Sustainable pursuit of excellence

Annual Report 2010-11

SUZLON
POWERING A GREENER TOMORROW

www.suzlon.com

16

years of powering a greener tomorrow

17,000 MW

of total installations by Suzlon

Footprint across 32

countries on six continents

6,000 MW

manufacturing capacity in India, China, Germany and US

13,000

employees across the world

71,500

families directly benefitting Suzlon's CSR outreach program in India

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Tulsi R. Tanti	Chairman & Managing Director
Mr. Vinod R.Tanti (appointed w.e.f. 01/11/2010)	Executive Director
Mr. Girish R. Tanti (ceased as executive director w.e.f. 30/07/2011)	Non-Executive Director
Mr. Ajay Relan	Independent Director
Mr. Ashish Dhawan	Independent Director
Mr. V. Raghuraman	Independent Director
Ms. Mythili Balasubramanian (a nominee of IDBI Bank Limited w.e.f. 01/11/2010)	Independent Director
Mr. Rajiv Ranjan Jha (a nominee of Power Finance Corporation Limited w.e.f. 28/04/2011)	Independent Director
Mr. Pradip Kumar Khaitan (resigned w.e.f. 28/04/2011)	Non-Executive Director

COMPANY SECRETARY

Mr. Hemal A. Kanuga

AUDITORS

SNK & Co.
Chartered Accountants
E-2-B, The Fifth Avenue,
Dhole Patil Road, Near Regency Hotel,
Pune - 411001, India

S.R.Batliboi & Co.
Chartered Accountants
C-401, 4th Floor, Panchshil Tech Park,
Yerawada,
Pune - 411006, India

BANKERS / INSTITUTIONS

Axis Bank
Bank of Baroda
Bank of India
Bank of Maharashtra
Central Bank of India
Citibank, N.A.
Corporation Bank
Dena Bank
Export Import Bank of India
ICICI Bank
IDBI Bank Limited
Indian Overseas Bank
Life Insurance Corporation of India
Power Finance Corporation Limited
Punjab National Bank
State Bank of Bikaner and Jaipur
State Bank of India
State Bank of Patiala
The Saraswat Co-operative Bank Limited
Union Bank of India
Yes Bank Limited

REGISTERED OFFICE

“Suzlon”, 5, Shrimali Society,
Near Shri Krishna Complex,
Navrangpura, Ahmedabad - 380 009, India
Tel.: +91.79.26471100; Fax: +91.79.2656 5540
Email: investors@suzlon.com Website: www.suzlon.com

CORPORATE OFFICE

One Earth, Hadapsar, Pune - 411 028, India
Tel.: +91.20.6135 6135, 6702 2000
Fax: +91.20.6702 2100

REGISTRAR AND SHARE TRANSFER AGENTS

Karvy Computershare Private Limited
17-24, Vittalrao Nagar, Madhapur, Hyderabad - 500 081, India
Tel: (91 40) 44655000; Fax: (91 40) 23420814; Toll Free No. 1800-3454-001
Email: einward.ris@karvy.com, Website: www.karvy.com

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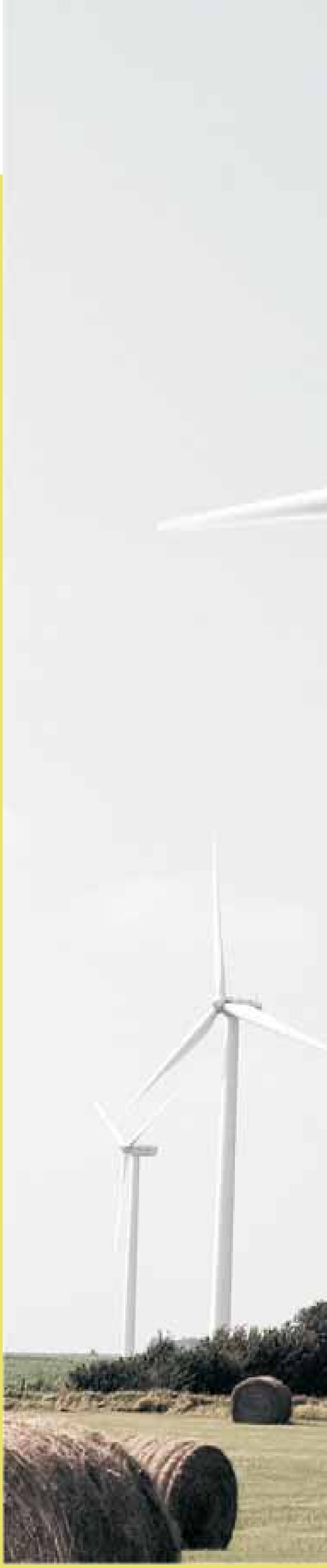


Vision

To be the technology leader in the wind sector.

To be in the top three wind companies in all the key markets of the world.

To be the global leader in providing profitable, end-to-end wind power solutions.

To be the “stakeholders’ choice” company.

Suzlon wind farm in Minnesota, USA.

Letter from the Chairman

The defining focus for the global economy over the past year has been the slow road to recovery, and even as governments and policy makers tried to make this a sustainable recovery, the central issue facing the world today remains energy and how we meet our growing need for it.

The evidence is clearly before us, there are today 1.5 billion people around the world with no regular access to power – no light, no electricity for basic day-to-day appliances, and no power to operate machines for agriculture, or to pump water. A lack of access to energy for them results in no access to food, water or decent health facilities. Sustainable development requires we not only focus on urban development, but bringing basic – and essential – development to those who need it the most.

With sustainable development as a clear priority alongside climate change and energy security concerns, a roadmap to a sustainable energy mix is clearly a global priority.

Over the past year the wind energy sector has continued to consolidate its position as a mature, cost effective and increasingly mainstream source of power. Global macro-economic trends have had a visible impact on the growth of the sector with growing momentum in emerging markets, and offshore wind showing strong promise in select mature markets.

The increasingly large scale of projects and advances in technology, alongside external factors like increasing volatility in fossil fuel supplies and prices, have reinforced wind's position as a cost competitive power source in comparison with conventional fuels. Industry estimates show that the cost of wind power has come down by over 30 per cent in just the last three years, and a recently published report by the US Energy Information Administration projects that, by 2016, wind will be cheaper than even coal in pure cost-per-kilowatt/hour terms.

However, wind today competes as not only a cost effective energy source, but as a sustainable, environment-friendly and long-term energy solution. With the developing world's ever increasing need for power, and the global need for more secure energy supplies – there is no doubt that wind will be the key renewable resource for the world in the years to come.

This is reflected in the rapid growth of wind in key growth markets the world over. Emerging markets have delivered strong growth, India – our home market – showed strong momentum which we see continuing over the mid-term. Other emerging markets, such as Brazil, China and South Africa, offer strong potential and remain a priority for us. Our depth of experience in emerging economies, as well as our unique business model, put us in an extremely strong position to compete in these high growth markets.

While some developed markets continued to present a challenging environent due to macro-economic challenges, Europe's 20 per cent by 2020 renewable targets, alongside developments like Germany's recent decision to shut down its nuclear plants and Australia fixing a price for carbon – have all put in place strong drivers for the wind sector. With Europe's limitations in land area, the opportunity for this growth is clearly offshore. And with REpower's leadership in offshore wind technology, this is again a market we are well positioned in.

Looking at our business performance, we have over the past year focused on driving improvements on all our key operational parameters – and the results are clearly seen in

Wind today competes as not only a cost effective energy source, but as a sustainable, environment-friendly and long-term energy solution. With the developing world's ever increasing need for power, and the global need for more secure energy supplies – there is no doubt that wind will be the key renewable resource for the world in the years to come.

the steady improvement in our Group performance over the fiscal.

In terms of strategic priorities, with a challenging global economic environment and a highly competitive wind market – we have placed a high priority on technology and innovation with a focus area lowering the cost for energy from wind making wind more competitive, and therefore more mainstream.

As part of this strategic focus on technology, we have over the year successfully taken to market the Suzlon S9X suite and the REpower 3XM, both of which have found wide marketplace acceptance and major orders. These turbines have been designed with improved aerodynamic efficiency, larger rotor diameters and increased hub heights to deliver greater Plant Load Factor (PLF) and yields in medium-to-low wind regimes. These products are key to our future growth strategy as the wind sector shifts from high-wind sites – which are in now in relatively short supply the world over – to the more abundant medium-to-low wind speed sites. With these new offerings and our fleet availability (uptime) maintained at over 97 per cent, we present a compelling and attractive value proposition to our customers.

In another key step forward, we crossed the 95 per cent holding in our German subsidiary, REpower Systems SE, allowing us to trigger "squeeze-out" proceedings towards achieving 100 per cent ownership. REpower, with its leadership in offshore technology – with offshore wind energy projected to grow at nearly 40 per cent CAGR – and strong position in key developed markets, forms an important part of our strategy.

Looking ahead, I believe we are strongly positioned to compete and win in the global marketplace. We have focused our efforts on five key areas:

First, market positioning: our decision to focus on emerging markets like Brazil, China, India and South Africa, and Europe and UK for offshore, has clearly been well founded with these markets driving growth for the entire sector. With our global reach, customer relationships with 11 out of the top 15 wind customers, high reliability and uptime, 17 GW of installations – including 220 MW installed and nearly 600 MW in development offshore – we present a compelling value proposition.

Second, product portfolio: from the latest S9X and 3XM offerings, to the REpower 6M – the world's largest commercially available wind turbine – we have the the widest product portfolio, and a turbine for every type of site in the world.

Third, low-cost manufacturing and supply chain: with our manufacturing base concentrated in low-cost countries we have among the lowest production costs in the industry. At a time when the wind industry is still exploring manufacturing in India and China, we are successfully leveraging our well developed and mature low cost supply chain in these countries.

Fourth, consolidation: with the current economic climate there is an opportunity for consolidation in the sector; at Suzlon we have the opportunity to achieve this within the Group. We have rationalized and strengthened internal processes, leading to improved efficiency and effectiveness across all key operational parameters.

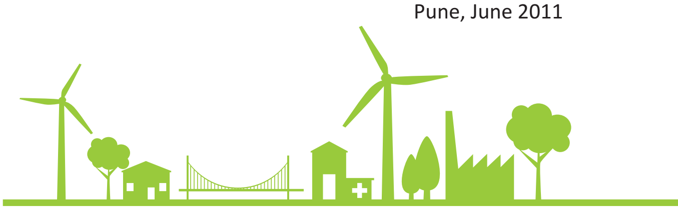
Fifth, performance: we have placed a strong emphasis on strengthening our balance sheet, optimizing our debt profile, and building a strong orderbook. We believe that the steady and consistent improvement in our Group financial performance over the past five quarters underscores that we are headed in the right direction, and that our strategy is delivering.

Looking at the big picture, what all this adds up to is our commitment to powering sustainable development the world over. With over 17 GW of wind turbines already installed, and new projects going into the ground every day, we are helping generate the power that will drive the sustainable, low carbon economy of tomorrow.

I firmly believe we are on the road to a bright future, and on behalf of the entire Suzlon family – 13,000 strong and working across 32 countries on six continents – I thank you for your support, perseverance and encouragement in making a greener tomorrow a reality, today.

Regards,

Tulsi R. Tanti
Chairman and Managing Director
Pune, June 2011



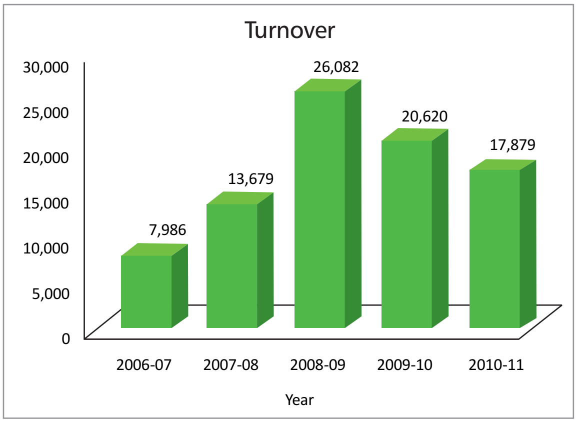
Financial Highlights

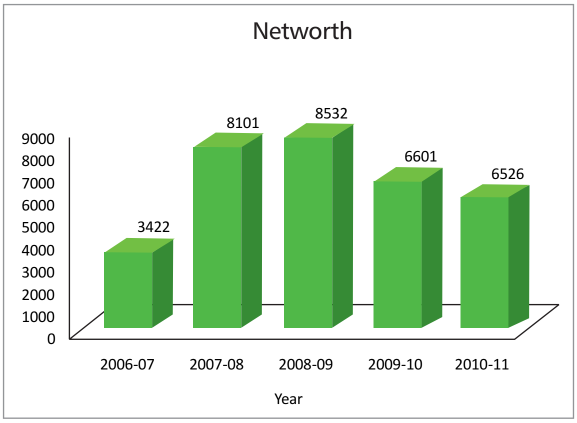
Suzlon Energy Limited and its subsidiaries

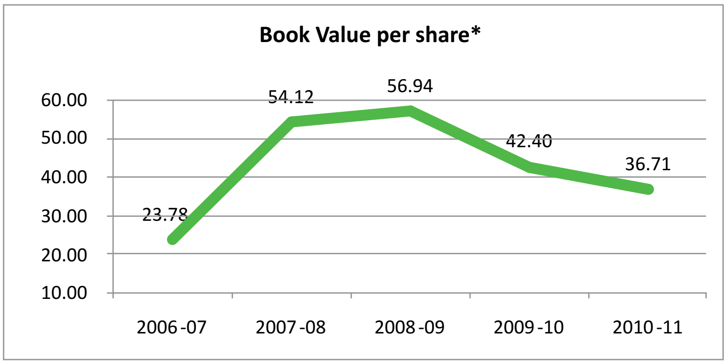
Rs in crore

Particulars	**2010-11**	**2009-10**	**2008-09**	**2007-08**	**2006-07**
Sales and service income	17,879	20,620	26,082	13,679	7,986
Total Income	18,197	20,849	26,531	13,947	8,082
EBIDTA	808	943	2,816	2,051	1,393
Interest	1,136	1,195	901	532	252
Depreciation	657	663	573	289	172
Net (loss) / profit	(1,324)	(983)	236	1,030	864
Equity share capital	355	311	300	299	288
Networth	6,526	6,601	8,532	8,101	3,422
Gross fixed assets	13,272	11,951	17,086	6,720	4,775
Net fixed assets	11,338	10,574	15,265	5,688	4,073
Total assets	29,220	29,205	37,806	26,575	12,687
Book value per share*	36.71	42.4	56.9	54.1	23.8
Turnover per share*	100.6	132.5	174.1	91.4	55.5
Earning per share*	(7.8)	(6.4)	1.6	7.1	6.0
EBIDTA/Gross turnover (%)	4.5	4.6	10.8	15.0	16.8

* Figures have been adjusted for the issue of bonus shares allotted in June 2005 and stock split in January 2008 wherever applicable.

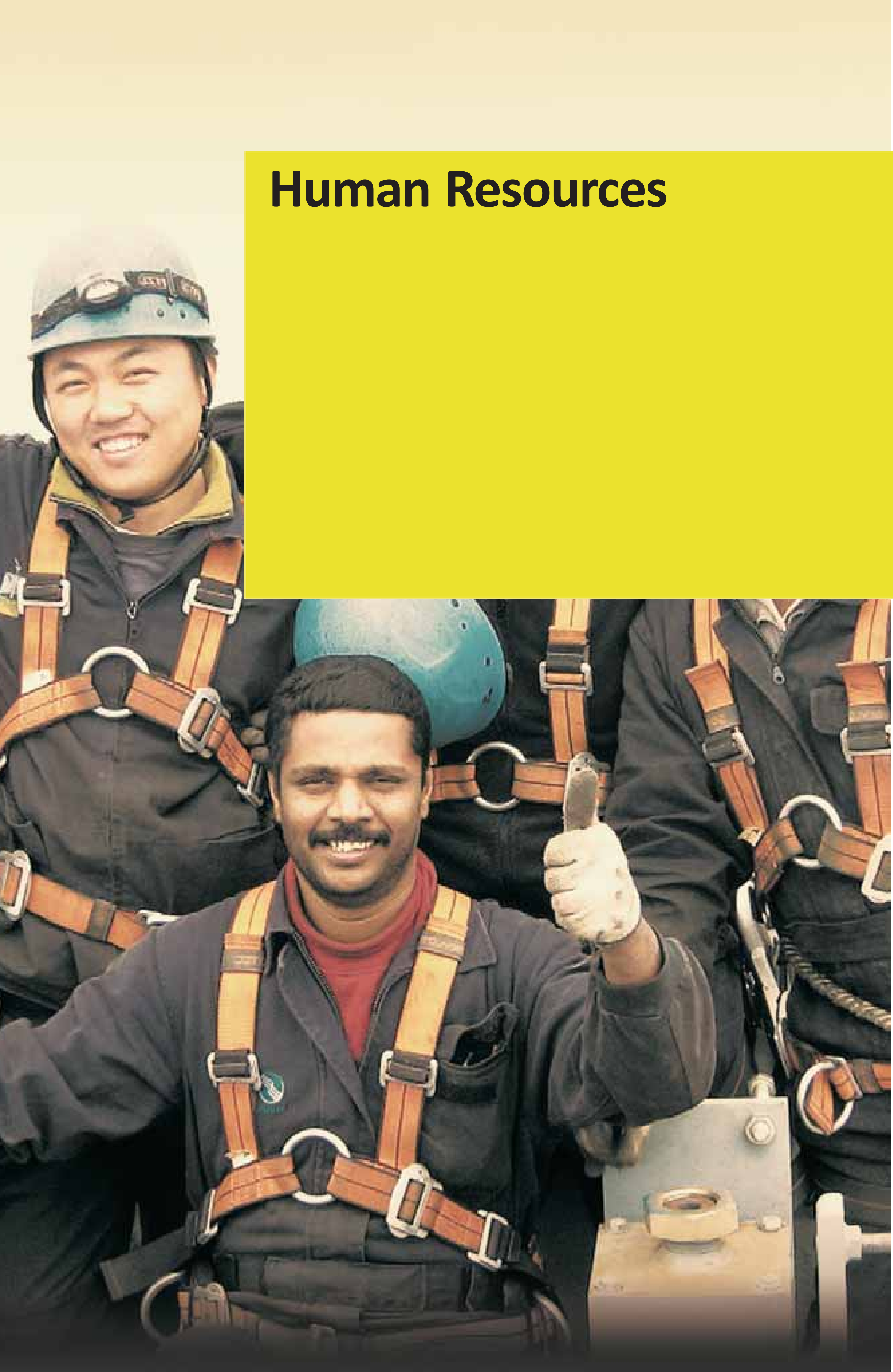






Suzlon wind farm at Hallett, Australia

Human Resources



Suzlon OMS team at the wind farm, in Weihai China

Human Resources: Talent to succeed

Suzlon's HR team supports the development of a highly motivated, well-trained, work force in pursuit of excellence. Flexible staffing models ensure manpower efficiency and cost effectiveness.

The HR team's contribution is vital to Suzlon's pursuit of excellence across the business. The team's mission is to ensure the existence of a highly talented, motivated and creative workforce. High quality training to develop employee skills is viewed as a priority. HR also focuses on building a work environment that encourages high performance and rewards on merit.

Hiring the best people is crucial to the company's success. To achieve, this Group-level recruitment policies and HR processes help attract and retain high-calibre employees. We focus on manpower efficiency and managing employee costs within budgets to deliver shareholder value and cost management. Our flexible staffing models ensure the right numbers of employees are deployed in any business area.

The HR business objectives support the overall strategic business plans and objectives:

(1) 'One Group - One Goal'

Suzlon aims to foster a culture that is based on performance and teamwork. Suzlon believes that 'feeling part of a successful team' engages and motivates employees. We are creating a culture where 'One Team - One Goal' crosses geographies, functions and business lines.

(2) To build a customer-centric organization

We are building a customer-centric organisation by initiating employee recognition and reward and fostering this approach in every area of business.

(3) To build a performance oriented organization

Our employees are as much a part of our competitive advantage as our technology and innovation. We encourage open communication, reward performance and provide opportunity for growth.

(4) Quality, health, safety and environment is in our DNA

We encourage every individual to implement QHSE and offer support where there is any difficulty with this implementation.

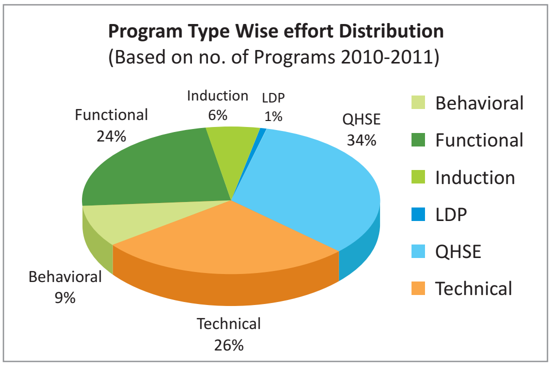
(5) Integrity – no compromise

Project Evolution, instituted in partnership with KPMG, will assess, evaluate, strengthen and institutionalise integrity as a value across Suzlon India. It supports ethical business practice and formalises good corporate governance processes.

Global Learning & Development (L&D)

Learning and development remained a priority in 2010-11. The investment in skills development is illustrated below.

Technical & functional skill development:



LDP *– Leadership Development Programmes*

QHSE *– programmes related to 'quality', 'health', 'safety', and 'environment'*

Integration of learning & development and talent management

During 2010-11 Global L&D (GLD) and Talent Management functions were integrated. An 'ISER' framework to identify, segment, engage and retain talent now underpins the talent management processes. A nine block performance-based model is used to segment employees. The segmentation has been completed for 250 'critical' employees in the senior leadership band. A leadership competency framework has also been developed.

Aligning learning interventions with new product development

To support the organization's new product development drive, GLD developed and implemented a learning framework which caters to the needs of employees and some external stakeholders. This framework has been integrated with the new product development process in a staged manner.

L&D cost optimisation

In-house capability to design and deliver learning solutions has been increased, reducing dependency on external facilitators. The result is better cost control and consistency in the quality of delivery. In 2010-11, 195 internal trainers were certified through a 'train the trainer' process. The ratio of training days provided by internal faculty to external faculty has improved from 30:70 (2008-09), 40:60 (2009-10), 47:53 (2010-11).

Support for quality improvement initiatives:

Suzlon's Central Quality Organisation helped identify several product and process quality improvement tracks supported by GLD. The following are some of the significant interventions.

(a) Quality improvement projects: 73 critical quality improvement projects have been identified. They allowed us to optimize the cost of production and operations while improving the quality of products. They were executed using 'Define-Measure-Analyse-Improve-Control' (DMAIC) and 8D methodologies. GLD designed and delivered on-the-job training to the project teams.

(b) Supplier training: GLD contributed towards the pursuit of excellence by training suppliers. Global suppliers of critical components globally were identified. During 2010-11, 80 representatives from 50 suppliers were trained on the Production Part Approval Process (PPAP).

(c) Productivity improvement: 180 trainers have been developed through a 'train the technical trainer' programme. These trainers trained and guided shop floor employees on several key processes using internally developed audio-visual modules

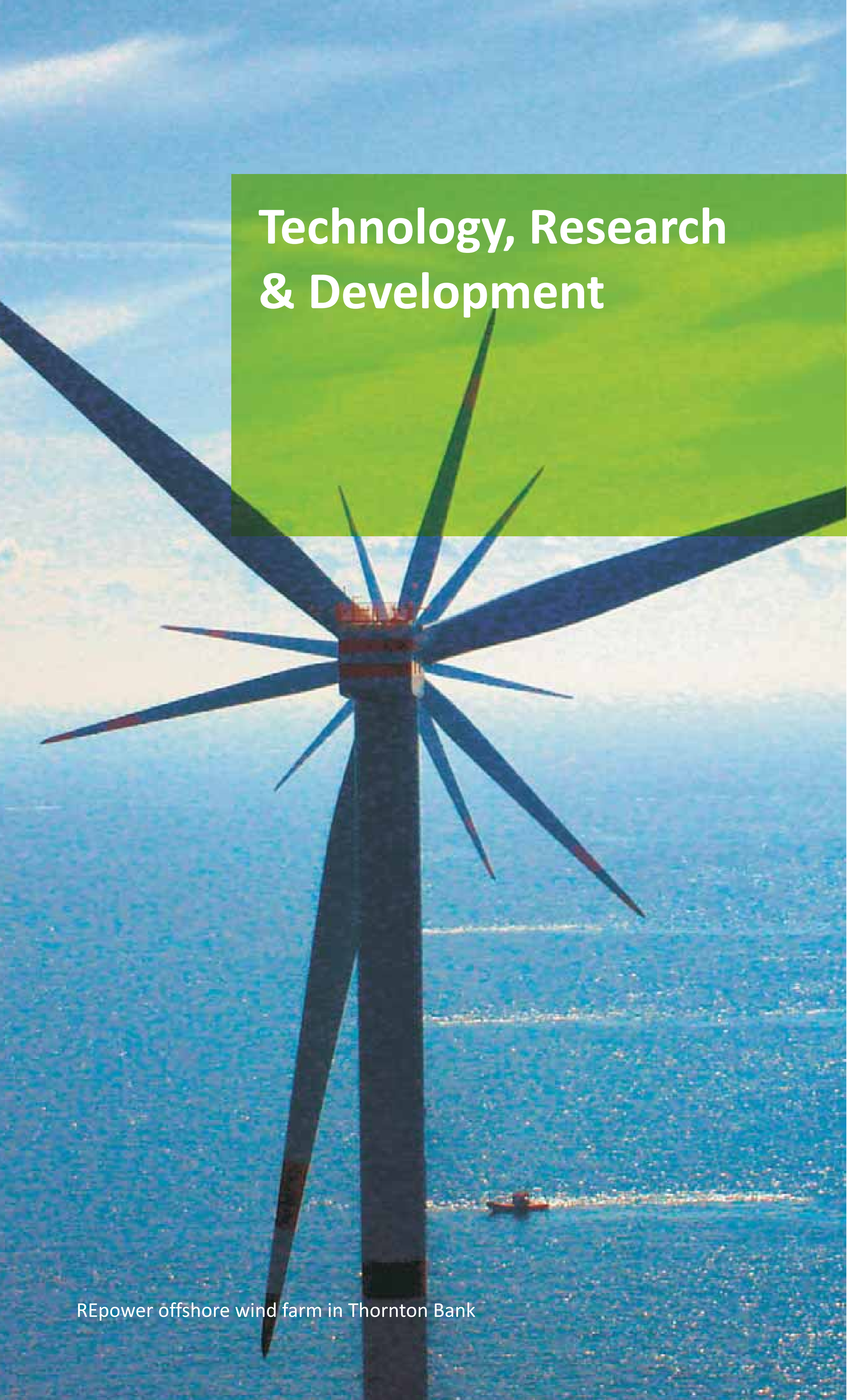
Collaboration with academia and institutes:

Suzlon is supporting The Energy Research Institute (TERI) for the two year M.Tech course in Renewable Energy Engineering and Management (REEM). This support includes faculty exchange, conducting 'credit course' on wind energy, internship for the M.Tech students and recruitment from the first batch of the programme.

Suzlon's learning and development programmes have been acknowledged by the American Society for Training and Development (ASTD) and the International Federation of Training & Development Organisations. Suzlon won the coveted ASTD BEST award for the second time in a row. Suzlon received a 'Certificate of Merit' in the 'Knowledge Management' category of IFTDO Global HRD awards, 2011.

Suzlon office in Chicago, USA

Technology, Research & Development



REpower offshore wind farm in Thornton Bank

Technology, Research & Development: Global leader in wind turbine generators

The focus of our R&D is on overall life cycle costs and customer return on investment. In the past year extra emphasis has been placed on project management, systems engineering, and certification.

The company continues to expand its technological capability since technology is central to wind market leadership. The focus is on overall life cycle costs and customers' return on investment mean continued improvements in reliability, product, operation and maintenance cost and energy cost reductions. Suzlon's Technology Organisation is a global leader in wind turbine generator research and development.

Suzlon continues to expand its intellectual property rights (IPR) developing a substantial amount of new IP and increasing the number of patent families.

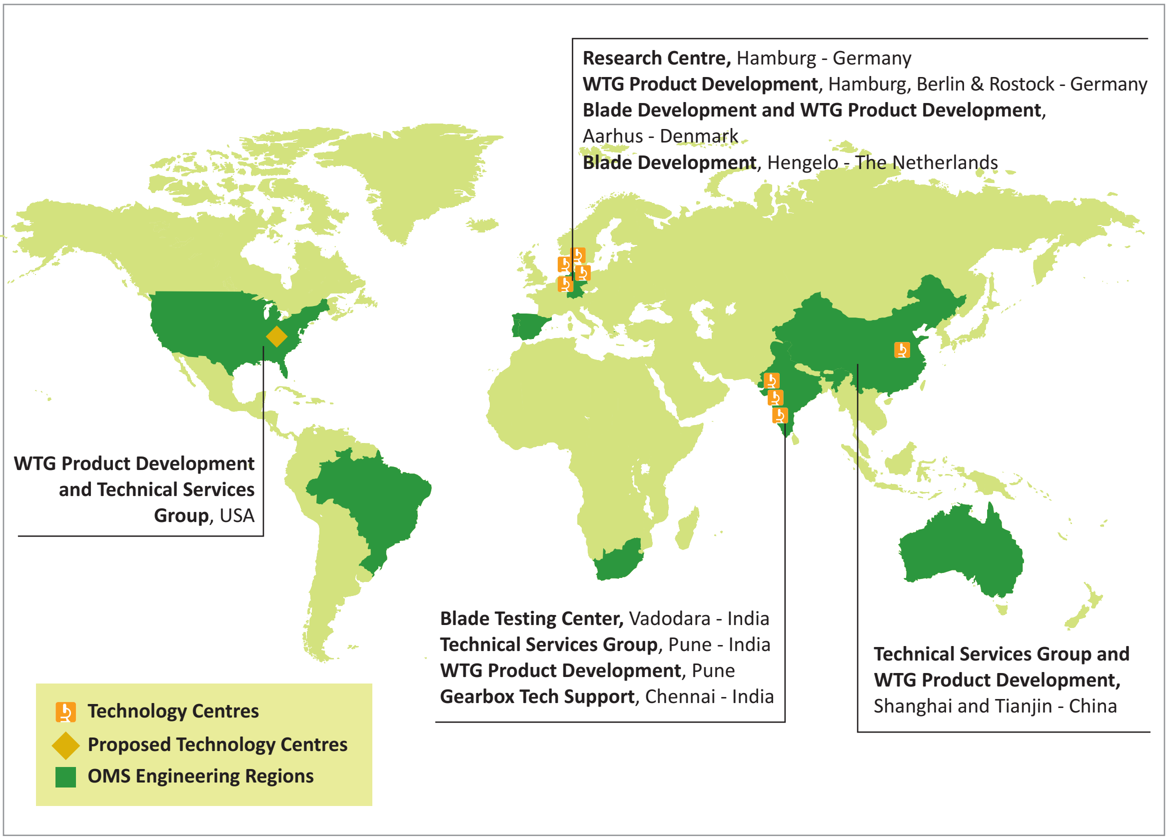
Technology teams

The Technology Organisation continued to build capacity during the year at Technical Centres in Germany, Netherlands, Denmark, India and China.

Suzlon global technical centres driving innovation and cost leadership

Technology-related development is carried out in collaboration with the supply chain organisation, third party suppliers, and with the business units which sell and operate wind turbines across regions.

The Technology Organisation is home to applied research, product development and technical support. The full spectrum of expertise is covered, including mechanical design, aerodynamics, material science, electrical design and software development. In the past year, extra emphasis has been placed on project management, systems engineering, and certification.



As wind turbine generator development becomes more complex, additional focus is required on the sub-projects which produce enhancements or new products. The Department continues to raise the standard for the level of coordination within and across these sub-teams. This requires increased expertise in project management. In addition, the array of internal interfaces and sub-system interactions grows in complexity. For this reason, more formal systems and engineering practices are being used to ensure optimum WTG performance and reliability. Third party WTG certification becomes increasingly important for our customers and their financiers. The Technology Organisation has expanded its capacity, strengthened internal processes and instituted formal management reviews with the key certifying agencies.

Safety guidelines that are an integral part of the Technology Organisation curriculum are followed to the letter. The health and safety record remains exemplary.

Tighter collaboration with RETC

Research work by RETC (Renewable Energy Technical Centre) – a Suzlon / REpower joint venture, is being integrated with WTG product development teams. RETC is active in basic research, training, innovation, and development of superior technical processes.

S9X product development

The S9X development during 2010-11 has been an excellent example of fully integrated, cross-functional collaboration across all parts of Suzlon. The various technical centres, supply chain and the regional offices have worked together. The S95 and S97 models have been built on the proven S88 platform which has a fleet-wide availability (up-time) of better than 97 per cent world-wide – in all weather conditions, voltage and grid requirements.

The S95 2.1 MW turbine has been optimized for Wind Class IIa and introduces DFIG (Doubly Fed Induction Generation), third generation rotor blade design and an array of other advances over the S88 2.1 MW turbine. The S97 2.1 MW turbine is similar to the S95 2.1 MW turbine and has been optimized for Wind Class IIIa.

Asia's first state-of-the-art Rotor Blade Testing Facility in Gujarat, India

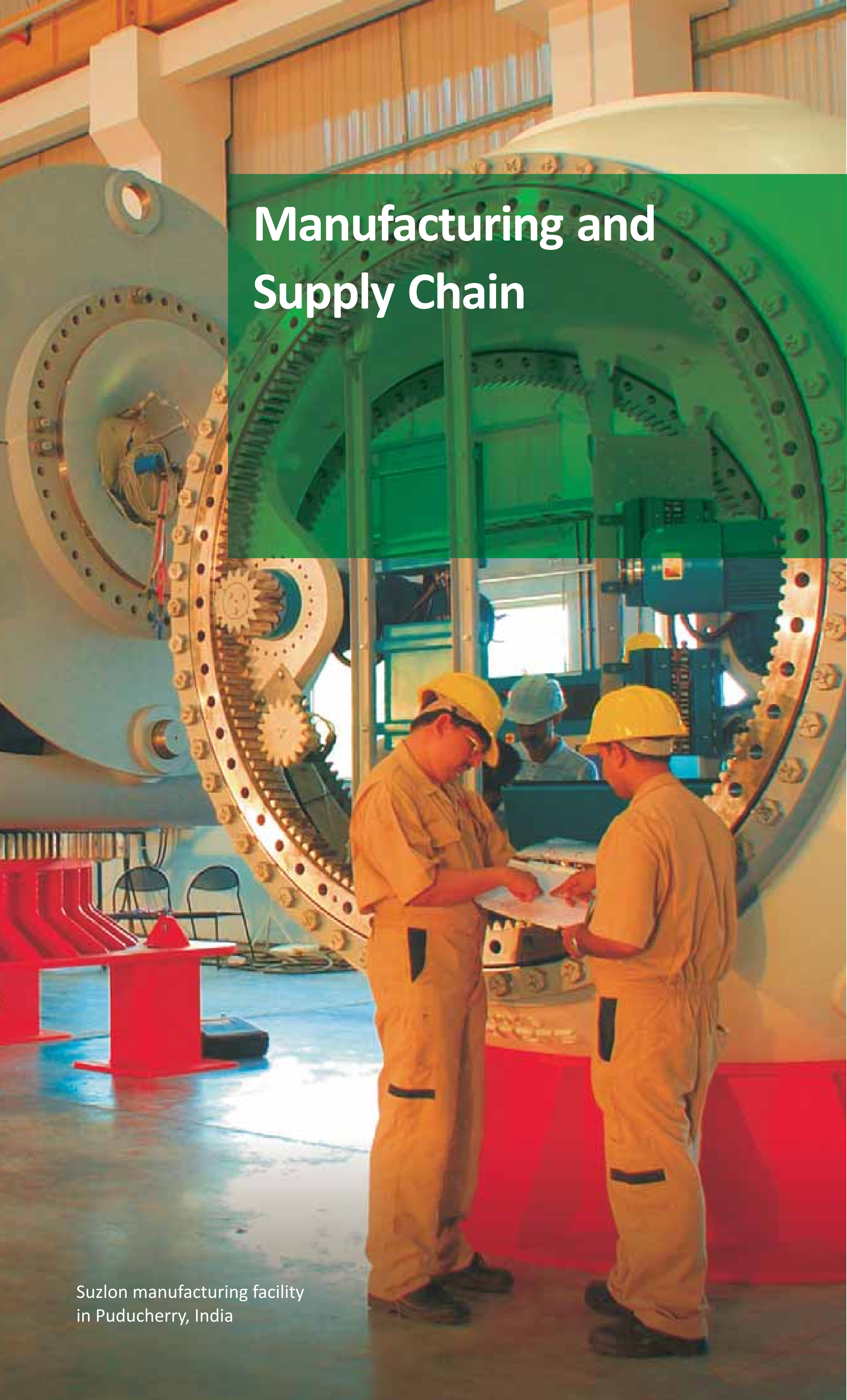
These products deliver 14 - 19 per cent additional energy yield and offer improved ease of operation, transport, installation & commissioning, and improved serviceability. Customers benefit from improved cost of energy and return on investment.

During 2010-11, REpower commenced two new series 3.XM variants. The series includes two different turbine types. The turbines can also be deployed optimally in lower wind speed areas and in hilly or forested terrains.

A new MM series wind turbine was introduced by REpower. The turbines, the REpower MM100, are specially adapted for the North American market. The product is suitable for low wind speeds, and will enhance output.

5M and 6M onshore / offshore wind turbines were also added to the turbine portfolio in the large turbine segment. With rated output of 5,075 kilowatts and rotor diameter of 126.5 meters, the 5M is one of the largest and best performing wind turbines. With rated output of 6.15 MW, the 6M turbines are the technological successor to the 5M as well as being suited for use in deep waters.

Manufacturing and Supply Chain



Suzlon manufacturing facility
in Puducherry, India

Manufacturing and Supply Chain Management (SCM): World class manufacturing in the US, Asia and Europe

In 2010/11 SCM's focus was on establishing supply security, production flexibility, product reliability, and statutory compliance.

Supply Chain Management (SCM) is the largest business vertical in Suzlon and supports the manufacturing of parts for wind turbine generators (WTG). It operates world-class manufacturing plants in India, China, USA, Germany and Portugal.

During 2010-11 SCM met many challenges, including constrained and volatile demand, changing customer requirements and pressure to bring down costs despite rising commodity prices.

SCM's focus was on establishing supply security, production flexibility, product reliability, and statutory compliance.

From a customer service perspective, SCM made improvements in product quality and on time delivery during the year. The process of resolving field non-compliances has been expedited. SCM has also extended full service and spares support to SBUs.

During the year SCM utilised the Potential Failure Modes and Effects Analysis (PFMEA) quality tool to enhance the manufacturing process and skill deployment. It also made use of a Production Part Approval Process (PPAP) drive to enhance the supplier's manufacturing processes and bring 'first time right' product and focus on EHS.

SCM also embarked on a cost management drive. As a result, the objective to bring the lowest delivered cost to the customer has been achieved.

Overall SCM has undertaken a structured engagement programme with all its stakeholders - customer side as well as supply side - and it is now fully aligned at an operational and strategic level. Going forward SCM's focus will be on capability enhancement.

Comprehensive product portfolio

Suzlon

Model	Rating	Application
S52	600 kW	Onshore
S64/66	1.25 MW	Onshore
S82	1.5 MW	Onshore
S88	2.1 MW	Onshore
S95	2.1 MW	Onshore
S97	2.1 MW	Onshore
S88 DFIG	2.25 MW	Onshore

REpower

Model	Rating	Application
MM100	1.8 MW	Onshore
MM92	2 MW	Onshore
MM82	2 MW	Onshore
3.2M114	3.2 MW	Onshore
3.4M104	3.4 MW	Onshore
5M	5.0 MW	Onshore / Offshore
6M	6 MW	Onshore / Offshore

Operations, Maintenance and Services

Suzlon windfarm at snowtown, Australia

Operations, Maintenance and Services: Excellence in customer service

Suzlon opened a new 66,000 sq. ft. facility in Chicago, Illinois which is the hub for pre-planned logistics across the US. This further improves the service level to customers and lowers overall operating costs.

Suzlon's Global Operations Maintenance & Services (OMS) teams work 24 hours, and provides customer tailored service and maintenance options.

To support its North America operations, Suzlon opened a new 66,000 sq. ft. facility in Chicago, Illinois. It is the hub for pre-planned logistic runs that flow out on four pathways across the United States on a regularly scheduled ground network to deliver and pick up parts. This further improves the service level to customers and lowers overall operating costs.

As a part of their training programme OMS, field technicians and monitoring centre specialists rotate assignments to further improve collaboration, processes, and overall enterprise knowledge.

Five Suzlon Monitoring Centres (SMC) across the globe utilise Suzlon's own Supervisory Control & Data Acquisition (SCADA) network. Using SCADA, the SMCs collect data on power output, system performance, meteorological conditions, as well as monitoring key components such as generators and gearboxes to control and regulate the vast Suzlon fleet. Customers can also dial into the SCADA system, using the secure Suzlon Customer Portal, to check the current status and performance of their assets.

The German Wind Energy Association (BWE) carries out an annual service survey for the German market in order to determine the level of satisfaction among wind farm operators. Regular services as well as maintenance and repairs service, are evaluated. Among all the established manufacturers, the Company secured the second place in 2010, against the fourth place it occupied in the previous year.

Suzlon windfarm at Ocotillo, USA

Quality, Environment, Health & Safety

Suzlon manufacturing unit at Puducherry, India

Quality: Cornerstone of success

Cross functional collaboration and a systematic approach to problem solving are key to the ongoing pursuit of excellence.

Quality management is central to Suzlon's pursuit of excellence. At Suzlon, quality management covers the entire value chain and involves the implementation of sustained quality improvement initiatives against benchmarks. Quality management is geared to meeting customers' expectations with respect to quality standards.

The quality management vision is allied to the Group's vision. It seeks to ensure quality performance reviews are measured against historical performance and company benchmarks.

Quality management: Strategy to reality

During 2010-11 the following quality improvement initiatives were undertaken:

PDCA (Plan, Do, Check and Action):

The PDCA principle is used as an iterative problem-solving methodology and self-evaluation tool. By focusing on NCR review, QMS and HSE OSHAS (ES) certifications the business has achieved its next level of excellence.

Failure Modes and Effects Analysis (FMEA):

FMEA is used to assess root cause of failures and to identify quality improvement programmes. Through the use of FMEA Kaizens and QCP implementations we are eliminating repetitive failures.

New product development

We use this methodology to define what a new product is and from that definition agree responsibilities and roles. Work is divided into small tasks and well defined work modules linked to the structure of the organisation.

Our stage gate methodology for new product development ensures:

- Customer focused new product, ideally with clear differentiation factor
- Effective research before development begins
- Spiral development loops with users throughout development
- Effective, cross-functional teams as major key to reduce cycle time
- Metrics, accountable teams, profit/loss reports for continuous learning
- Lean, scalable and adaptable stage gate process

Design change management:

The major objectives of the design change management process are:

- Pre-agreed budget and resource allocation for each product
- Techno-commercial evaluation and prioritisation of change requests and upfront project planning
- Cost, quality and time service level agreements for solution development
- Stage gate processes including sufficient testing and validation
- Version release post cross functional commercial reviews
- Coordinated implementation of changes in manufacturing, projects and OMS

Skills enhancement programme:

The Quality Management team has worked hard during the year to identify learning needs and introduce training to increase skill levels.

Quality improvement programs:

Quality improvement programmes in the critical areas of operations were used to address issues such as product failures, component failures, rejection rate, line and field non-conformances and customer complaints. Cross functional collaboration and a systematic approach to problem solving are key to our ongoing pursuit of excellence.

Management system certifications
(Quality, Environment, Occupational Health and Safety):

Suzlon is an ISO 9001:2008, ISO 14001:2004 and OHSAS 18001:2007 certified company. The process, systems and documents continue to be audited by external agencies. They help us establish our performance against industry benchmarks while our quality records demonstrate the efficacy of the quality management system.

ReQIE (Renewable Quality Improvement to Excellence):

ReQIE – an annual recognition model implemented in 2009-10 - reinforces the importance of manufacturing excellence. Teams are recognized for their achievements against organizational benchmarks.

Global HSE Council

Suzlon HSE (Occupational Health, Safety & Environment) is a global initiative that establishes a company-wide practice setting up and maintaining the highest HSE standards. With senior leadership support, Suzlon's HSE vision and mission are being institutionalised by the Global HSE Council. This body plays a pivotal role in tracking key HSE initiatives, development of global management policies, governing guidelines and HSE best practices.

Research & Development Centre
at Edegem, Belgium

Corporate Social Responsibility

Education initiative in Rajasthan, India

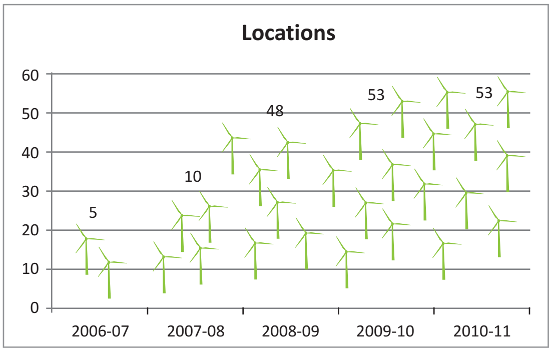
Corporate Social Responsibility: Beyond business

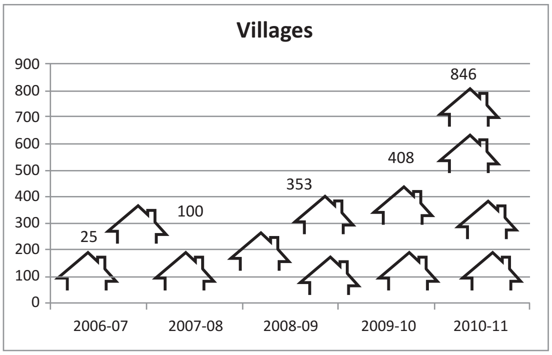
During the year the Suzlon Foundation, strengthened the 125 programmes introduced in previous years. It partnered with 32 civil society organizations and 13 Government departments.

Suzlon's corporate social responsibility (CSR) activities are facilitated and overseen by Suzlon Foundation.

Suzlon employees are encouraged to participate in a range of 'Responsible Citizen' programmes. In the past year, as well as contributing their time, Suzlon employees donated Rs. 2.8 million towards various programmes.

More than 115,000 families have benefitted from Suzlon's CSR activities in the past year.





Suzlon Foundation maps impacts on social, natural, human, financial and physical capital around its businesses and undertakes programmes to offset those. In 2010-11 the scope of its CSR activities continued to grow as shown below:-

During the year the Suzlon Foundation:

- Strengthened the 125 programmes introduced in previous years
- Partnered with 32 civil society organizations and 13 Government departments

Social capital:

Suzlon's CSR activities are designed in consultation with community-based organisations (CBOs).

In 2011-12: Suzlon Foundation worked with:

- 2,029 CBOs
- 1,746 self-help groups
- 283 village development committees, user groups and producer cooperatives.

All villages in the immediate vicinity of Suzlon's operations have at least one forum committed to village development; 20,106 community members lead these development initiatives and half are women.

Natural capital:

As a responsible custodian of the land, Suzlon's CSR initiatives include natural resource management (NRM) projects such as rainwater harvesting, fodder production and tree planting.

In 2010-11:

- NRM projects were undertaken on 1,862 hectares of land, across the five Indian states where Suzlon has wind farms
- 3,771,376 M^3 of water was conserved
- 233,226 trees were added to the 800,000 planted in previous years

Human capital:

Suzlon Education projects touched 51,500 students in more than 800 villages through 471 schools. Activities included teacher training, introduction of basic technologies in schools, provision of teaching aids, set-up and stocking of libraries, and the upgrading of school infrastructure.

- 1,960 students in Maharashtra received technical education in schools
- 1,770 students in Gujarat benefitted from environmental education and life skills training

Community Health programmes benefited over 85,569 individuals with preventative health care

- Suzlon's Community Outreach programme reached out to 61,856 patients with 19 doctors and 20 mobile clinics

Financial capital:

To assist the communities in which we operate, Suzlon Foundation introduced an 'Integrated Agriculture Based Livelihood Programme' in five states. As a result:

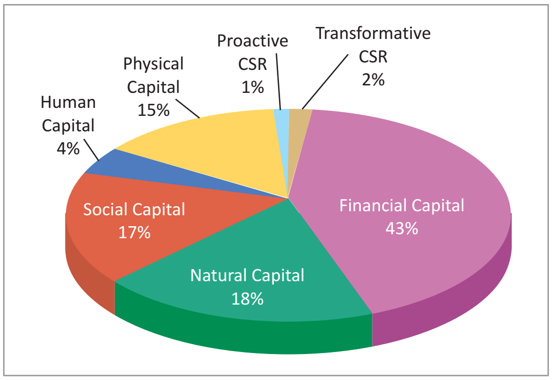
- 80,000 animals received a round-the-year preventive health care. Approx. 400 acre of land is now yielding fodder providing nutrition to livestock. Healthier cattle and higher yields improve the financial well being of communities
- Self-help group members saved Rs.20 million and accessed credit of over Rs.30 million, of which nearly 60 per cent was used for agriculture and livestock purposes
- 71,443 families are benefitting from increased incomes

Physical capital:

Most of the villages around our wind farms lack basic infrastructure for sanitation, drinking water and electricity. Suzlon Foundation has supported 846 remote villages in reviving drinking water sources, providing solar electricity, and improving sanitation.

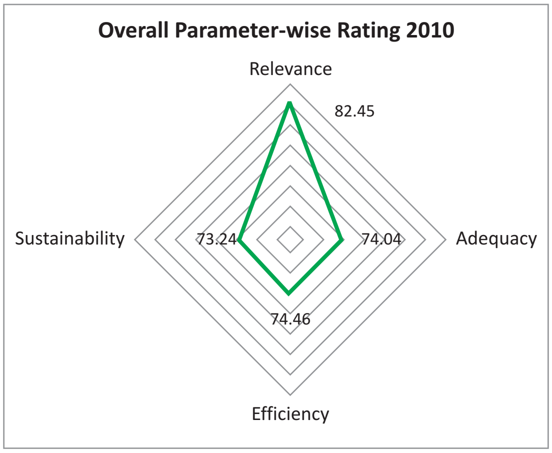
Civic amenities	No. of units	No. of families benefitting
Drinking water sources	143	29,828
Sanitary blocks / soakpits	1017	2,500
Solar electrification	978	978
Commodity stores	50	6,250
Libraries / computer centers	17	1,000

The 2010-11 CSR budget utilisation:



Operational excellence:

Suzlon Foundation carries out a six-month 360 degree assessment of all CSR projects. Stakeholder responses show CSR projects to be highly relevant. Future focus is on improving adequacy of coverage, efficiency in use of resources and sustainability.



Awards and recognition:

Suzlon received the Financial Express and EVI's "Green Business Leader" award 2010.

Building drinking water resources in Gujarat, India

Markets

Suzlon wind farm in Dhule, India

Markets: Meeting demand across the world

On the Indian subcontinent a total capacity of 955MW was commissioned during 2010-11 maintaining Suzlon's market leadership for the 13th consecutive year. Growth markets include eastern Europe and a new business in Canada.

Suzlon businesses continued to show strong performance in all regions. Highlights are included below.

India operations

On the Indian subcontinent a total capacity of 955MW was commissioned during 2010-11. This meant the company maintained its market leadership for the 13th year in a row.

Significant achievements in the last year

- Repeat business of approximately 45 per cent of total order volume shows value of dedicated customer relationship management
- Suzlon commissioned its maiden 10 MW project in Sri Lanka, a neighbouring country to India

Award and Recognition

Suzlon won two awards, Best Capacity Addition and Best Service Provider, from the "Wind India Awards 2011" held by the World Institute of Sustainable Energy (WISE).

Australia operations

There are four projects under construction with total 160MW of installations.

These concurrent EPC projects across three states were managed through the MATRIX Management structure introduced the previous year.

Several new initiatives were launched during the year. The turbine installation manning model was varied to include external cranes. Three-section towers for the S88 were introduced. Tower cables materials were changed from copper to aluminium reducing costs and minimising delays. The introduction of lifts in towers has reduced service technician fatigue.

Significant achievements in the year

- Australian S88 turbine fleet achieved more than 97 per cent availability
- Two S97 and S95 prototype installations were approved at Snowtown and Bluff Wind Farm in South Australia

REpower is present in this market through its subsidiary REpower Australia Pty Ltd. and is also based out of Melbourne. It is the exclusive distributor of REpower wind turbine technology in Australia, New Zealand and the Southern Pacific Region.

The Group has an employee base of over 320 in Australia, spread across its head offices, nine site offices and warehousing facilities in Jamestown, South Australia.

Brazil operations

Arthur Lavieri was approinted CEO and Suzlon expanded its presence with new offices in São Paulo and Riode Janeiro. The sales function was strengthened.

Significant achievements in the last year

- The fleet of 185 S88 turbines ran above 99 per cent availability
- The company installed the first wind turbine of the Alhandra I project in a record 70 days
- Four projects and over 140 MW installed capacity mean Suzlon retained pole -position in Brazil

China operations

Richard He became CEO of the Chinese subsidiary. We conducted workshops which brought together Suzlon SBU Heads, Chinese financial institutions and Chinese developers. A Chinese vice ministerial delegation visited the One Earth campus in Pune, India. They were accompanied by government officials with renewable energy portfolios and Chinese developers.

The first S88 was chosen by CEPRI as a pilot for grid related testing in Zhangbei wind farm.

New financing services for provision of turnkey EPC services and vendor financing for equipment were introduced.

REpower is represented in China by REpower North (China) Co. Ltd. catering to the North China market with its headquarters at Baotou, in Inner Mongolia, and REpower Wind Systems Trading (Beijing) Co. Ltd. Suzlon's integrated wind turbine manufacturing facility in Tianjin and offices in Beijing and Shanghai along with the REpower establishments have an employee base of over 950 in China. REpower also has a wind turbine manufacturing unit in Inner Mongolia.

Europe and rest of the world operations

Suzlon established subsidiaries in Spain, Portugal and Italy. The company also expanded into Romania and has a sizable project pipeline in other growth markets in Eastern Europe. A sales office was established in Sweden.

Significant achievements in the last year

- Two turnkey projects were completed in Nicaragua both projects were completed smoothly in spite of their remote location and the limited availability of subcontractors
- In Bulgaria a six-turbine project was completed and OMS capability launched
- SWEAS received ISO:9001 certification from Det Norske Veritas (DNV)

The lead player of the group in this region is REpower for whom this is the home market. With an impressive presence in Europe with sales offices in the UK, Spain, France, Italy, Portugal, Poland and Sweden, REpower is a leading player in several European markets.

A global leader in offshore wind turbine technology, REpower has a clear focus on markets with strong offshore potential. It has three manufacturing units in Germany at Trampe, Husum and Bremerhaven.

The Suzlon Group has a collective employee base of over 2,700 in Europe including REpower and an installed base of 4,800 MW.

US operations

A deal to co-develop a 150-megawatt project was signed with Affinity Wind. SWECO also signed co-development agreements with Apex Wind Energy to supply 200 MWs of WTGs by January 1, 2014.

During the year Suzlon made a strategic expansion into the neighboring and fast growing Canadian market.

The installed fleet availability for more than 1,000 turbines in the USA is stable, competitive, and consistently operates above 95 per cent availability.

While the group is mainly present in the USA through Suzlon and REpower. In the offshore led Canadian market, REpower has a strong and large footprint.

REpower Systems SE has wholly-owned subsidiaries REpower USA Corp, located in Denver, Colorado and REpower Systems Inc. located in Montreal, in Canada to cater to North America. Both companies were founded in 2007 to take advantage of the growing wind industry in the Midwest and West of the United States and offshore markets of Canada.

Suzlon wind farm in Paracuru, Brazil


SUZLON

SECTION 2

Directors' report

Dear Shareholders,

The Directors present the 16th Annual Report of your Company together with the audited accounts for the financial year ended March 31, 2011.

FINANCIAL PERFORMANCE

The standalone and consolidated audited financial results for the year ended March 31, 2011 are as follows:

Particulars	Standalone				Consolidated			
	Rs. in crore		USD in million*		Rs. in crore		USD in million*	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Sales and service income	4,357.55	3,488.68	977.14	776.99	17,879.13	20,619.66	4,009.22	4,592.35
Other operating income	8.84	20.25	1.98	4.51	211.10	159.55	47.34	35.53
Earnings / (loss) before interest, depreciation and tax (EBIDTA)	180.05	(242.70)	40.37	(54.05)	808.13	943.05	181.22	210.03
Add: Other non operating income	331.67	222.89	74.37	49.64	106.60	69.46	23.90	15.47
Less: Interest	578.04	653.59	129.62	145.57	1,135.67	1,195.03	254.66	266.15
Less: Depreciation	156.89	126.27	35.18	28.12	657.40	662.97	147.42	147.65
Loss before tax & exceptional Items	(223.21)	(799.67)	(50.05)	(178.10)	(878.34)	(845.49)	(196.96)	(188.30)
Less: Exceptional items	37.28	439.02	8.36	97.78	253.28	(211.89)	56.80	(47.19)
Loss before tax	(260.49)	(1,238.69)	(58.41)	(275.88)	(1,131.62)	(633.60)	(253.75)	(141.11)
Less: Current tax	(19.19)	-	(4.30)	-	146.90	181.65	32.94	40.46
(Net of earlier years tax and MAT credit entitlement)								
Less: Deferred tax	(55.64)	175.40	(12.48)	39.06	38.37	174.45	8.60	38.85
Less: Fringe benefit tax						0.03	-	0.01
Loss after tax	(185.66)	(1,414.09)	(41.63)	(314.94)	(1,316.89)	(989.73)	(295.30)	(220.43)
Add: Share in associate's profit / (loss) after tax	N.A.	N.A.	N.A.	N.A.	(27.83)	16.12	(6.24)	3.59
Less: Share of loss / (profit) of minority	N.A.	N.A.	N.A.	N.A.	(20.75)	8.95	(4.65)	1.99
Net Loss	(185.66)	(1,414.09)	(41.63)	(314.94)	(1,323.97)	(982.56)	(296.89)	(218.83)
Add: Balance brought forward	386.00	1,800.09	85.97	400.91	943.03	1,925.60	210.03	428.86
Profit available for appropriations	200.34	386.00	44.34	85.97	(380.94)	943.04	(86.86)	210.03
Less: Tax on dividends	-	-	-	-	-	0.01	-	0.00
Less: Transfer to legal and statutory reserve	-	-	-	-	142.22	-	31.89	-
Less: Transfer to capital redemption reserve	-	-	-	-	30.00	-	6.73	-
Surplus carried to balance sheet	200.34	386.00	44.34	85.97	(553.16)	943.03	(125.48)	210.03

*1 USD = Rs. 44.60 as on March 31, 2011 (1 USD = Rs. 44.90 as on March 31, 2010)

2. **OPERATIONS REVIEW**

On a standalone basis, the Company achieved sale of Rs.4,357.55 crore as against Rs.3,488.68 crore in the previous year. Net loss after tax is lower at Rs.185.66 crore as compared to net loss after tax of Rs.1,414.09 crore in the previous year. Though the volumes and performance improved compared to previous year, the costs could not be recovered fully as recessionary trends continue to persist in Europe and the USA.

On consolidated basis, the sale is lower at Rs.17,879.13 crore as against Rs.20,619.66 crore in the previous year. Net loss after tax, share in associate's profit and minority interest is Rs. 1,323.97 crore as compared to loss of Rs. 982.56 crore in the previous year. In the previous year, sale of Hansen stake contributed profit of Rs. 211.89 crore while in the current year provision towards diminution in investment in Hansen resulted into increase in loss by Rs. 216.00 crore.

3. **DIVIDEND**

In view of losses incurred during the financial year 2010-11, the Board of Directors does not recommend any dividend for the year under review.

4. **CAPITAL**

The movement in Authorised Share Capital and Paid-up Share Capital during the year under review is given as under:

Changes in Authorised Share Capital

The Authorised Share Capital of the Company was increased from Rs.445,00,00,000/- to Rs.700,00,00,000/- by creation of 127,50,00,000 equity shares of Rs.2/- each.

Changes in Paid-up Share Capital

The Company allotted 8,000 equity shares of Rs.2/- each at a premium of Rs.49/- per equity share i.e. at an issue price of Rs.51/- per share pursuant to exercise of stock options by the eligible employees under the Employee Stock Option Plan-2005.

Further, the Company allotted 18,86,33,322 equity shares of Rs.2/- each at a premium of Rs.61/- per equity share i.e. at an issue price of Rs.63/- per equity share on rights basis to the existing equity shareholders of the Company in the ratio of 2 equity shares for every 15 fully paid-up equity shares held by the existing equity shareholders on the record date i.e. June 10, 2010 in terms of Letter of Offer dated May 31, 2010.

Further, in terms of the Shareholders' Agreement and Share Subscription Agreement inter alia entered into between the Company and IDFC Private Equity Fund III ("IDFCPE"), the Company allotted 3,19,92,582 equity shares of Rs.2/- each to IDFCPE on November 16, 2010 at a premium of Rs.58/- per equity share i.e. at an issue price of Rs.60/- per share for a consideration other than cash i.e. as purchase consideration for purchase of 4,12,54,125 equity shares of Rs.10/- each held by the said IDFCPE in SE Forge Limited, a subsidiary of the Company.

As on date, the Authorised Share Capital of the Company is Rs.700,00,00,000/- divided into 350,00,00,000 equity shares of Rs.2/- each and the paid-up capital of the Company is Rs.355,47,31,294/- divided into 177,73,65,647 equity shares of Rs.2/- each.

Foreign Currency Convertible Bonds ("FCCBs")

In May 2010, the Company successfully concluded a consent solicitation exercise on the existing five series of bonds (FCCBs). The bondholders of all the five series were asked to vote on an extraordinary resolution for removal of financial covenants on the USD 300 Million and USD 200 Million bonds and waiver of any prior breaches. As a part of this exercise, the Company paid; an aggregate incentive fee of USD 6,019,220.00 across all existing five series of bonds.

Further, as an incentive to the above waiver and to enhance the chances of conversion of the USD 300 Million and the USD 200 Million bonds the Company reduced the conversion price of the USD 300 Million bonds from Rs.359.68 per equity share to Rs.97.26 per equity share and the USD 200 Million bonds from Rs.371.55 per equity share to Rs.97.26 per equity share and amended the fixed exchange rates on these bonds to 1 USD = Rs.44.6000.

The shares to be allotted on such conversion of the USD 300 Million bonds and USD 200 Million bonds will aggregate to 7.90% of the post-conversion equity base of the Company based on the equity base of March 31, 2011.

The entire exercise was carried out in accordance with the Ministry of Finance press release dated February 15, 2010 and March 15, 2010 and as per the approval of Reserve Bank of India.

The total FCCBs outstanding on the books of the Company is USD 47,90,39,000 as at March 31, 2011.

Post March 31, 2011, Company issued USD 175 Million, 5% Foreign Currency Convertible bonds at par. The Bonds are convertible at any time on and after May 23, 2011 up to the close of business on April 6, 2016 by holders of the Bonds into fully paid equity shares with full voting rights with a par value of Rs.2/- each of the Company at an initial conversion price of Rs.54.01 per share with a fixed rate of exchange on conversion of Rs.44.5875 to US$1.00

5. **PARTICULARS OF CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of board of directors) Rules, 1988 has been provided which forms part of the Directors' Report.

6. SUBSIDIARIES & CONSOLIDATED FINANCIAL STATEMENTS

As on March 31, 2011, the Company has 79 subsidiaries, a list of which is given in the notes to the accounts.

I. UPDATES ON SUBSIDIARIES

Companies which became subsidiaries during the year under review

Suzlon Wind Energy South Africa PTY Ltd., Suzlon Energy Australia CYMWFD Pty. Ltd., Sure Power LLC, Renewable Energy Contractors Australia Pty. Ltd., REpower Systems Polska Sp.zo.o, REpower Systems Scandinavia AB, REpower Portugal - Sistemas Eolicos, S.A., Ventipower S.A. and RiaBlades S.A. became step down subsidiaries of the Company.

Companies which ceased to be subsidiaries during the year under review

Windpark Meckel/Gilzem GmbH & Co KG ceased to be subsidiary of the Company and Sister – sistemas e Technologia de Energias renovaveis Lda was liquidated.

Changes during the year under review

The name of Einundzwanzigste Vittorio Verwaltungs GmbH was changed to REpower Systems GmbH.

Updates on REpower

The Company through AE-Rotor Holding BV, The Netherlands ('AERH'), a step down wholly owned subsidiary of the Company acquired an additional 4.86% voting power of REpower Systems SE ('REpower'). AERH directly and indirectly holds 95.16% of the registered share capital of REpower. Under the German Stock Corporation Act, a shareholding of 95% in a German stock corporation enables the majority shareholder to initiate squeeze-out proceedings in respect of minority shareholders. The Company, through AERH, had provided a notice to the Executive Board of REpower requesting the conduct of a squeeze-out proceeding. Accordingly squeeze-out proceeding has been initiated in accordance with German Regulations. A successful completion of the squeeze-out proceedings will result in REpower becoming a step-down wholly owned subsidiary of the Company. Further, AERH has informed the Executive Board of REpower that it has set the cash compensation for the transfer of the shares from the minority shareholders of REpower to AERH at EUR 142.77 per no-par value share in compliance with the provisions of the German Stock Corporation Act. A resolution on the squeeze-out is proposed to be passed at the annual general meeting of REpower, which is scheduled to take place on September 21, 2011.

Updates on Hansen

The Company presently holds 26.06% in Hansen Transmissions International NV ('Hansen'). Post March 31, 2011, AERH has signed an irrevocable undertaking in favour of ZF Friedrichshafen AG ('ZF') to sell its entire equity interest in Hansen i.e. 26.06% pursuant to cash offer to be made by ZF International BV ("ZF Bidco"), a wholly owned subsidiary of ZF, for the entire issued and to be issued share capital of Hansen at 66 pence per ordinary share which will aggregate to 115 million GBP (USD 187 million). AERH's obligation to accept the Offer under the Irrevocable Undertaking will lapse in certain circumstances, including if a firm intention to make an offer for Hansen's shares is made by a third party for a consideration that is at least 12.5 per cent higher than consideration offered under the Offer or if the Offer lapses or is withdrawn.

Updates on Amalgamation and Demerger

During the year under review, a Petition under Section 391 to 394 read with Section 78 and 100 to 103 of the Companies Act, 1956 has been filed by the Company, Suzlon Towers And Structures Limited (STSL) and Suzlon Gujarat Wind Park Limited (SGWPL) with the Honourable High Court of Gujarat at Ahmedabad and by Suzlon Infrastructure Services Limited (SISL) and Suzlon Engitech Limited (SENL) with the Honourable High Court of Judicature at Bombay for sanctioning the Composite Scheme of Arrangement and Restructuring (De-merger and Amalgamation) between STSL, SISL, SGWPL, SENL, the wholly owned subsidiaries of the Company and the Company (SEL) for De-merger and Transfer of Power Generation Division of STSL to SENL, De-merger of Project Execution Division of SISL to SGWPL, Amalgamation of STSL (after the above referred de-merger) with the Company and Amalgamation of SISL (after the above referred de-merger) with the Company. The Appointed Date fixed for the purpose is April 1, 2010.

The benefits that would be derived from Amalgamation and Demerger are as under:

a. Benefits of Demerger to the Resulting Companies i.e. SENL and SGWPL

   i. Power Generation business requires separate and different skills altogether and hence demerging it into SENL will help to run it more efficiently.

   ii. Project Execution is part of infrastructure building in which SGWPL is currently engaged into. The business of erection and commissioning presently undertaken by SISL, primarily in nature of infrastructure development, requires different skills and approach to the business for which the company has to select and train its employees to achieve high performance standards so as to meet the standards of its large and reputed competitors in the infrastructure space. With the proposed demerger and transfer of the said division, SGWPL would be better placed to scale up its skills in the infrastructure business and able to hire best talent available in the industry.

   iii. De-merger would help in better evaluation of performance of this business.

b. Benefits of Amalgamation to the Transferee Company i.e. SEL

i. Tower Business:

- The Tower business requires scaling up in view of the increased domestic market and needs focused efforts to bring the cost down on a continuous basis with equal emphasis on the quality side as well. Synergies of Supply Chain Management can be derived by bringing the Tower business into SEL.
- Better and efficient material management along with stores management can be achieved, ensuring on time delivery in full.
- Quick and more responsive product improvement and R&D on tower can be made possible through well established and more resourceful set up of SEL. Better compatibility of tower with each version of nacelle and better use of design and technical core competence of SEL would be the key benefits accruing as a result of this merger;
- Better negotiating powers resulting into competitive sourcing of materials and services through more active support of well established Supply Chain Management Team of SEL.

ii. Operation and Maintenance Business

- Customers will get more comfort and surety of after sales services for 20 years post commissioning, which is becoming a key factor to get more business.
- Existing customers would feel more convinced from the fact that the equipment supplier itself is taking care of the OMS part. Long term visibility will be provided to large customers by providing OMS services through equipment supplier (SEL) only and thereby improving chances of availing more business from Utilities, Multi National Companies and other big corporate customers.
- Availability of critical components from third party gets guaranteed for OMS.
- With Indian business profile picking up and with the changing scenario, customers expect OMS Service provider to have a stronger Balance Sheet. SEL is better placed than SISL.
- Regular and online feedback from OMS Team provides enormous help in improving and upgrading the overall quality of its equipments, which would be possible with this amalgamation.
- Better working capital management through maintenance of common stock of spares for OMS as well as for regular production and also better Machine Availability of WTGs resulting into higher customer satisfaction.

iii. The proposed amalgamation will enhance the bargaining power resulting in cost optimization through economical procurements from common vendors and suppliers.

iv. The proposed arrangement will consolidate the business activity of all the companies, thereby resulting into time, transactions and cost optimization and improvisation of overall operational efficiency and quality.

v. The proposed arrangement shall improve the efficiency in cash management, organizational capability from pooling of human capital having skill, talents and vast experience and thereby increase in competitiveness in the industry.

vi. The proposed arrangement will create enhanced value for shareholders and allow a focused strategy in operations, which would be in the best interest of all its shareholders, creditors and all persons connected with the companies.

II. CONSOLIDATED FINANCIAL STATEMENTS

In terms of Section 212(8) of the Companies Act, 1956 read with the General Circular No.2/2011 dated February 8, 2011 issued by the Ministry of Corporate Affairs, Government of India, general exemption has been provided to companies from compliance of the provisions of Section 212(1) of the Companies Act, 1956 subject to compliance with conditions as referred to in the said General Circular No.2/2011 dated February 8, 2011. The Board of Directors of the Company, accordingly, has given its consent for not attaching the balance-sheet of the subsidiaries and accordingly, the balance sheet, profit and loss account and other documents of the subsidiary companies are not being attached with the balance sheet of the Company. However, some key information of the subsidiary companies as required to be provided in terms of the said circular, is disclosed under “Section 212 Report” forming part of this Annual Report.

The annual accounts of the subsidiary companies and the related detailed information will be made available to any member of the Company / its subsidiaries who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept for inspection by any member at the Company’s Registered Office and Corporate Office and that of the respective subsidiary companies.

The Annual Report of the Company contains the consolidated audited financial statements prepared pursuant to Clause 41 of the listing agreement entered into with the stock exchanges and prepared in accordance with the accounting standards prescribed by the Institute of Chartered Accountants of India (ICAI).

7. PARTICULARS OF EMPLOYEES

In terms of the provisions of section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees are required to be set out in the Directors’ Report. However, as per the provisions of section 219(1)(b)(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the registered office of the Company.

8. **DIRECTORS**

Mr. Girish R.Tanti and Mr. Ajay Relan, the Directors of the Company retire by rotation at the ensuing 16th Annual General Meeting and being eligible offer themselves for re-appointment. Mr. Vinod R.Tanti had been appointed as an Additional Director and Wholetime Director designated as Executive Director of the Company with effect from November 1, 2010. Ms. Mythili Balasubramanian, a nominee of IDBI Bank Limited and Mr. Rajiv Ranjan Jha, a nominee of Power Finance Corporation Limited were appointed as Additional Directors of the Company with effect from November 1, 2010 and April 28, 2011 respectively. In terms of Section 260 of the Companies Act, 1956, Mr. Vinod R.Tanti, Ms. Mythili Balasubramanian and Mr. Rajiv Ranjan Jha hold office up to the ensuing 16th Annual General Meeting of the Company and being eligible offer themselves for appointment as the Directors of the Company.

The Board of Directors of the Company at its meeting held on February 4, 2011 has reappointed Mr. Tulsi R.Tanti as a Managing Director and Mr. Girish R.Tanti as a Wholetime Director designated as Executive Director of the Company without remuneration for a further period of three years with effect from April 1, 2011.

Post March 31, 2011, Mr. Pradip Kumar Khaitan, the Non-Executive Director resigned from the directorship of the Company with effect from April 28, 2011. The Board expresses its appreciation for the valuable service rendered and matured advice provided by him during his association with the Company. Mr. Girish R.Tanti ceased to be the Executive Director of the Company with effect from July 30, 2011, however continues as a Non-Executive Director on the Board of the Company. The Board expresses its appreciation for the valuable service rendered and matured advice provided by him during his association with the Company as an Executive Director.

Further in terms of approval of the Remuneration Committee and the Board of Directors at their respective meetings held on July 30, 2011, it has been decided to pay remuneration to Mr. Tulsi R.Tanti, Managing Director and Mr. Vinod R.Tanti, Executive Director and accordingly approval of members is being sought for ratification and appointment of Mr. Tulsi R.Tanti as Managing Director and Mr. Vinod R.Tanti as Executive Director at the ensuing 16th Annual General Meeting of the Company.

The details of Mr. Girish R.Tanti, Mr. Ajay Relan, Ms. Mythili Balasubramanian, Mr. Rajiv Ranjan Jha, Mr. Tulsi R.Tanti and Mr. Vinod R.Tanti, the Directors as required to be given in terms of Clause 49 of the Listing Agreement have been provided under Profile of Directors seeking appointment / reappointment forming part of Notice convening the ensuing 16th Annual General Meeting of the Company.

9. **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 217(2AA) of the Companies Act, 1956, the directors confirm to the best of their knowledge and belief that:

a. in the preparation of the annual accounts, the applicable accounting standards had been followed and that there are no material departures;

b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2011 and of the loss of the Company for the year ended on that date;

c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

d. the directors had prepared the annual accounts on a going concern basis.

10. **PUBLIC DEPOSITS**

During the year under review, the Company did not accept any deposits within the meaning of the provisions of Section 58A of the Companies Act, 1956.

11. **MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis Report on the operations and financial position of the Company has been provided forming part of the Directors' Report.

12. **CORPORATE GOVERNANCE**

As required by Clause 49 (VI) of the listing agreement entered into by the Company with the stock exchanges, a detailed report on corporate governance is provided which forms part of the Directors' Report. The Company is in compliance with the requirements and disclosures that have to be made in this regard. The auditors' certificate on compliance with corporate governance requirements by the Company is attached to the Corporate Governance Report and forms part of the Directors' Report.

13. **EMPLOYEES STOCK OPTION PLANS (ESOPs)**

As required under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, the information pertaining to various Employee Stock Option Plans (ESOPs) of the Company has been provided which forms part of the Directors' Report.

14. **GROUP**

Pursuant to intimation from the Promoters, the name of the Promoters and entities comprising the 'group' as defined under the Monopolies and Restrictive Trade Practices ("MRTP") Act, 1969 have been provided which forms part of the Directors' Report.

15. AUDITORS AND AUDITORS' OBSERVATIONS

I. AUDITORS

M/s. SNK & Co., Chartered Accountants, Pune, (Firm Registration No.109176W) and M/s. S.R. Batliboi & Co., Chartered Accountants, Pune, (Firm Registration No.301003E) the joint statutory auditors of the Company hold office until the conclusion of the ensuing 16th Annual General Meeting of the Company. Both the statutory auditors have confirmed their eligibility and willingness to accept office, if reappointed.

II. AUDITORS' OBSERVATIONS AND MANAGEMENT'S RESPONSE TO AUDITORS' OBSERVATIONS

The Directors refer to the qualification and Matter of Emphasis in the Auditor's Report and as required by section 217(3) of the Companies Act, 1956, provide their explanation as under:

Qualification:

Note 3 of Schedule P of standalone financial statements and Note 5 of Schedule P of consolidated financial statements regarding recognition of deferred tax asset aggregating Rs.55.64 crore. Auditors are of the opinion that recognition of deferred tax asset does not satisfy the conditions of virtual certainty prescribed under Accounting Standard – 22, Accounting for Taxes on Income as notified by the Companies (Accounting Standards) Rules, 2006 (as amended) and have expressed qualified opinion.

Management response:

The Company has brought forward losses which can be set off against tax liabilities which would arise on its' future profits and also available for set off against profits of subsidiaries getting amalgamated with the Company post implementation of the Composite Scheme of Arrangement and Restructuring (De-merger and Amalgamation). The Company believes that profitability in first quarter of next financial year and healthy order book in hands of the Company and the current advanced stage of the said Scheme satisfy the conditions of virtual certainty prescribed under Accounting Standard – 22 for recognition of deferred tax assets.

Matter of Emphasis:

Note 4 of Schedule P of standalone financial statements and Note 7 of Schedule P of consolidated financial statements regarding non provision of proportionate premium on redemption of foreign currency convertible bonds amounting to Rs.579.21 crore in securities premium as the ultimate outcome of the matter cannot presently be ascertained.

Management response:

In the opinion of the management, redemption of foreign currency convertible bonds is contingent in nature and the likelihood of the same cannot presently be ascertained. Accordingly no provision for any liability has been made in the financial statements and the proportionate premium has been shown as a contingent liability. Further, the Company has adequate securities premium to absorb the proportionate premium on redemption as at March 31, 2011, in case the contingency materialises.

Matter of Emphasis:

Note 6 of Schedule P of consolidated financial statements regarding non provision of Infrastructure Development Charges ('IDC') aggregating Rs.64.80 crore.

Management response:

The Indian Wind Energy Association ('InWEA') of which the Company is a member has filed a civil appeal in the Supreme Court against an order of the Appellate Tribunal for Electricity in regard to levy of IDC by Tamil Nadu State Electricity Board. The matter is pending the hearing of the Supreme Court. The Company has obtained a legal opinion which states that InWEA (and consequently the Company) has a strong case and accordingly the Company has shown it as a contingent liability.

16. ACKNOWLEDGEMENT

The directors wish to place on record their appreciation for the co-operation and support received from the government and semi-government agencies, especially from the Ministry of New and Renewable Energy (MNRE), Government of India, all state level nodal agencies and all state electricity boards.

The directors are thankful to all the bankers and financial institutions for their support to the Company. The Board places on record its appreciation for continued support provided by the esteemed customers, suppliers, bankers, financial institutions, consultants, bond holders and shareholders.

The directors also acknowledge the hard work, dedication and commitment of the employees. The enthusiasm and unstinting efforts of the employees have enabled the Company to survive through the tough times and to show improvements on many fronts enabling it to continue as one of the leading players in the wind industry and maintain its dominant position in the domestic markets.

For and on behalf of the Board of Directors of
Suzlon Energy Limited

Place: Pune
Date: July 30, 2011

Tulsi R.Tanti
Chairman & Managing Director

PARTICULARS OF CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO –

Information as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of board of directors) Rules, 1988 are set out hereunder.

A. Conservation of energy

The Company's new corporate headquarter in Pune, India named 'ONE EARTH' is an environmental-friendly campus, with a minimal carbon footprint on the surrounding environment. The Campus was awarded the coveted LEED (Leadership in Energy and Environmental Design) Platinum rating and GRIHA (Green Rating for Integrated Habitat Assessment) green building certifications for its approach towards sustainability and green practices towards infrastructure.

Suzlon continues its efforts to reduce and optimise the use of energy consumption at its manufacturing facilities by installing hi-tech energy monitoring and conservation systems to monitor usage, minimise wastage and increase overall efficiency at every stage of power consumption.

Particulars	2010-11	2009-10
A. Power and fuel consumption		
Electricity		
(a) Through purchases		
Purchased units	1,15,24,219	93,93,691
Total amount (Rs.)	5,04,52,468	3,93,08,392
Rate / unit (Rs.)	4.38	4.18
(b) Own generation through diesel generator		
Units generated	11,43,890	6,70,626
Units per litre of diesel oil	2.99	2.52
Cost/unit	13.20	12.81
B. Consumption per unit of production (Units / MW)	10,940.12	10,097.64

B. Research and development

The Company and its subsidiaries operate several research and testing centres in India and overseas locations. Its Blade testing centre at Baroda, India and innovation centre at Denmark along with joint research centre with REpower (Renewable Energy Technology Centre) continues to drive its R&D programme towards developing cost efficient and reliable wind turbine technology.

Expenditure on R&D (Rs. in crore)

Particulars	2010-11	2009-10
Capital (including technical know-how)	50.99	93.34
Recurring	25.41	21.58
Total	76.40	114.92
R&D expenditure as a % of sales	1.75	3.29

C. Technology absorption, adoption and innovation

Efforts towards technology absorption, adoption and innovation are briefly noted below:

1. Initiatives like Kaizen, Six Sigma, O&M studies, started last year, have improving productivity, reduced quality problems and have also helped in harnessing the creative capabilities of the employees.

2. Planning for starting a product development group within India is complete and will be implemented in the coming year. This will hasten the process of technology absorption and will also bring down the cost of development in the long run.

3. Design Change Management process has been implemented and is being made to ensure better control on cost benefit analysis and prioritization of the design changes to ensure that we derive the maximum benefit from the limited resources. This process will be made more robust over the next year.

4. The Company has launched 2 new products S 95 and S 97 recently and the prototypes are under measurement and certification.

D. Foreign exchange earnings and outgo

Total foreign exchange earned by the Company during the year under review was Rs.215.07 Crore compared to Rs.1,103.93 Crore during the previous year. Total foreign exchange outgo during the year under review was Rs.2,354.67 Crore, compared to Rs.1,716.27 Crore during the previous year.

PROMOTERS AND ENTITIES COMPRISING THE 'GROUP' AS DEFINED UNDER THE MONOPOLIES AND RESTRICTIVE TRADE PRACTICES ("MRTP") ACT, 1969 –

Persons forming part of the Group coming within the definition of "Group" as defined in Monopolies and Restrictive Trade Practices Act, 1969 for the purpose of inter-se transfer of shares of the Company under regulation 3(1)(e)(I) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations,1997 include the following :

Sr. No.	Name
1.	Tulsi R. Tanti
2.	Gita T. Tanti
3.	Tulsi Ranchhodbhai HUF
4.	Ranchhodbhai Ramjibhai HUF
5.	Tulsi R. Tanti J/W Vinod R. Tanti J/W Jitendra R. Tanti
6.	Tanti Holdings Private Limited
7.	Rambhaben Ukabhai
8.	Pranav T. Tanti
9.	Nidhi T. Tanti
10.	Vinod R. Tanti
11.	Sangita V. Tanti
12.	Rajan V. Tanti
13.	Jitendra R. Tanti
14.	Lina J. Tanti
15.	Brij J. Tanti
16.	Trisha J. Tanti
17.	Girish R. Tanti
18.	Radha G. Tanti
19.	Aarav G. Tanti
20.	Anya G. Tanti
21.	Vinod Ranchhodhbhai HUF
22.	Jitendra Ranchhodhbhai HUF
23.	Girish Ranchhodbhai HUF
24.	Suruchi Holdings Private Limited
25.	Sugati Holdings Private Limited
26.	Sanman Holdings Private Limited
27.	Samanvaya Holdings Private Limited
28.	Salene Power Infrastructure Limited (formerly known as Sarjan Infrastructure Finance Limited)
29.	Colossus Holdings Pte. Limited
30.	SE Energy Park Limited
31.	Any Company / entity promoted by any of the above

Management Discussion and Analysis

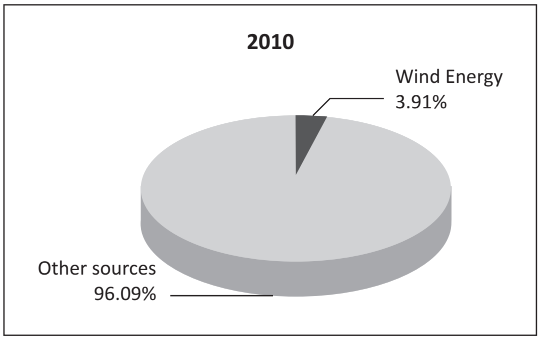
1. WIND ENERGY – A MAJOR CONTRIBUTOR TO ENERGY SUPPLY

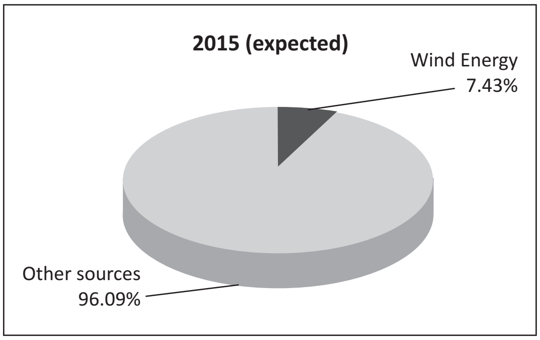
With new installation of 38 GW during the calendar year 2010, worldwide installations of wind energy generation crossed 197 GW which covers almost 4% of the global electricity supply.

Traditional energy sources such as coal, oil or gas are not only facing limitation of resources, but they are also causing greenhouse gas emissions and hence cannot be seen as sustainable energy sources. At the same time, recent incidents have indicated very clearly that nuclear power, also due to its big risks and high capex costs, is not a very viable option economically, socially and environmentally either.

Instead, the world has to look for wind energy, in combination with other renewable energy sources. It is important to underline that wind energy offers a very broad range of applications. It is versatile, can serve the needs of rural areas in unserved areas in developing countries, and cater to energy intensive industries in industrialised regions and countries.

By 2015, total worldwide installation of wind energy is expected to cross over 442 GW which is almost 2.3 times of the current installation. This will cover about 7.5% of the global electricity supply by then.

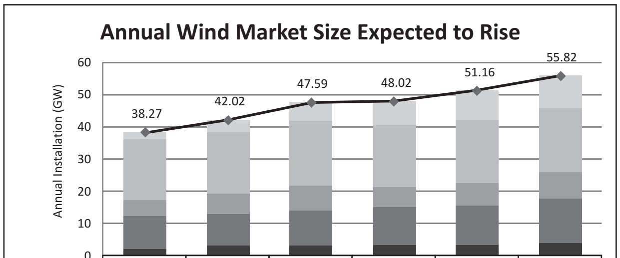




2. SECTOR OUTLOOK

The sector outlook is progressively looking bright for the wind industry as it is exploiting an inexhaustible resource (i.e. wind) and is amongst the cheapest sources of renewable energy. Improvement in wind power's technical effectiveness, development of larger wind turbines, and improved knowledge of siting, servicing and maintenance has made wind power a economically viable and competitive source of energy.

The other key drivers include climate change, the Kyoto Protocol, the industry's job creation potential and a desire for greater "security of supply" for energy. Policy support models like Fixed Tariffs for the "feed –in" of wind powered electricity, Renewable Portfolio Standards, price premium, energy taxes and other tax related benefits, Investment grants and Green Certificates, continue to boost development of wind market across the globe.



	2010 (Actual)	2011	2012	2013	2014	2015
ROW	2.10	3.68	5.78	7.36	9.09	10.08
China	18.93	18.98	20.20	19.43	19.58	20.03
USA	5.12	6.50	7.50	6.25	7.00	8.00
Europe	9.98	9.86	11.11	11.79	12.19	13.81
India	2.14	3.00	3.00	3.20	3.30	3.90
Total	38.27	42.02	47.59	48.02	51.16	55.82

Wind energy has been accepted as a mainstream renewable technology by utilities across the world, to meet their renewable portfolio targets as mandated international and country based targets.

During the period 2011-2015, wind power is expected to grow at an annual growth rate of about 17%. In Asia strong growth is expected, especially in China. India will continue to demonstrate high level capacity additions approximately to the tune of 3 to 4 GW per year. Growth in emerging markets such as Latin America, Southern and Eastern Europe and Africa will offset probable short-term sluggish growth rates in the mature markets of the world.

3. SUZLON POSITIONING

This year was an important one for the Company, marking 15 years of existence and 17 GW installations worldwide. Suzlon has achieved over 6 GW of cumulative installations in India, nearly half of the country's total wind installations. Suzlon is the fifth largest supplier in the world having a cumulative market share of ~ 9%.

Suzlon offers one of the most comprehensive product portfolios, ranging from 0.60 MW onshore turbines to one of the world's largest commercial 6.15 MW offshore turbines, built on a vertically integrated, low cost manufacturing base. Added to that proven technology, global R&D centers, 24 X 7 monitoring system with dedicated team focusing each day on the customer satisfaction, has helped Suzlon to spread its operation across 5 continents, 32 countries and more than 1,600 customers across the globe making Suzlon a global player.

Suzlon's contribution towards combating climate change, building a greener and sustainable tomorrow was recognized at the COP16 global submit in Mexico where it was presented with Gigaton Award for global leadership in emissions control and sustainability practices in the energy category.

Mr. Tulsi Tanti, Chairman and Managing Director, was conferred the title "Wind Visionary of Asia" by the Asian Development Bank. The recognition emphasizes Suzlon's commitment to build the case for wind across the world and highlights a decade of tremendous work in key markets of Asia.

4. BUSINESS STRATEGY

Suzlon's strategic intent for its business is enumerated as follows:

- **Increased customer outreach**

  Suzlon operations are now spread across Asia, Australia, Europe, Africa and North and South America with operations in 32 countries. Suzlon boosted its customer profiles by signing biggest contracts from IPP (Independent Power Producer) in the Indian market - a 1000 MW order from Caparo Energy and a 202 MW order from the Techno Electric Group. Suzlon also secured 218 MW order in Brazil from the Martifer Group reinforcing Suzlon's presence in the global market.

  In the European Onshore segment, the company's international business arm, Suzlon Wind Energy A/S, broke new ground with its first order in Sweden. The Company has also entered into an agreement with Volkswind Bulgaria, a subsidiary of Germany's Volkswind GmbH. This aims to accelerate the manufacturer's growth in the Bulgarian wind energy market and will develop projects exclusively using Suzlon wind turbines. In April 2011, REpower entered into its biggest onshore framework agreement in Europe with Juwi for 720 MW covering upto 240 wind turbines of 3 MW systems.

  In the European Offshore segment, REpower has signed a contract with Belgian offshore project development company, C-Power for development of 295 MW project in phase II and III of the first Belgian offshore wind farm, Thornton Bank. A bank consortium of seven commercial banks together with European investment bank is providing necessary financing for the said project. This represents the biggest ever project financing in the offshore wind industry. REpower has also signed another major contract with RWE Innogy for development of 295 MW project at Nordsee Ost. This is the first supply under the framework agreement concluded between REpower and RWE Innogy in February 2009 for the delivery of up to 250 turbines of 5M/6M turbines.

- **Improving product portfolio**

  Suzlon and REpower have R&D and technology centers in Germany, the Netherlands, India and China. Its R&D initiatives have led to the development of Suzlon's new S9X suite of turbines – comprising the S88-2.25 MW, S95 and S97 2.1 MW turbines. This suite of products, is an evolution of Suzlon's proven S88-2.1 MW platform, and is built around the core doubly fed induction generator based technology.

  A compact and modular DFIG design allows ease of serviceability and meets the latest grid requirements for smoother wind power plant connectivity. New blade designs with rotor diameter of 95 meter and 97 meter offers a larger swept area with greater energy capture and power production from moderate to low wind speeds. To ensure the highest standards in quality, Suzlon's blade testing facilities far exceeds industry baseline by simulating total life cycle of blade (1 million cycles) in most extreme onsite conditions.

  In the onshore segment, REpower has launched two new variant for low wind speed regions. One in its 3XM series-3.2M114 and another new MM series turbine, MM100 with rated output of 3.17 MW and 1.80 MW respectively. The construction of 3.2M114 uses the economical hybrid tower type of construction with concrete and steel. The manufacturing principle also makes it extremely easy to dismantle. The MM100 is specially adapted for the North American market. In February 2011, REpower received a unit certificate from GL Renewables certification for its 3.4M104 turbines. This confirms that the wind turbines meet the technical requirements of the Renewable Energy Act and the System Service ordinance. In addition to the 3.4M104, the MM82 and MM92 were also certified last year. As a result REpower is the first wind turbine manufacturer to have received unlimited unit certificates (EZE) for its onshore turbines.

  In the offshore segment, REpower has gained a level of skills that sets it apart from majority of its competitors. The machine availability of REpower offshore turbines have shown result at par with onshore turbines despite the adverse conditions in the open ocean.

- **Internal Operational Excellence Program**

  Suzlon transformation program christened ACE (Achieving Collective Excellence) started in June 2009, has brought significant improvements in the areas of manufacturing, technology, product design, market strategy, leadership and the like. Turbine availability (uptime) has been consistently exceeding 97 per cent for its global operating fleet. New products under S9X and 3XM series were timely launched with strong cross functional collaborations. Margin improvements were achieved through effective capacity utilisation and value engineering. Efforts are in place to reduce the deployment of working capital through improvement in operational efficiencies.

5. RISK AND RISK MITIGATION

Some of the key risks identified and steps taken to mitigate the adverse impact of same are noted below:

5.1 Operational Risk

- **Technology**

  Wind turbine technology is constantly evolving. A shift towards direct drive turbines, more particularly in large multi – MW turbines in commercial market was witnessed last year. The promoters of direct drive concept claims that it is a simpler mechanism – no gearbox means less maintenance and fewer components and it is likely to become competitive with traditional drive train machines. Further development of technologically superior turbines requires investments, which may not turn out to be a business opportunity.

  Suzlon believes that traditional drive-train designs with continuous innovations are a proven technology and would continue to be competitive in the years to come. The 97% machine availability of Suzlon models demonstrates the strength of the technology. The risk of investments in innovation projects are addressed by structured periodic reviews of all programs and investment by senior management. The research and testing centres at Baroda, India and Netherlands are focussed on WTG performance improvements and development of next generation wind turbine generators. Suzlon always believe in providing its customers with the best value for their investment, and they would drive their technological work, to provide the same, at all times.

- **Supply Chain Risk**

  Increase in commodity prices has the effect of putting pressure on margins. Also shortage of critical components like gear box, slew rings, pitch bearing, towers, control panels, glass fibre etc. may affect timely delivery of wind turbines.

  Suzlon has mitigated supply chain risk to a great extent through its backward integration strategy, rate negotiation with vendors, alternative sourcing, indigenisation of critical components and various other measures like part of Copper cables was replaced with Rubber Cables and Aluminium Cables etc and thereby leveraging Suzlon's ability to timely source components at competitive prices.

5.2 Financial Risk

- **Foreign Exchange Risk**

  A significant part of Suzlon's revenue, costs, assets and liabilities, are denominated in foreign currency. Unhedged trade and financial exposure thus creates potential to adversely impact our project and overall profitability.

  Suzlon's presence across geographies helps in providing natural hedging by offsetting purchase and sales transactions amongst various currencies. Risks are recognized at the contractual juncture and are hedged progressively at various stages of project life cycle, depending upon the nature of the transactions and in accordance with the Hedging Policy of the company. During the year, risk management practices continued to focus on minimising the economic impact on Company profitability arising from fluctuations in exchange rates.

- **Interest rate risk**

  Suzlon is exposed to interest rate fluctuation at the group level. The Corporate Finance Team is continuously involved in working out interest rate sensitivity and propositions to mitigate the interest rate risk.

- **Credit risk**

  Suzlon is exposed to high debt, taken to fund its inorganic growth. With increased interest rates and credit squeeze across the globe, funding of Wind Projects still remains a challenge, leading to slow order inflow in markets like Europe and USA.

  Suzlon has been able to bring down its net debt - equity ratio to around 1.4. Company has also undertaken USD 175mn Foreign Currency Bond issue in April 2011. Focus on cost reduction, improved operational efficiencies and reduction in working capital deployment, is expected to help in reducing the liquidity pressure.

6. INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

Suzlon's internal management audit team periodically undertake independent reviews of risks, controls, operations and procedures, identify control and process gaps and recommend business solutions for risk mitigation. Management has launched "Project Evolution" to assess, evaluate, strengthen and institutionalise the "Corporate Value System" covering process, people and cultural alignment from ethical business practice standpoint.

The Audit Committee of the Board periodically reviews the management audit reports, audit plans and recommendation of the auditors and management's response to those recommendations. The Audit Committee met four times during the year under review.

Highlights of consolidated results:

A. Sources of funds

1. Share capital

Rs. in crore

Particulars	FY - 2010-11	FY - 2009-10
Authorised share capital	700	445
Subscribed and paid up share capital	355	311

The share capital increased by Rs. 44 crore from Rs. 311 crore as at March 31, 2010 to Rs. 355 crore as at March 31, 2011 mainly on account of

(1) Issuance of 18.86 crore equity shares of Rs. 2 each @ premium of Rs. 61 each on rights basis to the existing shareholders of the Company.

(2) Issuance of 3.20 crore equity shares of Rs. 2 each @ premium of Rs. 58 each on preferential basis to 'IDFC Private Equity Fund III' (IDFC PE) as a consideration for acquisition of 4.13 crore equity shares of Rs. 10 each in SE Forge Limited (SEFL), a subsidiary of the Company. Consequent to acquisition of IDFC PE's stake in SEFL, SEFL became a wholly owned subsidiary of the Company.

2. Reserves and surplus

A summary of reserves and surplus is provided in the table below:

Rs. in crore

Particulars	FY - 2010-11	FY - 2009-10
Capital redemption reserve	45	15
Unrealised gain on dilution	160	295
Securities premium account	5,306	3,979
General reserve	951	951
Capital reserve on consolidation	0*	0*
Legal and statutory reserve	142	-
Minority share of losses	(38)	-
Foreign currency translation reserve	137	91
Profit and loss account	(553)	943
Total	6,150	6,274

*Less than Rs. 1 crore

(a) Capital redemption reserve(CRR)

Capital redemption reserve increased by Rs. 30 crore due to redemption of preference shares of few subsidiaries during the current year.

(b) Unrealised gain on dilution

During the year there was a reduction in unrealised gain on dilution by Rs. 135 crore due to acquisition of 17.1% stake back from 'IDFC Private Equity Fund III' (IDFC PE) in SE Forge Limited (SEFL) which was diluted in 2009.

(c) Securities premium account

The securities premium account increased by Rs. 1,336 crore as a result of issuance of shares on rights issue and preferential allotment of shares. It reduced by Rs. 9 crore due to expenses incurred on issuance of shares under rights issue.

(d) Foreign currency translation reserve (FCTR)

The change in FCTR is due to exchange fluctuation resulting from translation of the accounts of overseas subsidiaries into reporting currency of the parent company i.e. INR.

(e) Profit and Loss account

There is debit balance of Rs. 553 crore in profit and loss account as at March 31, 2011 after transfer of Rs. 30 crore to CRR and Rs. 142 crore to Legal and statutory reserve.

(f) Minority share of losses

REpower acquired control of RiaBlades S.A and Ventipower S.A on February 03, 2011 and holds 3% stake. Minority share of losses represents losses of RiaBlades S.A and Ventipower S.A over the minority's share in equity on acquisition.

(g) General reserve and Capital reserve on consolidation

There is no movement in General reserve and Capital reserve on consolidation as compared to previous year.

3. **Loan funds**

Rs. in crore

Particulars	FY - 2010-11	FY - 2009-10
Secured loans	9,257	8,123
Unsecured loans	3,007	4,545
Total	12,264	12,668

During the current year, the group has availed long term loans of Rs. 1,599 crore mainly under debt consolidation and refinancing arrangement and this increase has been primarily offset by conversion of unsecured loan from promoters worth of Rs. 1,187 crore into equity apart from repayment of short term loans of Rs. 726 crore and term loans of Rs. 151 crore.

4. **Deferred tax liability (Net)**

Rs. in crore

Particulars	FY - 2010-11	FY - 2009-10
Deferred tax Liabilities	294	183
Deferred tax assets	161	86
Total (Net)	133	97

Net increase in deferred tax liability by Rs. 36 crore is on account of changes in temporary allowances and disallowances calculated as per the tax regulations applicable to respective entities within the group. We have assessed the likelihood that our deferred tax assets will be recovered from future taxable profits.

B. **Application of funds**

1. **Fixed assets**

a. **Movement in gross block and capital work in progress**

Rs. in crore

Particulars	FY - 2010-11	FY - 2009-10
Gross block (Including Goodwill)	12,852	11,538
Less: Accumulated depreciation / amortisation	1,933	1,377
Net block	**10,919**	**10,161**
Capital work-in-progress	419	413
Total	**11,338**	**10,574**

Major addition to Gross block is on account of following:

(1) Goodwill of Rs. 221 crore primarily due to acquisition of additional stake in Repower and acquisition of balance 50% stake in REpower Portugal - Sistemas Eolicos, S.A (REpower Portugal) by REpower Systems AG.

(2) Addition of Rs. 207 crore is on account of acquisition of 50% stake of REpower Portugal - Sistemas Eolicos, S.A by REpower Systems AG.

(3) Net additions to Plant & Machinery stood at Rs. 172 crore, technology related design and drawings at Rs. 163 crore.

(4) Increase of Rs. 388 crore is on account of foreign currency translation.

b. **Capital commitments**

Capital commitment stands at Rs. 106 crore as at March 31, 2011 as compared to Rs. 115 crore as at March 31, 2010.

2. **Investments**

Rs. in crore

Particulars	FY - 2010-11	FY - 2009-10
Long Term Investment – Associates	807	985
Long Term Investment – Non Trade Investment	22	7
Short Term Investment	138	100
Total (Net)	**967**	**1,092**

Reduction in "long term investment – Associates" is primarily on account of provision for diminution in value of investment in Hansen Transmissions International NV ('Hansen') of Rs. 216 crore.

Movement in other investments is mainly due to Investment in mutual funds which are purely temporary in nature.

3. **Current assets, loans and advances**

Rs. in crore

Particulars	FY - 2010-11	FY - 2009-10
Inventories	5,351	5,994
Sundry debtors	4,237	3,174
Cash and bank balances	3,121	2,904
Other current assets	1,679	3,018
Loans and advances	2,366	2,108
Total	**16,754**	**17,198**

a. **Inventories**

During the current year Inventory holding period has reduced from 81 days to 72 days resulting in better utilisation of net working capital. There is a sizeable reduction of Rs. 643 crore despite targets of higher sale in the forthcoming quarters. All this could be made possible through consistent efforts of Supply Chain Management by value engineering, identification of alternative sources, indigenisation of critical components, reduction in lead time and proper production planning and forecasting.

b. **Sundry debtors**

Debtors balance has gone up to Rs. 4,237 crore, as against Rs. 3,174 crore as at the end of previous financial year. This is primarily due to higher proportionate sale in India towards end of the year, delayed realisation from a large Chinese customer (since realised) and movement from un-billed debtors to billed debtors.

c. **Cash and bank balances**

As of March 31, 2011, the cash and bank balance stands at Rs. 3,121 crore as compared to Rs. 2,904 crore in previous year. Corporate Treasury places the temporary surplus funds with banks and asset management companies for short term maturities.

d. **Other current assets**

Other current assets representing unbilled revenue in relation to construction contracts have come down significantly to Rs. 1,679 crore as at March 31, 2011 as compared to Rs. 3,018 crore last year due to completion of relevant contract billing milestone.

e. **Loans and advances**

Rs. in crore

Particulars	FY - 2010-11	FY - 2009-10
Deposits	184	168
Advance against taxes	42	103
MAT credit entitlement	167	153
Inter Corporate deposits	54	152
Advances recoverable in cash or in kind or for value to be received	1,919	1,532
Total	**2,366**	**2,108**

Loans and advances stood at Rs. 2,366 crore and Rs. 2,108 crore as at 31st March 2011 and 31st March 2010 respectively.

4. **Current liabilities and provisions**

Rs. in crore

Particulars	FY - 2010-11	FY - 2009-10
Sundry creditors	4,537	3,942
Other current liabilities	1,203	1,237
Interest accrued but not due	27	29
Due to customers	157	484
Advances from customers	2,570	2,735
Provisions	1,333	995
Total	**9,827**	**9,422**

There is an overall increase of Rs. 405 crore in current liabilities and provisions. This is primarily on account of the following reasons

(a) Increase in sundry creditors is due to higher purchase in last quarter of the year to meet the demand of increased business volumes.

(b) Increase in provision for operation, maintenance & warranty and performance guarantees.

(C) Decrease in "Due to customers" on completion of contract milestones.

C. **Cash Flow**

Net cash inflow from operating activities amounted to Rs. 1,214 crore is mainly due to operating profit. Net cash in investing activities amounting to Rs. 828 crore has primarily been applied towards purchase of fixed assets and acquisition of stake in subsidiaries. Net cash in financing activities amounting to Rs. 464 crore has been applied towards payment of interest.

D. **Results of operations**

On November 24, 2009, AE-Rotor Holding B.V. ('AERH'), a wholly owned subsidiary of the Company sold 35.22% of equity stake in Hansen Transmissions International NV ('Hansen'). Following this disposal, the Group had a voting and economic interest in Hansen of 26.06% as a result of which Hansen ceased to be subsidiary of the Company. Hence, the consolidated financial figures for the year ended March 31, 2010 inter alia included the financial figures of Hansen till November 30, 2009, as subsidiary and subsequently as an associate.

For management analysis, the element of Hansen has been excluded from FY 2009-10 to have better analysis with the current year figures.

Rs. in crore

Particulars	FY - 2010-11	FY - 2009-10 (Excl. Hansen)	FY- 2009-10 (As Reported)
Sales and service income	17,879	18,133	20,620
Other operating income	211	151	160
EBIDTA	808	703	943
Depreciation	658	482	663
EBIT	150	220	280
Interest	1,136	1,112	1,195
Other Income	107	65	69
Profit / (Loss) before tax and exceptional items	(878)	(827)	(846)
Exceptional items (gain)/ loss	253	(212)	(212)
Tax	185	355	356
Profit / (Loss) after tax	(1,317)	(970)	(990)

Principal components of results of operation

1. **Sales**

Sales decreased by Rs. 254 crore (1.4%), from Rs. 18,133 crore in FY 2009-10 to Rs. 17,879 crore in FY 2010-11. The decrease was primarily due to the reduction in demand as a result of financing difficulties faced by our customers caused by ongoing difficulties in the credit markets, more so in first half of the financial year. However, the sales in second half of the year picked up.

2. **Other income**

Other income increased by Rs. 102 crore from Rs. 216 crore in FY 2009 – 10 to Rs. 318 crore in FY -2010 -11. This increase was primarily due to increase in interest income received from banks due to increased level of fixed deposits and increase in operating income.

3. **Cost of goods sold (COGS)**

COGS as % of sale increased marginally from 68.1% in FY 2009-10 to 69.7% in FY 2010 -11.This is primarily due to change in sales mix, increase in commodity prices and currency translation impact on COGS of overseas subsidiaries. The overall trend of cost per model continues to be under control and consistent efforts being taken to bring the cost down through value engineering, better rate negotiation and expansion of vendor base.

4. **Operating and other expenses**

The operating and other expenses have come down by more than 12% to Rs. 3,152 crore in 2010-11 as compared to Rs. 3,599 crore in 2009-10. The effort to bring overheads down is paying off.

5. **Employees' remuneration and benefits**

Employees' remuneration and benefit cost has remained almost static in proportion to sales. It has increased marginally from Rs. 1,629 crore in FY 2009-10 to Rs. 1,676 crore in FY 2010 -11 representing 9.0% and 9.4% of sales respectively.

6. **Interest**

Interest has remained almost static in proportion to sales representing 6.4% and 6.1% of sales in 2010-11 and 2009-10 respectively. It has marginally increased to Rs. 1,136 crore in 2010-11 as compared to Rs. 1,112 crore in 2009 -10.

7. **Depreciation**

The Group provided a sum of Rs. 657 crore and Rs. 482 crore towards depreciation for the year ended March 31, 2011 and March 31, 2010 respectively. The current year depreciation includes Rs. 51 crore provided by REpower towards impairment losses. Increase in depreciation is also on account of additional capitalisation made during the current and towards the end of the previous year.

8. **Exceptional items**

Charge on account of exceptional items stood at Rs. 253 crore in FY 2010-11 as against gain of Rs. 212 crore in FY 2009-10. Current year figure includes **a)** exceptional loss of Rs. 216 crore provided towards diminution in value of investment in 26.06% stake in Hansen Transmissions International NV ('Hansen') and **b)** loss of Rs. 37 crore towards cost incurred for reset of conversion price of certain series of foreign currency convertible bonds.

In comparison, exceptional gain in the FY 2009-2010 included **a)** gain of Rs. 252 crore on partial sale of stake in Hansen, **b)** net gain of Rs. 122 crore from buyback and exchange of foreign currency convertible bonds after setting off costs for restructuring and refinancing of financial facilities and **c)** charge on account of amortization of foreign exchange losses on convertible bonds amounting to Rs.162 crore.

9. **Profit**

The consolidated EBIDTA has increased by 15% to Rs. 808 crore as compared to Rs.702 crore in FY 2009-10. The same has arisen primarily on account of better operational efficiencies in the business.

Loss before tax and exceptional items amounted to Rs. 878 crore and Rs. 827 crore for the FY 2010-11 and FY 2009-10, representing 4.9% and 4.6% of total sales respectively. PBT is negative as EBIDTA for the year has been insufficient to absorb interest and depreciation.

Tax expenses reduced to Rs. 186 crore in FY 2010-11 from Rs. 355 crore in FY 2009-10. In the previous year, a major part of tax expense was on account of re-assessment of deferred tax assets.

Loss after tax amounted to Rs. 1,317 crore and Rs. 970 crore for the financial year FY 2010-11 and FY 2009-10 representing 7.4% and 5.4% of total sales respectively.

Losses attributable to minority is Rs. 21 crore in FY 2010-11, as against profit of Rs. 9 crore in FY 2009-10 and share of the company in associate loss after tax recorded at Rs. 28 crore in FY 2010-11 as against profit of Rs. 16 crore in FY -2009-10.

As a result of the foregoing factors, net loss increased from Rs. 983 crore in FY 2009-10 to loss of Rs. 1,324 crore in FY 2010-11.

Cautionary Statement

Suzlon has included statements in this discussion, that contain words or phrases such as "will", "aim", "will likely result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions that are "forward-looking statements".

All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from Suzlon's expectations include:

- Variation in the demand for electricity;
- Changes in the cost of generating electricity from wind energy and changes in wind patterns;
- Changes in or termination of policies of state governments in India that encourage investment in power projects;
- General economic and business conditions in India and other countries;
- Suzlon's ability to successfully implement it's strategy, growth and expansion plans and technological initiatives;
- Changes in the value of the INR and other currencies;
- Potential mergers, acquisitions or restructurings and increased competition;
- Changes in laws and regulations;
- Changes in political conditions;
- Changes in the foreign exchange control regulations; and
- Changes in the laws and regulations that apply to the wind energy industry, including tax laws.

Corporate Governance Report

(As required by Clause 49 of the Listing Agreement)

1. Company's Philosophy on Corporate Governance

The Company's corporate governance philosophy rests on the pillars of integrity, accountability, equity, transparency and environmental responsibility that conform fully with laws, regulations and guidelines. The Company's philosophy on corporate governance is to achieve business excellence and maximising shareholder value through ethical business conduct. The Company's philosophy also includes building partnerships with all stakeholders, employees, customers, vendors, service providers, local communities and government. The Company has always set high targets for the growth, profitability, customer satisfaction, safety and environmental performance and continues its commitment to high standards of corporate governance practices. During the year under review, the Board continued its pursuit of achieving its objectives through the adoption and monitoring of corporate strategies and prudent business plans.

The Company is in compliance with all the requirements of the corporate governance code as per Clause 49 of the Listing Agreement with the stock exchanges.

2. Board of Directors (the Board)

The Board is entrusted and empowered to oversee the management, direction and performance of the Company with a view to protect interest of the stakeholders and enhance value for shareholders. The Board monitors the strategic direction of the Company.

Composition

The Company has a balanced mix of executive and non-executive directors. The Board consists of eight directors as on March 31, 2011, out of which three are executive directors and five are non-executive directors. The Chairman of the Board is an executive director and half of the Board comprises of independent directors. Post March 31, 2011, following changes took place in the composition of the Board of the Company:

- Mr. Pradip Kumar Khaitan, the non-executive director resigned from the directorship of the Board w.e.f. April 28, 2011.
- Mr. Rajiv Ranjan Jha, the nominee of Power Finance Corporation Limited was appointed as independent director on the Board w.e.f. April 28, 2011.
- Mr. Girish R.Tanti ceased to be the executive director of the Company w.e.f. July 30, 2011 however he continues on the Board as the non-executive director.

The Board presently consists of eight directors, out of which two are executive directors, five are independent directors and one is a non-executive director. The composition of the Board is in compliance with the requirements of Clause 49(I)(A) of the Listing Agreement with the stock exchanges.

Board Procedure

Board meets at regular intervals and apart from regular Board business, it discusses policy and strategy matters. The agenda for the Board is accompanied by the required documents and information, prescribed under Annexure IA to Clause 49 pertaining to the matters to be considered at each Board and Committee meetings, to enable the Board to discharge its responsibilities effectively.

Board meetings held during the financial year 2010-11

All the directors have certified that they are not members of more than ten mandatory committees and do not act as chairman of more than five mandatory committees in terms of the Listing Agreement across all companies in which they are directors.

During the year 2010-11, the Board met five times on May 29, 2010, August 13, 2010, October 11, 2010, October 30, 2010 and February 4, 2011. The gap between any two board meetings did not exceed four months. Apart from the physical meetings, the board of directors also considered and approved certain matters by circular resolutions, which matters were as a matter of good corporate practice ratified at the next meeting of the Board. The names and categories of the directors on the Board, their attendance record, the number of directorships and committee positions as on March 31, 2011, are noted below:

Name of the director	Category	Attendance at meetings during 2010-11		Total no. of directorships as on March 31, 2011	Total no. of membership of the committees of Board		Total no. of chairmanship of the committees of Board	
		Board (out of 5)	15th AGM on August 13, 2010		Membership in audit/investors' grievance committees	Membership in other committees	Chairmanship in audit/investors' grievance committees	Chairmanship in other committees
Mr. Tulsi R. Tanti	Chairman & Managing Director	5	Yes	1	1	2	-	2
Mr. Girish R. Tanti[1]	Executive Director	5	Yes	2	1	2	-	-
Mr. Vinod R. Tanti[2]	Executive Director	1	NA	13	8	-	5	-
Mr. Ajay Relan	Independent Director	3	No	1	1	1	-	-
Mr. Ashish Dhawan	Independent Director	3	Yes	1	1	1	1	-
Mr. Pradip Kumar Khaitan[3]	Non-Executive Non-Independent Director	1	No	15	6	11	1	2
Mr. V. Raghuraman	Independent Director	5	Yes	1	1	1	-	-
Ms. Mythilli Balasubramanian, a nominee of IDBI Bank Limited[4]	Independent Director	1	NA	1	-	-	-	-
Mr. Rajiv Ranjan Jha, a nominee of Power Finance Corp. Ltd.[5]	Independent Director	NA	NA	NA	NA	NA	NA	NA

Changes during the year and post March 31, 2011:

[1]Mr. Girish R.Tanti ceased to be an executive director w.e.f. July 30, 2011 however continues as a non-executive director.

[2]Mr. Vinod R.Tanti was appointed as an executive director w.e.f. November 1, 2010.

[3]Mr. Pradip Kumar Khaitan resigned from the Board w.e.f. April 28, 2011.

[4]Ms. Mythili Balasubramanian, a nominee of IDBI Bank Limited, was appointed as an independent director w.e.f. November 1, 2010.

[5]Mr. Rajiv Ranjan Jha, a nominee of Power Finance Corporation Limited, was appointed as an independent director w.e.f. April 28, 2011.

Notes:

- While considering the total number of directorships, directorships in private companies, foreign companies and Section 25 companies have been excluded.
- As per terms of clause 49(IV)(G)(ia), it is hereby disclosed that Mr. Tulsi R.Tanti, Chairman & Managing Director, is a brother of Mr. Girish R.Tanti, the non-executive director and Mr. Vinod R.Tanti, the Executive Director. Except for the relationship between Mr. Tulsi R.Tanti, Mr. Girish R.Tanti and Mr. Vinod R.Tanti, there is no other inter-se relationship amongst other directors.

Code of Ethics

The Company has prescribed a Code of Ethics for its directors and senior management. The Code of Ethics of the Company has been posted on its website www.suzlon.com. The declaration from the Chairman & Managing Director stating that as of March 31, 2011, all the Board members and the senior management personnel of the Company have affirmed compliance with the Code of Ethics for the financial year 2010-11 has been included in this report.

3. Committees of Board

The Board Committees focus on certain specific areas and make informed decisions within the delegated authority. Each committee of the Board functions according to its charter that defines its composition, scope, power and role in accordance with the Companies Act, 1956 and the Listing Agreement. Presently, the Board has the following committees:

I. Audit Committee
II. Investors' Grievance Committee
III. Remuneration Committee
IV. Securities Issue Committee
V. ESOP Committee
VI. Rights Issue Committee

The composition, meetings, attendance and the detailed terms of reference of the aforesaid committees of the Board are noted below:

I. Audit Committee

The Audit Committee of the Company has been constituted as per the requirements of Clause 49 of the Listing Agreement. The composition of Audit Committee is in compliance with the requirements of Clause 49(II)(A) of the Listing Agreement. During the year, the Audit Committee was re-constituted w.e.f. April 27, 2010, by inducting Mr. Ajay Relan as the member of the Audit Committee. Post March 31, 2011, the following change took place in the constitution of the Audit Committee of the Company:

- Mr. Pradip Kumar Khaitan resigned from the Board and consequently ceased to be a member of the Audit Committee w.e.f. April 28, 2011.

Presently, the Audit Committee of the Company consists of three members all of whom including the Chairman are independent directors. The Chairman & Managing Director, Chief Financial Officer, representatives of the statutory auditors and senior officials of the Company are invited to attend the meetings of the Audit Committee from time to time. The Company Secretary of the Company acts as the secretary to the Audit Committee. The Chairman of the Audit Committee was present at the 15th Annual General Meeting held on August 13, 2010.

During the financial year 2010-11, the Audit Committee met four times on May 29, 2010, August 13, 2010, October 30, 2010 and February 4, 2011 and the quorum was present at all the meetings. The gap between two meetings did not exceed four months. The attendance of the members is noted below:

Name of the member	Chairman / Member	No. of meetings attended
Mr. Ashish Dhawan	Chairman	3
Mr. Pradip Kumar Khaitan*	Member	1
Mr. V. Raghuraman	Member	4
Mr. Ajay Relan	Member	2

*resigned from Board and consequently ceased to be a member w.e.f. April 28, 2011

The broad terms of reference of this Committee includes the following as is mandated in Clause 49 of Listing Agreement and Section 292A of Companies Act, 1956:

a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

b. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditors and the fixation of audit fees.

c. Approval of payment to statutory auditors for any other services rendered by them.

d. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:

   - Matters required to be included in the directors' responsibility statement to be included in the Board's report in terms of clause 2AA of Section 217 of the Companies Act, 1956,
   - Changes, if any, in accounting policies and practices and reasons for the same,
   - Major accounting entries involving estimates based on the exercise of judgement by management,
   - Significant adjustments made in the financial statements arising out of the audit findings,
   - Compliance with listing and other legal requirements relating to financial statements,
   - Disclosure of any related party transactions, and
   - Qualifications in the draft audit report.

e. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.

f. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.

g. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.

h. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

i. Discussion with internal auditors any significant findings and follow-up thereon.

j. Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

k. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

l. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

m. To review the functioning of the whistle blower mechanism.

n. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

II. Investors' Grievance Committee

The Investors' Grievance Committee of the Company has been constituted as per the requirements of Clause 49 of the Listing Agreement. Post March 31, 2011, following changes took place in the constitution of the Investors' Grievance Committee:

- Mr. Pradip Kumar Khaitan resigned from Board and consequently ceased to be a member of the Investors' Grievance Committee w.e.f. April 28, 2011.
- Mr. V.Raghuraman was inducted as a member and Chairman of the Investors' Grievance Committee w.e.f. May 14, 2011.
- Mr. Girish R.Tanti ceased to be a member of the Investors' Grievance Committee w.e.f. July 30, 2011.
- Mr. Vinod R.Tanti was inducted as a member of the Investors' Grievance Committee w.e.f. July 30, 2011.

Presently, the Investors' Grievance Committee of the Company consists of three directors out of which the Chairman is a non-executive independent director and other two members are executive directors of the Company. The composition of the investors' grievance committee is in compliance with the requirements of Clause 49(IV)(G) of the Listing Agreement.

During the financial year 2010-11, the Investors' Grievance Committee met three times on August 12, 2010, October 30, 2010 and February 4, 2011. The attendance of the members is noted below:

Name of the member	Chairman / Member	No. of meetings attended
Mr. Pradip Kumar Khaitan*	Chairman*	2
Mr. Tulsi R.Tanti	Member	3
Mr. Girish R.Tanti[@]	Member	3
Mr. V.Raghuraman[#]	Chairman[#]	Not Applicable
Mr. Vinod R.Tanti[$]	Member	Not Applicable

*resigned from Board and consequently ceased to be a member w.e.f. April 28, 2011.
[@]Ceased to be member w.e.f. July 30, 2011.
[#]Inducted as member and chairman w.e.f. May 14, 2011.
[$]Inducted as member w.e.f. July 30, 2011.

The broad terms of reference of this Committee include the following:

a. Redressal of shareholder and investors complaints including, but not limiting to transfer of shares and issue of duplicate share certificates, non-receipt of balance sheet, non-receipt of declared dividends, etc.;

b. Monitoring transfers, transmissions, dematerialisation, rematerialisation, splitting and consolidation of shares issued by the Company;

c. And such other acts, deeds, matters and things as may be stipulated in terms of Listing Agreement with the Stock Exchanges and / or such other regulatory provisions and as also as the Board of Directors may consider think fit for effective and efficient redressal of shareholders and / or investors' grievances.

III. Remuneration Committee

The Remuneration Committee of the Company consists of three members, all of whom are non-executive independent directors. The Chairman for the Remuneration Committee is decided by the committee members from amongst themselves from time to time. During the year, the following changes took place:

- Mr. Pradip Kumar Khaitan ceased to be a member of the Remuneration Committee w.e.f. February 4, 2011.
- Mr. Ajay Relan was inducted as a member of the Remuneration Committee w.e.f. February 4, 2011.

During the financial year 2010-11, the Remuneration Committee met two times on August 13, 2010 and October 30, 2010. Apart from the physical meetings, the Remuneration Committee also considered and approved of certain matters by circular resolutions, which matters were as a matter of good corporate practice ratified at the next meeting of the Remuneration Committee. The attendance of the members is noted below:

Name of the member	Chairman / Member	No. of meetings attended
Mr. Ashish Dhawan	Member	2
Mr. Pradip Kumar Khaitan*	Member	1
Mr. V. Raghuraman	Member	2
Mr. Ajay Relan[@]	Member	Not Applicable

*ceased to be member w.e.f. February 4, 2011.
[@] inducted as member w.e.f. February 4, 2011.

The broad terms of reference of this Committee include the following:

a. To determine the remuneration of the directors of the Company;

b. Ensure effective implementation and operations of various existing and future employee stock option plans of the Company, to do all such acts, deeds, matters and things including, but not limiting itself to:

- Determining the number of options to be granted to each employee, in the aggregate and at the times at which such grants shall be made,
- Determining the eligible employee(s) to whom options be granted,
- Determining the eligibility criteria(s) for grant of options,
- Determining the performance criteria(s), if any for the eligible employees,
- Laying down the conditions under which options vested in the optionees may lapse in case of termination of employment for misconduct, etc.,
- Determining the exercise price which the optionee shall pay to exercise the options,
- Determining the vesting period,
- Determining the exercise period within which the optionee should exercise the options and that options would lapse on failure to exercise the same within the exercise period,
- Specifying the time period within which the optionee shall exercise the vested options in the event of termination or resignation of the optionee,
- Laying down the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of rights issues, bonus issues, sub-division, consolidation and other corporate actions,
- Providing for the right to an optionee to exercise all the options vested in him/her at one time or at various points of time within the exercise period,
- Laying down the method for satisfaction of any tax obligation arising in connection with the options or such shares,
- Laying down the procedure for cashless exercise of options, if any,
- Providing for the grant, vesting and exercise of options in case of employees who are on long leave or whose services have been seconded to any other Company or who have joined any other subsidiary or other company at the instance of the employer company.

Remuneration policy and remuneration to directors

a. Executive Directors

The Company has been paying remuneration to its executive directors on the basis of their experience and contribution made to the Company subject however to the limits prescribed under the Companies Act, 1956. However at the 15th Annual General Meeting of the Company held on August 13, 2010, it was requested by shareholders of the Company that since the Company had incurred losses in the financial year 2009-10, Mr. Tulsi R. Tanti and Mr. Girish R. Tanti should not receive any remuneration in the financial year 2009-10 and 2010-11. In light of the losses incurred by the Company during the financial year 2009-10 and respecting the sentiments of the shareholders of the Company, it was decided to accept the request of the shareholders for non payment of any remuneration to Mr. Tulsi R.Tanti, Chairman and Managing Director and Mr. Girish R.Tanti, Executive Director for the financial year 2009-10 and thereafter in case of losses during the balance tenure of their respective offices in terms of their earlier appointment. Accordingly, the remuneration paid during the financial year 2009-10 and 2010-11, as the case may be, was refunded by Mr. Tulsi R.Tanti, Chairman and Managing Director and Mr. Girish R.Tanti, Executive Director.

Further, Mr. Vinod R.Tanti was appointed as the Wholetime Director designated as "Executive Director" for a period of three years w.e.f. November 1, 2010. In line with the decision to not to pay any remuneration to Mr. Tulsi R. Tanti, Chairman and Managing Director and Mr. Girish R. Tanti, Executive Director in loss making years during the balance tenure of offices of their earlier appointment, it was decided not to pay any remuneration to Mr. Vinod R.Tanti, the Executive Director.

Further, in terms of the resolutions passed, after reviewing the business prospects, by the Remuneration Committee and the Board of Directors at their respective meetings held on July 30, 2011, it was decided to pay the remuneration to Mr. Tulsi R.Tanti and Mr. Vinod R.Tanti with effect from April 1, 2011. The remuneration as approved would be subject to the provisions of Section 198 and 309 of the Companies Act, 1956. However, in the event of loss or inadequacy of profits, they would be paid remuneration in terms of Part II Section II (B) of Schedule XIII to the Companies Act, 1956. Accordingly, the proposed remuneration would be as under:

Executive Director	Salary (Rs.)	Retirement benefits (Rs.)	Gratuity	Bonus commission / Stock options	Total (Rs.)	Service contract	Notice period
Mr. Tulsi R. Tanti	1,84,88,004	10,80,000	4,32,000	-	2,00,00,000	three years upto March 31, 2014	3 months
Mr. Vinod R. Tanti	1,10,92,800	6,48,000	2,59,200	-	1,20,00,000	three years upto October 30, 2013	3 months

Note: Mr. Girish R.Tanti ceased to be executive director w.e.f. July 30, 2011 however continues to be non-executive director.

b. **Non-executive Directors:**

The non-executive directors are not paid any remuneration except sitting fees for attending the meetings of the Board of Directors and / or Committees thereof. The sitting fees paid / payable to the non-executive directors is within the limits prescribed by the Companies Act, 1956. The Company does not have material pecuniary relationship or transactions with its non-executive directors. The details of the sitting fees paid, stock options granted and shares held by the non-executive directors during 2010-11 are as under:

Name of the non-executive director	Sitting fees (Rs.)	Stock options granted	Shareholding in the company
Mr. Ajay Relan*	-	-	-
Mr. Ashish Dhawan	1,60,000	-	-
Mr. Pradip Kumar Khaitan[@]	1,00,000	-	-
Mr. V. Raghuraman	2,40,000	-	-
Ms. Mythili Balasubramanian[#]	20,000	-	-
Mr. Rajiv Ranjan Jha[$]	Not Applicable	-	-
Mr. Girish R.Tanti[&]	Not Applicable	-	11,60,82,000

[*] Since Mr. Ajay Relan has voluntarily agreed not to accept sitting fees, he is not being paid any sitting fees for attending the meeting of Board of Directors and Board Committees of the Company.

[@] resigned from the directorship of the Board w.e.f. April 28, 2011.

[#] Ms. Mythili Balasubramanian, being a nominee of IDBI Bank Limited, the sitting fees for attending the Board Meeting was paid to IDBI Bank Limited.

[$] appointed on Board w.e.f. April 28, 2011.

[&] Ceased to be executive director w.e.f. July 30, 2011, how ever continues as non-executive director.

IV. Securities Issue Committee

The Securities Issue Committee of the Company consists of two members who are executive directors. Apart from the physical meetings, the Securities Issue Committee also considered and approved of certain matters by circular resolutions. Post March 31, 2011, following changes took place in the constitution of the Securities Issue Committee of the Company:

- Mr. Girish R.Tanti ceased to be member of the Securities Issue Committee w.e.f. July 30, 2011.
- Mr. Vinod R.Tanti was inducted as member of the Securities Issue Committee w.e.f. July 30, 2011.

During the financial year 2010-11, the Securities Issue Committee met five times on April 6, 2010, April 16, 2010, May 17, 2010, November 16, 2010 and March 31, 2011. The attendance of the members is noted below:

Name of the member	Chairman / Member	No. of meetings attended
Mr. Tulsi R.Tanti	Chairman	5
Mr. Girish R.Tanti[*]	Member	5
Mr. Vinod R.Tanti[@]	Member	Not Applicable

[*] Ceased to be member w.e.f. July 30, 2011

[@] inducted as member w.e.f. July 30, 2011

The broad terms of reference includes the following:

a. to create, offer, issue and allot in one or more tranches, whether rupee denominated or denominated in foreign currency, in the course of international and / or domestic offering(s) in one or more foreign markets and / or domestic market, representing such number of Global Depository Receipts (GDRs), American Depository Receipts (ADRs), Foreign Currency Convertible Bonds (FCCBs) and / or Fully Convertible Debentures and / or Non Convertible Debentures with warrants or any Other Financial Instruments (OFIs) convertible into or linked to equity shares and / or any other instruments and / or combination of instruments with or without detachable warrants with a right exercisable by the warrant holders to convert or subscribe to the equity shares or otherwise, in registered or bearer form (hereinafter collectively referred to as the 'Securities') or any combination of Securities to any person including foreign / resident investors, whether institutions, incorporated bodies, mutual funds and / or individuals or otherwise, Foreign Institutional Investors, Promoters, Indian and / or Multilateral Financial Institutions, Mutual Funds, Non-Resident Indians, employees of the Company and / or any other categories of investors, whether they be holders of shares of the Company or not through public issue(s) by prospectus, rights issue(s), private placement(s) or a combination thereof at such time or times, at such price or prices, at a discount or premium to the market price or prices and on such terms and conditions including security, rate of interest, etc. as may be thought fit in its absolute discretion;

b. to take initiatives for liability management including debt reduction initiatives;

c. to allot equity shares of the Company as may be required to be allotted on exercise of the conversion rights to such bondholders of various series of bonds issued by the Company and / or as may be issued by the Company from time to time including but not limiting to US$ 300 million Zero Coupon Foreign Currency Convertible Bonds due 2012, US$ 200 million Zero Coupon Foreign Currency Convertible Bonds due 2012, US$ 35,592,000 7.5% Foreign Currency Convertible Bonds due 2012, US$ 20,796,000 7.5% Foreign Currency Convertible Bonds due 2012, US$ 90 million Zero Coupon Foreign Currency Convertible Bonds due 2014, US$ 175 million 5% Zero Coupon Foreign Currency Convertible Bonds due 2016;

d. to do all such other acts, deeds, matters and things as already delegated and / or as may be delegated by the Board of Directors from time to time;

e. to do all such other acts, deeds, matters and things as may be incidental and ancillary to one or more of the above and / or to such other acts as already delegated and / or as may be delegated by the Board of Directors from time to time;

f. to sign deeds, documents, forms, letters and such other papers as may be necessary, desirable and expedient.

V. ESOP Committee

The ESOP Committee of the Company consists of two members who are executive directors. Post March 31, 2011, following changes took place:

- Mr. Girish R.Tanti ceased to be member of the ESOP Committee w.e.f. July 30, 2011.
- Mr. Vinod R.Tanti was inducted as member of the ESOP Committee w.e.f. July 30, 2011.

During the financial year 2010-11, the ESOP Committee met only once on April 6, 2010. The attendance of members is noted below:

Name of the member	Chairman / Member	No. of meetings attended
Mr. Tulsi R.Tanti	Chairman	1
Mr. Girish R.Tanti*	Member	1
Mr. Vinod R.Tanti@	Member	Not Applicable

* Ceased to be member w.e.f. July 30, 2011

@ inducted as member w.e.f. July 30, 2011

The broad terms of reference includes allotment of shares pursuant to exercise of options granted in terms of various employee stock option plans to the employees of the Company and its subsidiary companies in terms of various employee stock option plans of the Company including but not limiting to ESOP-2005, ESOP-2006, ESOP-2007, Special ESOP-2007, ESOP-Perpetual-I and such other future employee stock option plans of the Company.

VI. Rights Issue Committee

The Rights Issue Committee of the Company was formed for the specific purpose of Rights Issue of the Company. It consisted of four members, out of which two of the members were executive directors and remaining two members were non-executive independent directors.

During the financial year 2010-11, the Rights Issue Committee met three times on May 31, 2010 (twice) and July 12, 2010. The attendance of members is noted below:

Name of the member	Chairman / Member	No. of meetings attended
Mr. Tulsi R.Tanti	Chairman	2
Mr. Girish R.Tanti	Member	1
Mr. Ajay Relan	Member	2
Mr. V.Raghuraman	Member	1

The Rights Issue Committee was formed for the specific and limited purpose of offer, issue and allotment of equity shares on rights basis to the existing equity shareholders of the Company ("Rights Issue"). Upon conclusion of the said Rights Issue of the Company, the Rights Issue Committee stands dissolved.

4. Annual General Meetings (AGMs)

I. The details of the last three annual general meetings of the Company are noted below:

Financial Year	AGM No.	Venue	Day & Date	Time
2007-08	13th	Bhaikaka Bhavan, Law College Road, Ahmedabad - 380 006.	Wednesday, July 30, 2008	11.00 AM.
2008-09	14th	Gajjar Hall, Nirman Bhavan, Opposite Law Garden, Ellisbridge, Ahmedabad- 380 006.	Thursday, August 13, 2009	11.00 AM.
2009-10	15th	Bhaikaka Bhavan, Law College Road, Ahmedabad - 380 006.	Friday, August 13, 2010	11.00 AM.

II. Special Resolutions passed at last three AGMs:

a. At the 13th AGM held on July 30, 2008-

Create, offer, issue and allot equity shares, FCCB, ADR, GDR, IDR and / or such other equity linked instruments to an extent of Rs.5,000 Crores.

b. At the 14th AGM held on August 13, 2009-

(i) Create, offer, issue and allot equity shares, GDR, ADR, FCCB, FCD, NCD with warrants, OFI convertible into or linked to equity shares and / or any other instruments and / or combination of instruments with or without detachable warrants to an extent of Rs.5,000 Crores;

(ii) Increase in the ceiling limit on total holdings of FII, SEBI approved sub-account of FII from 24% to 49% of the paid-up equity share capital of the Company pursuant to the provisions of Foreign Exchange Management (Transfer or Issue of Security by a person resident outside India), Regulations, 2000;

(iii) To issue equity shares of the Company to the eligible employees of the Company in terms of ESOP-Perpetual-I;

(iv) To issue equity shares of the Company to the eligible employees of the Company's subsidiary companies in terms of the ESOP-Perpetual-I.

c. At the 15th AGM held on August 13, 2010-

(i) Modification in terms of Special ESOP-2007 scheme for Employees of the Company;

(ii) Modification in terms of Special ESOP-2007 scheme for employees of the Company's Subsidiary Companies;

(iii) Appointment of Mr. Pranav T.Tanti, son of the Managing Director of the Company in a subsidiary of the Company.

III. Details of resolution passed by way of Postal Ballot

Pursuant to section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001, during the financial year 2010-11, the Company had conducted a postal ballot process vide notice dated October 11, 2010, for obtaining approval of shareholders on the following special resolutions, the results of which were declared on November 16, 2010. The details of special resolutions passed and voting pattern are noted below:

a. Special Resolution for issue and allotment of 3,19,92,582 equity shares of Rs.2 each of the Company as Preferential Allotment to IDFC PE:

Sr. No.	Particulars	Results of Postal Ballot	
		No. of Postal Ballots received (No. of Equity Shareholders)	No. of votes (No. of Equity Shares)
i.	Total Postal Ballot Forms received from the the Shareholders	374	110,79,25,483
ii.	Invalid Postal Ballots / Votes	16	1,30,67,853
iii.	Total Valid Postal Ballots / Votes	358	109,48,57,630
iv.	Total Postal Ballots / Votes 'In Favour'	338	109,47,86,573
	In Favour % (iv / iii)	94.41%	99.99%
v.	Total Postal Ballots / Votes 'Against'	20	71,057
	Against % (v / iii)	5.59%	0.01%

b. Special Resolution for increase of Authorised Share Capital to Rs.700 Crores:

Sr. No.	Particulars	Results of Postal Ballot	
		No. of Postal Ballots received (No. of Equity Shareholders)	No. of votes (No. of Equity Shares)
i.	Total Postal Ballot Forms received from the Shareholders	374	110,79,25,483
ii.	Invalid Postal Ballots / Votes	24	1,30,73,228
iii.	Total Valid Postal Ballots / Votes	350	109,48,52,255
iv.	Total Postal Ballots / Votes 'In Favour'	338	109,48,45,456
	In Favour % (iv / iii)	95.57%	100.00%
v.	Total Postal Ballots / Votes 'Against'	12	6,799
	Against % (v / iii)	3.43%	0.00%

c. Special Resolution for issue of Securities up to Rs. 5,000 Crores:

Sr. No.	Particulars	Results of Postal Ballot	
		No. of Postal Ballots received (No. of Shareholders)	No. of votes (No. of Equity Equity Shares)
i.	Total Postal Ballot Forms received from the Shareholders	374	110,79,25,483
ii.	Invalid Postal Ballots / Votes	28	1,31,08,305
iii.	Total Valid Postal Ballots / Votes	346	109,48,17,178
iv.	Total Postal Ballots / Votes 'In Favour'	274	104,46,28,263
	In Favour % (iv / iii)	79.19%	95.42%
v.	Total Postal Ballots / Votes 'Against'	72	5,01,88,915
	Against % (v / iii)	20.81%	4.58%

Name of scrutinizer

Mr. Ashwin Lalbhai Shah, Advocate, Gujarat High Court, Ahmedabad.

Procedure of postal ballot

The postal ballot process was conducted in accordance with the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001.

5. Disclosures:

a. Subsidiary Companies

(i) None of the Company's Indian subsidiary companies fall under the definition of "material non-listed Indian subsidiary".

(ii) The Audit Committee of the Company reviews the financial statements and in particular the investments made by unlisted subsidiary companies of the Company.

(iii) The minutes of the Board meetings of unlisted subsidiary companies are periodically placed before the Board which is also periodically informed about all significant transactions and arrangements entered into by the unlisted subsidiary companies.

b. Disclosure on materially significant related party transactions

Besides the transactions mentioned elsewhere in the Annual Report, there were no other materially significant related party transactions during the financial year 2010-11 that may have potential conflict with the interest of the Company at large. The details of related party transactions as per Accounting Standard-18 forms part of notes to the accounts.

c. Disclosure of accounting treatment

The Company follows accounting standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 (as amended) and in the preparation of financial statements and in the opinion of the Company, it has not adopted a treatment different from that prescribed in any accounting standard.

d. Board disclosures-risk management

The risk assessment and minimisation procedures are in place and the Audit Committee of the Board is regularly informed about the business risks and the steps taken to mitigate the same.

e. Proceeds from public issues, rights issues, preferential issues etc.

The proceeds raised in previous years from Initial Public Offering (IPO), Qualified Institutional Placement (QIP), private placement of Non-Convertible Debentures, Global Depository Receipts (GDRs) and Rights issue have been fully utilised in terms of the objects of the issue as stated in the respective Offering Documents.

f. Management Discussion and Analysis Report

The Management Discussion and Analysis Report forms part of the Directors' Report.

g. Profile of directors seeking appointment / re-appointment

Profile of the directors seeking appointment / re-appointment forms part of the Notice convening the 16th Annual General Meeting of the Company.

h. Certification from Managing Director and Chief Financial Officer

The requisite certification from the Chairman & Managing Director and Chief Financial Officer for the financial year 2010-11 required to be given under clause 49(V) was placed before the Board of Directors of the Company at Board Meeting held on July 30, 2011.

i. Details of non-compliance with regard to capital market

With regards to the matters related to capital markets, the Company has complied with all requirements of the Listing Agreement as well as SEBI regulations and guidelines. No penalties were imposed or strictures passed against the Company by the Stock Exchanges, SEBI or any other statutory authority during the last three years in this regard. The Company has paid listing fees to the stock exchanges and annual custodial fees to the depositories for the financial year 2011-12 in terms of Clause 38 of Listing Agreement. There were no penalties imposed nor strictures passed on the Company by the Stock Exchanges, SEBI or any other statutory authority on any matter related to capital markets, during last three years.

j. Details of compliance with mandatory requirements and adoption of non-mandatory requirements of Clause 49 of the Listing Agreement

The Company has complied with all the mandatory requirements as mandated under Clause 49 of the Listing Agreement. A certificate from the statutory auditors of the Company to this effect has been included in this report. Besides mandatory requirements, the Company has constituted a Remuneration Committee to consider and recommend the remuneration to the executive directors and approval and administration of Employee Stock Option Plans (ESOPs).

k. Whistle Blower Policy

The Company has adopted a whistle blower policy, which is available on its website www.suzlon.com. The employees are free to express their concerns through e-mail, telephone, fax or any other method to the persons as mentioned in the policy.

As disclosed in our Annual Report for the year 2008-09, a formal criminal complaint/FIR has been lodged against an ex-employee of the Company, suspected of having committed fraud arising out of certain commission payments made by suppliers to entities alleged to be owned by suspected ex-employee, and the matter is currently under investigation by the Police.

l. Means of Communication

(i) Quarterly / Annual Results

The quarterly / annual results and notices as required under Clause 41 of the Listing Agreement are normally published in the 'The Financial Express' (English & Gujarati editions).

(ii) Posting of information on the website of the Company

The annual / quarterly results of the Company, shareholding pattern, the official news releases, notifications to the stock exchanges and the presentations made by the Company to analysts and institutional investors are regularly posted on its website www.suzlon.com. The Company is in compliance of Clause 54 of the Listing Agreement.

m. Details of unclaimed shares in terms of Clause 5A of Listing Agreement

In terms of Clause 5A of the Listing Agreement, the details of shares allotted pursuant to the Initial Public Offering (IPO) which are unclaimed and are lying in demat suspense account are given below:

Particulars	No. of Cases	No. of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e. as on April 1, 2010	116	10200
Number of shareholders who approached to Issuer / Registrar for transfer of shares from suspense account during the year 2010-11	6	540
Number of shareholders to whom shares were transferred from suspense account during the year 2010-11	4	400
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e. as on March 31, 2011	112	9800

The voting rights on these shares transferred to suspense account shall remain frozen till the rightful owner of such shares claims the shares.

6. General Shareholder Information

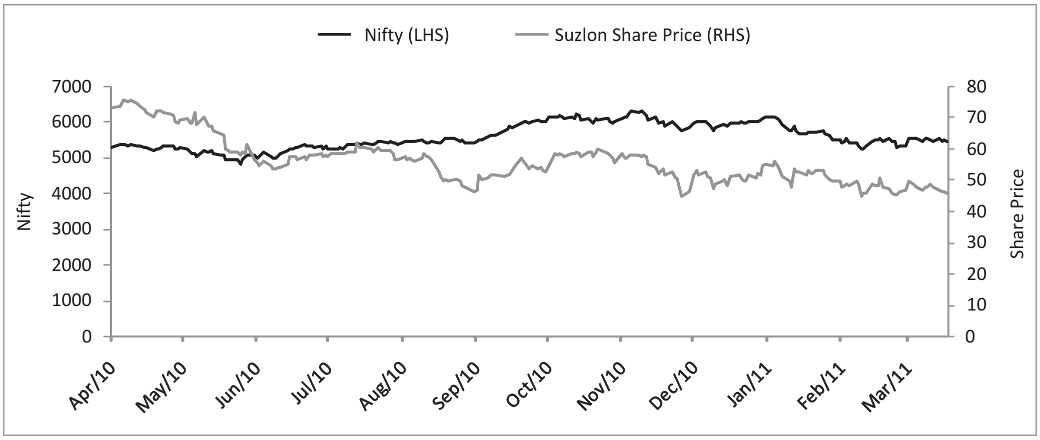
I.	Annual General Meeting	:	16th Annual General Meeting
	Day and date	:	Tuesday, September 27, 2011
	Time	:	11:00 am
	Venue	:	J.B. Auditorium, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad-380015.
II.	Financial calendar for 2011-12 (tentative schedule)		
	Financial year	:	April 1 to March 31
	Board meetings for approval of quarterly results:		
	1st Quarter ended on June 30, 2011	:	within 45 days from the close of quarter
	2nd Quarter ended on September 30, 2011	:	within 45 days from the close of quarter
	3rd Quarter ended on December 31, 2011	:	within 45 days from the close of quarter
	4th Quarter ended on March 31, 2012	:	within 45 days from the close of quarter
	Annual results for financial year ended March 31, 2012 (audited)	:	Within 60 days of the close of financial year
	Annual general meeting for the year 2011-12	:	In accordance with Section 166 of Companies Act, 1956
III.	Book closure date	:	Monday, September 19, 2011 to Tuesday, September 27, 2011 (both days inclusive)
IV.	Dividend payment date	:	Not Applicable
V.	Listing on stock exchanges	:	The equity shares of the Company are listed on the following stock exchanges in India: a. National Stock Exchange of India Limited (NSE) "Exchange Plaza", Bandra-Kurla Complex, Bandra (East), Mumbai-400051 b. Bombay Stock Exchange Limited (BSE) P.J. Towers, Dalal Street, Mumbai-400001
VI.	Stock code		
	For equity shares:		
	National Stock Exchange of India Limited (NSE)	:	SUZLON
	Bombay Stock Exchange Limited (BSE)	:	532667
	International Security Identification Number (ISIN) for equity shares held in Demat form with NSDL & CDSL	:	INE040H01021
VII.	Corporate Identity Number	:	L40100GJ1995PLC025447
VIII.	Market Price Data		

Monthly high, low quotations and trading volumes of the Company's equity shares during the financial year 2010-11 at NSE and BSE are noted below:

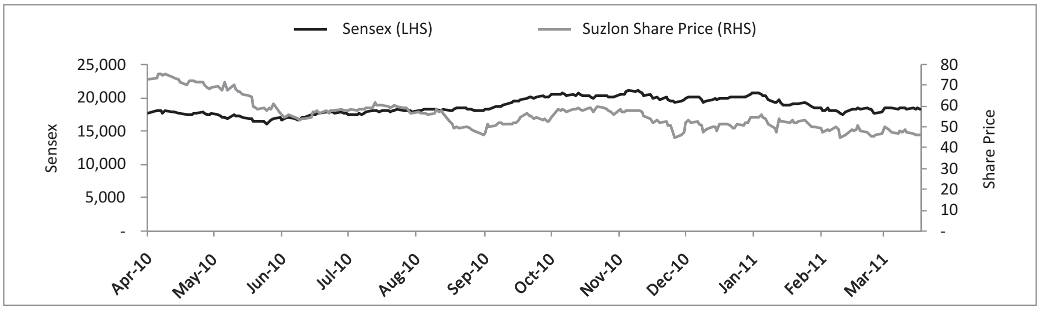
Stock Exchange	**NSE**			**BSE**		
Month	**High**	**Low**	**No. of shares traded**	**High**	**Low**	**No. of shares traded**
Apr-10	76.20	67.65	26,91,94,830	76.20	67.70	6,59,16,111
May-10	71.75	55.60	39,26,36,680	71.75	55.55	11,48,76,642
Jun-10	59.10	52.10	35,42,61,768	59.10	52.15	9,76,58,406
Jul-10	62.45	51.80	25,01,68,062	62.45	56.05	6,76,05,992
Aug-10	59.00	45.85	29,03,56,969	58.80	45.90	8,12,80,563
Sep-10	59.00	45.95	40,33,70,208	57.85	43.05	11,07,51,105
Oct-10	60.90	53.05	35,90,10,491	60.80	52.70	8,84,29,087
Nov-10	58.90	43.00	26,73,46,872	66.30	43.00	5,78,53,302
Dec-10	55.35	46.00	34,51,76,400	55.35	45.95	8,75,89,360
Jan-11	57.30	46.35	44,75,02,518	57.30	46.45	11,70,76,754
Feb-11	51.70	42.80	36,84,24,168	51.75	42.80	8,72,31,367
Mar-11	50.00	43.40	36,32,12,191	50.00	43.80	7,61,58,096

IX. Performance of share price of the Company in comparision with the broad-based indices

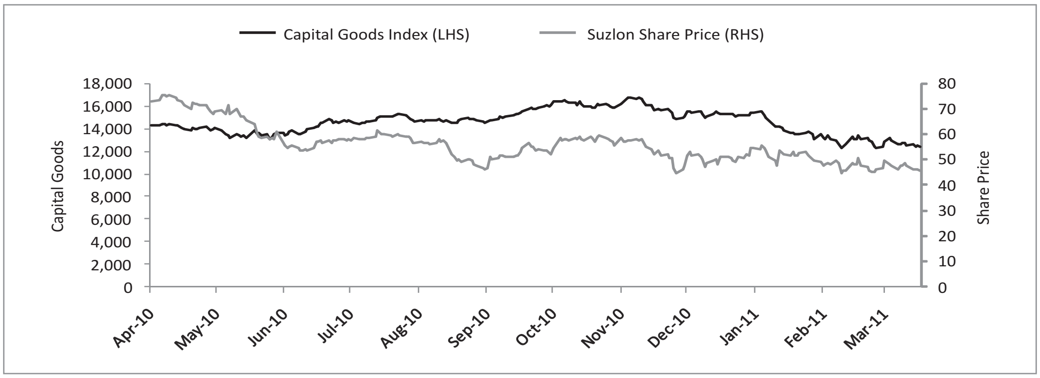
Comparison of the Company's share price with NSE Nifty



Comparison of the Company's share price with BSE Sensex



Comparison of the Company's share price with BSE capital goods index



X. Registrar and share transfer agents : Karvy Computershare Private Limited
17-24, Vittalrao Nagar, Madhapur,
Hyderabad-500081
Tel: (+91 40) 44655000
Fax: (+91 40) 23420814
Toll Free No. 1800-3454-001
Email: einward.ris@karvy.com
Website: www.karvy.com
Contact person: Mr. V.K.Jayaraman, General Manager and
Mr. S. Krishnan, Senior Manager.

XI. Share transfer system:

The shares of the Company are compulsorily traded in dematerialised form. Shares received in physical form are transferred within a period of 30 days from the date of lodgement subject to documents being valid and complete in all respects. In order to expedite the process of share transfer in line with corporate governance requirements, the Company has delegated the power of share transfer to registrar and share transfer agent - Karvy Computershare Private Limited.

All communications regarding change of address (if the shares are held in physical form), transfer of shares and change of mandate (if the shares are held in physical form) can be addressed to Karvy Computershare Private Limited, Hyderabad, our Registrar & Share Transfer Agent.

XII. Distribution of shareholding

a. The distribution of shareholding of the Company as on March 31, 2011 is as under:

No. of shares held (of Rs. 2 each)	No. of share-holders	% to total shareholders	Nominal amount of shares held of Rs. 2 each	% to total shares
Up to 5000	9,60,031	98.29%	46,35,27,832	13.04%
5001-10000	10,293	1.05%	7,40,78,426	2.08%
10001-20000	3,717	0.38%	5,37,53,370	1.51%
20001-30000	918	0.09%	2,28,59,858	0.64%
30001-40000	453	0.05%	1,62,13,098	0.46%
40001-50000	233	0.02%	1,06,45,096	0.30%
50001-100000	483	0.05%	3,52,83,794	0.99%
100001 & above	603	0.06%	287,83,69,820	80.97%
Total	**9,76,731**	**100.00%**	**355,47,31,294**	**100.00%**

b. Shareholding pattern as on March 31, 2011

The shareholding pattern of the Company as on March 31, 2011 was as under:

Category of shareholders	No. of shares of Rs. 2 each	% of total shares
Promoters (including persons acting in concert)	97,47,41,588	54.84%
Foreign Institutional Investors	21,98,19,697	12.37%
Non-resident Indians / Overseas Corporate Bodies / Foreign Nationals	2,26,92,071	1.28%
Mutual Funds, Financial Institutions and Banks	6,02,49,028	3.39%
Private Corporate Bodies	12,70,42,337	7.15%
Resident Indians	36,85,62,362	20.74%
GDRs	42,58,564	0.24%
Total	**177,73,65,647**	**100.00%**

XIII. Dematerialisation of shares

The equity shares of the Company are compulsorily traded in dematerialised form and are available for trading under National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The International Security Identification Number (ISIN) of the Company under Depository System is INE040H01021. Number of shares held in dematerialised and physical mode as on March 31, 2011 are noted below:

Particulars	No. of shares	% of total capital issued
Shares held in dematerialised form with NSDL	163,28,18,760	91.87%
Shares held in dematerialised form with CDSL	13,57,54,251	7.64%
Shares held in physical form	87,92,636	0.49%
Total	**177,73,65,647**	**100.00%**

XIV. Status of investors' complaints

The status of investors' complaints as on March 31, 2011 is as follows:

Number of complaints as on April 1, 2010	0
Number of complaints received during the financial year 2010-11	87
Number of complaints resolved up to March 31, 2011	87
Number of complaints pending as on March 31, 2011	0

The complaints received were mainly in the nature of non-receipt of refund orders, non-receipt of electronic credits, non-receipt of dividend warrants/mandates, non-receipt of annual reports, etc.

There were no pending requests for transfer of shares of the Company as on March 31, 2011

XV. Name, designation and contact details of the Compliance Officer

Mr. Hemal A. Kanuga, Company Secretary, is the Compliance Officer of the Company. The Compliance Officer can be contacted at:

“Suzlon”, 5, Shrimali Society,
Near Shri Krishna Complex,
Navrangpura, Ahmedabad-380009
Tel.: +91-79-26471100
Fax: +91-79-26565540 / 26442844
Email: investors@suzlon.com

Separate email-id for redressal of investors’ complaints

As per Clause 47(f) of the Listing Agreement with stock exchanges, the Company has designated a separate email id (investors@suzlon.com) exclusively for redressal of investors’ complaints.

XVI. Outstanding GDRs/warrants or any other convertible instruments, conversion date and likely impact on equity:

GDRs:

In July 2009, the Company issued 1,46,00,000 Global Depositary Receipts (the “GDRs”) representing 5,84,00,000 equity shares of par value Rs.2 per share raising a total of USD 108.04 Million. The outstanding GDRs as on March 31, 2011 are 10,64,641 representing 42,58,564 equity shares.

FCCBs:

In May 2010, the Company successfully concluded a consent solicitation exercise on the existing five series of bonds (FCCBs). The bondholders of all the five series were asked to vote on an extraordinary resolution for removal of financial covenants on the USD 300 Million and USD 200 Million bonds and waiver of any prior breaches. As a part of this exercise, the Company paid; an aggregate incentive fee of USD 6,019,220.00 across all existing five series of bonds.

Further, as an incentive to the above waiver and to enhance the chances of conversion of the USD 300 Million and the USD 200 Million bonds the Company reduced the conversion price of the USD 300 Million bonds from Rs.359.68 per equity share to Rs.97.26 per equity share and the USD 200 Million bonds from Rs.371.55 per equity share to Rs.97.26 per equity share and amended the fixed exchange rates on these bonds to 1 USD = Rs.44.6000.

The shares to be allotted on such conversion of the USD 300 Million bonds and USD 200 Million bonds will aggregate to 7.90% of the post-conversion equity base of the Company based on the equity base of March 31, 2011.

The entire exercise was carried out in accordance with the Ministry of Finance press release dated February 15, 2010 and March 15, 2010 and as per the approval of Reserve Bank of India.

The total FCCBs outstanding on the books of the Company is USD 47,90,39,000 as at March 31, 2011.

Post March 31, 2011, Company issued USD 175 Million, 5% Foreign Currency Convertible bonds at par. The Bonds are convertible at any time on and after May 23, 2011 up to the close of business on April 6, 2016 by holders of the Bonds into fully paid equity shares with full voting rights with a par value of Rs.2/- each of the Company at an initial conversion price of Rs.54.01 per share with a fixed rate of exchange on conversion of Rs.44.5875 to US$1.00.

XVII. Plant / Office locations

Office locations

1-8-304/307, 3rd Floor, Kamala Tower, Pattigadda Street # 1, S.P.Road, Secunderabad 500003

301 & 302, Omega Towers, 9th Lane, Rajarampuri, Main Road, Kolhapur- 416008, Maharashtra

312, 3rd Floor, 305, S.C.O. 215-217, Sector 34-A, Chandigargh-160034

1102, Raheja Towers, 12th Floor, 214, Nariman Point, Free Press Journal Marg, Mumbai - 400021, Maharashtra

Shop No. 238, 240 & 241, 2nd Floor, Lalganga Shopping Mall, Raipur, Chhattisgarh

6th Floor, East Quadrant, IL & FS Financial Centre, Plot No C-22, G Block, Bandra Kurla Complex, Bandra (E), Mumbai-400051, Maharashtra

Flat No.4, Eros Corporate Towers, 9th Floor, Nehru Place, New Delhi-110019

Jasol House, Opp. Nobel Int. School, Jodhpur – 342010, Rajasthan

"Suzlon", 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad-380009

4th Floor, 99A, Park Street, Kolkata – 700016

House No. A 31, Guru Kripa, Dharam Narayan ji ka hatha, Paota, Jodhpur – 342001, Rajasthan

2nd, 5th Floor, Godrej Millennium, 9, Koregaon Park Road, Pune-411001, Maharashtra

1/4, Amrut Commercial Centre, Sardar Nagar, Main Road, Near Aston Cinema, Rajkot, Gujarat

G-3, Sky, Hi Chambers, 5, Park Road, Hazaratganj, Lucknow – 226001, U.P.

206, Golden Arcade, Plot No. 141/142, 2nd Floor, Sector-8, OSCI Road, Gandhidham, Kutch-370201, Gujarat

S. 170/1 to 8, Village: Sadesatra Nali, One Earth, Opp. Magarpatta City, Hadapsar, Tal.: Haveli, Pune – 411028

4th Floor, Shiv Towers, Patto, Panjim-Goa

JMD Twins, 101 Ground Floor, Opp. Loyala College Auditorium, Venkateswara Nagar, Srinagar Colony, Vijayawada – 520008

Unit No.101A, 801, Prestige Towers, No. 100/25, Ward No.76 Field Marshal K.M.Karriappa Road, (Residency Road), Bangalore-560025, Karnataka

1st Floor, "Neelkanth", A1-Bhavani Singh Road, Opp. Nehru Sahkar Bhavan, C-Scheme, Jaipur 302001, Rajasthan

2nd Floor, No. 457/1, B1, Vivekanand Hospital Road, Deshpande Nagar, Hubli.-580029, Karnataka

201, Business Centre, 1, Madhuvan, Udaipur, Rajasthan.

Door No. 37/6C7& 37/6C10, Maruti Arcade, 2nd Main, 9th Cross, PJ Extension, Akammadevi Road, Davangere-2, Karnataka

106, Delta Wing, 1st Floor, Raheja Towers, 177, Anna Salai (Mount Road), Near LIC Building, Chennai 600002, Tamilnadu

C-12/13, 2nd Floor, Commercial Complex, LHH Road, Opp. KMC Mangalore- 425880, Karnataka

Office No.6, Wellington Plaza Shopping-cum-Office complex, 90, Anna Salai, Chennai-600002, Tamilnadu

Block No.141-144, Shriramshyam Tower, 1st Floor, S.V. Patel Marg, Sadar, Near NIT Building, Nagpur-440012, Maharashtra

Plot No. 108/4 1st & 2nd Floor (East Wing), Srivari Gokul Tower, Race Course Road Coimbatore-641018, Tamilnadu

Office No. S.F.13, IInd Floor, Manasarover Complex, MH-12 (Hoshingabad Road), Near MPSRTC Depot, Bhopal-462016 Madhya Pradesh

4 & 5 Aparna, A.A.Tower, 2nd Floor, By- Pass Road, Madurai-625010, Tamilnadu

Orbit Mall, 3rd Floor, Office No. 328 & 335, Scheme No. 54, PU- 4, 305 / 306, AB Road, Indore, Madhya Pradesh-452001

Ashirwad Complex, 1st Floor, Door No.49-A, Advaitha Ashram Road, Salem-636004, Tamilnadu

Ethibiz Towers, Jalana Road, Near Venkateshwara Gas Agency, Aurangabad-431005, Maharashtra

SCO No. 32, 1st Floor, Feroze Gandhi Market, Ludhiana

"Avadh House" 57, Jay Park, Rajnagar Chowk, Nana Mauva Main Road, Rajkot- 360004. Gujarat

Ground Floor & First Floor, 285/10, Koregaon Park, Behind Singh Motors, Opposite Hotel Gulmohar Jupiter, Pune

Ground Floor, Centre Point # 501/1741, Kharvel Nagar, Janapath, Bhubaneshwar-751001, Orissa

"Deeplaxmi" Plot No. 28, Vijay Colony, Government Colony (East), Vishrambag, Sangli-416416

“Manas”, Block No.2, Lokmanya Nagar, Behind Natraj Cinema, Dhule-424001

Factory locations

Survey No.588, Paddar, Bhuj-370105, Gujarat Survey No.282, Chhadvel (Korde), Sakri, Dhule-424305

Plt No. H-24 & H-25, M.G. Udyognagar Indl. Estate, Dabhel, Daman-396210

Survey No.574, 59, Thiruvandarkoil, Thribhuvani Road, Pondicherry-605107

Plot No.306/1 & 3, Bhimpore, Nani Daman, Daman-396210

Block No.93, National Highway No.8, Varnama-Vadsala, Dist. Vadodara-391240

Survey No.42/2 & 3, 54, 1 to 8, Bhenslore Road, Dunetha, Daman-396210

Survey No.86/3-4, 87/1-3-4, 88/1-2-3, 89/1-2, Kadaiya Road, Daman-396210

Plot No. 4, OIDC, M.G.Udhyog Nagar,Dabhel, Nani Daman, DAMAN 396210

Plot No.77, 13, Opp.GDDIC, Vanakbara Road, Village Malala, Diu-362520

Survey No.282, Chadvel (Korde), Sakri, Dhule 424305

Technical service centre:

Plt No. H-24 & H-25, M.G. Udyognagar Indl. Estate, Dabhel, Daman – 396210

XVIII. Address for correspondence

Registered Office: “Suzlon”, 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad-380009
Tel.: +91-79-26471100, Fax: +91-79-26565540 / 26442844, Email: investors@suzlon.com

For and on behalf of the Board of Directors

Place: Pune
Date: July 30, 2011

Tulsi R.Tanti
Chairman & Managing Director

DECLARATION FOR COMPLIANCE WITH CODE OF ETHICS OF THE COMPANY AS PER CLAUSE 49(1)(D)(ii) OF THE LISTING AGREEMENT

I, Tulsi R. Tanti, Chairman & Managing Director of Suzlon Energy Limited hereby declare that, as of March 31, 2011, all the Board members and senior management personnel have affirmed compliance with the Code of Ethics laid down by the Company.

For Suzlon Energy Limited

-sd-.
Tulsi R.Tanti
Chairman & Managing Director

Date: July 22, 2011

Auditors' certificate

To

The Members of Suzlon Energy Limited,

We have examined the compliance of conditions of corporate governance by Suzlon Energy Limited, for the year ended on March 31, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance to the future visibility of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For SNK & Co.
Firm Registration No. 109176W
Chartered Accountants

per Jasmin B. Shah
Partner
Membership No: 46238
Place : Pune
Date : July 30, 2011

For S.R. BATLIBOI & Co.
Firm Registration No. 301003E
Chartered Accountants

per Arvind Sethi
Partner
Membership No: 89802
Place : Pune
Date : July 30, 2011

Employee Stock Option Plans (ESOPs)

The exponential growth of the Company has, in large measure, been possible owing to the wholehearted support, commitment and teamwork of its personnel. Accordingly, the Company has introduced Employees Stock Option Plan-2005 (ESOP-2005), Employees Stock Option Plan-2006 (ESOP-2006), Employees Stock Option Plan-2007 (ESOP-2007), Special Employee Stock Option Plan-2009 (forming part of ESOP Perpetual-I) (Special ESOP-2009) and Special Employees Stock Option Plan-2007 (Special ESOP-2007) for its employees and employees of its Subsidiaries. The details of options granted under various ESOPs of the Company as required to be provided in terms of Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (SEBI ESOP Guidelines) are given as under:

Sr. No.	Particulars	ESOP-2005	ESOP-2006	ESOP-2007	Special ESOP-2009 forming part of ESOP Perpetual-I					Special ESOP-2007
					(Tranche-I)	(Tranche-II)	(Tranche-III)	(Tranche-IV)	(Tranche-V)	
		Scheme I	Scheme II	Scheme III	Scheme IV	Scheme V	Scheme VI	Scheme VII	Scheme VIII	Scheme IX
1	Options granted under the Plan as at March 31, 2011 (Nos.)	4605000	519500	1878000	10916787	135000	175000	50000	75000	14143500
2	Pricing formula	50% of final issue price determined in the IPO of the Company	The average of daily weighted average price of Company's shares listed on BSE for the period from October 19, 2005 to March 31, 2006	The closing price of the Equity Shares of the Company on BSE as on date of grant	For all Employees (except US) - 20% Discount to the closing price of the Equity Shares of the Company on BSE as on date of grant; For US Employees – the closing price of the Equity Shares of the Company on BSE as on date of grant			20% Discount to the closing price of the Equity Shares of the Company on BSE as on date of grant	The closing price of the Equity Shares of the Company on BSE as on date of grant	The closing price of the Equity Shares of the Company on BSE as on date of grant
3	Options outstanding as at April 1, 2010 (Nos.)	348000	383000	1699000	10204496	135000	Nil	Nil	Nil	Nil
4	Options granted during the year ended March 31, 2011 (Nos.)	Nil	Nil	Nil	Nil	Nil	175000	50000	75000	14143500
5	Options Vested during the year ended March 31, 2011 (Nos.)	Nil	83000	1026000	3947711	67500	Nil	Nil	Nil	Nil
6	Options exercised during the year ended March 31, 2011 (Nos.)	8000	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
7	Total number of shares arising as a result of exercise of options (Nos.)	8000	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
8	Options forfeited / lapsed / cancelled during the year ended March 31, 2011 (Nos.)	Nil	51000	331000	2375607	Nil	Nil	Nil	Nil	2931000
9	Options in force as at March 31, 2011 (Nos.)	340000	332000	1368000	7828889	135000	175000	50000	75000	11212500
10	Variation of terms of options during the year ended March 31, 2011	Nil	Nil	Nil	Nil					Refer Note 1
11	Money realised by exercise of options (Rs.)	408000	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Contd.

Sr. No.	Particulars	ESOP-2005	ESOP-2006	ESOP-2007	Special ESOP-2009 forming part of ESOP Perpetual-I					Special ESOP-2007
					(Tranche-I)	(Tranche-II)	(Tranche-III)	(Tranche-IV)	(Tranche-V)	
		Scheme I	Scheme II	Scheme III	Scheme IV	Scheme V	Scheme VI	Scheme VII	Scheme VIII	Scheme IX
12	Employee wise details of options granted to:									
	(I) Senior Managerial Personnel	Refer Note 2	Refer Note 2	Refer Note 2	Refer Note 2					Refer Note 2
	(ii) Employees receiving 5% or more of the total number of options granted during the year	Nil	Nil	Nil	Refer Note 3					Nil
	(iii) Employees granted options equal to or exceeding 1% of the issued capital	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
13	Diluted EPS on issue of shares on exercise calculated in accordance with AS 20 (Rs)	-1.09								
14	Difference between the employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that shall have been recognised if the fair value of the options had been used and the impact of this difference on profits and EPS of the Company	The Company has provided Rs.0.57 Crore (Rs. 0.28 Crore) at the rate of Rs.182.60 per option under Scheme II, Rs.0.01 Crore (Rs.0.28 Crore) at the rate of Rs.2.20 per option under Scheme III, Rs.5.19 Crore (Rs.6.98 Crore) at the rate of Rs.22.25 per option and Rs.4.75 per option under Scheme IV-Tranche I, Rs.0.07 Crore (Rs.0.01 Crore) at the rate of Rs.15.45 per option and Rs. Nil per option under Scheme V-Tranche II, Rs. 0.08 Crore (NIL) at the rate of Rs.12.29 per option and Rs.0.60 per option under Scheme VI – Tranche III and Rs.0.02 Crore (NIL) at the rate of Rs.11.09 per option under scheme VII– Tranche IV for the year ended March 31, 2011. The value of option is calculated as a difference between intrinsic value of options and exercise price. Had the company adopted the fair value method based on 'Black-Scholes' model for pricing and accounting the options, the cost would have been Rs.51.84 (Rs.56.76) per option for Scheme I, Rs.231.32 (Rs.246.77) per option for Scheme II, Rs. 46.31 (Rs.51.31) per option for Scheme III, Rs.39.75 (Rs.45.03) per option and Rs.46.25 (Rs.50.86) per option for Scheme IV-Tranche-I, Rs.35.91 (Rs.40.32) per option, Rs.41.39 (Rs.45.25) per option for Scheme V-Tranche-II, Rs.22.76 (Nil) per option, Rs.28.13 (Nil) per option for Scheme VI-Tranche-III, Rs.28.09 (Nil) per option for Scheme VII – Tranche IV and Rs.22.48 (Nil) per option for Scheme VIII – Tranche V, Rs.29.53 (Nil) per option for Scheme IX and accordingly the loss after tax would have been higher by Rs.34.33 Crore (Rs.18.15 Crore).								
15	Weighted average exercise price and weighted average fair value of options, exercise price of which is less than the market price on the date of grant:									
	(I) Weighted average exercise price (Rs.)	51.00	192.20	90.50	70.00/87.50	61.80/77.25	46.76/58.45	44.36	47.70	72.70
	(ii) Weighted average fair value (Rs.)	51.84	231.32	46.31	46.25/39.75	41.39/35.91	28.13/22.76	28.09	22.48	29.53
16	Significant assumptions used to estimate fair values of options granted during the year									
	(I) Risk free interest rate	8.20%	8.20%	8.20%	8.20%	8.20%	8.20%	8.20%	8.20%	8.20%
	(ii) Expected life (years)	6	6	6	5	5	5	5	5	4
	(iii) Expected volatility	48.90%	48.90%	48.90%	48.90%	48.90%	48.90%	48.90%	48.90%	48.90%
	(iv) Dividend yield	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	(v) The price of the underlying share in market at the time of option grant (Rs.)	Not Applicable	374.80	92.70	92.25	77.25	59.05	55.45	47.70	71.85

The Securities and Exchange Board of India (SEBI) has issued Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999. This is effective for all stock option schemes established after June 19, 1999. In accordance with these guidelines, the excess of the market price of the underlying equity shares as of the date of grant over the exercise price of the option, including upfront payments, if any, is to be recognised and amortised on a straight line basis over the vesting period.

Post March 31, 2011, the remuneration committee of the Board of Directors of the Company has granted 226500 options in terms of Special ESOP-2007 and 50000 options in terms of Special ESOP-2009 on April 27, 2011 and 65000 options in terms of Special ESOP-2009 on July 30, 2011 to the eligible employees of the Company's Subsidiaries. Since the options under Special ESOP-2007 and Special ESOP-2009 have been granted post March 31, 2011, the details required to be provided under SEBI ESOP Guidelines has not been provided.

The equity shares issued / to be issued under the ESOP-2005, ESOP-2006, ESOP-2007, Special ESOP-2009 and Special ESOP-2007 of the Company shall rank pari passu in all respects including dividend with the existing equity shares of the Company.

Notes:

1. During the year under review, the terms of Special ESOP-2007 were modified in terms of recommendation of the Remuneration Committee and as approved and ratified by the members at the 15th Annual General Meeting of the Company held on August 13, 2010. The details of modification / variation are given as under:
   i. Total number of options granted / to be granted to each eligible employee has been increased from 750 options to 1500 options.
   ii. Earlier the total number of options approved under the Special ESOP-2007 was 15000000 options, out of which 4000000 options were reserved for employees of the Company and 11000000 Options were reserved for employees of its subsidiaries. As per modified terms, the total number of options granted / to be granted under Special ESOP-2007 to the employees of the Company and its subsidiaries, in aggregate shall not exceed 15000000.
   iii. The vesting period of 3 years from the date of grant is changed as under:
   500 options at the end of 1st year from the date of grant;
   500 options at the end of 2nd year from the date of grant; and
   500 options at the end of 3rd year from the date of grant.
   iv. The Exercise Period approved was 1 year from the date of vesting. It is now changed to anytime after the date of vesting for the vested options, subject to the condition that all vested options must be exercised latest by March 31, 2014.
   v. The employees of REpower and Hansen were specifically excluded in the earlier resolution. Hansen has ceased to be a subsidiary of the Company. Six eligible employees of the Company's subsidiary in Turkey have been excluded due to huge regulatory costs involved.
2. The details of options granted to senior managerial personnel under various ESOPs of the Company are given as under:

Name of Senior Managerial Personnel	Designation	No. of Stock options Granted				
		*Under ESOP-2005	*Under ESOP-2006	Under ESOP-2007	Under Special ESOP-2007	Under Special ESOP-2009
Kirti Vagadia	Head Corporate Finance	200000	43000	50000	Nil	500000
Dr. V. V. Rao	Chief Quality Officer	Nil	23500	Nil	Nil	85572
Andris E. Cukurs	Chief Executive Officer – USA	Nil	Nil	50000	Nil	500000
Dan Kofoed Hansen	Chief Executive Officer – Australia & New Zealand	Nil	Nil	50000	Nil	500000
Frans Visscher	Chief Executive Officer - Europe & Chief Human Resource Officer	Nil	Nil	Nil	Nil	500000
Robin Banerjee	Chief Financial Officer	Nil	Nil	Nil	Nil	500000
Duncan Koerbel	President Global Services	Nil	Nil	Nil	Nil	139402
Sundar Rajagopalan	Chief Legal Officer	Nil	Nil	Nil	Nil	100119
John O' Halloran	Chief Technology Officer	Nil	Nil	Nil	Nil	60000
Arthur Lavleri	Chief Executive Officer - Brazil	Nil	Nil	Nil	Nil	40000
Richard He	Chief Executive Officer - China	Nil	Nil	Nil	Nil	75000

* The figures for number of options granted under ESOP-2005 and ESOP-2006 have been adjusted for the impact of share split and have accordingly been restated as per par value of Rs.2 per share.

3. During the year under review, the Company has granted total 300000 Options under Special ESOP-2009 (Tranche III, IV and V). The list of employees who have received a grant in any one year exceeding 5% or more of the options granted during the year under Special ESOP-2009 is given as under:

Name of the Employee	Designation	Name of the Company / Subsidiary	Number of Stock Options granted during the year
Manjusha Raulkar	Sr. GM – HR Corporate Services	Suzlon Energy Limited, India	25000
Jens Henkner	VP Program Management	Suzlon Energy GmbH, Germany	35000
Stephan Mey*	Chief Executive Officer	Suzlon Wind Energy AS, Denmark	75000
Arthur Lavleri,	Chief Executive Officer	Suzlon Energia Eólica do Brasil Ltda., Brazil	40000
Soren Knudsen	CEO - Composites Division	Suzlon Wind Energy AS, Denmark	50000
Richard He	Chief Executive Officer	Suzlon Energy (Tianjin) Ltd. China	75000

*resigned

Standalone Financial Statements

Auditors Report

To,

The Members of Suzlon Energy Limited

1. We have audited the attached Balance Sheet of Suzlon Energy Limited ('the Company') as at March 31, 2011 and also the Profit and Loss account and the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

4. Further to our comments in the Annexure referred to above, we report that:

   i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

   ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   iii. The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;

   iv. In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.

   v. On the basis of the written representations received from the directors, as on March 31, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

   vi. Without qualifying our opinion, we draw attention to Note 4(c), Schedule P in the financial statements regarding non-provision of proportionate premium on redemption of 'US$ 479.04 million (Rs. 2,136.27 Crores as at March 31, 2011) Foreign Currency Convertible Bonds amounting to Rs. 579.21 Crores which has been considered by the Company as a contingent liability. Since the ultimate outcome of the matter cannot be presently ascertained, no provision for the above liability that may result in future has been made in the accompanying financial statements.

   vii. We draw attention to Note 3, Schedule P in the financial statement. During the year ended March 31, 2011, the Company has recognised deferred tax asset aggregating approximately Rs 55.64 crores on tax losses of Suzlon Energy Limited. In our opinion, the recognition of deferred tax asset aggregating approximately Rs 55.64 crores does not satisfy the conditions of virtual certainty prescribed under Accounting Standard – 22, Accounting for Taxes on Income as notified by the Companies (Accounting Standards) Rules, 2006 (as amended). Had the above-mentioned deferred tax asset not been recognised, the net loss for the year would have been higher and the deferred tax gain for the year in the profit and loss account would have been lower by approximately Rs 55.64 crores. Accordingly, the deferred tax asset in the Balance Sheet has been overstated by approximately Rs. 55.64 crores.

   viii. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and *subject para 5(vii) above*, give a true and fair view in conformity with the accounting principles generally accepted in India;

      (a) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2011;

      (b) in the case of the profit and loss account, of the loss for the year ended on that date; and

      (c) in the case of cash flow statement, of the cash flows for the year ended on that date.

For SNK & Co.
Firm Registration number: 109176W
Chartered Accountants

per Jasmin B. Shah
Partner
Membership No: 46238
Place : Pune
Date : July 30, 2011

For S.R. BATLIBOI & Co.
Firm Registration number: 301003E
Chartered Accountants

per Arvind Sethi
Partner
Membership No: 89802
Place : Pune
Date : July 30, 2011 :

Annexure referred to in paragraph 3 of our report of even date

Re: Suzlon Energy Limited

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   (b) Fixed assets have been physically verified by management during the year in accordance with a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.

   (c) There was no substantial disposal of fixed assets during the year.

2. (a) The management has conducted physical verification of inventory at reasonable intervals during the year.

   (b) The procedures of physical verification of inventory followed by management are reasonable and adequate in relation to the size of the Company and the nature of its business.

   (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.

3. (a) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii) (a) to (d) of the CARO are not applicable.

   (b) The Company has taken a loan from a Company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year and the year-end balance of the loan taken from such party was Rs. 145.32 crores.

   (c) In our opinion and according to the information and explanations given to us, the rate of interest, and other terms and conditions for such loan are prima facie not prejudicial to the interest of the Company.

   (d) The loan taken by the company is a long term loan. According to the information and explanations given to us, no repayment was due in respect of the principal portion till the balance sheet date. The payment of interest has been regular.

4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the company in respect of these areas.

5. (a) According to the information and explanations provided by management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.

   (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.

6. The Company has not accepted any deposits from the public. Accordingly, the provisions of clause 4(vi) of the CARO are not applicable.

7. In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.

8. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained in respect of generation of electricity from wind power.

9. (a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.

   Further, since the Central Government has till date not prescribed the amount of cess payable under section 441 A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.

   (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

   (c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.

10. The Company has no accumulated losses at the end of the financial year. *It has incurred cash losses in the current and immediately preceding financial year.*

11. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.

12. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause 4(xii) of the CARO are not applicable.

13. In our opinion, the Company is not a chit fund or a nidhi /mutual benefit fund/society. Accordingly, the provisions of clause 4(xiii) of the CARO are not applicable.

14. In our opinion, the Company does not deal or trade in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the CARO are not applicable.

15. According to the information and explanations given to us, the Company has given guarantee for loans taken by others from banks or financial institutions, the terms and conditions whereof in our opinion are prima-facie not prejudicial to the interests of the Company.

16. In our opinion and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.

17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.

18. The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(xviii) of the CARO are not applicable.

19. No debentures have been issued by the Company during the year. Further, the Company has unsecured Foreign Currency Convertible Bonds outstanding during the year on which no security or charge is required to be created.

20. We have verified that the end use of money raised from Rights Issue of equity shares is as disclosed in the notes to the financial statements.

21. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For SNK & Co.
Firm Registration number: 109176W
Chartered Accountants

per Jasmin B. Shah
Partner
Membership No: 46238
Place : Pune
Date : July 30, 2011

For S.R. BATLIBOI & Co.
Firm Registration number: 301003E
Chartered Accountants

per Arvind Sethi
Partner
Membership No: 89802
Place : Pune
Date : July 30, 2011

Balance sheet as at March 31, 2011

All amounts in rupees crore unless otherwise stated

Particulars	Schedule	As at March 31, 2011	As at March 31, 2010
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	A	355.47	311.35
Share application money pending allotment		-	0.04
Employee stock options outstanding	B	20.43	15.68
Reserves and surplus	C	6,418.58	5,277.24
		6,794.48	**5,604.31**
Loan funds			
Secured loans	D	4,395.74	3,891.16
Unsecured loans	E	2,281.59	3,710.06
		6,677.33	**7,601.22**
		13,471.81	**13,205.53**
APPLICATION OF FUNDS			
Fixed assets (including intangible assets)	F		
Gross block		1,439.52	1,355.74
Less: Depreciation/amortisation		576.35	438.58
Net block		**863.17**	**917.16**
Capital work-in-progress (including advances for capital goods)		38.15	10.38
		901.32	**927.54**
Investments	**G**	**7,845.07**	**7,592.60**
Deferred tax assets, net		**55.64**	**-**
Foreign currency monetary item translation difference account [See Schedule P, Note 10(d)]		**-**	**133.39**
Current assets, loans and advances	**H**		
Inventories		1,014.95	797.80
Sundry debtors		2,283.90	2,986.81
Cash and bank balances		431.06	599.22
Loans and advances		4,938.39	4,054.40
		8,668.30	**8,438.23**
Less: Current liabilities and provisions	**I**		
Current liabilities		3,606.83	3,641.87
Provisions		391.69	244.36
		3,998.52	**3,886.23**
Net current assets		**4,669.78**	**4,552.00**
		13,471.81	**13,205.53**
Significant accounting policies and notes to accounts	P		

The Schedules referred to above and the notes to accounts form an integral part of the balance sheet.

As per our report of even date

For and on behalf of the Board of Directors of Suzlon Energy Limited

For SNK & Co.
Firm Registration number: 109176W
Chartered Accountants

per Jasmin B. Shah
Partner
Membership No. 46238

Place: Pune
Date : July 30, 2011

For S.R. BATLIBOI & Co.
Firm Registration number: 301003E
Chartered Accountants

per Arvind Sethi
Partner
Membership No. 89802

Place: Pune
Date : July 30, 2011

Tulsi R. Tanti
Chairman & Managing Director

Vinod R. Tantii
Executive Director

Hemal Kanuga
Company Secretary

Robin Banerjee
Chief Financial Officer

Place: Pune
Date: July 30, 2011

Profit and loss account for the year ended March 31, 2011

All amounts in rupees crore unless otherwise stated

Particulars	Schedule	Year ended March 31, 2011	2010
INCOME			
Sales and service income [See Schedule P, Note 7 & Note 8]		4,357.55	3,488.68
Other income	J	340.51	243.14
		4,698.06	**3,731.82**
EXPENDITURE			
Cost of goods sold	K	2,746.75	2,517.49
Operating and other expenses	L	1,173.50	974.82
Employees' remuneration and benefits	M	215.23	181.01
Financial charges	N	628.90	731.90
Depreciation / amortisation	F	156.89	126.27
		4,921.27	**4,531.49**
LOSS BEFORE TAX AND EXCEPTIONAL ITEMS		**(223.21)**	**(799.67)**
Less: Exceptional items	O	37.28	439.02
LOSS BEFORE TAX		**(260.49)**	**(1,238.69)**
Tax			
Earlier year tax		(19.19)	-
Deferred tax		(55.64)	175.40
NET LOSS		**(185.66)**	**(1,414.09)**
Balance brought forward		386.00	1,800.09
Surplus carried to balance sheet		**200.34**	**386.00**
Earnings/(Loss) per share (in Rs.) [See Schedule P, Note 16]			
Basic and Diluted [Nominal value of share Rs. 2/-]		(1.09)	(9.19)
Significant accounting policies and notes to accounts	P		

The Schedules referred to above and the notes to accounts form an integral part of the profit and loss account.

As per our report of even date

For and on behalf of the Board of Directors of Suzlon Energy Limited

For SNK & Co.
Firm Registration number: 109176W
Chartered Accountants

For S.R. BATLIBOI & Co.
Firm Registration number: 301003E
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Tulsi R. Tanti
Chairman & Managing Director

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Executive Director

per Jasmin B. Shah
Partner
Membership No. 46238

per Arvind Sethi
Partner
Membership No. 89802

Hemal Kanuga
Company Secretary

Robin Banerjee
Chief Financial Officer

Place: Pune
Date : July 30, 2011

Place: Pune
Date : July 30, 2011

Place: Pune
Date: July 30, 2011

Cash flow statement for the year ended March 31, 2011

All amounts in rupees crore unless otherwise stated

Particulars	Year ended March 31, 2011	Year ended March 31, 2010
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before tax and exceptional items	(223.21)	(799.67)
Adjustments for:		
Depreciation / amortisation	156.89	126.27
(Profit) / loss on assets sold / discarded, net	2.93	1.41
(Profit) / loss on sale of investments, net	0.01	-
Interest income	(292.74)	(222.79)
Interest expenses	578.04	653.59
Dividend income	(38.93)	(0.11)
Provision for dimunition of investments	6.91	-
Provision for operation, maintenance and warranty	134.97	99.58
Provision for performance guarantee	118.91	119.25
Provision for liquidated damages	41.36	54.48
Bad debts written off	2.29	0.91
Provision for doubtful debts and advances	10.47	1.24
Employee stock option scheme	4.80	7.55
Exchange differences, net	(4.11)	41.55
Wealth-tax	(0.02)	0.02
Operating profit before working capital changes	**498.57**	**83.28**
Movements in working capital		
(Increase) / decrease in sundry debtors	696.30	1,760.80
(Increase) / decrease in inventories	(217.15)	585.82
(Increase) / decrease in loans and advances	65.19	55.53
(Increase) / decrease in margin money deposit	(171.52)	11.55
Increase / (decrease) in current liabilities and provisions	(177.56)	(65.61)
Cash generated from operations	693.83	2,431.37
Direct taxes (paid) / refunded (net)	68.30	(7.75)
Net cash generated from operating activities	**762.13**	**2,423.62**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(142.95)	(219.96)
Proceeds from sale of fixed assets	9.36	1.68
Investments in subsidiaries	(147.31)	(990.24)
Sale / Redemption of Investments in subsidiaries	29.87	-
Redemption of investments in mutual funds	50.00	-
Repayment of inter corporate deposits	2.04	34.21
Loans granted to subsidiaries	(2,126.64)	(3,491.98)
Repayments of loans by subsidiaries	1,249.00	1,837.60
Interest received	286.18	220.76
Dividend received	38.93	11.40
Net cash used in investing activities	**(751.52)**	**(2,596.53)**

Cash flow statement for the year ended March 31, 2011

All amounts in rupees crore unless otherwise stated

Particulars	Year ended March 31, 2011	Year ended March 31, 2010
CASH FLOW FROM FINANCING ACTIVITIES		
Share application money received	-	0.04
Share application money refunded	-	(95.00)
Proceeds from issuance of Global Depository Receipts	-	522.97
Proceeds from issuance of share capital including premium, under stock option scheme	-	0.12
Proceeds from rights issue	1.01	-
Convertible bond and share issue expenses	(9.30)	(16.38)
Proceeds from long term borrowings	993.56	2,781.42
Proceeds from issuance of zero coupon convertible bonds	-	452.64
Payment towards buy-back of FCCB (shown under Exceptional Items)	-	(200.13)
Expenses incurred towards restructuring of FCCB (shown under Exceptional Items)	(37.28)	(104.88)
Repayment of long term borrowings	(12.88)	(99.36)
Proceeds from short term borrowings, net	(708.00)	(2,023.57)
Interest paid	(578.02)	(646.02)
Net cash (used in) / generated from financing activities	**(350.91)**	**571.85**
Effect of Exchange Difference on Cash and Cash Equivalents	**0.62**	**(0.57)**
NET INCREASE IN CASH AND CASH EQUIVALENTS	**(339.68)**	**398.37**
Cash and cash equivalents at the beginning of the year	469.32	70.95
Cash and cash equivalents at the end of the year	129.64	469.32

Particulars	As at March 31, 2011	As at March 31, 2010
Components of cash and cash equivalents		
Cash and cheques on hand	35.87	10.04
- in current account*	93.25	458.80
- in Margin Accounts	301.42	129.90
Less: Margin Money Deposit	(301.42)	(129.90)
With non-scheduled banks in current account	0.52	0.48
	129.64	**469.32**

*includes a balance of Rs. 0.19 crore (Rs. 0.19 crore) not available for use by the Company as they represent corresponding unpaid dividend liabilities.

Notes

1 The figures in brackets represent outflows.

2 Previous periods' figures have been regrouped / reclassified, wherever necessary, to confirm to current year presentation.

As per our report of even date

For and on behalf of the Board of Directors of Suzlon Energy Limited

For SNK & Co.
Firm Registration number: 109176W
Chartered Accountants

per Jasmin B. Shah
Partner
Membership No. 46238

Place: Pune
Date : July 30, 2011

For S.R. BATLIBOI & Co.
Firm Registration number: 301003E
Chartered Accountants

per Arvind Sethi
Partner
Membership No. 89802

Place: Pune
Date : July 30, 2011

Tulsi R. Tanti
Chairman & Managing Director

Vinod R. Tanti
Executive Director

Hemal Kanuga
Company Secretary

Robin Banerjee
Chief Financial Officer

Place: Pune
Date: July 30, 2011

Schedules to the balance sheet as at March 31, 2011

All amounts in rupees crore unless otherwise stated

Particulars	As at March 31, 2011	As at March 31, 2010
SCHEDULE - A : SHARE CAPITAL		
Authorised		
3,500,000,000 (2,225,000,000) equity shares of Rs 2/- each	700.00	445.00
	700.00	**445.00**
Issued		
Equity		
1,796,297,624 (1,556,731,743) equity shares of Rs 2/- each	359.26	311.35
Subscribed & paid-up		
Equity		
1,777,365,647 (1,556,731,743) equity shares of Rs. 2/- each fully paid-up	355.47	311.35
[Of the above equity shares, 1,259,276,500 (1,259,276,500) shares of Rs 2/- each were allotted as fully paid bonus shares by utilisation of Rs 174.04 crore (Rs 174.04 crore) from general reserve, Rs 1.03 crore (Rs 1.03 crore) from capital redemption reserve and Rs 76.80 crore (Rs 76.80 crore) from securities premium account]		
[Of the above equity shares 58,400,000 (58,400,000) equity shares of Rs.2 each were issued by way of Global Depository Receipts (GDR)]		
[Of the above equity shares 31,992,582 (nil) equity shares of Rs.2 each are alloted as fully paid up for consideration other than cash (See Schedule P, Note 10(b))]		
[Outstanding Employee stock options exercisable into 5,679,945 (635,250) equity shares of Rs. 2/- each fully paid (See Schedule P, Note 9)]		
	355.47	**311.35**
SCHEDULE - B : EMPLOYEE STOCK OPTIONS OUTSTANDING		
Employee stock options outstanding	23.46	29.77
Less: Deferred employee compensation outstanding	3.03	14.09
	20.43	**15.68**
SCHEDULE - C : RESERVES AND SURPLUS		
Capital redemption reserve	**15.00**	**15.00**
Securities premium account		
As per last balance sheet	3,979.09	3,465.17
Add: Additions during the year	1,336.30	530.29
	5,315.39	3,995.46
Less: Expenses on issue of debentures	9.30	–
Expenses on issue of Global Depository Receipts	–	11.07
Expenses on issue of Foreign Currency Convertible	–	5.30
	5,306.09	**3,979.09**
General reserve	**897.15**	**897.15**
Profit and loss account	**200.34**	**386.00**
	6,418.58	**5,277.24**

Schedules to the balance sheet as at March 31, 2011

All amounts in rupees crore unless otherwise stated

Particulars	As at March 31, 2011	As at March 31, 2010
SCHEDULE - D : SECURED LOANS [See Schedule-P, Note-6]		
Term loans		
From banks	1,787.59	1,773.37
From others	1,432.64	609.41
	3,220.23	**2,382.78**
Working capital facilities from banks and financial institutions		
Rupee loans	881.51	1,261.63
Foreign currency loans	294.00	246.75
	1,175.51	**1,508.38**
	4,395.74	**3,891.16**
SCHEDULE - E : UNSECURED LOANS		
Long-term		
Foreign currency convertible bonds [See Schedule P, Note 4]	2,136.27	2,150.89
From other than banks	145.32	1,184.03
	2,281.59	**3,334.92**
Short-term		
From banks	-	0.14
From other than banks	-	375.00
	-	**375.14**
	2,281.59	**3,710.06**

Schedules to the balance sheet as at March 31, 2011

All amounts in rupees crore unless otherwise stated

SCHEDULE - F : FIXED ASSETS (INCLUDING INTANGIBLE ASSETS)

ASSETS	Gross block				Depreciation / amortisation				Net block	
	As at April1,2010	Additions	Deductions/ adjustments	As at March31,2011	As at April1,2010	Additions	Deductions/ adjustments	As at March31,2011	As at March31,2011	As at March31,2010
Freehold land	101.94	-	-	101.94	-	-	-	-	101.94	101.94
Leasehold land	0.96	-	-	0.96	0.11	0.01	-	0.12	0.84	0.85
Buildings	426.07	12.34	0.92	437.49	82.88	24.94	0.21	107.61	329.88	343.19
Plant and machinery	362.78	29.64	25.45	366.97	205.06	44.91	14.86	235.11	131.86	157.72
Wind research & measuring equipments	16.78	0.04	2.68	14.14	14.41	1.07	2.48	13.00	1.14	2.37
Computers and office equipments	131.36	15.95	1.79	145.52	49.40	20.05	1.27	68.18	77.34	81.96
Furniture & fixtures	132.17	15.14	0.42	146.89	22.38	23.41	0.20	45.59	101.30	109.79
Vehicles	6.81	0.68	0.13	7.36	4.89	0.67	0.10	5.46	1.90	1.92
Intangible assets										
Designs and drawings	156.14	39.22	-	195.36	45.91	38.85	-	84.76	110.60	110.23
SAP and other software	20.73	2.16	-	22.89	13.54	2.98	-	16.52	6.37	7.19
TOTAL	**1,355.74**	**115.17**	**31.39**	**1,439.52**	**438.58**	**156.89**	**19.12**	**576.35**	**863.17**	**917.16**
Capital work-in-progress									38.15	10.38
TOTAL	**1,355.74**	**115.17**	**31.39**	**1,439.52**	**438.58**	**156.89**	**19.12**	**576.35**	**901.32**	**927.54**
Previous year	915.83	497.79	57.88	1,355.74	364.33	127.51	53.26	438.58	917.16	

Notes:

1. Depreciation charge for the current year amounting to Rs. 156.89 crore (Rs. 127.51 crore), is including Rs. Nil (Rs. 1.24 crore) which has been capitalized as part of self manufactured assets. The depreciation charged in the profit and loss account amounting to Rs. 156.89 crore (Rs. 126.27 crore) is net of the amount capitalised.
2. Capital work-in-progress includes advances for capital goods Rs. 1.12 crore (Rs. 4.99 crore).
3. Borrowing costs amounting to Rs. Nil (Rs. 11.21 crore) have been capitalised to qualifying assets.

Schedules to the balance sheet as at March 31, 2011

All amounts in rupees crore unless otherwise stated

Particulars	As at March 31, 2011	As at March 31, 2010
SCHEDULE - G : INVESTMENTS		
LONG-TERM INVESTMENTS (At cost, fully paid)		
OTHER THAN TRADE - UNQUOTED		
(i) Government and other securities		
Investment in NSC and post office deposit placed with government authorities	0.01	0.01
	0.01	**0.01**
(ii) Other investments		
(a) Subsidiaries		
Domestic		
40,000,000 (40,000,000) equity shares of Rs. 10 each of Suzlon Towers and Structures Limited	77.80	77.80
23,000,000 (23,000,000) equity shares of Rs. 10 each of Suzlon Infrastructure Services Limited	118.26	118.26
14,524,600 (14,524,600) equity shares of Rs. 10 each of Suzlon Structures Limited	17.80	17.80
26,226,800 (26,226,800) equity shares of Rs. 10 each of Suzlon Generators Limited	26.23	26.23
900,000 (900,000) 10% cumulative redeemable preference shares of Rs. 100 each of Suzlon Infrastructure Services Limited	9.00	9.00
750,000 (750,000) 8% cumulative redeemable preference shares of Rs. 100 each of Suzlon Structures Limited	7.50	7.50
241,254,125 (200,000,000) equity shares of Rs. 10 each of SE Forge Limited	391.96	200.00
Nil (500,000) 13% cumulative redeemable preference shares of Rs. 100 each of Suzlon Towers and Structures Limited	-	5.01
2,000,000 (2,000,000) equity shares of Rs. 10 each of Suzlon Gujarat Wind Park Limited**	2.00	2.00
3,010,000 (3,010,000) equity shares of Rs. 10 each of Suzlon Power Infrastructure Limited**	3.01	3.01
10,000,000 (10,000,000) equity shares of Rs. 10 each of SE Electricals Limited	10.00	10.00
10,000,000 (10,000,000) equity shares of 10 each of Suzlon Wind International Limited	10.00	10.00
15,000,000 (15,000,000) equity shares of 10 each of SE Composites Limited	15.00	15.00
1,500,000 (1,500,000) equity shares of Rs. 10 each of Suzlon Engitech Limited	1.50	1.50
5,000,000 (5,000,000) 1% cumulative redeemable preference shares of Rs. 100 each of Suzlon Infrastructure Services Limited	50.00	50.00
19,329,550 (19,329,550) 9% cumulative redeemable preference shares of Rs. 100 each of Suzlon Wind International Limited	193.30	193.30
8,590,000 (8,590,000) 9% cumulative redeemable preference shares of Rs 100 each of SE Electricals Limited	85.90	85.90

Schedules to the balance sheet as at March 31, 2011

All amounts in rupees crore unless otherwise stated

Particulars	As at March 31, 2011	As at March 31, 2010
22,398,000 (22,398,000) 9% cumulative redeemable preference shares of Rs 100 each of SE Composites Limited	223.98	223.98
3,500,000 (6,000,000) 7% optionally convertible redeemable cumulative preference shares of Rs 100 each of Suzlon Infrastructure Services Limited	35.00	60.00
Total - domestic subsidiaries	1,278.24	1,116.29
Overseas		
244,000 (244,000) equity shares of Euro 10 each fully paid up of AE Rotor Holding B.V., The Netherlands	13.15	13.15
1,422,337 (1,422,337) equity shares of DKK 100 each fully paid up of Suzlon Energy A/S**, Denmark (DKK 437,604,350 (DKK 437,604,350) invested as additional paid in capital)	503.72	503.72
1,000 (1,000) equity shares of USD 1 each fully paid up of Suzlon Rotor Corporation, USA** (USD 27,999,000 (USD 27,999,000) invested as additional paid in capital)	116.47	116.47
Suzlon Energy (Tianjin) Limited, China	233.30	233.30
4,284,695,253 (4,193,813,790) equity shares of MUR 10 each of Suzlon Energy Limited, Mauritius	6,275.24	6,130.25
Suzlon Wind Energy Equipment Trading (Shanghai) Co. Limited, China**	6.91	4.60
Total - overseas subsidiaries	7,148.79	7,001.49
Total - subsidiaries***	8,427.03	8,117.78
*** Refer Schedule P, Note 6 for pledge of investments in certain subsidiaries for loans availed.		
Less: **Provision for dimunition in value of long term investments	632.11	625.20
Total - subsidiaries (net)	**7,794.92**	**7,492.58**
(b) Other than subsidiaries		
2,550 (2,550) equity shares of Rs 10 each of Saraswat Co-operative Bank Limited*	0.00	0.00
30 (30) equity shares of Rs 10 of Godrej Millenium Condominium *	0.00	0.00
	0.00	**0.00**
Aggregate book value of unquoted investments	**7,794.93**	**7,492.59**
CURRENT INVESTMENTS (At lower of Cost and Market Value)		
OTHER THAN TRADE - QUOTED		
(i) Investment in Mutual Funds		
SBI Magnum Insta cash fund - Daily Dividend Fund (15,007,514 units of Rs. 16.75 each (99,686,882 units of Rs. 10.03 each))	25.14	100.01
SBI Ultra short term fund (24,985,009 units of Rs. 10.006 each (Nil))	25.00	-
Aggregate book value of quoted investments (Market value Rs 50.14 crore (Rs 100.01 crore))	**50.14**	**100.01**
Aggregate amount of investments *amount below Rs 0.01 crore	**7,845.07**	**7,592.60**
The following investments were purchased and sold during the year		
45,850,000 (Nil) units of Rs. 10 each of IDBI Liquid fund - Daily Dividend-Reinvestment	45.85	-
390,000 (Nil) units of Rs. 1000 each of IDBI Liquid fund - Daily Dividend-Reinvestment	39.00	-
61,000,000 (Nil) units of Rs. 10 each of IDBI Ultra Short Term fund - Daily Dividend-Reinvestment	61.00	-
172,120,201 (Nil) units of Rs. 16.75 each of SBI Magnum Insta Cash Fund - Daily Dividend Option	288.31	-
24,985,009 (Nil) units of Rs. 10.01 each of SBI- SHF - Ultra Short Term Fund - Daily Dividend	25.00	-
20,757,553 (50,051,789) units of Rs. 10 each of LIC MF Floating Rate Fund	20.76	50.05
18,897,824 (Nil) units of Rs.10.98 each of LIC NOMURA MF Liquid Fund - Dividend Plan	20.75	-
10,750,000 (Nil) units of Rs. 10 each of LIC NOMURA MF Income Plus Fund - Daily Dividend Plan	10.75	-

Schedules to the balance sheet as at March 31, 2011

All amounts in rupees crore unless otherwise stated

Particulars	As at March 31, 2011	As at March 31, 2010
SCHEDULE - H : CURRENT ASSETS, LOANS AND ADVANCES		
Current assets		
Inventories		
Raw materials (including goods-in-transit Rs 137.32 crore (Rs 92.15 crore))	543.65	547.87
Semi finished goods and work-in-progress	424.89	203.30
Land and land lease rights	24.85	22.75
Stores and spares	21.56	23.88
	1,014.95	**797.80**
Sundry debtors		
(Unsecured)		
Outstanding for a period exceeding six months		
considered good	1,335.85	1,633.14
considered doubtful	22.75	18.43
	1,358.60	1,651.57
Others, considered good	948.05	1,353.67
	2,306.65	3,005.24
Less: Provision for doubtful debts	22.75	18.43
	2,283.90	**2,986.81**
Cash and bank balances		
Cash on hand	0.17	0.20
Cheques on hand	35.70	9.84
Balances with Scheduled banks		
in current accounts	93.25	458.80
in margin accounts	301.42	129.90
	394.67	588.70
Balances with non Scheduled banks in current accounts		
Bank of China RMB account - Beijing (Maximum balance during the year Rs. 0.09 crore (Rs. 0.49 crore))	0.08	0.06
Bank of China USD account - Beijing (Maximum balance during the year Rs. 0.02 crore (Rs. 0.12 crore))	0.02	0.02
Bank of China RMB account - Shanghai (Maximum balance during the year Rs. 0.10 crore (Rs. 0.11 crore))	0.10	0.09
Bank of China USD account - Shanghai (Maximum balance during the year Rs. 0.02 crore (Rs. 0.02 crore))	0.02	0.02
Millenium Bank - Portugal (Maximum balance during the year Rs. 0.32 crore (Rs. 40.67 crore))	0.30	0.29
	431.06	**599.22**
Loans and advances		
(Unsecured and considered good, except otherwise stated)		
Loans to subsidiaries		
in indian rupees	1,266.39	993.64
in foreign currency	2,840.85	2,113.67
	4,107.24	3,107.31
Deposits		
with customers as security deposit	13.56	13.56
with others	89.96	73.29
	103.52	86.85

Schedules to the balance sheet as at March 31, 2011

All amounts in rupees crore unless otherwise stated

Particulars	As at March 31, 2011	As at March 31, 2010
Advance against taxes	11.30	83.30
[Net of provision for income tax Rs. 4.69 crore (Rs. 181.83 crore)]		
MAT credit entitlement	161.88	139.00
Inter corporate deposits	-	2.04
Advances recoverable in cash or in kind or for value to be received		
Considered good	554.45	635.90
Considered doubtful	17.75	11.17
	572.20	647.07
Less: Provision for doubtful loans and advances	17.75	11.17
	554.45	635.90
	4,938.39	**4,054.40**
	8,668.30	**8,438.23**
SCHEDULE - I : CURRENT LIABILITIES AND PROVISIONS		
Current liabilities		
Sundry creditors		
Others	831.55	762.16
Micro and small enterprises [See Schedule P, Note 22]	6.70	35.80
Acceptance [See Schedule P, Note 10(e)]	448.75	454.58
Subsidiaries	1,963.14	2,102.94
Unclaimed Dividend	0.19	0.19
Other current liabilities	159.29	197.46
Interest accrued but not due	17.79	23.17
Advances from customers	179.42	65.57
	3,606.83	**3,641.87**
Provisions		
Wealth tax	-	0.03
Gratuity, superannuation and leave encashment	28.96	24.46
Performance guarantee, operation, maintenance and warranty, liquidated damages	362.73	219.87
	391.69	**244.36**
	3,998.52	**3,886.23**

Schedules to the profit and loss account for the year ended March 31, 2011

All amounts in rupees crore unless otherwise stated

Particulars		Year ended March 31, 2011	2010
SCHEDULE - J : OTHER INCOME			
Interest income			
From banks [TDS Rs. 1.77 crore (Rs. 0.98 crore)]		17.41	11.01
From others [TDS Rs. 4.01 crore (Rs. 2.45 crore)]		275.33	211.77
Dividend income			
From long term investments in subsidiaries		36.02	0.05
From other investments		2.91	0.06
Royalty income		-	15.66
Miscellaneous income		8.84	4.59
		340.51	**243.14**
SCHEDULE - K : COST OF GOODS SOLD			
Consumption of raw materials (including project business)			
Opening stock		547.87	871.05
Add: Purchases		2,943.22	1,895.19
		3,491.09	2,766.24
Less: Closing stock		543.65	547.87
	(A)	**2,947.44**	**2,218.37**
Trading purchases	**(B)**	**23.00**	**44.15**
(Increase) / decrease in stocks			
Opening balance:			
Semi finished goods and work-in-progress		203.30	459.14
Land and land lease rights		22.75	21.88
	(C)	**226.05**	**481.02**
Closing balance:			
Semi finished goods and work-in-progress		424.89	203.30
Land and land lease rights		24.85	22.75
	(D)	**449.74**	**226.05**
(Increase) / decrease in stock	**(E) = (C) - (D)**	**(223.69)**	**254.97**
	(A) + (B) + (E)	**2,746.75**	**2,517.49**
SCHEDULE - L : OPERATING AND OTHER EXPENSES			
Stores and spares consumed		30.44	21.64
Power and fuel		5.05	3.93
Factory expenses		15.09	19.58
Repairs and maintenance:			
Plant and machinery		1.57	1.15
Building		2.69	1.63
Others		6.08	4.41
Operation and maintenance charges		225.50	123.37
Design change and technological upgradation charges		66.83	91.13
Operating lease charges [See Schedule P, Note 12(b)]		2.50	2.45
Rent [See Schedule P, Note 12(a)]		9.92	19.89

Schedules to the profit and loss account for the year ended March 31, 2011

All amounts in rupees crore unless otherwise stated

Particulars	Year ended March 31, 2011	Year ended March 31, 2010
Rates and taxes	0.68	15.50
Provision for operation, maintenance and warranty	134.97	99.58
Provision for performance guarantee	118.91	119.25
Provision for liquidated damages	41.36	54.48
Quality assurance expenses	85.77	59.93
R & D, certification and product development	25.41	21.58
Insurance	4.45	5.61
Advertisement and sales promotion	16.08	33.29
Infrastructure development expenses	24.56	25.76
Freight outward and packing expenses	110.55	106.47
Sales commission	5.09	1.16
Travelling, conveyance and vehicle expenses	27.38	29.81
Communication expenses	10.00	10.25
Auditors' remuneration and expenses [See Schedule P, Note 23 (a)]	2.37	2.41
Consultancy charges	95.01	78.89
Charity and donations	-	3.26
Corporate social welfare expense	0.35	2.86
Other selling and administrative expenses	47.91	42.35
Exchange differences, net	34.37	(30.36)
Bad debts written off	2.29	0.91
Provision for doubtful debts and advances	10.47	1.24
Loss on sale of investments, net	0.01	-
Provision for dimunition of investments	6.91	-
(Profit) / loss on assets sold / discarded, net	2.93	1.41
	1,173.50	**974.82**
SCHEDULE - M : EMPLOYEES' REMUNERATION AND BENEFITS		
Salaries, wages, allowances and bonus	195.70	165.64
Contribution to provident fund	7.19	6.01
Contribution to other funds [See Schedule P, Note 13]	4.39	1.72
Staff welfare expenses	7.95	7.64
	215.23	**181.01**
SCHEDULE - N : FINANCIAL CHARGES		
Interest		
Fixed loans	404.73	67.57
Debentures	-	31.96
Others	173.31	554.06
Bank charges	50.86	78.31
	628.90	**731.90**
SCHEDULE - O : EXCEPTIONAL ITEMS [See Schedule P, Note 2]		
Foreign exchange loss on the convertible bonds	-	162.34
(Gain)/loss on restructuring and refinancing of financial facilities (net)	37.28	(248.76)
Provision towards dimunition in investments	-	525.44
	37.28	**439.02**

SCHEDULE P: SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

(All amounts in Rupees crore unless otherwise stated)

Nature of operations

Suzlon Energy Limited ('SEL' or 'Suzlon' or the 'Company') is engaged in the manufacture of wind turbine generators ('WTGs') of various capacities and its components.

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements are prepared under the historical cost convention, on accrual basis of accounting except in case of assets for which provision for impairment is made and revaluation is carried out to comply in all material respects, with the mandatory accounting standards as notified by the Companies (Accounting Standards) Rules, 2006 as amended ('the Rules') and the relevant provisions of the Companies Act, 1956 ('the Act'). The accounting policies have been consistently applied by the Company; and the accounting policies not referred to otherwise, are in conformity with Indian Generally Accepted Accounting Principles ('Indian GAAP').

(b) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that may affect the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of incomes and expenses during the reporting period. Although these estimates are based upon management’s best knowledge of current events and actions, actual results could differ from these estimates.

(c) Revenue recognition

Revenue comprises sale of WTGs and wind power systems; service income; interest; dividend and royalty. Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and that the revenue can be reliably measured. Revenue is disclosed, net of discounts, excise duty, sales tax, service tax, VAT or other taxes, as applicable.

Sales

Sale of individual WTGs and wind power systems ("supply only projects") are recognised in the profit and loss account provided that the significant risks and rewards in respect of ownership of goods have been transferred to the buyer as per the terms of the respective sales order, and provided that the income can be measured reliably and is expected to be received.

Fixed price contracts to deliver wind power systems (turnkey contracts and projects involving installation and/or commissioning apart from supply) are recognised in revenue based on the stage of completion of the individual contract using the percentage of completion method, provided the order outcome as well as expected total costs can be reliably estimated. Where the profit from a contract cannot be estimated reliably, revenue is only recognised equalling the expenses incurred to the extent that it is probable that the expenses will be recovered.

Due from customers, if any are measured the selling price of the work performed, based on the stage of completion less the cost of the work already billed to the customer and expected losses. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. The value of self-constructed components is recognised in 'Contracts in progress' upon dispatch of the complete set of components which are specifically identified for a customer and are within the scope of supply, as per the terms of the respective sale order for the wind power systems. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised immediately as an expense in the profit and loss account.

Where the selling price of a contract cannot be estimated reliably, the selling price is measured based on the expenses incurred to the extent that it is probable that these expenses will be recovered. Prepayments from customers are recognised as liabilities. A contract in progress for which the selling price of the work performed exceeds interim billings and expected losses is recognised as an asset. Contracts in progress for which interim billings and expected losses exceed the selling price is recognised as a liability. Expenses relating to sales work and the winning of contracts are recognised in the profit and loss account as incurred.

Operation and Maintenance

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

Project execution income

Revenue from services relating to project execution is recognised on completion of respective service, as per terms of respective sales order.

Interest income

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

Dividend income

Dividend income from investments is recognised when the right to receive payment is established. Dividend from subsidiary companies declared after the year end till the adoption of accounts by Board of Directors, is accounted during the year as required by Schedule VI to the Act.

Royalty income

Royalty income is recognised on accrual basis in accordance with the terms of the relevant agreements.

(d) Fixed assets and intangible assets

Fixed assets are stated at cost, less accumulated depreciation and impairment losses, if any. Cost includes purchase price and all expenditure necessary to bring the asset to its working condition for its intended use. Own manufactured assets are capitalised inclusive of all direct costs and attributable overheads. Capital work-in-progress comprises of advances paid to acquire fixed assets and the cost of fixed assets that are not yet ready for their intended use as at the balance sheet date. In the case of new undertaking, preoperative expenses are capitalised upon the commencement of commercial production. Assets held for disposal are stated at the lower of net book value and the estimated net realisable value.

In respect of accounting periods commencing on or after December 7, 2006, exchange differences arising on reporting of the long-term foreign currency monetary items at rates different from those that at which they were initially recorded during the period, or reported in the previous financial statements are added to or deducted from the cost of the asset and are depreciated over the balance life of the asset, if these monetary items pertain to the acquisition of a depreciable fixed asset.

Intangible assets are recorded at the consideration paid for their acquisition. Cost of an internally generated asset comprises all expenditure that can be directly attributed, or allocated on a reasonable and consistent basis, to create, produce and make the asset ready for its intended use.

The carrying amounts of the assets belonging to each cash generating unit ('CGU') are reviewed at each balance sheet date to assess whether they are recorded in excess of their recoverable amounts and where carrying amounts exceed the recoverable amount of the asset's CGU, assets are written down to their recoverable amount. Recoverable amount is the greater of the asset's net selling price and value in use. 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 risks specific to the asset. 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.

(e) Depreciation and amortisation

Depreciation is provided on the written down value method ('WDV') unless otherwise stated, pro-rata to the period of use of assets and is based on management's estimate of useful lives of the fixed assets or intangible assets or at rates specified in schedule XIV to the Act, whichever is higher:

The following are the rate of depreciation / amortisation applied:

Depreciation

Type of asset	Rate (%)
Office building	5.00
Factory building	10.00
Moulds	13.91 or useful life based on usage
Plant and machinery	
- Single Shift	13.91
-Double Shift	20.87
- Triple Shift	27.82
Patterns	30.00 or useful life based on usage
Plugs for moulds	50.00 or useful life based on usage
Wind research and measuring Equipment	50.00
Computers	40.00
Office equipment	13.91
Furniture and fixtures	18.10
Motor car and others	25.89
Trailers	30.00

Amortisation

Type of asset	Basis
Leasehold land	Period of lease
Design and drawings	Straight line basis over a period of five years
SAP and other software	Straight line basis over a period of five years

(f) Inventories

Inventories of raw materials including stores, spares and consumables; packing materials; work-in-progress; project work in progress; semi-finished goods and finished goods are valued at the lower of cost and estimated net realisable value. Cost is determined on weighted average basis.

The cost of work-in-progress, semi-finished goods and finished goods includes the cost of material, labour and manufacturing overheads.

Stock of land and land lease rights is valued at lower of cost and estimated net realisable value. Cost is determined on weighted average basis. Net realisable value is determined by management using technical estimates.

(g) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair value, determined on an individual basis. Long-term investments are carried at cost. However, provision is made to recognise a decline, other than temporary, in the value of long-term investments.

(h) Foreign currency transactions

Transactions in foreign currencies are recorded at the average exchange rate prevailing in the period during which the transactions occur.

Outstanding balances of foreign currency monetary items are reported using the period end rates. Pursuant to the notification of the Companies (Accounting Standards) Amendment Rules 2009 issued by Ministry of Corporate Affairs on March 31, 2009 amending Accounting Standard – 11 (AS - 11) 'The Effects of Changes in Foreign Exchange Rates (revised 2003), exchange differences in respect of accounting periods commencing on or after December 7, 2006, relating to long term monetary items are dealt with in the following manner:

(a) Exchange differences relating to long term foreign currency monetary items, arising during the year, in so far as they relate to the acquisition of a depreciable capital asset are added to/deducted from the cost of the asset and depreciated/recovered over the balance life of the asset.

(b) In other cases, such differences are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortised to the profit and loss account over the balance life of the long term monetary item but not beyond March 31, 2011.

All other exchange differences are recognised as income or expense in the profit and loss account.

Non-monetary items carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rate that existed, when the values were determined.

Exchange differences arising as a result of the above are recognised as income or expense in the profit and loss account.

Foreign currency transactions entered into by branches, which are integral foreign operations are accounted in the same manner as foreign currency transactions described above. Branch monetary assets and liabilities are restated at the year end rates.

Derivatives

In case of forward contracts, the difference between the forward rate and the exchange rate, being the premium or discount, at the inception of a forward exchange contract is recognised as income/expense over the life of the contract. Exchange differences on such contracts are recognised in the profit and loss account in the reporting period in which the rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the period.

As per the Institute of Chartered Accountants of India ('ICAI') announcement, derivative contracts, other than those covered under AS-11, are marked to market on a portfolio basis and the net loss after considering the offsetting effect on the underlying hedge items is charged to the profit and loss account. Net gains on marked to market basis are not recognised.

(i) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Costs incurred in raising funds are amortised equally over the period for which the funds are acquired. All other borrowing costs are charged to profit and loss account.

(j) Retirement and other employee benefits

Defined contributions to provident fund and employee state insurance are charged to the profit and loss account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective statutory authorities.

Defined contributions to superannuation fund are charged to the profit and loss account on accrual basis.

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

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.

Actuarial gains/losses are taken to profit and loss account and are not deferred.

(k) Provisions, contingent liabilities and contingent assets

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed by way of notes to accounts unless the possibility of an outflow is remote. Contingent assets are not recognised or disclosed.

(l) Taxes on Income

Tax expense for a year comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, after taking into consideration, the applicable deductions and exemptions admissible under the provisions of the Income Tax Act, 1961.

Deferred tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If there is unabsorbed depreciation or carry forward of losses under tax laws, all deferred tax assets are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Deferred tax resulting from timing differences which originate during the tax holiday period but are expected to reverse after such tax holiday period is recognised in the year in which the timing differences originate using the tax rates and laws enacted or substantively enacted at the balance sheet date.

At each balance sheet date, the company reassesses unrecognised deferred tax assets. It recognises unrealised deferred tax assets to the extent it has become reasonably certain or virtually certain, as the case may be, that sufficient taxable income will be available against which the deferred tax can be realised. Further the carrying amounts of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available

Minimum alternative tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay income tax higher than that computed under MAT, during the period that MAT is permitted to be set off under the Income Tax Act, 1961 (specified period). In the year, in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the Guidance Note issued by the Institute of Chartered Accountants of India (ICAI), the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay income tax higher than MAT during the specified period.

(m) Operating leases

Assets acquired on lease where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating lease. Lease rentals are charged off to the profit and loss account as incurred.

(n) Earnings/(loss) per share

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

For the purpose of calculating diluted earnings/(loss) per share, the net profit/(loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

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

(o) Employee stock options

Stock options granted to employees under the employees' stock option scheme are accounted as per the intrinsic value method permitted by the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the 'Guidance Note on Share Based Payments' issued by the ICAI. Accordingly, the excess of market price of the shares as on the date of grant of options over the exercise price is recognised as deferred employee compensation and is charged to profit and loss account on straight-line basis over the vesting period.

The number of options expected to vest is based on the best available estimate and are revised, if necessary, if subsequent information indicates that the number of stock options expected to vest differs from previous estimates.

(p) Cash and Cash Equivalents

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand, cheques on hand and short-term investments with an original maturity of three months or less.

2. Exceptional Items

The details of exceptional items aggregating to Rs 37.28 crore (Rs 439.02 crore) are as below:

(a) Loss on account of amortization of foreign exchange losses on all convertible bonds aggregating Rs Nil (Rs 162.34 crore) which includes Rs Nil (Rs 120.06 crore) being losses on Phase I bonds and Phase II bonds cancelled due to buy back and exchange.

(b) (Gain)/loss on restructuring and refinancing of financial facilities aggregating Rs 37.28 crore (gain of Rs 248.76 crore) pertaining primarily to net gains arising from the buy-back and exchange of Phase I and Phase II bonds after offsetting various costs incurred in connection with the buy-back and exchange including consent fees, expenses of merchant bankers, etc.

(c) Diminution, other than temporary, of the value of investments in certain subsidiaries aggregating Rs Nil crore (Rs 525.44 crore).

3. During the year the Company has recognised deferred tax asset of Rs 55.64 crore on its brought forward losses of Suzlon Energy Limited. The Company believes that the recognition of deferred tax asset satisfies the conditions of virtual certainty prescribed under Accounting Standard – 22, Accounting for Taxes on Income as notified by the Companies (Accounting Standards) Rules, 2006 (as amended).

4. Foreign Currency Convertible Bonds

(a) Initial terms of issue

On June 11, 2007 the Company made an issue of zero coupon convertible bonds aggregating USD 300 million (Rs 1,223.70 crore) [Phase I bonds]. Further, on October 10, 2007, the Company made an additional issue of zero coupon convertible bonds aggregating USD 200 million (Rs 786.20 crore) [Phase II bonds] and on July 24, 2009, the company made an additional issue of zero coupon convertible bonds aggregating USD 93.87 million (Rs 452.64 crore) at an issue price of 104.30% of the principal amount of USD 90.00 million.

The key terms of these bonds at the time of issue were as follows:

Particulars	Phase I	Phase II	Phase III
Issue size (USD)	300 million	200 million	90 million
Face value per bond (in USD)	1,000	1,000	1,000
No. of equity shares per bond	113.50	107.30	533.2762
Initial conversion price per share (Rs)	359.68	371.55	90.38
Fixed exchange rate (Rs/USD)	40.83	39.87	48.1975
Redemption amount as a % of principal amount (%)	145.23	144.88	134.198
Maturity date	June 12, 2012	October 11, 2012	July 18, 2014

(b) Restructuring of Phase I and Phase II bonds

i. During the year 2009-10 , the Company restructured Phase I and Phase II Zero Coupon Convertible Bonds with an approval of the Reserve Bank of India ('RBI') wherein the bondholders were offered the following options as part of the restructuring;

- Buyback of bonds @ 54.55% of the face value of US $ 1000 per bond.

- Issue of new bonds ('Phase I New Bonds' in case of Phase I Bonds and 'Phase II New Bonds' in case of Phase II Bonds) in place of old bonds at a fixed ratio of 3:5 (60 cents to dollar) bearing a coupon of 7.5 per cent per annum, payable semi-annually. Unless previously redeemed, converted or purchased and cancelled, the Company will redeem each Phase I New Bond at 150.24 per cent of its principal amount and each Phase II New Bond at 157.72 per cent of its principal amount on the relevant Maturity Date. The conversion price is set at Rs 76.68 per share. These bonds do not have any financial covenants and are of the same maturity as the old bonds.

- Consent fee of USD15 Million to be paid across both the series, for those bondholders who consent to the relaxation of covenants.

As a result of the restructuring, the outstanding position of the foreign currency convertible bonds is as follows:

Particulars	Phase I Bonds (Amount in USD)	Phase II Bonds (Amount in USD)	Total (Amount in USD)
Old bonds exchanged [A]	59,332,000	34,672,000	94,004,000
New Bonds issued in the ratio of 3:5 [B]	35,592,000*	20,796,000	56,388,000*
Bonds bought back for cash [C]	29,366,000	43,960,000	73,326,000
Cash paid for buyback [D]	16,019,702	23,980,180	39,999,882
Old bonds outstanding [E]	211,302,000	121,368,000	332,670,000
Value of total bonds outstanding [F]=[B]+[E]	246,894,000	142,164,000	389,058,000
Value of old bonds [G]=[A]+[C]+[E]	300,000,000	200,000,000	500,000,000
Consent fee paid	11,846,947	1,869,863	13,716,810
Maturity date	June 12, 2012	October 11, 2012	
Redemption amount as a % of principal amount of New Bonds (%)	150.24	157.72	
Redemption amount as a % of principal amount of Old Bonds carried forward (%)	145.23	144.88	

* 19,000 bonds were converted into equity shares during the year 2009-10

ii. On April 29, 2010, the Company convened meetings of Bondholders of each of the series, who approved the respective resolutions proposed to them. Accordingly post receipt of regulatory approvals, the Company changed the conversion price of the Phase I bonds from Rs.359.68 per equity share to Rs.97.26 per equity share and for Phase II bonds from Rs.371.55 to Rs.97.26 per equity share, subject to adjustments in accordance with terms and conditions of the bonds. The floor price for Phase I and Phase II bonds has been revised to Rs.74.025 per equity share. The fixed exchange rate was changed to 1USD=Rs 44.60 from 1USD=Rs 40.83 for Phase I bonds and 1USD=Rs 39.87 for Phase II bonds. The Company has incurred Rs.37.28 crore towards consent fee to bondholders and other cost and disclosed under exceptional items for the year ended March 31, 2011.

(c) Redemption Premium:

The Phase I, Phase II, Phase I New, Phase II New, and Phase III bonds are redeemable subject to satisfaction of certain conditions mentioned in the offering circular and hence have been designated as monetary liability.

The Company has not provided for the proportionate premium on these bonds aggregating Rs 579.21 crore (Rs 377.22 crore) as shown below:

Phase	March 31, 2011	March 31, 2010
Phase I	309.57	221.09
Phase II	159.12	109.98
Phase I (new)	43.22	18.53
Phase II (new)	25.40	10.98
Phase III	41.90	16.64
Total	**579.21**	**377.22**

In the opinion of the management, the likelihood of redemption of these bonds cannot presently be ascertained. Accordingly no provision for any liability has been made in the financial statements and hence the proportionate premium has been shown as a contingent liability. The Company has adequate securities premium to absorb the proportionate premium on redemption as at March 31,2011.

5. The Company is in the process of seeking the required statutory and regulatory approvals, for implementing a Scheme of Arrangement and Restructuring (SOA). The following are the salient features of the SOA:

I. De-merger and consequent transfer of (a) Power Generation Division of Suzlon Towers And Structures Limited ('STSL') a wholly owned subsidiary (WOS) of the Company to Suzlon Engitech Limited another wholly owned subsidiary (WOS) of the Company and (b) Project Execution Division of Suzlon Infrastructure Services Limited ('SISL') a wholly owned subsidiary (WOS) of the Company to Suzlon Gujarat Wind Park Limited another wholly owned subsidiary (WOS) of the Company.

II. Amalgamation of STSL and SISL with the Company after giving effect to the above-mentioned de-merger and consequent transfer of their respective division.

The 'Appointed Date' fixed for this purpose is April 1, 2010. This SOA is subject to sanctions u/s 391 and 394 of the Companies Act, 1956 by the respective Honourable High Courts. Since the SOA is yet to be implemented, the financial statement does not contain any effect on account of this SOA

6. Suzlon Energy Limited ('SEL' or 'the Company') along with its 10 Indian subsidiaries, collectively referred as "Suzlon Entities" executed a debt consolidation and refinancing arrangement (the 'Arrangement') on February 5, 2010 with a consortium comprising of various banks and financial institutions ('Consortium') lead by the State Bank of India as the Facility Agent and SBI Cap Trustee Company Limited as the Security Trustee.

The entities covered includes Suzlon Energy Limited ('SEL'), Suzlon Towers and Structures Limited ('STSL'), Suzlon Infrastructure Services Limited ('SISL'), Suzlon Structures Limited ('SSL'), Suzlon Power Infrastructure Limited ('SPIL'), Suzlon Generators Limited ('SGL'), Suzlon Gujarat Wind Park Limited ('SGWPL'), SE Electricals Limited ('SEEL'), Suzlon Wind International Limited ('SWIL'), SE Composites Limited ('SECL'), Suzlon Engitech Limited ('SENL') (hereinafter collectively referred to as the 'Suzlon Entities' or individually as the 'Borrower').

The details of security for the secured loans are as follows:

(i) Term loans from banks and financial institutions of Rs 3,214.59 crore (Rs. 2,373.37 crore) and working capital facilities from banks and financial institutions of Rs 1,175.51 crore (Rs. 1,508.38 crore) availed under debt consolidation and refinancing arrangement are secured by first charge on all present and future tangible/intangible movable assets of each of the Borrowers, first charge on all present and future immovable assets (excluding the identified properties) of each of the Borrowers, first charge on all present and future chargeable current assets of each of the Borrowers, first charge over Trust and Retention Account ("TRA") accounts of the Borrower, pledge of equity shares held by SEL in its 10 Indian subsidiaries forming part of the Suzlon Entities, pledge on equity shares of certain overseas subsidiaries held by step down overseas subsidiaries of SEL including Repower Systems AG ("REPower"), pledge of certain equity shares of SEL held by it's promoters, guarantee of overseas subsidiary, personal guarantee of the managing director of SEL and limited personal guarantee of director of SSL.

(ii) Term loan from others of Rs. 5.64 crore is secured by specific FD against it.

7. Sales & Service Income

Particulars		Year ended	
		March 31, 2011	March 31,2010
Sale of wind turbines	(a)	4,187.16	3,267.98
Excisable sales	(b)	12.33	18.03
Less: Excise duty	(c)	1.11	1.38
Net excisable sales	(d)=(b)-(c)	11.22	16.65
Income from Operation and maintenance service	(e)	14.61	11.99
Other sales	(f)	144.56	192.06
Total	[a+d+e+f]	4,357.55	3,488.68
Break-up of Sale of wind turbines is as follows:			
Revenue using percentage of completion method (See Schedule P, Note 4)		169.31	184.03
Revenue using dispatch method		4,017.85	3,083.95
Total		4,187.16	3,267.98

8. Disclosures pursuant to Accounting Standard-7 (AS-7) 'Construction Contracts'

Particulars	Year ended	
	March 31, 2011	March 31, 2010
Contract revenue recognised during the period	169.31	184.03
Aggregate amount of contract cost incurred and recognised profits (less recognised losses) for all contracts in progress up to the reporting date	-	-
Amount of customer advances outstanding for contracts in progress up to the reporting date	-	-
Retention amount due from customers for contract in progress up to the reporting date	-	-
Due from customers	-	-
Due to customers	-	-

9. Employee stock option scheme

The Company has provided various Employee Stock Option Schemes to its employees. During the year ended March 31, 2011 the following schemes were in operation:

Particulars	ESOP 2005	ESOP 2006	ESOP 2007	ESOP Perpetual-I (Tranche I)	ESOP Perpetual-I (Tranche II)	ESOP Perpetual-I (Tranche II)	ESOP Perpetual-I (Tranche IV)	ESOP Perpetual-I (Tranche V)	Special ESOP 2007
	Scheme I	Scheme II	Scheme III	Scheme IV	Scheme V	Scheme VI	Scheme VII	Scheme VIII	Scheme IX
Grant date	16-Jun-05	23-Nov-07	21-May-09	5-Oct-09	30-Jan-10	28-Jul-10	30-Oct-10	21-Feb-11	1-Apr-10
Board approval date	25-Mar-05	29-Jan-07	15-Apr-08	16-Jun-08	16-Jun-08	16-Jun-08	16-Jun-08	16-Jun-08	15-Apr-08
Shareholder approval	16-Jun-05	10-Mar-07	22-May-08	13-Aug-09	13-Aug-09	13-Aug-09	13-Aug-09	13-Aug-09	22-May-08
Options granted (Nos)	4,605,000	519,500	1,878,000	10,916,787	135,000	175,000	50,000	75,000	14,143,500
Exercise Price (Rs)	51.00	192.20	90.50	70.00/87.50	61.80/77.25	46.76/58.45	44.36	47.70	72.70
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Vesting period									
Tranche 1	16-Jun-06	23-Nov-08	21-May-10	5-Oct-10	30-Jan-11	28-Jul-11	30-Oct-11	21-Feb-12	1-Apr-11
Tranche 2	16-Jun-07	23-Nov-09	21-May-11	5-Oct-11	30-Jan-12	28-Jul-12	30-Oct-12	21-Feb-13	1-Apr-12
Tranche 3	16-Jun-08	23-Nov-10	-	5-Oct-12	30-Jan-13	28-Jul-13	30-Oct-13	21-Feb-14	1-Apr-13
Vesting %									
Tranche 1	30%	50%	75%	50%	50%	50%	50%	50%	33.33%
Tranche 2	30%	25%	25%	25%	25%	25%	25%	25%	33.33%
Tranche 3	40%	25%	-	25%	25%	25%	25%	25%	33.34%
Exercise period (end date)	Till 16-Jun-2011	Till 23-Nov-2013	Till 21-May-2015	Till 5-Oct-2014	Till 30-Jan-2015	Till 28-July-2015	Till 30-Oct-2015	Till 21-Feb-2016	Till 31-Mar-2014

The movement in the stock options during the year ended March 31, 2011 was as per the table below:

Particulars	ESOP 2005	ESOP 2006	ESOP 2007	ESOP Perpetual-I (Tranche I)	ESOP Perpetual-I (Tranche II)	ESOP Perpetual-I (Tranche II)	ESOP Perpetual-I (Tranche IV)	ESOP Perpetual-I (Tranche V)	Special ESOP 2007
	Scheme I	Scheme II	Scheme III	Scheme IV	Scheme V	Scheme VI	Scheme VII	Scheme VIII	Scheme IX
Opening balance	348,000	383,000	1,699,000	10,204,496	135,000	-	-	-	-
Granted during the year	-	-	-	-	-	175,000	50,000	75,000	14,143,500
Forfeited/cancelled during the year	-	51,000	331,000	2,375,607	-	-	-	-	2,931,000
Exercised during the year	8,000	-	-	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-	-	-	-
Closing balance	340,000	332,000	1,368,000	7,828,889	135,000	175,000	50,000	75,000	11,212,500
Exercisable at the end of the year (Included in closing balance of option outstanding)	340,000	332,000	1,026,000	3,914.445	67,500	-	-	-	-

The weighted average share price during the period ended March 31, 2011 was approximately Rs 55.20 (Rs 87.83) per share.

Fair value of options

The Company applies intrinsic value based method of accounting for determining compensation cost for Scheme I to Scheme IX., Following are the details of the amounts charged to the profit and loss account, rate per option, and cost per option calculated based on 'Black-Scholes' Model.

Particulars	ESOP	ESOP	ESOP	ESOP Perpetual-I (Tranche I)		ESOP Perpetual-I (Tranche II)		ESOP Perpetual-I (Tranche III)		ESOP (Tranche VI)	ESOP (Tranche V)	Special ESOP 2007
	Scheme I	Scheme II	Scheme III	Scheme IV		Scheme V		Scheme VI		Scheme VII	Scheme VIII	Scheme IX
				Non-US	US	Non-US	US	Non-US	US			
Charge to profit	Nil	0.57	0.01	5.18		0.07		0.08		0.02	Nil	Nil
and loss account	(Nil)	(1.15)	(0.28)	(6.98)		(0.01)		(Nil)		(Nil)	(Nil)	(Nil)
Rate per option (Rs)	51.00	182.60	2.20	22.75	4.75	15.45	Nil	12.29	0.60	11.09	Nil	Nil
Black Scholes'	51.84	231.32	46.31	46.25	39.75	41.39	35.91	28.13	22.76	28.09	22.48	29.53
Model - Cost per option (Rs)	(56.76)	(246.77)	(51.31)	(50.86)	(45.03)	(45.25)	(40.32)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)

If the Cost per option was calculated based on the 'Black-Scholes' model, the loss after tax would have been higher by Rs. 34.33 crore (Rs. 18.15 crore)

Particulars	Year ended March 31,	
	2011	2010
Earnings / (loss) per share		
- Basic	(1.29)	(9.31)
- Diluted	(1.29)	(9.31)

10. Other Notes

(a) On July 12, 2010, the Company raised Rs 1,188.39 crore pursuant to a Rights Issue. The Company allotted 188,633,322 equity shares of Rs 2 each at a premium of Rs 61 per equity share on a rights basis to the existing equity shareholders of the Company in the ratio of 2 equity shares for every 15 fully paid-up equity shares held by the existing equity shareholders on the record date. The primary objective of the rights issue was to discharge certain existing loans availed by the Company from its promoters. Consequently, loans of Rs 1,175.00 crore along with accrued interest of Rs 12.38 crore were discharged by conversion into equity shares of the Company.

(b) On receipt of shareholders' approval by way of Postal Ballot, on November 16, 2010, the Company issued and allotted 31,992,582 equity shares of Rs 2 each at a price of Rs 60 per share on preferential basis to 'IDFC Trustee Company Ltd. A/c IDFC Infrastructure Fund 3 A/c IDFC Private Equity Fund III' (IDFC PE) as a consideration for acquisition of 41,254,125 equity shares of Rs 10 each in SE Forge Limited (SEFL), a subsidiary of the Company. Consequent to acquisition of IDFC PE's stake in SEFL, SEFL became a wholly owned subsidiary of the Company.

(c) On April 12, 2011, the Company has made an issue of 5% Foreign Currency Convertible Bonds due 2016 for a total amount of USD 175.00 million (Rs.776.83 crores). The initial conversion price is set at Rs.54.01 per share and the same is subject to adjustments in certain circumstances.

(d) Net foreign exchange gains aggregating Rs 136.90 crore (gain Rs 62.88 crore) on long term foreign currency monetary items have been adjusted in the foreign currency monetary item translation difference account during the year. Further, foreign exchange gains aggregating Rs 3.50 crore (Rs 202.99 crore) have been amortised during the year.

(e) Creditors include acceptances of Rs 448.75 crore (Rs 454.58 crore).

(f) Expenditure amounting to Rs 2.89 crore (Rs 1.42 crore) and Rs 1.58 crore (Rs 1.56 crore) pertaining to employee remuneration and benefits; and operating and other expenditure respectively, being expenditure incurred in connection with the construction of certain self manufactured assets have been deducted from the respective expenditure heads and have been capitalised under appropriate asset heads.

(g) The Company incurs expenditure on development of infrastructure facilities for power evacuation arrangements as per authorization of the state electricity boards (SEB)/nodal agencies. In certain cases the expenditure is reimbursed, on agreed terms, by the SEB/nodal agencies and in certain other cases the Company recovers it from the customers. Where the expenditure is reimbursed by the SEB/nodal agency, the cost incurred is reduced by the reimbursements received and the net amount is charged to profit and loss account. Where an arrangement is entered into with customers for power evacuation charges, the proportionate direct cost computed on per mega watt basis is netted off from the amount charged to customers and the net deficit/(surplus) is charged / credited to profit and loss account. The deficit/surplus from infrastructure development across all SEBs / nodal agencies is shown under "infrastructure development expenses" or "other income" as the case may be. Indirect expenses not directly relatable to power evacuation are charged to the respective account heads in profit and loss account.

11. Statement showing the use of proceeds from Right Issue Allotment up to March 31, 2011

On July 12, 2010, the Company has raised Rs 1,188.39 crore through issuance of 188,633,322 equity shares of Rs 2 each at a premium of Rs 61 per equity share.. The details of utilization of Right issue proceeds are given below:

Sr. No.	Particulars	As at March 31, 2011
I	Sources of funds	
	Proceeds from Issue	1,188.39
II	Utilisation of funds	
	Repayment of loan from Promoter companies	1,187.38*
	Payment of issue expenses in part	1.01
	Total	1,188.39
III	Unutilised funds	-

*Loans availed by the Company from its promoters were discharged by conversion of same into equity shares which have been included in proceeds from issue above.

12. Operating leases

(a) Premises

The Company has taken certain premises under cancellable operating leases. The total rental expense under cancellable operating leases during the period was Rs 8.65 crore (Rs 11.74 crore). The Company has also taken furnished/unfurnished offices and certain other premises under non-cancellable operating lease agreement. The lease rental charge during the year is Rs 1.27 crore (Rs 8.15 crore) and maximum obligations on long–term non-cancellable operating lease payable as per the rentals stated in respective agreement are as follows:

Obligation on non-cancellable operating leases	Year ended March 31,	
	2011	2010
Not later than one year	0.79	8.52
Later than one year and not later than five years	0.08	5.77
Later than five years	0.00	0.19

(b) WTG's

The Company has taken WTGs on non-cancellable operating lease, chargeable on per unit basis of net electricity generated and delivered. The lease amount would be determined in the future on the number of units generated. Lease rental expense for the period is Rs 2.50 crore (Rs 2.45 crore).

Sublease rental income recognised in the statement of profit and loss account for the period is Rs 2.41 crore (Rs 2.45 crore).

13. Post employment benefits

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 funded with an insurance company in the form of a qualifying insurance policy.

Changes in the present value of the defined benefit obligation are as follows:

Particulars	Year ended March 31,	
	2011	2010
Opening defined benefit obligation	10.68	9.15
Interest cost	0.82	0.71
Current service cost	2.56	2.53
Benefits paid	(1.40)	(0.38)
Actuarial (gains)/losses on obligation	0.92	(1.33)
Closing defined benefit obligation	13.58	10.68

Changes in the fair value of plan assets are as follows:

Particulars	Year ended March 31,	
	2011	2010
Opening fair value of plan assets	9.47	7.12
Expected return	0.87	0.67
Contributions by employer*	2.95	2.01
Benefits paid	(1.40)	(0.38)
Actuarial gains / (losses)	(0.02)	0.05
Closing fair value of plan assets	11.87	9.47

* The contribution made by the employer during the year was Rs 3.11 crore (Rs 2.01 crore) of which Rs 2.95 crore (Rs 2.01 crore) was paid towards approved fund and Rs 0.16 crore (Nil) was towards OYRGTA premium. The actual return on plan assets during the year was Rs 0.84 crore (Rs 0.61 crore).

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	As at March 31,	
	2011	2010
Investments in approved fund	100%	100%

Details of defined benefit obligation

Particulars	Year ended March 31,	
	2011	2010
Defined benefit obligation (A)	13.58	10.68
Fair value of plan assets (B)	11.87	9.47
Present value of unfunded obligations (C=A-B)	1.71	1.21
Less: Unrecognised past service cost (D)	-	-
Plan liability/(asset) (E=C-D)	1.71	1.21

Net employees benefit expense recognised in the profit and loss account

Particulars	Year ended March 31,	
	2011	2010
Current service cost	2.56	2.53
Interest cost on benefit obligation	0.82	0.71
Expected return on plan assets	(0.87)	(0.67)
Net actuarial (gain) / loss recognised in the year	0.94	(1.39)
Past service cost	Nil	Nil
Net benefit expense	3.45	1.18

Amounts for the current and previous periods are as follows:

Particulars	Year ended March 31,				
	2011	2010	2009	2008	2007
Defined benefit obligation	13.58	10.68	9.15	4.49	2.66
Plan assets	11.87	9.47	7.12	4.81	1.92
Surplus/(deficit)	(1.71)	(1.21)	(2.03)	0.32	(0.74)
Experience adjustments on plan liabilities	(0.92)	0.95	(1.61)	-	-
Experience adjustments on plan assets	(0.02)	0.05	(0.35)	-	-

The principal assumptions used in determining defined benefit obligation are shown below:

Particulars	Year ended March 31,	
	2011	2010
Discount rate	8.20%	8.20%
Expected rate of return on plan assets	8.50%	8.50%
Salary escalation rate	8.00%	8.00%
Attrition rate	10% at younger ages and reducing to 1% at older age according to graduated scale	10% at younger age and reducing to 1% at older age according to graduated scale

The estimated future salary increase considered in actuarial valuation, takes into account the effect of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The overall expected rate of return on plan assets is determined based on the market prices prevailing as on balance sheet date, applicable to the period over which the obligation is to be settled.

14. Provisions

In pursuance of Accounting Standard-29 (AS-29) 'Provisions, contingent liabilities and contingent assets', the provisions required have been incorporated in the books of account in the following manner:

Particulars	Performance guarantee	Operation, maintenance and warranty	Provision for liquidated damages
Opening balance	85.04 (160.89)	99.55 (158.98)	35.28 (27.51)
Additions during the year	118.91 (119.25)	134.97 (99.58)	41.36 (54.48)
Utilisation	74.42 (195.10)	70.79 (159.01)	7.17 (46.71)
Closing balance	129.53 (85.04)	163.73 (99.55)	69.47 (35.28)

The provision for performance guarantee ('PG') represents the expected outflow of resources against claims for performance shortfall expected in future over the life of the guarantee assured. The period of performance guarantee varies for each customer according to the terms of contract. The key assumptions in arriving at the performance guarantee provisions are wind velocity, plant load factor, grid availability, load shedding, historical data, wind variation factor etc.

The provision for operation, maintenance and warranty ('O&M')represents the expected liability on account of field failure of parts of WTG and expected expenditure of servicing the WTGs over the period of free operation, maintenance and warranty, which varies according to the terms of each sales order.

Provision for liquidated damages ('LD') represents the expected claims which the Company may need to pay for non fulfilment of certain commitments as per the terms of the sales order. These are determined on a case to case basis considering the dynamics of each sales order and the factors relevant to that sale.

15. Deferred tax assets, net

Particulars	As at March 31, 2010	During the year 2010-11	As at March 31, 2011
Deferred tax assets			
Carried forward losses and unabsorbed depreciation	-	55.64	55.64
Total deferred tax assets	**-**	**55.64**	**55.64**

16. Earnings / (loss) per share ('EPS')

(All amounts in Rs. crore except per share data)

Particulars		Year ended March 31,	
		2011	2010
Basic			
Net profit/(loss) after tax	A	(185.66)	(1,414.09)
Weighted average number of equity shares	B	1,704,579,510	1,538,477,796
Basic earnings/(loss) per share of Rs 2 each	A/B	(1.09)	(9.19)
Diluted			
Net profit/(loss) after tax	C	(185.66)	(1,414.09)
Add: Interest on foreign currency convertible bonds (net of tax)	D	12.88	17.54
Adjusted net loss after tax	E=C-D	(172.78)	(1,396.55)
Weighted average number of equity shares	F	1,704,579,510	1,538,477,796
Add: Equity shares for no consideration arising on grant of share options	G	19,411	1,066,418
Add: Potential weighted average equity shares that could arise on conversion of foreign currency convertible bonds	H	237,164,922	102,922,093
Weighted average number of equity shares for diluted EPS	I = (F+G+H)	1,941,763,843	1,642,466,307
Diluted earnings/(loss) per share (Rs) of face value of Rs 2 each [see note below]*		(1.09)	(9.19)

*Since the earnings / (loss) per share computation based on diluted weighted average number of shares is anti-dilutive, the basic and diluted earnings / (loss) per share is the same.

17. Managerial remuneration to directors

Particulars	Year ended March 31,	
	2011	2010
(i) Salaries	(-)	1.19*
(ii) Contribution to superannuation and provident fund	(-)	0.15*
(iii) Sitting fees	0.05	0.07
Total	**0.05**	**2.13**

*During the year, managerial remuneration paid to the directors in financial year 09-10 has been recovered in view of the losses during the financial year 09-10 and decision taken at the Fifteenth Annual General Meeting of the company.

As the liabilities for gratuity are provided on an actuarial basis for the Company as a whole, the amounts to the directors are not included above.

18. (a) Contingent liabilities

Particulars	As at March 31,	
	2011	2010
Guarantees given on behalf of subsidiaries in respect of loans granted to them by banks/financial institutions	3,302.75	2,371.67
Premium on redemption of convertible bonds	579.21	377.22
Claims against the Company not acknowledged as debts*	41.95	42.24
Income tax matters pending in appeal	21.96	12.71
Others	3.84	2.79

*Claims against the company not acknowledged as debts include claims raised on the company by vendors of goods, which have not been accepted by the company as liabilities.

The Company is a co-guarantor towards loan granted to its subsidiaries.

(b) Capital commitments

Particulars	As at March 31,	
	2011	2010
Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances	156.00	143.26

19. (a) Derivative instruments and unhedged foreign currency exposure

Particulars of derivatives	Purpose
Forward contract outstanding as at balance sheet date:	
Buy Euro 4,000,000 (Euro Nil)	Hedge of forex EURO liabilities
Sell USD Nil (USD 38,600,000)	Hedge of forex USD receivable
Principal only currency swaps contracts outstanding as at balance sheet date:	
USD 46,665,379 (USD Nil) Notional Amount	Hedge of forex USD receivables
Euro 18,948,075 (Euro Nil) Notional Amount	Hedge of forex Euro loans given

(b) Particulars of unhedged foreign currency exposure as at the Balance Sheet date:

Particulars	As at March 31,	
	2011	2010
Current liabilities	3,240.77	2,672.97
Foreign currency convertible bonds	2,136.27	2,150.89
Loans payable	299.64	258.20
Debtors	1,178.79	1,908.67
Loans receivable	2,840.85	2,113.67
Bank balance in current and term deposit accounts	12.05	3.27
Investments in overseas subsidiaries	7,148.79	7,001.49

20. Related party disclosure

As per Accounting Standard – 18 (AS 18) – 'Related Party Disclosure', as notified by the Rules, the disclosures of transactions with the related parties as defined in the accounting standard are given below:

a. List of related parties and nature of relationships where control exists

Name of the party	Nature of relationship
AE Rotor Holding B.V.	Subsidiary company
Age Parque Eolico El Almendro S.L.	Subsidiary company
Cannon Ball Wind Energy Park-1, LLC	Subsidiary company
PowerBlades GmbH	Subsidiary company
PowerBlades SA	Subsidiary company
Rep Ventures Portugal S.A.	Subsidiary company
REpower Australia Pty Ltd.	Subsidiary company
REpower Benelux b.v.b.a.	Subsidiary company
REpower Betriebs – und Beteiligungs GmbH	Subsidiary company
REpower Systems Inc. (Canada)	Subsidiary company
REpower Diekat S.A.	Subsidiary company
REpower Espana S.L.	Subsidiary company
REpower Geothermie GmbH	Subsidiary company
REpower Investitions – und Projektierungs GmbH & Co. KG	Subsidiary company
REpower Italia s.r.l	Subsidiary company

Name of the party	Nature of relationship
REpower North (China) Ltd.	Subsidiary company
REpower Portugal - Sistemas Eolicos, S.A.	Subsidiary company
REpower Systems GmbH (earlier known as Einundzwanzigste Vittorio Verwaltungs GmbH)	Subsidiary company
REpower Systems Polska Sp.zo.o	Subsidiary company
REpower S.A.S.	Subsidiary company
REpower Systems Scandinavia AB	Subsidiary company
REpower Systems AG	Subsidiary company
REpower UK Ltd.	Subsidiary company
REpower USA Corp.	Subsidiary company
REpower Wind Systems Trading (China) Ltd.	Subsidiary company
REpower Windpark Betriebs GmbH	Subsidiary company
RETC Renewable Energy Technology Centre	Subsidiary company
RPW Investments SGPS,SA	Subsidiary company
Renewable Energy Contractors Australia Pty Ltd	Subsidiary company
RiaBlades S.A.	Subsidiary company
SE Composites Limited	Subsidiary company
SE Drive Technik GmbH	Subsidiary company
SE Electricals Limited	Subsidiary company
SE Forge Limited	Subsidiary company
SE Solar Limited	Subsidiary company
SISL Green Infra Limited	Subsidiary company
Sure Power LLC	Subsidiary company
Suzlon Blade Technology B.V.	Subsidiary company
Suzlon Energia Elocia do Brazil Ltda	Subsidiary company
Suzlon Energy (Tianjin) Limited	Subsidiary company
Suzlon Energy A/S	Subsidiary company
Suzlon Energy Australia Pty. Ltd.	Subsidiary company
Suzlon Energy Australia RWFD Pty Ltd	Subsidiary company
Suzlon Energy Australia CYMWFD Pty Ltd	Subsidiary company
Suzlon Energy B.V.	Subsidiary company
Suzlon Energy GmbH	Subsidiary company
Suzlon Energy Korea Co., Ltd.	Subsidiary company
Suzlon Energy Limited, Mauritius	Subsidiary company
Suzlon Engitech Limited	Subsidiary company
Suzlon Generators Limited	Subsidiary company
Suzlon Gujarat Wind Park Limited	Subsidiary company
Suzlon Infrastructure Services Limited	Subsidiary company
Suzlon North Asia Ltd	Subsidiary company
Suzlon Power Infrastructure Limited	Subsidiary company
Suzlon Rotor Corporation	Subsidiary company
Suzlon Structures Limited	Subsidiary company
Suzlon Towers and Structures Limited	Subsidiary company
Suzlon Wind Energy A/S	Subsidiary company
Suzlon Wind Energy BH	Subsidiary company
Suzlon Wind Energy Bulgaria EOOD	Subsidiary company
Suzlon Wind Energy Corporation	Subsidiary company
Suzlon Wind Energy Equipment Trading (Shanghai) Co., Ltd.	Subsidiary company
Suzlon Wind Energy Espana, S.L	Subsidiary company
Suzlon Wind Energy Italy s.r.l.	Subsidiary company
Suzlon Wind Energy Limited	Subsidiary company
Suzlon Wind Energy Nicaragua Sociedad Anonima	Subsidiary company

Name of the party	Nature of relationship
Suzlon Wind Energy Portugal Energia Elocia Unipessoal Lda	Subsidiary company
Suzlon Wind Energy Romania SRL	Subsidiary company
Suzlon Wind Enerji Sanayi Ve Ticaret Limited Sirketi	Subsidiary company
Suzlon Wind Energy South Africa (PTY) Ltd	Subsidiary company
Suzlon Windenergie GmbH	Subsidiary company
Suzlon Wind International Limited	Subsidiary company
Suzlon Windpark Management GmbH	Subsidiary company
Tarilo Holding B.V.	Subsidiary company
Valum Holding B.V.	Subsidiary company
Ventipower S.A.	Subsidiary company
WEL Windenergie Logistik GmbH	Subsidiary company
Windpark Blockland GmbH & Co KG	Subsidiary company
Windpark Olsdorf Watt Gmbh & Co. KG	Subsidiary company

b. Other related parties with transactions have taken place during the year:

(I) Associates:

Hansen Transmission International NV

(ii) Entities where key management personnel ('KMP') / relatives of key management personnel ('RKMP') have significant influence:

Sarjan Realities Limited, Synefra Engineering & Construction Limited, Tanti Holdings Private Limited, Suzlon Foundation, Girish R. Tanti (HUF), Sanman Holdings Private Limited, SE Energy Park Limited, Suruchi Holdings Private Limited, Sugati Holdings Private Limited, Synew Steel Limited, Salene Power Infrastructure Limited (formerly known as Sarjan Infrastructure Finance Limited)

(iii) Key management personnel of Suzlon Energy Limited:

Tulsi R. Tanti, Girish R. Tanti, Vinod R. Tanti *

(iv) Relatives of key management personnel of Suzlon Energy Limited:

Jitendra R. Tanti, Nidhi T. Tanti

(v) Employee funds:

Suzlon Energy Limited – Superannuation Fund.
Suzlon Energy Limited – Employees Group Gratuity Scheme.

* He is RKMP till October 31, 2010 and appointed as a whole-time director of the company with effect from 1st November 2010.

c. Transactions between the Company and related parties and the status of outstanding balances as at March 31, 2011:

Particulars	Subsidiary	Associate	Entities where KMP / RKMP has significant influence	KMP	RKMP	Employee Funds
Transactions						
Purchase of fixed assets (including intangibles)	67.44	-	0.02	-	-	-
	(90.26)	(-)	(3.88)	(-)	(-)	(-)
Sale of fixed assets	8.58	-	0.01	-	-	-
	(1.43)	(-)	(-)	(-)	(-)	(-)
Issue of equity shares (including securities premium)	-	-	1,187.38	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Subscription to/purchase of preference share	-	-	-	-	-	-
	(223.71)	(-)	(-)	(-)	(-)	(-)
Subscription to/purchase of equity share	339.27	-	-	-	-	-
	(666.51)	(-)	(-)	(-)	(-)	(-)
Redemption of preference shares	30.00	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Loans taken	-	-	145.00	-	-	-
	(-)	(-)	(1,175.00)	(-)	(-)	(-)
Loans given	1,945.56	-	-	-	-	-
	(3,334.41)	(-)	(10.69)	(-)	(-)	(-)

Particulars	Subsidiary	Associate	Entities where KMP / RKMP has significant influence	KMP	RKMP	Employee Funds
Sale of goods (net of returns)	140.39	-	-	-	-	-
	(1,193.67)	(-)	(-)	(-)	(-)	(-)
Purchase of goods and services	841.64	0.16	5.53	-	-	-
	(646.64)	(-)	(11.09)	(-)	(-)	(-)
Reimbursement of other expenses	17.02	-	-	-	-	-
	(17.41)	(-)	(-)	(-)	(-)	(-)
Reimbursement of expense payable**	455.00	-	-	-	-	-
	(412.50)	(-)	(-)	(-)	(-)	(-)
Corporate social welfare expense	-	-	0.35	-	-	-
	(-)	(-)	(2.86)	(-)	(-)	(-)
Interest expense	-	-	20.87	-	-	-
	(6.85)	(3.62)	(56.28)	(-)	(-)	(-)
Interest income	264.53	-	5.00	-	-	-
	(203.89)	(-)	(6.16)	(-)	(-)	(-)
Dividend income	36.02	-	-	-	-	-
	(0.06)	(-)	(-)	(-)	(-)	(-)
Lease rent income	0.54	-	-	-	-	-
	(0.32)	(-)	(-)	(-)	(-)	(-)
Royalty income	-	-	-	-	-	-
	(15.66)	(-)	(-)	(-)	(-)	(-)
Rent expense	0.03	-	0.19	-	-	-
	(0.03)	(-)	(0.01)	(-)	(-)	(-)
Guarantees given	431.81	-	-	-	-	-
	(2,138.31)	(-)	(-)	(-)	(-)	(-)
remuneration paid	-	-	-	(2.06)	0.01	-
	(-)	(-)	(-)	(2.06)	(-)	(-)
Contribution to various funds	-	-	-	-	-	3.36
	(-)	(-)	(-)	(-)	(-)	(2.13)
Outstanding-Balances						
Investments	604.68	-	-	-	-	-
	(634.69)	(-)	(-)	(-)	(-)	(-)
Advance from customers	20.64	-	-	1.13	0.37	-
	(-)	(-)	(-)	(0.75)	(0.75)	(-)
Sundry debtors	1,248.93	-	-	-	-	-
	(2,144.80)	(-)	(-)	(-)	(-)	(-)
Loans outstanding	4,107.24	-	-	-	-	-
(including interest)	(3,107.31)	(-)	(2.04)	(-)	(-)	(-)
Deposits outstanding	-	-	59.50	-	-	-
(including interest)	(-)	(-)	(55.00)	(-)	(-)	(-)
Unsecured Loan	-	-	145.32	-	-	-
(including interest)	(-)	(-)	(1,181.99)	(-)	(-)	(-)
Advances to suppliers and	86.12	-	-	-	-	-
other receivables	(41.39)	(-)	(-)	(-)	(-)	(-)
Sundry creditors	1,963.84	35.74	0.64	-	-	-
	(2,104.09)	(216.42)	(0.87)	(-)	(-)	(-)
Corporate guarantees	3,302.75	-	-	-	-	-
	(2,371.67)	(-)	(-)	(-)	(-)	(-)

** Reimbursement of expenses relates to amount payable to subsidiaries on account of guarantee and warranty obligations arising out of WTG Sale

Note ; Certain subsidiaries and group companies have been allowed to make free of charge use of SAP software and office premises owned by the company.

d. **Disclosure of significant transactions with related parties:**

Type of Transaction	Type of relationship	Name of the entity / person	Year ended March 31,	
			2011	2010
Purchase of fixed assets (including intangibles	Subsidiary	Suzlon Blade Technology B.V.	21.65	30.96
	Subsidiary	Suzlon Energy Gmbh	34.64	59.07
	Subsidiary	SE Composites Limited	9.46	-
Sale of fixed assets	Subsidiary	SE Electricals Limited	0.10	0.18
	Subsidiary	SE Composites Limited	0.90	1.22
	Subsidiary	Suzlon Structures Limited	7.16	-
Subscription to / purchase of preference shares	Subsidiary	SE Electricals Limited	-	17.80
	Subsidiary	SE Composites Limited	-	120.88
	Subsidiary	Suzlon Wind International Limited	-	85.03
Subscription to / purchase of preference shares	Subsidiary	Suzlon Energy Limited, Mauritius	145.00	292.71
	Subsidiary	Suzlon Energy A/S	-	370.66
	Subsidiary	SE Forge Limited	191.96	-
Redemption of investment in preference	Subsidiary	Suzlon Towers & Structures Limited	5.00	-
	Subsidiary	Suzlon Infrastructure Services Limited	25.00	-
Loan taken	Entities where KMP / RKMP has significant influence	Tanti Holdings Private Limited	145.00	-
	Entities where KMP / RKMP has significant influence	SE Energy Park Limited	-	565.00
	Entities where KMP / RKMP has significant influence	Sanman Holdings Private Limited	-	610.00
Loans given	Subsidiary	SE Composites Limited	362.15	411.09
	Subsidiary	AE Rotor Holdings B.V.	397.67	1,390.93
	Subsidiary	Suzlon Wind International Limited	666.48	936.37
Sale of goods (net of returns)	Subsidiary	Suzlon Infrastructure Services Limited	41.96	56.74
	Subsidiary	Suzlon Energy (Tianjin) Limited	23.88	26.21
	Subsidiary	Suzlon Wind International Limited	38.56	11.22
	Subsidiary	Suzlon Energy Australia Pty. Limited	2.14	136.04
	Subsidiary	Suzlon Wind Energy Corporation	5.06	825.49
Purchase of goods and services	Subsidiary	Suzlon Infrastructure Services Limited	123.29	130.34
	Subsidiary	Suzlon Wind International Limited	35.45	82.20
	Subsidiary	SE Electricals Limited	206.99	85.14
	Subsidiary	SE Forge Limited	167.55	31.24
Reimbursement of expenses payable	Subsidiary	Suzlon Wind Energy Corporation	262.13	236.75
	Subsidiary	Suzlon Energy Australia Pty. Ltd.	141.61	113.46
Corporate Social Welfare expense	Entities where KMP / RKMP has significant influence	Suzlon Foundation	0.35	2.86
Interest income	Subsidiary	AE Rotor Holding B.V.	144.89	97.32
	Subsidiary	SE Composites Limited	49.70	31.01
	Subsidiary	Suzlon Wind International Limited	45.81	27.33
Interest expense	Entities where KMP / RKMP has significant influence	SE Energy Park Limited	4.02	33.21
	Entities where KMP / RKMP has significant influence	Sanman Holdings Private Limited	16.50	21.99
	Subsidiary	Hansen Transmission International NV	-	5.48
	Associate	Hansen Transmission International NV	-	3.62
Dividend income	Subsidiary	SE Composites Limited	-	0.03
	Subsidiary	Suzlon Energy (Tianjin) Limited	36.02	-
	Subsidiary	Suzlon Wind International Limited	-	0.03
Royalty income	Subsidiary	Suzlon Energy (Tianjin) Limited	-	15.66
Lease rent income	Subsidiary	SE Electricals Limited	0.54	0.32

Type of Transaction	Type of relationship	Name of the entity / person	Year ended March 31,	
			2011	2010
Rent expense	Subsidiary	Suzlon Infrastructure Services Limited	0.03	0.03
	Entities where KMP / RKMP has significant influence	Girish R. Tanti (HUF)	0.01	0.01
	Entities where KMP / RKMP has significant influence	Sanman Holdings Private Limited	0.06	-
	Entities where KMP / RKMP has significant influence	Suruchi Holdings Private Limited	0.06	-
	Entities where KMP / RKMP has significant influence	Sugati Holdings Private Limited	0.06	-
Remuneration paid	KMP	Tulsi R. Tanti	(1.46)	1.46
	KMP	Girish R. Tanti	(0.60)	0.60
Contribution to various funds	Employee Funds	Suzlon Energy Limited - Superannuation Fund	0.25	0.13
	Employee Funds	Suzlon Energy Limited - Employees Group Gratuity Scheme	3.11	2.00
Guarantees given on behalf of	Subsidiary	SE Drive Techniek GmbH	-	2,083.36
	Subsidiary	Suzlon Energy A/S	379.07	-
	Subsidiary	Suzlon Energia Elocia do Brazil Ltda	52.74	54.94
Reimbursement of other expense	Subsidiary	Suzlon Wind International Limited	-	6.36
	Subsidiary	SE Composites Limited	-	3.34
	Subsidiary	Suzlon Generators Limited	17.02	-
Share application money refunded	Entities where KMP / RKMP has significant influence	Tanti Holdings Private Limited	-	95.00

21. Disclosures as required by Clause 32 of the Listing Agreement with Stock Exchanges

Type of relationship	Name	Amount outstanding as at March 31, 2011	Maximum Amount outstanding during the year
Subdidiaries	Suzlon Towers and Structures Limited	-	35.00
	Suzlon Power Infrastructure Limited	63.64	151.24
	Suzlon Infrastructure Services Limited	-	25.00
	Suzlon Gujarat Wind Park Limited	16.60	90.19
	Suzlon Structure Limited	-	2.82
	SE Forge Limited	-	0.17
	SE Composites Limited	490.10	490.35
	Suzlon Wind International Limited	447.50	447.50
	SE Electricals Limited	29.45	78.27
	Suzlon Rotor Corporation	10.52	10.52
	AE Rotor Holding B.V.	2,606.37	2,653.70
	Suzlon Energy A/S	77.70	77.70
	Suzlon Engitech Limited	106.17	106.97
Companies in which directors are interested	Synefra Engineering & Construction Limited (Formerly Suzlon Infrastructure Limited)	50.00	50.00
	Shubh Realty (South) Private Limited	-	2.04

Note:

a. All the above balances of loans are excluding accrued interest aggregating Rs 266.35 crore (Rs 192.23 crore) and are payable on demand/as per agreement.

b. No loans have been granted by the Company to any person for the purpose of investing in the shares of Suzlon Energy Limited or any of its subsidiaries.

Loans and advances to companies under the same management, as per the provisions of Section 370 (1B) of the Companies Act

Name	Amount outstanding as at March 31, 2011	Maximum Amount outstanding during the year
Synefra Engineering & Construction Limited (Formerly Suzlon Infrastructure Limited)	50.00	50.00
Shubh Realty (South) Private Limited	-	2.04

22. **Disclosure of Micro and Small Enterprises**

Sr.	Particulars	Year ended March 31, 2011	2010
(i)	Principal amount remaining unpaid to any supplier as at the end of the year	6.70	35.80
	Interest due on the above amount	0.12	0.27
(ii)	Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Act, 2006	-	-
	Amounts of payment made to the suppliers beyond the appointed day during the year	18.75	35.80
(iii)	Amount of interest due and payable for the period of delay in making payment	-	-
	but without adding the interest specified under this Act	-	-
(iv)	Amount of interest accrued and remaining unpaid at the end of the year*	-	-
(v)	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 to the small enterprise	3.84	2.79

*Interest payable as per section 16 of the Micro, Small and Medium enterprises Act, 2006 is Rs. 3.84 crore (Rs. 2.79 crore) and same is not accrued in the books of accounts as the amount is not contractually payable.

23. **Additional information pursuant to the provisions of paragraphs 3, 4B, 4C, 4D of part II of schedule VI of the Companies Act, 1956.**

a. **Auditors remuneration and expenses**

Particulars	Year ended March 31, 2011	2010
As auditor:		
- Statutory audit fees	1.84	2.13
- Tax audit fees	0.06	0.06
In other capacities:		
- Taxation matters		
- Certification and advisory services*	0.85	0.44
- Reimbursement of out of pocket expenses	0.01	0.16
Total	**2.76**	**2.79**

* Includes Rs.0.39 crore (Rs.0.38 crore) paid for agreed upon procedures with regard to issue of debt and equity of the Company and adjusted from securities premium account.

b. **Licensed and installed capacities and production**

Licensed capacity - The products manufactured and sold by the Company i.e., WTG's and components have not been included in the list of mandatory items, which require a license under the New Industrial Policy in terms of Notification no. S.O.477 (E) dated 25th July, 1991; and hence, licensing requirements are not applicable to the products manufactured by the Company.

Installed capacity - The installed capacities are not precisely ascertainable, given the nature of operations, changes in product mix and utilisation of manufacturing facilities and hence, have not been disclosed.

Production

Particulars	Units produced (in Nos.)	Units produced (in MW's)
<u>Wind Turbine Generators</u>		
upto 1 MW	89 (100)	53.40 (60.00)
Above 1 MW and upto 2 MW	435 (326)	625.75 (460.00)
Above 2 MW	228 (212)	478.80 (445.20)
Total	752 (638)	1,157.95 (965.20)

c. Details of opening stock, turnover and closing stock

Particulars	Year ended March 31, 2011			Year ended March 31, 2010		
	Nos.	MW	Amount	Nos	MW	Amount
Opening stock						
Wind Turbine Generators						
Upto 1 MW	-	-	-	-	-	-
Above 1 MW and upto 2 MW	-	-	-	-	-	-
Above 2 MW	-	-	-	-	-	-
Land / Lease rights	-	-	22.75	-	-	21.88
	-	**-**	**22.75**	**-**	**-**	**21.88**
Turnover						
Wind Turbine Generator						
Upto 1 MW	89	53.40	233.71	100	60.00	258.40
Above 1 MW and upto 2 MW	435	625.75	2,357.22	326	460.00	1,574.95
Above 2 MW*	228	478.80	1,596.23	227	476.70	1,434.63
Land / Lease rights			11.02			12.35
Others			159.37			208.35
	752	**1,157.95**	**4,357.55**	**653**	**996.70**	**3,488.68**
Closing stock						
Wind Turbine Generators						
Upto 1 MW	-	-	-	-	-	-
Above 1 MW and upto 2 MW	-	-	-	-	-	-
Above 2 MW	-	-	-	-	-	-
Land / Lease rights	-	-	24.85	-	-	22.75
	-	**-**	**24.85**	**-**	**-**	**22.75**

*During the previous year 15 WTGs of 2.10 MW were purchased from one of the wholly owned subsidiaries of the Company for sale under construction contracts.

d. Raw materials consumed

Particulars		Year ended March 31, 2011		Year ended March 31, 2010	
		Quantity	Amount	Quantity	Amount
(i)	Gear Box (nos)	823	640.53	575	476.23
(ii)	Others (see note below)	Various	2,306.91	Various	1,742.14
			2,947.44		**2,218.37**

Note :

It is not practicable to furnish quantitative information in view of large number of items which differ in size and nature, each being less than 10% in value of the total raw materials consumed.

e. Imported and indigenous consumption

a. Raw materials

Particulars	Year ended March 31, 2011		Year ended March 31, 2010	
	Amount	%	Amount	%
Imported	1,910.92	64.83	1,375.15	61.99
Indigenous	1,036.52	35.17	843.22	38.01
	2,947.44	**100.00**	**2,218.37**	**100.00**

b. Stores and spares

Particulars	Year ended March 31, 2011		Year ended March 31, 2010	
	Amount	%	Amount	%
Imported	2.14	7.02	2.62	12.12
Indigenous	28.30	92.98	19.02	87.88
	30.44	**100.00**	**21.64**	**100.00**

f. Value of imports on CIF basis

Particulars	Year ended March 31,	
	2011	2010
(i) Raw materials	1,744.81	1,032.62
(ii) Stores and spares	0.96	0.49
(iii) Capital goods	60.66	96.81
	1,806.43	**1,129.92**

g. Expenditure in foreign currency (on accrual basis)

Particulars	Year ended March 31,	
	2011	2010
(i) Consultancy	13.68	10.14
(ii) R & D, certification and product development and quality assurance	97.38	73.57
(iii) Interest	53.51	60.82
(iv) Design change and technological upgradation charges	62.26	81.07
(v) Performance guarantee expenses	75.84	74.92
(vii) Liquidated damages	0.92	39.58
(viii) Operations & maintenance charges	190.77	121.77
(ix) Consent fee paid to Foreign Currency Convertible Bond holders	27.10	68.36
(x) Expenses incurred towards issue of debt and equity of the company	1.72	32.98
(xi) Others	25.06	23.14

h. Earnings in foreign currency (on accrual basis)

Particulars	Year ended March 31,	
	2011	2010
F.O.B. value of exports	32.78	990.33
Interest on loans	146.27	97.94
Royalty	-	15.66
Dividend received	36.02	-

24. Segment reporting

As permitted by paragraph 4 of Accounting Standard-17 (AS - 17), 'Segment Reporting', if a single financial report contains both consolidated financial statements and the separate financial statements of the parent, segment information need be presented only on the basis of the consolidated financial statements. Thus, disclosures required by AS 17 are given in consolidated financial statements.

25. Prior year amounts have been reclassified wherever necessary to conform with current year presentation. Figures in the brackets are in respect of the previous year.

Signatories to Schedules 'A' to 'P'

As per our report of even date

For and on behalf of the Board of Directors of Suzlon Energy Limited

For SNK & Co. Firm Registration number: 109176W Chartered Accountants	For S.R. BATLIBOI & Co. Firm Registration number: 301003E Chartered Accountants	Tulsi R. Tanti Chairman & Managing Director	Vinod R. Tanti Executive Director
per Jasmin B. Shah Partner	per Arvind Sethi Partner	Hemal Kanuga Company Secretary	Robin Banerjee Chief Financial Officer
Membership No. 46238	Membership No. 89802		
Place: Pune Date : July 30, 2011	Place: Pune Date : July 30, 2011	Place: Pune Date: July 30, 2011	

Balance Sheet abstract and Company's general business profile

Registration details : Registration No.: L40100GJ1995PLC025447 State code 04

Balance sheet date : March 31, 2011	**In Rs. thousand, except per share data**
Capital raised during the year	
Public issue	–
Rights issue	377,267
Bonus issue	–
Private placement*	64,001
Position of mobilization and deployment of funds	
Total assets	134,718,045
Total liablilities	134,718,045
Sources of funds	
Paid-up capital	3,554,731
Employee stock options	204,344
Share application money pending allotment	–
Reserve and surplus	64,185,686
Secured loans	43,957,428
Unsecured loans	22,815,895
Application of funds	
Net fixed assets	9,013,294
Investments	78,450,723
Net current assets	46,697,657
Deffered tax assets	556,371
Miscellaneous expenditure	–
Accumulated losses	–
Performance of the company	
Turnover	43,575,454
Other income	3,405,096
Total income	46,980,550
Total expenditure	49,212,679
Profit/loss before tax and exceptional items	(2,232,129)
Profit/loss before tax and after exceptional items	(2,604,972)
Profit/loss after tax and after exceptional items	(1,856,681)
Earnings per share (Basic) (Rs.)	(1.09)
Dividend rate (%) (Equity share of par value Rs.2 each)	–
Generic Names of Principal Products/Services of Company	
Item Code No. (ITC Code)	85023100
Product Description	Wind operated electricity generators

* Include 8,000 equity shares of face value of Rs. 2 each, alloted under ESOP scheme.

SECTION 212 REPORT

Statement pursuant to Section 212(8) of the Companies, Act, 1956 related to Subsidiary Companies

(Amount Rs. in crore)

Sr. No.	Name of the Subsidiary Company	Reporting Currency	Issued and subscribed share capital	Reserves	Total assets	Total liabilities	Investments	Turnover	Profit/ (loss) before taxation	Provision for taxation & deferred tax	Profit/ (loss) after taxation	Proposed dividend equity	Country
1	AE-Rotor Holding B.V.	EURO	4,030.44	1,590.37	9,391.03	9,391.03	807.50	28.51	(139.94)	6.66	(146.60)	-	The Netherlands
2	Cannon Ball Wind Energy Park-1, LLC	USD	0.00	(0.64)	0.72	0.72	-	-	-	-	-	-	USA
3	PowerBlades GmbH	EURO	3.96	(8.16)	160.33	160.33	-	339.36	(16.64)	0.01	(16.65)	-	Germany
4	PowerBlades SA	EURO	0.32	16.83	150.26	150.26	-	20.34	8.98	(2.45)	11.43	-	Portugal
5	REpower Australia Pty. Ltd.	AUD	0.00	(27.87)	34.94	34.94	-	18.67	(12.31)	0.37	(12.68)	-	Australia
6	REpower Benelux b.v.b.a.	EURO	0.16	2.12	3.33	3.33	-	12.76	2.95	1.02	1.93	-	Belgium
7	REpower Betriebs – und Beteiligungs GmbH	EURO	0.16	(1.49)	4.34	4.34	0.01	-	0.01	1.24	(1.23)	-	Germany
8	REpower Systems Inc	Can-$	0.00	(9.85)	39.02	39.02	-	1.05	(7.93)	-	(7.93)	-	Canada
9	REpower Diekat S.A.	EURO	0.63	(0.58)	0.71	0.71	-	-	-	-	-	-	Greece
10	REpower Espana S.L.	EURO	2.18	(3.27)	8.91	8.91	-	0.50	(1.13)	-	(1.13)	-	Spain
11	REpower Geothermie GmbH	EURO	0.32	(0.81)	1.82	1.82	-	-	-	-	-	-	Germany
12	REpower Investitions - und Projektierungs GmbH & Co. KG	EURO	0.01	(0.18)	0.27	0.27	-	-	(0.03)	-	(0.03)	-	Germany
13	REpower Italia s.r.l	EURO	0.32	10.26	18.56	18.56	-	42.35	9.78	3.97	5.81	-	Italy
14	REpower North (China) Ltd.	RMB	114.74	(4.27)	205.72	205.72	-	22.29	(6.79)	5.91	(12.70)	-	PR China
15	REpower S.A.S.	EURO	3.49	30.69	70.72	70.72	-	110.31	17.55	8.06	9.49	-	France
16	REpower Systems AG	EURO	58.48	2,454.55	7,659.36	7,659.36	13.83	6,651.96	113.50	31.05	82.45	91.61	Germany
17	REpower UK Ltd.	GBP	0.72	8.64	18.97	18.97	-	53.12	3.05	0.81	2.24	-	United Kingdom
18	REpower USA Corp .	USD	1.11	(11.52)	31.45	31.45	-	48.59	(4.79)	0.04	(4.84)	-	USA
19	REpower Wind Systems Trading (China) Ltd.	RMB	0.32	0.39	0.88	0.88	-	4.09	0.58	0.07	0.51	-	PR China
20	REpower Windpark Betriebs GmbH	EURO	0.16	0.02	0.18	0.18	-	-	0.02	0.00	0.02	-	Germany
21	RETC Renewable Energy Technology Centre	EURO	0.16	5.18	7.15	7.15	-	-	(3.26)	(0.00)	(3.26)	-	Germany
22	SE Composites Limited	INR	238.98	(180.60)	1,307.12	1,307.12	-	371.52	(101.38)	(2.35)	(99.03)	-	India
23	SE Drive Technik GmbH	EURO	0.16	2,806.70	9,495.47	9,495.47	0.10	-	(222.86)	0.00	(222.86)	-	Germany
24	SE Electricals Limited	INR	95.90	15.52	441.26	441.26	-	399.71	11.66	3.91	7.75	-	India
25	SE Forge Limited	INR	241.25	44.25	1,349.27	1,349.27	0.00	357.61	(116.05)	-	(116.05)	-	India
26	SE Solar Limited	INR	1.00	(1.02)	1.98	1.98	-	-	(0.00)	-	(0.00)	-	India
27	Suzlon Energy Australia CYMWFD Pty. Ltd.	AUD	0.00	(0.00)	0.52	0.52	-	-	(0.00)	(0.00)	(0.00)	-	Australia
28	Suzlon Blade Technology B.V.	EURO	0.11	(11.68)	218.06	218.06	-	115.22	(4.91)	-	(4.91)	-	The Netherlands
29	Suzlon Energia Elocia do Brazil Ltda	BRL	1.01	139.59	750.48	750.48	-	1,276.28	37.76	(30.38)	68.14	-	Brazil
30	Suzlon Energy (Tianjin) Limited	RMB	278.19	63.34	1,224.72	1,224.72	-	839.67	5.45	0.67	4.77	35.31	PR China
31	Suzlon Energy A/S	EURO	120.96	(318.93)	1,405.51	1,405.51	-	-	(13.73)	1.19	(14.91)	-	Denmark
32	Suzlon Energy Australia Pty. Ltd.	AUD	25.61	(180.63)	1,354.08	1,354.08	-	1,000.01	(116.43)	42.11	(158.54)	-	Australia
33	Suzlon Energy B.V.	USD	34.24	12.08	719.67	719.67	-	-	(52.19)	-	(52.19)	-	The Netherlands
34	Suzlon Energy GmbH	EURO	0.16	180.25	268.57	268.57	-	112.20	11.57	6.80	4.77	-	Germany
35	Suzlon Energy Korea Co., Ltd.	KRW	-	-	0.40	0.40	-	0.65	(0.65)	-	(0.65)	-	South Korea
36	Suzlon Energy Limited	EURO	6,618.75	(119.32)	6,624.33	6,624.33	-	-	15.31	-	15.31	-	Mauritius
37	Suzlon Engitech Limited	INR	1.50	(3.59)	116.37	116.37	-	8.33	(4.02)	0.03	(4.05)	-	India
38	Suzlon Generators Limited	INR	34.97	(5.19)	139.18	139.18	15.00	137.80	(16.48)	(4.94)	(11.54)	-	India
39	Suzlon Gujarat Wind Park Limited	INR	2.00	(33.63)	155.22	155.22	1.19	65.84	(21.96)	0.31	(22.27)	-	India
40	Suzlon Infrastructure Services Limited	INR	117.00	135.06	956.87	956.87	20.91	1,213.79	20.70	7.22	13.48	-	India
41	Suzlon North Asia Ltd	HKD	0.26	(0.22)	0.27	0.27	-	-	(0.03)	-	(0.03)	-	Hong Kong
42	Suzlon Power Infrastructure Limited	INR	3.01	(10.90)	275.25	275.25	-	174.13	8.84	-	8.84	-	India
43	Suzlon Rotor Corporation	USD	0.00	(42.81)	255.21	255.21	-	51.88	(36.94)	-	(36.94)	-	USA
44	Suzlon Structures Limited	INR	29.37	32.70	295.59	295.59	26.00	512.38	10.94	0.28	10.66	-	India
45	Suzlon Towers and Structures Limited	INR	40.00	286.01	792.50	792.50	25.01	968.64	137.65	47.25	90.40	-	India
46	Suzlon Wind Energy A/S	EURO	0.87	(230.93)	928.39	928.39	10.75	369.00	(63.64)	1.83	(65.48)	-	Denmark
47	Suzlon Wind Energy Corporation	USD	0.00	217.13	1,674.99	1,674.99	-	568.42	61.66	0.71	60.95	-	USA

(Amount Rs. in crore)

Sr. No.	Name of the Subsidiary Company	Reporting Currency	Issued and subscribed share capital	Reserves	Total assets	Total liabilities	Investments	Turnover	Profit/ (loss) before taxation	Provision for taxation & deferred tax	Profit/ (loss) after taxation	Proposed dividend equity	Country
48	Suzlon Wind Energy Equipment Trading (Shanghai) Co., Ltd.	RMB	6.97	(12.08)	13.20	13.20	-	-	(12.08)	-	(12.08)	-	PR China
49	Suzlon Wind Energy Espana, S.L	EURO	0.02	(20.53)	701.72	701.72	-	78.99	(7.37)	-	(7.37)	-	Spain
50	Suzlon Wind Energy Italy s.r.l.	EURO	0.06	0.59	54.47	54.47	-	34.09	(2.96)	-	(2.96)	-	Italy
51	Suzlon Wind Energy Limited	EURO	6,063.45	(1.45)	6,063.61	6,063.61	-	-	(0.08)	-	(0.08)	-	United Kingdom
52	Suzlon Wind Energy Nicaragua Sociedad Anonima	EURO	0.00	0.08	17.35	17.35	-	25.59	6.38	-	6.38	-	Nicaragua
53	Suzlon Wind Energy Portugal Energia Elocia Unipessoal Lda	EURO	14.27	(23.79)	139.70	139.70	-	20.66	(7.51)	1.66	(9.17)	-	Portugal
54	Suzlon Wind Energy Romania SRL	RON	0.00	1.62	4.59	4.59	-	5.66	0.35	0.06	0.29	-	Romania
55	Suzlon Wind Enerji Sanayi Ve Ticaret Limited Sirketi	TRY	0.01	(0.20)	11.58	11.58	-	4.33	(0.55)	-	(0.55)	-	Turkey
56	Suzlon Wind International Limited	INR	203.30	654.64	2,543.08	2,543.08	0.00	632.53	20.94	1.42	19.52	-	India
57	Suzlon Windenergie GmbH	EURO	0.16	2,191.02	2,198.61	2,198.61	-	-	-	-	-	-	Germany
58	Suzlon Windpark Management GmbH	EURO	0.16	(0.07)	0.21	0.21	-	-	(0.01)	-	(0.01)	-	Germany
59	Tarilo Holding B.V.	EURO	0.11	183.96	187.90	187.90	-	-	(0.09)	-	(0.09)	-	The Netherlands
60	WEL Windenergie Logistik GmbH	EURO	0.16	4.80	13.49	13.49	-	69.05	3.27	0.31	2.96	-	Germany
61	Windpark Blockland GmbH & Co KG	EURO	(0.05)	3.45	22.13	22.13	-	7.67	4.22	0.74	3.48	-	Germany
62	Renewable Energy Contractors Australia Pty. Ltd.	AUD	0.00	-	0.00	0.00	-	-	-	-	-	-	Australia
63	Windpark Olsdorf Watt Gmbh & Co. KG	EURO	0.02	17.55	17.94	17.94	-	1.72	0.54	0.02	0.51	-	Germany
64	SISL Green Infra Limited	INR	0.05	(0.24)	0.29	0.29	-	-	(0.03)	-	(0.03)	-	India
65	Valum Holding B.V	EURO	0.11	(0.14)	11.08	11.08	-	-	(0.14)	-	(0.14)	-	The Netherlands
66	Suzlon Energy Australia RWFD Pty. Ltd	AUD	0.00	(2.07)	4.46	4.46	-	-	(2.96)	(0.89)	(2.07)	-	Australia
67	Suzlon Wind Energy Bulgaria EOOD	EURO	0.00	0.34	7.50	7.50	-	3.64	0.34	-	0.34	-	Bulgaria
68	Suzlon Wind Energy BH	BAM	0.00	(0.12)	0.14	0.14	-	-	(0.13)	-	(0.13)	-	Bosnia
69	Age Parque Eolico EL Almendro S.L.	EURO	0.02	-	0.02	0.02	-	-	-	-	-	-	Spain
70	Rep Ventures - Portugal S.A.	EURO	0.32	(2.37)	2.62	2.62	-	0.14	(1.57)	0.04	(1.61)	-	Portugal
71	REpower Systems GmbH	EURO	0.16	37.26	51.26	51.26	-	71.84	21.44	0.04	21.41	-	Germany
72	RPW Investments SGPS, SA	EURO	2.39	274.95	284.79	284.79	-	-	15.38	0.00	15.37	-	Portugal
73	SURE Power LLC	USD	-	0.40	10.32	10.32	-	-	(0.72)	-	(0.72)	-	USA
74	Suzlon Wind Energy South Africa (pty) Ltd	ZAR	0.00	2.18	4.44	4.44	-	-	(1.10)	-	(1.10)	-	Africa
75	REpower Systems Polska Sp.zo.o	EURO	0.17	1.37	3.19	3.19	-	2.14	1.74	0.35	1.39	-	Poland
76	REpower Systems Scandinavia AB	EURO	0.07	0.32	0.72	0.72	-	1.68	0.41	0.11	0.30	-	Sweden
77	REpower Portugal - Sistemas Eolicos, S.A.	EURO	0.63	61.55	175.01	175.01	6.53	1.84	0.41	0.10	0.31	-	Portugal
78	Ventipower S.A.	EURO	0.32	2.70	131.74	131.74	-	0.07	(2.56)	(0.43)	(2.13)	-	Portugal
79	RiaBlades S.A.	EURO	0.32	(23.29)	292.01	292.01	-	10.78	(2.86)	0.14	(3.00)	-	Portugal

0.00 represents amount below Rs. 0.01 crore

Note:

The Exchange rates as on March 31, 2011 - (USD 1.00 = Rs. 44.5950, AUD 1.00 = Rs. 46.1358, DKK 1.00 = Rs. 8.5060, EURO 1.00 = Rs. 63.4275, BRL 1.00 = Rs. 27.3740, KRW(Korea) 1.00 = Rs. 0.0408, GBP 1.00 = Rs. 71.6932, RMB (China) 1.00 = Rs. 6.8131, TRY 1.00 = Rs. 28.9110, HKD 1.00 = Rs. 5.7305, NIO 1.00 = Rs. 1.9941, RON 1.00 = Rs. 15.4121, Can $ 1.00 = Rs. 46.6945, BAM 1 = 32.2884, ZAR 1 = 6.5648)

For and on behalf of the Board of Directors of Suzlon Energy Limited

Tulsi R. Tanti
Chairman & Managing Director

Vinod R. Tanti
Executive Director

Hemal A. Kanuga
Company Secretary

Robin Banerjee
Chief Financial Officer

Place: Pune
Date : July 30, 2011

Consolidated Financial Statements

Auditor's Report on Consolidated Financial Statements

To

The Board of Directors of Suzlon Energy Limited

1. We SNK & Co. and S. R. Batliboi & Co. have audited the attached consolidated balance sheet of Suzlon Energy Limited ('SEL' or the 'Company') and its subsidiaries as described in Schedule P, Note II (1), its associate as described in Schedule P, Note II (3) and joint venture as described in Schedule P, Note II (2) (together referred to as the 'Group') as at March 31, 2011, and also the consolidated profit and loss account and the consolidated cash flow statement for the year ended on that date annexed thereto ("Consolidated Financial Statements"). These Consolidated Financial Statements are the responsibility of SEL's management and have been prepared by management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Consolidated Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. a) We did not audit the financial statements of certain subsidiaries, whose audited financial statements, reflect Group's share of total assets of Rs. 946.27 crores as at March 31, 2011, Group's share of total revenues of Rs. 1,857.69 crores and Group's share of total cash flows of Rs. (16.04) crores for the year then ended. These financial statements and other financial information have been audited solely by SNK & Co. on which, S. R. Batliboi & Co. has placed reliance for the purpose of this report.

   b) We did not audit the financial statements of certain subsidiaries, whose audited financial statements, reflect Group's share of total assets of Rs. 1,188.73 crores as at March 31, 2011, Group's share of total revenues of Rs. 996.83 crores and Group's share of total cash flows of Rs. 10.71 crores for the year then ended. These financial statements and other financial information have been audited solely by S. R. Batliboi & Co. on which, SNK & Co. has placed reliance for the purpose of this report.

   c) We did not audit the financial statements of certain subsidiaries, whose audited financial statements, reflect Group's share of total assets of Rs. 464.30 crores as at March 31, 2011, Group's share of the total revenue of Rs. 226.01 crores and Group's share of total cash flows amounting to Rs. 6.92 crores for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors.

   d) We did not audit the financial statements of certain subsidiaries, whose financial statements reflect Group's share of total assets of Rs 37,746.78 crores as at March 31, 2011, Group's share of total revenues of Rs 10,842.24 crore and Group's share of total cash flows amounting to Rs 449.75 crores for the period then ended. These financial statements have been audited by other auditors whose reports have been furnished to us by Management, and our opinion is based solely on the reports of the other auditors. These other auditors are member firms of Ernst & Young Global in the relevant countries.

4. We did not audit the financial statements of an associate, whose financial statements reflect Group's share of loss of Rs 27.83 crores for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us by Management, and our opinion is based solely on the reports of the other auditors. These other auditors are member firms of Ernst & Young Global in the relevant countries.

5. We did not audit the financial statements of certain subsidiaries, whose financial statements, reflect Group's share of total assets of Rs. 326.22 crores as at March 31, 2011, Group's share of total revenues of Rs. 340.96 crores and Group's share of total cash flows amounting to Rs. 8.40 crores for the year then ended. These financial statements and other financial information have been certified by management and our opinion is based solely on these management certified accounts.

6. Without qualifying our opinion, we draw attention to Schedule P, Note 7(c) regarding non-provision of proportionate premium on redemption of US$ 479.04 Million (Rs. 2,136 crores as at March 31, 2011) Foreign Currency Convertible Bonds amounting to Rs. 579.21 crores which has been considered by the Group as a contingent liability. Since the ultimate outcome of the matter cannot be presently ascertained, no provision for the above liability that may result in future, has been made in the accompanying financial statements.

7. Without qualifying our opinion, we draw attention to Schedule P, Note 6 of the consolidated financial statements. The Indian Wind Energy Association ('InWEA) of which the Company is a member has filed a civil appeal in the Supreme Court against an order of the Appellate Tribunal for Electricity in regard to levy of Infrastructure Development Charges by Tamil Nadu State Electricity Board. The ultimate outcome of this matter cannot be presently ascertained due to it being highly technical and legalistic in nature. The Group has obtained a legal opinion which states that the InWEA/Group has a strong case and we have placed reliance on this opinion.

8. *We draw attention to Note 5, Schedule P of the consolidated financial statements. During the year ended March 31, 2011, the Company has recognised deferred tax asset aggregating approximately Rs 55.64 crores on tax losses of Suzlon Energy Limited. In our opinion, the recognition of deferred tax asset aggregating approximately Rs 55.64 crores does not satisfy the conditions of virtual certainty prescribed under Accounting Standard – 22, Accounting for Taxes on Income as notified by the Companies (Accounting Standards) Rules, 2006 (as amended). Had the above-mentioned deferred tax asset not been recognised, the net loss for the year would have been higher and the deferred tax for the year debited in the profit and loss account would have been higher by approximately Rs 55.64 crores. Accordingly, the deferred tax asset in the Consolidated Balance Sheet has been overstated by approximately Rs. 55.64 crores.*

9. We report that the consolidated financial statements have been prepared by SEL's management in accordance with the requirements of Accounting Standards (AS) 21, Consolidated Financial Statements, Accounting Standards (AS) 23, Accounting for Investments in Associates in Consolidated Financial Statements and Accounting Standard (AS) 27, Financial Reporting of Interests in Joint Ventures notified pursuant to the Companies (Accounting Standards) Rules, 2006.

10. Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components, and to the best of our information and according to the explanations given to us, we are of the opinion that *subject to para 8 above*, the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

    a) in the case of the consolidated balance sheet, of the state of affairs of the Group as at March 31, 2011;

    b) in the case of the consolidated profit and loss account, of the loss for the year ended on that date; and

    c) in the case of the consolidated cash flow statement, of the cash flows for the year ended on that date.

For SNK & Co
Firm registration number: 109176W
Chartered Accountants

per Jasmin B. Shah
Partner
Membership No 46238

Place: Pune
Date: July 30, 2011

For S. R. Batliboi & Co
Firm registration number: 301003E
Chartered Accountants

per Arvind Sethi
Partner
Membership No 89802

Place: Pune
Date: July 30, 2011

Consolidated balance sheet as at March 31, 2011

All amounts in rupees crore unless otherwise stated

Particulars	Schedule	As at March 31, 2011	As at March 31, 2010
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	A	355.47	311.35
Share application money pending allottment		-	0.04
Employee stock options outstanding	B	20.43	15.67
Reserves and surplus	C	6,149.68	6,274.21
		6,525.58	**6,601.27**
Preference shares issued by subsidiary company		**2.50**	**2.50**
Minority interest		**306.73**	**328.48**
Loan funds			
Secured loans	D	9,256.86	8,123.36
Unsecured loans	E	3,006.79	4,544.58
		12,263.65	**12,667.94**
Deferred tax liabilities		**294.39**	**182.80**
		19,392.85	**19,782.99**
APPLICATION OF FUNDS			
Fixed assets (including intangible assets)	F		
Gross block		12,852.09	11,538.29
Less: Accumulated depreciation / amortisation		1,933.33	1,377.21
Net block		10,918.76	10,161.09
Capital work-in-progress (including advances for capital goods)		419.60	413.04
		11,338.36	**10,574.13**
Investments	G	**966.89**	**1,092.29**
Deferred tax assets		**160.54**	**86.33**
Foreign currency monetary item translation difference account		**-**	**253.68**
[See Schedule P, Note 11(h)]			
Current assets, loans and advances	H		
Inventories		5,351.56	5,994.30
Sundry debtors		4,236.67	3,174.00
Cash and bank balances		3,121.26	2,904.28
Other current assets		1,678.75	3,017.77
Loans and advances		2,365.80	2,107.82
		16,754.04	**17,198.17**
Less : Current liabilities and provisions	I		
Current liabilities		8,494.37	8,426.73
Provisions		1,332.61	994.88
		9,826.98	**9,421.61**
Net current assets		**6,927.06**	**7,776.56**
		19,392.85	**19,782.99**
Significant accounting policies and notes to consolidated financial statements	P		

The schedules referred to above and the notes to accounts form an integral part of the consolidated balance sheet.

As per our report of even date

For and on behalf of the Board of Directors of Suzlon Energy Limited

For SNK & Co.
Firm Registration number: 109176W
Chartered Accountants

per Jasmin B. Shah
Partner
Membership No. 46238

Place: Pune
Date : July 30, 2011

For S.R. BATLIBOI & Co.
Firm Registration number: 301003E
Chartered Accountants

per Arvind Sethi
Partner
Membership No. 89802

Place: Pune
Date : July 30, 2011

Tulsi R. Tanti
Chairman & Managing Director

Vinod R. Tanti
Executive Director

Hemal A. Kanuga
Company Secretary

Robin Banerjee
Chief Financial Officer

Place: Pune
Date: July 30, 2011

Consolidated profit and loss account for the year ended March 31, 2011

All amounts in rupees crore unless otherwise stated

Particulars	Schedule	Year ended March 31, 2011	Year ended March 31, 2010
INCOME			
Sales and service income		17,879.13	20,619.66
Other income	J	317.70	229.01
		18,196.83	**20,848.67**
EXPENDITURE			
Cost of goods sold	K	12,454.03	13,628.16
Operating and other expenses	L	2,954.20	3,799.63
Employees' remuneration and benefits	M	1,676.44	2,145.41
Financial charges	N	1,333.10	1,457.99
Depreciation / amortisation (including impairment losses)	F	657.40	662.97
		19,075.17	**21,694.16**
LOSS BEFORE TAX AND EXCEPTIONAL ITEMS		(878.34)	(845.49)
Less/(add) : Exceptional items [See Schedule P, Note 4]	O	253.28	(211.89)
LOSS BEFORE TAX		(1,131.62)	(633.60)
Current tax		164.95	183.23
MAT credit entitlement		(0.47)	(1.59)
Earlier year tax		(17.58)	0.01
Deferred tax [See Schedule P, Note 5]		38.37	174.45
Fringe benefit tax		-	0.03
LOSS AFTER TAX		**(1,316.89)**	**(989.73)**
Add : Share in associate's profit/(loss) after tax		(27.83)	16.12
Less: Share of loss/(profit) of minority		20.75	(8.95)
NET LOSS		**(1,323.97)**	**(982.56)**
Balance brought forward		943.03	1,925.60
PROFIT AVAILABLE FOR APPROPRIATIONS		**(380.94)**	**943.04**
APPROPRIATIONS			
Tax on dividends		-	0.01
Transfer to legal and statutory reserve		142.22	-
Transfer to capital redemption reserve		30.00	-
Surplus carried to balance sheet		**(553.16)**	**943.03**
Earnings/ (loss) per share (in Rs) [See Schedule P, Note 17]			
- Basic and diluted [Nominal value of share Rs 2]		**(7.77)**	(6.39)

The schedules referred to above and the notes to accounts form an integral part of the consolidated profit and loss account.

As per our report of even date

For and on behalf of the Board of Directors of Suzlon Energy Limited

For SNK & Co. Firm Registration number: 109176W Chartered Accountants	For S.R. BATLIBOI & Co. Firm Registration number: 301003E Chartered Accountants	Tulsi R. Tanti Chairman & Managing Director	Vinod R. Tanti Executive Director
per Jasmin B. Shah Partner Membership No. 46238	per Arvind Sethi Partner Membership No. 89802	Hemal A. Kanuga Company Secretary	Robin Banerjee Chief Financial Officer
Place: Pune Date : July 30, 2011	Place: Pune Date : July 30, 2011	Place: Pune Date: July 30, 2011	

Consolidated cash flow statement for the year ended March 31, 2011

All amounts in rupees crore unless otherwise stated

Particulars	Year ended March 31, 2011	Year ended March 31, 2010
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (loss) before tax and exceptional items	**(878.34)**	**(845.49)**
Adjustments for:		
Depreciation / amortisation (including impairment losses)	657.40	662.97
(Profit)/ loss on assets sold / discarded, net	6.68	(8.80)
(Profit)/ loss on sale of investments, net	0.01	-
Interest income	(102.78)	(69.40)
Interest expenses	1,135.67	1,195.03
Dividend income	(3.82)	(0.06)
Provision for operation, maintenance and warranty	124.62	528.72
Provision for performance guarantee	179.63	203.32
Provision for liquidated damages	58.10	215.05
Bad debts written off	4.87	8.25
Provision for doubtful debts and advances	76.28	47.34
Adjustments for consolidation	(79.80)	470.88
Exchange differences, net	6.38	74.43
Employee stock option scheme	12.56	10.72
Wealth-tax*	-	0.03
Operating profit/ (loss) before working capital changes	**1,197.46**	**2,492.99**
Movements in working capital		
(Increase) / decrease in sundry debtors and unbilled revenue	271.18	1,225.19
(Increase) / decrease in inventories	793.78	6.43
(Increase) / decrease in loans and advances	(374.74)	697.18
(Increase) / decrease in margin money deposits	(270.34)	69.01
Increase / (decrease) in current liabilities and provisions	(345.73)	(2,037.13)
Cash (used in) from operations	1,271.61	2,453.67
Direct taxes paid (net of refunds)	(57.48)	(219.37)
Net cash (used in) / generated from operating activities	**1,214.13**	**2,234.30**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(822.74)	(1,090.57)
Proceeds from sale of fixed assets	124.25	66.48
Paid for acquisition of subsidiaries	(273.61)	(1,423.70)
Proceeds on sale of stake in subsidiary	-	1,672.51
Purchase of investments	(46.61)	(101.80)
Inter-corporate deposits repaid / (granted)	97.93	(35.76)
Interest received	89.31	67.85
Dividend received	3.82	0.06
Net cash (used in) / generated from investing activities	**(827.65)**	**(844.93)**
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issuance of Global Depository Receipts	-	522.97
Proceeds from issuance of share capital including premium, under stock option scheme	-	0.12
Proceeds from issuance of convertible bonds	-	452.64
Proceeds from rights issue	1.01	-
Proceeds from long term borrowings	1,599.00	6,117.74
Payment towards buy-back of convertible bonds	-	(200.13)
Repayment of long term borrowings	(151.15)	(3,882.82)
Proceeds / (repayment) from short term borrowings, net	(726.00)	(2,099.99)
Expenses incurred towards restructuring and refinancing of financial facilities (disclosed under exceptional items)	(37.28)	(231.37)

Consolidated cash flow statement for the year ended March 31, 2011

All amounts in rupees crore unless otherwise stated

Particulars	Year ended March 31, 2011	2010
Convertible bond and share issue expenses	(9.30)	(16.38)
Share application money received	-	0.04
Share application money refunded	-	(95.00)
Interest paid	(1,132.28)	(1,221.19)
Dividend paid	(8.41)	-
Tax on dividend paid	-	(1.26)
Net cash (used in) / generated from financing activities	**(464.41)**	**(654.63)**
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	**(77.93)**	**734.74**
Add: Cash and bank balances taken over on acquisition of subsidiary	22.53	48.50
(Less): Cash and bank balances on sale of stake in subsidiary	-	(876.73)
Add/(less): Effect of exchange difference on cash and cash equivalents	2.04	(3.06)
Total	**(53.36)**	**(96.55)**
Cash and cash equivalents at the beginning of the year	2,739.32	2,835.87
Cash and cash equivalents at the end of the year	2,685.96	2,739.32

Components of cash and cash equivalents	As at March 31, 2011	2010
Cash and cheques on hand	67.24	10.99
With scheduled and non scheduled banks		
in current account**	2,548.96	1,501.23
in margin account	435.30	180.45
in term deposit accounts	69.76	1,211.61
less: in margin money deposits	(435.30)	(164.96)
	2,685.96	**2,739.32**

Notes

1 The figures in brackets represent outflows.

2 Previous period's figures have been regrouped / reclassified, whereever necessary to confirm to current year presentation.

* Amount below Rs 0.01 crore

** Includes a balance of Rs. 0.19 crore (Rs. 0.19 crore) not available for use by the Group as they represent corresponding unpaid dividend liabilities.

As per our report of even date

For and on behalf of the Board of Directors of Suzlon Energy Limited

For SNK & Co.
Firm Registration number: 109176W
Chartered Accountants

per Jasmin B. Shah
Partner
Membership No. 46238

Place: Pune
Date : July 30, 2011

For S.R. BATLIBOI & Co.
Firm Registration number: 301003E
Chartered Accountants

per Arvind Sethi
Partner
Membership No. 89802

Place: Pune
Date : July 30, 2011

Tulsi R. Tanti
Chairman & Managing Director

Vinod R. Tanti
Executive Director

Hemal A. Kanuga
Company Secretary

Robin Banerjee
Chief Financial Officer

Place: Pune
Date: July 30, 2011

Schedules to the consolidated balance sheet as at March 31, 2011

All amounts in rupees crore unless otherwise stated

Particulars	As at March 31, 2011	As at March 31, 2010
SCHEDULE - A : SHARE CAPITAL		
Authorised		
3,500,000,000 (2,225,000,000) equity shares of Rs 2/- each	700.00	445.00
	700.00	**445.00**
Issued		
Equity		
1,796,297,624 (1,556,731,743) equity shares of Rs 2/- each fully paid-up	359.26	311.35
Subscribed and paid up		
Equity		
1,777,365,647 (1,556,731,743) equity shares of Rs 2/- each fully paid-up	**355.47**	**311.35**
[Of the above equity shares, 1,259,276,500 (1,259,276,500) shares of Rs 2/- each were allotted as fully paid bonus shares by utilisation of Rs 174.04 crore (Rs 174.04 crore) from general reserve, Rs 1.03 crore (Rs 1.03 crore) from capital redemption reserve and Rs 76.80 crore (Rs 76.80 crore) from securities premium account]		
[Of the above equity shares 58,400,000 (Nil) equity shares of Rs 2/- each were issued by way of Global Depository Receipts (GDR)]		
[Of the above equity shares 31,992,582 (Nil) equity shares of Rs 2/- each are alloted as fully paid up for consideration other than cash] [See Schedule P, Note 11(d)]		
[Outstanding Employee stock options exercisable into 5,679,945 (635,250) equity shares of Rs 2/- each fully paid] [See Schedule P, Note 10]		
	355.47	**311.35**
SCHEDULE - B : EMPLOYEE STOCK OPTIONS OUTSTANDING		
Employee stock options outstanding	**23.46**	**29.77**
Less : Deferred employee compensation outstanding	3.03	14.10
	20.43	**15.67**
SCHEDULE - C : RESERVES AND SURPLUS		
Capital redemption reserve		
As per last balance sheet	15.00	15.00
Add : Transfer from profit and loss account	30.00	-
	45.00	**15.00**
Unrealised gain on dilution		
As per last balance sheet	**295.13**	**1,402.93**
Less : Deduction on account increase in stake in subsidiary [See Schedule P, Note 11 (d)]	135.46	-
Less : Deduction on account of sale of subsidiary	-	1,107.80
	159.67	**295.13**
Securities premium account		
As per last balance sheet	3,979.09	3,465.18
Add : Additions during the year	1,336.30	530.29
	5,315.39	**3,995.47**
Less : Expenses on issue of right shares	9.30	-
Expenses on issue of global depository receipts	-	11.07
Expenses on issue of bonds/ debentures	-	5.31
	5,306.09	**3,979.09**
General reserve		
As per last balance sheet	950.50	953.92
Less : Deduction on account of sale of subsidiary	-	3.42
	950.50	**950.50**

Schedules to the consolidated balance sheet as at March 31, 2011

All amounts in rupees crore unless otherwise stated

Particulars	As at March 31, 2011	As at March 31, 2010
SCHEDULE - C : RESERVES AND SURPLUS (Contd.)		
Capital reserve on consolidation	**0.03**	**0.03**
Legal and statutory reserve	**142.22**	**-**
Minority share of losses	**(37.84)**	**-**
Foreign currency translation reserve		
(Exchange differences during the year on net investment in non-integral operations)		
As per last balance sheet	91.43	458.98
Movement during the year	45.74	(367.55)
	137.17	**91.43**
Profit and loss account	**(553.16)**	**943.03**
	6,149.68	**6,274.21**
SCHEDULE - D : SECURED LOANS [See Schedule P, Note 8]		
Term loans		
From banks and financial institutions	7,252.25	5,843.65
From others	5.64	11.54
	7,257.89	**5,855.19**
Working capital facilities from banks and financial institutions	**1,996.71**	**2,265.43**
Vehicle loans	**2.26**	**2.74**
	9,256.86	**8,123.36**
SCHEDULE - E : UNSECURED LOANS		
Long-term		
Foreign currency convertible bonds [See Schedule P, Note 7]	2,136.27	2,150.89
Capital from profit participation rights [See Schedule P, Note 11 (g)]	63.43	60.54
From banks and financial institutions	64.24	71.89
From others	153.47	1,189.58
	2,417.41	**3,472.90**
Short-term		
From banks and financial institutions	589.32	666.34
From others	0.06	405.34
	589.38	**1,071.68**
	3,006.79	**4,544.58**

Schedules to the consolidated balance sheet as at March 31, 2011

All amounts in rupees crore unless otherwise stated

SCHEDULE - F : FIXED ASSETS (INCLUDING INTANGIBLE ASSETS)

Assets	Gross block							Depreciation / amortisation							Net block	
	As at April 1, 2010	Additions	Acquisition	Sale of subsidiary	Translation adjustment	Deductions / adjustments	As at March 31, 2011	As at April 1, 2010	For the period	Acquisition	Sale of subsidiary	Translation adjustment	Deductions / adjustments	As at March 31, 2011	As at March 31, 2011	As at March 31, 2010
Goodwill on consolidation	6,104.65	221.13	-	-	290.53	-	**6,616.31**	-	-	-	-	-	-	-	6,616.31	6,104.65
Freehold land	129.24	9.74	-	-	0.75	-	**139.73**	-	-	-	-	-	-	-	139.73	129.24
Leasehold land	57.60	1.54	-	-	0.61	-	**59.75**	3.82	1.51	-	-	0.05	-	5.38	54.37	53.78
Buildings	1,488.52	48.61	181.13	-	25.03	2.78	**1,740.51**	184.97	91.71	-	-	1.86	0.75	277.79	1,462.72	1,303.56
Site development	105.25	-	-	-	-	-	**105.25**	8.50	4.14	-	-	-	-	12.64	92.61	96.75
Plant and machinery	2,299.62	402.61	0.83	-	30.71	230.93	**2,502.84**	677.88	284.78	-	-	8.84	59.35	912.15	1,590.69	1,621.74
Wind research and measuring equipments	36.89	22.97	-	-	-	3.01	**56.85**	19.41	11.45	-	-	-	3.30	27.56	29.29	17.48
Computer and office equipments	262.65	33.92	-	-	5.02	27.45	**274.14**	95.34	44.95	-	-	1.76	5.42	136.63	137.51	167.31
Furniture and fixtures	431.80	95.56	25.27	-	14.11	22.98	**543.76**	193.43	73.46	-	-	7.10	27.04	246.95	296.81	238.37
Vehicles	25.91	1.23	-	-	1.03	0.85	**27.32**	11.66	3.53	-	-	0.22	0.49	14.92	12.40	14.25
Intangible assets																
Designs and drawings	332.35	183.09	0.01	-	13.14	20.54	**508.05**	106.33	86.11	-	-	2.92	20.77	174.59	333.46	226.02
SAP and other software	263.81	11.99	-	-	7.33	5.55	**277.58**	75.87	47.92	-	-	3.02	2.09	124.72	152.86	187.94
	11,538.29	**1,032.39**	**207.24**	**-**	**388.26**	**314.09**	**12,852.09**	**1,377.21**	**649.56**	**-**	**-**	**25.77**	**119.21**	**1,933.33**	**10,918.76**	**10,161.09**
Capital work-in-progress															419.60	413.04
TOTAL	**11,538.29**	**1,032.39**	**207.24**	**-**	**388.26**	**314.09**	**12,852.09**	**1,377.21**	**649.56**	**-**	**-**	**25.77**	**119.21**	**1,933.33**	**11,338.36**	**10,574.13**
Previous year	15,102.40	3,095.87	34.86	5,599.24	(978.97)	116.62	**11,538.29**	1,821.00	674.47	7.58	1,025.01	(41.89)	58.94	1,377.21	10,161.09	

Notes:

1. Depreciation charge for the current year amounting to Rs 649.56 crore (Rs 674.47 crore) includes Rs Nil (Rs 11.49 crore) which has been capitalised as part of self manufactured assets.
   The depreciation charged in the profit and loss account amounting to Rs 657.40 crore (Rs 662.97 crore) is net of the amount capitalised and includes Rs 7.84 crore (Rs Nil) for depreciation charged on capital work in progress.
2. Capital work in progress includes advances for capital goods Rs 6.80 crore (Rs 20.45 crore).
3. Additions to gross block and depreciation charge for the current year includes balances taken over on account of acquisition of 50% stake of REpower Portugal - Sistemas Eolicos, S.A by REpower Systems AG which amounts to Rs 207.24 crore and Rs Nil respectively. [Also see Schedule P, Note 1 (a)]
4. Deductions to gross block and depreciation fund for the previous year is on account of sale of stake in Hansen Transmissions International NV. on November 24, 2009 which amounts to Rs 5,599.24 crore and Rs 1,025.01 crore respectively.
5. Gross block and Depreciation fund includes Rs 57.13 crore each (Rs Nil) towards assets of one subsidiary which is held for sale.
6. Borrowing cost amounting to Rs.Nil (Rs. 11.21 crore) have been capitalised to qualifying assets.
7. The depreciation charge for the year includes impairment losses of Rs. 50.77 crore (Rs Nil).

Schedules to the consolidated balance sheet as at March 31, 2011

All amounts in rupees crore unless otherwise stated

Particulars	As at March 31, 2011	As at March 31, 2010
SCHEDULE - G : INVESTMENTS		
LONG-TERM INVESTMENTS		
In associates [See Schedule P, Note 3 and 4(a)]		
Cost of Investment	1,050.71	969.29
Add: Share of post acquistion profit	(27.83)	16.12
	1,022.88	**985.41**
Less : Provision for dimunition in investments	216.00	-
Net investment in associates	**806.88**	**985.41**
Others (at cost, fully paid)		
Government and other securities (non trade)	0.02	0.02
Other non trade investments	21.75	6.85
	21.77	**6.87**
	828.65	**992.28**
CURRENT INVESTMENTS		
Investment in mutual funds (Quoted and at lower of cost and market value)	138.24	100.01
	138.24	**100.01**
	966.89	**1,092.29**
SCHEDULE - H : CURRENT ASSETS, LOANS AND ADVANCES		
Current assets		
Inventories		
Raw materials	2,744.85	2,831.80
Semi finished goods, finished goods, work-in-progress and project work-in-progress	2,378.23	2,989.39
Land and land lease rights	72.59	38.50
Stores and spares	155.89	134.61
	5,351.56	**5,994.30**
Sundry debtors		
Outstanding for a period exceeding six months		
Considered good	1,793.98	795.54
Considered doubtful	109.51	75.94
	1,903.49	871.48
Others, considered good	2,442.69	2,378.46
	4,346.18	3,249.94
Less: Provision for doubtful debts	109.51	75.94
	4,236.67	**3,174.00**
Cash and bank balances		
Cash on hand	0.89	1.15
Cheques on hand	66.35	9.84
Balances with scheduled banks		
in current accounts	186.45	729.85
in margin accounts	353.47	172.43
in term deposit accounts	39.10	70.61
Balances with non scheduled banks		
in current accounts	2,362.51	771.38
in margin accounts	81.83	8.02
in term deposit accounts	30.66	1,141.00
	3,121.26	**2,904.28**

Schedules to the consolidated balance sheet as at March 31, 2011

All amounts in rupees crore unless otherwise stated

Particulars	As at March 31, 2011	As at March 31, 2010
Other current assets		
(Unsecured and considered good)		
Due from customers	1,678.75	3,017.77
	1,678.75	**3,017.77**
Loans and advances		
(Unsecured and considered good, except otherwise stated)		
Deposits		
with customers as security deposit	13.55	13.56
with others	170.64	155.12
Advance against taxes, net	41.78	102.62
MAT credit entitlement	166.59	152.71
Inter corporate deposits	54.08	152.01
Advances recoverable in cash or in kind or for value to be received		
Considered good	1,919.16	1,531.80
Considered doubtful	18.20	9.60
	1,937.36	1,541.40
Less: Provision for doubtful loans and advances	18.20	9.60
	1,919.16	1,531.80
	2,365.80	**2,107.82**
	16,754.04	**17,198.17**

SCHEDULE - I : CURRENT LIABILITIES AND PROVISIONS

Particulars	2011	2010
Current liabilities		
Sundry creditors	4,536.85	3,942.31
Other current liabilities	1,202.85	1,236.42
Interest accrued but not due	26.92	28.93
Due to customers	157.08	483.85
Advances from customers	2,570.67	2,735.22
	8,494.37	**8,426.73**
Provisions		
Provision for taxes, net	41.89	-
Gratuity, superannuation, leave encashment and other employee benefits	59.83	50.62
Performance guarantee, operation, maintenance and warranty and liquidated damages	1,230.89	944.26
	1,332.61	**994.88**
	9,826.98	**9,421.61**

Schedules to the consolidated profit and loss account for the year ended March 31, 2011

All amounts in rupees crore unless otherwise stated

Particulars		Year ended March 31, 2011	Year ended March 31, 2010
SCHEDULE - J : OTHER INCOME			
Interest income			
From banks		43.49	37.09
From others		59.29	32.31
Dividend income		3.82	0.06
Other operating income		211.10	159.55
		317.70	**229.01**
SCHEDULE - K : COST OF GOODS SOLD			
Raw materials consumed, including project business			
Opening stock		2,831.80	3,811.20
Add : Purchases, including purchases for project business		11,785.13	12,435.55
		14,616.93	**16,246.75**
Less : Closing stock		2,744.85	2,831.80
	(A)	**11,872.08**	**13,414.95**
Trading purchases	**(B)**	**4.88**	**47.75**
(Increase)/ Decrease in stock			
Opening balance:			
Semi finished goods, finished goods, work-in-progress and project work-in-progress		2,989.39	3,159.78
Land and land lease rights		38.50	33.57
	(C)	**3,027.89**	**3,193.35**
Closing balance:			
Semi finished goods, finished goods, work-in-progress and project work-in-progress		2,378.23	2,989.39
Land and land lease rights		72.59	38.50
	(D)	**2,450.82**	**3,027.89**
(Increase)/Decrease in stock	**(E) = (C)-(D)**	**577.07**	**165.46**
	(A)+(B)+(E)	**12,454.03**	**13,628.16**
SCHEDULE - L : OPERATING AND OTHER EXPENSES			
Stores and spares		85.53	201.10
Power and fuel		66.42	84.86
Factory expenses		61.54	62.97
Repairs and maintenance:			
Plant and machinery		34.79	18.42
Building		12.44	7.86
Others		12.38	8.23
Operation and maintenance charges		223.52	132.45
Design change and technological upgradation charges		69.66	95.48
Rent		124.99	154.65
Rates and taxes		13.90	38.28
Provision for operation, maintenance and warranty		124.62	528.72
Provision for performance guarantee		179.63	203.32
Provision for liquidated damages		58.10	215.05
Quality assurance expenses		106.70	60.52
R & D, certification and product development		135.81	115.85
Insurance		31.05	68.51
Advertisement and sales promotion		70.73	76.81
Infrastructure development expenses		23.78	25.01
Freight outward and packing expenses		587.79	680.63
Sales commission		5.12	7.81
Travelling, conveyance and vehicle expenses		204.19	255.41

Schedules to the consolidated profit and loss account for the year ended March 31, 2011

All amounts in rupees crore unless otherwise stated

Particulars	Year ended March 31,	
	2011	2010
Communication expenses	63.26	86.15
Auditors' remuneration and expenses	9.21	19.70
Consultancy charges	313.47	339.54
CSR, charity and donations	19.65	11.38
Other selling and administrative expenses	250.94	296.84
Exchange differences, net	(22.86)	(42.71)
Bad debts written off	4.87	8.25
Loss/(profit) on sale of investment	0.01	-
Provision for doubtful debts and advances	76.28	47.34
Loss/(profit) on assets sold / discarded, net	6.68	(8.80)
	2,954.20	**3,799.63**

SCHEDULE - M : EMPLOYEES' REMUNERATION AND BENEFITS

Salaries, wages, allowances and bonus	1,424.42	1,906.41
Contribution to funds	178.33	166.66
Staff welfare expenses	73.69	72.34
	1,676.44	**2,145.41**

SCHEDULE - N : FINANCIAL CHARGES

Interest		
Fixed loans	811.95	420.60
Debentures	-	31.96
Others	323.72	742.47
Bank charges	197.43	262.96
	1,333.10	**1,457.99**

SCHEDULE - O : EXCEPTIONAL ITEMS [See Schedule P, Note 4]

Provision towards dimunition in investments	216.00	-
Gain on restructuring and refinancing of financial facilities (net)	37.28	(122.27)
Foreign exchange loss on the convertible bonds	-	162.34
Profit on sale of stake in subsidiary	-	(251.96)
	253.28	**(211.89)**

SCHEDULE P: SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in rupees crore unless otherwise stated)

I SIGNIFICANT ACCOUNTING POLICIES

a) Basis of accounting

The consolidated financial statements comprise the financial statements of Suzlon Energy Limited ('SEL' or 'the Company') and its subsidiaries, associates and joint venture (together referred to as 'Suzlon' or 'the Group'). The consolidated financial statements are prepared under the historical cost convention, on accrual basis of accounting except in case of assets for which provision for impairment is made and revaluation is carried out to comply in all material respects, with the mandatory accounting standards as notified by the Companies (Accounting Standards) Rules, 2006 as amended ('the Rules') and the relevant provisions of the Companies Act, 1956 ('the Act'). The accounting policies have been consistently applied by the Group; and the accounting policies not referred to otherwise, are in conformity with Indian Generally Accepted Accounting Principles ('Indian GAAP').

b) Principles of consolidation

The consolidated financial statements of the Group are prepared in accordance with Accounting Standard 21 – 'Consolidated Financial Statements', Accounting Standard 23 – 'Accounting for Investments in Associates in Consolidated Financial Statements' and Accounting Standard 27 – 'Financial Reporting of Interests in Joint Ventures' as notified by the Rules.

The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the Company for its independent financial statements.

Subsidiaries

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra group balances and intra group transactions. The unrealised profits or losses resulting from the intra group transactions and intra group balances have been eliminated.

The excess of the cost to the Company of its investment in the subsidiaries over the Company's portion of equity on the acquisition date is recognised in the financial statements as goodwill and is tested for impairment annually. The excess of Company's portion of equity of the Subsidiary over the cost of investment therein is treated as Capital Reserve. The Company's portion of the equity in the subsidiaries at the date of acquisition is determined after realigning the material accounting policies of the subsidiaries to that of the parent and the charge/(reversal) on account of realignment is adjusted to the accumulated reserves and surplus of the subsidiaries at the date of acquisition.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and events in similar circumstances and necessary adjustments required for deviations, if any to the extent possible unless otherwise stated, are made in the consolidated financial statements and are presented in the same manner as the Company's standalone financial statements.

Share of minority interest in the net profit is adjusted against the income to arrive at the net income attributable to shareholders of the parent Company. Minority interest's share of net assets is presented separately in the balance sheet.

If the losses attributable to the minority in a consolidated subsidiary exceed the minority's share in equity of the subsidiary, then the excess, and any further losses applicable to the minority, are adjusted against the Group's interest except to the extent that the minority has a binding obligation to, and is able to, make good the losses. If the subsidiary subsequently reports profits, all such profits are allocated to the Group's interest until the minority's share of losses previously absorbed by the Group has been adjusted.

A change in the ownership interest of a subsidiary, without a loss of control is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it:

a) derecognises the assets (including goodwill) and liabilities of the subsidiary;

b) derecognises the carrying amount of any minority interest;

c) derecognises the cumulative translation differences, recorded in foreign currency translation reserve;

d) recognises the value of the consideration received;

e) recognises the value of any investment retained;

f) recognises any surplus or deficit in profit or losses;

Associates

The Group's investment in its associate is accounted for using the equity method. An associate is an entity in which the Group has significant influence.

Under the equity method, the investment in the associate is carried in the balance sheet at cost plus post acquisition changes in the Group's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. The profit and loss account reflects the share of the results of operations of the associate. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

After application of the equity method, the Group determines whether it is necessary to recognise decline, other than temporary, in the value of the Group's investment in its associates. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case the Group calculates the amount of provision for diminution as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in the profit and loss account.

Joint Venture

The Group recognises its interest in the joint venture using the proportionate consolidation method as per Accounting Standard 27 – Financial Reporting of Interests in Joint Ventures as notified by the Rules. The Group combines its proportionate share of each of the assets, liabilities, income and expenses of the joint venture with similar items, line by line, in its consolidated financial statements.

c) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that may affect the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of incomes and expenses during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

d) Revenue recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group and that the revenue can be reliably measured. Revenue comprises of sale of goods and services and is disclosed, net of discounts, excise duty, sales tax, service tax, VAT or other taxes, as applicable.

Sales

Revenue from sale of goods is recognised in the profit and loss account when the significant risks and rewards in respect of ownership of goods has been transferred to the buyer as per the terms of the respective sales order, and the income can be measured reliably and is expected to be received.

Fixed price contracts to deliver wind power systems (turnkey and projects involving installation and/or commissioning apart from supply) are recognised in revenue based on the stage of completion of the individual contract using the percentage-of completion method, provided the order outcome as well as expected total costs can be reliably estimated. Where the profit from a contract cannot be estimated reliably, revenue is only recognised equalling the expenses incurred to the extent that it is probable that the expenses will be recovered.

Due from customers, if any are measured at the selling price of the work performed based on the stage of completion less interim billing and expected losses. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. The value of self-constructed components is recognised in 'Contracts in progress' upon dispatch of the complete set of components which are specifically identified for a customer and are within the scope of supply, as per the terms of the respective sale order for the wind power systems. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised immediately as an expense in the profit and loss account.

Where the selling price of a contract cannot be estimated reliably, the selling price is measured only on the expenses incurred to the extent that it is probable that these expenses will be recovered. Prepayments from customers are recognised as liabilities. A contract in progress for which the selling price of the work performed exceeds interim billings and expected losses is recognised as an asset. Contracts in progress for which interim billings and expected losses exceed the selling price are recognised as a liability. Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

Project execution income

Revenue from services relating to project execution is recognised on completion of the respective service, as per the terms of respective sales order.

Power generation income

Power generation income is recognised based on electrical units generated and sold, net of wheeling and transmission loss, as applicable, as disclosed in the power generation reports issued by the concerned authorities.

Service and maintenance income

Revenue from annual service and maintenance contracts is recognised on a proportionate basis during the period in which the service is provided, net of taxes.

Interest income

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

Dividend income

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

Royalty and license income

Royalty and license income is recognised on accrual basis in accordance with the terms of the relevant agreements.

e) Fixed assets and intangible assets

Fixed assets are stated at cost, less accumulated depreciation and impairment losses, if any. Cost includes purchase price and all expenditure necessary to bring the asset to its working condition for its intended use. Own manufactured assets are capitalised inclusive of all direct costs and attributable overheads. Capital work-in-progress comprises of advances paid to acquire fixed assets and the cost of fixed assets that are not yet ready for their intended use as at the balance sheet date. In the case of new undertakings, pre-operative expenses are capitalized upon the commencement of commercial production. Assets held for disposal are stated at the lower of net book value and the estimated net realisable value.

In respect of accounting periods commencing on or after December 7, 2006, exchange differences arising on reporting of the long-term foreign currency monetary items at rates different from those that at which they were initially recorded during the period, or reported in the previous financial statements are added to or deducted from the cost of the asset and are depreciated over the balance life of the asset, if these monetary items pertain to the acquisition of a depreciable fixed asset.

Intangible assets are recorded at the consideration paid for their acquisition. Cost of an internally generated asset comprises all expenditure that can be directly attributed, or allocated on a reasonable and consistent basis, to create produce and make the asset ready for its intended use. Development cost incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised over the period of expected future sales from the related project, not exceeding five years. The carrying value of development costs is reviewed for impairment annually when the asset is not in use, and otherwise when events and changes in circumstances indicate that the carrying value may not be recoverable.

The carrying amount of the assets belonging to each cash generating unit (CGU) are reviewed at each balance sheet date to assess whether the same are recorded in excess of their recoverable amounts and where carrying amounts exceed the recoverable amount of the assets with CGU, assets are written down to their recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. 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 risks specific to the asset. 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 period 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.

f) Depreciation and amortisation

Depreciation is provided on the written down value method ('WDV') and is based on management's estimate of useful lives of the fixed assets or where applicable, at rates specified by respective statutes, whichever is higher. Intangible assets are amortised on a straight line basis over a period of five years.

Some of the subsidiaries of the Group provide depreciation on straight-line method ('SLM').

g) Inventories

Inventories of raw materials including stores; spares and consumables; packing materials; semi-finished goods; work-in-progress, project work-in-progress and finished goods are valued at the lower of cost and estimated net realisable value. Cost is determined on weighted average basis.

The cost of work-in-progress, project work-in-progress, semi-finished goods and finished goods includes the cost of material, labour and manufacturing overheads.

Stock of land and land lease rights is valued at lower of cost and estimated net realisable value. Cost is determined on weighted average basis. Net realisable value is determined by management using technical estimates.

h) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current investments are carried at the lower of cost and fair value, determined on an individual basis.

Long-term investments other than in associates are carried at cost. However, provision is made to recognise a decline, other than temporary, in the value of long term investments. Investments in associates are accounted for using the equity method.

i) Foreign currency transactions

Transactions in foreign currencies are recorded at the average exchange rate prevailing in the period during which the transactions occur.

Outstanding balances of, foreign currency monetary items are reported using the period end rates.

Pursuant to the notification of the Companies (Accounting Standards) Amendment Rules 2009 issued by Ministry of Corporate Affairs on March 31, 2009 amending Accounting Standard – 11 (AS - 11) 'The Effects of Changes in Foreign Exchange Rates (revised 2003), exchange differences in respect of accounting periods commencing on or after December 7, 2006, relating to long term monetary items are dealt with in the following manner:

a) Exchange differences relating to long term foreign currency monetary items, arising during the year, in so far as they relate to the acquisition of a depreciable capital asset are added to / deducted from the cost of the asset and depreciated/recovered over the balance life of the asset.

b) In other cases, such differences are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortised to the profit and loss account over the balance life of the long term monetary item but not beyond March 31, 2012.

All other exchange differences are recognised as income or expense in the profit and loss account.

Non-monetary items carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rate that existed, when the values were determined.

Exchange differences arising as a result of the above are recognised as income or expense in the profit and loss account.

Derivatives

In case of forward contracts, the difference between the forward rate and the exchange rate, being the premium or discount, at the inception of a forward exchange contract is recognised as income/expense over the life of the contract. Exchange differences on such contracts are recognised in the profit and loss account in the reporting period in which the rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the period.

As per the Institute of Chartered Accountants of India ('ICAI') announcement, accounting for derivative contracts, other than those covered under AS-11, are marked to market on a portfolio basis and the net loss after considering the offsetting effect on the underlying hedge items is charged to the profit and loss account. Net gains on marked to market basis are not recognised.

Foreign operations

The financial statements of integral foreign operations are translated as if the transactions of the foreign operations have been those of the Company itself.

In translating the financial statements of a non-integral foreign operation, the assets and liabilities, both monetary and non-monetary, are translated at the closing rate; income and expense items are translated at average exchange rates prevailing during the year and all resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment in the non-integral foreign operation.

On the disposal of a non-integral foreign operation, the cumulative amount of the exchange differences which have been deferred and which relate to that operation are recognised as income or as expenses in the same period in which the gain or loss on disposal is recognised.

When there is a change in the classification of a foreign operation, the translation procedures applicable to the revised classification are applied from the date of the change in classification.

j) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Costs incurred in raising funds are amortised equally over the period for which the funds are acquired. All other borrowing costs are charged to profit and loss account.

k) Retirement and other employee benefits

Employee benefits in the nature of defined contributions are charged to the profit and loss account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective statutory authorities.

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

Short-term compensated absences are provided based on estimates. Long term compensated absences and other long-term employee benefits are provided based for on the basis of an actuarial valuation, using projected unit credit method, as at each balance sheet date.

Actuarial gains/losses are taken to profit and loss account and are not deferred.

l) Provisions, contingent liabilities and contingent assets

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed by way of notes to accounts unless the possibility of an outflow is remote.

Contingent assets are not recognised or disclosed.

m) Taxes on income

Tax expense for a year comprises of current tax and deferred tax.

Current tax is measured at the amount expected to be paid to the tax authorities, after taking into consideration, the applicable deductions and exemptions admissible under the applicable tax laws.

Deferred tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing difference of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities across various companies of operation are not set off against each other as the Group does not have a legal right to do so. All deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If there is unabsorbed depreciation or carry forward of losses under tax laws, all deferred tax assets are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Deferred tax resulting from timing differences which originate during the tax holiday period but are expected to reverse after such tax holiday period is recognised in the year in which the timing differences originate using the tax rates and laws enacted or substantively enacted at the balance sheet date.

At each balance sheet date, the company reassesses unrecognised deferred tax assets. It recognises unrealised deferred tax assets to the extent it has become reasonably certain or virtually certain, as the case may be, that sufficient taxable income will be available against which the deferred tax can be realised.

The carrying amounts of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternative tax (MAT) credit, by whatever name known is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay income tax higher than that computed under MAT, during the period under which MAT is permitted to be set off under the applicable tax laws. In the year, in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Group will pay income tax higher than MAT during the specified period.

n) Operating leases

Assets acquired on lease, where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged off to the profit and loss account as incurred.

o) Earnings per share

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the year and also after the balance sheet date but before the date the financial statements are approved by the Board of Directors.

For the purpose of calculating diluted earnings per share, the net profit 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.

p) Employee Stock Options

Stock options granted to employees under the employees' stock option scheme are accounted as per the intrinsic value method permitted by the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the "Guidance Note on Share Based Payments" issued by the ICAI. Accordingly, the excess of the market price of the shares as on the date of the grant of options over the exercise price is recognised as deferred employee compensation and is charged to profit and loss account on straight-line basis over the vesting period.

The number of options expected to vest is based on the best available estimate and are revised, if necessary, if subsequent information indicates that the number of stock options expected to vest differs from previous estimates.

q) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, it is set up as deferred income. Where the Group receives non-monetary grants, the asset and that grant are recorded at nominal amounts and are released to the profit and loss account over the expected useful life of the relevant asset by equal annual instalments.

r) Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand, cheques on hand and short term investments with an original maturity of three months or less.

II NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. a. List of subsidiaries which are included in the consolidation and the Company's effective holdings therein are as under:

Name of the subsidiary	Country of incorporation	Effective ownership in subsidiaries as at March 31,	
		2011	2010
AE-Rotor Holding B.V.	The Netherlands	100.00%	100.00%
Age Parque Eolico El Almendro S.L.	Spain	100.00%	100.00%
Cannon Ball Wind Energy Park-I, LLC	USA	100.00%	100.00%
PowerBlades GmbH*	Germany	47.31%	46.16%
PowerBlades SA	Portugal	92.77%	81.45%
Rep Ventures Portugal S.A.	Portugal	92.77%	90.50%
REpower Australia Pty Ltd.	Australia	92.77%	90.50%
REpower Benelux b.v.b.a.	Belgium	92.77%	90.50%
REpower Betriebs – und Beteiligungs GmbH	Germany	92.77%	90.50%
REpower Diekat S.A.	Greece	55.66%	54.30%
REpower Espana S.L.	Spain	92.77%	90.50%
REpower Investitions – und Projektierungs GmbH & Co. KG	Germany	92.77%	90.50%
REpower Italia s.r.l	Italy	92.77%	90.50%
Repower North China Ltd.*	China	50.48%	49.24%
REpower Portugal - Sistemas Eolicos, S.A.**	Portugal	92.77%	-
REpower S.A.S.	France	92.77%	90.50%
REpower Systems AG (REpower)	Germany	92.77%	90.50%
REpower Systems GmbH (earlier known as einundzwanzigste Vittorio Verwaltungs GmbH)	Germany	92.77%	90.50%
REpower Systems Inc	Canada	92.77%	90.50%
REpower Systems Polska Sp.zo.o	Poland	92.77%	-
REpower Systems Scandinavia AB	Sweden	92.77%	-
REpower UK Ltd.	United Kingdom	92.77%	90.50%
REpower USA Corp.	USA	92.77%	90.50%
REpower Windpark Betriebs GmbH*****	Germany	92.77%	90.50%
REpower Wind Systems Trading (China) Ltd.	China	92.77%	90.50%
RETC Renewable Energy Technology Centre	Germany	96.39%	86.83%
RiaBlades S.A.***	Portugal	-	-
RPW Investments, SGPS, S.A.	Portugal	100.00%	100.00%
SE Composites Limited	India	100.00%	100.00%
SE Drive Technik GmbH	Germany	100.00%	100.00%
SE Electricals Limited	India	100.00%	100.00%
SE Forge Limited	India	100.00%	82.90%
SE Solar Limited	India	100.00%	100.00%
SISL Green Infra Limited	India	100.00%	100.00%
Sure Power LLC	USA	100.00%	-
Suzlon Blade Technology B.V.	The Netherlands	100.00%	100.00%
Suzlon Energia Eloica do Brasil Ltda	Brazil	100.00%	100.00%
Suzlon Energy (Tianjin) Limited	PR China	100.00%	100.00%
Suzlon Energy A/S	Denmark	100.00%	100.00%
Suzlon Energy Australia Pty. Ltd.	Australia	100.00%	100.00%
Suzlon Energy Australia RWFD Pty. Ltd.	Australia	100.00%	100.00%
Suzlon Energy B.V.	The Netherlands	100.00%	100.00%
Suzlon Energy GmbH	Germany	100.00%	100.00%
Suzlon Energy Korea Co., Ltd.	Republic of South Korea	100.00%	100.00%
Suzlon Energy Limited	Mauritius	100.00%	100.00%
Suzlon Engitech Limited	India	100.00%	100.00%
Suzlon Generators Limited	India	75.00%	75.00%
Suzlon Gujarat Wind Park Limited	India	100.00%	100.00%
Suzlon Infrastructure Services Limited	India	100.00%	100.00%
Suzlon North Asia Ltd	Hong Kong	100.00%	100.00%
Suzlon Power Infrastructure Limited	India	100.00%	100.00%
Suzlon Rotor Corporation	USA	100.00%	100.00%
Suzlon Structures Limited	India	75.00%	75.00%
Suzlon Towers and Structures Limited	India	100.00%	100.00%

Name of the subsidiary	Country of incorporation	Effective ownership in subsidiaries as at March 31,	
		2011	2010
Suzlon Wind Energy A/S	Denmark	100.00%	100.00%
Suzlon Wind Energy bH	Bosnia and Herzegovina	100.00%	100.00%
Suzlon Wind Energy Bulgaria EOOD	Bulgaria	100.00%	100.00%
Suzlon Wind Energy Corporation	USA	100.00%	100.00%
Suzlon Wind Energy Equipment Trading (Shanghai) Co. Ltd.	China	100.00%	100.00%
Suzlon Wind Energy Espana, S.L	Spain	100.00%	100.00%
Suzlon Wind Energy Italy s.r.l.	Italy	100.00%	100.00%
Suzlon Wind Energy Limited	United Kingdom	100.00%	100.00%
Suzlon Wind Energy Nicaragua Sociedad Anonima	Nicaragua	100.00%	100.00%
Suzlon Wind Energy Portugal Energia Elocia Unipessoal Lda	Portugal	100.00%	100.00%
Suzlon Wind Energy Romania SRL	Romania	100.00%	100.00%
Suzlon Wind Energy South Africa (PTY) Ltd	South Africa	100.00%	-
Suzlon Wind Enerji Sanayi Ve Ticaret Limited Sirketi	Turkey	100.00%	100.00%
Suzlon Wind International Limited	India	100.00%	100.00%
Suzlon Windenergie GmbH	Germany	100.00%	100.00%
Suzlon Windpark Management GmbH	Germany	100.00%	100.00%
Tarilo Holding B.V.	The Netherlands	100.00%	100.00%
Valum Holding B.V.	The Netherlands	100.00%	100.00%
Ventipower S.A.***	Portugal	-	-
WEL Windenergie Logistik GmbH	Germany	92.77%	90.50%
Windpark Blockland GmbH & Co KG	Germany	92.77%	90.50%
Windpark Meckel/Gilzem GmbH & Co KG****	Germany	-	90.50%
Windpark Olsdorf Watt Gmbh & Co. KG	Germany	100.00%	100.00%

* The Group holds 92.77% in REpower Systems AG ('REpower') and REpower holds more than 50% stake in these companies.

** See Note 2

*** REpower holds 3% stakes in RiaBlades S.A and Ventipower S.A and obtained control on February 03, 2011 as part of purchase agreement for the remaining stake in 'REpower Portugal'. (See Note 2)

**** Sold during the year

***** Consolidated during the year

b. List of subsidiaries which are not included in the consolidation based on materiality:

Name of the subsidiary	Country of incorporation	Effective ownership in subsidiaries as at March 31,	
		2011	2010
REpower Geothermie GmbH	Germany	92.77%	90.50%
Renewable Energy Contractors Australia Pty Ltd	Australia	100.00%	-
Suzlon Energy Australia CYMWFD Pty Ltd	Australia	100.00%	-
Sister – sistemas e Technologia de Energias renovaveis Lda*	Portugal	-	67.88%

* liquidated during the year.

c. In respect of the following components of consolidated financial statements, the accounting policies followed by the subsidiary companies are different from that of the Company:

Components of consolidated financial statements	Particulars	Amount as at March 31, 2011	Proportion of the total component
Depreciation	Some of the subsidiaries have provided depreciation on straight line method as against the written down value method followed by the Company	413.53	62.90
Accumulated depreciation	Some of the subsidiaries have provided depreciation on straight line method as against the written down value method followed by the Company	1,147.61	59.36
Employee compensation expenses for stock option	Some of the subsidiaries have accounted stock options granted to employees using the fair value method as against the intrinsic value method followed by the Company	7.76	61.78

2. **Details of the Company's ownership interest in joint ventures, which have been included in the consolidation are as follows:-**

Name of Company	% shares held	Country of incorporation	Contingent liabilities as at March 31, 2011	Capital commitments as at March 31, 2011
REpower Portugal - Sistemas Eolicos, S.A.	Nil (50.00)	Portugal	Nil (Nil)	Nil (Nil)

* REpower Systems AG acquired further 50% stake of REpower Portugal - Sistemas Eolicos, S.A.('REpower Portugal') during the year. Pursuant to this acquisition the same ceases to be joint venture of the Group. The transactions of REpower Portugal till February 03, 2011 have been accounted using proportionate consolidation method as per Accounting Standard 27 – Financial Reporting of Interests in Joint Ventures as notified by the Rules and thereafter as subsidiary.

3. **Details of the Company's ownership interest in associate, which have been included in the consolidation are as follows :-**

Name of Company	% shares held	Original cost of investment	Goodwill/ (capital reserve)	Accumulated profit/(loss) as at March 31, 2011	Provision for Diminution	Carrying amount of investments as at March 31, 2011
Hansen Transmissions International NV	26.06 (26.06)	1,034.60 (969.29)	509.21 (486.07)	(11.72) (16.12)	216.00* (Nil)	806.88 (985.41)

* Refer Note 4 (a)

4. **Exceptional items**

The details of exceptional items aggregating to loss of Rs 253.28 crore (gain of Rs 211.89 crore) are as below:

a) On July 25, 2011, AE-Rotor Holding B.V. ('AERH'), a step-down wholly owned subsidiary of the Company has signed an irrevocable undertaking, subject to terms and conditions therein, to accept the offer to be made by ZF International BV, a wholly owned subsidiary of ZF Friedrichshfen AG to sell its 26.06% equity stake in Hansen Transmissions International NV ('Hansen'). Accordingly, the Company has made provision for diminution of Rs. 216.00 crore (Rs. Nil) in the value of investment based on the estimated net realizable value of the investment.

b) Expenses incurred on restructuring and refinancing of financial facilities including consent fees and expenses of merchant bankers, etc. aggregating to Rs 37.28 crore (gain of Rs 122.27 crore).

c) Loss on account of amortization of foreign exchange losses on all convertible bonds aggregating Rs Nil (Rs 162.34 crore). The Group has not treated the amortization of foreign exchange fluctuations on all convertible bonds during the current period as exceptional.

d) Profit on sale of stake in Hansen Transmissions International NV aggregating Rs Nil (Rs 251.96 crore).

5. During the year the Company has recognised deferred tax asset of Rs 55.64 crore on brought forward losses of Suzlon Energy Limited. The Company believes that the recognition of deferred tax asset satisfies the conditions of virtual certainty prescribed under Accounting Standard – 22, Accounting for Taxes on Income as notified by the Companies (Accounting Standards) Rules, 2006 (as amended).

6. The Tamil Nadu State Electricity Board ('TNEB') through a circular has been charging Infrastructure Development Charges ('IDC') to Wind Energy Developers towards recovery of cost by TNEB towards infrastructure facilities provided to the wind energy generators to evacuate their power till the state grid. After the enactment of the Electricity Act, 2003 Indian Wind Energy Association ('InWEA') approached the Tamil Nadu Electricity Regulatory Commission ('State Commission') challenging the legality of the IDC levied by TNEB. The State Commission ruled in favour of the InWEA and by order dated September 9, 2008 ruled that TNEB has no jurisdiction to issue such a circular imposing IDC and that charging IDC is in contravention of section 32(3) of the Act especially when TNEB had not approached the State Commission for levy of IDC. TNEB appealed against this order of the State Commission to the Appellate Tribunal for Electricity ('Tribunal'). The Tribunal ruled in favour of TNEB vide its order dated January 8, 2010. The InWEA filed a Civil Appeal against the order of the Tribunal in the Supreme Court and the matter is pending the hearing of the Supreme Court. The Company has obtained a legal opinion which states that InWEA (and consequently the Company) has a strong case. The amount under dispute as at March 31, 2011 aggregates to Rs 64.80 crore (Rs 59.65 crore).

7. **Foreign currency convertible bonds**

(a) Initial terms of issue:

On June 11, 2007 the Company made an issue of zero coupon convertible bonds aggregating USD 300 million - Rs 1,223.70 crore [Phase I bonds]. Further, on October 10, 2007, the Company made an additional issue of zero coupon convertible bonds aggregating USD 200 million - Rs 786.20 crore [Phase II bonds] and on July 24, 2009, the company made an additional issue of zero coupon convertible bonds aggregating USD 93.87 million - Rs 452.64 crore at an issue price of 104.30% of the principal amount of USD 90.00 million.

The key terms of these bonds were as follows:

Particulars	Phase I	Phase II	Phase III
Issue size (USD)	300 million	200 million	90 million
Face value per bond (in USD)	1,000	1,000	1,000
No. of equity shares per bond	113.50	107.30	533.28
Initial conversion price per share(Rs)	359.68	371.55	90.38
Fixed exchange rate (Rs/USD)	40.83	39.87	48.20
Redemption amount as a % of principal amount (%)	145.23	144.88	134.20
Maturity date	June 12, 2012	October 11, 2012	July 18, 2014

b) Restructuring of Phase I and Phase II bonds:

i. During the year 2009-10, the Company has restructured Phase I and Phase II Zero Coupon Convertible Bonds with an approval of the Reserve Bank of India ('RBI') wherein the bondholders were offered the following options as part of the restructuring;

- Buyback of bonds @ 54.55% of the face value of US $ 1000 per bond.
- Issue of new bonds ('Phase I New Bonds' in case of Phase I Bonds and 'Phase II New Bonds' in case of Phase II Bonds) in place of old bonds at a fixed ratio of 3:5 (60 cents to dollar) bearing a coupon of 7.5 per cent per annum, payable semi-annually. Unless previously redeemed, converted or purchased and cancelled, the Company will redeem each Phase I New Bond at 150.24 per cent of its principal amount and each Phase II New Bond at 157.72 per cent of its principal amount on the relevant Maturity Date. The conversion price is set at Rs 76.68 per share. These bonds do not have any financial covenants and are of the same maturity as the old bonds.
- Consent fee of USD 15 Million to be paid across both the series, for those bondholders who consent to the relaxation of covenants.

As a result of the restructuring, the outstanding position of the foreign currency convertible bonds is as follows:

Particulars		Phase I Bonds (Amount in USD)	Phase II Bonds (Amount in USD)	Total (Amount in USD)
Old bonds exchanged	[A]	59,332,000	34,672,000	94,004,000
New Bonds issued in the ratio of 3:5	[B]	35,592,000*	20,796,000	56,388,000*
Bonds bought back for cash	[C]	29,366,000	43,960,000	73,326,000
Cash paid for buyback	[D]	16,019,702	23,980,180	39,999,882
Old bonds outstanding	[E]	211,302,000	121,368,000	332,670,000
Value of total bonds outstanding	[F]=[B]+[E]	246,894,000	142,164,000	389,058,000
Value of old bonds	[G]=[A]+[C]+[E]	300,000,000	200,000,000	500,000,000
Consent fee paid		11,846,947	1,869,863	13,716,810
Maturity date		June 12, 2012	October 11, 2012	
Redemption amount as a % of principal amount of New Bonds (%)		150.24	157.72	
Redemption amount as a % of principal amount of Old Bonds carried forward (%)		145.23	144.88	

* 19,000 bonds were converted into equity shares during the year 2009-10

ii. On April 29, 2010, the Company convened meetings of Bondholders of each of the series, who approved the respective resolutions proposed to them. Accordingly post receipt of regulatory approvals, the Company changed the conversion price of the Phase I bonds from Rs.359.68 per equity share to Rs.97.26 per equity share and for Phase II bonds from Rs.371.55 to Rs.97.26 per equity share, subject to adjustments in accordance with terms and conditions of the bonds. The floor price for Phase I and Phase II bonds has been revised to Rs.74.025 per equity share. The fixed exchange rate was changed to 1USD=Rs 44.60 from 1USD=Rs 40.83 for Phase I bonds and 1USD=Rs 39.87 for Phase II bonds. The Company has incurred Rs.37.28 crore towards consent fee to bondholders and other cost which has been disclosed under exceptional items for the year ended March 31, 2011.

c) Redemption Premium:

The Phase I, Phase II, Phase I New, Phase II New, and Phase III bonds are redeemable subject to satisfaction of certain conditions mentioned in the offering circular and hence have been designated as monetary liability.

The Company has not provided for the proportionate premium on these bonds aggregating Rs 579.21 crore (Rs 377.22 crore) as shown below:

In Rs crore

Phase	March 31, 2011	March 31, 2010
Phase I	309.57	221.09
Phase II	159.12	109.98
Phase I (new)	43.22	18.53
Phase II (new)	25.40	10.98
Phase III	41.90	16.64
Total	579.21	377.22

In the opinion of the management, the likelihood of redemption of these bonds cannot presently be ascertained. Accordingly no provision for any liability has been made in the financial statements and hence the proportionate premium has been shown as a contingent liability. The Company has adequate securities premium to absorb the proportionate premium on redemption as at March 31, 2011.

8. Suzlon Energy Limited ('SEL' or 'the Company') along with its 10 Indian subsidiaries, collectively referred as "Suzlon Entities" executed a debt consolidation and refinancing arrangement (the 'Arrangement') on February 5, 2010 with a consortium comprising of various banks and financial institutions ('Consortium') lead by the State Bank of India as the Facility Agent and SBI Cap Trustee Company Limited as the Security Trustee.

The entities covered includes Suzlon Energy Limited ('SEL'), Suzlon Towers and Structures Limited ('STSL'), Suzlon Infrastructure Services Limited ('SISL'), Suzlon Structures Limited ('SSL'), Suzlon Power Infrastructure Limited ('SPIL'), Suzlon Generators Limited ('SGL'), Suzlon Gujarat Wind Park Limited ('SGWPL'), SE Electricals Limited ('SEEL'), Suzlon Wind International Limited ('SWIL'), SE Composites Limited ('SECL'), Suzlon Engitech Limited ('SENL') (hereinafter collectively referred to as the 'Suzlon Entities' or individually as the 'Borrower').

Details of security for the secured loans in consolidated financial statements are as follows:

(i) Term Loans from banks and financial institutions

- Rs 4,351.05 crore (Rs 2,977.86 crore) availed under debt consolidation and refinancing arrangement are secured by first charge on all present and future tangible/intangible and moveable assets of each of the Borrower, first charge on all present and future immoveable assets (excluding the identified properties) of each of Borrower, first charge on all present and future chargeable current assets of each of the Borrower, first charge over Trust and Retention Account ("TRA") accounts of the Borrowers, pledge of equity shares of certain domestic and overseas subsidiaries of the Company including REpower, pledge of certain equity shares of SEL held by it's promoters, personal guarantee of the managing director of the Company and limited personal guarantee of director of one domestic subsidiary.

- Rs 2,073.67 crore (Rs 2,087.88 crore) secured by pledge of equity shares of certain overseas subsidiaries of the Company including REpower, pledge of equity shares of Hansen, pari pass charge on all present and future tangible, intangible, moveable, immoveable, chargeable current assets and TRA accounts of the Suzlon Entities, pledge of equity shares of certain domestic subsidiaries of the Company and pledge of certain equity shares of SEL held by it's promoters.

- Rs Nil (Rs 1.70 crore) secured by way of first charge on WTG Assets and land and all receivables out of the income generated from WTG assets and personal guarantee of directors and corporate guarantee of the company.

- Rs 358.27 crore (Rs 263.29 crore) secured by way of charge on land and assignments of electricity proceeds.

- Rs Nil (Rs 18.13 crore) secured by way of mortgage of plant and machinery and other fixed assets, hypothecation on current assets and corporate guarantee of the Company.

- Rs 409.42 crore (Rs 416.64 crore) secured by way of first charge on all plant and machinery and other fixed assets and second charge on all current assets and corporate guarantee of a Group Company.

- Rs 41.85 crore (Rs 42.97 crore) secured by way of first charge on specific plant and machinery, land, second charge on windmills and corporate guarantee of the Company.

- Rs 17.99 crore (Rs 35.18 crore) secured against first charge on land, building and equipments, inventory, receivables and other current assets and Corporate guarantee of the company.

(ii) Term loans from others

- Rs 5.64 crore (Rs 9.41 crore) secured by specific FD against it.

- Rs Nil (Rs 2.13 crore) secured by charge on certain windmills, receivables of the power generation from windmills and mortgage of land.

(iii) Working capital facilities from banks and financial institutions

- Rs 1,896.79 crore (Rs 2,085.08 crore) availed under debt consolidation and refinancing arrangement are secured by first charge on all present and future tangible/intangible and moveable assets of each of the Borrower, first charge on all present and future immoveable assets (excluding the identified properties) of each of Borrower, first charge on all present and future chargeable current assets of each of the Borrower, first charge over TRA accounts of the Borrowers, pledge of equity shares of certain domestic and overseas subsidiaries of the Company including REpower, pledge of certain equity shares of SEL held by it's promoters, personal guarantee of the managing director of the Company and limited personal guarantee of director of one domestic subsidiary.

- Rs 87.00 crore (Rs 144.01 crore) secured by hypothecation of inventories, book debts and other current assets, both present and future and first and second charge on certain immovable and movable fixed assets.

- Rs 12.92 crore (Rs 13.03 crore) secured against first charge on land, building and equipments, inventory, receivables and other current assets and Corporate guarantee of the company.

- Rs Nil (Rs 23.31 crore) secured by hypothecation of all current assets, second charge on fixed assets and corporate guarantee of the Company.

(iv) Vehicle loan

- Rs 2.26 crore (Rs 2.74 crore) secured against vehicle under hire purchase contract.

9. **Disclosures pursuant to Accounting Standard-7 (AS-7) 'Construction Contracts'**

Perticulars	Year ended March 31,	
	2011	2010
Contract revenue recognised during the year	9,736.54	11,848.15
Particulars	**As at March 31,**	
	2011	**2010**
Aggregate amount of contract cost incurred and recognised profits (less recognised losses) for all contracts in progress up to the reporting date	5,612.54	6,796.66
Amount of customer advances outstanding for contracts in progress up to the reporting date	329.04	1,627.21
Retention amount due from customers for contract in progress up to the reporting date	1.01	8.33
Due from customers	1,678.75	3,017.77
Due to customers	157.08	483.85

10. **Employee stock option scheme**

The Company has provided various Employee Stock Option Schemes to its employees. During the year ended March 31, 2011 the following schemes were in operation:

Particulars	ESOP 2005	ESOP 2006	ESOP 2007	ESOP Perpetual-I (Tranche I)	ESOP Perpetual-I (Tranche II)	ESOP Perpetual-I (Tranche III)	ESOP Perpetual-I (Tranche IV)	ESOP Perpetual-I (Tranche V)	Special ESOP 2007
	Scheme I	Scheme II	Scheme III	Scheme IV	Scheme V	Scheme VI	Scheme VII	Scheme VIII	Scheme IX
Grant date	16-Jun-05	23-Nov-07	21-May-09	5-Oct-09	30-Jan-10	28-Jul-10	30-Oct-10	21-Feb-11	1-Apr-10
Board approval date	25-Mar-05	29-Jan-07	15-Apr-08	16-Jun-08	16-Jun-08	16-Jun-08	16-Jun-08	16-Jun-08	15-Apr-08
Shareholder approval	16-Jun-05	10-Mar-07	22-May-08	13-Aug-09	13-Aug-09	13-Aug-09	13-Aug-09	13-Aug-09	22-May-08
Options granted (Nos)	4,605,000	519,500	1,878,000	10,916,787	135,000	175,000	50,000	75,000	14,143,500
Exercise Price (Rs)	51.00	192.20	90.50	70.00/87.50	61.80/77.25	46.76/58.45	44.36	47.70	72.70
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Vesting period									
Tranche 1	16-Jun-06	23-Nov-08	21-May-10	5-Oct-10	30-Jan-11	28-Jul-11	30-Oct-11	21-Feb-12	1-Apr-11
Tranche 2	16-Jun-07	23-Nov-09	21-May-11	5-Oct-11	30-Jan-12	28-Jul-12	30-Oct-12	21-Feb-13	1-Apr-12
Tranche 3	16-Jun-08	23-Nov-10	Nil	5-Oct-12	30-Jan-13	28-Jul-13	30-Oct-13	21-Feb-14	1-Apr-13
Vesting %									
Tranche 1	30%	50%	75%	50%	50%	50%	50%	50%	33.33%
Tranche 2	30%	25%	25%	25%	25%	25%	25%	25%	33.33%
Tranche 3	40%	25%	Nil	25%	25%	25%	25%	25%	33.34%
Exercise period (end date)	Till 16-Jun-2011	Till 23-Nov- 2013	Till 21-May- 2015	Till 5-Oct-2014	Till 30-Jan-2015	Till 28-July-2015	Till 30-Oct-2015	Till 21-Feb-2016	Till 31-Mar-2014

The movement in the stock options during the year ended March 31, 2011 was as per the table below

Particulars	ESOP 2005	ESOP 2006	ESOP 2007	ESOP Perpetual-I (Tranche I)	ESOP Perpetual-I (Tranche II)	ESOP Perpetual-I (Tranche III)	ESOP Perpetual-I (Tranche IV)	ESOP Perpetual-I (Tranche V)	Special ESOP 2007
	Scheme I	Scheme II	Scheme III	Scheme IV	Scheme V	Scheme VI	Scheme VII	Scheme VIII	Scheme IX
Opening balance	348,000	383,000	1, ,000	10,204,496	135,000	Nil	Nil	Nil	Nil
Granted during the year	Nil	Nil	Nil	Nil	Nil	175,000	50,000	75,000	14,143,500
Forfeited/cancelled during the year	Nil	51,000	331,000	2,375,607	Nil	Nil	Nil	Nil	2,931,000
Exercised during the year	8,000	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expired during the year	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Closing balance	340,000	332,000	1,368,000	7,828,889	135,000	175,000	50,000	75,000	11,212,500
Exercisable at the end of the year (Included in closing balance of option outstanding)	340,000	332,000	1,026,000	3,914.445	67,500	Nil	Nil	Nil	Nil

The weighted average share price during the year ended March 31, 2011 was approximately Rs 55.20 (Rs 87.83) per share.

Fair value of the option

The Company applies intrinsic value based method of accounting for determining compensation cost for Scheme I to Scheme IX. Following are the details of the amounts charged to the profit and loss account, rate per option, and cost per option calculated based on 'Black-Scholes' Model.

Particulars	ESOP 2005	ESOP 2006	ESOP 2007	ESOP Perpetual-I (Tranche I)		ESOP Perpetual-I (Tranche II)		ESOP Perpetual-I (Tranche III)		ESOP Perpetual-I (Tranche IV)	ESOP Perpetual-I (Tranche V)	Special ESOP 2007
	Scheme I	Scheme II	Scheme III	Scheme IV		Scheme V		Scheme VI		Scheme VII	Scheme VIII	Scheme IX
				Non-US	US	Non-US	US	Non-US	US			
Charge to profit and loss account	Nil (Nil)	0.57 (1.15)	0.01 (0.28)	5.18 (6.98)		0.07 (0.01)		0.08 (Nil)		0.02 (Nil)	Nil (Nil)	Nil (Nil)
Rate per option (Rs)	51.00	182.60	2.20	22.75	4.75	15.45	Nil	12.29	0.60	11.09	Nil	Nil
Black Scholes' Model - Cost per option (Rs)	51.84 (56.76)	231.32 (246.77)	46.31 (51.31)	46.25 (50.86)	39.75 (45.03)	41.39 (45.25)	35.91 (40.32)	28.13 (Nil)	22.76 (Nil)	28.09 (Nil)	22.48 (Nil)	29.53 (Nil)

If the Cost per option was calculated based on the 'Black-Scholes' model, the loss after tax would have been higher by Rs 34.33 crore (Rs 18.15 crore).

Consequently the basic and diluted earnings/(loss) per share after factoring the above impact would be as follows:

Particulars	As at March 31,	
	2011	2010
Earnings per share		
- Basic	(7.97)	(6.51)
- Diluted	(7.97)	(6.51)

11. Other notes

a) The Company is in the process of seeking the required statutory and regulatory approvals, for implementing a Scheme of Arrangement and Restructuring (SOA). The following are the salient features of the SOA:

I. De-merger and consequent transfer of (a) Power Generation Division of Suzlon Towers And Structures Limited ('STSL') a WOS of the Company to Suzlon Engitech Limited another WOS of the Company and (b) Project Execution Division of Suzlon Infrastructure Services Limited ('SISL') a WOS of the Company to Suzlon Gujarat Wind Park Limited another WOS of the Company.

II. Amalgamation of STSL and SISL with the Company after giving effect to the above-mentioned de-merger and consequent transfer of their respective division.

The 'Appointed Date' fixed for this purpose is April 1, 2010. This SOA is subject to sanctions u/s 391 and 394 of the Companies Act, 1956 by the respective Honourable High Courts. Since the SOA is yet to be implemented, the financial statement does not contain any effect on account of this SOA

b) Revenue of REpower Systems AG ('REpower'), one of the major subsidiaries of the Company was recomputed in the process of consolidation by applying the milestones the Company considers for its revenue recognition. During the year ended March 31, 2011 the Company based on a detailed evaluation of the contracts of Suzlon and REpower has concluded that the nature and level of customization of the contracts of Suzlon and REpower are different and hence not applying Suzlon's milestones for revenue earned by REpower, during consolidation, is more appropriate. Accordingly, during consolidation, Suzlon has not applied its milestones to the REpower contracts. Due to this change the consolidated revenue and the net profit after tax is higher by Rs 974.97 crore and Rs 109.57 crore respectively.

c) On July 12, 2010, the Company raised Rs 1,188.39 crore pursuant to a Rights Issue. The Company allotted 188,633,322 equity shares of Rs 2 each at a premium of Rs 61 per equity share on a rights basis to the existing equity shareholders of the Company in the ratio of 2 equity shares for every 15 fully paid-up equity shares held by the existing equity shareholders on the record date. The primary objective of the rights issue was to discharge certain existing loans availed by the Company from its promoters. Consequently, loans of Rs 1,175.00 crore along with accrued interest of Rs 12.38 crore were discharged by conversion into equity shares of the Company.

d) On receipt of shareholders' approval by way of Postal Ballot, on November 16, 2010, the Company issued and allotted 31,992,582 equity shares of Rs 2 each at a price of Rs 60 per share on preferential basis to 'IDFC Trustee Company Ltd. A/c IDFC Infrastructure Fund 3 A/c IDFC Private Equity Fund III' (IDFC PE) as a consideration for acquisition of 41,254,125 equity shares of Rs 10 each in SE Forge Limited (SEFL), a subsidiary of the Company. Consequent to acquisition of IDFC PE's stake in SEFL, SEFL became a wholly owned subsidiary of the Company.

e) On April 4, 2011, AERH has informed the Executive Board of REpower that it directly and indirectly owns shares amounting to more than 95% of the registered share capital of REpower. At the same time, AERH requested that the general meeting of REpower shall resolve upon on the transfer of the shares held by the remaining shareholders (minority shareholders) to AERH against payment of an appropriate cash compensation in compliance with German Stock Corporation Act. Further, on July 21, 2011, AERH informed the Executive Board of REpower that it has determined the adequate cash compensation for the transfer of the shares from the minority shareholders of REpower to AERH at EUR 142.77 per no-par value share and accordingly, the total cash compensation payable by AERH is expected to be around EUR 63 million. A resolution on the squeeze-out is proposed to be passed at the annual general meeting of REpower, which is scheduled to take place on September 21, 2011.

f) On April 12, 2011, the Company has made an issue of 5% Foreign Currency Convertible Bonds due 2016 for a total amount of USD 175.00 million (Rs 776.83 crore). The initial conversion price is set at Rs 54.01 per share and the same is subject to adjustments in certain circumstances.

g) REpower Systems AG ('REpower'), a subsidiary of the Company had issued profit participation rights of Euro 10 Million in May 2004. For profit participation rights, a basic interest rate of 7.90% in addition to a variable interest rate dependent on net income is paid. The participation right has a maturity of seven years and the same falls due at the end of May 2011 and the same has been disclosed under unsecured loans.

h) Net foreign exchange gain aggregating Rs 245.29 (loss of Rs 89.47 crore) on long term foreign currency monetary items have been adjusted in the foreign currency monetary item translation difference account during the year. Further, foreign exchange losses aggregating Rs 8.42 crore (Rs 233.76 crore) have been amortised during the year.

i) Miscellaneous income includes income in the nature of government grant aggregating Rs 9.65 crore (Rs 18.31 crore).

12. Statement showing the use of proceeds from Right Issue Allotment up to March 31, 2011

On July 12, 2010, the Company raised Rs 1,188.39 crore through issuance of 188,633,322 equity shares of Rs 2 each at a premium of Rs 61 per equity share. The details of utilization of Right issue proceeds are given below:

Sr. No.	Particulars	As at March 31, 2011
I	**Sources of funds**	
	Proceeds from Issue	1,188.39
II	**Utilisation of funds**	
	Repayment of loan from Promoter companies	1,187.38*
	Payment of issue expenses in part	1.01
	Total	1,188.39
III	**Unutilised funds**	-

* Loans availed by the Company from its promoters were discharged by conversion of same into equity shares which have been included in proceeds from issue above.

13. Operating leases

Premises

Expenses under cancellable operating lease and rental contracts during the year is Rs 75.02 crore (Rs 41.13 crore).

Expenses under non-cancellable operating lease and rental contracts during the year is Rs 36.07 crore (Rs 79.61 crore).

Maximum financial obligations from long–term non-cancellable operating lease and rental contracts as per the respective agreement is as follows:

Obligation on non-cancellable operating leases	Year ended March 31,	
	2011	2010
Not later than one year	156.60	239.43
Later than one year and not later than five years	365.50	506.18
Later than five years	1,545.51	873.40

14. Post employment benefits

Net employees benefit expense recognised in the profit and loss account:

Particulars	Year ended March 31,	
	2011	2010
Current service cost	4.55	8.26
Interest cost on benefit obligation	1.33	3.26
Expected return on plan assets	(1.12)	(1.98)
Net actuarial loss recognised in the year	2.21	(0.56)
Past service cost	Nil	Nil
Net Benefit expense	6.97	8.98

Details of defined benefit obligation

Particulars	Year ended March 31,	
	2011	2010
Defined benefit obligation	23.39	17.20
Fair value of plan assets	17.71	12.44
Present value of unfunded obligations	5.68	4.76
Less: Unrecognised past service cost	Nil	Nil
Plan Liability	5.68	4.76

Changes in the present value of the defined benefit plan are as follows:

Particulars	Year ended March 31,	
	2011	2010
Opening defined benefit obligation	17.22	70.77
Interest cost	1.33	3.25
Current service cost	4.55	8.26
Benefits paid	(1.93)	(3.00)
Actuarial losses on obligation	2.22	6.39
Reduction in obligation due to sale of investment in subsidiary	-	(68.45)
Closed defined benefit obligation	23.39	17.22

Changes in the fair value of plan assets are as follows:

Particulars	Year ended March 31,	
	2011	2010
Opening fair value of plan assets	12.44	49.36
Expected return	1.12	2.00
Contributions by employer	5.86	8.01
Benefits paid	(1.72)	(2.77)
Actuarial gains / (losses)	0.01	0.30
Reduction in fair value due to sale of investment in subsidiary	-	(44.46)
Closing fair value of plan assets	17.71	12.44

Amounts for the current and previous periods are as follows:

Particulars	Year ended March 31,				
	2011	2010	2009	2008	2007
Defined benefit obligation	23.39	17.22	70.77	54.06	53.92
Plan assets	17.71	12.44	49.36	39.76	33.77
Surplus / (deficit)	5.68	4.76	21.41	14.30	20.15
Experience adjustments on plan liabilities	(2.18)	(0.14)	Nil	Nil	Nil
Experience adjustments on plan assets	0.01	0.07	Nil	Nil	Nil

The principal assumptions with respect to discount rate, expected return on plan assets, salary escalation rate and attrition rate used in determining the defined benefit plan obligations differ from subsidiary to subsidiary.

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

15. Provisions

In pursuance of Accounting Standard-29 (AS-29) "Provisions, Contingent Liabilities and Contingent Assets", the provisions required have been incorporated in the books of accounts in the following manner:

Particulars	Performance guarantee	Operation, maintenance and warranty	Provision for liquidated damages
Opening balance	**96.30** (158.38)	**785.06** (663.60)	**62.90** (61.15)
Additions due to acquisition	- (-)	- (29.80)	- (-)
Additions	**179.63** (203.52)	**507.09** (606.45)	**60.39** (216.52)
Utilisation	**125.81** (265.60)	**190.38** (452.47)	**33.38** (213.30)
Deduction due to disposal	- (-)	- (62.32)	- (-)
Reversal	- (-)	**108.62** (-)	**2.29** (1.47)
Closing balance	**150.12** (96.30)	**993.15** (785.06)	**87.62** (62.90)

The provision for performance guarantee (PG) represents the expected outflow of resources against claims for performance shortfall expected in future over the life of the guarantee assured. The period of PG varies for each customer according to the terms of the contract. The key assumptions in arriving at the PG provision are wind velocity, plant load factor, grid availability, load shedding, historical data, wind variation factor, machine availability etc.

The provision for operation, maintenance and warranty (O&M) represents the expected liability on account of field failure of parts of WTG and expected expenditure of servicing the WTGs and components thereof over the period of free O&M, which varies according to the terms of each sales order.

The closing balance of the provision for operation, maintenance and warranty in the balance sheet represents the amount required for operation, maintenance and warranty for the unexpired period on WTGs and components thereof, on the field under warranty. The break-up of charge to profit and loss account of "provision for operation, maintenance and warranty" is as under:

a) Amount of provision required for the WTGs sold Rs 398.47 crore (Rs 606.45 crore)

b) Less: booked by subsidiaries under various expenditure heads by their nature amounting to Rs 273.85 crore (Rs 77.73 crore)

c) Charge to profit and loss account Rs 124.62 crore (Rs 528.72 crore)

Provision for liquidated damages (LD) represents the expected claims which the Group may need to pay for non fulfilment of certain commitments as per the terms of the sales order. These are determined on a case to case basis considering the dynamics of each individual sales order and the factors relevant to that sale.

16. **Break-up of the accumulated deferred tax asset/(liability), net is given below:**

Particulars		As at March 31,	
		2011	**2010**
Deferred tax assets:			
Unabsorbed losses and depreciation		**166.06**	111.96
Employee benefits		**3.06**	0.39
Provision for guarantee and warranty		**28.97**	49.35
Provision for doubtful debts		**14.80**	0.62
Others		**58.23**	86.09
	(a)	**271.12**	248.41
Deferred tax liabilities			
Difference in depreciation of fixed assets		**220.57**	129.89
Others		**184.40**	214.99
	(b)	**404.97**	344.88
Deferred tax liabilities (net)	**[(c)=(b)-(a)]**	**133.85**	96.47

17. **Earnings / (loss) per Share ('EPS')**

All amounts in Rupees crore except per share data

Particulars		Year ended March 31,	
		2011	**2010**
Basic			
Net loss after share of profit of associates and minority interest		**(1,323.97)**	(982.56)
Less: Preference dividend and tax thereon		**0.23**	0.20
Profit attributable to equity shareholders	A	**(1,324.20)**	(982.76)
Weighted average number of equity shares	B	**1,704,579,510**	1,538,477,796
Basic earnings/(loss) per share of Rs 2 each	A/B	**(7.77)**	(6.39)
Diluted			
Net loss after share of profit of associates and minority interest	C	**(1,324.20)**	(982.76)
Add: Interest on foreign currency convertible bonds (net of tax)	D	**12.88**	17.54
Adjusted net profit(loss)/ after tax	E=C-D	**(1,311.32)**	(965.22)
Weighted average number of equity shares	F	**1,704,579,510**	1,538,477,796
Add: Equity shares for no consideration arising on grant of share options	G	**19,411**	1,066,418
Add: Potential equity shares that could arise on conversion of zero coupon convertible bonds	H	**237,164,922**	102,922,093
Weighted average number of equity shares for diluted EPS	I = (F+G+H)	**1,941,763,843**	1,642,466,307
Diluted earnings/(loss) per share (Rs) of face value of Rs 2 each [see note below]*		**(7.77)**	(6.39)

*Since the earnings/(loss) per share computation based on diluted weighted average number of shares is anti- dilutive, the basic and diluted earnings/(loss) per share is the same.

18. **Managerial remuneration to Directors**

Particulars	Year ended March 31,	
	2011	**2010**
Salaries	0.27*	2.23
Contribution to superannuation fund and provident fund	-	0.15
Sitting Fees	0.05	0.07
Total	**0.32**	**2.45**

* During the year, managerial remuneration of Rs 2.06 crore paid to the directors of the Company in financial year 2009-10 has been recovered in view of the losses incurred by the Company during financial year 2009-10 and the decision taken at the Fifteenth Annual General Meeting of the Company.

As the liabilities for gratuity are provided on an actuarial basis, the amounts pertaining to the directors are not included above.

19. a) Contingent liabilities

Particulars	As at March 31,	
	2011	**2010**
Premium on redemption of zero coupon convertible bonds	**579.21**	377.22
Disputed Infrastructure Development Charges (See Note 6)	**64.80**	59.65
Claims against the Group not acknowledged -		
Excise duty, customs duty, service tax and VAT	**11.28**	12.94
Income-tax	**21.96**	12.71
State levies	**11.50**	4.16
Labour related	**0.02**	0.02
Suppliers and service providers	**42.25**	71.85
Cumulative preference share dividend of subsidiary payable to minority	**0.70**	0.47
Others	**9.70**	4.51

b) Capital commitments

Particulars	As at March 31,	
	2011	**2010**
Estimated amount of contracts remaining to be executed on capital accounts and not provided for, net of advances	**106.11**	114.67

20. Derivative instruments and unhedged foreign currency exposure

Particulars of derivatives	**Purpose**
Forward contract outstanding as at balance sheet date:	
Buy EURO 4,229,520 (EURO 740,141)	Hedge of forex EURO liabilities
Buy USD 2,000,000 (USD 28,029,780)	Hedge of forex USD liabilities
Sell CAD 218,520 (CAD Nil)	Hedge of forex CAD liabilities
Sell USD 18,809,720 (USD 86,411,076)	Hedge of forex USD receivable
Sell EURO 11,000,000 (EURO Nil)	Hedge of forex EURO receivable
Sell AUD 37,000,000 (AUD 38,800,000)	Hedge of forex AUD receivable
Principal only currency swaps contracts outstanding as at balance sheet date:	
USD 46,665,379 (USD Nil) Notional Amount	Hedge of forex USD receivables
Euro 18,948,075 (Euro Nil) Notional Amount	Hedge of forex Euro loans given
Option contract outstanding as at balance sheet date:	
USD Nil (USD 0.04 crore) put option outstanding	
Particulars of unhedged foreign currency exposure as at the balance sheet	

Particulars	**As at March 31,**	
	2011	**2010**
Current liabilities	**3,857.48**	3,423.72
Debtors	**4,442.18**	4,049.17
Loans given	**2,840.85**	2,393.77
Loans received	**2,675.85**	2,718.40
Bank balance in current accounts and term deposit accounts	**148.11**	79.98
Deposit Paid	**0.52**	-
Zero coupon convertible bonds	**2,136.27**	2,150.89

21. Related party disclosures

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

a) **Associate**

Hansen Transmission International N V

b) **Entities where Key Management Personnel (KMP)/ Relatives of Key Management Personnel ('RKMP') has significant influence**

Sarjan Realities Limited, Synefra Engineering & Construction Limited, Shubh Realty (South) Private Limited, Tanti Holdings Private Limited, Suzlon Foundation, Girish R. Tanti (HUF), Sanman Holdings Private Limited, SE Energy Park Limited, Suruchi Holdings Private Limited, Sugati Holdings Private Limited, Synew Steel Limited, Salene Power Infrastructure Limited (Formerly Sarjan Infrastructure Finance Limited).

c) **Key Management Personnel of Suzlon Energy Limited**

Tulsi R. Tanti, Girish R. Tanti, Vinod R. Tanti*

d) **Relatives of Key Management Personnel of Suzlon Energy Limited**

Jitendra R. Tanti, Pranav T. Tanti, Nidhi T. Tanti

e) **Employee Funds**

SE Composites Limited	Superannuation Fund
SE Composites Limited	Employees Group Gratuity Scheme
SE Electricals Limited	Superannuation Fund
SE Electricals Limited	Employees Group Gratuity Scheme
Suzlon Energy Limited	Superannuation Fund
Suzlon Energy Limited	Employees Group Gratuity Scheme
Suzlon Generators Limited	Superannuation Fund
Suzlon Generators Limited	Employees Group Gratuity Scheme
Suzlon Gujarat Wind Park Limited	Superannuation Fund
Suzlon Gujarat Wind Park Limited	Employees Group Gratuity Scheme
Suzlon Infrastructure Services Limited	Superannuation Fund
Suzlon Infrastructure Services Limited	Employees Group Gratuity Scheme
Suzlon Power Infrastructure Limited	Superannuation Fund
Suzlon Power Infrastructure Limited	Employees Group Gratuity Scheme
Suzlon Structures Limited	Employees Group Gratuity Scheme
Suzlon Towers & Structure Limited	Superannuation Fund
Suzlon Towers & Structure Limited	Employees Group Gratuity Scheme
Suzlon Wind International Limited	Superannuation Fund
Suzlon Wind International Limited	Employees Group Gratuity Scheme

* He is RKMP till October 31, 2010 and appointed as a whole-time director of the Company with effect from November 1, 2010.

(B) Transactions between the Group and related parties during the year and the status of outstanding balances as at March 31, 2011

Particulars	Associate	Joint Venture	Entities where KMP/ RKMP has significant influence	KMP	RKMP	Employee Funds
Transactions						
Purchase of fixed assets (including intangibles)	-	-	**0.31**	-	-	-
	(-)	(-)	(5.44)	(-)	(-)	(-)
Sale of fixed assets	-	-	**0.01**	-	-	-
	(-)	(-)	(1.02)	(-)	(-)	(-)
Sale of goods and services	-	-	**0.33**	**0.45**	**0.08**	-
	(-)	(77.17)	(0.60)	(0.31)	(0.29)	(-)
Purchase of goods and services	**32.46**	-	**63.54**	-	-	-
	(-)	(-)	(56.99)	(-)	(-)	(-)
Loans given	-	-	-	-	-	-
	(-)	(-)	(12.64)	(-)	(-)	(-)
Loans taken	-	-	**145.00**	-	-	-
	(-)	(-)	(1,175.00)	(-)	(-)	(-)
Issue of equity shares (including securities premium)	-	-	**1,187.38**	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Share application money refunded	-	-	-	-	-	-
	(-)	(-)	(95.00)	(-)	(-)	(-)
Deposits given	-	-	-	-	-	-
	(-)	(-)	(1.20)	(-)	(-)	(-)
Interest income	-	-	**5.00**	-	-	-
	(-)	(-)	(7.61)	(-)	(-)	(-)
Interest expense	-	-	**20.87**	-	-	-
	(3.62)	(-)	(56.29)	(-)	(-)	(-)
Lease rent expense	-	-	**19.26**	-	-	-
	(-)	(-)	(18.81)	(-)	(-)	(-)
Donation given	-	-	**5.55**	-	-	-
	(-)	(-)	(2.86)	(-)	(-)	(-)
Remuneration	-	-	-	**-1.79**	**0.66**	-
	(-)	(-)	(-)	(2.06)	(0.01)	(-)
Contribution to various funds	-	-	-	-	-	**5.93**
	(-)	(-)	(-)	(-)	(-)	(2.66)
Outstanding balances						
Advances from customers	-	-	-	**1.14**	**0.38**	-
	(-)	(-)	(-)	(0.75)	(0.75)	(-)
Sundry debtors	-	-	**2.40**	**0.36**	**0.26**	-
	(-)	(6.84)	(3.66)	(0.38)	(0.36)	(-)
Loans outstanding	-	-	-	-	-	-
	(-)	(-)	(2.04)	(-)	(-)	(-)
Deposits outstanding	-	-	**123.90**	-	-	-
	(-)	(-)	(121.41)	(-)	(-)	(-)
Advances to supplier and other assets	-	-	**1.23**	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Sundry creditors	**87.14**	-	**21.37**	-	-	-
	(216.42)	(-)	(9.13)	(-)	(-)	(-)
Unsecured loan outstanding (Including Interest)	-	-	**145.32**	-	-	-
	(-)	(-)	(1,181.99)	(-)	(-)	(-)

Note: Figures in brackets pertain to balances as on March 31, 2010

(C) Disclosure of significant transactions with related parties

Type of the transaction	Type of relationship	Name of the entity/person	Year ended March 31, 2011	Year ended March 31, 2010
Purchase of fixed assets (including intangibles)	Entities where KMP/ RKMP has significant influence	Synefra Engineering & Construction Limited	**0.01**	5.25
		Sarjan Realities Ltd	**0.28**	0.18
Sale of fixed assets	Entities where KMP/ RKMP has significant influence	Synefra Engineering & Construction Limited	**0.01**	1.02
Sale of goods and services	Joint Ventures	REpower Portugal - Sistemas Eolicos, S.A.	-	1.34
		REpower North (China) Ltd.	-	75.83
	Entities where KMP/ RKMP has significant influence	Synefra Engineering & Construction Limited	**0.20**	0.51
		Sarjan Realities Ltd	**0.09**	0.09
	KMP	Tulsi R Tanti	**0.15**	0.15
		Girish R Tanti	**0.15**	0.16
		Vinod R Tanti	**0.15**	0.15
Purchase of goods and services	Associate	Hansen Transmission International N V	**32.46**	-
	Entities where KMP/ RKMP has significant influence	Synefra Engineering & Construction Limited	**61.70**	52.01
Loans given	Entities where KMP/ RKMP has significant influence	Sarjan Realities Limited	-	3.39
		Shubh Realty (South) Private Limited	-	9.25
Loans taken	Entities where KMP/ RKMP has significant influence	Tanti Holdings Private Limited	**145.00**	-
		SE Energy Park Limited	-	565.00
		Sanman Holdings Private Limited	-	610.00
Issue of equity shares (including securities premium)	Entities where KMP/ RKMP has significant influence	Sanman Holdings Private Limited	**1,187.38**	-
Share application money refunded	Entities where KMP/ RKMP has significant influence	Tanti Holdings Private Limited	-	95.00
Deposits given	Entities where KMP/ RKMP has significant influence	Synefra Engineering & Construction Limited	**0.12**	1.20
Interest income	Entities where KMP/ RKMP has significant influence	Synefra Engineering & Construction Limited	**5.00**	5.00
		Sarjan Realities Limited	-	2.40
Interest expense	Associates	Hansen Transmission International N V	-	3.62
	Entities where KMP/ RKMP has significant influence	Tanti Holdings Private Limited	**0.35**	1.08
		SE Energy Park Limited	**4.02**	33.21
		Sanman Holdings Private Limited	**16.50**	21.99
Rent expense	Entities where KMP/ RKMP has significant influence	Synefra Engineering & Construction Limited	**18.44**	18.79
Donation given	Entities where KMP/ RKMP has significant influence	Suzlon Foundation	**5.55**	2.86
Remuneration	KMP	Tulsi R.Tanti	**(1.28)**	1.46
	KMP	Girish R. Tanti	**(0.51)**	0.60
	RKMP	Vinod R. Tanti	**0.35**	Nil
	RKMP	Pranav T. Tanti	**0.30**	0.01
Contribution to various funds	Employee Funds	Suzlon Energy Limited Superannuation Fund	**0.51**	0.13
		Suzlon Energy Limited Employees Group Gratuity Scheme	**3.11**	2.00
		Suzlon Infrastructure Services Limited Employees Group Gratuity Scheme	**2.03**	0.19

22. Disclosure as required by Clause 32 of Listing Agreement with stock exchange

Type of relationship	Name	Amount outstanding as at March 31, 2011	Maximum Amount outstanding during the year
Companies in which directors are interested	Synefra Engineering & Construction Limited – deposit	50.00	50.00
	Shubh Realty (South) Private Limited	-	2.04

Note: No loans have been granted by the Company to any person for the purpose of investing in the shares of Suzlon Energy Limited or any of its subsidiaries.

23. Details of the Company's share in joint ventures included in the consolidated financial statements are as follows (Before inter company eliminations):

Balance sheet	As at March 31, 2011	Profit and loss account	Year ended March 31, 2011
Share capital	- (31.39)	Sales	21.84 (459.01)
Reserves and surplus	- (4.89)	Other income	- (2.93)
Secured loans	- (23.88)	Total income	21.84 (461.94)
Total sources of funds	- (60.16)	Cost of goods sold	6.68 (376.80)
Fixed assets	- (7.98)	Operating and other expenses	11.63 (47.26)
Cash and bank balances	- (0.24)	Employee's remuneration and benefits	2.02 (6.91)
Inventories	- (-)	Financial charges	1.72 (12.08)
Sundry debtors	- (86.64)	Depreciation/amortisation	0.47 (2.98)
Loans and advances	- (11.00)	Total expenditure	22.52 (445.94)
Total current assets	- (97.88)	Profit before tax	0.68 (16.00)
Current liabilities	- (45.70)	Tax	0.14 (-1.57)
Net current assets	- (52.18)	Profit after tax	0.54 (17.57)
Total application of funds	- (60.16)		

24. Segment reporting

The Company has disclosed business segment as the primary segment. Segments have been identified taking into account the nature of the products, the differing risks and returns, the organisation structure and internal reporting system.

The Group's operations predominantly relate sale of WTGs and allied activities including sale/sub-lease of land, infrastructure development income; sale of gear boxes; and sale of foundry and forging components. Others primarily include power generation operations.

Segment revenue, segment results, segment assets and segment liabilities include the respective amounts identifiable to each of the segments allocated on a reasonable basis.

Inter segment transfers have been carried out at mutually agreed prices.

The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure in individual segments. These are as set out in the note on significant accounting policies.

(A) Primary Business Segment

Rs in crore

Particulars	Year ended March 31, 2011						Year ended March 31, 2010					
	Sale of WTG	Sale of Gear Box	Foundry & Forging	Others	Elim	Total	Sale of WTG	Sale of Gear Box	Foundry & Forging	Others	Elim	Total
Total external sales	17,756.13		88.97	34.03	–	17,879.13	18,067.14	2,489.94	19.36	43.21	–	20,619.65
Add: Inter segment sales	6.88		268.64		(275.52)	–	6.22	166.18	84.75		(257.15)	-
Segment revenue	17,763.01	–	357.61	34.03	(275.52)	7,879.13	18,073.36	2,656.12	104.11	43.21	(257.15)	20,619.65
Segment results before exceptional items	386.53		(43.79)	12.04	(6.62)	348.16	479.44	64.85	(65.01)	17.81	45.95	543.04
Add/(Less) Items to reconcile with profit as per profit and loss account												
Add : Other income						106.60						69.46
Less : Financial charges						(1,333.10)						(1,457.99)
Loss before tax before exceptional items						(878.34)						(845.49)
Less/ (add) : Exceptional items						253.28						(211.89)
Loss before tax						(1,131.62)						(633.60)
Provision for current tax						147.37						183.24
MAT credit entitlement						(0.47)						(1.59)
Deferred tax						38.37						174.45
Fringe benefit tax						-						0.03
Total tax						185.27						356.13
Loss after tax						(1,316.89)						(989.73)
Add : Share in associate's profit/(loss) after tax						(27.83)						16.12
Less: Share of loss/(profit) of minority						20.75						(8.95)
Net loss						(1,323.97)						(982.56)
Segment assets	23,497.46	–	926.06	285.17	–	24,708.69	23,223.45	–	992.31	244.91	–	24,460.67
Common assets						4,511.14						4,743.93
Enterprise assets						29,219.83						29,204.60
Segment liabilities	9,591.80	–	108.69	57.68	–	9,758.17	9,310.94	–	80.84	0.90	–	9,392.68
Common liabilities						12,936.08						13,210.65
Enterprise liabilities						22,694.25						22,603.33
Capital expenditure during the year	946.36		20.91	57.79		1,025.06	769.68	–	40.04	5.55		815.27
Segment depreciation	572.03	–	70.51	14.86	–	657.40	426.18	180.62	41.85	14.32	–	662.97

(B) Geographical Segment

Rs in crore

	Year ended March 31, 2011							Year ended March 31, 2010						
	India	Europe	USA	China	Australia	Others	Total	India	Europe	USA	China	Australia	Others	Total
Segment revenue	6,506.27	8,520.26	876.21	847.13	1,001.38	127.88	17,879.13	4,102.22	9,008.64	3,869.79	1,475.04	1,355.47	808.49	20,619.65
Segment assets	7,481.23	13,357.45	1,413.13	1,192.04	737.95	526.89	24,708.69	6,965.77	12,983.50	2,312.06	1,224.66	651.93	322.75	24,460.67
Capital expenditure incurred	285.75	703.07	6.27	17.50	6.50	5.97	1,025.06	307.99	393.69	9.40	72.51	22.40	9.28	815.27

Note:

1. Since Hansen ceased to be a subsidiary as on November 24, 2009, assets, liabilities and capital expenditure relating to Hansen have not been considered for segment disclosures.
2. Depreciation charge for the year for WTG segment includes impairment loss of Rs 50.77 crore (Rs Nil).

25. Prior year amounts have been reclassified wherever necessary to confirm with current year presentation. Figures in the brackets are in respect of the previous year.

Signatures to Schedules 'A' to 'P'

As per our report of even date

For and on behalf of the Board of Directors of Suzlon Energy Limited

For SNK & Co.
Firm Registration number: 109176W
Chartered Accountants

per Jasmin B. Shah
Partner
Membership No. 46238

Place: Pune
Date : July 30, 2011

For S.R. BATLIBOI & Co.
Firm Registration number: 301003E
Chartered Accountants

per Arvind Sethi
Partner
Membership No. 89802

Place: Pune
Date : July 30, 2011

Tulsi R. Tanti
Chairman & Managing Director

Vinod R. Tanti
Executive Director

Hemal A. Kanuga
Company Secretary

Robin Banerjee
Chief Financial Officer

Place: Pune
Date: July 30, 2011

Notice

NOTICE is hereby given that the 16th Annual General Meeting of the Members of Suzlon Energy Limited will be held on Tuesday, September 27, 2011 at 11:00 am at J. B. Auditorium, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad - 380015 to transact the following businesses:

ORDINARY BUSINESS:

1. **Adoption of Annual Accounts, etc. for 2010-11**

   To receive, consider and adopt the audited Balance Sheet as at March 31, 2011 and the Profit & Loss Account for the year ended on that date together with the Directors' Report and Auditors' Report thereon.

2. **Re-appointment of Mr. Girish R.Tanti as Director**

   To appoint a director in place of Mr. Girish R.Tanti, who retires by rotation and being eligible, offers himself for re-appointment.

3. **Re-appointment of Mr. Ajay Relan as Director**

   To appoint a director in place of Mr. Ajay Relan, who retires by rotation and being eligible, offers himself for re-appointment.

4. **Appointment of Statutory Auditors**

   To appoint M/s. SNK & Co., Chartered Accountants, Pune and M/s. S. R. Batliboi & Co., Chartered Accountants, Pune, as statutory auditors and fix their remuneration.

SPECIAL BUSINESS:

5. **Regularisation of Mr. Vinod R.Tanti as Director**

   To consider and if thought fit to pass, with or without modification, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT Mr. Vinod R.Tanti, who was appointed as an Additional Director of the Company with effect from November 1, 2010 and holds office up to the ensuing Annual General Meeting of the Company in terms of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing pursuant to Section 257 of the Companies Act, 1956 proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company whose period of Office shall not be liable to determination by retirement of directors by rotation."

6. **Regularisation of Ms. Mythili Balasubramanian as Director**

   To consider and if thought fit to pass, with or without modification, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT Ms. Mythili Balasubramanian, who was appointed as an Additional Director of the Company with effect from November 1, 2010 and holds office up to the ensuing Annual General Meeting of the Company in terms of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing pursuant to Section 257 of the Companies Act, 1956 proposing her candidature for the office of the Director, be and is hereby appointed as a Director of the Company whose period of Office shall be liable to determination by retirement of directors by rotation."

7. **Regularisation of Mr. Rajiv Ranjan Jha as Director**

   To consider and if thought fit to pass, with or without modification, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT Mr. Rajiv Ranjan Jha, who was appointed as an Additional Director of the Company with effect from April 28, 2011 and holds office up to the ensuing Annual General Meeting of the Company in terms of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing pursuant to Section 257 of the Companies Act, 1956 proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company whose period of Office shall be liable to determination by retirement of directors by rotation."

8. **To ratify and approve the appointment of Mr. Tulsi R.Tanti as Managing Director**

   To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

   "RESOLVED THAT pursuant to Sections 198, 269, 309, 314, Schedule XIII and other applicable provisions, if any of the Companies Act, 1956, the appointment of Mr. Tulsi R.Tanti as Managing Director of the Company for a period of 3 (three) years with effect from April 1, 2011 be and the same is hereby approved and ratified on the following terms and conditions:

   (1) Salary: A salary of Rs.2,00,00,000/- (Rupees Two Crores Only) per annum including but not limiting to House Rent Allowance, contribution to Super Annuation Fund, Gratuity provided there are adequate profits in terms of Section 198 and 309 of the Companies Act, 1956.

(2) Perquisites:

a) Medical benefits for self and family:

All medical expenses incurred by Managing Director and his family shall be reimbursed in accordance with the rules of the Company.

b) Insurance:

The Managing Director and his family would be entitled to the benefit of personal accident insurance as per the Company policy. The Managing Director shall also be entitled to the benefit of Keyman Insurance Policy.

c) The Company shall reimburse to the Managing Director all the actual expenses incurred wholly, necessarily and exclusively for and on behalf of the Company and/or incurred in performance of the duties of the Company.

Explanation: "Family" shall mean the spouse, the dependent children and the dependent parents of the Managing Director.

"RESOLVED FURTHER THAT in case of loss or inadequacy of profits, Mr. Tulsi R.Tanti, Managing Director be paid remuneration within the limits as prescribed under Part II Section II (B) of Schedule XIII to the Companies Act, 1956."

"RESOLVED FURTHER THAT the Remuneration Committee of the Board of Directors of the Company be and is hereby authorised to vary the remuneration of Mr. Tulsi R.Tanti, Managing Director from time to time within the limits prescribed and permitted under Section 198 and 309 of the Companies Act, 1956, as amended from time to time, during his term of office without being required to seek any fresh approval of the Members of the Company and the decision of the Remuneration Committee shall be final and conclusive in that regard."

"RESOLVED FURTHER THAT Mr. Tulsi R.Tanti, Managing Director shall not be liable to retire by rotation in terms of the provisions of the Companies Act, 1956."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to finalise other terms of appointment and scope of work as may be in the overall interest of the Company and accordingly finalise the Agreement to be executed between the Company and Mr. Tulsi R.Tanti in the matter of his appointment as the Managing Director and payment of remuneration and that the Directors of the Company be and are hereby severally authorised to execute for and on behalf of the Company the agreement and other papers as may be necessary, desirable and expedient for the aforesaid purpose."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things and sign agreements, forms, declarations, returns, letters and papers as may be necessary, desirable, expedient to give effect to this resolution."

"RESOLVED FURTHER THAT the Common Seal of the Company be affixed on the necessary documents, if required, in the presence of any one of the Directors of the Company who do sign the same in token thereof."

9. To ratify and approve the appointment of Mr. Vinod R.Tanti as Wholetime Director

To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Sections 198, 269, 309, 314, Schedule XIII and other applicable provisions, if any of the Companies Act, 1956, the appointment of Mr. Vinod R.Tanti as the Wholetime Director of the Company be and the same is hereby approved and ratified for a period of 3 (three) years with effect from November 1, 2010 and that the variation in terms of appointment of Mr. Vinod R.Tanti, the Wholetime Director be and the same is hereby approved and ratified with effect from April 1, 2011 for his remaining tenure of office on the following terms and conditions:

(1) Salary: A salary of Rs.1,20,00,000/- (Rupees One Crore Twenty Lacs Only) per annum including but not limiting to House Rent Allowance, contribution to Super Annuation Fund, Gratuity provided there are adequate profits in terms of Section 198 and 309 of the Companies Act, 1956.

(2) Perquisites:

a) Medical benefits for self and family:

All medical expenses incurred by the Wholetime Director and his family shall be reimbursed in accordance with the rules of the Company.

b) Insurance:

The Wholetime Director and his family would be entitled to the benefit of personal accident insurance as per the Company policy. The Wholetime Director shall also be entitled to the benefit of Keyman Insurance Policy.

c) The Company shall reimburse to the Wholetime Director all the actual expenses incurred wholly, necessarily and exclusively for and on behalf of the Company and/or incurred in performance of the duties of the Company.

Explanation: "Family" shall mean the spouse, the dependent children and the dependent parents of the Wholetime Director.

“RESOLVED FURTHER THAT in case of loss or inadequacy of profits, Mr. Vinod R.Tanti, the Wholetime Director be paid remuneration within the limits as prescribed under Part II Section II (B) of Schedule XIII to the Companies Act, 1956.”

“RESOLVED FURTHER THAT the Remuneration Committee of the Board of Directors of the Company be and is hereby authorised to vary the remuneration of Mr. Vinod R.Tanti, the Wholetime Director from time to time within the limits prescribed and permitted under Section 198 and 309 of the Companies Act, 1956, as amended from time to time, during his term of office without being required to seek any fresh approval of the Members of the Company and the decision of the Remuneration Committee shall be final and conclusive in that regard.”

“RESOLVED FURTHER THAT Mr. Vinod R.Tanti, the Wholetime Director shall not be liable to retire by rotation in terms of the provisions of the Companies Act, 1956.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to finalise other terms of appointment and scope of work as may be in the overall interest of the Company and accordingly finalise the Agreement to be executed between the Company and Mr. Vinod R.Tanti in the matter of his appointment as the Wholetime Director and payment of remuneration and that the Directors of the Company be and are hereby severally authorised to execute for and on behalf of the Company the agreement and other papers as may be necessary, desirable and expedient for the aforesaid purpose.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things and sign agreements, forms, declarations, returns, letters and papers as may be necessary, desirable, expedient to give effect to this resolution.”

“RESOLVED FURTHER THAT the Common Seal of the Company be affixed on the necessary documents, if required, in the presence of any one of the Directors of the Company who do sign the same in token thereof.”

10. Issue of Securities to the extent of Rs.5,000 Crores

To consider and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendments thereto or re-enactment thereof) and such approvals, permissions, consents and sanctions as may be necessary from the Government of India (GOI), the Reserve Bank of India (RBI), the provisions of the Foreign Exchange Management Act, 1999 (FEMA), The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, and subject to the approval, consent, permission and/or sanction of the Ministry of Finance (Department of Economic Affairs) and Ministry of Industry (Foreign Investment Promotion Board/Secretariat for Industrial Assistance) and all other Ministries/Departments of the Government of India, Securities and Exchange Board of India (SEBI) and/or any other competent authorities and the enabling provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges where the Company’s shares are listed and in accordance with the regulations and guidelines issued by the GOI, RBI, SEBI and any competent authorities and clarifications issued thereon from time to time and subject to all other necessary approvals, permissions, consents and sanctions of concerned statutory and other authorities and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the ‘Board’, which term shall include any Committee thereof) consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot in one or more tranches, whether rupee denominated or denominated in foreign currency, in the course of international and/or domestic offering(s) in one or more foreign markets and/or domestic market, for a value of up to Rs.5,000 Crores (Rupees Five Thousand Crores Only), representing such number of Global Depository Receipts (GDRs), American Depository Receipts (ADRs), Foreign Currency Convertible Bonds (FCCBs), and/or Equity Shares through Depository Receipt Mechanism and/or Fully Convertible Debentures and/or Non Convertible Debentures with warrants or any Other Financial Instruments (OFIs) convertible into or linked to Equity Shares and/or any other instruments and/or combination of instruments with or without detachable warrants with a right exercisable by the warrant holders to convert or subscribe to the Equity Shares or otherwise, in registered or bearer form (hereinafter collectively referred to as the ‘Securities’) or any combination of Securities to any person including foreign/resident investors (whether institutions, incorporated bodies, mutual funds and/or individuals or otherwise), Foreign Institutional Investors, Promoters, Indian and/or Multilateral Financial Institutions, Mutual Funds, Non-Resident Indians, Employees of the Company and/or any other categories of investors, whether they be holders of shares of the Company or not (collectively called the “Investors”) through public issue(s) by prospectus, private placement(s) or a combination thereof at such time or times, at such price or prices, at a discount or premium to the market price or prices in such manner and on such terms and conditions including security, rate of interest, etc., as may be decided by and deemed appropriate by the Board in its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of Investors at the time of such issue and allotment considering the prevailing market conditions and other relevant factors wherever necessary in consultation with the Lead Managers, as the Board in its absolute discretion may deem fit and appropriate.”

“RESOLVED FURTHER THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendments thereto or re-enactment thereof), approval of the shareholders and the provisions of Chapter VIII of the Securities And Exchange Board of India (Issue of Capital And Disclosure Requirements)

Regulations, 2009 ("SEBI ICDR Regulations") and the provisions of the Foreign Exchange Management Act, 2000 (FEMA), Foreign Exchange Management (Transfer or issue of Security by a Person Resident Outside India) Regulations, 2000, the Board may at its absolute discretion, issue, offer and allot equity shares or securities convertible into equity shares or NCDs with warrants for a value up to the amount of Rs.5,000 Crores (Rupees Five Thousand Crores Only) inclusive of such premium, as specified above, to Qualified Institutional Buyers (as defined by the SEBI ICDR Regulations) pursuant to a qualified institutional placement, as provided under Chapter VIII of the SEBI ICDR Regulations."

"RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid Securities may have such features and attributes or any terms or combination of terms in accordance with international practices to provide for the tradability and free transferability thereof as per the prevailing practices and regulations in the capital markets including but not limited to the terms and conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever including terms for issue of additional Equity Shares or variation of the conversion price of the Securities during the duration of the Securities and the Board be and is hereby authorised in its absolute discretion in such manner as it may deem fit, to dispose off such of the Securities that are not subscribed."

"RESOLVED FURTHER THAT:

(a) the Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company; and

(b) the underlying Equity Shares shall rank pari passu with the existing Equity Shares of the Company."

"RESOLVED FURTHER THAT the issue of Equity Shares underlying the Securities to the holders of the Securities shall, inter alia, be subject to the following terms and conditions:

(a) in the event of the Company making a bonus issue by way of capitalisation of its profits or reserves prior to the allotment of the Equity Shares, the number of shares to be allotted shall stand augmented in the same proportion in which the equity share capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced pro tanto;

(b) in the event of the Company making a rights offer by issue of Equity Shares prior to the allotment of the Equity Shares, the entitlement to the Equity Shares shall stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered to the holders of the Securities at the same price at which the same are offered to the existing shareholders, and

(c) in the event of any merger, amalgamation, takeover or any other re-organisation, the number of shares, the price and the time period as aforesaid shall be suitably adjusted."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint Lead Managers, Underwriters, Guarantors, Depositories, Custodians, Registrars, Trustees, Bankers, Lawyers, Advisors and all such Agencies as may be involved or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memorandum, documents, etc., with such agencies and also to seek the listing of such Securities on one or more National and International Stock Exchange(s)."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of any Securities or as may be necessary in accordance with the terms of the offering, all such Equity Shares ranking pari passu with the existing Equity Shares of the Company in all respects, except the right as to dividend which shall be as provided under the terms of the issue and in the offering documents."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorised to determine the form, terms and timing of the Issue(s), including the class of investors to whom the Securities are to be allotted, number of Securities to be allotted in each tranche, issue price, face value, premium amount on issue/ conversion of Securities/exercise of warrants/redemption of Securities, rate of interest, redemption period, listings on one or more stock exchanges in India and/or abroad as the Board in its absolute discretion deems fit and to make and accept any modifications in the proposal as may be required by the authorities involved in such issues in India and/or abroad, to do all acts, deeds, matters and things and to settle any questions or difficulties that may arise in regard to the Issue(s)."

"RESOLVED FURTHER THAT all the aforesaid powers and authorities be and are hereby further sub-delegated to the Securities Issue Committee of the Board and that the said Securities Issue Committee be and is hereby authorised to sign and execute such letters, deeds, documents, writings, etc. and to do all such acts, deeds, matters and things as might be required in connection with the issue of the Securities which in the opinion of the said Securities Issue Committee ought to have been done, executed and performed in relation to issue of the Securities as aforesaid and the matters incidental and ancillary thereto as duly and effectually as the Board could have done without further reference to the Board."

By order of the Board of Directors of
Suzlon Energy Limited

Place : Pune
Dated : July 30, 2011

Hemal A.Kanuga,
Company Secretary

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

2. The instrument appointing proxy in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before commencement of the 16th Annual General Meeting of the Company.

3. An Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of the aforesaid items of Special Business is enclosed herewith.

4. The Register of Members and Share Transfer Books of the Company shall remain closed from Monday, September 19, 2011 to Tuesday, September 27, 2011 (both days inclusive) for the purpose of the 16th Annual General Meeting.

5. Profile of directors seeking appointment/re-appointment as stipulated under Clause 49 of the Listing Agreement with stock exchanges is enclosed herewith.

6. Corporate members intending to send their authorised representatives to attend the 16th Annual General Meeting are requested to send a certified copy of the board resolution authorising their representative to attend and vote on their behalf at the meeting.

7. Members desirous of asking any questions at the 16th Annual General Meeting are requested to send in their questions so as to reach the Company's Registered Office at least 7 days before the date of the 16th Annual General Meeting so that the same can be suitably replied to.

8. Members/proxies are requested to bring their attendance slip along with their copy of Annual Report to the meeting.

9. In terms of the "Green Initiative in the Corporate Governance" undertaken by the Ministry of Corporate Affairs, the Company proposes to send henceforth notices/documents including annual reports, etc. to the shareholders in electronic form. Members who have still not registered their email addresses are requested to register their email addresses, in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with the Company's Registrar and Share Transfer Agents, M/s. Karvy Computershare Private Limited, 17-24, Vittalrao Nagar, Madhapur, Hyderabad-500081; email id einward.ris@karvy.com. Please note that as a valued Member of the Company, you are always entitled to request and receive all such communication in physical form free of cost. Further, the documents served through e-mail will be available on the Company's website www.suzlon.com.

EXPLANATORY STATEMENT

[Pursuant to Section 173(2) of the Companies Act, 1956]

Agenda Item No.5:

Mr. Vinod R.Tanti was appointed as an Additional Director and Executive Director of the Company with effect from November 1, 2010. In terms of the provisions of Section 260 of the Companies Act, 1956, Mr. Vinod R.Tanti holds office up to the ensuing Annual General Meeting of the Company. The Company is in receipt of a notice in writing pursuant to Section 257 of the Companies Act, 1956 proposing the candidature of Mr. Vinod R.Tanti for the office of the Director of the Company.

The details of Mr. Vinod R.Tanti as required to be given in terms of Clause 49(IV)(G) of the Listing Agreement have been provided separately under Profile of Directors seeking appointment/re-appointment.

The Board recommends the appointment of Mr. Vinod R.Tanti as the Director of the Company. In light of above, you are requested to accord your approval to the Ordinary Resolution as set out at Agenda Item No.5 of the accompanying notice.

Mr. Vinod R.Tanti, himself, Mr. Tulsi R.Tanti, the Chairman and Managing Director and Mr. Girish R.Tanti, Director may be deemed to be concerned or interested in the said resolution appointing Mr. Vinod R.Tanti as the Director of the Company.

Agenda Item No.6:

Ms. Mythili Balasubramanian, a nominee of IDBI Bank Limited was appointed as an Additional Director of the Company with effect from November 1, 2010. In terms of the provisions of Section 260 of the Companies Act, 1956, Ms. Mythili Balasubramanian holds office up to the ensuing Annual General Meeting of the Company. The Company is in receipt of a notice in writing pursuant to Section 257 of the Companies Act, 1956 proposing the candidature of Ms. Mythili Balasubramanian for the office of the Director of the Company.

The details of Ms. Mythili Balasubramanian as required to be given in terms of Clause 49(IV)(G) of the Listing Agreement have been provided separately under Profile of Directors seeking appointment/re-appointment.

The Board recommends the appointment of Ms. Mythili Balasubramanian as the Director of the Company. In light of above, you are requested to accord your approval to the Ordinary Resolution as set out at Agenda Item No.6 of the accompanying notice.

No other Director except Ms. Mythili Balasubramanian is, in any way, concerned or interested in the said resolution appointing Ms. Mythili Balasubramanian as the Director of the Company.

Agenda Item No.7:

Mr. Rajiv Ranjan Jha, a nominee of Power Finance Corporation Limited was appointed as an Additional Director of the Company, with effect from April 28, 2011. In terms of the provisions of Section 260 of the Companies Act, 1956, Mr. Rajiv Ranjan Jha holds office up to the ensuing Annual General Meeting of the Company. The Company is in receipt of a notice in writing pursuant to Section 257 of the Companies Act, 1956 proposing the candidature of Mr. Rajiv Ranjan Jha for the office of the Director of the Company.

The details of Mr. Rajiv Ranjan Jha as required to be given in terms of Clause 49(IV)(G) of the Listing Agreement have been provided separately under Profile of Directors seeking appointment/re-appointment.

The Board recommends the appointment of Mr. Rajiv Ranjan Jha as the Director of the Company. In light of above, you are requested to accord your approval to the Ordinary Resolution as set out at Agenda Item No.7 of the accompanying notice.

No other Director except Mr. Rajiv Ranjan Jha is, in any way, concerned or interested in the said resolution appointing Mr. Rajiv Ranjan Jha as the Director of the Company.

Agenda Item No.8:

Mr. Tulsi R.Tanti has been re-appointed as the Managing Director of the Company for a period of three years with effect from April 1, 2011 in terms of the approval granted by the Board of Directors on February 4, 2011, approval granted by the Remuneration Committee in terms of the Circular Resolution dated February 21, 2011 and approval of the Remuneration Committee and the Board of Directors both dated July 30, 2011.

In terms of the provisions of Section 269 read with Schedule XIII to the Companies Act, 1956 the appointment of Managing Director is subject to approval of members at the general meeting of the Company held first after such appointment.

The details of Mr. Tulsi R.Tanti as required to be given in terms of Clause 49(IV)(G) of the Listing Agreement have been provided separately under Profile of Directors seeking appointment / re-appointment.

In the aforesaid connection and as required under Part II Section II (B) of Schedule XIII to the Companies Act, 1956, the following information is furnished:

I. General Information:

(1) Nature of Industry:

The Company is engaged in the business of design, development, manufacturing and supply of Wind Turbine Generators of various rated capacities.

(2) Date or expected date of commencement of commercial production:

The Company has been operational since last 16 years.

(3) Financial Performance:

The Company was incorporated on April 10, 1995 and the certificate for commencement of business was issued on April 25, 1995. The following are the results of the Company for the last three years, at glance:

(Rupees in Crores)

Financial Parameters	**Financial Year**		
	2008-09	**2009-10**	**2010-11**
Turnover	7235.58	3488.68	4357.55
Net Profit (as per P & L Account)	(469.27)	(1414.09)	(185.66)
Amount of Equity Dividend	-	-	-
Rate of Equity Dividend	-	-	-

(4) Export Performance, Net Foreign Exchange Collaborations:

As on March 31, 2011, the Company does not have standalone export orders. However, the Company's domestic subsidiaries have export orders which would be considered under consolidated foreign exchange earnings.

(5) Foreign investments or collaborations, if any:

As on June 30, 2011, foreign investments in the Company were as under:

- Foreign Institutional Investors: 23,08,37,623
- Non-Resident Indians: 2,17,52,245

The Company has no foreign collaboration as on date.

II. Information about the appointee:

(1) Background details, Recognition/Awards:

Mr. Tulsi R.Tanti is the founder of the Company and has been the Chairman and Managing Director since its inception. Under his stewardship, the Company has grown to be a leading wind turbine manufacturer in the world. Mr. Tulsi R.Tanti is a Commerce Graduate and holds a Diploma in Mechanical Engineering. He is responsible for the overall strategic direction of the Company. The details of awards received by Mr. Tulsi R.Tanti are provided in detail under the Profile of Directors seeking appointment/re-appointment forming part of the Notice.

(2) Past Remuneration:

The previous term of Mr. Tulsi R.Tanti as a Managing Director was for the period of three years from April 1, 2008 on a remuneration of Rs.1,50,00,000/- in terms of Section 198 and 309 read with Schedule XIII of the Companies Act, 1956. Apart from the remuneration in form of salary, Mr. Tulsi R.Tanti has not been paid any other remuneration except other privileges as are available to other employees of the Company.

However at the 15th Annual General Meeting of the Company held on August 13, 2010, it was requested by the shareholders of the Company that since the Company had incurred losses in the financial year 2009-10, Mr. Tulsi R.Tanti should not receive any remuneration in the financial year 2009-10 and 2010-11. In light of the losses incurred by the Company during the financial year 2009-10 and respecting the sentiments of the shareholders of the Company, it was decided to accept the request of the shareholders for non-payment of any remuneration to Mr. Tulsi R.Tanti, Chairman and Managing Director for the financial year 2009-10 and thereafter in case of losses during the balance tenure of earlier appointment. Accordingly, the remuneration paid during the financial year 2009-10 and 2010-11, as the case may be, was refunded by Mr. Tulsi R.Tanti, Chairman and Managing Director.

(3) Job Profile and his suitability:

Mr. Tulsi R.Tanti as a Managing Director is looking after the day-to-day activities of the Company. He also assists in project planning and execution thereof. With the educational background and rich experience held by Mr. Tulsi R.Tanti, the Company has been tremendously benefited as also would continue to get the advantage of knowledge and experience of Mr. Tulsi R.Tanti for the years to come.

(4) **Remuneration Proposed:**

The remuneration proposed to be paid to Mr. Tulsi R.Tanti has been approved by the Remuneration Committee and the Board of Directors at their respective meetings held on July 30, 2011 as under:

Yearly Salary	Perquisites
Rs. 2,00,00,000/-	Perquisites shall be allowed in addition to Salary as more particularly described in the Resolution

The remuneration as approved would be subject to the provisions of Section 198 and 309 of the Companies Act, 1956. However, in the event of loss or inadequacy of profits, the Managing Director would be paid remuneration in terms of Part II Section II (B) of Schedule XIII to the Companies Act, 1956.

(5) **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:**

The prevalent levels of remuneration in power industry are higher. Taking into account the turnover of the Company, the contribution being made by Mr. Tulsi R.Tanti in the affairs of the Company, his academic background, rich experience, the increasing key role he would continue to play in the growth of the Company, the proposed remuneration is reasonable and in lines with the remuneration levels in the industry across the Country.

(6) **Pecuniary Relationship, directly or indirectly, with the Company, or relationship with the managerial personnel, if any:**

Mr. Tulsi R.Tanti has no pecuniary relationship, directly or indirectly, with the Company. Mr. Tulsi R.Tanti is related to Mr. Vinod R.Tanti and Mr. Girish R.Tanti, the Directors of the Company and except for that Mr. Tulsi R.Tanti does not have any other relationship with any managerial personnel of the Company.

III. Other Information:

(1) **Reasons for loss/inadequacy of profit, if any:**

The Company had shown a gradual and consistent increase in profits till financial year 2007-08. The profitability declined in the financial year 2008-09. During the financial year 2009-10 the Company incurred losses, mainly attributable to following reasons:

- The then prevailing uncertain economic environment adversely impacted business volumes, delay in timely realization of receivables from the customers. Implementation delays encountered in debt consolidation and refinancing arrangements further constrained the liquidity situation.
- The Company incurred cash losses during the financial year 2009-10, which was mainly attributable to the difficult global economic environment that adversely impacted business volume and product pricing. Adverse foreign exchange movement, lower absorption of fixed overheads and higher finance charges, primarily due to delayed collections from customers, and cost of debt consolidation and refinancing arrangement also hampered the Company's profitability.

(2) **Steps taken/proposed to be taken to improve the performance of the Company:**

Over the past few years, the Company has taken various initiatives as under to de-lever its balance sheet and solidify a long-term sustainable capital structure:

- The repayment of the Acquisition Loans and replacing the same with Five-year USD 465 million loan with a two-year moratorium on repayments of principal as well as a two-year holiday on debt covenants
- Consolidation and refinancing of its existing Rupee denominated term loans and working capital loans through new debt facilities from a syndicate of banks.
- Part disinvestment and intention to dispose off balance investments in Hansen Transmissions International NV, Belgium
- The Company has successfully reached the threshold of 95% holding limit in REpower System SE, Germany, a renowned WTGs manufacturer worldwide and particularly in matured and respected European markets and has initiated squeeze-out proceedings. This will give the impetus to the operations of the Company by way of synergies.

Also there is a strong revival in Indian wind market. New policy initiatives support long-term growth of the Company. Also the Company has orders from PSUs and large corporates including repeat orders.

(3) **Expected increase in productivity and profits in measurable terms:**

Considering various analysis carried out by the Company based on the data made available by Ministry of New and Renewable Energy, Government of India and other international agencies related to wind energy/non-conventional energy sector, the future of non-conventional energy especially of wind energy industry looks bright in the coming years.

In light of above, you are requested to accord your approval to the Special Resolution as set out at Agenda Item No.8 of the accompanying Notice for appointment of Mr. Tulsi R.Tanti as the Managing Director on revised terms and conditions.

The copy of the draft agreement to be entered into between the Company and Mr. Tulsi R.Tanti, Managing Director is available for inspection at the Registered Office of the Company on all working days during business hours till the date of the Annual General Meeting of the Company.

Mr. Tulsi R.Tanti, himself, Mr. Vinod R.Tanti, Wholetime Director and Mr. Girish R.Tanti, the Director may be deemed to be concerned or interested in the resolution appointing Mr. Tulsi R.Tanti as Managing Director.

Agenda Item No.9:

Mr. Vinod R.Tanti has been appointed as the Wholetime Director of the Company for a period of three years with effect from November 1, 2010 in terms of the approval granted by the Board of Directors and Remuneration Committee on October 30, 2010 and approval of the Remuneration Committee and the Board of Directors both dated July 30, 2011.

In terms of the provisions of Section 269 read with Schedule XIII to the Companies Act, 1956 the appointment of Wholetime Director is subject to approval of members at the general meeting of the Company held first after such appointment.

The details of Mr. Vinod R.Tanti as required to be given in terms of Clause 49(IV)(G) of the Listing Agreement have been provided separately under Profile of Directors seeking appointment / re-appointment.

In the aforesaid connection and as required under Part II Section II (B) of Schedule XIII to the Companies Act, 1956, the following information is furnished:

I. General Information:

(1) Nature of Industry:

The Company is engaged in the business of design, development, manufacturing and supply of Wind Turbine Generators of various rated capacities.

(2) Date or expected date of commencement of commercial production:

The Company has been operational since last 16 years.

(3) Financial Performance:

The Company was incorporated on April 10, 1995 and the certificate for commencement of business was issued on April 25, 1995. The following are the results of the Company for the last three years, at glance:

(Rupees in Crores)

Financial Parameters	**Financial Year**		
	2008-09	**2009-10**	**2010-11**
Turnover	7235.58	3488.68	4357.55
Net Profit (as per P & L Account)	(469.27)	(1414.09)	(185.66)
Amount of Equity Dividend	-	-	-
Rate of Equity Dividend	-	-	-

(4) Export Performance, Net Foreign Exchange Collaborations:

As on March 31, 2011, the Company does not have standalone export orders. However, the Company's domestic subsidiaries have export orders which would be considered under consolidated foreign exchange earnings.

(5) Foreign investments or collaborations, if any:

As on June 30, 2011, foreign investments in the Company were as under:

- Foreign Institutional Investors: 23,08,37,623
- Non-Resident Indians: 2,17,52,245

The Company has no foreign collaboration as on date.

II. Information about the appointee:

(1) Background details, Recognition/Awards:

Mr. Vinod R.Tanti holds a Degree in Civil Engineering and has been associated with Suzlon right from its inception. In his 24 years of industry experience, he has handled diverse portfolios, largely on a Conceive - Design - Build - Operate and Transfer model. He contributes to the Company his experience of the entire wind value chain segments as well as process centricity and innovation. His focus areas are creating alignment and deriving synergy within and between value chain components.

(2) Past Remuneration:

Mr. Vinod R.Tanti has been appointed as the Wholetime Director of the Company for a period of three years with effect from November 1, 2010 in terms of the approval of the Board of Directors and that of Remuneration Committee both dated October 30, 2010 however without any remuneration and accordingly no remuneration has been paid to Mr. Vinod R.Tanti during the year 2010-11.

The terms of appointment were varied in terms of approval granted by the Remuneration Committee and Board of Directors both on July 30, 2011 providing for payment of remuneration with effect from April 1, 2011 for the remaining tenure of his office.

(3) Job Profile and his suitability:

Mr. Vinod R.Tanti as Wholetime Director is looking after the day-to-day activities of the Company especially Supply chain management. He also assists in project planning and execution thereof. He contributes to the Company his experience of the entire wind value chain segments as well as process centricity and innovation. His focus areas are creating alignment and deriving synergy within and between value chain components.

(4) Remuneration Proposed:

The remuneration proposed to be paid to Mr. Vinod R.Tanti has been approved by the Remuneration Committee and the Board of Directors at their respective meetings held on July 30, 2011 as under:

Yearly Salary	Perquisites
Rs. 1,20,00,000/-	Perquisites shall be allowed in addition to Salary as more particularly described in the Resolution

The remuneration as approved would be subject to the provisions of Section 198 and 309 of the Companies Act, 1956. However, in the event of loss or inadequacy of profits, the Wholetime Director would be paid remuneration in terms of Part II Section II (B) of Schedule XIII to the Companies Act, 1956.

(5) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

The prevalent levels of remuneration in power industry are higher. Taking into account the turnover of the Company, the contribution being made by Mr. Vinod R.Tanti in the affairs of the Company, his academic background, rich experience, the increasing key role he will play in the growth of the Company, the proposed remuneration is reasonable and in lines with the remuneration levels in the industry across the Country.

(6) Pecuniary Relationship, directly or indirectly, with the Company, or relationship with the managerial personnel, if any:

Mr. Vinod R.Tanti has no pecuniary relationship, directly or indirectly, with the Company. Mr. Vinod R.Tanti is related to Mr. Tulsi R.Tanti, Managing Director and Mr. Girish R.Tanti, the Director of the Company and except for that Mr. Vinod R.Tanti does not have any other relationship with any managerial personnel of the Company.

III. Other Information:

(1) Reasons for loss/inadequacy of profit, if any:

The Company had shown a gradual and consistent increase in profits till financial year 2007-08. The profitability declined in the financial year 2008-09. During the financial year 2009-10 the Company incurred losses, mainly attributable to following reasons:

- The then prevailing uncertain economic environment adversely impacted business volumes, delay in timely realization of receivables from the customers. Implementation delays encountered in debt consolidation and refinancing arrangements further constrained the liquidity situation.
- The Company incurred cash losses during the financial year 2009-10, which was mainly attributable to the difficult global economic environment that adversely impacted business volume and product pricing. Adverse

foreign exchange movement, lower absorption of fixed overheads and higher finance charges, primarily due to delayed collections from customers, and cost of debt consolidation and refinancing arrangement also hampered the Company's profitability.

(2) Steps taken/proposed to be taken to improve the performance of the Company:

Over the past few years, the Company has taken various initiatives as under to de-lever its balance sheet and solidify a long-term sustainable capital structure:

- The repayment of the Acquisition Loans and replacing the same with Five-year USD 465 million loan with a two-year moratorium on repayments of principal as well as a two-year holiday on debt covenants
- Consolidation and refinancing of its existing Rupee denominated term loans and working capital loans through new debt facilities from a syndicate of banks.
- Part disinvestment and intention to dispose off balance investments in Hansen Transmissions International NV, Belgium
- The Company has successfully reached the threshold of 95% holding limit in REpower System SE, Germany, a renowned WTGs manufacturer worldwide and particularly in matured and respected European markets and has initiated squeeze-out proceedings. This will give the impetus to the operations of the Company by way of synergies.

Also there is a strong revival in Indian wind market. New policy initiatives support long-term growth of the Company. Also the Company has orders from PSUs and large corporates including repeat orders.

(3) Expected increase in productivity and profits in measurable terms:

Considering various analysis carried out by the Company based on the data made available by Ministry of New and Renewable Energy, Government of India and other international agencies related to wind energy/non-conventional energy sector, the future of non-conventional energy especially of wind energy industry looks bright in the coming years.

In light of above, you are requested to accord your approval to the Special Resolution as set out at Agenda Item No.9 of the accompanying Notice for appointment of Mr. Vinod R.Tanti as the Wholetime Director on revised terms and conditions.

The copy of the draft agreement to be entered into between the Company and Mr. Vinod R.Tanti, Wholetime Director is available for inspection at the Registered Office of the Company on all working days during business hours till the date of the Annual General Meeting of the Company.

Mr. Vinod R.Tanti, himself, Mr. Tulsi R.Tanti, Managing Director and Mr. Girish R.Tanti, the Director may be deemed to be concerned or interested in the resolution appointing Mr. Vinod R.Tanti as Wholetime Director.

Agenda Item No.10:

The resolution contained in the business of the Notice relates to a proposal by the Company to create, offer, issue and allot equity shares, GDRs, ADRs, FCCBs, SPNs, FCDs, NCDs with warrants and/or such other securities convertible into or linked to Equity Shares and/or any other instruments and/or combination of instruments as stated in the resolution (the "Securities"). The Company intends to issue Securities for a value of up to Rs.5,000 Crores.

The Special Resolution also seeks to empower the Board of Directors to undertake a qualified institutional placement with qualified institutional buyers as defined by SEBI ICDR Regulations. The Board of Directors may at its discretion adopt this mechanism as prescribed under Chapter VIII of the SEBI ICDR Regulations for raising the funds for the expansion plans of the Company, without the need for fresh approval from the shareholders.

In view of the expanding operations of the Company, the Company intends to capitalise on its potential. Thus it is proposed to create, offer, issue and allot equity shares, GDRs, ADRs, FCCBs, SPNs, FCDs, NCDs with warrants and/or such other securities convertible into or linked to Equity Shares and/or any other instruments and/or combination of instruments to the extent of Rs.5,000 Crores in one or another manner and in one or more tranches. Such further issue of such securities would provide a platform to the Company to meet to its fund requirements and improve the financial leveraging strength of the Company.

Similar resolution was passed by the Shareholders on November 16, 2010 by way of postal ballot. The Company has since thereafter issued US$ 175,000,000 Convertible Bonds due 2016. Since the market conditions have changed from the last approval as also to meet to various regulatory requirements and as a matter of prudent practice, an additional / fresh resolution is proposed to be passed to create, offer, issue and allot equity shares, GDRs, ADRs, FCCBs, SPNs, FCDs, NCDs with warrants and/or such other securities convertible into or linked to Equity Shares and/or any other instruments and/or combination of instruments to the extent of Rs.5,000 Crores in one or another manner and in one or more tranches.

The detailed terms and conditions for the offer will be determined in consultation with the Advisors, Lead Managers, Underwriters and such other authority or authorities as may be required to be consulted by the Company considering the prevailing market conditions and other relevant factors.

The pricing of the international issue(s), if any, will be free market pricing and may be at a premium or discount to the market price in accordance with international practices, subject to applicable Indian laws and guidelines. The same would be the case if the Board of Directors decide to undertake a qualified institutional placement under Chapter VIII of the SEBI ICDR Regulations. As the pricing of the offering cannot be decided except at a later stage, it is not possible to state the price or the exact number of Securities or shares to be issued. For reasons aforesaid, an enabling resolution is therefore proposed to be passed to give adequate flexibility and discretion to the Board to finalise the terms of the issue. The Securities issued pursuant to the offering(s) would be listed on the Indian stock exchanges and/or internationally recognised stock exchange(s) and may be represented by Securities or other Financial Instruments outside India.

The Special Resolution seeks to give the Board the powers to issue Securities in one or more tranche or tranches, at such time or times, at such price or prices and to such person(s) including institutions, incorporated bodies and/or individuals or otherwise as the Board may in its absolute discretion deem fit.

The consent of the shareholders is being sought pursuant to the provisions of Section 81(1A) and other applicable provisions of the Companies Act, 1956 and in terms of the provisions of the Listing Agreement executed by the Company with the Stock Exchanges where the Equity Shares of the Company are listed.

Section 81(1A) of the Companies Act, 1956 and the relevant clause of the Listing Agreement with the Stock Exchanges where the Equity Shares of the Company are listed provides, inter alia, that when it is proposed to increase the issued capital of a company by allotment of further shares, such further shares shall be offered to the existing shareholders of such company in the manner laid down in Section 81 unless the shareholders in a general meeting decide otherwise. Since the Special Resolution proposed in the business of the Notice results in the issue of shares of the Company otherwise than to the members of the Company, consent of the shareholders is being sought pursuant to the provisions of Section 81(1A) and other applicable provisions of the Companies Act, 1956 and the Listing Agreement.

The Special Resolution, if passed, will have the effect of allowing the Board of Directors to issue and allot Securities to the investors who may or may not be the existing shareholders of the Company.

The Board of Directors believes that the issue of Securities is in the interest of the Company and therefore recommends the special resolution as set out at Agenda Item no.10 of the accompanying Notice for your approval.

None of the Directors of the Company is in any way concerned or interested in the said resolution.

By order of the Board of Directors of
Suzlon Energy Limited

Place : Pune
Dated : July 30, 2011

Hemal A.Kanuga,
Company Secretary

Profile of Directors seeking appointment/reappointment at the 16th Annual General Meeting as stipulated under Clause 49 of the Listing Agreement with stock exchanges is as under:

Mr. Girish R.Tanti

Mr. Girish R.Tanti is one of the founding members of the Company. He is a graduate of Cardiff University Business School and holds a degree in Electronics Engineering. He has brought to Suzlon an understanding of the dynamics of technology and business management. He has played a key role in Suzlon becoming a global corporation. Over the years, he has lead the International Business Development, Human Resources, Information Technology, Communications and CSR functions in Suzlon. In his current role as Director, he provides strategic direction and oversight towards the long-term objectives of the Group. Mr. Girish R.Tanti holds 116082000 equity shares in the Company. The details of other directorships and/or committee positions held by Mr. Girish R.Tanti are given as under:

Name of the Indian company in which Director	Name of Committee in which member
SE Solar Limited	Nil
Tanti Holdings Private Limited	Nil
Sugati Holdings Private Limited	Nil
Samanvaya Holdings Private Limited	Nil

Mr. Ajay Relan

Mr Ajay Relan is one of the founding partners for CX Advisors Private Limited, which provides investment advisory services to Private Equity firms. Prior to co-founding the Indian Sub-Advisor, Mr. Relan was the head of CVCI in India, a position that he held since the inception of that business in India in 1995. Prior to this, Mr. Relan worked with several financial firms in multiple geographies, starting with Citi in 1976 and the last being the CEO of a Citi-affiliated brokerage firm, Citicorp Securities & Investments Ltd. Mr. Relan has served on the boards of several CVCI portfolio companies, such as HT Media, Yes Bank, i-FLEX and Progeon, among others. Mr. Relan earned a Masters in Business Administration from the Indian Institute of Management, Ahmedabad and a B.A. in Economics from St. Stephen's College, Delhi University where he was top ranked in the University. He was appointed on board of the Company as a representative of Citicorp International Finance Corporation Inc. on April 19, 2004. He ceased to be the representative director on January 29, 2007 and was appointed as an independent director on the Board with effect from January 29, 2007.

Mr. Ajay Relan does not hold any shares in the Company. The details of other directorships and/or committee positions held by Mr. Ajay Relan are given as under:

Name of the Indian company in which Director	Name of Committee in which member
Micro Abrasives (India) Private Limited	Nil
Bendochy Agro Products Private Limited	Nil
CX Advisors Private Limited	Nil

Ms. Mythili Balasubramanian

Ms. Mythili Balasubramanian is BSC, CAIIB, ACIB (Lon.) and has over 30 years of experience in the banking and financial sector. After an initial period of about 8 years in the financial and banking sector, she joined IDBI in 1987 and during the past 23 years of service has risen to the rank of Chief General Manager. During her tenure she has managed varied portfolios including project finance, resource raising, treasury and investment. She was also chosen as a core team member by IDBI for setting up its mutual fund administration and was also in charge of equity research wing and project development and marketing. Presently, she is the Chief General Manager for IDBI and is heading the structuring, syndication and advisory department.

Ms. Mythili Balasubramanian does not hold any shares in the Company. She does not hold any directorship or any committee position in any other company.

Mr. Rajiv Ranjan Jha

Mr. Rajiv Ranjan Jha, aged 45 years has been working with Power Finance Corporation Limited (PFC) since March 1997. He holds a Bachelor Degree in Science (Mechanical Engg.) from Ranchi University and a Diploma in Management from IGNOU. Mr. Jha has overall 23 years of experience and is presently holding the position as Additional General Manager (Projects), PFC and is single point contact for the State Utilities in Haryana and Punjab as well as handling the Renewable Energy portfolio of PFC. He has also worked on Project Appraisal (especially of Independent Private Power Projects) & Ultra Mega Power Projects in PFC. Before joining PFC, he has worked with Visakhapatnam Steel Plant from November 1988 to February 1997 and dealt with Operation and Maintenance of their Captive Power Plant and also in Material Planning.

Mr. Rajiv Ranjan Jha does not hold any shares in the Company. He does not hold any directorship or any committee position in any other company.

Mr. Tulsi R.Tanti

Mr. Tulsi R.Tanti is the founder of the Company and has been the Chairman and Managing Director since its inception in 1995. Under his stewardship, the Company has grown to be a leading wind turbine manufacturer in the world. Mr. Tulsi R.Tanti is a Commerce Graduate and holds a Diploma in Mechanical Engineering. He is responsible for the overall strategic direction of the Company and has received a number of awards in recognition of his leadership of the wind energy industry in India, his business achievements and stewardship of the renewable energy cause. The awards include "Champion of the Earth 2009" award by United Nations Environment Program; "Global Indian Award 2009" by Canada India Foundation; "Hero of the Environment Award" by TIME Magazine; "Rajiv Gandhi Award 2007" for the most successful industrialist in India; "Ernst & Young Entrepreneur of the Year 2006" award by Ernst & Young; "India Business Leader Award 2006" by the television channel CNBC TV18 in the category "The most promising entrant into the big league"; "Terialumni Award" for outstanding "Entrepreneurship in Energy - Environment Technologies 2006" by The Terialumni Trust; "Best Renewable Man of the Decade", which is a lifetime achievement award from the Foundation of Indian Industry and Economists in 2005; "World Wind Energy Award 2003" by World Wind Energy Association; "Business Leadership Award 2002" by Solar Energy Society of India, etc. The details of other directorships and/or committee positions held by Mr. Tulsi R.Tanti are given as under:

Name of the Indian company in which Director	Name of Committee in which Mr. Tulsi R.Tanti is a member
Suruchi Holdings Private Limited	Nil
Sugati Holdings Private Limited	Nil

Mr. Vinod R.Tanti

Mr. Vinod R.Tanti holds a Degree in Civil Engineering and has been associated with Suzlon right from its inception. In his 24 years of industry experience, he has handled diverse portfolios, largely on a Conceive - Design - Build - Operate and Transfer model. He contributes to the Company his experience of the entire wind value chain segments as well as process centricity and innovation. His focus areas are creating alignment and deriving synergy within and between value chain components. He was appointed as an Executive Director with effect from November 1, 2010. The details of other directorships and/or committee positions held by Mr. Vinod R.Tanti are given as under:

Name of the Indian company in which Director	Name of Committee in which member
Suzlon Infrastructure Services Limited	Audit Committee
Tanti Holdings Private Limited	Nil
SE Energy Park Limited	Audit Committee
SE Composites Limited	Audit Committee
SE Electricals Limited	Audit Committee
Suzlon Wind International Limited	Audit Committee
Suzlon Power Infrastructure Limited	Nil
Suzlon Engitech Limited	Nil
Suzlon Structures Limited	Audit Committee
Suzlon Generators Limited	Audit Committee
Synew Steel Limited	Nil
SE Forge Limited	Audit Committee
SE Solar Limited	Nil
Suruchi Holdings Private Limited	Nil
Sanman Holdings Private Limited	Nil

POWERING A GREENER TOMORROW

SUZLON ENERGY LIMITED

Registered Office: "Suzlon", 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad - 380 009

ATTENDANCE SLIP

16th Annual General Meeting on Tuesday, September 27, 2011

DP ID____________________________ Folio No/Client ID__________________________

Full name of the shareholder/proxy attending the meeting

____

(First Name) (Second Name) (Surname)

FIRST HOLDER/JOINT HOLDER/PROXY

Strike out whichever is not applicable)

Full name of first holder (if joint holder/proxy attending)

____

(First Name) (Second Name) (Surname)

____

Signature of the Shareholder/proxy

POWERING A GREENER TOMORROW

SUZLON ENERGY LIMITED

Registered Office: "Suzlon", 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad - 380 009

PROXY FORM

16th Annual General Meeting on Tuesday, September 27, 2011

DP ID____________________________ Folio No/Client ID_______________________________

I/We____ of ___________________________

being a member(s) of Suzlon Energy Limited hereby appoint ____ of

____ or failing him/her _______________________________________ of

____ as my/our proxy to attend and vote for me/us and on my/our behalf at the

16th Annual General Meeting of the Company to be held on Tuesday, September 27, 2011, at 11:00 am, at J. B. Auditorium, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad - 380015 and at any adjournment thereof.

Signed this _______ day of _______ 2011.

Affix 15 paise Revenue Stamp

Signature___________________

Note:

1. The proxy need not be a member of the Company.
2. The proxy form duly signed across 15 paise Revenue stamp should reach the Company's Registered Office at least 48 hours before the time of the meeting.

SUZLON
POWERING A GREENER TOMORROW

REGISTERED OFFICE : "Suzlon" 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad - 380 009, India
Tel.: +91.79.26471100, Fax: +91.79.26565540

GROUP HEADQUARTERS: One Earth, Hadapsar, Pune - 411 028, India
Tel.: +91.20.6135 6135, 6702 2000, Fax: +91.20.6702 2100

Website : www.suzlon.com