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Chartered Accountants
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Report of Independent Accountants

To the Stockholder of Suzlon Wind Energy Corporation

Opinion

We have audited the accompanying Consolidated Balance Sheet of **Suzlon Wind Energy Corporation** (referred to as "the Company") as at March 31, 2021 and 2020 and the related Statements of Profit and Loss and change in stockholder's equity for the years then ended, and related notes to financial statement (collectively referred to as the "financials statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2021 and March 31, 2020 and the financial performance and its cash flow for the years then ended in accordance with accounting principles generally accepted in India.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in India, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters

a) We draw attention to Note 33 of the financial statements which state that, the net worth of the Company is negative of $ 23.83 million as at March 31, 2021. During the year, all the operation and maintenance service contracts of the Company with customers has been terminated and accordingly the Company has also substantially reduced its manpower strength. The Company is currently engaged into selling of balance inventory and realization of assets and has ceased trading in absence of any contracts for supply of goods and services. The realizable value of the assets is significantly lower compared to the outstanding trade and other payables. These factors indicate the existence of a material uncertainty that may cast doubt on the Company's ability to continue as a going concern. Accordingly, these financial statements have been prepared assuming the Company will not continue as a going concern and therefore the assets and liabilities of the Company are stated at values at which they are realizable and payable as per the estimates of the management. Also, since it is treated as non-going concern, hence the liabilities are treated as current and the assets have also been considered accordingly. The Company will not be in position to discharge its liability as estimated based on the estimated realizable value of assets.

b) We draw attention to Note 34 of financial statements which states that, due to the ongoing financial challenges in the company, the company has defaulted on dues to various vendors and many of them have sued the company during the year 2020-21. Company is in process of settling the dues with vendors.

c) We draw attention to Note 39 of the financial statements, which indicates that the impact of COVID-19 pandemic situation remained insignificant and explains the uncertainties and the management's assessment of the financial impact due to the lockdown and other restrictions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve.

Our opinion is not modified in respect of these matters.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with accounting principles generally accepted in India and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company’s financial reporting process

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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Restriction of Use

This report is issued for internal consumption of the Management with respect to the consolidation purposes and for the use of existing Lenders of the company and should not be used for any other purpose. We do not accept or assume any liability or duty of care for any other purpose or any third parties to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

For T R Chadha & Co LLP

VIKAS KUMAR

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Chartered Accountants

Date: 10.06.2021
Place: Mumbai

Suzlon Wind Energy Corporation

Consolidated Balance sheet as at March 31, 2021

All amounts in US Dollars, unless otherwise stated

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
Assets			
Non-current assets			
Property, plant and equipment	6	131,523	923,052
Capital work-in-progress		-	-
Financial assets			
Trade receivables	7	-	30,251,455
Other financial assets	8	-	733,073
		131,523	**31,907,580**
Current assets			
Inventories	9	1,990,478	8,300,396
Financial assets			
Trade receivables	7	273,502	538,714
Cash and cash equivalents	10	173,209	627,140
Other financial assets	8	402,920	1,403,134
Current Tax Assets		173,459	138,640
Other current assets	11	77,085	670,302
		3,090,653	**11,678,325**
Total assets		**3,222,176**	**43,585,905**
Equity and liabilities			
Equity			
Equity share capital	12	1,000	1,000
Other equity			
Share premium	13	82,314,746	82,314,746
Retained earnings		(106,156,265)	(107,131,859)
		(23,840,519)	**(24,816,113)**
Non-current liabilities			
Financial liabilities			
Borrowings	14	-	-
Other financial liabilities	15	-	43,601,291
Provisions	18	-	700,000
		-	**44,301,291**
Current liabilities			
Financial liabilities			
Trade payables	16	9,307,586	10,199,097
Other financial liabilities	15	17,573,396	8,461,215
Other liabilities	17	155,305	2,714,288
Provisions	18	26,408	2,726,128
		27,062,695	**24,100,727**
Total equity and liabilities		**3,222,176**	**43,585,905**

For T R Chadha & Co LLP
Chartered Accountants
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VIKAS KUMAR

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Vikas Kumar
Partner
Membership No.75363

Mumbai
Date:

For Suzlon Wind Energy Corporation

Tejjas Parmar

Tejjas Parmar
Intl CEO

Place: Chicago, USA
Date: 8th June 2021

Suzlon Wind Energy Corporation

Consolidated Statement of profit and loss for the period ended March 31, 2021

All amounts in US Dollars, unless otherwise stated

Particulars	Notes	March 31, 2021	March 31, 2020
Income			
Revenue from operations	19	22,106,092	50,744,468
Other operating income	20	1,275,237	1,208,749
Waiver of interest on account of debtors assignment	21	4,642,291	-
Other income	21	16,678	272,976
		28,040,297	**52,226,193**
Expenses			
Consumption of raw materials		4,465,344	17,385,274
Changes in inventories of finished goods, work-in-progress and stock-in-trade		6,309,917	2,601,459
Employee benefits expense	22	10,619,551	26,948,988
Depreciation / amortisation (including impairment losses)	6	770,572	592,264
Finance costs	23	558,996	2,472,065
Other expenses	24	4,300,498	6,454,095
		27,024,877	**56,454,144**
Profit/ (loss) before tax		**1,015,420**	**(4,227,952)**
Tax expense		39,825	34,074
Profit/ (loss) after tax		**975,594**	**(4,262,026)**
Other comprehensive income, net of tax		-	-
Total comprehensive income for the period		**975,594**	**(4,262,026)**

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Vikas Kumar
Partner
Membership No.75363

Mumbai
Date:

For Suzlon Wind Energy Corporation

Tejjas Parmar

Tejjas Parmar
Intl CEO

Place: Chicago, USA
Date: 8th June, 2021

Suzlon Wind Energy Corporation

Consolidated Statement of changes in equity for the year ended March 31, 2021

a. **Equity share capital**

	US Dollars
Equity shares of US Dollar 1 each, subscribed and fully paid	
Issue of share capital	-
At March 31, 2021	500,000
Issue of share capital	-
At March 31, 2020	500,000

b. **Other equity, attributable to the equity holders of the parent**

	Retained earnings	Share premium	Total equity
As at April 1, 2020	(107,131,859)	82,314,746	(24,817,113)
Profit/ (loss) for the year	975,594	-	975,594
Other comprehensive income	-	-	-
Total comprehensive income	(106,156,265)	82,314,746	(23,841,519)
Other movements	-	-	-
As at March 31, 2021	**(106,156,265)**	**82,314,746**	**(23,841,519)**
As at April 1, 2019	(102,869,833)	82,314,746	(20,555,087)
Profit/ (loss) for the year	(4,262,026)	-	(4,262,026)
Other comprehensive income	-	-	-
Total comprehensive income	(107,131,859)	82,314,746	(24,817,113)
Other movements	-	-	-
As at March 31, 2020	**(107,131,859)**	**82,314,746**	**(24,817,113)**

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Vikas Kumar
Partner
Membership No.75363

Mumbai
Date:

For Suzlon Wind Energy Corporation

Tejjas Parmar

Tejjas Parmar
Intel CEO

Place: Chicago, USA
Date: 8th June, 2021

Suzlon Wind Energy Corporation

Consolidated Statement of cashflow for the year ended March 31, 2021

All amounts in US Dollars, unless otherwise stated

	Particulars	March 31, 2021	March 31, 2020
	Cash flow from operating activities		
	Profit/ (loss) before tax	1,015,420	(4,227,952)
	Non-cash adjustment to reconcile profit before tax to net cash flows		
	Depreciation including impairment loss	770,572	592,264
	Loss/(Profit) on sale of fixed assets	25,981	-
	Unrealized foreign exchange loss/ (gain)	88,885	(903,207)
	Interest expense	519,463	2,405,529
	Interest income	(16,678)	(272,976)
	Loan Waiver by Group company (Non Cash)	(4,642,291)	-
	Operating profit before working capital changes	(2,238,648)	(2,406,341)
	Movements in working capital :		
	Increase/ (Decrease) in trade payables	(980,395)	5,063,629
	Increase/(Decrease) in provisions	(3,399,720)	(907,902)
	Increase/(Decrease) in other current liabilities	(38,405,803)	(3,939,114)
	Decrease / (Increase) in trade receivables	30,516,667	2,463,712
	Decrease / (Increase) in inventories	6,309,917	2,601,459
	Decrease/ (Increase) in loans and advances	1,641,513	1,306,449
	Decrease / (Increase) in other current assets	650,172	91,060
	Cash generated from operations	**(5,906,297)**	**4,272,951**
	Direct taxes paid (net of refunds)	39,825	34,074
A	**Net cash flow from/ (used in) operating activities**	**(5,946,122)**	**4,238,877**
	Cash flows from investing activities		
	Purchase of fixed assets, including CWIP and capital advances	(5,023)	(26,572)
	Interest received	16,678	272,976
B	**Net cash flow from investing activities**	**11,654**	**246,404**
	Financing activities		
	Proceeds/ (repayment) from/of borrowings	(947,202)	8,000,000
	Interest paid	(519,463)	(2,405,529)
C	**Net cash flow from/ (used in) in financing activities**	**(1,466,666)**	**5,594,471**
	Net decrease in cash and cash equivalents (A + B + C)	(7,401,133)	(1,920,249)
	Cash and cash equivalents at the beginning of the year	627,140	2,547,388
	Cash and cash equivalents at the end of the year	**(6,773,993)**	**627,139**
	Components of cash and cash equivalents		
	Cash on hand	-	-
	Balance with banks	173,209	627,140
	Total cash and cash equivalents	**173,209**	**627,140**

Note

1 The figures in brackets represents outflows.

2 Previous periods' figures have been regrouped/ reclassified, wherever required.

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Vikas Kumar
Partner
Membership No.75363

Mumbai
Date:

For Suzlon Wind Energy Corporation

Tejjas Parmar

Tejjas Parmar
Intl CEO

Place: Chicago, USA
Date: 8th June, 2021

1. Company information

Suzlon Wind Energy Corporation ('the Company' or 'SWECO') was incorporated on October 1, 2001 to market wind energy generators. SWECO provides turnkey solutions along with operations and maintenance services to the wind energy industry. Suzlon Wind Energy Corporation is the wholly owned United States Subsidiary of Suzlon Energy A/S, Denmark ('Parent'). Suzlon Energy A/S is a subsidiary of Suzlon Energy Limited Mauritius, which is a wholly owned subsidiary of Suzlon Energy Limited incorporated in India.

The Consolidated financial statement relates to parents and its subsidiary companies namely i.e. Suzlon Project VIII LLC (collectively referred to as "the Group")

2. Basis of preparation and significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 together with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("the Rules").

The financial statements have been prepared on a historical cost basis, except for the following:
• certain financial assets and liabilities that is measured at fair value.

The financial statements are presented in USD and all values are rounded off to the nearest full number except when otherwise indicated.

Basis of Consolidation

The Company consolidate entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Company and its subsidiaries ("the Group"). Control exists when the Parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

a) the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
b) potential voting rights held by the Company, other vote holders or other parties;
c) rights arising from other contractual arrangements; and
d) any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Profit or Loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Particulars	**Country of Incorporation**	**% of Voting Power As at March 31, 2020**	**% of Voting Power As at March 31, 2019**
Subsidiary Company - Direct			
Suzlon Project VIII LLC	United States of America	100	100

2.2 Summary of significant accounting policies

a. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Company classifies all other liabilities as non-current.

b. Foreign currencies

The Company's financial statements are presented in USD, which is also the Company's functional currency.

Transactions and balances

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

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

c. Revenue recognition

We determine revenue recognition through the following steps:

- identification of the contract, or contracts, with a customer;
- identification of the performance obligations in the contract;
- determination of the transaction price;
- allocation of the transaction price to the performance obligations in the contract; and
- recognition of revenue when, or as, we satisfy a performance obligation.

Revenue for all businesses is recognised when the performance obligation has been satisfied, which happens upon the transfer of control to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for the goods and services.

Revenue is recognised when or as performance obligations are satisfied by transferring the promised goods or services to the customer, i.e. at a point in time or over time provided that the stage of completion can be measured reliably.

Revenue comprises of service income from rendering operation and maintenance services, sale of components, income from wind power generation and interest income.

Revenue is recognised, net of trade discounts, and any other applicable taxes.

Revenue from operations and maintenance service

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

Revenue from sale of components

Revenue from sale of components is recognised in the statement of profit and loss when the significant risks and rewards in respect of ownership of goods has been transferred to the buyer as per the terms of the respective sales order, and the income can be measured reliably and is expected to be received.

Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate applicable. Interest income is included in other income in the statement of profit and loss.

d. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or in equity. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates the positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

e. Property, plant and equipment (‘PPE’)

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment loss, if any.

Capital work-in-progress comprises of the cost of PPE that are not yet ready for their intended use as at the balance sheet date. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.
Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss when they are incurred.

Depreciation is calculated on the straight line method ('SLM') based on the useful lives and residual values estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

Type of asset	**Useful lives (years)**
Leasehold Improvements	25 Years, the rate based on lease period
Plant and machinery	3 to 7 years
Computers and Office Equipments	3 to 5 years
Furniture and fixtures	3 to 7 years
Vehicles	3 to 5 years

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

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

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

f. Borrowing costs

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

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

g. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

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.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets other than land and building subject to operating leases are included in fixed assets. Lease income on an operating lease is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the statement of profit and loss.

h. Impairment of non-financial assets

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

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

The impairment loss recognised in prior accounting periods is reversed if there has been a change in estimates of recoverable amount. The carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

i. Inventories

Inventories comprise of components, stores and spares and are valued at lower of cost and estimated net realisable value. Inventories include some materials that are repaired as well as repairable as at the balance sheet date. Cost of inventory is determined on a weighted average basis.

j. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

k. Retirement and other employee benefits

The company recognized its liability towards Social Security contributions in Profit & Loss account.

The company contributes to 401(k) program and recognized its contribution towards the fund in Profit & Loss account.

Short-term compensated absences are provided based on estimates. The entire leave is presented as a current liability in the balance sheet, since the Company does not have an unconditional right to defer its settlement for 12 months after the reporting date.

l. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

m. Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resource embodying economic benefit will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

The Company does not recognise a contingent liability but discloses it as per Ind AS 37 in the financial statements unless the possibility of an outflow of resources embodying economic benefit is remote.

3. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

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

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Revenue recognition and presentation

The Company assesses its revenue arrangements against specific criteria, i.e. whether it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services, in order to determine if it is acting as principal or as an agent. When deciding the most appropriate basis for presenting revenue or costs of revenue, both the legal form and substance of the agreement between the Company and its business partners are reviewed to determine each party's respective role in the transaction.

b. Significant accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Uncertainty about these assumption and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Allowance for trade receivables

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. The Company recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition.

4. Fair value measurements

The company measures financial instruments at fair value in accordance with accounting policies at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the company

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

5. Financial instrument

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial Assets:

Initial recognition and measurement:

The company measures its financial assets at fair value. In this context, quoted investments are fair valued adopting the techniques defined in Level 1 of fair value hierarchy of Ind-AS 113 “Fair Value Measurement” and unquoted investments, where the observable input is not readily available, are fair valued adopting the techniques defined in Level 3 of fair value hierarchy of Ind-AS 113 and securing the valuation report from the certified valuer. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement:

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

i. The Company’s business model for managing the financial asset and

ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

i. Financial assets measured at amortized cost

ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

iii. Financial assets measured at fair value through profit or loss (FVTPL)

i. Financial assets measured at amortized cost:

A financial asset is measured at the amortized cost if both the following conditions are met:

(a) The Company’s business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and

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

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method. Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss.

ii. Financial assets measured at FVTOCI:

A financial asset is measured at FVTOCI if both of the following conditions are met:

(a) The Company’s business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and

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

This category applies to Investments in Equity and Convertible Warrants. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Other Comprehensive Income (OCI). These equity instruments are neither held for trading nor are contingent consideration recognized under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognized in OCI.

However, the Company recognizes dividend income from such instruments in the Statement of Profit and Loss.

On De-recognition of such financial assets, cumulative gain or loss previously recognized in OCI is not reclassified from the equity to Statement of Profit and Loss.

However, the Company may transfer such cumulative gain or loss into retained earnings within equity.

iii. Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Company. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

De-recognition

Financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the company's balance sheet) when:
• The rights to receive cash flows from the asset have expired, or
• The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either;
(a) The company has transferred substantially all the risks and rewards of the asset, or
(b) The company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognize the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.
On De-recognition of a financial asset, (except as mentioned in (ii) above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

Impairment of financial assets

The company assesses impairment based on expected credit losses (ECL) model to the following:

• Financial assets measured at amortized cost
• Financial assets measured at fair value through other comprehensive income (FVTOCI)
• Financial assets measure at fair value through profit and loss (FVTPL)
Expected credit losses are measured through a loss allowance at an amount equal to:
• The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
• Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).
For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the company reverts to recognizing impairment loss allowance based on 12-months ECL.
For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis. Receivable from group companies assessing net off payable.

(b) Financial Liabilities:

Initial recognition and measurement

The Company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. Financial liabilities are initially measured at Fair value.

Subsequent measurement

All non-current financial liabilities of the Company are subsequently measured at amortized cost using the effective interest method. Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

For T R Chadha & Co LLP
Chartered Accountants
ICAI Firm Registration Number :
006711N/N500028

VIKAS
KUMAR

Digitally signed by VIKAS KUMAR
DN: c=IN, o=Personal,
postalCode=400063, st=MAHARASHTRA,
serialNumber=155024275d04d27061c06
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Date: 2021.06.10 17:27:56 +05'30'

Vikas Kumar
Partner
Membership No.: 75363

For Suzlon Wind Energy Corporation

Tejjas Parmar

Tejjas Parmar
CEO

Place: Chicago, USA
Date: 8th June, 2021

Suzlon Wind Energy Corporation

6 Property, plant and equipment

Computer and office equipments	250,252	-	-	250,252	-	74,905	-	-	74,905	175,347	250,252

Particulars	**Gross block**				**Depreciation / amortisation**					**Net block**	
	As at April 1, 2020	**Additions**	**Disposals**	**As at March 31, 2021**	**As at April 1, 2020**	**For the year**	**Impairment**	**Disposals**	**As at March 31, 2021**	**As at March 31, 2021**	**As at April 1, 2020**
Leasehold improvements	535,525	-	3,157	532,367	398,335	137,190	-	3,157	532,367	-	137,190
Plant and Machinery	2,466,096	5,023	184,491	2,286,627	1,732,050	573,604	-	150,536	2,155,117	131,523	734,046
Computer and office equipments	274,014	-	226,960	47,054	241,531	40,445	-	234,922	47,054	-	32,483
Furniture and fixtures	40,846	-	8,070	32,776	21,514	19,333	-	8,070	32,776	-	19,333
Vehicles	5,010	-	751	4,259	5,010	-	-	751	4,260	(0)	(0)
Total	**3,321,491**	**5,023**	**423,430**	**2,903,085**	**2,398,439**	**770,572**	**-**	**397,436**	**2,771,574**	**131,523**	**923,052**
Capital Work in Progress	-		-	-	-	-	-	-	-	-	-
Grand Total	**3,321,491**	**5,023**	**423,430**	**2,903,085**	**2,398,439**	**770,572**	**-**	**397,436**	**2,771,574**	**131,523**	**923,052**

Particulars	**Gross block**				**Depreciation / amortisation**					**Net block**	
	As at April 1, 2019	**Additions**	**Disposals**	**As at March 31, 2020**	**As at April 1, 2019**	**For the year**	**Impairment**	**Disposals**	**As at March 31, 2020**	**As at March 31, 2020**	**As at April 1, 2019**
Leasehold improvements	535,525			535,525	311,138	87,197		-	398,335	137,190	224,387
Plant and Machinery	2,454,137	19,033	7,075	2,466,096	1,288,758	450,367		7,075	1,732,050	734,046	1,165,380
Computer and office equipments	266,476	7,539	-	274,014	189,768	51,764		-	241,531	32,483	76,708
Furniture and fixtures	40,846			40,846	18,578	2,936		-	21,514	19,333	22,269
Vehicles	5,010			5,010	5,010	-		-	5,010	(0)	(0)
Total	**3,301,994**	**26,572**	**7,075**	**3,321,491**	**1,813,251**	**592,264**	**-**	**7,075**	**2,398,439**	**923,052**	**1,488,744**
Capital Work in Progress	-		-	-	-	-	-	-	-	-	-
Grand Total	**3,301,994**	**26,572**	**7,075**	**3,321,491**	**1,813,251**	**592,264**	**-**	**7,075**	**2,398,439**	**923,052**	**1,488,744**

7 Trade receivables

	March 31, 2021	March 31, 2020
Non-current		
Unsecured		
Considered good (Net)	-	30,251,455
Considered doubtful	-	72,711
	-	30,324,166
Less : Impairment allowance for ECL		
Less : Provision for doubtful receivables	-	(72,711)
Total	**-**	**30,251,455**
Current		
Unsecured, considered good (Non related party)	126,853	538,714
Considered doubtful	178,829	-
	305,681	**538,714**
Less : Provision for doubtful receivables	(178,829)	-
	126,853	538,714
Unsecured, considered good Related party - (Group entities)	146,649	-
Considered doubtful	7,139	-
	153,788	-
Less : Provision for doubtful receivables	(7,139)	-
	146,649	**-**
Total	**273,502**	**538,714**

8 Other financial assets

	March 31, 2021	March 31, 2020
Non-current		
Non-current bank balances	-	650,172
Security deposits	-	2,800
Loans and advances to employees	-	80,101
Advances recoverable in cash from related party (Seventus)	-	11,011,734
	-	**11,744,807**
Less : Provision for doubtful receivables	-	(11,011,734)
Total	**-**	**733,073**

Current		
Security deposits	402,800	-
Loans and advances to employees	120	-
Advances recoverable in cash (Inter company SEG and Seventus)	10,894,405	1,403,134
Provision against the advance recoverable in cash	(10,894,405)	-
	402,920	1,403,134

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

	March 31, 2021	March 31, 2020
Finished goods, semi-finished goods and work-in-progress	217,235	1,849,513
Stores and spares	1,773,244	6,450,883
Total	**1,990,478**	**8,300,396**

10 Cash and cash equivalents

	March 31, 2021	March 31, 2020
Balances with banks in currrent accounts	102,825	627,140
Commercial Deposits with Bank*	70,384	-
Cash on hand	-	-
Total	**173,209**	**627,140**

*These deposits have been kept as lien by the bank for the purpose of an insurance policy and for corporate credit card program.

11 Other current assets

	March 31, 2021	March 31, 2020
Prepaid expenses	21,986	126,276
Advance for Goods	55,100	544,026
Total	**77,085**	**670,302**

12 Share capital

	March 31, 2021	March 31, 2020
Authorised shares		
500,000 equity shares of US dollar 1 each	500,000	500,000
Issued, subscribed & paid-up		
1000 equity shares of US dollar 1 each fully paid up.	1,000	1,000
Total	**1,000**	**1,000**

Terms/ rights attached to equity shares

The company has only one class of equity shares having par value of US Dollar 1 per share. Each holder of equity shares is entitled to one vote per share. Suzlon Wind Energy Corporation is the wholly owned United States Subsidiary of Suzlon Energy A/S, Denmark

13 Other equity

	March 31, 2021	March 31, 2020
Securities premium	82,314,746	82,314,746
Retained earnings	(106,156,265)	(107,131,859)
	(23,841,519)	(24,817,113)

14 Borrowings

	March 31, 2021	March 31, 2020
Non-current		
Term loan from banks/ financial institutions	5,052,798	6,000,000
Less : Current maturity of long-term borrowings	(5,052,798)	(6,000,000)
Total	-	-

The Company has obtained a long term loan from Exim Bank of India - London Branch. Loan carries interest at USD LIBOR (6 months) + 575 bps p.a payable quarterly. The loan carries a moratorium period of 2 years and 3 months. The first installement was paid on December 17, 2015. The loan is payable in 20 quarterly installments ending on 18 Sep 2020. Loan taken is fully secured against receivables. The loan is guaranteed by AE Rotor Holding B.V. and Suzlon Energy Limited and Mr Tulsi R Tanti.

The security for the facility is given as follows:
i. Exclusive charge on the receivables arising out of all Operations and Maintenance Services ['OMS'] contracts of SWECO, with a minimum cover of 1.50 times during the currency of loan.
ii. Exclusive charge over the TRA/Escrow account(s) capturing the entire receivables arising out of all OMS contracts of SWECO.
iii. Undertaking from SWECO to route all payments received under OMS contracts through the Escrow/TRA accounts.
iv. Confirmation from the Project Owners for remittance of OMS proceeds in the designated TRA/Escrow account.
v. Corporate Guarantee of AE Rotor Holdings B.V., Netherlands, Suzlon Energy Limited, India and personal guarantee of Mr Tulsi R. Tanti
vi. Pledge of entire shareholding of SWECO

Subsequent to the defaults in servicing of debt, The company, along with its affiliates Suzlon Wind Energy Nicaragua Sociedad Anonima (‘SWENI’) and parent Suzlon Energy A/S (‘SEAS’) had submitted proposal to Exim Bank for restructuring of the Debt. The proposal of the Company for restructuring of the debt was approved by Exim Bank on 30th March, 2021 subject to certain conditions. Primary terms of the Debt Restructuring are as below:

1 SWENI and SEAS (for its identified revenue operations) will become the co-obligor of the Debt.
2. Interest rate will be reduced to Libor (6 bmonths) + 350 bps
3 The restructuring tenor will be 3 years and 6 months. The loan shall be repaid in structured quarterly instalments. The first instalment shall start from June, 2021 and last instalment shall be due for payment in September, 2024
4 The corporate guarantee existing guarantors will continue till the repayment of entire debt. The Company and co-obligors are working with Exim Bank for finalisation of documentation and definitive agreement for the Restructured loan.

15 Other financial liabiilities

	March 31, 2021	March 31, 2020
Non-current		
Loans from related parties		
Due to group companies (SELM and SEBV)	-	3,178,627.96
Due to Group Companies (SE A/S, parent company)	-	40,422,662.87
Total	**-**	**43,601,290.83**
Current		
Loans from related parties		
Due to group companies (SELM and SEBV)	3,357,826	-
Due to Group Companies (SE A/S, parent company)	6,999,407	-
Current maturity of long-term borrowings	5,052,798	6,000,000
Statutory dues	379,105	908,386
Liability for Liquidated damages (Trinity)	955,625	-
Others	828,635	1,552,829
Total	**17,573,396**	**8,461,215**

16 Trade Payables

Current		
Due to Non related parties (refer note 34)	8,037,525	10,199,097
Due To Related parties (Group companies) - Net	1,270,061	-
Total	**9,307,586**	**10,199,097**

*The payables due to related parties were shown after netting off with Trade Receivables (Note 7) in previous year financials.

17 Other current liabilities

	March 31, 2021	March 31, 2020
Income received in advance	-	2,539,013
Others	155,305	175,275
Total	**155,305**	**2,714,288**

18 Provisions

	March 31, 2021	March 31, 2020
Non-current		
Provision for Liquidated damages	-	700,000
Total	**-**	**700,000**
Current		
Provision for leave benefits	26,408.00	920,384
Provision for performance guarantee	-	1,048,595
Provision for liquidated damages (Trinity)	-	750,000
Provision for warranty	-	7,148
Total	**26,408.00**	**2,726,128**

19 Revenue from operations

	March 31, 2021	March 31, 2020
Sale of finished goods/spare parts	5,601,415	8,565,280
Service income	16,504,677	42,179,188
Total	**22,106,092**	**50,744,468**
Details of finished goods sold:		
Spares parts and others	5,601,415	8,565,280
	5,601,415	8,565,280
Details of services rendered:		
Operation and maintenance services	15,037,275	37,629,898
Supply	-	1,542,507
Extended warranty services	1,467,402	3,006,782
Total	**16,504,677**	**42,179,188**

20 Other operating income

	March 31, 2021	March 31, 2020
Exchange differences (net)	-	932,137
Other miscellaneous income	1,275,237	276,612
Total	**1,275,237**	**1,208,749**

21 Other income

	March 31, 2021	March 31, 2020
Interest income on		
Bank deposits	304	9,240
Others	4,658,664	263,736
Total	**4,658,968**	**272,976**

22 Employee benefits expense

	March 31, 2021	March 31, 2020
Salaries, wages, allowances and bonus	8,782,353	21,377,165
Social security cost	1,831,292	5,519,202
Staff welfare expenses	5,906	52,621
Total	**10,619,551**	**26,948,988**

23 Finance costs

	March 31, 2021	March 31, 2020
Interest	519,463	2,405,529
Bank charges	39,532	66,535
Total	**558,996**	**2,472,065**

24 Other expenses

	March 31, 2021	March 31, 2020
Rent	966,530	856,175
Rates and taxes	44,356	14,246
Provision for performance guarantee	1,214,810	1,620,438
Repairs and maintenance		
Building	397	2,593
Others	1,483	25,076
Insurance	67,164	65,473
Advertisement and sales promotion	812	49,725
Travelling and conveyance	26,237	323,527
Vehicle hire charges	933,810	1,589,575
Communication expenses	152,979	227,276
Auditors' remuneration and expenses	23,400	18,743
Consultancy charges	287,930	148,811
Other selling and administrative expenses	246,980	545,352
IT related costs	145,534	212,646
Exchange differences (net)	88,885	28,930
Loss on assets sold/discarded (net)	25,981	-
Provision for doubtful debts and advances	73,211	725,510
Total	**4,300,498**	**6,454,095**

Suzlon Wind Energy Corporation, USA
25. Related Party Disclosures
3/31/2021

A. Related parties with whom transactions have taken place during the year

a. Ultimate parent company
1. Suzlon Energy Limited

b. Holding company
1. Suzlon Energy A/S, Denmark (Parent)
2. Suzlon Energy Limited, Mauritius (Parent of Parent)

c. Fellow Subsidiary companies with whom transactions were entered during the year
1. AE Rotor Holding B.V., Netherlands (AERH)
2. SE Drive Technik GmbH, Germany (SEDT)
3. Seventus LLC, USA (Seventus)
4. Suzlon Energy B.V, Netherlands (SEBV)
5. Suzlon Generators Limited, India (SGL)
6. Suzlon Global Services Limited (formerly Suzlon Structures Limited), India (SGSL)
7. Suzlon Wind Energy Nicaragua (SWENI)
8. Suzlon Energy Australia (SEA)

d. Key Management Personnel of Suzlon Wind Energy Corporation
1. Andy Cukurs - Chief Executive Officer (Upto July 2020)
2. Hope Whitfield - Legal Counsel (upto May 2020)
3. Scott Bryan - VP Operations and Maintenance Service (Upto June 2020)
4. Todd Karasek - VP - Health, Safety and Environment (Upto August 2020)
5. Tejjas Parmar - Intl CEO
6. Manish Patel - VP, Business Development
7. Amit Jain - Finance Director

All in USD

B Transactions between the Group and related parties during the period 1st Apr 2019 to 31st March 2021

	2021				2020			
Particulars	**Ultimate parent company**	**Holding company**	**fellow Subsidiary companies**	**KMP**	**Ultimate parent company**	**Holding company**	**fellow Subsidiary companies**	**KMP**
Loan given*	-	-	-	-	-	35,000	513,627	-
Loan Received	-	2,081,854	2,605,976	-	-	1,631,639	2,465,686	-
Provsion for Loan Given*	-	-	(161,291)	-	-	-	725,510	-
Sale of goods and services	-	8,000	(681,985)	-	-	72,741	309,995	-
Interest income	-	-	(16,374)	-	-	-	263,736	-
Miscellaneous income	-	-	-	-	-	-	-	-
Purchase of goods and services	86,400	-	-	-	1,104,286	12,378	49,007	-
Interest expense	-	70,405	(16,698)	-	-	144,571	1,424,018	-
Other expenses	-	-	(101,240)	-	-	13,569	-	-
Managerial Remuneration	-	-	-	668,762	-	-	-	1,626,523

C Outstanding balances

	2021				2020			
Particulars	**Ultimate parent company**	**Holding company**	**Subsidiary companies**	**KMP**	**Ultimate parent company**	**Holding company**	**Subsidiary companies**	**KMP**
Trade receivables	7,139	-	146,650	-	35,078,520	72,741	-	-
Other receivables	-	-	-	-	-	-	-	-
Loans given outstanding*	-	-	10,331,100	-	-	-	11,337,062	-
Provsion for Loan Given*	-	-	10,331,100	-	-	-	11,011,734	-
Loans taken outstanding	-	5,802,103	4,044,910	-	-	5,908,283	33,211,334	-
Interest receivable	-	-	563,306	-	-	-	1,084,660	-
Interest payable	-	317,305	192,702	-	-	349,322	4,130,183	-
Advances given	-	-		-	-	-	-	-
Advances received	-	-		-	-	-	48,573	-
Trade payables	-	-	1,270,061	-	3,167,074	-	1,601,239	-

The company as on March 31, 2021 has to recover loan amount due from Seventus LLC of $ 10,850,443 including $ 546,932 given as loan during the year itself. Considering the financial position of Seventus LLC, the Company has treated this total amount as doubtful of recovery and provided against the same during the year 2020-21 by debiting to Statement of Profit and Loss. (Please refer Note No.8 also in this regard).

Annexure to Note 25

Name of the Entity **SWECO** 1.17275
Certificate on Transactions and balances with Group Companies as at **31-Mar-21**
Reporting Currency **USD**

	Interest Bearing		No	Yes	Yes	No	No	No	Yes	No	Yes	Yes	No	
Sr.No.	**Particulars**	**Transaction / Original Currency**	**SEL**	**SELM**	**SEBV**	**SGL**	**SGSL**	**Seventus**	**SEDT (SEG)**	**AERH**	**SEAS (Eur)**	**SEAS (Usd)**	**SWENI**	**SEA**
				2001232	**4302005**	**1800012**	**1800238**	**4300015**	**4400158**	**1800188**	**2001051**	**2001051**	**700147**	**2001051**
	Transactions		**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9A**	**9B**	**10**	**10**
1	Loans/Deposit Given	USD		(162,500)				(161,291)	(1,382,400)	(850,000)	-	(2,081,854)	(29,785)	(20,000)
2	Loans/Deposit Given	EUR									-	-		
3	Sale of Goods/services	USD	-	-								8,000	681,985	
4	Purchase of Goods & Services	USD	86,400			-	-							
5	Interest Received/Receivable (Income)	USD							16,374					
6	Interest Paid/Payable	USD		5,190	11,508						1,545	70,405		
7	Interest Paid/Payable	EUR									1,326			
8	Other Selling & Distribution Expenses	USD					-			101,240	-			
9	Other Selling & Distribution Expenses	EUR								90,324				
	Outstanding Balances													
1	Sundry Debtors (Net)		7,139						-				146,650	
2	Loans/Deposits Outstanding (Credit number meaning liability)	USD		(2,372,200)	(792,925)			10,303,512	27,588	(850,000.00)	(234,550)	(5,567,553)	(29,785)	-
3	Loans/Deposits Outstanding	EUR									(200,000)	-		
4	Interest Receivable	USD						546,932	16,374					
5	Advances/Deposits Given to Suppliers													
6	Sundry Creditors/Other Current Liability purchase	USD				981,640	116,215			172,206.61				
7	Sundry Creditors/Other Current Liability purchase	EUR								146,840				
8	Share Capital											82,315,746		
9	Int. Payable	USD		109,208	83,494					-	2,163.11	315,142		
10	Int. Payable	EUR								-	1,844			
			7,139	(2,481,408)	(876,418)	981,640	116,215	10,850,443	43,962	-1,022,206.61	(236,713)	(5,882,694)	176,435	

26 Contingent Liability - NIL

Claims not acknowledged by company - A number of vendors have filed lawsuits against SWECO and hence claimed finance charges and legal charges etc. The company has created a provision of $ 50,000 towards that as on March 31, 2021.

27 Capital Commitment - NIL

28 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (“CODM”) of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director and CEO of the Company. The Company operates only in one Business Segment i.e. Operations and Maintenance services for wind turbines and the activities incidental thereto within United States of America and Canada, hence does not have any reportable Segments as per Indian Accounting Standard 108 “Operating Segments”. The Company while presenting the consolidated financial statements has disclosed the segment information to the extent applicable as required under Indian Accounting Standard 108 “Operating Segments”.

29 Fair value Measurement

Financial Instruments by category

Particulars	**3/31/2021**			**3/31/2020**		
	FVPL	**FVOCI**	**Amortised Cost**	**FVPL**	**FVOCI**	**Amortised Cost**
Financial Assets						
Trade Receivable			273,502			35,570,859
Other financials assets	-		653,464	-		2,156,329
Cash and Cash equivalents	-	-	173,209	-	-	627,140
Total financial assets	-	-	**1,100,175**	-	-	**38,354,328**
Financial liabilities						
Trade payables	-	-	9,307,586	-	-	14,779,003
Borrowings	-	-	10,105,596	-	-	6,000,000
Other financials liability			181,713			47,687,781
Total financial liabilities	-	-	**19,594,894**	-	-	**68,466,784**

The carrying amounts of cash and cash equivalent including other current bank balances, Trade Receivable, other financials assets and other liabilities including borrowings and other financials liability etc. are considered to be the same as their fair values, due to current and short term nature of such balances.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

30 Capital management

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Company is based on management’s judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

31 Balances grouped under Non-Current and Current Liabilities and Non-Current and Current Assets in certain cases are subject to confirmation and reconciliation from respective parties. Impact of the same, if any, shall be accounted as and when determined. However, the same are not expected to be material.

32 The previous year’s figures have been reworked, regrouped, rearranged and reclassified wherever necessary.

33 Going Concern

The Net Worth of the Company is negative $ 23.84 million as at March 31, 2021. During the year, all the operation and maintenance service contracts of the Company with customers has been terminated and accordingly the Company has also substantially reduced its manpower strength. The Company is currently engaged into selling of inventory and realization of assets and cease trading in absence of any contracts for supply of goods and services. The realizable value of the assets is significantly lower compared to the outstanding trade and other payables. These factors indicate the existence of a material uncertainty that may cast doubt on the Company's ability to continue as a going concern. Accordingly, these financial statements have been prepared assuming the Company will not continue as a going concern and therefore the assets and liabilities of the Company are stated at values at which they are realizable and payable as per the estimates of the management. Also, since it is treated as non going concern, hence the liabilities are treated as current and the assets have also been considered accordingly.

34 Pending Law suits

Due to the ongoing financial challenges in the company, the company has defaulted on various trade payables and the company has been sued by a number of vendors during the year 2020-21. The lawsuit have been handled by the company and a forbearance agreement has been signed in most of such cases wherein the company has approached the vendors for accepting a monthly payment plan and for refraining from lawsuits for specific time period. Each case is handled by attorneys appointed by the company and the company is making all efforts to reduce the number of lawsuits by settling more and more of them.

Following is a list of lawsuits that were filed against SWECO in the year 2020-21. All of these cases have been handled so far.

Line Item	**Vendor**	**Amount owed**	**Category**
1	Maxim Crane Works	(400,688)	Crane
2	BRAGG CRANE SERVICE	(316,430)	Crane
3	WAGSTAFF CRANE SERVICES LLC	(314,591)	Crane
4	BORSHEIM BUILDERS SUPPLY INC	(265,803)	Crane
5	Northwest Crane Service, LLC	(255,385)	Crane
6	JENSEN CRANE SERVICES	(185,010)	Crane
7	MARSHALL WIND FARM, LLC	(129,997)	Damages
8	HITACHI CHEMICAL ENERGY TECHNOLOGY	(128,790)	Material
9	ALTURA WIND SERVICES LLC	(95,900)	Crane
10	RMS CRANES, LLC	(90,140)	Crane
11	Steiner Electric Company	(50,125)	Material
12	TP Chicago	(171,750)	Rental
13	Mobil Solid Solutions	(6,000)	Material
14	Harvest Wind Energy Services	150,970	Operations
	Total	**(2,259,639)**	

35 Revenue from contract with customer

The revenue from contracts with customers to the amounts disclosed as total revenue is as under

	31st March 2021	31st March 2020
Revenue from contract with customer	22,106,092	50,744,468
Revenue from other sources	1,291,915	276,612

The disaggregation of revenue from contracts with customers is as under

	31st March 2021	31st March 2020
Sale of finished goods/spare parts (At point in Time)	7,150,795	10,107,787
Service income (At point in Time)	14,955,296	40,636,681

Contract Liability	31st March 2021	31st March 2020
Advance received from customer	-	2,539,013

Contract liabilities in the balance sheet constitutes advance payments and billings in excess of revenue recognised, the company expects to recognise such revenue in the next financial year.

36 Financial risk management

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide support to its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

a. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and foreign currency risk. Financial instruments affected by market risk include loans and borrowings.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

ii) Foreign currency risk and sensitivity

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The Company's exposure to foreign currency risk as at the end of the reporting period expressed in million USD are as follows:

	31-Mar-21	
	Euro	**Others**
Financial assets		
Trade receivables	-	-
Total	**-**	**-**
Financial liabilities		
Borrowings	-	-
Trade payables	0.03	-
Total	**0.03**	**-**

Foreign currency sensitivity

The Company's currency exposures in respect of monetary items at March 31, 2021 and March 31, 2020 that result in net currency gains and losses in the income statement and equity arise principally from movement in US Dollar and Euro exchange rates and US Dollar and Canadian Dollar exchange rates**.**

The following tables demonstrate the sensitivity to a reasonably possible change in EURO and USD exchange rates, with all other variables held constant. The Company's exposure to foreign currency changes for all other currencies is not material.

	% Change in Currency	Effect on Profit Before Tax
March 31, 2021		(Million USD)
Euro	+5%	-
Euro	-5%	-
CAD	+5%	-
CAD		-
March 31, 2020		(Million USD)
Euro	+5%	-
Euro	-5%	-
CAD	+5%	-
CAD	-5%	-

b. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities (primarily loans). The Company consistently monitors the financial health of its customers and sales proceeds are being realised as per the milestone payment terms agreed to minimise the loss due to defaults or insolvency of the customer. Progressive liquidity management is being followed to de-risk the Company from any non-fulfilment of its liabilities to various creditors, statutory obligations, or any stakeholders.

i) Trade receivables

The Company's exposure to trade receivables is limited due to diversified customer base other than related entity. The Company consistently monitors progress under its contracts with customers and sales proceeds are being realised as per the milestone payment terms agreed to minimise the loss due to defaults or insolvency of the customer.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. Receivable from group companies assesing net off payable basis.

c. Liquidity risk

Liquidity risk refers to that risk where the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirement. In doing this, management considers both normal and stressed conditions. The Company manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring cash flow forecast and by matching the maturity profiles of financial assets and liabilities.

37 . STANDARDS ISSUED BUT NOT YET EFFECTIVE - No recent statndared issued / notified

38. Subsequent Event

None

39. Covid -19 Impact -

The company being service provider of one of the "Essential Services – Repair, Maintenance and operation of wind turbine" was able to operate under normal course of business during the period of Lockdown at the location of operation with minimal impact and the scale of operation was usual with respect to the OMS contract upto the date of adoption of financial statement. The company was also able to get required services from its vendors, employees etc. as per normal course of business except for certain disruptions which are not material to the conduct of the operations. The company has analysed various factors related to impact of COVID 19 on its financial reporting and is of the view that COVID 19 is not adversely impacting the financial reporting/operation of the Company.

For T R Chadha & Co LLP
Chartered Accountants
Firm Reg.No.006711N/N500028

VIKAS KUMAR

Vikas Kumar
Partner
Membership No.75363
Mumbai
Dated :

For Suzlon Wind Energy Corporation

Tejjas Parmar

Tejjas Parmar
Intl CEO

Place: Chicago, USA
Date: 8th June, 2021