

SNK & CO.
Chartered Accountants
E-2-B, The Fifth Avenue
Dhole Patil Road
Near Regency Hotel
Pune 411 001

S. R. BATLIBOI & CO.
Chartered Accountants
C-401, Fourth Floor
Panchshil Tech Park
Yerwada
Pune 411 006

Limited Review Report

Review Report to
The Board of Directors
Suzlon Energy Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Suzlon Group comprising Suzlon Energy Limited and its subsidiaries (together, "the Group"), for the quarter ended September 30, 2012 (the "Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors/Committee of Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. In respect of unaudited quarterly consolidated financial results, we did not review the unaudited financial results of certain subsidiaries, whose unaudited financial results reflect Group's share of total assets of Rs. 10,683.55 crore as at September 30, 2012 and Group's share of total revenues of Rs. 4,495.45 crore for the quarter ended September 30, 2012. The financial information of these subsidiaries has been reviewed by other auditors whose reports have been furnished to us, and our conclusion is based solely on their reports.
4. In respect of unaudited quarterly consolidated financial results, we did not review the unaudited financial results of certain subsidiaries, whose unaudited financial results reflect Group's share of total assets of Rs. 1,518.85 crore as at September 30, 2012 and Group's share of total revenues of Rs. 43.89 crore for the quarter ended September 30, 2012. The financial information of these subsidiaries has been certified by management and our conclusion is based solely on these management certified accounts.



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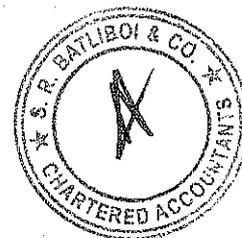
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5. *During the quarter ended June 30, 2012, the Company signed a term sheet with a prospective buyer for disposal of its investment in the equity shares of its subsidiary Suzlon Energy Tianjin Limited ('SETL') for an aggregate value of RMB 384.480 Million (Rs 338.34 crore). This transaction is subject to certain closing procedures and hence SETL continues to be consolidated in the books of the Company as at September 30, 2012. However, on a consolidated basis, the expected realisable value of the net assets of the subsidiary is lower than the carrying value by approximately Rs 119 crore. The Company has not provided for the anticipated loss of Rs 119 crore in its consolidated financial results for the quarter and six months ended September 30, 2012. Had the company provided for the impairment loss during the quarter ended September 30, 2012 the loss for the quarter in the unaudited consolidated financial results would have been higher and the Reserves and Surplus would have been lower by Rs. 119 crore.*
6. Based on our review conducted as above and on consideration of reports of other auditors on the unaudited separate quarterly financial results and on the other financial information of the components, *except for the effects of matter stated in paragraph 5 above*, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25, Interim Financial Reporting notified pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended) and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. Without qualifying our conclusion we draw attention to Note 3 to the Statement. The Company is currently facing cash flow shortages, which have resulted in defaults in repayment of dues primarily to FCCB holders and delays in repayment to lenders, which are existing as at date. Defaults in repayment of certain FCCBs have triggered cross defaults on other outstanding FCCBs and potential defaults in bank loans may also trigger cross default which could result in, *inter-alia*, acceleration of payment of certain other long-term dues.

The Company has informed us that it is in discussions with the FCCB holders for settlement of their dues and these have not been concluded. Further, the Company and certain subsidiaries have been referred to the CDR Cell for a debt restructuring of their bank dues under the Corporate Debt Restructuring ("CDR") Scheme of the Reserve Bank of India (RBI) on October 29, 2012 which is pending the approval of the CDR Empowered Group.

Accordingly, there exists a material uncertainty about the Company's ability to continue as a going concern which is dependent on the successful outcome of the discussions with the FCCB holders as well as a successful outcome of the CDR. Pending the final resolution to these matters, the Statement of unaudited consolidated financial results have been prepared under the going concern assumption, and consequently, no adjustments have been made to the carrying values or classification of assets and liabilities.



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8. Without qualifying our conclusion, we draw attention to Note 5 to the Statement. The Indian Wind Energy Association ('InWEA') of which the Company is a member has filed a civil appeal in the Supreme Court against an order of the Appellate Tribunal for Electricity in regard to levy of Infrastructure Development Charges by Tamil Nadu State Electricity Board. The ultimate outcome of this matter cannot be presently ascertained due to it being highly technical and legalistic in nature. The Group has obtained a legal opinion which states that the InWEA/Group has a strong case and we have placed reliance on this opinion.

For SNK & CO.
Firm registration number: 109176W
Chartered Accountants

Sanjay N Kapadia

per Sanjay Kapadia
Partner
Membership No.: 38292



Place: Pune
Date: November 9, 2012

S. R. Batliboi & Co.
For S. R. BATLIBOI & CO.
Firm registration number: 301003E
Chartered Accountants

Arvind Sethi

per Arvind Sethi
Partner
Membership No.: 89802



Place: Pune
Date: November 9, 2012