the business as the major transactions are carried in Euro and provides a more faithful view of the Company's affairs.

14. HOLDING AND ULTIMATE HOLDING COMPANY

The directors consider Suzlon Energy Limited (India), the registered office of which is "Suzlon", 5, Shrimati Society, Near Shri Krishna Complex, Navarangpura, Ahmedabad - 380009 as the Company's holding and ultimate holding company.

15. ESTIMATION OF UNCERTAINTIES RELATING TO THE GLOBAL HEALTH PANDEMIC FROM COVID-19

In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19). This pandemic has resulted in possible future uncertainties in the global economic conditions. The Company has analysed various factors related to impact of COVID 19 on its financial reporting and is of the view that COVID 19 has not adversely impacted the financial reporting/ operation of the Company for the year ended 31 March 2022.

16. EVENTS AFTER REPORTING DATE

There is no such event after reporting date.