

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2009

Particulars		Quarter ended		Year ended
		June 30, 2009 (Unaudited)	June 30, 2008 (Unaudited)	March 31, 2009 (Audited)
1	Income from operations	4,152.68	3,117.80	26,081.70
2	Other operating income	18.67	11.17	177.09
3	Total Income (1+2)	4,171.35	3,128.97	26,258.79
4	Expenditure			
a)	(Increase) / Decrease in stock in trade and work in progress	(169.36)	(1,552.54)	(1,086.15)
b)	Consumption of raw materials (including project bought outs)	3,080.30	3,340.57	17,920.31
c)	Purchase of traded goods	0.43	1.62	22.64
d)	Employees cost	592.39	423.02	2,165.75
e)	Depreciation	162.58	98.57	573.14
f)	Other expenditure	655.28	377.72	4,420.36
g)	Total Expenditure	4,321.62	2,688.96	24,016.05
5	Profit / (loss) from Operations before Other Income, Interest & Exceptional Items (3-4)	(150.27)	440.01	2,242.74
6	Other income	21.37	68.11	271.75
7	Profit / (loss) before Interest & Exceptional Items (5+6)	(128.90)	508.12	2,514.49
8	Interest	312.77	143.18	901.21
9	Profit / (loss) after Interest but before Exceptional Items (7-8)	(441.67)	364.94	1,613.28
10	Exceptional Items (refer note 9)			
	A. Gain on restructuring and refinancing of financial facilities (Net)	(121.83)	-	-
	B. Foreign exchange loss on the Convertible Bonds	140.08	145.50	131.35
	C. Blade restoration & retrofit and consequential generation / availability charges	-	26.46	411.10
	D. Mark-to-Market losses on foreign exchange forward / option contracts	-	57.85	353.84
	Total exceptional items	18.25	229.81	896.29
11	Profit / (Loss) from Ordinary Activities before Tax (9-10)	(459.92)	135.13	716.99
12	Tax expenses	2.63	82.65	288.12
13	Net Profit / (Loss) for the period (11-12)	(462.55)	52.48	428.87
14	Add : Share in associate's profit after tax	-	2.32	2.32
15	Add / (Less) : Minority share in losses / (profits)	9.88	(45.50)	(194.71)
16	Net Profit / (Loss) after share in associate's profit and minority interest (13+14+15)	(452.67)	9.30	236.48
17	Paid up equity share capital (Ordinary shares of Rs.2/- each)	299.66	299.39	299.66
18	Reserves excluding revaluation reserves			8,221.64
19	Earnings / (loss) per share (EPS)			
	- Basic (Rs.)	(3.02)	0.06	1.58
	- Diluted (Rs.)	(3.02)	0.06	1.52
20	Public shareholding			
	- Number of shares	602,027,400	510,681,400	512,027,400
	- Percentage of shareholding	40.18%	34.11%	34.17%
21	Promoters and Promoter group shareholding			
a)	Pledged / Encumbered shares			
	- Number of shares	338,701,711		426,240,000
	- % of shareholding (as a % of total shareholding of promoter and promoter group)	37.79%		43.22%
	- % of shareholding (as a % of total share capital of the company)	22.61%		28.45%
b)	Non-encumbered shares			
	- Number of shares	557,566,289		560,028,000
	- % of shareholding (as a % of total shareholding of promoter and promoter group)	62.21%		56.78%
	- % of shareholding (as a % of total share capital of the company)	37.21%		37.38%

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2009

Particulars		Quarter ended		Year ended
		June 30, 2009 (Unaudited)	June 30, 2008 (Unaudited)	March 31, 2009 (Audited)
1.	Income from operations	314.95	1,470.59	7,235.58
2.	Other operating income	-	2.65	16.36
3.	Total Income (1+2)	314.95	1,473.24	7,251.94
4.	Expenditure			
a)	(Increase) / Decrease in stock in trade and work in progress	64.13	(115.51)	(68.37)
b)	Consumption of raw materials (including project bought outs)	168.91	977.56	4,576.05
c)	Purchase of traded goods	3.74	3.98	36.17
d)	Employees cost	44.44	57.93	199.07
e)	Depreciation	19.70	21.71	99.16
f)	Other expenditure	178.95	163.60	1,857.32
g)	Total Expenditure	479.87	1,109.27	6,699.40
5.	Profit / (loss) from Operations before Other Income, Interest & Exceptional Items (3-4)	(164.92)	363.97	552.54
6.	Other income	44.37	23.04	160.78
7.	Profit / (loss) before Interest & Exceptional Items (5+6)	(120.55)	387.01	713.32
8.	Interest	138.74	38.20	380.12
9.	Profit / (loss) after Interest but before Exceptional Items (7-8)	(259.29)	348.81	333.20
10	Exceptional Items (refer note 9)			
	A. Gain on restructuring and refinancing of financial facilities (Net)	(239.37)	-	-
	B. Foreign exchange loss on the Convertible Bonds	140.08	145.50	131.35
	C. Blade restoration & retrofit and consequential generation / availability charges	-	26.46	411.10
	D. Mark-to-Market losses on foreign exchange forward/option contracts	-	57.85	330.71
	Total exceptional items	(99.29)	229.81	873.16
11	Profit / (Loss) from Ordinary Activities before Tax (9-10)	(160.00)	119.00	(539.96)
12	Tax expenses / (reversal)	0.47	30.96	(70.69)
13	Net Profit / (Loss) for the period (11-12)	(160.47)	88.04	(469.27)
14	Paid up equity share capital (Ordinary shares of Rs.2/- each)	299.66	299.39	299.66
15	Reserves excluding revaluation reserves			6,177.41
16	Earnings / (loss) per share (EPS)			
	- Basic (Rs.)	(1.07)	0.59	(3.13)
	- Diluted (Rs.)	(1.07)	0.57	(3.13)
17	Public shareholding			
	- Number of shares	602,027,400	510,681,400	512,027,400
	- Percentage of shareholding	40.18%	34.11%	34.17%
18	Promoters and Promoter group shareholding			
a)	Pledged / Encumbered shares			
	- Number of shares	338,701,711		426,240,000
	- % of shareholding (as a % of total shareholding of promoter and promoter group)	37.79%		43.22%
	- % of shareholding (as a % of total share capital of the company)	22.61%		28.45%
b)	Non-encumbered shares			
	- Number of shares	557,566,289		560,028,000
	- % of shareholding (as a % of total shareholding of promoter and promoter group)	62.21%		56.78%
	- % of shareholding (as a % of total share capital of the company)	37.21%		37.38%

SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER ENDED JUNE 30, 2009

Particulars	Quarter ended		Year ended
	June 30, 2009 (Unaudited)	June 30, 2008 (Unaudited)	March 31, 2009 (Audited)
(Rs. in crores)			
Segment Revenue			
a) Wind Turbine Generator	3,218.78	2,333.28	22,969.42
b) Gear Box	924.81	910.83	3,993.64
c) Foundry & Forging	17.03	-	17.18
d) Others	12.19	9.57	36.06
Total	4,172.81	3,253.68	27,016.30
Less: Inter segment revenue	20.13	135.88	934.60
Income from operations	4,152.68	3,117.80	26,081.70
Segment Results			
Profit / (loss) before Depreciation, Interest, Exceptional Items and Tax			
a) Wind Turbine Generator	2.61	356.42	2,260.80
b) Gear Box	63.89	196.13	697.71
c) Foundry & Forging	(3.42)	0.16	(25.23)
d) Others	12.06	7.23	35.42
Total	75.14	559.94	2,968.70
Less: Depreciation			
a) Wind Turbine Generator	82.53	50.90	336.20
b) Gear Box	62.66	44.29	205.06
c) Foundry & Forging	13.07	-	17.57
d) Others	4.32	3.38	14.31
Profit / (loss) before Interest, Exceptional Items and Tax			
a) Wind Turbine Generator	(79.92)	305.52	1,924.60
b) Gear Box	1.23	151.84	492.65
c) Foundry & Forging	(16.49)	0.16	(42.80)
d) Others	7.74	3.85	21.11
Less: Interest	312.77	143.18	901.21
Less: Unallocable Expenditure / (Income) - net	41.46	(46.75)	(118.93)
Profit / (Loss) before Taxes and Exceptional Items	(441.67)	364.94	1,613.28
Exceptional items	18.25	229.81	896.29
Profit / (loss) before Tax	(459.92)	135.13	716.99
Capital Employed (Segment assets - Segment liabilities)			
a) Wind Turbine Generator	16,264.31	13,410.65	15,566.62
b) Gear Box	6,337.63	4,486.34	5,554.43
c) Foundry & Forging	949.47	437.67	897.56
d) Others	231.49	225.44	234.72
Total	23,782.90	18,560.10	22,253.33

Notes:

- 1 The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors at its meeting held on July 31, 2009. The Statutory Auditors of the Company have carried out a limited review of the above results for the quarter ended June 30, 2009.
- 2 REpower has become a subsidiary of the Company with effect from June 6, 2008 and the Company is holding stake of 90.72% as on June 30, 2009. In the results published for the quarter ended June 30, 2008, REpower was accounted for as an associate and the results of REpower were consolidated with three months lag to that of the Company. This time lag has since been aligned and the comparative results for the quarter ended June 30, 2008 disclosed above have been adjusted accordingly. Accordingly the consolidated financial results for the quarter ended June 30, 2009 are to the extent not comparable with the consolidated financial results of the prior periods presented.
- 3a. The Company has treated all Convertible Bonds as monetary liability and accordingly restated the liability based on the exchange rate prevailing as at the end of the respective quarter. Further, the Company has opted to amortise the foreign exchange losses on long-term foreign currency monetary items, in accordance with the notification issued by the Ministry of Corporate Affairs on March 31, 2009.
- 3b. As explained in 3a above, since the Company has opted for amortisation of forex losses, from the quarter ended March 31, 2009, the results for the quarter ended June 30, 2008 do not include the impact of this option and are to that extent not comparable with the results of the current quarter ended June 30, 2009.
- 4 On June 11, 2007 and October 10, 2007, the Company made an issue of USD 300 Million (the "June 2007 Bonds") and USD 200 Million (the "October 2007 Bonds") Zero Coupon Convertible Bonds (together referred to as the "Old Bonds") due 2012, respectively, convertible into equity shares. In May 2009 and June 2009, the Company undertook a restructuring of the Old Bonds, by virtue of which bondholders have exercised the following options provided to them:
 - buy back of the Old Bonds @ 54.55% of the face value,
 - exchange of new 7.5% bonds for the Old Bonds in the ratio of 3:5, with an initial conversion price of Rs.76.68,
 - payment of consent fee to bondholders of the Old Bonds who consented for relaxation of covenants.Similarly, during the current quarter, the lenders of acquisition loans and certain bonding facilities have agreed to reset certain terms / covenants.
- 5 On July 24, 2009, the Company has raised USD 108.04 Million (Rs.522.97 crores) through issuance of 14,600,000 Global Depository Receipts (GDRs) representing 58,400,000 Equity Shares of Rs.2 each. The issue price of each GDR is USD 7.4 and the GDRs are listed on the Luxembourg Stock Exchange.
- 6 On July 24, 2009, the Company has made a further issue of Zero Coupon Convertible Bonds due 2014 for a total amount of USD 93.87 million (approximately Rs.452.64 crores) at an issue price of 104.30 % of the principal amount of USD 90 million. The initial conversion price is set at Rs.90.38 per share and the same is subject to adjustments in certain circumstances.
- 7 The Company has not provided for the proportionate premium on redemption of Convertible Bonds, since the Company believes that the same is contingent in nature. The proportionate premium as at June 30, 2009 is approximately Rs.251.80 crores (Rs.152.08 crores). The auditors have without qualifying their opinion, given a matter of emphasis on non-provision of the proportionate premium in their limited review report for the quarter ended June 30, 2009. The Company has securities premium of Rs.3,465.18 crores as at June, 2009, which is adequate to cover the cost of proportionate premium, in case the contingency materialises.
- 8 A wage settlement agreement with the workers Union of the Company's Pondicherry plant was reached on July 13, 2009. Consequently, an additional liability of Rs.0.30 crore pertaining to the period ended March 31, 2009 has been included in the results of the quarter ended June 30, 2009.
- 9 Exceptional items referred to above include the following:
 - a. Net gain, resulting from the buy-back and exchange of the Old Bonds, explained in Note 4 above, which is after offsetting the various costs incurred in connection with restructuring and refinancing of facilities. Such net gain aggregates to Rs.121.83 crores (Rs.Nil) in the consolidated financial results and Rs.239.37 crores (Rs.Nil) in the standalone financial results for the quarter ended June 30, 2009.
 - b. Loss arising on account of the amortisation of foreign exchange losses on all convertible bonds in line with the treatment explained in Note 3a above aggregating Rs.140.08 crores (Rs.Nil) for the quarter ended June 30, 2009 and Rs.131.35 crores for the year ended March 31, 2009. The losses of Rs.140.08 crores includes Rs.120.06 crores (Rs.Nil) being entire foreign exchange losses on Old Bonds cancelled due to buy-back and exchange explained in Note 4 above. As explained in Note 3b above, the loss of Rs.145.50 crores for the quarter ended June 30, 2008 pertains to regular forex loss on restatement of the Old Bonds.
 - c. Restoration & retrofit costs arising on account of blade failures in Overseas Markets including the consequential generation / availability provisions. These amounts aggregate Rs.Nil for the quarter ended June 30, 2009 (Rs.26.46 crores for the quarter ended June 30, 2008) and Rs.411.10 crores for the year ended March 31, 2009.
 - d. Mark-to-market losses of Rs.Nil (Rs.57.85 crores) for the quarter ended June 30, 2009 and Rs.353.84 crores for the year ended March 31, 2009 in the consolidated financial results and Rs.Nil (Rs.57.85 crores) for the quarter ended June 30, 2009 and Rs.330.71 crores for the year ended March 31, 2009 in the standalone financial results. The same is in respect of foreign exchange forward / option contracts, taken for hedging purposes.
- 10 The status of investor complaints received by the Company is as follows: Pending as on April 1, 2009 - Nil; Received during the quarter - 3; Disposed during the quarter - 3; Pending as on June 30, 2009 - Nil.
- 11 The figures stated above, have been reclassified wherever necessary to confirm with the classification in the financial results for the quarter ended June 30, 2009. Figures in brackets referred to above, pertain to quarter ended / as at June 30, 2008.

For and on behalf of the Board of Directors

Place Mumbai
Dated July 31, 2009

Tulsi R.Tanti
Chairman & Managing Director