

**SUZLON WIND INTERNATIONAL LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016
TOGETHER WITH AUDITORS' REPORT**

**S R B C & CO LLP
CHARTERED ACCOUNTANTS**

INDEPENDENT AUDITOR'S REPORT

To the Members of Suzlon Wind International Limited

Report on the Financial Statements

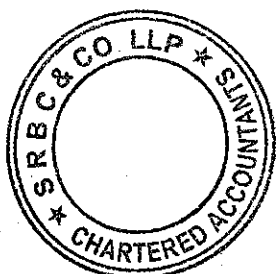
1. We have audited the accompanying financial statements of Suzlon Wind International Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



Opinion

5. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2016, its loss, and its cash flows for the year ended on that date.

Emphasis of Matter

6. We draw attention to Note 5 of the accompanying financial statements in respect of contingency related to 'compensation payable in lieu of bank sacrifice', the outcome of which is materially uncertain and cannot be determined currently. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
8. As required by section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;



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SRBC & CO LLP


Chartered Accountants

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

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 5 and Note 32 to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For SRBC & CO LLP
Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003


per Paul Alvarez
Partner
Membership Number: 105754
Place of Signature: Pune
Date: June 18, 2016



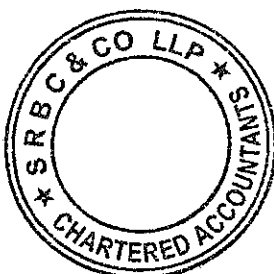
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Chartered Accountants

Annexure 1 - Annexure referred to in paragraph 7 of our report of even date under heading "Report on Other Legal and Regulatory Requirements"

Re: Suzlon Wind International Limited (The "Company")

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by management during the year but there is 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. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by management, the title deeds of immovable properties included in fixed assets are held in the name of the Company.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors / to a company in which the Director is interested to which provisions of section 185 of the Companies Act 2013 apply and hence this clause is not commented upon. In our opinion and according to the information and explanations given to us, the provisions of section 186 of the Companies Act 2013 in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.
- (v) The Company has not accepted any deposits from the public. Accordingly, the provisions of clause 3 (v) of the Order are not applicable to the Company and hence not commented upon.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148 (1) of the Companies Act, 2013, for the products/services of the Company. Accordingly, the provisions of clause 3 (vi) of the Order are not applicable to the Company and hence not commented upon.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, wherever applicable have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.



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Chartered Accountants

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, wherever applicable were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (in Rs. Crore)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Amount of deduction claimed under Section 10AA	5.01	2008-09	Income Tax Appellate Tribunal
		0.25	2010-11	Commissioner of Income Tax (Appeals)

- (viii) According to the information and explanations given by management, the Company has delayed in repayment of dues to banks during the year to the extent of Rs. 11.68 Crores (the delay in such repayments being for less than 119 days in each individual case) and Rs. Nil of such dues were in arrears as on the balance sheet date.

The Company did not have any outstanding dues in the nature of loans or interest thereon payable to financial institutions or debenture holders or to the government during the year.

- (ix) In our opinion and according to information and explanations given by the management, monies raised by the company by way of term loans were applied for the purpose for which the loans were obtained. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by management, the Company has not raised any money by way of initial public offer, further public offer including debt instruments and hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the year.
- (xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration in the nature of sitting fees has been paid / provided for in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.




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- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3 (xiv) of the Order are not applicable to the Company, and not commented upon.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by management, the Company has not entered into any non-cash transactions covered by the provisions of section 192 of the Companies Act, 2013 with directors or persons connected with him.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company and hence clause 3(xvi) of the Order is not applicable to the Company and hence not commented upon.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003


per Paul Alvares
Partner
Membership Number: 105754
Place of Signature: Pune
Date: June 18, 2016



SRBC & CO LLP

Chartered Accountants

Annexure 2 - Annexure referred to in paragraph 8 (f) of our report of even date under heading "Report on Other Legal and Regulatory Requirements"

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

1. We have audited the internal financial controls over financial reporting of Suzlon Wind International Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.



Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003



per Paul Alvares
Partner

Membership Number: 105754

Place of Signature: Pune

Date: June 18, 2016



Suzlon Wind International Limited
Balance sheet as at March 31, 2016
All amounts in Rupees Crore, unless otherwise stated

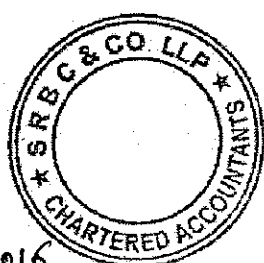
Particulars	Notes	As at March 31, 2016	As at March 31, 2015
Equity and liabilities			
Shareholders' funds			
(i) Share capital	7	203.30	203.30
(ii) Reserves and surplus	8	(523.13)	(480.41)
		(319.83)	(277.11)
Non-current liabilities			
(i) Long-term borrowings	9	98.08	77.63
(ii) Long-term provisions	11	25.67	26.46
		123.75	104.09
Current liabilities			
(i) Short-term borrowings	12	194.01	917.07
(ii) Trade payables		-	0.07
Total outstanding dues of micro enterprises and small enterprises (refer Note 34)		318.59	639.71
Total outstanding dues of creditors other than micro enterprises and small enterprises	13	29.41	240.89
(iii) Other current liabilities	11	11.00	12.40
(iv) Short-term provisions		553.01	1,810.14
Total		356.93	1,637.12
Assets			
Non-current assets			
(i) Fixed assets			
Tangible fixed assets	14	61.67	70.88
(ii) Non-current investments	15.1	0.00*	7.66
(iii) Loans and advances	16	25.09	25.13
(iv) Other non-current assets	17.2	2.86	2.72
		89.62	106.57
Current assets			
(i) Investments	15.2	149.32	-
(ii) Inventories	18	23.62	24.74
(iii) Trade receivables	17.1	18.52	1,292.33
(iv) Cash and bank balances	19	0.68	0.29
(v) Loans and advances	16	75.07	213.09
(vi) Other current assets	17.2	0.10	0.10
		267.31	1,530.55
Total		356.93	1,637.12
* Less than Rs 0.01 Crore			
Summary of significant accounting policies			
3			

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

As per our report of even date

For S R B C & Co. LLP
Chartered Accountants
ICAI Firm Registration number: 324982E/E300003

per Paul Alvarez
Partner
Membership No. : 105754



Place : Pune
Date : June 13, 2016

For and on behalf of the Board of Directors of
Suzlon Wind International Limited

Batraj Singh A Parmar
Managing Director
DIN : 00002276

Ahmed Reza
Chief Financial Officer

Place : Pune
Date : June 11, 2016



Suzlon Wind International Limited
Statement of profit and loss for the year ended March 31, 2016
All amounts in Rupees Crore, unless otherwise stated

Particulars	Notes	March 31, 2016	March 31, 2015
Income			
Revenue from operations	20	62.01	279.54
Other income		14.36	3.14
Total Revenue		76.37	282.68
Expenses			
Cost of raw materials and components consumed	21	42.28	189.95
(Increase)/decrease in inventories of finished goods, work-in-progress and stock-in-trade	21	0.08	49.63
Employee benefits expense	22	6.08	5.83
Other expenses	23	39.02	204.89
Total Expenses		87.46	450.30
Earnings/ (loss) before interest, tax, depreciation and exceptional items (EBITDA)		(11.09)	(167.62)
Depreciation / amortisation	14	8.22	12.89
Earnings/ (loss) before interest, tax and exceptional items (EBIT)		(19.31)	(180.51)
Finance costs	24	37.82	113.42
Finance income	25	13.80	13.74
Earnings/ (loss) before tax and exceptional items		(43.33)	(280.19)
Exceptional items	26	(0.61)	-
Profit/ (loss) before tax		(42.72)	(280.19)
Tax expense:			
Deferred tax		-	(0.01)
Profit/ (loss) after tax		(42.72)	(280.18)
Earnings/ (loss) per equity share:			
- Basic and diluted [Nominal value of share Rs 10 (Rs 10)]	27	(63.66)	(301.14)
Summary of significant accounting policies	3		

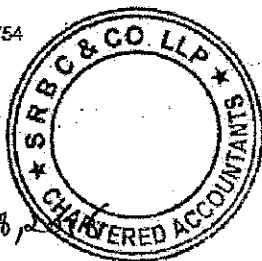
The accompanying notes are an integral part of the financials statements.

As per our report of even date

For S R B C & Co. LLP
Chartered Accountants
ICAI Firm Registration number: 324982E/E300003

per Paul Alvares
Partner
Membership No.: 705754

Place : Pune
Date : June 13, 2016



For and on behalf of the Board of Directors of
Suzlon Wind International Limited

Balrajsinh A Parmar
Managing Director
DIN : 00002276

Ahmed Reza
Chief Financial Officer

Place : Pune
Date : June 11, 2016



Suzlon Wind International Limited
Cash flow statement for the year ended March 31, 2016
All amounts in Rupees Crore, unless otherwise stated

Particulars	March 31, 2016	March 31, 2015
Cash flow from operating activities		
Profit/ (loss) before tax and exceptional items	(43.33)	(260.19)
Adjustments for:		
Depreciation/ amortisation	8.22	12.68
Amortisation on CWP	-	(1.71)
Amortisation of ancillary borrowing costs	-	1.40
Provision on advance given	-	(0.15)
Provision for liquidated damages	-	9.41
Operation and maintenance charges	0.52	2.84
Interest income	(6.83)	(13.74)
Interest expenses	35.77	108.87
Provision for bad and doubtful debts	0.20	2.26
(Profit)/ loss on assets sold/ disposed, net	(0.56)	-
(Profit)/ loss on sale of investments	(6.97)	(0.20)
Unrealised exchange (gain)/ loss on foreign currency loans	-	12.61
Operating profit / (loss) before working capital changes	(12.70)	(145.71)
Movements in working capital		
Decrease / (increase) in inventories	1.13	124.71
Decrease / (increase) in trade receivables	1,273.81	423.27
Decrease / (increase) in margin money accounts	(0.14)	2.65
Decrease / (increase) in loans and advances and other assets	1.12	0.07
(Decrease) / increase in trade payables, current liabilities and provisions	(329.06)	(281.00)
Cash (used in) / generated from operating activities	834.16	173.99
Direct taxes paid (net of refunds)	(0.02)	(0.06)
Net cash (used in) / generated from operating activities	A 834.14	173.91
Cash flow from investing activities		
Payment for purchase of fixed assets including capital work-in-progress and capital advances	(6.33)	(3.46)
Proceeds from sale of fixed assets	1.87	-
Purchase of investments	(380.41)	-
Sale of investments	245.53	0.20
Loan repayment received from AE Rotor Holding B.V.	131.66	-
Interest received	11.69	6.80
Net cash (used in) / generated from investing activities	B 4.93	3.52
Cash flow from financing activities		
Repayment of long term borrowings	(175.34)	(18.71)
Repayment of unsecured loans taken from related party	(369.08)	(72.27)
Proceeds from short term borrowings, net	(314.14)	(39.49)
Interest paid	(80.12)	(49.87)
Net cash (used in) / generated from financing activities	C (838.68)	(179.25)
Net increase in cash and cash equivalents (A+B+C)	0.39	(1.82)
Cash and cash equivalents at the beginning of year	0.29	2.11
Cash and cash equivalents at the end of year	0.68	0.29
Components of cash and cash equivalents	As at March 31, 2016	As at March 31, 2015
Cash on hand	0.01	0.01
Balance with scheduled banks		
in current accounts	0.57	0.28
in EEFC accounts	0.00*	0.00*
	0.68	0.29

Notes

1. The figures in brackets represent outflows.

2. Previous period's figures have been regrouped / reclassified, wherever necessary to conform to current year presentation.

* Less than Rs 0.01 Crore

As per our report of even date

For S R B C & Co. LLP
Chartered Accountants
CAI No Registration Number: 324982/E/300003

per Pankaj Mishra
Partner
Membership No.: 15522



Place: Pune
Date: June 18, 2016

For and on behalf of the Board of Directors of
Suzlon Wind International Limited

Balrajesh A. Pannar
Managing Director
DIN: 00002270

Harish Mehta
Director
DIN: 00002759

Anand Teja
Chief Financial Officer

Place: Pune
Date: June 11, 2016



Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

1. Corporate Information

Suzlon Wind International Limited ('SWIL' or the 'Company') having CIN U40108GJ2006PLC092233 is engaged in the manufacture of Nacelles, Hubs and Nose Cones for Wind Turbine Generators ('WTGs'). The Company has set up its manufacturing facilities as "Units in Notified Special Economic Zone (SEZ)" at Udupi in the State of Karnataka and the Company has obtained an approval from the Office of Development Commissioner, Suzlon Infrastructure Special Economic Zone for setting up of the manufacturing facilities as "Units in the Notified SEZ" vide letter No 37/17/2007: Suzlon SEZ/6193 dated September 21, 2007.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention, except in case of assets for which provision for impairment is made.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for change in accounting policy explained below.

3. Summary of significant accounting policies

Change in accounting policy

Component accounting

The Company has adopted component accounting as required under Schedule II to the Companies Act, 2013 from April 01, 2015. Due to application of Schedule II to the Companies Act, 2013, the Company has changed the manner of depreciation for its fixed asset. Until previous year, the Company was not identifying components of fixed asset separately for depreciation purposes; rather, a single useful life/ depreciation rate was used to depreciate each item of fixed asset. However, now it identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset. The Company has also changed its policy on recognition of cost of major inspection/ overhaul. Earlier Company used to charge such cost directly to statement of profit and loss. On application of component accounting, the major inspection/ overhaul is identified as a separate component of the asset at the time of purchase of new asset and subsequently. The cost of such major inspection/ overhaul is depreciated separately over the period till next major inspection/ overhaul. Upon next major inspection/ overhaul, the costs of new major inspection/ overhaul are added to the asset's cost and any amount remaining from the previous inspection/ overhaul is derecognised.

The above change in accounting policy does not have any material impact on depreciation, repair and maintenance expense, profit/ (loss) for the current period as well as the valuation of fixed assets as at March 31, 2016.

a. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.



Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

b. Tangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price and borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. The manufacturing costs of internally generated assets comprise direct costs and attributable overheads.

Capital work-in-progress comprises of the cost of fixed assets that are not yet ready for their intended use as at the balance sheet date. Assets held for disposal are stated at the lower of net book value and the estimated net realisable value.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with MCA circular dated 09 August 2012, exchange differences adjusted to the cost of fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the Company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange differences.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

The company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

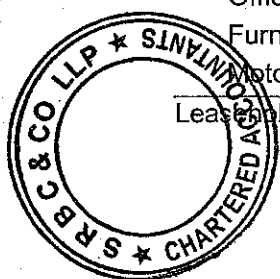
c. Depreciation on tangible fixed assets

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

The Company has used the following useful lives to provide depreciation on its tangible fixed assets:

Type of asset	Useful lives (years)
Office building	58
Factory building	28
Electrification	20
Moulds	15 years or useful life based on usage
Plant and machinery	15
Wind research and measuring equipment	04
Wind farm plant and machinery	22
Computers	03
Servers and networks	06
Office equipment	05
Furniture and fixtures	10
Motor car and others	10

Leasehold land is amortized on a straight line basis over the period of lease.



Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

d. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred. Intangible assets are amortized on a straight line basis over the estimated useful economic life.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

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

A summary of amortisation policies applied to the Company's intangible assets is as below:

Type of asset	Years (WDV)
Designs and drawings	5

e. Operating leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

f. Borrowing costs

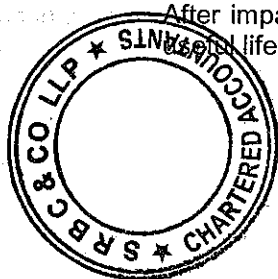
Borrowing cost primarily includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

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

g. Impairment of tangible and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognised in the statement of profit and loss. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

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



Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

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.

h. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

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

i. Inventories

Inventories of raw materials including stores, spares and consumables, packing materials, 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 a proportion of manufacturing overheads.

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

j. Revenue recognition

Revenue comprises sale of Nacelles, Hubs and Nose Cones, interest income and dividend income. 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. The Company collects sales tax, service tax and value added taxes (VAT) as applicable on behalf of the government and therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

Sale of goods

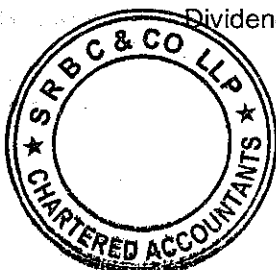
Sale of Nacelle, Hubs and Nose cones are recognised in the statement of profit and loss when the significant risks and rewards of ownership of the goods have been transferred to the buyer as per the terms of the respective sales order and that the income can reliably be measured and is expected to be received.

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 the 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.



Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

k. Foreign currency transactions

i. Initial recognition

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

ii. Conversion

Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii. Exchange differences

The Company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:

1. Exchange differences arising on long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortized over the remaining life of the concerned monetary item.
2. All other exchange differences are recognised as income or as expenses in the period in which they arise.

iv. Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/liability

The premium or discount arising at the inception of forward exchange contract is amortized and recognised as an expense/ income over the life of the contract. Exchange differences on such contracts, except the contracts which are long-term foreign currency monetary items, are recognised in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognised as income or as expense for the period.

l. Retirement and other employee benefits

Defined contributions to provident fund and employee state insurance are charged to the statement of profit and loss of the year when an employee renders the related service. There are no other obligations other than the contribution payable to the respective statutory authorities.

Defined contributions to superannuation fund are charged to the statement of profit and loss 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 an actuarial valuation, using projected unit credit method, as at each balance sheet date. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.



Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

m. Taxes on income

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences 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.

In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

In situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognised in respect of timing differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognised in the year in which the timing differences originate. However, the Company restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognizes unrecognised deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of 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.

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

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement". The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.



Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

n. Earnings/(loss) per share

Basic earnings/ (loss) per share are calculated by dividing the net profit or 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.

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

o. Provisions

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.

p. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements unless the possibility of an outflow is remote.

q. 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.

r. Measurement of EBITDA and EBIT

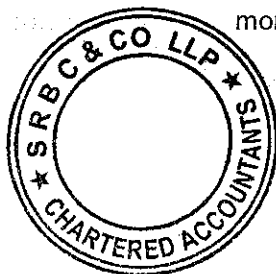
The Company has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) and earnings before interest and tax (EBIT) as separate line items on the face of the statement of profit and loss. In the measurement of EBITDA, the Company does not include depreciation and amortisation expense, finance cost, finance income, exceptional and extraordinary items and tax expense. The Company reduces depreciation and amortisation expense from EBITDA to measure EBIT.

4. Corporate Debt Restructuring

During the financial year ended March 31, 2013, Suzlon Energy Limited along with its 8 identified domestic subsidiaries collectively referred to as the 'Borrowers' and individually as the 'Borrower', had restructured various financial facilities (restructured facilities) from the secured CDR lenders under the Corporate Debt Restructuring Proposal. Pursuant to approval of CDR Package by the CDR Empowered Group ('CDR EG'), the implementation of the CDR package was formalised upon execution of Master Restructuring Agreement (MRA) between the CDR Lenders and Borrowers during the financial year 2013. The MRA inter-alia covers the provisions to govern the terms and conditions of restructured facilities. Suzlon Global Services Limited ('SGSL') was included as Borrower under the CDR package.

The key features of the CDR package are as follows:

- Repayment of Restructured Term Loans ('RTL') after moratorium of 2 years from cut-off date in 32 structured quarterly instalments commencing from December 2014 to September 2022. The moratorium period of 2 years has expired on September 30, 2014.



Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

- b. Conversion of various irregular/outstanding/devolved financial facilities into Working Capital Term Loan ('WCTL') and the repayment terms of which are in similar to that of RTL with an enabling mandatory prepayment obligation on realisation of proceeds from certain asset sale and capital infusion.
- c. Restructuring of existing fund based and non-fund based financial facilities, subject to renewal and reassessment every year.
- d. Unpaid Interest due on certain existing facilities on cut-off date, interest accrued during the moratorium period on RTL and WCTL and interest on fund based working capital facilities for certain period were to be converted into Funded Interest Term Loans ('FITLs') and which were to be converted into equity shares of the Company.
- e. The rate of interest on RTL, WCTL, FITL and fund based working capital facilities were reduced to 11% per annum with reset option in accordance with MRA.
- f. Waiver of existing events of defaults, penal interest and charges etc. in accordance with MRA.
- g. Contribution of Rs 250.00 Crore in the Company by promoters, their friends, relatives and business associates as stipulated conversion of existing promoter's loan of Rs 145.00 Crore into equity shares/CCDs at the price agreed in compliance with Securities and Exchange Board of India.

Other key features of the CDR Package are:

- a. Right of Recompense to CDR Lenders for the relief and sacrifice extended, subject to provisions of CDR Guidelines and MRA and;
- b. SEL to issue equity shares in lieu of sacrifice of the CDR Lenders for the first three years from cut-off date at the price agreed in compliance with Securities and Exchange Board of India, if exercised by CDR lenders.

In case of financial facilities availed from the non-CDR Lenders, the terms and conditions shall continue to be governed by the provisions of the existing financing documents.

During the financial year 2015, the restructuring proposal with Power Finance Corporation ('PFC') which is a non-CDR lender was approved by CDR EG. As per the terms of restructuring, the Company has converted certain portion of interest accrued into FITL I and FITL II. Repayment of outstanding term loan would be in accordance with terms and conditions similar to those of RTL, whereas repayment of FITL I would be made in 32 equal quarterly instalments and should be co-terminus with RTL. Repayment of FITL II would be made in 12 quarterly instalments from December 2022 to September 2025. To give effect to the restructuring a bilateral agreement between the Borrower and PFC was entered into on August 12, 2015.

5. Recompense

The Borrowers and the CDR lenders executed a Master Restructuring Agreement ('MRA') during the financial year ending March 31, 2013. The MRA as well as the provisions of the Master Circular on Corporate Debt Restructuring issued by the Reserve Bank of India, gives a right to the CDR lenders to get a recompense of their waivers and sacrifice made as part of the CDR Proposal. The recompense amount payable by the Group is contingent upon the exit by the Borrowers which is inter-alia dependent upon improved financial performance and various factors, the outcome of which currently is materially uncertain. Further, as mentioned in Note 4 to the financial statements, the Borrowers have an obligation to issue equity shares in lieu of the sacrifice for the first three years from cut-off date. In case of CDR lenders who have exercised the right for issuance of equity shares for the first three years and to whom the equity shares have been issued, as a part of recompense, the cost is amortised over the period of sacrifice and the cost amortization is completed by March 31, 2016. In case of CDR lenders who have not exercised this right, the recompense amount due to the date of this balance sheet is not ascertainable.



Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

6. Proposed merger

The Board of Directors of the Company, in the meeting of the Board held on April 27, 2016, have approved the amalgamation of the Company with Suzlon Energy Limited, being the sole shareholder of the Company. The proposed amalgamation shall be a part of the composite Scheme of Amalgamation and Arrangement approved by the Board of Directors of the Suzlon Energy Limited. The proposed Scheme is yet to be filed with the Securities Exchange Board of India and subsequently with the Honourable High Court of Gujarat for approval.

7. Share capital

	March 31, 2016	March 31, 2015
Authorised		
10,000,000 (10,000,000) equity shares of Rs 10/- each	10.00	10.00
20,000,000 (20,000,000) cumulative redeemable preference shares of Rs 100/- each	200.00	200.00
	210.00	210.00
Issued, subscribed and fully paid up		
Equity		
10,000,000 (10,000,000) equity shares of Rs 10/- each	10.00	10.00
Preference	193.30	193.30
19,329,550 (19,329,550) 9% cumulative redeemable preference shares of Rs 100/- each		
	203.30	203.30

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	March 31, 2016		March 31, 2015	
	Number of shares (Crore)	Rs in Crore	Number of shares (Crore)	Rs in Crore
Equity shares				
At the beginning of the year	1.00	10.00	1.00	10.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	1.00	10.00	1.00	10.00
Preference shares				
At the beginning of the year	1.93	193.30	1.93	193.30
Issued during the year	-	-	-	-
Outstanding at the end of the year	1.93	193.30	1.93	193.30

b. Terms/rights attached to equity shares

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

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



Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

c. Terms of redemption of cumulative redeemable preference shares (CRPS)

The Company issued 9% CRPS of Rs 100 each at par value to SEL, the holding company. The CRPS carry a fixed dividend rate of 9%. As per the terms of the CRPS, the Company as well as the preference shareholders respectively shall have the call and put option to redeem the CRPS any time after 3 months from the date of allotment subject to the consent of the preference shareholders and the Company, as the case may be. If either party does not exercise its option, the same shall automatically and compulsorily be redeemed at the end of 15 (Fifteen) years from their respective dates of allotment or June 30, 2023, whichever is earlier.

d. Shares held by holding company

Out of equity and preference shares issued by the Company, shares held by SEL, its holding company are as below:

	March 31, 2016	March 31, 2015
10,000,000 (10,000,000) equity shares of Rs 10/- each fully paid.	10.00	10.00
19,329,550 (19,329,550) 9% preference shares of Rs 100/- each fully paid.	193.30	193.30

e. Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	March 31, 2016		March 31, 2015	
	Number of shares (Crore)	% holding in class	Number of shares (Crore)	% holding in class
Equity shares of Rs 10/- each fully paid				
Suzlon Energy Limited, holding company	1.00	100%	1.00	100%
Preference shares of Rs 100/- each fully paid				
Suzlon Energy Limited, holding company	1.93	100%	1.93	100%

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

8. Reserves and surplus

	March 31, 2016	March 31, 2015
Statement of profit and loss		
Balance as per last balance sheet	(480.41)	(200.23)
Add : Profit/ (loss) for the year	(42.72)	(280.18)
Net surplus/ (deficit) in the statement of profit and loss	(523.13)	(480.41)

9. Long-term borrowings

	March 31, 2016	March 31, 2015
Secured		
Rupee term loan from banks	98.08	77.63



Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

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

In case of financial facilities from CDR Lenders in accordance with MRA and non-CDR lenders, RTL of Rs 65.28 Crore (Rs 83.62 Crore) of which Rs 63.96 Crore (Rs 77.02 Crore) classified as long-term borrowings and Rs 1.32 Crore (Rs 6.60 Crore) classified as current maturities of long-term borrowings, WCTL of Rs 40.85 Crore (Rs 197.85 Crore) of which Rs 33.51 Crore (Rs Nil) classified as long-term borrowings and Rs 7.34 Crore (Rs 197.85 Crore) classified as current maturities of long-term borrowings, FITL of Rs 0.61 Crore (Rs 0.61 Crore) of which Rs 0.61 Crore (Rs 0.61 Crore) classified as long-term borrowings and Rs Nil (Rs Nil) classified as current maturities of long-term borrowings, fund based working capital facilities of Rs 119.46 Crore (Rs 433.59 Crore), and non-fund based working capital facilities are secured by first pari passu charge on all chargeable present and future tangible/intangible movable assets of each of the Borrowers, first charge on all chargeable present and future immovable assets (excluding the identified properties) of each of the Borrowers, first charge on all present and future chargeable current assets of each of the Borrowers, first charge over Trust and Retention Account ('TRA') and other bank accounts of the Borrowers, pledge of equity shares held by SEL in its 8 Indian subsidiaries which are forming part of the Borrowers, negative lien over the equity shares held by SEL in SE Forge Limited, pledge on shares of Suzlon Energy Limited, Mauritius ('SELM') held by SEL for CDR Lenders and PFC, negative lien over the equity shares of certain overseas subsidiaries of SEL held by its step down overseas subsidiaries, pledge of certain equity shares of SEL held by its promoters to the CDR Lenders and PFC and remaining non-CDR Lenders as the case may be, personal guarantee of the managing director of SEL and limited personal guarantee of one director of SSL.

In addition to above, the loans outstanding as on March 31, 2015, were secured by pledge of shares of certain overseas subsidiaries held by SEL's step down overseas subsidiaries including pledge of shares of Senvion SE and guarantee by an overseas subsidiary. Post April 29, 2015, the pledged shares and guarantee are ceded from the charge.

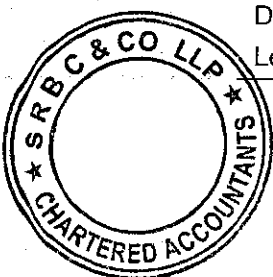
b. The details of repayment of long-term borrowings are as follows:

	Upto 1 year	2 to 5 years	Above 5 years	Total
Secured loans	8.66 (204.45)	71.50 (36.79)	26.58 (40.84)	106.74 (282.08)

The rate of interest on long term borrowings is 11.00% p.a. being the interest rate spread agreed with the CDR lenders pursuant to the CDR proposal.

c. The Company has made certain defaults in repayment of financial facilities and payment of interest. The details of continuing default as at March 31, 2016 is as below:

Particulars	March 31, 2016		March 31, 2015	
	Amount	Period of delay	Amount	Period of delay
	Rs in Crore	in days	Rs in Crore	in days
Repayment of term loan	-	-	1.64	Upto 90 days
Repayment of working capital term loan	-	-	3.84	Upto 30 days
Payment of CC interest	-	-	1.17	Upto 30 days
Payment of WCTL interest and RTL interest	-	-	5.24	Upto 90 days
Buyers credit	-	-	0.52	Upto 90 days
Devolvement	-	-	12.63	Upto 90 days
Letter of credit	-	-	3.44	Upto 90 days



Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

10. Deferred tax liabilities (net)

	March 31, 2016	March 31, 2015
A. Deferred tax liabilities		
Difference between tax depreciation and depreciation charged for the financial reporting	-	0.13
B. Deferred tax assets		
Provision for employee benefits	-	0.13
Deferred tax liabilities, net (A-B)	<u>-</u>	<u>-</u>

11. Provisions

	Long-term		Short-term	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Employee benefits	1.23	1.07	0.20	0.15
Operation, maintenance and warranty	24.44	25.39	0.82	2.84
Liquidated damages	-	-	9.98	9.41
Total	<u>25.67</u>	<u>26.46</u>	<u>11.00</u>	<u>12.40</u>

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	Operation, maintenance and warranty	Liquidated damages
Opening balance	28.23 (28.95)	9.41 (0.09)
Additions during the year*	1.67 (2.84)	0.57 (91.57)
Utilisation during the year	4.64 (3.56)	- (82.16)
Reversal	- (-)	- (0.09)
Closing balance	25.26 (28.23)	9.98 (9.41)

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.

Liquidated damages ('LD') represent 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.

The figures shown against 'Utilisation' represent withdrawal from provisions credited to statement of profit and loss to offset the expenditure incurred during the year and debited to statement of profit and loss.

*Includes foreign exchange difference on restatement of Rs 0.85 Crore for O&M and Rs 0.57 Crore for LD.



Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

12. Short-term borrowings

	March 31, 2016	March 31, 2015
Secured		
Working capital loans from banks	119.46	433.59
	119.46	433.59
Unsecured		
Loans and advances from related parties (refer Note 30)	74.55	483.48
	74.55	483.48
Total	194.01	917.07

i. The rate of interest on working capital loans from banks is 11% p.a., being the interest rate spread agreed with the CDR lenders pursuant to the CDR proposal. For details of security given for short-term borrowings, refer Note 9(a) above.

ii. Loans from related parties comprise of Inter Corporate Deposits from the holding company, SEL, which carry interest @11% p.a. and used for business operations. Short-term loans are repayable on demand.

13. Other current liabilities

	March 31, 2016	March 31, 2015
Current maturities of long-term borrowings	8.66	204.45
Interest accrued and due on borrowings	0.61	5.25
Interest accrued but not due on borrowings	0.17	0.05
Advances from customers	19.70	23.56
Others:		
Statutory dues payable	0.04	0.44
Employee payables	0.23	0.79
Other payables	-	6.35
Total	29.41	240.89

14. Fixed assets

Assets	Gross block			Depreciation / amortisation				Net block		
	As at April 01, 2015	Additions	Deductions/ adjustments	As at March 31, 2016	As at April 01, 2015	For the year	Deductions/ adjustments	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015
Tangible assets										
Factory buildings*	66.97	-	-	66.97	30.35	3.67	-	34.02	32.95	36.62
Office building*	3.14	-	-	3.14	0.82	0.12	-	0.94	2.20	2.32
Land development charges	19.15	-	-	19.15	7.44	1.06	-	8.50	10.65	11.71
Plant and machinery	60.46	0.02	2.64	57.84	40.73	3.27	1.66	42.34	15.50	19.73
Computers	0.51	0.01	-	0.52	0.49	0.01	-	0.50	0.02	0.02
Office equipment	0.36	0.00	-	0.36	0.32	0.02	-	0.34	0.02	0.04
Furniture & fixtures	1.54	-	0.05	1.49	1.12	0.07	0.03	1.16	0.33	0.42
Vehicles**	0.00	-	-	-	0.00	-	-	-	-	-
	152.13	0.03	2.69	149.47	81.27	8.22	1.69	87.80	61.67	70.86
Previous year	142.78	9.36	0.01	152.13	68.39	12.89	0.01	81.27	70.86	

* Buildings include those constructed on lease hold land.

** Less than Rs 0.01 Crore



Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

15. Non-current investments and current investments

15.1 Non-current investments

	March 31, 2016	March 31, 2015
Non-trade investments		
Government and other securities	0.00*	0.00*
Trade investments in fellow subsidiaries		
Nil (500) equity shares of Rs 10/- each of Suzlon Global Services Limited (Note (i))	-	0.00*
100,000 (100,000) equity shares of Euro 10/- each of AE Rotor Holding B.V. (0.11% holding)	7.86	7.86
Less: Provision for other than temporary diminution in value of investments (refer Note 26)	(7.86)	-
Total	0.00*	7.86
Aggregate provision for diminution in value of investments	7.86	-

*Less than Rs 0.01 Crore

Note (i): Shares in Suzlon Global Services Limited were sold during the year.

15.2 Current investments

	March 31, 2016	March 31, 2015
SBI Ultra Short Term Debt Fund [776,062 (Nil) units of Rs 1,924 (Nil) each]	149.32	-
Aggregate amount of quoted investments [Market value: Rs 151.12 Crore (Nil)]		
Total	149.32	-

16. Loans and advances

	Long-term		Short-term	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Unsecured, considered good				
Security deposits (a)	24.98	24.98	-	-
Advances recoverable in cash or in kind				
Unsecured, considered good	-	-	3.26	2.10
Unsecured, considered doubtful	-	-	0.20	1.90
	-	-	3.46	4.00
Less : Provision for doubtful advances	-	-	(0.20)	(1.90)
(b)	-	-	3.26	2.10
Other loans and advances				
Prepaid expenses	0.03	-	0.00*	-
Advance income tax (net of provisions)	0.08	0.08	0.43	0.40
Balances with statutory/ government authorities	-	-	1.43	3.90
(c)	0.11	0.08	1.86	4.30



Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

Loans and advances to related parties (d)	-	0.07	69.95	206.69
Total (a + b + c + d)	25.09	25.13	75.07	213.09

*Less than Rs 0.01 Crore

17. Trade receivables and other assets

17.1 Trade receivables

	Non-current		Current	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Unsecured				
Outstanding for a period exceeding six months from due date				
Considered good	-	-	17.95	1,277.48
Considered doubtful	-	-	-	-
	-	-	17.95	1,277.48
Other receivables	-	-	0.57	14.85
	-	-	18.52	1,292.33
Less : Provision for doubtful receivables	-	-	-	-
Total	-	-	18.52	1,292.33

17.2 Other assets

	Non-current		Current	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Unsecured, considered good				
Non-current bank balances	2.86	2.72	-	-
Interest receivable on fixed deposits	-	-	0.10	0.10
Total	2.86	2.72	0.10	0.10

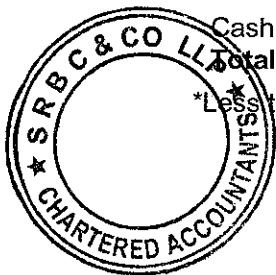
18. Inventories (valued at lower of cost and net realisable value)

	March 31, 2016	March 31, 2015
Raw materials and components [including goods in transit of Rs 0.16 Crore] (refer Note 21)	16.07	16.29
Semi-finished goods and work- in-progress (refer Note 21)	1.90	1.98
Stores and spares	5.65	6.47
Total	23.62	24.74

19. Cash and bank balances

	March 31, 2016	March 31, 2015
Balances with banks:		
In current accounts	0.67	0.28
In EEFC accounts	0.00*	0.00*
Cash on hand	0.01	0.01
Total	0.68	0.29

*Less than Rs 0.01 Crore



Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

20. Revenue from operations

	March 31, 2016	March 31, 2015
Sale of finished goods	59.62	232.15
Sale of services	-	3.16
Raw material sale	2.39	44.11
Scrap sales	0.00*	0.12
Total	62.01	279.54

Details of finished goods sold

	March 31, 2016	March 31, 2015
Nacelle assembly	45.88	164.40
Hub assembly	11.17	42.79
WTG parts and others	2.57	24.96
Total	59.62	232.15

Details of services rendered

	March 31, 2016	March 31, 2015
Income from job work	-	3.16
Total	-	3.16

*Less than Rs 0.01 Crore

21. Cost of raw materials and components consumed

	March 31, 2016	March 31, 2015
Opening inventory	16.29	89.16
Add : Purchases during the year	42.06	117.08
Total	58.35	206.24
Less : Closing inventory	16.07	16.29
Total	42.28	189.95

Details of raw materials and components consumed

	March 31, 2016	March 31, 2015
Gearbox	13.32	48.08
Pitch bearing	1.13	10.32
Generator	0.73	0.32
Main shaft	1.52	5.34
Main frame	2.32	6.97
Hub body	1.79	5.20
Other materials	21.47	113.72
Total	42.28	189.95

Details of closing inventory

	March 31, 2016	March 31, 2015
Gearbox	2.33	-
Pitch bearing	0.36	0.39
Generator	0.22	0.32
Gear rim	0.07	0.06



Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

Main bearing	0.00*	0.32
Main shaft	0.40	0.30
Main frame	0.18	0.01
Hub body	0.14	1.07
Other materials	12.37	13.82
Total	16.07	16.29

(Increase)/ decrease in inventories of finished goods, Semi-finished goods and work-in-progress

	March 31, 2016	March 31, 2015
Opening inventory		
Semi-finished goods and work-in-progress	1.98	46.54
Finished goods	-	5.07
	1.98	51.61
Closing inventory		
Semi-finished goods and work-in-progress	1.90	1.98
Finished goods	-	-
	1.90	1.98
Total	0.08	49.63

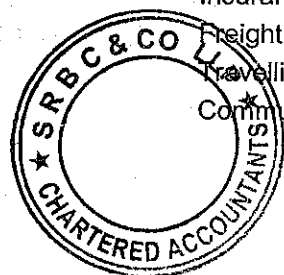
*Less than Rs 0.01 Crore

22. Employee benefits expense

	March 31, 2016	March 31, 2015
Salaries, wages and bonus	5.54	5.14
Contribution to provident fund and other funds	0.30	0.31
Gratuity expense (refer Note 28)	0.08	0.05
Staff welfare expenses	0.16	0.33
Total	6.08	5.83

23. Other expenses

	March 31, 2016	March 31, 2015
Consumption of stores and spares	0.50	1.35
Power and fuel	0.35	0.56
Factory expenses	2.52	3.19
Repairs and maintenance		
Plant and machinery	0.02	0.10
Others	0.78	0.77
Operation and maintenance charges	0.82	2.91
Rent	1.53	1.52
Rates and taxes	0.07	0.07
Design change and technological upgradation charges	0.44	-
Liquidated damages expenditure	-	91.48
Insurance	0.34	0.05
Freight outward and packing expenses	3.18	13.70
Travelling and conveyance	0.60	0.77
Communication costs	0.05	0.06



Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

Auditors' remuneration and expenses (refer details below)	0.11	0.06
Consultancy charges	3.51	4.03
Charity and donations	0.00*	2.00
Corporate social welfare expenses	0.01	0.58
Miscellaneous expenses	1.44	1.18
Exchange differences, net	23.13	78.45
Provision for bad and doubtful debts	0.20	2.26
(Profit) / loss on assets sold/ discarded, net	(0.58)	-
(Profit)/ loss on sale of investments	-	(0.20)
Total	39.02	204.89

Payment to auditor:

As auditor:	March 31, 2016	March 31, 2015
Statutory audit fees	0.10	0.05
Tax audit fees	0.01	0.01
Reimbursement of out of pocket expenses	0.00*	0.00*
Total	0.11	0.06

*Less than Rs 0.01 Crore

24. Finance costs

	March 31, 2016	March 31, 2015
Interest		
Fixed loans	13.82	31.87
Others	21.95	77.00
Bank charges	2.05	1.26
Amortisation of ancillary borrowing costs	-	1.40
Exchange difference to the extent considered as an adjustment to borrowing costs	-	1.89
	37.82	113.42

25. Finance income

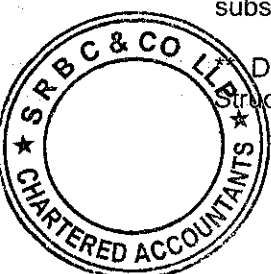
	March 31, 2016	March 31, 2015
Interest income on		
Bank deposits	0.46	0.46
Others	6.37	13.28
Profit on sale of mutual fund	6.97	-
	13.80	13.74

26. Exceptional items

	March 31, 2016	March 31, 2015
Provision for diminution in investments*	7.86	-
Profit on sale of SGSL investment**	(8.47)	-
	(0.61)	-

* During the year, the Company has made a provision for diminution of investments in its fellow subsidiary; AE Rotor Holding B.V.

** During the year, the Company has sold its investment in SGSL to its fellow subsidiary; Suzlon Structures Limited at a consideration of Rs 9.47 Crore.



Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

27. Earnings/ (loss) per share (EPS)

	March 31, 2016	March 31, 2015
Basic and diluted earnings per share		
Profit/ (loss) after tax	(42.72)	(280.18)
Less: Preference dividend and tax thereon	(20.94)	(20.96)
Net profit/ (loss) for calculation of basic EPS	(63.66)	(301.14)
Weighted average number of equity shares in calculating basic EPS	10,000,000	10,000,000
Basic and diluted* earnings/ (loss) per share of Rs 10/- each	(63.66)	(301.14)

* Since the earnings/ (loss) per share computation list on diluted weighted average no of shares is anti-dilutive, the basic and diluted earnings/ (loss) per share is same.

28. 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 on departure. 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.

Net employee benefits expense recognised in the statement of profit and loss:

	March 31, 2016	March 31, 2015
Current service cost	0.11	0.10
Interest cost on benefit obligation	0.10	0.09
Expected return on plan assets	(0.07)	(0.05)
Net actuarial (gain) / loss recognised in the year	(0.06)	(0.09)
Past service cost	-	-
Net benefit expense	0.08	0.05

Details of defined benefit obligation

	March 31, 2016	March 31, 2015
Defined benefit obligation	1.43	1.34
Fair value of plan assets	0.89	0.88
Present value of unfunded obligations	(0.54)	(0.46)
Less: Unrecognised past service cost	-	-
Plan liability	(0.54)	(0.46)

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

	March 31, 2016	March 31, 2015
Opening defined benefit obligation	1.34	0.80
Interest cost	0.10	0.09
Current service cost	0.11	0.10
Benefits paid	(0.07)	(0.05)
Settlement cost / (credit)	-	(0.01)
Acquisition adjustments / settlement cost	-	0.53
Actuarial (gains)/losses on obligation	(0.05)	(0.11)
Closing defined benefit obligation	1.43	1.34



Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

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

	March 31, 2016	March 31, 2015
Opening fair value of plan assets	0.88	0.39
Acquisition adjustments/ settlement cost	-	0.53
Expected return	0.07	0.05
Contributions by employer	0.00*	-
Benefits paid	(0.07)	(0.05)
Amount paid on settlement	-	(0.01)
Actuarial gains / (losses)	0.01	(0.00)
Closing fair value of plan assets	0.89	0.88

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

	March 31, 2016	March 31, 2015
Investments with insurer	100%	100%

Amounts for the current and previous periods are as follows:

	March 31,				
	2016	2015	2014	2013	2012
Defined benefit obligation	1.43	1.34	0.80	0.31	0.27
Plan assets	0.89	0.88	0.39	0.31	0.38
Surplus/(deficit)	(0.54)	(0.46)	(0.41)	(0.00)*	0.11
Experience adjustments on plan liabilities	(0.04)	(0.29)	0.44	0.02	0.01
Experience adjustments on plan assets	(0.00)*	0.01	(0.01)	-	(0.00)*
Actuarial gain/ (loss) due to change on assumptions	0.06	0.09	0.09	(0.01)	0.01

*Less than Rs 0.01 Crore

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

	March 31, 2016	March 31, 2015
Discount rate	7.90%	7.80%
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 ages 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.



Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

29. Segment information

Primary segment: Business segment

The Company's operations predominantly comprise of only one segment, components for wind turbine generators. In view of the same, separate segmental information is not required to be disclosed as per the requirements of Accounting Standard 17, (AS 17): Segment Reporting as notified by the Rules.

Secondary Segment: Geographical Segment

The analysis of geographical segment is based on the geographical location of the customer. The following tables present revenue, expenditure and certain asset information regarding the Company's geographical segments:

- India
- United States of America
- Europe
- Australia
- South Africa
- Rest of World

Secondary segment information

(a) Details of segment revenue

	March 31, 2016	March 31, 2015
India	2.39	41.67
United States of America	0.42	13.18
Europe	59.20	69.78
Australia	0.00*	0.26
Rest of World	-	154.30
South Africa	-	0.35
Total	62.01	279.54

*Less than Rs 0.01 Crore

(b) Details of carrying amount of segment assets and costs incurred to acquire the fixed assets on the geographical base are as follows:

Territory	Period	Carrying value of the assets	Addition to fixed assets
India	Year ended March 31, 2016	269.10	0.03
	Year ended March 31, 2015	(150.70)	(9.34)
United States of America	Year ended March 31, 2016	0.40	-
	Year ended March 31, 2015	(330.16)	(-)
Europe	Year ended March 31, 2016	87.36	-
	Year ended March 31, 2015	(756.27)	(-)
Australia	Year ended March 31, 2016	-	-
	Year ended March 31, 2015	(334.33)	(-)
Rest of World	Year ended March 31, 2016	0.07	-
	Year ended March 31, 2015	(65.66)	(-)
Total	Year ended March 31, 2016	356.93	0.03
	Year ended March 31, 2015	(1,637.12)	(9.34)



Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

30. Related party disclosures

- a. List of related parties and nature of relationship where common control exists with whom transactions have taken place during the year:

Sr. No.	Name of the entity	Nature of relationship
1	Suzlon Energy Limited	Holding company

- b. Other related parties where transactions have taken place during the year:

Sr. No.	Name of the entity	Nature of relationship
1	SE Electricals Limited	Fellow subsidiary
2	SE Blades Limited	Fellow subsidiary
3	SE Solar Limited	Fellow subsidiary
4	Suzlon Generators Limited	Fellow subsidiary
5	Suzlon Global Services Limited	Fellow subsidiary
6	SE Forge Limited	Fellow subsidiary
7	AE Rotor Holding B.V.	Fellow subsidiary
8	SE Drive Technik GmbH	Fellow subsidiary
9	Suzlon Energia Eolica do Brasil Ltda	Fellow subsidiary
10	Suzlon Wind Energy South-Africa (PTY) Ltd	Fellow subsidiary
11	Suzlon Energy B.V.	Fellow subsidiary
12	Suzlon Structures Limited	Fellow subsidiary
13	Suzlon Rotor Corporation	Fellow subsidiary
14	Suzlon Wind Energy Corporation	Fellow subsidiary
15	Suzlon Energy Australia Pty Ltd	Fellow subsidiary
16	Suzlon Energy A/s.	Fellow subsidiary
17	Suzlon Wind Energy Uruguay SA	Fellow subsidiary
18	Senvion India Limited	Fellow subsidiary*
19	Suzlon Wind Energy Equipment Trading (Shanghai) Co.Ltd.	Fellow subsidiary
20	Mr. Vinod R.Tanti (Chief Operating Officer)	Relative of Key management personnel ("RKMP")
21	Mr. Vaidhyanathan Raghuraman	Key management personnel ("KMP")
22	Aspen Infrastructures Limited	Entities where KMP have significant influence
23	SE Freight & Logistics India Pvt. Limited	Entities where KMP have significant influence
24	Suzlon Foundation	Entities where KMP have significant Influence
25	Suzlon Wind International Limited- Employee group gratuity scheme	Employee funds

*Ceased to be subsidiary w.e.f. April 29, 2015.



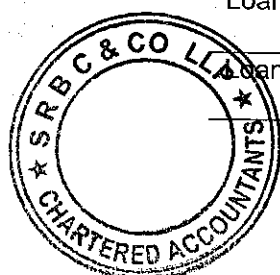
Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

c. Transactions between the Company and the related party and the status of outstanding balances:

Particulars	Holding company	Fellow subsidiary	Entities where KMP has significant influence	Employee funds	KMP/RKMP
Purchases of goods and services	7.03 (10.62)	10.75 (24.26)	2.75 (7.43)	- (-)	- (-)
Sale of goods	1.01 (39.04)	60.97 (237.6)	- (-)	- (-)	- (-)
Sale of fixed assets	0.57 (-)	1.04 (-)	- (-)	- (-)	- (-)
Purchase of fixed assets	- (0.52)	0.02 (-)	- (0.01)	- (-)	- (-)
Interest expense	13.49 (37.81)	- (-)	- (-)	- (-)	- (-)
Interest income	- (-)	6.37 (13.27)	- (-)	- (-)	- (-)
Sale of investment	- (0.20)	9.47 (-)	- (-)	- (-)	- (-)
Miscellaneous income	- (2.72)	0.02 (0.28)	- (-)	- (-)	- (-)
Consultancy charges	-	3.37 (3.85)	- (-)	- (-)	- (-)
Land lease rent	- (-)	- (-)	1.49 (1.49)	- (-)	- (-)
Facility maintenance charges	- (-)	- (-)	2.28 (2.28)	- (-)	- (-)
Electricity charges	- (-)	- (-)	0.35 (0.58)	- (-)	- (-)
Water expenses	- (-)	- (-)	0.02 (0.02)	- (-)	- (-)
Corporate social welfare expenses	- (-)	- (-)	0.01 (0.58)	- (-)	- (-)
Remuneration paid	- (-)	- (-)	- (-)	- (-)	2.31 (2.31)
Director sitting fees	- (-)	- (-)	- (-)	- (-)	0.01 (0.01)
Other charges	- (-)	- (-)	0.01 (0.03)	- (-)	- (-)
Provisions for bad & doubtful debts	- (-)	- (2.14)	- (-)	- (-)	- (-)
Loans received	1,407.46 (886.51)	- (-)	- (-)	- (-)	- (-)
Loan repaid	1,829.87 (942.6)	- (-)	- (-)	- (-)	- (-)
Loan given	- (-)	- (47.31)	- (-)	- (-)	- (-)



Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

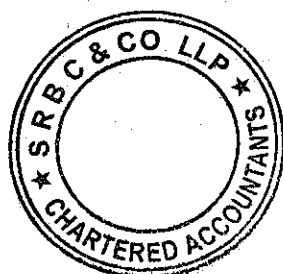
Particulars	Holding company	Fellow subsidiary	Entities where KMP has significant influence	Employee funds	KMP/RKMP
Investments in Shares	- (-)	1.00 (-)	- (-)	- (-)	- (-)
Contribution to various funds	- (-)	- (-)	- (-)	0.00*	- (-)
Reimbursement of expenses receivable	- (-)	0.80 (1.42)	- (-)	- (-)	- (-)
Provision for diminution in value of Investments	- (-)	7.86 -	- (-)	- (-)	- (-)

Outstanding balances:

Particulars	Holding company	Fellow subsidiary	Entities where KMP has significant influence	KMP/RKMP
Trade receivables	0.18 (19.78)	13.31 (1269.93)	- (-)	- (-)
Trade payables	1.05 (154.02)	280.97 (334.92)	0.68 (0.78)	- (-)
Advances from customers	- (-)	19.69 (23.56)	- (-)	- (-)
Security deposits	- (-)	- (-)	24.96 (24.96)	- (-)
Loans payable (including interest)	74.55 (483.48)	- (-)	- (-)	- (-)
Loans receivable (including interest)	- (-)	69.95 (206.76)	- (-)	- (-)
Reimbursement of expense receivable	- (-)	3.14 (2.22)	- (-)	- (-)
Investments	- (-)	- (7.86)	- (-)	- (-)

d. Disclosure of significant transactions with related parties

Type of transaction	Nature of relationship	Name of the related party	March 31, 2016	2015
Loan given	Fellow subsidiary	AE Rotor Holding B.V.	-	47.31
Interest income	Fellow subsidiary	SE Solar Limited	0.01	0.01
	Fellow subsidiary	AE Rotor Holding B.V.	6.36	13.27
Purchases of goods and Services	Fellow subsidiary	SE Forge Limited	3.65	2.89
	Fellow subsidiary	SE Electricals Limited	5.50	10.87
	Fellow subsidiary	SE Blades Ltd.	1.60	-
	Fellow subsidiary	Suzlon Generator Ltd	-	9.49
	Entities where KMP has significant Influence	SE Freight & Logistics India Pvt Ltd	2.75	7.43
Sale of goods	Fellow subsidiary	Suzlon Wind Energy Corporation	0.42	7.37
	Fellow subsidiary	Suzlon Energia Eolica do Brasil Ltda	-	5.81
	Fellow subsidiary	Suzlon Energy A/S	59.20	-
	Fellow subsidiary	Suzlon Energy B.V.	-	58.07
	Fellow subsidiary	Suzlon Wind Energy Uruguay	-	154.30



Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

Type of transaction	Nature of relationship	Name of the related party	March 31,	
			2016	2015
Investment in equity shares	Fellow subsidiary	Suzlon Global Services Ltd.	1.00	-
Sale of investment	Fellow subsidiary	Suzlon Structures Limited	9.47	-
Miscellaneous income	Fellow subsidiary	Senvion India Limited	0.02	0.28
Consultancy charges	Fellow subsidiary	Suzlon Wind Energy Equipment Trading (Shanghai) Co. Limited	3.37	3.85
Provision for bad and doubtful debts	Fellow subsidiary	Suzlon Wind Energy Corporation	-	2.14
Land lease rent	Entities where KMP has significant Influence	Aspen Infrastructure Limited	1.49	1.49
Facility maintenance charges	Entities where KMP has significant Influence	Aspen Infrastructure Limited	2.28	2.28
Water expenses	Entities where KMP has significant Influence	Aspen Infrastructure Limited	0.02	0.02
Electricity charges	Entities where KMP has significant Influence	Aspen Infrastructure Limited	0.35	0.58
Other charges	Entities where KMP has significant Influence	Aspen Infrastructure Limited	0.01	0.03
Corporate social welfare expenses	Entities where KMP has significant Influence	Suzlon Foundation	0.01	0.58
Sale of fixed assets	Fellow subsidiary	Suzlon Structures Limited	1.04	-
Purchase of fixed assets	Fellow subsidiary	SE Electricals Ltd	0.02	-
Remuneration paid	RKMP	Vinod R. Tanti	2.31	2.31
Provision for diminution in Investments	Fellow subsidiary	AE Rotor Holding B.V.	7.86	-
Reimbursement of expenses receivable	Fellow subsidiary	Suzlon Energia Eolica do Brasil Ltda	0.80	1.42
Contributions to various funds	Employee funds	Suzlon Wind International Limited - Employee group gratuity scheme	0.00*	0.01

Note: As there is only one holding company, significant transactions with the holding company have not been disclosed separately in the above table.

*Less than Rs 0.01 Crore.

31. Capital and other commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances is Rs Nil.



Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

32. Contingent liabilities

	March 31, 2016	March 31, 2015
Preference share dividend and tax thereon	140.99	120.05
Tax related matters pending in appeal (See note (c))	5.26	7.80
Amounts in respect of MSMED	5.26	4.05
Compensation in lieu of bank sacrifice	refer Note 5	refer Note 5

- a) The Company has stood as co-borrower for loans granted to the Company and its fellow subsidiaries for which certain securities are provided, the amount of which is not ascertainable.
- b) The Company along with other borrowers has provided securities to secure Stand-by Letter of Facilities ("SBLC") facilities of USD 655.41 Million issued for securing covered bonds and foreign currency loan issued/availed by AE Rotor Holding B.V. a fellow subsidiary. The borrowers are also obliged to provide corporate guarantee of USD 117.45 Million in relation to above SBLC to certain lenders.
- c) It includes demand from tax authorities for various matters. The Company / tax department has preferred appeals on these matters and the same are pending with various appellate authorities. Considering the facts of the matters, no provision is considered necessary by management. Below are the details of the same.

Name of the statute	Nature of the dues	Amount (Rs Crore)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Amount of deduction claimed under Section 10AA	5.01	2008-09	Income Tax Appellate Tribunal
		0.25	2010-11	Commissioner of Income Tax (Appeals)

33. Derivative instruments and unhedged foreign currency exposure

a. Derivative instruments

Forward contract outstanding as at balance sheet date:

No forward contract outstanding as on March 31, 2016.

b. Unhedged foreign currency exposure

	March 31, 2016	March 31, 2015
Trade receivables (net of provisions)	17.94	736.01
Trade payables	315.46	406.65
Advances to suppliers and other receivables	3.17	5.35
Advances from customer	19.69	23.56
Foreign currency loan from banks	0.86	100.80
Investment	-	7.86
Loan receivable (including interest)	69.88	206.69
Bank balance in current account	0.00*	0.00*

* Less than Rs 0.01 Crore



Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

34. Details of dues to micro and small enterprises as defined under MSMED Act, 2006

Sl. No.	Particulars	March 31, 2016	March 31, 2015
1	Principal amount remaining unpaid to any supplier as at the end of the year	-	0.07
2	Interest due on the above amount	-	0.01
3	Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Act, 2006	-	-
4	Amounts of payment made to the suppliers beyond the appointed day during the year	0.82	1.39
5	Amount of interest due and payable for the period of delay in making payment but without adding the interest specified under this Act	-	-
6	Amount of interest accrued and remaining unpaid at the end of the year*	-	-
7	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	5.26	4.05

* Interest payable as per section 16 of the Micro, Small and Medium Enterprises Act, 2006 amounting Rs 5.26 Crore (Rs 4.05 Crore) is not accrued in the books of accounts.

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

For details of loans and guarantees given to related parties refer Note 30 and Note 32.

For details of investments made refer Note 15.

For details of Securities given refer Note 9(a).

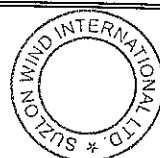
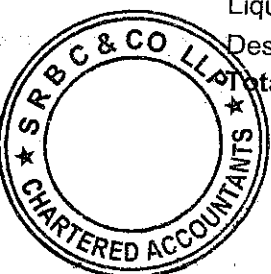
36. Additional information pursuant to the provisions of Schedule III of the Companies Act, 2013.

a. Value of imports calculated on CIF basis

	March 31, 2016	March 31, 2015
Raw materials	46.71	145.53
Stores and spares	0.84	1.95
Capital goods	0.01	0.63
	47.56	148.11

b. Expenditure in foreign currency (accrual basis)

	March 31, 2016	March 31, 2015
Foreign travel	0.01	0.02
Interest and bank charges	1.09	1.08
Freight outward	2.16	9.84
Consultancy and other charges	3.37	3.85
Liquidated damages	-	91.48
Design change and technological up gradation charges	0.44	-
Total	7.07	106.27



Suzlon Wind International Limited

Notes to financial statements for the year ended March 31, 2016

All amounts in Rupees Crore, unless otherwise stated

c. Imported and indigenous raw materials, components and spare parts consumed

	Raw materials and components				Stores and spares			
	March 31, 2016		March 31, 2015		March 31, 2016		March 31, 2015	
	Amount	%	Amount	%	Amount	%	Amount	%
Imported	24.57	58	128.93	68	0.07	14	0.13	10
Indigenous	17.71	42	61.02	32	0.43	86	1.22	90
Total	42.28	100	189.95	100	0.50	100	1.35	100

d. Earnings in foreign currency (accrual basis)

	March 31, 2016	March 31, 2015
F.O.B. value of export*	56.61	222.19
Interest income	6.36	13.27
	62.97	235.46

* F.O.B. value of sales does not include sales to SEZ units denominated in Indian Rupees, aggregating Rs 0.83 Crore (Rs 1.14 Crore).

37. Previous year amounts have been regrouped/ reclassified where necessary to conform to current year's presentation. Figures in brackets are in respect of the previous year.

As per our report of even date

For S R B C & Co LLP
Chartered Accountants
ICAI Firm Registration number:
324982E/E300006

per Paul Alvarez
Partner
Membership No. 105754



Place : Pune
Date : June 13, 2016

For and on behalf of the Board of Directors of
Suzlon Wind International Limited

Balrajsinh A. Parmar
Managing Director
DIN : 00002276

Harish Mehta
Director
DIN : 00002753

Ahmed Reza
Chief Financial Officer

Place: Pune
Date : June 11, 2016

