

Standalone Financial report 2018/2019

AE-Rotor Holding B.V.

Amsterdam



06 MEI 2019

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6 May 2019

AE Rotor Holding B.V.
Standalone Financial statements for the year ended 31 March 2019

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Annual report of the directors



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Annual report of the directors

The directors present their report together with the audited financial statements of the Company for the year ended 31 March 2019.

Principal activity

AE-Rotor Holding B.V.'s principal activities are asset management and provision of capital. AERH and Its subsidiaries / investments are engaged in the design, development, import, export and trade in wind turbine generators ('WTG') and parts and fittings.

Members of the Board of Directors

The directors who served during the year are as below.

Mr. Tulsi R. Tanti

Mr. Frans H.J. Visscher

Financial performance and review of the business

There is NIL revenue during the year under audit as well as in the previous year. The Company earned interest and similar income of EUR 3.365.135 during the year as compared to EUR 3.605.464 in previous year. This decrease was primarily due to decrease in interest-bearing Loans & advances. The Company incurred interest and similar expenses of EUR 30.950.025 during the year as compared to EUR 31.293.734 in previous year. The Company has made a net provisions of EUR 5.079.074 on receivables from Suzlon Wind Energy Uruguay SA, Suzlon Wind Energy South Africa (Pty) Limited, SE Drive Technik GmbH, Suzlon Energy Portugal Energia Eo Un Lda, Suzlon Wind Energy Nicaragua, Suzlon Wind Energy Limited and Suzlon Wind Energy Corporation, SE Balde Technology B.V.. During the year the company face unfavorable change in foreign exchange rate results in exchange loss of EUR 47.361.375 (in 2018 exchange gain of EUR 78.699.343). As a result, the net loss for the year is EUR 81.457.266 as compared to loss of EUR 52.292.886 in previous year.

Shareholder equity as at 31 March 2019 amounts to negative EUR 552.564.530 as compared to negative EUR 475.294.774 as at 31 March 2018. The movement of EUR 77.269.756 is explained by the negative result for the year of EUR 81.457.266. Further, there was an equity infusion made by Suzlon Energy Limited ("the ultimate parent company") of EUR 4.187.520 during the year. The Company has total liabilities of EUR 607.248.051 as compared to EUR 548.438.288 as at 31 March 2018. The total shareholder equity and liability of the Company is EUR 54.683.521 as compared to EUR 73.143.511 as at 31 March 2018 which is mainly utilized towards investments and loans to subsidiaries and group companies.

Solvency and liquidity

The Company's current ratio is 76% (31 March 2018 –51%) and debt to equity ratio is negative 110% (31 March 2018 – negative 117%).



Principal risks and uncertainties

The Company aims to deliver sustainable value by identifying and responding successfully to risks. Risk management is integrated into the process of planning and performance management. Monitoring and accountability for the management of these risks occur through performance reviews and the Company focus to control and minimize the risks by adopting risk management and mitigation strategy and review of internal and external environment.

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The Company is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due. The most important components of financial risk are liquidity risk, foreign exchange risk, interest rate risk and cash flow risk which are relevant to the Company due to the nature of the Company's business and the assets and liabilities contained within the Company's balance sheet.

Outlook 2020

The Company expects to hold all the current participations in group companies during FY 2020.

Going concern

The Company recognized a net loss of EUR 81.457.266 (2018 – Profit of EUR 52.292.887) in financial year 2019.

In 2018, the company has redeemed covered bonds with the carrying amount of USD 52.00 million (EUR 41,76 million on 19 January 2018) and USD 4.60 million (EUR 3,76 million on 12 March 2018). On 28 March, 2018, the Company has extended the credit facility by way of refinancing of the outstanding amount of USD 569,40 million (EUR 459,28 million) till 28 February, 2023.

The Company and its subsidiaries shall continue to engage into the business of procurement and sale of WTG's. Management believes that the Company shall service the existing debt from its business operations for foreseeable future. Management also believes that its immediate parent company will be able to arrange and provide the necessary financial support required by the Company. Given these circumstances, the management believes that these financial statements can be prepared under the going concern assumption.

Personnel

The Company does not employ any personnel, but only one Whole-time Director Mr. Frans J Visscher.

Directors' responsibility in respect of the financial statements

The directors are responsible for preparation and true and fair presentation of the financial statements in accordance with applicable law and regulations.

The directors confirm to the best of their knowledge and belief that:

- In preparation of the financial statements, the suitable accounting policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as at 31 March 2019 and of the income statement of the Company for the year ended on that date.
- Proper and sufficient care had been taken for the maintenance of adequate accounting records.

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adviseurs accountants

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Composition of the board of directors

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As of 1 January 2013 the Act on Management and Supervision ('Wet Bestuur en Toezicht') came into effect. With this Act, statutory provisions were introduced to ensure a balanced representation of men and women in management boards and supervisory boards of companies governed by this Act. Balanced representation of men and women is deemed to exist if at least 30% of the seats are filled by men and at least 30% are filled by women.

AE Rotor Holding B.V. has currently no seats taken by women. Since AE-Rotor Holding B.V. does not comply with the law in this respect, it has looked into the reasons for non-compliance. The Management Board recognizes the benefits of diversity, including gender balance. However, the Management Board feels that gender is only one part of diversity. Management Board members will continue to be selected on the basis of wide ranging experience, backgrounds, skills, knowledge and insights.

Financial instruments

General

The information included in the notes for financial instruments is useful in estimating the extent of risks relating to both on-balance sheet and off-balance sheet financial instruments.

The Company's primary financial instruments, not being derivatives, serve to finance the Company's operating activities or directly arise from these activities. The Company does not enter into transactions in derivatives, particularly foreign currency and interest rate swaps, to hedge foreign exchange and interest rate risks arising from the Company's operating and financing activities. The Company's policy is not to trade in financial instruments.

The principal risks arising from the Company's financial instruments are credit risks, liquidity risks, cash flow risks and price risks, which comprise foreign exchange, interest rate and market risks.

The Company's policy to mitigate these risks is set out below:

Foreign exchange risk

The Company is influenced by transactions in foreign currencies. The Company does not enter into any forward currency contracts. As at 31 March 2019, the Company has a credit facility of USD 569,400,000 from State Bank of India, London Branch and Export-Import Bank of India, London Branch. The foreign currency exchange risk on this Loan has not been hedged, due to extreme volatility in foreign exchange rates.

Interest rate risk

As the Company's loans receivables bear floating rates of interest, the Company runs the risk that loans receivables will decrease or increase in value respectively due to changing market rates of interest. The Company does not hedge this risk. However, such risk is expected to get reduced to a significant extent in view of the loan payables which are also bearing floating rates of interest.

Credit risk/liquidity risk

The Company has certain credit risk with respect to the long term loan and receivables from few of its subsidiaries. The Company has liability towards repayment of the Term Loan. The Company expects to get the proceeds from its assets and support from parent.

Risk of pledges

The shares of the Company are subject to a non-disposal undertaking and shares of its immediate holding companies have been pledged to secure loans of the company (since repaid) and the ultimate parent company and its identified Indian subsidiaries ("the Parent Company Group" or "Suzlon The Group").

Fair value

The fair value of the financial instruments approximates the book value. The Company has no open (trade) positions that could be considered a financial instrument. The Company does not apply hedge accounting.

By order of the Board

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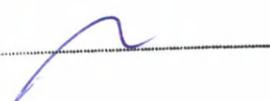
Directors

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T.R. Tanti

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F.H.J. Visscher



Date: 6 May 2019

Financial Statements



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AE Rotor Holding B.V.

Balance Sheet as at 31 March 2019

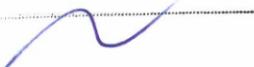
All amounts in EUR unless otherwise stated

Particulars	Note	31 March 2019	31 March 2018
Assets			
Non-current assets			
Participations in group companies	5	18.000	36.000
Receivable from group companies	6	28.012.563	58.735.179
		28.030.563	58.771.179
Current assets			
Receivables from group companies	7	24.223.413	10.777.551
Receivables from shareholder	8	1.039.200	1.192.276
Taxes and social security contribution	9	1.811	121.073
Other debtors, prepayments and accrued income	10	1.231.259	1.532.952
		26.495.683	13.623.852
Cash and cash equivalents	11	157.275	748.480
Total Assets		<u>54.683.521</u>	<u>73.143.511</u>



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Particulars	Note	31 March 2019	31 March 2018
Equity and Liabilities			
Equity			
Issued and paid-up share capital	12	687.237.120	683.049.610
Share premium	13	387.707.811	387.707.811
Other reserves	14	(1.627.509.461)	(1.546.052.195)
		(552.564.530)	(475.294.774)
Non-Current liabilities			
Non-Current loan	15	572.199.373	520.251.859
Current liabilities			
Trade creditors	16	96.895	51.711
Payables to group companies	17	527.010	444.720
Payables to shareholder	18	34.039.470	27.397.522
Other liabilities, accruals and deferred income	19	385.303	292.473
		35.048.678	28.186.426
		54.683.521	73.143.511



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AE Rotor Holding B.V.

Income Statement for the year ended 31 March 2019

All amounts in EUR unless otherwise stated

Particulars	Note	31 March 2019	31 March 2018
Salaries and wages	20	717.292	872.427
Other operating expenses	21	<u>714.635</u>	383.551
Total operating expenses		1.431.927	1.255.978
Operating profit/(loss)		(1.431.927)	(1.255.978)
Interest and similar income	22	(43.996.240)	82.304.807
Interest and similar expenses	23	<u>30.950.025</u>	<u>31.293.734</u>
Result from ordinary activities before taxation		(76.378.192)	49.755.094
Income from / (impairment on) receivables and participations in group and affiliated companies	24	(5.079.074)	2.537.791
Profit/(loss) after taxation		<u>(81.457.266)</u>	<u>52.292.885</u>



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Notes to the Balance Sheet and Income Statement

All amounts are in EUROS unless stated otherwise

1. Notes to the accounts

1.1 Activities

AE-Rotor Holding B.V.'s principal activities are asset management and provision of capital. AERH and its subsidiaries / investments are engaged in the design, development, import, export and trade in wind turbine generators ('WTG') and parts and fittings.

1.2 Registered office

The Company has its registered office at Jan Tinbergenstraat 290, 7559 ST, Hengelo. The Company, registered under KvK number 08097459, has its statutory seat in Amsterdam. The ultimate parent company is Suzlon Energy Limited, situated at Pune, India.

1.3 Group structure

Suzlon Energy B.V., SE Blade Technology B.V., Valum Holding B.V., SE Drive Technik GmbH, and AE-Rotor Holding B.V. constitute a group. The head of this group is AE-Rotor Holding B.V.

1.4 Related parties

All group companies mentioned in Note 1.3 above and the affiliates / group companies mentioned in Notes below are considered to be related parties. The direct parent company Suzlon Wind Energy Limited, UK, intermediate parent company Suzlon Energy Limited, Mauritius and ultimate parent company Suzlon Energy Limited, India also qualify as related parties.

1.5 Estimates

The preparation of financial statements in conformity with the relevant rules requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the group's accounting policies. If necessary for the purposes of providing the view required under Section 362(1), Book 2, of the Netherlands Civil Code, the nature of these estimates and judgments, including the related assumptions, is disclosed in the notes to the financial statement items in question. Key estimates include those required in the accounting for valuation / impairment of participations and intercompany receivables and intangible assets. Actual results could differ from those estimates.

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1.6 Going concern

The Company recognized a net loss of EUR 81.457.266 (2018 – profit of EUR 52.292.886) in financial year 2019.

In 2018, the company has redeemed Covered bonds with the carrying amount of USD 52.00 million (EUR 41,76 million on 19 January 2018) and USD 4.60 million (EUR 3,76 million on 12 March 2018). On 28 March, 2018, the Company has extended the credit facility by way of refinancing of the outstanding amount of USD 569,40 million (EUR 459,28 million) till 28 February, 2023. The credit facility is secured by SBLC from SBI India. Suzlon Energy Limited and certain specified Indian few of its subsidiaries are obligors under the Onshore SBLC Facility Agreement and have provided security under the Offshore SBLC Facility Agreement, both of which SBLC facilities provide support to the in connection to SBLC issued by SBI India which secures for the loan credit facility availed by the Company.

The Company and its subsidiaries shall continue to engage into the business of procurement and sale of WTG's. Management believes that the Company shall service the existing debt from its business operations for foreseeable future. Management also believes that its immediate parent company will be able to arrange and provide the necessary financial support required by the Company. Given these circumstances, the management believes that these financial statements can be prepared under the going concern assumption.

1.7 Cash flow statement

In conformity with the exemption provisions of the Guidelines for Annual Reporting in the Netherlands (RJ360-104), a cash flow statement is not presented. Accordingly, the consolidated accounts of Suzlon Energy Limited, in which AE-Rotor Holding B.V. is consolidated, are filed at the Chamber of Commerce.

2. Accounting policies for the balance sheet

2.1 General

The financial statements have been prepared in accordance with the statutory provisions of Part 9, Book 2, of the Netherlands Civil Code and the firm pronouncements in the Guidelines for Annual Reporting in the Netherlands as issued by the Dutch Accounting Standards Board.

2.2 Changes in accounting policies

The accounting policies are consistent with those used in the previous year.

2.3 Comparative figures

The previous year figures have been reclassified wherever necessary to confirm with the classification in the financial statement for the year ended 31 March 2019.

2.4 Foreign currencies

2.4.1 Transactions, assets and liabilities



The financial statements are prepared in EUROS, the functional currency of the Company.

Transactions denominated in foreign currencies are initially carried at the functional exchange rates ruling at end of the month. Monetary balance sheet items denominated in foreign currencies are translated at the functional exchange rates ruling at the balance sheet date. Non-monetary balance sheet items that are measured at historical cost in a foreign currency are translated at the functional exchange rates ruling at the date of transaction. Marked for identification purposes only.

Exchange differences arising on the settlement or translation of monetary items denominated in foreign currencies are taken to the income statement.

The functional and presentation currency of the company and the foreign activities have not changed compared with the previous financial year.

2.5 Intangible assets

An intangible asset is recognized in the balance sheet if:

- It is probable that the future economic benefits that are attributable to the asset will accrue to the company,
And
- The cost of the asset can be reliably measured

Costs relating to intangible assets not meeting the criteria for capitalization are taken directly to the income statement.

Intangible assets are carried at the lower of cost of acquisition or production net of accumulated amortization and their recoverable amount (being the higher of value in use and fair value less costs to sell).

2.6 Financial assets

2.6.1 Investments

Due to the international structure of the group, participations are recognized at cost. If an asset qualifies as impaired, it is measured at its impaired value; any write offs are disclosed in the income statement. The impaired value (recoverable amount) is determined on the basis of, amongst others, the net equity as per financial statements of the participating interests and their long-term forecasts. In case the impairment is no longer considered to be present, it is being reversed (up to the original amount of acquisition).

2.6.2 Receivable due from group companies/affiliated companies

Receivables are stated initially at fair value and subsequently at amortized cost based on the effective interest method less provisions considered necessary for doubtful receivables. Insofar the difference between the discounted and nominal value is not material, trade and other receivables are stated at cost.

If the receivable to subsidiaries is considered to be part of the net-investment, valuation is at cost or lower recoverable value. Reference is made to note 2.6.1.

2.7 Impairment of non-current assets

At each balance sheet date, the Company tests whether there are any indications of assets being subject to impairment. If any such indications exist, the recoverable amount of the asset is determined. If this proves to be impossible, the recoverable amount of the cash generating unit to which the asset belongs is identified. An asset is subject to impairment if its carrying amount exceeds its recoverable amount; the recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Fair value less costs to sell is determined based on the active market. For the purposes of determining value in use, cash flows are discounted. An impairment loss is directly expensed in the income statement.

If it is established that a previously recognized impairment loss no longer exists or has declined, the increased carrying amount of the assets in question is not set any higher than the carrying amount that would have been determined had no asset impairment been recognized.

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. If any such evidence exists, the impairment loss is determined and recognized in the income statement.

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The amount of an impairment loss incurred on financial assets stated at amortized cost is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss shall be reversed. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortized cost would have been had the impairment not been recognized at the date the impairment is reversed. The amount of the reversal shall be recognized in income statement.

If an impairment loss has been incurred on an investment in an equity instrument carried at cost, the amount of the impairment loss is measured as the difference between the carrying amount of the financial assets and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. The impairment loss shall be reversed only if the evidence of impairment is objectively shown to have been removed.

2.8 Receivables

Receivables are stated initially at fair value and subsequently at amortized cost based on the effective interest method less provisions considered necessary for doubtful receivables. Insofar the difference between the discounted and nominal value is not material, trade and other receivables are stated at cost.

2.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances and deposits held at call with maturities of less than 3 months. Bank overdrafts are shown in current liabilities on the balance sheet. Cash and cash equivalents are stated at face value. All cash and cash equivalents are at free disposal of management.

2.10 Non-current liabilities

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost, being the amount received taking account of any premium or discount, less transaction costs.

2.11 Taxes

A deferred tax liability is recognized for all taxable temporary differences. A deferred tax asset is recognized for all deductible temporary differences and carry-forward losses, to the extent that it is probable that future taxable profit will be available for set-off.

Deferred tax liabilities and deferred tax assets are carried on the basis of the tax consequences of the realization or settlement of assets, provisions, liabilities or accruals and deferred income as planned by the group at the balance sheet date. Deferred tax liabilities and deferred tax assets are carried at non-discounted value.

Deferred and other tax assets and liabilities are netted off if the general conditions for netting off are met.

Taxes are calculated on the result disclosed in the income statement, taking account of tax-exempt items and partly or completely non-deductible expenses.

The Company is the fiscal parent of the fiscal unity for Dutch corporate income tax purposes (AE Rotor Holding B.V., SE Blades Technology B.V. and Valum Holding B.V. are included in the fiscal unity). The tax position of the fiscal unity has been appropriately split per unity member. The Company is responsible for the remittance of all tax payments to the tax authorities and is jointly and severally liable.

③ **Ruitenberg**
adviseurs accountants
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3. Accounting policies for the income statement

3.1 Result

Profit is determined as the balance of the realizable value of the products sold, services rendered and the costs and other charges for the year. Profits on transactions are recognized in the year in which they are realized; losses are taken as soon as they are foreseeable.

3.2 Revenue recognition

3.2.1 Dividend

Dividends are recognized in the income statement if the group is entitled to them and the dividends are probable to be received.

3.2.2 Interest

Interest income is recognized pro rata in the income statement, taking into account the effective interest rate for the asset concerned, provided the income can be measured and the income is probable to be received.

3.3 Expenses

Expenses are determined with due observance of the aforementioned accounting policies and allocated to the financial year to which they relate. Foreseeable and other obligations as well as potential losses arising before the financial year-end are recognized if they are known before the financial statements are prepared, provided all other conditions for forming provisions are met.

3.4 Interest expense

Interest is allocated to successive financial reporting periods in proportion to the outstanding principal. Premiums and discounts are treated as annual interest charges so that the effective interest rate, together with the interest payable on the loan, is recognized in the income statement, with the amortized cost of the liabilities being recognized in the balance sheet. Period interest charges and similar charges are recognized in the year in which they fall due.



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4 Financial assets

The company's direct interests in group companies comprise the following :

Name, registered office	Share in issued capital as percentage	
	31 March 2019	31 March 2018
SE Blade Technology B.V., the Netherlands	100,00	100,00
Suzlon Energy B.V., the Netherlands	100,00	100,00
Valum Holding B.V., the Netherlands	100,00	100,00
SE Drive Technik GmbH., Germany	100,00	100,00

5 Participations in group companies

	31 March 2019	31 March 2018
SE Blade Technology B.V. (1.800 (1.800) equity shares of Euro 10 each)	18.000	18.000
Provision on participation SE Blade Technology B.V.	(18.000)	-
Suzlon Energy B.V. (540.000 (540.000) equity shares of Euro 10 each)	172.000.095	172.000.095
Provision on participation Suzlon Energy B.V.	(172.000.095)	(172.000.095)
SE Drive Technik GmbH (25.000 (25.000) equity shares of Euro 1 each)	585.834.451	585.834.451
Provision on participation SE Drive Technik GmbH	(585.834.451)	(585.834.451)
Valum Holding B.V. (1.800 (1.800) equity shares of Euro 10 each)	18.000	18.000
	18.000	36.000

Pursuant to the approval of Corporate Debt Restructuring proposal by CDR Empowered Group, the lenders approved the restructuring of their outstanding facilities and the Standby Letter of Credit (SBLC) facilities to the Suzlon Group (which consist as of now the ultimate parent company and its 8 identified Indian subsidiaries). Both the restructuring facilities and SBLC facilities were implemented by executing definitive Master Restructuring Agreement and SBLC Agreement respectively. Further the ultimate parent holding and/or Suzlon Group had also availed specific working capital facilities to meet its business requirements during the year. The Restructuring facilities, SBLC facilities and specific working capital facilities hereinafter referred to as "facilities" are required to be secured by way of pledge of shares of the Company and its subsidiaries.



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6 Receivable from group companies - Non current

	31 March 2019	31 March 2018
Suzlon Wind Energy South Africa*	29.152.203	28.539.670
Provision for Suzlon Wind Energy South-Africa (Pty) Limited	(29.152.203)	(28.539.670)
Suzlon Wind Energy Uruguay	-	570.985
Provision for Suzlon Wind Energy Uruguay	-	(570.985)
Suzlon Energy Tianjin Ltd, China	6.245.273	6.038.040
Provision for Suzlon Energy Tianjin Ltd, China	(6.245.273)	(6.038.040)
Royalty Suzlon Rotor Corporation, USA	2.030.227	1.839.360
Provision on Royalty Suzlon Rotor Corporation, USA	(2.030.227)	(1.839.360)
Receivable Suzlon Rotor Corporation, USA	3.905.421	3.538.260
Provision on receivable from Suzlon Rotor Corporation, USA	(3.905.421)	(3.538.260)
Suzlon Energy Portugal Energia Eo Un Lda	-	11.589
Provision for Suzlon Energy Portugal Energia Eo Un Lda	-	(11.589)
Suzlon Wind Energy Nicaragua	17.740	9.732
Provision for Suzlon Wind Energy Nicaragua	(17.740)	(9.732)
Suzlon Energy A/S, Denmark**	11.716.970	13.476.644
Suzlon Energy B.V.***	100.538	926.011
Suzlon Wind Energy Corporation****	30.923.081	31.270.300
Provision for Suzlon Wind Energy Corporation, USA	(14.728.026)	(6.537.704)
SE Drive Technik GmbH	-	166.567.368
Provision on receivables from SE Drive Technik GmbH	-	(146.967.440)
	28.012.563	58.735.179

- * The interest is charged at a floating rate of 1 year EUR LIBOR + 3% p.a. on a 360-day year base on daily basis.
- ** The interest is charged at a floating rate of 6 months EURIBOR + 1% p.a. on monthly average balance being 6 months EURIBOR adjusted twice during the year.
- *** The interest is charged at a floating rate of 3 months EURIBOR + 3% p.a. on the beginning of the quarter for the opening balance & further transactions during the quarter.
- **** The interest is charged at a fixed rate of 4% p.a. on a 365-day year base on daily basis.

7 Receivables from group companies – Current



	31 March 2019	31 March 2018
SE Blade Technology B.V.*	1.039.500	7.216.069
Provision on receivables from SE Blade Technology B.V.	(88.641)	-
Suzlon Energy Limited	Marked for identification purposes only 8.558	2.161
Tarilo Holding B.V.**	8.178.445	3.464.150
Suzlon Energy Australia	Paraaf	67.813
Suzlon Wind Enerji, Turkey	24.760	16.376
Suzlon Wind Energy Romania	11.504	6.336
Suzlon Wind Energy Equipment Trading Co. Ltd.	8.588	4.646
Suzlon Rotor Corporation, USA	696.661	-
SE Drive Technik GmbH***	158.098.206	-
Provision on receivables from SE Drive Technik GmbH	(143.752.178)	-
	24.223.413	10.777.551

- * The amount is inclusive of interest calculated at a fixed rate of 6,5% on a daily basis.

** The interest is charged at a floating rate of 3 months EURIBOR + 3% p.a. on the beginning of the quarter for the opening balance & further transactions during the quarter.

*** The interest is charged at a fixed rate of 0,5% p.a. on a daily basis.

8 Receivable from Shareholder

	31 March 2019	31 March 2018
Suzlon Energy Limited, India	1.039.200	1.126.806
Suzlon Wind Energy Limited, UK	144.753	134.068
Provision on receivables from Suzlon Wind Energy Limited, UK	(144.753)	(134.068)
Suzlon Energy Limited, Mauritius	-	65.470
	1.039.200	1.192.276

9 Taxes and social security contributions

	31 March 2019	31 March 2018
Corporate income tax	-	37.607
VAT Input credit	1.811	-
Advance Tax	-	83.466
	1.811	121.073

10 Other debtors, prepayments and accrued income

	31 March 2019	31 March 2018
Royalty Suzlon Energy Tianjin Ltd, China	1.162.750	1.162.750
Provision for Royalty Suzlon Energy Tianjin Ltd, China	(1.162.750)	(1.162.750)
Prepaid expenses	1.205.560	1.507.005
Advance for Expenses	-	248
Other Debtors	25.699	25.699
	1.231.259	1.532.952

11 Cash and cash equivalents

	31 March 2019	31 March 2018
Rabobank	157.275	695.040
State Bank of India		53.431
Bank of India	157.275	9
	157.275	748.480

12 Issued and paid-up share capital

The authorised share capital of AE-Rotor Holding B.V. is EUR 1.200.000.000 divided into 120.000.000 ordinary shares of EUR 10 each. During the year, the Company has issued 4.187.520 ordinary shares of EUR 10 each amounting to EUR 4.187.520 to Suzlon Energy Limited on 5 March 2019. Post which, the Issued share capital comprises of 68.723.712 ordinary shares (31 March 2018 - 68.304.960) of EUR 10 each.

There is a negative lien in favour of the "Offshore Security Trustee" by Suzlon Energy Limited, Mauritius for all the shares held by it in Suzlon Wind Energy Limited, United Kingdom ("SWEL"), the direct parent company of AE Rotor Holding B.V., and by SWEL & SEL for all the shares held by them in AE Rotor Holding B.V.

Whereas "Offshore Security Trustee" means, the security trustee acting inter alia for and on behalf of the CDR Lenders in relation to the Security over the offshore assets pursuant to the Security Documents.

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13 Share premium

	31 March 2019	31 March 2018
Balance as at 1 April	387.707.811	387.707.811
Addition/(Reduction) during the year	-	-
Closing balance	387.707.811	387.707.811

14 Other reserves

	31 March 2019	31 March 2018
Balance as at 1 April	(1.546.052.195)	(1.604.516.914)
Results after taxation	(81.457.266)	52.292.886
Movements to the legal reserve	(1.627.509.461)	(1.552.224.028)
Closing balance	(1.627.509.461)	(1.546.052.195)

Non-current liabilities

	Balance as at 31 March 2019	Repayment obligation in 1 year	Remaining term > 1 year	Remaining term > 5 year
Non-current loan	572.199.373	-	572.199.373	-
	572.199.373		572.199.373	
	Balance as at 31 March 2018	Repayment obligation in 1 year	Remaining term > 1 year	Remaining term > 5 year
Non-current loan	520.251.859	-	520.251.859	-
	520.251.859		520.251.859	

15 Non-Current Loan

Ruitenburg
31 March 2019 accountant 31 March 2018

Term Loan*	505.136.951	456.985.423
Suzlon Energy Limited, India**	67.062.422	63.266.436
	572.199.373	520.251.859

= Market to identification purpose only

* The Company has extended the credit facility by way of refinancing the outstanding amount of USD 569,40 million till 28 February 2023.

** The interest is calculated monthly at a fixed rate of 6% p.a. from the date of disbursement of loan based on an average value using month's opening and closing balance.

On 31 March 2017, the Company and Suzlon Energy Limited, India ("SEL"), entered into an amended Supplementary Loan Agreement. As per this Loan Agreement, SEL will not raise any demand on the Company to make any repayment of Principal and/or Interest against the loan provided until 31 March 2020.

The fair value of above loans is approximately the book value.

Current liabilities

All current liabilities fall due in less than one year. The fair value of the current liabilities approximates the book value due to its short term character.

* The interest is calculated on 360 days year base at the rate 1 year USD LIBOR + 300 basis points per year.

16 Trade creditors

	31 March 2019	31 March 2018
Trade creditors	96.895	51.711
	96.895	51.714

17 Payables to group companies

	31 March 2019	31 March 2018
Valum Holding B.V.	187.948	184.847
Payable to Suzlon Energy B.V.	81.735	259.873
Suzlon Wind Energy Uruguay SA*	257.327	0
	527.010	444.720

18 Payables to shareholder

	31 March 2019	31 March 2018
Payable to Suzlon Energy Limited	34.039.470	27.397.522
	34.039.470	27.397.522

19 Other liabilities, accruals and deferred income

	31 March 2019	31 March 2018
Interest accrued but not due on TL	168.919	149.265
Other liabilities	216.384	143.208
	385.303	292.473

* Interest amount outstanding on year-end is added to the principal loan amount on the last day of the financial year.



20 Salaries and wages

	31 March 2019	31 March 2018
Salaries and wages	524.799	561.588
Social Security premiums	20.194	19.778
Pension charges	172.799	171.061
	717.292	872.427

21 Other operating expenses

	31 March 2019	31 March 2018
General expenses	508.680	127.624
Rates & Taxes	8.531	68.277
Travelling expenses	197.424	236.615
Excess provisions written off	-	(48.965)
	714.635	383.551

21(1) General expenses

	31 March 2019	31 March 2018
Audit costs	99.225	46.000
Consultancy fees	297.071	177.882
Miscellaneous general expenses	5.813	24.826
Balance written off/(written back)	106.571	(153.454)
Business promotion expenses	-	32.370
	508.680	127.624

22 Interest and similar income

	31 March 2019	31 March 2018
Interest SE Drive Technik GmbH	824.907	855.463
Exchange differences	(47.361.375)	78.699.343
Interest Suzlon Energy B.V.	15.095	127.170
Interest Suzlon Blade Technology B.V.	312.755	529.324
Interest Suzlon Wind Energy Corporation	1.242.598	1.191.564
Interest Suzlon Energy A/S	52.624	61.756
Interest Tarilo Holding B.V.	129.887	56.388
Interest Suzlon Wind Energy South-Africa (Pty) Limited	709.919	771.173
Interest Receivable from Uruguay	73.868	-
Dividend	-	7.400
Interest from Bank	3.482	5.226
	(43.996.240)	82.304.807

23 Interest and similar expenses

	31 March 2019	31 March 2018
Interest loan Suzlon Energy Limited, India	3.795.986	3.571.905
Interest Valum Holding B.V.	5.001	6.762
Interest Suzlon Wind Energy Uruguay SA	4.390	-
Interest and other expenses on Bonds & Term Loan	27.140.351	27.461.418
Bank charges	4.297	253.649
	30.950.025	31.293.734



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24 Income from / impairment on receivables and participations in group and affiliated companies	31 March 2019	31 March 2018
Reversal of / (Provision) on receivables from Suzlon Rotor Corporation, USA	-	862.710
Reversal of / (Provision) on receivables from Suzlon Energy Tianjian Ltd, China	-	362.658
Reversal of / (Provision) on receivable from Suzlon Wind Energy Uruguay SA	611.122	148.840
Reversal of / (Provision) on receivables from Suzlon Wind Energy South Africa (Pty) Limited	(602.506)	(6.165.425)
Reversal / (Provision) of receivables from SE Drive Technik GmbH	3.215.261	12.372.478
Reversal of / (Provision) on receivable Suzlon Energy Portugal Energia Eo Un Lda	12.079	(5.321)
Reversal of / (Provision) on receivable Suzlon Wind Energy Nicargua	(7.590)	(4.029)
Provision on receivables from Suzlon Wind Energy Limited, UK	(10.477)	(134.068)
Provision on receivables from Suzlon Wind Energy Corporation, USA	(8.190.322)	(6.537.704)
Reversal of / (Provision) on receivable SE Blade Technology BV	(88.641)	-
Reversal of / (Provision) on Participation of SE Blade Technology BV	(18.000)	-
Gain on sale of Suzlon Wind Energy (Lanka) Pvt. Ltd.	-	1.678.320
Bad debts written off of Suzlon Energia Eolica do Brasil Ltda.*	-	(40.668)
	(5.079.074)	2.537.791

* sold in 2018

** under liquidation

25 Average number of employees

During the year 2018/19, the average number of employees as calculated on a full-time equivalent basis was 1 (2017/18: 1), i.e., Whole-time Director.



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26 Director's Remuneration

The Company paid remuneration to Director of EUR 717.292 (2018 - EUR 872.427).

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27 Income Tax expense

The Income Tax Payable for the year is NIL (2017/18 - NIL).

No corporate income benefit has been accounted for as future taxable profits are uncertain.

The Company has unutilized carry forward losses of approximately Euro 158.313.704 as on the balance sheet date.

Losses for the financial year 2009-10 amounting to Euro 15.267.961 have lapsed at the end of financial year 2018-19, hence have not been considered in unutilized tax losses as on balance sheet date

The company has incurred losses in the period and has carried forward losses from previous periods. It is not clear that the company can substantiate a future claim to use these losses and no deferred tax asset has been booked as a result. Also the tax returns of the company are currently under routine audit by the tax authorities and there may be a possibility of difference of opinion between the position of the company and of the tax authorities. Given the uncertainty of any outcome, no provision has been recognized nor does the company recognizes the need to disclose a contingent liability in this respect.

Based on Dutch law the Company (head) is jointly and severally liable for income taxes payable by the fiscal unity.

28 Contingent Liabilities

	March 31, 2019	March 31, 2018
Claims against the Company not acknowledged as debts*	25.000.000	25.000.000
	25.000.000	25.000.000

- * The Company has given certain indemnities to the buyer of shares of its certain subsidiaries, whereby the company has obligations for payment of dues and rights to receive dues depending upon the outcome of matters stipulated in the agreement. The Company has considered the maximum amount of claims forming part of the indemnities as contingent liability and disclosed the same under Claims against the Company not acknowledged as debt. The Company has also rights to receive certain dues which are in the nature of contingent assets.

29 Commitments

Refer to note 5 and note 12 with respect to the pledges, note 2.11 and note 27 with respect to taxes and note 15 with respect to long term loans. Further, the Company (head) forms together with SE Blade Technology B.V. and Suzlon Energy B.V. a fiscal unity for VAT. The Company is jointly and severally liable as a member of the fiscal unity.

30 Related party transactions

Transactions take place between the Company and other subsidiaries of the Suzlon Group. These transactions are conducted in the ordinary course of business at an arm's length basis and are subject to commercial agreements. The main transactions with related parties relate to SBLC commission paid by Suzlon Energy Limited, India to various Banks on behalf the Company.

31 Audit Fees

The total audit fee in respect to the procedures applied to the Company by Ruitenburg adviseurs and accountants the Netherlands, the external auditor as referred to in Section 1(1) of the Dutch Accounting Firms Oversight Act (Dutch acronym: Wta) amounts to Euro 15.375 plus VAT (2018 - Euro 15.000 plus VAT).

32 Financial Risks

Foreign exchange risk

The Company is influenced by transactions in foreign currencies. The Company does not enter into any forward currency contracts. Sometimes it enters into intercompany swap deal agreement to hedge the foreign exchange risk. As at 31 March 2019, the Company has an outstanding Term Loan of ~~USD 159.49 million~~ ~~10 M€I 2019~~. The foreign currency exchange risk on this facility has not been hedged.



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Interest rate risk

As the Company's long-term receivables and loans bear floating rates of interest, the company runs the risk that receivables and loans will decrease or increase in value respectively due to changing market rates of interest. The company does not hedge this risk by entering into interest rate swap contracts to cover expected significant increases or decreases in market interest rates.

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Credit risk/liquidity risk

The Company is primarily involved with transactions with related parties. The Company has liability towards repayment of the Term Loan. It expects to get the proceeds from its assets and support from parent. The Company also has a significant concentration of credit risk with respect to the long term loan receivable due from SE Drive Technik GmbH, Suzlon Wind Energy Corporation and Suzlon Wind Energy South Africa.

33 Proposed appropriation of the net result for the year 2019

The proposal to the General Meeting of Shareholders for the appropriation of the net result for the year 2019, being a loss of EUR 81.457.266, is to subtract this amount from the retained earnings.

34 Subsequent events

There have been no material events after the balance sheet date.



Amsterdam, 6 May 2019

AE-Rotor Holding B.V.

Director

A handwritten signature in black ink, which appears to be 'F.H.J. Visscher', positioned above a horizontal line.

(F.H.J. Visscher)

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A handwritten signature in blue ink, which appears to be 'Paraaf', positioned above a horizontal line.

Other information

Provisions regarding the appropriation of result

The Articles of Association state the following concerning the appropriation of the net result:

Article 20. Profits and Distributions:

The authority to decide over the allocation of profits determined by the adoption of the annual accounts and to make distributions is vested in the General Meeting, with due observance of the limitations prescribed by law.



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A handwritten signature in blue ink, appearing to be a stylized 'P', is written over a horizontal dotted line.

Independent auditor's report

To: the shareholders of AE-Rotor Holding B.V.

Report on the financial statements for the year ended March 31, 2019

Our opinion

In our opinion the financial statements give a true and fair view of the financial position of AE-Rotor Holding B.V. as at March 31, 2019 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code

What we have audited

We have audited the accompanying financial statements for the financial year ended March 31, 2019 of AE-Rotor Holding B.V., Amsterdam ('the Company'). The financial statements comprise:

- the balance sheet as at March 31, 2019;
- the income statement for the year then ended;
- the notes, comprising a summary of accounting policies and other explanatory information.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the section 'Our responsibilities for the audit of the financial statements' of our report.

Independence

We are independent of AE-Rotor Holding B.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO) and other relevant independence requirements in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- the Management Report
- other information pursuant to Part 9 of Book 2 of the Dutch Civil Code

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains all information that is required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Responsibilities for the financial statements and the audit

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements 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.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures.
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Den Haag, 6 May 2019

Ruitenburg adviseurs & accountants

R.L. Kalberg MSc RA