

INDEPENDENT AUDITOR'S REPORT

To The Members of Suzlon Global Services Limited

Report on the Audit of the IND AS Financial Statements

Opinion

We have audited the accompanying financial statements of **Suzlon Global Services Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, 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 March 31, 2022, 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.

Emphasis of Matter

Attention is invited to Note 5 to the financial statements regarding the accounting treatment in respect of the scheme of amalgamation of Suzlon Power Infrastructure Limited with the Company, effective from April 1, 2020 and scheme of arrangement for transfer and vesting of Project Execution Business and Power Evacuation Business of Suzlon Gujarat Wind Park Limited into the Company effective from April 2, 2020, as approved by respective National Company Law Tribunal ('NCLT').

Our opinion is not modified in respect of this matter.



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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report but 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 any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available 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.

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.
- 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 March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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.
 - 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 remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - 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.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



(b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

2. As required by the Companies (Auditor's Report) Order, 2020 ("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: 22106388BAKRFF4639

Place: Mumbai
Date: October 20, 2022



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 March 31, 2022 in conjunction with our audit of the Ind AS 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.



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 March 31, 2022, 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: 22106388BAKRFF4639

Place: Mumbai
Date: October 20, 2022



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)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

- (i)
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. The Company has maintained proper records showing full particulars of intangible assets and right of use asset.
 - (b) The Property, Plant and Equipment, were physically verified during the year by the Management, in accordance with a regular program of verification which, in our opinion, provides for physical verification of all fixed asset at reasonable intervals. According to the information and explanation given to us, No material discrepancies were noticed on such verification.
 - (c) Based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties, (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) are held in the name of the Company as at the balance sheet date except for the following:

Description of immovable properties taken on lease	Gross carrying value (as at the balance sheet date) (In Cr)	Carrying value (as at the balance sheet date) (In Cr)	Held in Name	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
17 freehold lands located at various locations admeasuring 61.7 acre.	10.98	10.98	Suzlon Energy Limited	NA	8 Years	The title deeds are in the name of Suzlon Energy Limited- OMS Division which was merged with the Company w.e.f. March 29, 2014.

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2 Leasehold lands located at various locations admeasuring 2.21 acres.	0.12	0.03	Suzlon Structures Limited.	NA	6 Years	The title deeds are in the erstwhile name of the Company i.e. Suzlon Structures Limited.
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(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements and other stipulated financial information filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.

(iii) (a) The Company has made investments in, provided guarantee or security and granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:

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(i) The Company has provided loans during the year and details of which are given below:

Particulars	Loans (In Cr.)
A. Aggregate amount granted / provided during the year:	
-Parent Entity	1,529.89
-Subsidiary	224.00
Others B. Balance outstanding as at balance sheet date in respect of above cases *:	
-Parent Entity	-
-Subsidiary	224.00

* excludes loans/advances in the nature of loans granted in earlier years which are outstanding as on March 31, 2022.

The Company has not provided any guarantee or security to any other entity during the year.

- (b) The investments made, guarantees provided, security given and the terms and conditions of the grant of all the above-mentioned loans and advances in the nature of loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) The Company has granted loans or provided advances in the nature of loan are payable on demand. During the year the Company has not demanded such loan or advances in the nature of loan. Having regard to the fact that the repayment of principal or payment of interest has not been demanded by the Company, in our opinion the repayments of principal amounts and receipts of interest are regular. (Refer reporting under clause 3(iii)(f) below).
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount outstanding as at balance sheet date.
- (e) None of the loans or advances in the nature of loans granted by the Company have fallen due during the year.



- (f) The Company has granted Loans or advances in the nature of loans which are repayable on demand, details of which are given below:

Particulars	All Parties (In Cr.)	Promoter (In Cr.)	Related Parties (In Cr.)
Aggregate of loans/advances in nature of loans			
- Repayable on demand (A)	1,753.89	-	1,753.89
- Agreement does not specify any terms or period of repayment (B)	-	-	-
Total (A+B)	1,753.89	-	1,753.89
Percentage of loans/advances in nature of loans to the total loans	100%	-	100%

- (iv) The Company has not granted any loans or provided 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 Sections 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities as applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. 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 Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. 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:
- (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there has been delay in respect of remittance of Goods & Services Tax, Professional Tax.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

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(b) Details of dues of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount (In Cr)	Amount paid under protest (In Cr)
The Karnataka Tax on Entry of Goods Act, 1979	Entry tax	High Court	FY 2005-06	0.85	0.85

There are no dues of Income tax, Service tax, Custom duty, Excise duty and Goods and Services Tax as on March 31, 2022 on account of dispute.

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority. Further, the Company does not have any borrowing from government or government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.



- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report) and provided to us, when performing our audit.
- (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, the Company is in compliance with Section 177 and 188 of the Companies 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) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) The Group does not have any Core Investment Company (CIC) as part of the group and accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.



- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

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

Jayesh Parmar
(Partner)
Membership No. 106388
UDIN: 22106388BAKRFF4639

Place: Mumbai
Date: October 20, 2022

Suzlon Global Services Limited (as merged)
Balance sheet as at March 31, 2022
All amounts in ₹ Crore, unless otherwise stated

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
Assets			
Non-current assets			
Property, plant and equipment	6	79.56	75.08
Right-of-use asset	34	17.09	0.03
Capital work-in-progress	7	7.19	6.91
Goodwill	8	363.67	727.90
Other intangible assets	8	1.74	1.04
Financial assets			
Investments	9	0.00*	0.00*
Trade receivables	10	-	-
Loans	11	496.22	440.91
Other financial assets	12	2.59	7.58
Other non-current assets	13	16.14	36.06
		<u>986.20</u>	<u>1,295.51</u>
Current assets			
Inventories	14	726.47	873.72
Financial assets			
Trade receivables	10	576.77	653.93
Cash and cash equivalents	15.1	27.05	38.32
Bank balance other than above	15.2	1.35	-
Loans	11	0.03	89.10
Other financial assets	12	103.17	124.59
Current tax assets, net		-	0.12
Other current assets	13	176.17	198.47
		<u>1,611.01</u>	<u>1,958.25</u>
Total assets		<u>2,597.21</u>	<u>3,253.76</u>
Equity and liabilities			
Equity			
Equity share capital	16	29.37	29.37
Other equity	17	(1,538.17)	(1,348.46)
		<u>(1,508.80)</u>	<u>(1,319.09)</u>
Non-current liabilities			
Financial liabilities			
Borrowings	18	2,661.52	2,774.01
Lease liabilities	34	13.05	-
Provisions	21	15.43	15.43
Other non-current liabilities	22	19.63	24.57
		<u>2,729.63</u>	<u>2,814.01</u>
Current liabilities			
Financial liabilities			
Borrowings	18	473.10	899.15
Lease liabilities	34	5.23	-
Trade payables	19	-	-
Total outstanding dues of micro enterprises and small enterprises		39.83	23.84
Total outstanding dues of creditors other than micro enterprises and small enterprises		379.19	539.13
Other financial liabilities	20	37.01	28.91
Contract liabilities		326.05	134.12
Other current liabilities	22	34.82	41.10
Provisions	21	81.15	91.59
		<u>1,376.38</u>	<u>1,759.84</u>
Total equity and liabilities		<u>2,597.21</u>	<u>3,253.76</u>


*Less than ₹ 0.01 Crore

Summary of significant accounting policies

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

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Firm registration no. 117366WAV-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: 002206


Ishwar C. Mangal
Chief Executive Officer


Om Prakash Talwar
Chief Financial Officer


Shivan R. Nigudkar
Company Secretary
Membership No : A33098

Place : Mumbai
Date : October 20, 2022

Place : Pune
Date : October 20, 2022

Suzlon Global Services Limited (as merged)
Statement of profit and loss for the year ended March 31, 2022
All amounts in ₹ Crore, unless otherwise stated

Particulars	Notes	March 31, 2022	March 31, 2021
Income			
Revenue from contracts with customers	23	2,137.71	1,811.13
Other operating income		28.82	3.21
Other income	24	88.16	50.81
Total Income		2,252.69	1,864.95
Expenses			
Cost of raw materials, components consumed and services rendered	25	957.12	878.46
Changes in inventories of finished goods and work-in-progress	25	125.24	(68.12)
Employee benefits expense	28	185.37	149.80
Finance costs	27	319.48	339.09
Depreciation and amortisation expense	28	379.21	378.47
Other expenses	29	253.48	278.65
Total expenses		2,219.90	1,756.35
Profit / (loss) before tax		32.79	(91.40)
Tax expense	30	-	-
Profit / (loss) after tax		32.79	(91.40)
Other comprehensive Income			
Item that will not be reclassified to profit or loss:			
Re-measurements of the defined benefit plans	31	1.50	(0.35)
Income tax effect on the above		1.50	(0.35)
Other comprehensive Income for the year, net of tax		34.29	(91.75)
Total comprehensive Income for the year			
Earnings / (loss) per equity share:			
- Basic earnings per share [Nominal value of share ₹ 10 (₹ 10)]	32	11.17	(31.12)
- Diluted earnings per share [Nominal value of share ₹ 10 (₹ 10)]		11.17	(31.12)
Summary of significant accounting policies	2.3		

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

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Firm registration no: 117366WAW-100018


Jayesh Parmar
Partner
Membership No: 108388

Place **Mumbai**
Date **October 20, 2021**

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


Vinod R. Tanil
Chairman
DIN: 00002266


Om Prakash Chavhan
Chief Financial Officer


Ishwar C. Mangal
Chief Executive Officer


Shilvani R. Nirgudkar
Company Secretary
Membership No: A33098

Place: **Pune**
Date: **October 20, 2022**

Suzlon Global Services Limited (as merged)

Statement of changes in equity for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

a. Equity share capital

Equity shares of ₹ 2 each, subscribed and fully paid

	No. In Crore	₹ In Crore
At April 01, 2020	2.94	29.37
Issue of share capital (refer Note 16)	-	-
At March 31, 2021	2.94	29.37
Issue of share capital (refer Note 16)	-	-
At March 31, 2022	2.94	29.37

b. Other equity

	Equity component of compound financial instruments	General reserve	Securities premium	Capital contribution	Capital reserve	Retained earnings	Total
As at April 1, 2020	6.78	3.22	922.20	-	-	(107.44)	824.76
Profit/ (loss) for the year	-	-	-	-	-	(91.40)	(91.40)
Other comprehensive income (refer Note 31)	-	-	-	-	-	(0.35)	(0.35)
Total comprehensive income	-	-	-	-	-	(91.75)	(91.75)
Addition on account of merger (refer Note 5)	-	0.27	-	-	194.51	(1,664.44)	(1,469.66)
Loss on financial liabilities pursuant to resolution plan (refer Note 4 and 18)	-	-	-	(743.61)	-	-	(743.61)
Difference on extinguishment of debts, pursuant to resolution plan	-	-	-	131.80	-	-	131.80
As at March 31, 2021	6.78	3.49	922.20	(611.81)	194.51	(1,863.63)	(1,348.46)
As at April 1, 2021	6.78	3.49	922.20	(611.81)	194.51	(1,863.63)	(1,348.46)
Profit/ (loss) for the year	-	-	-	-	-	32.79	32.79
Other comprehensive income (refer Note 31)	-	-	-	-	-	1.50	1.50
Total comprehensive income	-	-	-	-	-	34.29	34.29
Impairment loss on loan to SGWPL (refer Note 11.2)	-	-	-	-	-	(224.00)	(224.00)
As at March 31, 2022	6.78	3.49	922.20	(611.81)	194.51	(2,053.34)	(1,538.17)

Refer Note 17 for nature and purpose of reserves

Summary of significant accounting policies (refer Note 2.3)

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

In terms of our report attached.

For Deloitte Haskins & Sells LLP

Chartered Accountants

ICAI Firm registration number: 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. Mengal

Chief Executive Officer


Shivani R. Nirgudkar

Company Secretary

Membership No : A33098

Place: Mumbai
Date: October 20, 2022

Place: Pune
Date: October 20, 2022

Suzlon Global Services Limited (as merged)
Statement of cash flows for the year ended March 31, 2022
All amounts in ₹ Crore, unless otherwise stated

Particulars	March 31, 2022	March 31, 2021
Cash flow from operating activities		
Profit/ (loss) before tax	32.79	(91.40)
Adjustments for:		
Depreciation and amortisation expense	379.21	376.47
(Gain)/ loss on disposal of property, plant and equipment, net	3.65	(0.04)
Other income	(88.16)	(50.61)
Interest expenses and other borrowing cost	316.79	334.14
Machine availability expenditure	68.51	27.24
Bad debts written off	17.72	16.31
Allowance for doubtful debts and advances, net	11.84	62.09
Impairment allowance	(0.76)	3.40
Operating profit/ (loss) before working capital changes	741.60	667.60
Movements in working capital		
Decrease/ (increase) in financial assets and other assets	49.88	0.92
Decrease/ (increase) in trade receivable	47.57	105.51
Decrease/ (increase) in inventories	147.25	(166.86)
(Decrease)/ increase in other liabilities, financial liabilities and provisions	(35.02)	76.17
Cash (used in)/ generated from operating activities	951.28	683.34
Direct taxes paid (net of refunds)	19.64	(1.65)
Net cash (used in)/ generated from operating activities	A 970.92	681.69
Cash flow from investing activities		
Payment for purchase of property, plant and equipment including capital, work-in-progress and intangible assets	(18.40)	(10.36)
Proceeds from sale of property, plant and equipment	0.01	0.05
Inter-corporate deposits granted, net	(1,753.91)	(559.33)
Repayment of loans by parent company	1,598.98	494.33
Interest received	25.92	1.85
Net cash (used in)/ generated from investing activities	B (147.40)	(73.46)
Cash flow from financing activities		
Repayment of short term borrowings, net	(791.54)	(542.67)
Interest and other borrowing cost paid	(41.80)	(46.63)
Net cash (used in)/ generated from financing activities	C (833.44)	(589.30)
Net movement in cash and cash equivalents	A+B+C (9.92)	18.93
Cash and cash equivalents at the beginning of year	38.32	19.05
Addition due to merger (refer Note 5)	-	0.34
Cash and cash equivalents at the end of year	28.40	38.32

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Components of cash and cash equivalents	As at	As at
	March 31, 2022	March 31, 2021
Balance with banks	26.78	37.75
Bank balance other than above	1.35	-
Cash on hand	0.27	0.57
Total	28.40	38.32

Summary of significant accounting policies (refer Note 2.3)

The figures in brackets represent outflows.

The accompanying notes are an integral part of the merged 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. Tanil
Chairman
DIN :00002260


Om Prakash Talwar
Chief Financial Officer


Ishwar C. Mangal
Chief Executive Officer


Shivanil R. Nirgudkar
Company Secretary
Membership No :A33098

Place : Mumbai
Date : October 20, 2022

Place : Pune
Date : October 20, 2022

Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

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.

Suzlon Global Services Limited is primarily engaged into the business of operation and maintenance service ('OMS') of Wind Turbine Generators (WTG's), project execution, power evacuation and also continues to carry on the power generation business.

These merged financial statements were authorised for issue in accordance with a resolution of the directors on October 20, 2022.

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. 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.



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

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.

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 statement of profit and 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 statement of profit and 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.



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

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.

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 ('OMS')

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

Project execution

Revenue from project execution, consisting of installation, erection and commissioning of WTG's and solar park is recognised on completion of the respective activities identified as per terms of the sales order, net of taxes charged. Revenue from project execution is recognised over-time and measured at output method.

Power evacuation infrastructure facilities ('PE')

Revenue from power evacuation infrastructure facilities is recognised upon commissioning and electrical installation of the WTG to the said facilities followed by approval for commissioning of WTG from the concerned authorities.

Power generation

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

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.



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

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.

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 statement of profit and 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.



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

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.

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 statement of profit and 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. 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.

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.

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



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

Type of asset	Useful lives (years)
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.

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

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.



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i. Right-of-use assets (ROU assets)

The Company's lease asset classes primarily consist of leases for land and factory and office buildings. The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. 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. The ROU assets are also subject to impairment. Refer to the accounting policies in section (s) Impairment of non-financial assets.

ii. Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable. In calculating the present value of lease payments, the Company uses its borrowing rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases at the lease commencement date.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term or a change in the lease payments.

iii. Short-term leases and leases of low-value assets

For the 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.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset is 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. Inventories

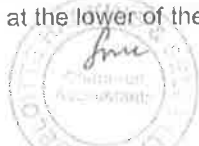
OMS business

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.

Project and PE business

Inventories of raw materials, project materials, stock in trade, work-in-progress and finished goods are valued at the lower of the cost and estimated net realisable value.



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

Cost is determined on a weighted average basis. However, materials and other items held for use in the construction of civil, electrical line and PE facility are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

The cost of work-in-progress and finished goods includes the cost of material, labour and a proportion of overheads. Work-in-progress includes cost of civil, electrical line, installation of WTG's and portion of non-utilised charges paid for capacity allocation, power evacuation infrastructure facilities which are in process as at the balance sheet date. Further, cost incurred for laying external lines at the wind farms is expensed to the extent of Mega Watt (MW) installed as compared to the planned MW for the wind farm site and the balance is carried as work-in-progress.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

k. 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.

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 (as merged)

Notes to financial statements for the year ended March 31, 2022

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 and 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. As the Company does not have an unconditional right to defer its settlement for 12 months after the reporting date, the entire leave is presented as a current liability in the balance sheet and expenses recognised in statement of profit and loss account.

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.



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

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.

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 statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. 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 statement of profit and loss.

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 statement of profit and loss, 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 statement of profit and loss.

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



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

- 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, 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.



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

- 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 statement of 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.
- *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 statement of profit and 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.



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

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 statement of profit and 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.

This category generally applies to borrowings.

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.

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.



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

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, 2022, 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:

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, investments, 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 available information from internal and external sources to assess the impact of COVID-19 on the financial statements. However, given the undetermined circumstances due to the pandemic the actual outcome may differ from what has been estimated. The Company will continue to monitor the future developments and updates its assessment.

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.



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Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

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

In the process of applying the Company's accounting policies, management has made a judgement on revenue from contracts with customers, which have the most significant effect on the amounts recognised in the financial statements:

The Company applied the judgement of identifying performance obligations that significantly affect the determination of the amount, and timing of revenue from contracts with customers. The Company determined that the OMS of the WTG's, project execution activities consisting of civil work, electrical work, erection and commissioning of WTG's and power evacuation 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 ₹ 115.03 Crore (previous year ₹ 99.42 Crore), refer Note 10.

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 and unabsorbed business loss, refer Note 30. The Company has opted for concessional tax regime u/s.115BAA.

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. 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 33.

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.



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

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 39 for 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. Implementation of Refinancing Proposal

As REC Limited and Indian Renewable Energy Development Agency Limited ("New Lenders") have specialized knowledge in relation to the power sector in India and would be better placed to address the specific needs of Suzlon and allow adequate operational flexibility for efficient running of business, the Company along with its parent company, its identified fellow subsidiaries and a joint venture ("Suzlon The Group") had submitted a proposal to the Existing Lenders for refinancing the outstanding restructured facilities ("Refinancing Proposal") on the basis of sanction letters from REC Limited and Indian Renewable Energy Development Agency Limited ("the New Lenders"). As part of the Refinancing Proposal, an agreement was entered on March 31, 2022 between STG and existing lenders ("Agreement"). The key features of the refinancing proposal are as follows:

- Full repayment of outstanding Rupee Term Loan along with accrued interest;
- Release or transfer or replacement of limits of non-fund based working capital facilities against cash margin or Letter of Comfort ("LOC");
- Conversion of the entire outstanding value of 410,000 number of Optionally Convertible Debentures ("OCD") having face value of ₹ 100,000 each issued by Suzlon Energy Limited ('SEL') into 57,14,28,572 equity shares having face value of ₹ 2 each of SEL to be allotted to the Existing Lenders;
- Conversion of 4,45,301 number of Compulsorily Convertible Preference Shares ("CCPS") having face value of ₹ 100,000 each issued by the Company into 4,454 equity shares having face value of ₹ 10 each of the Company to be allotted to the Existing Lenders;
- Payment of applicable coupon/ interest payable to the Existing Lenders on the outstanding OCDs and dividends payable on CCPS;
- Waiver of the requirement of maintaining the lock-in for 99,71,76,872 equity shares having face value of ₹ 2 each of SEL issued to the Existing Lenders as stipulated in the Framework Restructuring Agreement dated June 30, 2020; and
- 49,85,88,439 number of warrants issued by SEL to the Existing Lenders shall stand surrendered.

On April 28, 2022, the Company along with its identified subsidiaries and the New Lenders entered into a Rupee Term Loan Agreement ("RTL Agreement") for recording the terms and conditions on which the New Lenders would make available the refinancing amount to the STG.

On May 24, 2022 ("Effective Date"), the Refinancing Proposal was consummated. Pursuant to the same, the Restructured Facilities of STG are refinanced and the outstanding obligations of STG under the Restructured Facilities stand discharged as stated in above paragraphs. The key features of the RTL Agreement are as follows:

- Disbursement of Fund Based Rupee Term Loan and LOC by REC Limited ("REC Loan") and Fund Based Rupee Term Loan by Indian Renewable Energy Development Agency Limited.
- Repayment of Fund Based Rupee Term Loan in 97 structured monthly instalments commencing from June 2022 to June 2030 at initial interest rate of 9.50% per annum, subject to reset after 1 year;
- Release of LOC on retirement of respective non-fund based working capital facilities by Existing Lenders;
- Reduction of REC Loan to ₹ 2,178 Crore within 1 year from disbursement;
- Monetization of specified assets within stipulated dates;



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

The existing borrowing liabilities including OCDs and CCPS issued by SEL and the Company respectively, are carried in the books as on March 31, 2022 without taking cognisance of the Refinancing Proposal. The OCD issued by SEL and CCPS issued by the Company to the Existing Lenders stands extinguished as on the Effective Date and impact of the refinancing will be recorded in the books of account on Effective Date.

5. Accounting after approval of Scheme of Amalgamation and Scheme of Arrangement

- 5.1 The Company implemented a Scheme of Amalgamation involving merger by absorption ('Scheme 1') of Suzlon Power Infrastructure Limited ('SPIL' / Transferor Company) with the Company (Transferee Company) from the appointed date of April 01, 2020 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' / Demerged Company) into the Company from the appointed date of April 02, 2020.

The final order for Scheme 1 has been passed on June 10, 2022 by Honourable National Company Law Tribunal, Chennai Bench ("NCLT Chennai") sanctioning the Scheme 1 which has become effective from September 29, 2022 w.e.f. appointed date, i.e. April 01, 2020 consequent upon filing of the certified copy of the Order issued by the NCLT Chennai, with the Registrar of Companies, Gujarat.

The final order for Scheme 2 has been passed on September 28, 2022 by Honourable National Company Law Tribunal, Ahmedabad Bench ("NCLT Ahmedabad") sanctioning the Scheme 2 which has become effective from September 29, 2022 w.e.f. appointed date, i.e. April 02, 2020 consequent upon filing of the certified copy of the Order issued by the NCLT Ahmedabad, with the Registrar of Companies, Gujarat.

The amalgamation and arrangement is in accordance with the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder.

- 5.2 Pursuant to the Scheme 1 becoming effective, the Amalgamation of SPIL into the Company is accounted as per 'the pooling of interests method' in accordance with Appendix C of the Indian Accounting Standard 103 – 'Business Combinations' as notified under section 133 of the Companies Act, 2013. Accordingly, the assets and liabilities of SPIL as at April 01, 2020 have been taken over at their book values, and the identity of the reserves is preserved and is appearing in the financial statements of the Company in the same form in which they appeared in the financial statements of SPIL. Loan and advances and other dues outstanding between Transferee Company and Transferor Companies is cancelled. In consideration of the transfer and vesting of the Transferor Company in the Transferee Company, in terms of this Scheme, the Transferee Company shall allot 10,000 fully paid-up Redeemable Preference shares of ₹ 100/- each to the equity shareholders of the Transferor Company whose names are registered in their Register of Members on the record date. After giving above mentioned effect, the difference between the amount recorded as Preference shares capital and amount of share capital of SPIL is transferred to Capital Reserve. The financial information in the financial statements in respect of prior period is restated in accordance with Appendix C of Ind AS 103.

Pursuant to the Scheme 2 becoming effective, the Demerger of Demerged Undertaking I and Demerged Undertaking II of SGWPL into the Company is accounted as per 'the pooling of interests method' in accordance with Appendix C of 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. Accordingly, the assets and liabilities of SGWPL as at April 01, 2020 have been taken over at their book values. The aggregate of the net assets (i.e. difference between the book value of assets and liabilities) taken over on appointed date is adjusted against the balance in retained earnings of the Company. The financial information in the financial statements in respect of prior period is restated in accordance with Appendix C of Ind AS 103.

- 5.3 SGWPL was a wholly owned subsidiary of SPIL, which in turn was a wholly owned subsidiary of Suzlon Energy Limited. Since the amalgamation of SPIL with SGSL is effective from April 01, 2020 which is a day prior to the date of Scheme of Arrangement, SGWPL became wholly owned subsidiary of SGSL as on appointed date i.e April 01, 2020. Therefore by operation of law and upon demerger of the business undertaking into SGSL, SGWPL is not legally permitted to issue shares to itself and thus the Scheme does not envisage any consideration payable in form of shares or any other form.



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

- 5.4 The incomes accrued and expenses incurred by the Transferor Company and demerged Company during the period April 1, 2020 to March 31, 2021 and April 02, 2020 to March 31, 2021 respectively have been incorporated in these accounts drawn during this period, as the transferor company and demerged company carried on the existing business in "trust" on behalf of the Company and all the vouchers, documents etc. for that period were made in the name of the Transferor Company i.e. SPIL and demerged Company i.e. SGWPL.
- 5.5 Statement of assets and liabilities of Transferor Company and Demerged Company as on appointed date and statement of profit and loss for the year ended March 31, 2021 is appended below:

Particulars	SGWPL (project execution and power evacuation division) as on April 02, 2020	SPIL as on April 01, 2020
Assets		
Property, plant and equipment	3.93	0.18
Other financial assets	13.39	0.43
Other assets	150.47	23.00
Trade receivables	366.03	78.87
Current tax assets	-	2.10
Inventories	152.40	212.88
Cash and cash equivalents	0.05	0.29
Total	686.27	317.75
Other equity	-	(542.83)
Liabilities		
Borrowings (including current maturities of long-term borrowings)	1,565.16	490.01
Trade payables	219.86	57.26
Other financial liabilities	4.03	114.09
Provisions	3.20	0.47
Contract liabilities	7.62	4.01
Other liabilities	7.73	0.23
Total	1,807.60	123.24
Transfer to capital reserve	-	194.51
Transfer to retained earnings	(1,121.33)	

Particulars	SGWPL (project execution and power evacuation division) (April 02, 2020 to March 31, 2021)	SPIL (April 01, 2020 to March 31, 2021)
Income		
Revenue from contract with customers	116.47	17.38
Other operating income	0.21	0.35
Other income	0.69	0.34
Total	117.37	18.07



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Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

Particulars	SGWPL (project execution and power evacuation division) (April 02, 2020 to March 31, 2021)	SPIL (April 01, 2020 to March 31, 2021)
Expenses		
Cost of raw materials components and services consumed	211.53	16.87
Changes in inventory	(63.75)	(2.37)
Employee benefits expense	16.78	3.22
Finance costs	159.20	50.80
Depreciation / amortisation	1.91	0.06
Other expenses	76.56	3.76
Total	402.23	72.34
Profit/ (loss) for the period	(284.86)	54.27

6. Property, plant and equipment

Particulars	Gross block			Accumulated depreciation			Net block	
	As at April 1, 2021	Additions	Deduction / adjustments	As at March 31, 2022	As at April 1, 2021	Charge for the year	As at March 31, 2022	As at March 31, 2022
Freehold land	19.32	-	-	19.32	-	-	-	19.32
Buildings	41.01	1.72	2.15	40.58	15.86	1.91	16.56	24.02
Plant and machinery	54.85	8.08	6.40	56.53	31.18	4.13	31.06	25.47
Windfarm plant and machinery	1.76	-	-	1.76	1.13	0.10	1.23	0.53
Computer & office equipments	24.57	6.66	3.07	28.16	20.35	2.24	19.97	8.19
Furniture and fixtures	6.07	0.52	0.57	6.02	4.16	0.44	4.12	1.90
Vehicles	0.79	0.01	0.09	0.71	0.61	0.04	0.58	0.13
Total	148.37	16.99	12.28	153.08	73.29	8.86	73.52	79.56

Particulars	Gross block					Accumulated depreciation				Net block	
	As at April 1, 2020	Additions	Addition on account of merger	Deduction / adjustments	As at March 31, 2021	As at April 1, 2020	Charge for the year	Addition on account of merger	Deduction / adjustments	As at March 31, 2021	As at March 31, 2021
Freehold land	19.30	0.02	-	-	19.32	-	-	-	-	-	19.32
Buildings	34.75	0.51	5.77	0.02	41.01	7.96	3.63	4.29	0.02	15.86	25.15
Plant and machinery	48.72	1.51	4.62	0.00*	54.85	23.03	5.48	2.67	-	31.18	23.67
Windfarm plant and machinery	1.76	-	-	-	1.76	1.02	0.11	-	-	1.13	0.63
Computer & office equipment	16.57	1.48	6.52	-	24.57	13.04	2.07	5.24	-	20.35	4.22
Furniture and fixtures	4.01	0.59	1.47	0.00*	6.07	2.64	0.53	0.99	0.00*	4.16	1.91
Vehicles	0.06	0.01	0.74	0.02	0.79	0.03	0.06	0.53	0.01	0.61	0.18
Total	125.17	4.12	19.12	0.04	148.37	47.72	11.88	13.72	0.03	73.29	75.08

* Less than ₹ 0.01 Crore.

- Buildings include those constructed on leasehold land.
- For contractual commitment with respect to property, plant and equipment refer Note 35.
- For details of property, plant and equipment given as security to Lenders refer Note 18.2.
- Refer Note 44 (g) for details of immovable properties not held in the name of the Company.



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

7. Capital work-in-progress

Capital work-in-progress as at March 31, 2022 is ₹ 7.19 Crore (previous year: ₹ 6.91 Crore), primarily includes building and plant and machinery under construction.

7.1 CWIP ageing schedule

As on March 31, 2022	< 1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	4.01	1.15	0.57	1.09	6.82
Projects temporarily suspended	-	0.37	-	-	0.37
Total	4.01	1.52	0.57	1.09	7.19

As on March 31, 2021	< 1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	3.96	0.77	0.52	0.03	5.28
Projects temporarily suspended	-	0.54	1.09	-	1.63
Total	3.96	1.31	1.61	0.03	6.91

8. Goodwill and other intangible assets

Particulars	Gross block			Accumulated depreciation				Net block	
	As at April 1, 2021	Additions	Deduction / adjustments	As at March 31, 2022	As at April 1, 2021	Charge for the year	Deduction / adjustments	As at March 31, 2022	As at March 31, 2022
Goodwill	2,550.66	-	-	2,550.66	1,822.78	364.23	-	2,186.99	363.67
SAP and other software	2.07	1.13	0.03	3.17	1.03	0.41	0.01	1.43	1.74

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	Deduction / adjustments	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

For details of intangible assets given as security to Lenders refer Note 18.2.

9. Investments

	March 31, 2022	March 31, 2021
a. Non-current investments at cost		
Investment in equity instruments of subsidiaries		
1,24,59,15,359 (previous year: 1,24,59,15,359) equity shares of ₹ 10 each of Suzlon Gujarat Wind Park Limited #	191.60	191.60
Less: Impairment allowance	(191.60)	(191.60)
Total	-	-
b. Other investments at fair value through profit or loss		
Investments in government securities	0.00*	0.00*
Aggregate amount of unquoted investments (cost)	191.60	191.60
Aggregate impairment allowance for investment measured at cost	(191.60)	(191.60)

* Less than ₹ 0.01 Crore.

Post merger Suzlon Gujarat Wind Park Limited became subsidiary of the Company (refer Note 5).



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

10. Trade receivables

	March 31, 2022	March 31, 2021
Non-current		
Credit impaired	104.92	88.56
Less: Allowance for doubtful debts	(104.92)	(88.56)
Total	-	-
Current		
Unsecured, considered good	586.88	664.79
Less: Impairment allowance	(10.11)	(10.86)
Total	576.77	653.93

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 18.2.

Trade receivables are disclosed at amortised cost.

10.1 Ageing schedule for trade receivables

As on March 31, 2022	Current but not due	Outstanding from due date of payment					Total
		< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	
Undisputed trade receivables,							
Considered good	-	304.83	76.31	37.58	67.61	29.05	515.38
Which have significant increase in credit risk	-	-	10.78	19.71	14.45	31.00	75.94
Credit impaired	-	-	(10.78)	(19.71)	(14.45)	(31.00)	(75.94)
Disputed trade receivables,							
Considered good	-	-	-	-	-	61.39	61.39
Which have significant increase in credit risk	-	-	-	-	-	28.98	28.98
Credit impaired	-	-	-	-	-	(28.98)	(28.98)
Total	-	304.83	76.31	37.58	67.61	90.44	576.77

As on March 31, 2021	Current but not due	Outstanding from due date of payment					Total
		< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	
Undisputed trade receivables,							
Considered good	-	303.86	10.22	111.68	63.47	103.28	592.51
Which have significant increase in credit risk	-	3.97	5.93	9.99	11.97	27.69	59.55
Credit impaired	-	(3.97)	(5.93)	(9.99)	(11.97)	(27.69)	(59.55)
Disputed trade receivables,							
Considered good	-	-	-	-	0.42	61.00	61.42
Which have significant increase in credit risk	-	-	-	-	0.42	28.59	29.01
Credit impaired	-	-	-	-	(0.42)	(28.59)	(29.01)
Total	-	303.86	10.22	111.68	63.89	164.28	653.93



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

10.2 Movement in impairment allowance as per ECL model is as under:

Particulars	March 31, 2022	March 31, 2021
Balance as at beginning of the year	10.86	3.91
Add: Additions on account of merger (refer Note 5)	-	4.48
Add: Impairment allowance during the year	(0.75)	2.47
Balance as at the end of the year	10.11	10.86

10.3 Relationship with struck off companies

Name of struck off company	Nature of transaction	Transactions during the year ended		Balance outstanding as at		Relationship with the struck off company
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	
Stribog Technologies Private Ltd	Sales	0.02	-	0.02	-	External customers
UWE Energy Private Ltd	Sales	0.18	0.14	0.12	0.11	

11. Loans

	March 31, 2022	March 31, 2021
Non-current		
Receivable towards debt assignment (refer Note 11.1 below)	498.22	440.91
Inter-corporate deposits to related parties (refer Note 11.2 below)		
Credit impaired	224.00	-
Less: Allowance for doubtful loans	(224.00)	-
Total	498.22	440.91
Current		
Unsecured, considered good		
Inter-corporate deposits to related parties	-	69.10
Loans to employees	0.03	-
Total	0.03	69.10

Loans are disclosed at amortised cost.

11.1 Receivable towards debt assignment

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, SEL 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. Refer note 18.3 for further details.



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

11.2 Inter-corporate deposits to related parties

During June 2020, the Company along with SEL, two identified fellow subsidiaries Suzlon Power Infrastructure Limited ('SPIL') and Suzlon Gujarat Wind Park Limited ('SGWPL'), and Suzlon Generators Limited ('SGL') a joint venture of SEL (collectively referred as 'Suzlon The Group' or 'STG' or 'the borrower') entered into Framework Restructuring Agreement ('FRA') with lenders. Pursuant to this, the cash flows from operations generated by Company and joint venture entity are lend/ loaned as ICDs to the parent Company and its fellow subsidiaries which is used by the parent company principally for discharging its financial obligations and business operations of STG.

During the year, the Company has, through series of transactions, ranging from ₹ 2 Crore to ₹ 50 Crore, granted SGWPL aggregating to ₹ 224 Crore. The proceeds were used by SGWPL to repay their outstanding ICDs due to SEL in multiple tranches. The proceeds realised were then used by SEL for repayment of loan to the Company. The credit loss relating to the ICDs to SGWPL of ₹ 224 Crore is recognised by the Company directly in other equity under retained earnings in these merged financial statements as on March 31, 2022, as the above transactions are within the Group, in substance, in the nature of reorganization.

11.3 Loans granted to related parties that are repayable on demand:

	March 31, 2022		March 31, 2021	
	Amount of loan outstanding	% of total loans	Amount of loan outstanding	% of total loans
Non-current	498.22	100.00%	440.91	100.00%
Current	-	-	69.10	100.00%

12. Other financial assets

	March 31, 2022	March 31, 2021
Non-current		
Bank balances #	0.03	4.45
Security deposits (unsecured, considered good)	2.56	3.13
Total	2.59	7.58
Current		
Income accrued but not due	87.46	103.57
Security deposits (unsecured, considered good)	6.62	11.26
Other assets	9.09	9.76
Total	103.17	124.59

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

For details of financial assets given as security to Lenders refer Note 18.2.

All the financial assets are disclosed at amortised cost.



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Suzlon Global Services Limited (as merged)**Notes to financial statements for the year ended March 31, 2022**

All amounts in ₹ Crore, unless otherwise stated

13. Other assets

	March 31, 2022	March 31, 2021
Non-current		
Capital advances (unsecured, considered good)	0.13	0.41
Advances recoverable in kind [Unsecured, considered doubtful]	3.25	3.95
Less: Allowance for doubtful advances	(3.25)	(3.95)
Advance income tax (net of provisions)	16.01	35.65
Total	16.14	36.06
Current		
Advances recoverable in kind (unsecured, considered good)	74.24	102.57
Advances to employees	0.14	0.15
Prepaid expenses	2.84	4.05
Balances with government authorities	98.80	91.56
Others	0.15	0.14
Total	176.17	198.47

For details of other assets given as security to Lenders refer Note 18.2.

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

	March 31, 2022	March 31, 2021
Raw materials [including goods in transit ₹ 14.17 Crore (previous year: ₹ 3.96 Crore)]	465.29	495.92
Work-in-progress	184.95	304.26
Finished goods	48.96	54.89
Stores and spares	27.27	18.65
Total	726.47	873.72

For details of inventories given as security to Lenders refer Note 18.2.

15. Cash and cash equivalents

	March 31, 2022	March 31, 2021
15.1 Cash and cash equivalents		
Balances with banks	26.78	37.75
Cash on hand	0.27	0.57
	27.05	38.32
15.2 Bank balance other than 15.1 above (earmarked)	1.35	-
Total	28.40	38.32

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



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Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

16. Equity share capital

	March 31, 2022	March 31, 2021
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

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

	March 31, 2022		March 31, 2021	
	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

16.2 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.

16.3 Redeemable Cumulative Preference Shares ("RCPS")

1,18,800 and 8,81,200 8% RCPS 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.

16.4 Compulsorily Convertible Preference Shares ("CCPS")

On June 27, 2020, the Company has allotted 445,301, 0.0001% 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 4 and 18.3).

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Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

16.5 Details of shares held by promoters and shareholders holding more than 5% in the Company:

Sr. No.	Promoter name	Nos. of shares at the beginning of the year	Change during the year	Nos. of shares at the end of the year	% of total shares	% change during the year
As at March 31, 2022						
1	Suzlon Energy Limited	2,93,61,300	-	2,93,61,300	99.98	-
2	Tulsi R.Tanti J/W. Suzlon Energy Limited	5,000	-	5,000	0.02	-
3	Rambhaden Ukabhai J/W. Suzlon Energy Ltd	100	-	100	0.00*	-
4	Gita T.Tanti J/W. Suzlon Energy Ltd	100	-	100	0.00*	-
5	Sangita V.Tanti J/W. Suzlon Energy Ltd	100	-	100	0.00*	-
6	Lina J.Tanti J/W. Suzlon Energy Ltd	100	-	100	0.00*	-
7	Pranav T.Tanti J/W. Suzlon Energy Ltd	100	-	100	0.00*	-
	Total	2,93,66,800	-	2,93,66,800	100.00	-

Sr. No.	Promoter name	Nos. of shares at the beginning of the year	Change during the year	Nos. of shares at the end of the year	% of total shares	% change during the year
As at March 31, 2021						
1	Suzlon Energy Limited	2,93,61,300	-	2,93,61,300	99.98	-
2	Tulsi R.Tanti J/W. Suzlon Energy Limited	5,000	-	5,000	0.02	-
3	Rambhaden Ukabhai J/W. Suzlon Energy Ltd	100	-	100	0.00*	-
4	Gita T.Tanti J/W. Suzlon Energy Limited	100	-	100	0.00*	-
5	Sangita V.Tanti J/W. Suzlon Energy Ltd	100	-	100	0.00*	-
6	Lina J.Tanti J/W. Suzlon Energy Limited	100	-	100	0.00*	-
7	Pranav T.Tanti J/W. Suzlon Energy Ltd	100	-	100	0.00*	-
	Total	2,93,66,800	-	2,93,66,800	100.00	-

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.

17. Other equity

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

	March 31, 2022	March 31, 2021
Equity component of compound financial instruments	6.78	6.78
General reserve	3.49	3.49
Securities premium	922.20	922.20
Capital contribution	(611.81)	(611.81)
Capital reserve (refer Note 5)	194.51	194.51
Retained earnings	(2,053.34)	(1,863.63)
Total	(1,538.17)	(1,348.46)

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Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

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.

18. Borrowings

	March 31, 2022	March 31, 2021
Non-current		
Term loans from banks (secured)	25.24	30.89
Liability component of:		
8% redeemable preference shares (unsecured)	18.71	16.86
9% compulsorily convertible debentures (unsecured)	370.37	366.09
Compulsory convertible preference shares (secured)	1,319.32	1,219.78
Loan from related party (unsecured)	947.88	1,140.39
Total	2,681.52	2,774.01
Current		
Current maturities of long-term borrowings	5.65	3.00
Loans from related parties (unsecured)	467.45	896.15
Total	473.10	899.15

Borrowings are disclosed at amortised cost.

18.1 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.



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

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.

- i. 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.[§]
- ii. Restructuring of foreign currency convertible bonds ('Bonds') with bondholders i.e. roll over / conversion into equity shares of SEL.
- iii. 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.
- iv. Equity infusion of ₹ 342.16 Crore and issue of compulsory convertible debentures of ₹ 49.98 Crore by promoters and investors in SEL.

[§] Post March 31, 2022 and in terms of the Refinancing Proposal, 49,85,88,439 convertible warrants allotted on June 27, 2020 to the Existing Lenders stands cancelled with effect from May 24, 2022.

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

In case of financial facilities from Lenders in accordance with Resolution Plan aggregating to ₹ 25.24 Crore (previous year: 30.89 Crore) classified as long-term borrowings, ₹ 5.65 Crore (previous year: 3.00 Crore) classified as current maturities of 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 SGS L 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 SGS L) 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 SGS L where the pledge is till conversion of CCPS into equity shares of SGS L, 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 promoter group, brand image of Suzlon, personal guarantee of the chairman and managing director of SEL and corporate guarantee of each Borrower.

The rate of interest on term loan from banks 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.

18.3 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 with fixed, non-cumulative dividend at 0.0001% of the face value payable annually to the lenders from June 30, 2020 in part conversion of their existing debt to Lenders as per the Resolution plan with various exit options as well as call and put option. If none of the exit options are exercised, then the CCPS issued to the Lenders shall compulsorily be converted into equity shares on March 1, 2040 ("Conversion Date").



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

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. Fair value is determined based on a "transfer model". 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 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.

Post March 31, 2022, and in terms of the Refinancing Proposal, the Company has on May 24, 2022 allotted 4,454 equity shares having a face value of ₹10/- each pursuant to conversion of entire outstanding value of 4,45,301 Compulsorily Convertible Preference Shares having a face value of ₹1,00,000/- each. Refer Note 4 for further details.

18.4 Loans from related parties

Loans from related parties comprise of Inter Corporate Deposit from the holding company SEL, which carry interest @ 9.00% p.a. and used for business operations. As per the terms of the agreement between the Company and SEL, SEL consents that it will not raise any demand on the Company to make any prepayment of the loan up to ₹ 650.00 Crore provided under the agreement during the term up to March 31, 2024.

18.5 STG has non-fund based facilities from banks on the basis of security of current assets. The quarterly statements of current assets filed by the Company with banks are in complete agreement with the books.

18.6 The details of repayment of long-term borrowings are as follows:

Particulars	Year	Up to 1 year	2 to 5 years	Above 5 years	Total
Secured loans	March 31, 2022	5.65	12.58	12.66	30.89
	March 31, 2021	3.00	18.24	12.65	33.89
Unsecured loans	March 31, 2022	297.88	650.00	-	947.88
	March 31, 2021	490.39	650.00	-	1,140.39
Total	March 31, 2022	303.53	662.58	12.66	978.77
	March 31, 2021	493.39	668.24	12.65	1,174.28

19. Trade payables

	March 31, 2022	March 31, 2021
Outstanding dues of micro enterprises and small enterprises (refer Note 19.2)	39.83	23.84
Trade payables to related parties	17.52	13.63
Trade payables to others	361.67	525.50
Total	419.02	562.97

Trade payables are disclosed at amortised cost.



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Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

19.1 Ageing schedule for trade payables

As on March 31, 2022	Unbilled dues	Outstanding from due date of payment				Total
		< 1 year	1-2 years	2-3 years	> 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	32.88	1.37	3.70	1.88	39.83
Total outstanding dues of creditors other than micro enterprises and small enterprises	27.33	301.23	9.69	12.35	28.58	379.18
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	0.01	-	-	0.01
Total	27.33	334.11	11.07	16.05	30.46	419.02
As on March 31, 2021						
Total outstanding dues of micro enterprises and small enterprises	-	15.90	3.39	3.49	1.06	23.84
Total outstanding dues of creditors other than micro enterprises and small enterprises	27.80	424.58	45.14	17.88	23.53	538.93
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	0.20	-	-	-	0.20
Total	27.80	440.68	48.53	21.37	24.59	562.97

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

Sl. No.	Particulars	March 31, 2022	March 31, 2021
a.	The principal amount remaining unpaid to any supplier as at the end of the accounting year	39.83	23.84
b.	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	0.20	0.07
c.	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	106.29	56.57
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	1.17	0.43
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	1.37	0.50

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.



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Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

19.3 Relationship with struck off companies

Name of struck off company	Nature of transaction	Transactions during the year ended		Balance outstanding as at		Relationship with the struck off company
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	
Sneha Transmissions Pvt Ltd	Purchase of goods	-	0.09	-	-	External Vendors
Sumitron Exports Pvt Ltd	Purchase of goods	0.16	0.03	0.03	0.03	
Avanza Epsilon Elektro Pvt. Ltd	Advances given	-	-	0.10	0.10	
Sunhertz Power & Infrastructures	Payable	-	-	0.00*	0.00*	
Eleam Engineers Pvt. Ltd.	Advances given	-	-	0.06	0.06	
Inam Engineering Pvt. Ltd	Advances given	-	-	-	0.00*	

20. Other financial liabilities

Current: It consists of employee payables of ₹ 37.01 Crore (previous year: ₹ 29.91 Crore) and dividend payables on CCPS of ₹ Nil (previous year: ₹ 0.00* Crore).

All the financial liabilities are disclosed at amortised cost.

* Less than ₹ 0.01 Crore

21. Provisions

Non-current: It consists of provision for employee benefits of ₹ 15.43 Crore (previous year: ₹ 15.43 Crore).

Current: It consists of provision for employee benefits of ₹ 13.52 Crore (previous year: ₹ 13.76 Crore) and provision for machine availability of ₹ 67.63 Crore (previous year: ₹ 77.83 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, 2022	March 31, 2021
Opening balance	77.83	89.35
Additions	91.90	48.69
Utilisation	(78.71)	(38.75)
Reversal	(23.39)	(21.46)
Closing balance	67.63	77.83

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.

22. Other liabilities

Non-current – It consists of deferred liability * of ₹ 19.63 Crore (previous year: ₹ 24.57 Crore).

	March 31, 2022	March 31, 2021
Current		
Statutory dues	29.88	36.16
Deferred liability *	4.94	4.94
Total	34.82	41.10



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

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

23. Revenue from contract with customers

23.1 Disaggregated revenue information

	March 31, 2022	March 31, 2021
Type of revenue		
Income from operating and maintenance service	1,442.29	1,370.03
Project execution income	330.43	113.80
Power evacuation infrastructure services	168.49	15.80
Income from power generation	1.70	0.25
Part sales	169.34	97.05
Scrap sales	25.46	14.20
Total	2,137.71	1,611.13
Geography		
India	2,133.01	1,594.12
Outside India	4.70	17.01
Total	2,137.71	1,611.13
Timing of revenue recognition		
Goods transferred at a point in time	196.50	111.25
Services transferred over time	1,941.21	1,499.88
Total	2,137.71	1,611.13

23.2 Contract balances

	March 31, 2022	March 31, 2021
Trade receivables	576.77	653.93
Contract liabilities	326.05	134.12

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.

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

	March 31, 2022	March 31, 2021
Revenue as per contracted price	2,206.22	1,638.37
Less: Variable consideration		
Machine availability	(68.51)	(27.24)
Total	2,137.71	1,611.13

23.4 Performance obligation

OMS services

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.



Suzlon Global Services Limited (as merged)**Notes to financial statements for the year ended March 31, 2022**

All amounts in ₹ Crore, unless otherwise stated

Project services

Project services includes civil foundation, electrical, installation and commissioning of WTG's. The performance obligation is satisfied over-time and payment is generally due upon completion of milestone as per terms of the contract.

Power evacuation infrastructure facilities

The performance obligation is satisfied upon commissioning and electrical installation of the WTG to the said facilities followed by approval for commissioning of WTG from the concerned authorities.

24. Other income

	March 31, 2022	March 31, 2021
Interest income on:		
on deposits with banks	0.23	0.02
on other financial assets	87.93	50.59
Total	88.16	50.61

25. Cost of raw materials, components and services consumed

	March 31, 2022	March 31, 2021
Opening inventory	495.92	322.33
Add: Additions on account of merger	-	72.24
Add: Purchases (including works contract and services)	655.01	662.39
	1,150.93	1,056.96
Less: Closing inventory	465.29	495.92
	685.64	561.04
Cost of project services and infrastructure development expenses	271.48	117.42
Total	957.12	678.46

Changes in inventories:

Opening inventory	304.26	-
Work-in-progress	-	242.30
Add: Additions on account of merger	54.89	-
Finished goods	-	50.73
Add: Additions on account of merger	-	-
(A)	359.15	293.03
Closing inventory	184.95	304.26
Work-in-progress	48.96	54.89
Finished goods	-	-
(B)	233.91	359.15

Changes in inventories	(C) = (A) - (B)	125.24	(66.12)
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Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

26. Employee benefits expense

	March 31, 2022	March 31, 2021
Salaries, wages, allowances and bonus	155.26	124.41
Contribution to provident fund and other funds (refer Note 33)	13.24	11.82
Staff welfare expenses	16.87	13.57
Total	185.37	149.80

27. Finance costs

	March 31, 2022	March 31, 2021
Interest expenses on:		
Financial liabilities measured at amortised cost		
on term loans	2.92	5.09
on inter corporate deposits	167.33	201.64
on other financial liabilities	146.54	127.41
Bank charges	2.69	4.95
Dividend on convertible preference shares	0.00*	0.00*
Total	319.48	339.09

* Less than ₹ 0.01 Crore

28. Depreciation and amortisation expense

	March 31, 2022	March 31, 2021
Depreciation on property, plant and equipment (refer Note 6)	8.88	11.88
Depreciation on right-of-use assets (refer Note 34)	5.69	-
Amortisation of goodwill and other intangible assets (refer Note 8)	364.64	364.59
Total	379.21	376.47

29. Other expenses

	March 31, 2022	March 31, 2021
Site expenses	21.07	16.41
Repairs and maintenance :		
Plant and machinery	1.07	0.90
Building	0.74	0.39
Others	3.41	3.44
Rent (refer Note 34)	9.67	14.46
Rates and taxes	4.77	6.54
Insurance	7.81	6.85
Advertisement and sales promotion	0.41	0.27
Freight outward and packing expenses	13.44	10.31
Travelling, conveyance and vehicle expenses	48.56	36.08
Communication expenses	3.37	3.44
Auditors' remuneration and expenses (refer Note 29.1)	0.52	0.64
Consultancy charges	44.21	43.31
CSR, charity and donations (refer Note 29.2)	3.50	2.05



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

	March 31, 2022	March 31, 2021
Security expenses	42.41	39.72
Miscellaneous expenses	15.58	23.79
Exchange differences, net	0.48	(1.71)
Impairment allowance	(0.75)	3.40
Bad debts written off	17.72	16.31
Allowance for doubtful debts and advances	11.84	52.09
Loss on disposal of property, plant and equipment, net	3.65	(0.04)
Total	253.48	278.65

29.1 Payment to auditors

	March 31, 2022	March 31, 2021
Statutory audit fees	0.51	0.56
Certification services	-	0.07
Reimbursement of out-of-pocket expenses	0.01	0.01
Total	0.52	0.64

29.2 Corporate Social Responsibility ('CSR') disclosure

The Company has spent ₹ 3.50 Crore (previous year: ₹ 2.05 Crore) towards various schemes of CSR as prescribed under section 135 of the Companies Act, 2013. The details are:

- Gross amount required to be spent by the Company during the year: ₹ 0.70 Crore (previous year: ₹ 0.89 Crore);
- Amount spent in cash for purposes other than construction/ acquisition of any asset during the year is ₹ 3.50 Crore (previous year: ₹ 2.05 Crore) and amount yet to be paid in cash is ₹ Nil (previous year: ₹ Nil);
- Above includes a contribution of ₹ 1.46 Crore (previous year: ₹ 1.10 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.
- The Company does not carry any provisions for CSR expenses for current year and previous year.

30. Income tax

30.1 Components of income tax expenses includes current tax charged to statement of profit and loss of ₹ Nil (previous year: ₹ Nil)

30.2 Reconciliation of income tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2022 and March 31, 2021:

	March 31, 2022	March 31, 2021
Accounting profit before income tax	32.79	(91.40)
Enacted tax rates in India	25.168%	25.168%
Computed tax expense	8.25	(23.00)
Non-deductible expenses as per income tax	136.35	135.53
Deductible expenses for tax purpose	(144.60)	(112.53)
Tax expenses as per statement of profit and loss		



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

30.3 Carried forward losses

Following is the details of unabsorbed depreciation to be carried forward. 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.

	March 31, 2022	March 31, 2021
Unabsorbed depreciation	(801.11)	(803.25)
Business loss	(657.65)	(1,145.06)
Total	(1,458.76)	(1,948.32)

31. Components of other comprehensive income (OCI)

It includes re-measurement gains (losses) on defined benefit plans of ₹ 1.50 Crore (previous year: loss of ₹ 0.35 Crore). (Refer Note 33).

32. Earnings per share (EPS)

	March 31, 2022	March 31, 2021
Basic and diluted		
Net profit after tax attributable to equity shareholders	32.79	(91.40)
Weighted average number of equity shares	2,93,66,800	2,93,66,800
Basic and diluted* earnings per share of ₹ 10 each	11.17	(31.12)

* Since the earning per share computation is 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.

33. Post-employment benefit plans

Defined contribution plan:

During the year the Company has recognised ₹ 6.77 Crore (previous year ₹ 6.01 Crore) in the statement of profit and 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.

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

	March 31, 2022	March 31, 2021
Current service cost	3.11	2.92
Net interest cost	0.93	0.69
Total expense recognised in statement of profit and loss – A	4.04	3.61
Re-measurement for the period - obligation (gain) / loss	(1.51)	(0.01)
Re-measurement for the period – plan assets (gain) / loss	0.02	0.36
Total expense recognised in OCI – B	(1.49)	0.35
Grand total – C (A+B)	2.55	3.96



Suzlon Global Services Limited (as merged)**Notes to financial statements for the year ended March 31, 2022**

All amounts in ₹ Crore, unless otherwise stated

33.2 Changes in the defined benefit obligation:

	March 31, 2022	March 31, 2021
Opening defined benefit obligation	27.76	20.81
Add: Additions on account of merger	-	4.34
Current service cost	3.11	2.92
Interest cost	1.80	1.62
Benefits paid	(2.44)	(1.83)
Acquisition adjustments/ settlement cost	0.32	(0.09)
Re-measurement adjustments:		
Actuarial changes arising from changes in demographic assumptions	(0.11)	0.70
Actuarial changes arising from changes in financial assumptions	(1.06)	(1.10)
Experience variance (i.e. actual experience vs assumptions)	(0.34)	0.39
Closing defined benefit obligation	29.04	27.76

33.3 Changes in the fair value of plan assets:

	March 31, 2022	March 31, 2021
Opening fair value of plan assets	13.39	11.81
Add: Additions on account of merger	-	2.65
Interest income	0.86	0.93
Contributions by employer towards approved fund	2.39	0.28
Benefits paid	(2.44)	(1.83)
Acquisition adjustments/ settlement cost	0.32	(0.09)
Mortality charges and taxes	-	-
Re-measurement adjustments:		
Return on plan assets, excluding amount recognised in interest expense	(0.02)	(0.36)
Closing fair value of plan assets	14.50	13.39

33.4 Funds managed by insurer is 100% for March 31, 2022 (previous year: 100%).

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

	March 31, 2022	March 31, 2021
Current portion of the above	3.08	2.61
Non-current portion of the above	25.96	25.15
Present value of defined benefit obligation as at the end of the year	29.04	27.76
Fair value of plan assets as at the end of the year	14.50	13.39
Net asset/ (liability) recognised in the balance sheet	(14.54)	(14.37)

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

	March 31, 2022	March 31, 2021
Discount rate (in %)	6.80	6.40
Future salary increases (in %)	8%	3% for first year and 8% thereafter
Life expectation (in years)	6.22	7.58



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

	March 31, 2022	March 31, 2021
Attrition rate	21.50% at younger ages and reducing to 6.80% at older ages according to graduated scale	13.20% at younger ages and reducing to 7.40% 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.

33.7 Quantitative sensitivity analysis for significant assumptions:

	March 31, 2022		March 31, 2021	
	Decrease	Increase	Decrease	Increase
Discount rate (- / + 1%)	1.39	0.70	3.52	1.51
Future salary increases (- / + 1%)	0.71	1.38	1.51	3.49
Attrition rate (- / + 50% of attrition rates)	0.83	1.15	2.76	2.12

For the year ending on March 31, 2023, the Company expects to contribute ₹ 15.38 Crore (previous year: ₹ 14.79 Crore) towards its defined benefit plan.

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

34. Leases

The Company has lease contracts for land used in its operations and maintenance services. Leases of land have lease terms between 5 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets. There are lease contracts that include extension and termination options and variable lease payments. The Company also has certain leases of premises 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.

34.1 Carrying amounts of Right-of-use ('ROU') assets recognised and the movements during the year ended are as follows:

Particulars	March 31, 2022	March 31, 2021
Opening balance	0.03	0.04
Additions	22.75	-
Depreciation	5.69	0.00*
Closing balance	17.09	0.03

34.2 The movement in lease liabilities during the year ended are as follows:

Particulars	March 31, 2022	March 31, 2021
Opening balance	-	-
Additions	22.75	-
Finance cost accrued during the year	1.91	-
Payment of lease liabilities	6.38	-
Closing balance	18.28	-

The effective interest rate for lease liabilities is 9% with maturity between 2023 and 2025.

* Less than ₹ 0.01 Crore



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

34.3 The following are the amounts recognised in statement of profit and loss:

Particulars	March 31, 2022	March 31, 2021
Depreciation expense on right-of-use assets	5.69	-
Interest expense on lease liabilities	1.91	-
Rental expense for short-term leases (included in other expenses)	5.77	-
Total	13.37	-

During the year, the Company had total cash outflows for leases of ₹ 16.06 Crore (previous year ₹ 14.46 Crore).

34.4 Details of contractual maturities of lease liabilities on an undiscounted basis are as follows:

Particulars	March 31, 2022	March 31, 2021
Not later than one year	5.23	-
Later than one year and not later than five years	13.05	-
Later than five years	-	-
Total	18.28	-

35. Capital and other commitments

Estimated amount of contract remaining to be executed on capital accounts and not provided for, net of advances ₹ 3.21 Crore (previous year: ₹ 7.71 Crore).

36. Contingent liabilities

Nature	March 31, 2022	March 31, 2021
Claims against the Company by employees	0.28	0.28
State levies	14.51	13.30
Custom duty and service tax pending in appeal	0.02	-
Interest payable under MSMED Act, 2006	1.37	0.50

The Company has stood as co-borrower for loans granted to SEL and its identified domestic subsidiaries and a joint venture for which certain securities defined in Note 18.2 are provided, the amount of which liability of each of parties is not ascertainable.

37. Segment information

Particulars	April 1, 2021 to March 31, 2022				April 1, 2020 to March 31, 2021			
	OMS division	Project and Power evacuation division	Power generation division	Total	OMS division	Project and Power evacuation division	Power generation division	Total
Segment revenue	1,597.55	538.47	1.70	2,137.72	1,469.59	141.29	0.25	1,611.13
Segment results	408.86	(146.18)	1.45	264.13	325.26	(128.16)	(0.02)	197.08
Add / (less) items to reconcile with profit/ (loss) as per statement of profit and loss								
Add : Other income	-	-	-	88.15	-	-	-	50.61
Less : Finance costs	-	-	-	(319.49)	-	-	-	(339.09)
Loss before tax				32.79				(91.40)
Less : Tax expense	-	-	-	-	-	-	-	-
Loss after tax				32.79				(91.40)
Segment assets	1,870.26	697.48	1.05	2,568.79	2,172.95	972.42	0.98	3,146.35



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

Particulars	April 1, 2021 to March 31, 2022				April 1, 2020 to March 31, 2021			
	OMS division	Project and Power evacuation division	Power generation division	Total	OMS division	Project and Power evacuation division	Power generation division	Total
Common assets	-	-	-	28.43	-	-	-	107.42
Enterprise assets	-	-	-	2,597.22	-	-	-	3,253.77
Segment liabilities	1,041.36	(1,598.76)	-	(557.40)	491.04	(394.18)	-	96.86
Common liabilities	-	-	-	3,154.62	-	-	-	3,156.91
Enterprise liabilities	-	-	-	2,597.22	-	-	-	3,253.77
Depreciation	378.20	0.91	0.10	379.21	374.39	1.97	0.11	376.47s

38. Related party transactions

38.1 List of related parties

Sr. No.	Name of the entity	Nature of relationship
1	Suzlon Energy Limited	Holding company
2	Suzlon Gujarat Wind Park Limited	Subsidiary
3	Suzlon Wind Energy (Lanka) Pvt. Limited	Fellow subsidiary
4	Suzlon Wind Energy Corporation (*)	Fellow subsidiary
5	Suzlon Energy Australia Pty. Ltd	Fellow subsidiary
6	Suzlon Wind Energy Equipment Trading (Shanghai) Co. Ltd	Fellow subsidiary
7	SE Forge Limited	Fellow subsidiary
8	Suzlon Energy A/S	Fellow subsidiary
9	Suzlon Generators Limited (&)	Joint venture
10	Aalok Solarfarms Limited	Associate Company
11	Abha Solarfarms Limited	Associate Company
12	Vayudoot Solarfarms Limited	Joint venture
13	Heramba Renewables Limited	Associate Company
14	Shreyas Solarfarms Limited	Associate Company
15	Mr. Vinod R. Tanti	Key Management Personnel (KMP)
16	Mr. Vaidhyanathan Raghuraman	Key Management Personnel (KMP)
17	Mr. Per Hornung Pederson	Key Management Personnel (KMP)
18	Mr. Ishwar Chand Mangal	Key Management Personnel (KMP)
19	Mr. Om Prakash Talwar	Key Management Personnel (KMP)
20	Mrs. Priti Kaur Budhraj (&)	Key Management Personnel (KMP)
21	Mrs. Shivani R. Nirgudkar (#)	Relatives of Key Management Personnel (RKMP)
22	Mr. Girish R. Tanti	Relatives of Key Management Personnel (RKMP)
23	Mr. Tulsi R. Tanti (^)	Relatives of Key Management Personnel (RKMP)
24	Mr. Jitendra R. Tanti	Relatives of Key Management Personnel (RKMP)
25	Rambhaden Ukabai	Relatives of Key Management Personnel (RKMP)
26	Suzlon Foundation	Entities where KMP/ RKMP have significant influence
27	Shubh Realty (South) Private Limited	Entities where KMP/ RKMP have significant influence
28	Sarjan Realities Private Limited	Entities where KMP/ RKMP have significant influence
29	Tanti Holdings Private Limited	Entities where KMP/ RKMP have significant influence
30	Samiran Realities Limited	Entities where KMP/ RKMP have significant influence



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

31	Samanvaya Holdings Private Limited	Entities where KMP/ RKMP have significant influence
32	SE Freight and Logistics India Pvt Ltd	Entities where KMP/ RKMP have significant influence
33	Suzlon Global Services Limited- Gratuity Fund	Employee Fund

(*) Under liquidation and ceased to be subsidiary; (b) Ceased as a joint venture w.e.f April 07, 2022; (c) Resigned w.e.f April 30, 2022; (d) Appointed w.e.f April 30, 2022; (e) Ceased w.e.f October 01, 2022.

38.2 Transactions between the Company and related parties during the year and the status of outstanding balances as at March 31, 2022:

Particulars	Holding company	Fellow subsidiary	Joint venture	Entities where KMP/ RKMP have significant influence	KMP	RKMP	Employee fund
Purchase of property, plant and equipment	0.06 (0.17)	(-)	(-)	(-)	(-)	(-)	(-)
Sale of fixed assets	(0.01)	(-)	(-)	(-)	(-)	(-)	(-)
Purchase of goods and services	68.03 (39.92)	0.04 (0.03)	6.69 (7.46)	1.11 (2.82)	-	-	(-)
Sale of goods and services	245.18 (191.41)	2.49 (3.04)	1.26 (2.31)	15.89 (1.03)	0.19 (0.25)	0.99 (1.02)	(-)
Interest expense	209.45 (243.15)	(-)	(-)	(-)	(-)	(-)	(-)
Domestic consultancy charges	40.00 (40.00)	(-)	(-)	(-)	(-)	(-)	(-)
Interest income	86.13 (48.74)	(-)	(-)	(-)	(-)	(-)	(-)
Reimbursement of amount receivable	23.06 (0.07)	(-)	(-)	(-)	(-)	(-)	(-)
Rent paid	1.39 (1.24)	0.03 (-)	(-)	6.38 (6.15)	(-)	(-)	(-)
Donation given	(-)	(-)	(-)	1.46 (1.10)	(-)	(-)	(-)
Managerial remuneration	(-)	(-)	(-)	(-)	3.74 (4.35)	(-)	(-)
Director sitting fees	(-)	(-)	(-)	(-)	0.02 (0.02)	(-)	(-)
Loans taken	188.07 (521.55)	(-)	(-)	(-)	(-)	(-)	(-)
Contribution to gratuity fund	(-)	(-)	(-)	(-)	(-)	(-)	2.01 (0.16)
Loans given	1,529.89 (559.33)	224.00 (-)	(-)	(-)	(-)	(-)	(-)
Debt given pursuant to assignment of debt	(25.85)	(-)	(-)	(-)	(-)	(-)	(-)
Machine availability expenditure	(-)	(-)	(-)	(-)	(-)	0.11 (-)	(-)
Advances received	166.25 (-)	(-)	(-)	(-)	(-)	(-)	(-)
Repayment of loan taken	604.21 (-)	(-)	(-)	(-)	(-)	(-)	(-)



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

Particulars	Holding company	Fellow subsidiary	Joint venture	Entities where KMP/ RKMP have significant influence	KMP	RKMP	Employee fund
Realisation of loan given	1,914.46 (-)	(-)	(-)	(-)	(-)	(-)	(-)
Reimbursement of expenses payable	16.44 (8.81)	(-)	(-)	(0.02)	(-)	(-)	(-)

Outstanding balances:

Particulars	Holding company	Fellow subsidiary	Joint venture	Associate	Entities where KMP/ RKMP have significant influence	KMP	RKMP
Advance to supplier and other receivables	(-)	(-)	(-)	(-)	0.01 (-)	(-)	(-)
Director sitting fees payable	(-)	(-)	(-)	(-)	(-)	0.01 (0.01)	(-)
Managerial remuneration payable	(-)	(-)	(-)	(-)	(0.11)	(-)	(-)
Loans given outstanding (including interest)	498.22 (510.00)	224.00 (-)	(-)	(-)	(-)	(-)	(-)
Trade receivables	5.89 (2.37)	1.56 (7.69)	3.64 (2.58)	0.20 (-)	1.04 (1.56)	0.08 (0.08)	0.57 (0.32)
Trade payables	10.01 (5.47)	7.20 (7.37)	0.14 (0.23)	(-)	0.17 (0.56)	(-)	(-)
Compulsorily convertible debentures	370.37 (366.10)	(-)	(-)	(-)	(-)	(-)	(-)
Preference shares	18.61 (16.76)	(-)	(-)	(-)	(-)	(-)	(-)
Unsecured loan outstanding (including interest)	1,415.33 (2,419.40)	(-)	(-)	(-)	(-)	(-)	(-)
Impairment allowance on loans	(-)	224.00 (-)	(-)	(-)	(-)	(-)	(-)
Income accrued but not due	28.50 (18.12)	(-)	(-)	(-)	(-)	(-)	(-)
Equity portion of CCD	24.57 (29.52)	(-)	(-)	(-)	(-)	(-)	(-)

Figures in the bracket are in respect of previous year.

38.3 Disclosure of significant transactions with related parties

Type of the transaction	Type of relationship	Name of the entity / person	Year ended March 31,	
			2022	2021
Purchase of property plant and equipment	Holding company	Suzlon Energy Limited	0.06	0.17
Sale of property, plant and equipment	Holding company	Suzlon Energy Limited	-	0.01
Purchase of goods and services	Holding company	Suzlon Energy Limited	68.03	39.92
	Joint venture	Suzlon Generators Limited	-	7.46



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

Type of the transaction	Type of relationship	Name of the entity / person	Year ended March 31,	
			2022	2021
Sale of goods and services	Holding company	Suzlon Energy Limited	245.18	191.41
Managerial remuneration	KMP	Mr. Ishwar Chand Mangal	2.64	3.29
	KMP	Mr. Om Prakash Talwar	1.05	1.01
Rent paid	Holding company	Suzlon Energy Limited	-	1.24
	Entities where KMP/ RKMP have significant influence	Sarjan Realities Limited	6.38	6.08
Interest expense	Holding company	Suzlon Energy Limited	209.45	243.15
Domestic consultancy charges	Holding company	Suzlon Energy Limited	40.00	40.00
Interest income	Holding company	Suzlon Energy Limited	86.13	48.74
Director sitting fees	KMP	Mr. Per Hornung Pedersen	0.01	0.01
	KMP	Mr. Vaidhyanathan Raghuraman	0.01	0.01
Donation	Entities where KMP/ RKMP have significant influence	Suzlon Foundation	1.46	1.10
Machine availability expenditure	RKMP	Rambhaben Ukabhai	0.11	-
Contribution to gratuity fund	Employee funds	Suzlon Energy Limited- Employee Group Gratuity Scheme	2.01	0.16
Debt given pursuant to assignment of debt	Holding company	Suzlon Energy Limited	-	25.85
Loans taken	Holding company	Suzlon Energy Limited	188.07	521.55
Loans given	Subsidiary company	Suzlon Gujarat Wind Park Limited	224.00	-
	Holding company	Suzlon Energy Limited	1,529.89	559.33
Reimbursement of expenses payable	Holding company	Suzlon Energy Limited	16.44	8.81
Reimbursement of expenses receivable	Holding company	Suzlon Energy Limited	23.06	0.07
Realisation of loan given	Holding company	Suzlon Energy Limited	1,914.46	-
Repayment of loan taken	Holding company	Suzlon Energy Limited	604.21	-
Advances received	Holding company	Suzlon Energy Limited	166.25	-

Terms and conditions of transactions with related parties

Outstanding balances at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

39. Fair value measurements

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.



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Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

Description of significant unobservable inputs to valuation:

Financial liability	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
FVTPL put option – Exit 4	Monte Carlo Simulation (20,000 scenarios)	Volatility in stock price of unlisted entity	Volatility rate March 31, 2022 - 59.67% March 31, 2021 - 56.83%	1% increase in volatility rate would result in increase in fair value by ₹ 26.53 Crore (previous year ₹ 7.13 Crore) and 1% decrease in volatility rate would result in decrease in fair value by ₹ 25.08 Crore (previous year ₹ 7.80 Crore). (Sensitivity in fair value of the option)

40. 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 through profit or loss:

Compulsory Convertible preference shares (Exit 4)

Level 3	
March 31, 2022	March 31, 2021
821.10	778.87

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

	March 31, 2022	March 31, 2021
Opening balance	778.87	-
Addition during the year	-	743.61
Finance cost recognised in statement of profit and loss	42.23	35.26
Closing balance	821.10	778.87

41. 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.

41.1 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.

a. 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.



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

b. 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, 2022			March 31, 2021		
	USD	Euro	Others	USD	Euro	Others
Financial assets						
Trade receivables	4.49	-	0.01	4.35	-	6.24
Other assets	3.98	4.62	0.61	2.38	2.01	0.01
Total	8.47	4.62	0.62	6.73	2.01	6.25
Financial liabilities						
Trade payables	5.18	17.47	0.05	1.18	29.21	0.04
Other liabilities	0.41	-	-	0.40	-	-
Total	5.59	17.47	0.05	1.58	29.21	0.04

Foreign currency sensitivity

The Company's currency exposures in respect of monetary items as at March 31, 2022 and March 31, 2021 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, 2022	March 31, 2021
USD	+5%	0.14	0.26
USD	-5%	(0.14)	(0.26)
EURO	+5%	(0.64)	(1.36)
EURO	-5%	0.64	1.36

41.2 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.

a. 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.



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

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. For determination of ECL on trade receivable, the Company considers the impact of net credit risk exposure on trade receivable after factoring the payable to customers, if any, by the ultimate parent company and parent company.

The Company is in the process of settlement of old outstanding trade receivables of project division against which parent company is having payable/ provisions. Since, there are liabilities held by parent company, the Company does not foresee any risk over such receivable balance from customers.

b. 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, 2022 and as at March 31, 2021 is the carrying value of each class of financial assets.

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

41.3 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, 2022				
Borrowings	1,420.98	12.58	12.66	1,446.22
Redeemable cumulative preference shares	-	-	18.71	18.71
Compulsorily convertible debentures	-	-	370.37	370.37
Compulsory convertible preference shares	-	-	1,319.32	1,319.32
Other financial liabilities	37.01	-	-	37.01
Trade and other payables	419.02	-	-	419.02
Total	1,877.01	12.58	1,721.06	3,610.65
March 31, 2021				
Borrowings	1,389.54	664.39	16.50	2,070.43
Redeemable cumulative preference shares	-	-	16.86	16.86
Compulsorily convertible debentures	-	-	366.09	366.09
Compulsory convertible preference shares	-	-	1,219.78	1,219.78
Other financial liabilities	29.91	-	-	29.91
Trade and other payables	562.97	-	-	562.97
Total	1,982.42	664.39	1,619.23	4,266.04

42. Disclosure required under Sec 186(4) of the Companies Act, 2013

For details of securities provided on behalf of borrowers under the Resolution Plan refer Note 18.2.

For details of investments made refer Note 9.



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

43. Ratios and its elements

Ratio	March 31, 2022	March 31, 2021	% change
Current ratio *			
Current assets/ Current liabilities	1.17	1.11	5.13
Debt - Equity ratio *			
Total debt/ Shareholders equity	(2.09)	(2.78)	24.92
Debt service coverage ratio #			
EBITDA (excluding non-cash expenses)/ Interest + principal repayments	0.81	1.09	(25.70)
Return on Equity ratio @			
Net profit after tax - Preference dividend (if any)/ Equity shareholder's funds * 100	2.17	(6.93)	131.36
Inventory turnover ratio @			
Sales/ average Inventory	2.67	2.04	31.06
Trade receivables turnover ratio @			
Sales/ average receivables	3.47	2.17	60.16
Trade payable turnover ratio *			
Net credit purchases/ average payables	1.78	1.66	7.32
Net capital turnover ratio @			
Sales (includes only revenue from operation and other operating income)/ Capital employed = total assets - current liabilities	1.77	1.08	64.18
Net profit ratio @			
Net profit / Sales	0.02	(0.06)	127.04
Return on capital employed (%) @			
Earnings before interest and tax (EBIT)/ Capital employed = total assets - current liabilities	21.63%	13.18%	64.10
Return on investment (%) *			
Finance income/ Investment	10.59%	9.00%	17.61

Reasons for variance

* There is no significant change (i.e. change of more than 25% as compared to the immediately previous financial year) in the key financial ratios.

@ Revenue growth along with improved margins and liquidity has resulted in improvement of certain ratios

Increase in EBITDA compensated on account of higher repayment of principal and Interest.

44. Other information

- The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall



Suzlon Global Services Limited (as merged)

Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

- i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- ii. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- e. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - ii. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- f. The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey).
- g. Details of immovable properties classified under property, plant and equipment in balance sheet not held in the name of the Company:

Description of item of property	Gross carrying value (in ₹ crore)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Company
17 freehold lands located at various locations admeasuring 61.7 acres	10.98	Suzlon Energy Limited	No	8 years	The title deeds are in the name of Suzlon Energy Limited- OMS Division which was merged with the Company w.e.f. March 29, 2014.
2 leasehold lands admeasuring 2.21 acres	0.12	Suzlon Energy Limited	No	6 years	The title deeds are in the erstwhile name of the Company i.e. Suzlon Structures Limited.

45. 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, 2022	March 31, 2021
Equity share capital	29.37	29.37
Other equity	(1,538.17)	(1,348.46)
Total capital	(1,508.80)	(1,319.09)



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


Suzlon Global Services Limited (as merged)


Notes to financial statements for the year ended March 31, 2022

All amounts in ₹ Crore, unless otherwise stated

46. Prior year amounts have been reclassified wherever necessary to confirm with current year presentation.


Vinod R. Tanti
Chairman
DIN : 00002266


Om Prakash Talwar
Chief Financial Officer


Ishwar C. Mangal
Chief Executive Officer


Shilvani R. Nirgudkar
Company Secretary
Membership No
:A33098

Place : Pune
Date : October 20, 2022