

15/1  
05/04/26

IN THE NATIONAL COMPANY LAW TRIBUNAL  
AHMEDABAD  
COURT - 2

ITEM No.301

C.P.(CAA)/1(AHM)2026 in CA(CAA)/50(AHM)2025

Proceedings under Section 230 - 232 of Co.Act,2013

IN THE MATTER OF:

Suzlon Energy Limited

.....Applicant

.....Respondent

Order delivered on: 29/04/2026

Coram:

Mrs. Chitra Hankare, Hon'ble Member(J)

Dr. Velamur G Venkata Chalapathy, Hon'ble Member(T)

ORDER

The case is fixed for pronouncement of order.

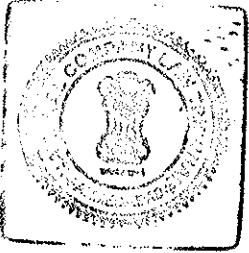
The order is pronounced in open court vide separate sheet.

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DR. V. G. VENKATA CHALAPATHY  
MEMBER (TECHNICAL)

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CHITRA HANKARE  
MEMBER (JUDICIAL)



AD/AP

**NATIONAL COMPANY LAW TRIBUNAL  
AHMEDABAD BENCH - COURT-2**

CP(CAA)1/(AHM)2026

in

CA(CAA)50(AHM)/2025

*[Application under Sections 230-232 and with other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016].*

**Memo of Parties**

**SUZLON ENERGY LIMITED**

(CIN: L40100GJ1995PLC025447)

A company incorporated under the Provisions of Companies Act, 1956

Having its registered office at

"Suzlon"5, Shrimali Society,

Near Shri Krishna Complex,

Navrangpura, Ahmedabad-

3800090-Gujarat

.....Petitioner No.1/  
Applicant Company

**Order Pronounced on 29.04.2026**

**Coram:**

**MRS. CHITRA HANKARE**

**HON'BLE MEMBER (JUDICIAL)**

**MR. VELAMUR G VENKATA CHALAPATHY**

**HON'BLE MEMBER (TECHNICAL)**

**Appearance:**

For the Petitioner Company : Ms. Swati Soparkar, Adv.

For the Regional Director : Mr. Shiv Pal Singh

For the Income Tax Dept. : Mr. Aman Mir, Adv.

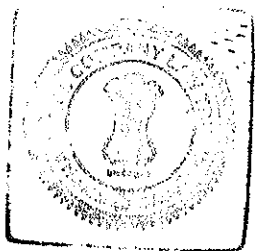
For the Registrar of  
Companies :

**JUDGMENT**

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1. The present joint Company Petition is filed by the Petitioner Companies under Sections 230 to 232 read with Section 52 and 66 and Rule 3 of the Companies (Compromise, Arrangement and Amalgamations) Rules, 2016, and other applicable provisions of the Companies Act, 2013 by the applicant company, viz Suzlon Energy Limited for the proposed scheme of Arrangement in the nature of Reorganization and Reclassification of Reserves of Suzlon Energy Limited. The appointed date is stated to be 30.09.2024.
2. It is represented that the registered office of the applicant company i.e. Suzlon Energy Limited (SEL) is situated within the territorial jurisdiction of Registrar of Companies, Ahmedabad, Gujarat, which is falling under the jurisdiction of this Tribunal.
3. The Board of Directors of both Applicant Company has approved the Scheme through their respective Board Resolutions dated 28.10.2024 passed in their respective Board Meeting.
4. Petitioner Companies had filed a joint Company Application before this Tribunal bearing CA(CAA) No.50 of 2025. By an order dated 30.10.2025, this Tribunal had allowed the aforesaid company application. This Tribunal had directed to convene the meetings of the equity shareholders and Unsecured Creditors of the company.



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The meeting of the Secured creditors of the applicant company was dispensed with in view of their consent affidavits.

5. In response to the order dated 30.10.2025, the Chairman filed an affidavit dated 15.12.2025 placing on record the report of the meeting of the equity shareholders and the unsecured creditors conducted through VC/OAVM on 12.12.2025. Vide said Chairman's report dated 15.12.2025, it is seen that the requisite majority of the Equity shareholders (representing 96.6019% in numbers and 99.9966% in value) and Unsecured Creditors (representing 97.1154% in numbers and 98.1638% in value) of the Applicant Company have approved the proposed Scheme.
6. In compliance of order dated 09.01.2026, petitioner companies published notice of hearing of the petition in 'Indian Express' in English and 'Sandesh' in Gujarati edition and served the notices to the Regional Director, Registrar of Companies, Jurisdictional Income Tax Authority along with Principal Chief Commissioner of Income Tax.
7. In response to the notice served upon the Regional Director (RD), a representation/report dated 18.03.2026 was filed by the RD North-Western Region, along with the report of the Registrar of Companies (RoC) dated 28.11.2025. The petitioner companies have filed an

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affidavit dated 19.03.2026 in response to the reports of RD and RoC. Following are the observations of RD and ROC and response of the petitioner companies:

#### RD's Observations

- a. That the appointed date opted by the companies either closing of the financial year or opening of the financial year. However, in the present scheme, the appointed date selected is 30.09.2024. Hence, the petitioner company to clarify the reason for selection of appointed date as 30.09.2024.
- The petitioner company states that the scheme of amalgamation of Suzlon Global Services Limited (SGSL) with and into Suzlon Energy Limited (SEL) with appointed date of 15.08.2024 was filed before NCLT, Ahmedabad bench on 14.05.2024. The petition company then decided to file a scheme for re-organization and re-classification of its Reserves. The petitioner company was directed by this bench to amend the appointed date to a date which is not a prospective date. Since this bench does not allow a prospective date, the latest half year ended limited review date(i.e. 30.09.2024)which is before the date of submission of Scheme application to BSE, NSE and SEBI(i.e. 19.11.2024) was selected as



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appointed date. The said appointed date was duly evaluated and recommended by the Independent directors and the audit committee of the company and thereafter placed before the Board of Directors for their approval.

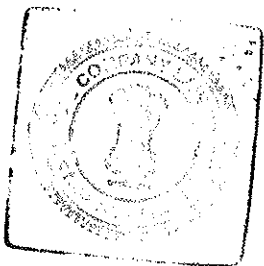
- b. That on perusal of Clause No. 5.1 of the scheme, it is observed that the company is adjusting debit balance of the Retained earnings account of the company against the credit balance in Capital Reserve, Capital Contribution, Capital Redemption Reserve, Securities Premium and Balance (if any) against General Reserves. The company has also furnished the details of built-up of reserves of the company which are getting utilized under the subject scheme of arrangement. It is observed that Capital reserves arises from scheme of arrangement and restructuring undertaken by the company, Capital Contribution Reserve arises from redemption of preference shares as per the provisions of the Companies Act, 1956 and Capital Contribution Reserve arises from resolution plan, Framework Restructuring Agreement and scheme of arrangement and restructuring which are considered as capital receipt in the hands of the company. Hence, Capital Reserve, Capital Contribution Reserve and Capital Redemption Reserve cannot be freely used to offset accumulated losses (i.e. debit

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balance of retained earnings) due to the nature of the reserve, i.e. capital.

- It is stated by the applicant company that the Reserves being set-off are not notional or unrealized. A CA certificate certifying the same is annexed as Annex-A. It is further stated that the built-up of the reserves under the consideration along with details of the same are enclosed as Annex B. The Companies Act, 2013, the Act does not specifically allow nor restrict the utilization of the Reserves in the manner prescribed in the Scheme. A CA certificate certifying the reasons of utilization and applicable law for proposed utilization of reserves as contemplated in scheme are enclosed as Annexure C. It is further stated that the scheme has been duly considered and accepted by BSE and NSE while granting their observations letters. There is no pending liability or obligation on the Petitioner Company against the Reserves being set-off. They further relied upon the judgement of this Bench in the matter of Mafatlal Industries Limited (CP(CAA)/09(AHM)2024 in CA(CAA)61(AHM)2023) and Hon'ble NCLT,



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Mumbai Bench in the scheme of arrangement in the case of Prime Securities (CP(CAA)1084(MB)2020 in CA(CAA)/1058(MB)2020) in which accumulated losses were set-off against various reserves including capital reserves.

- c. That as per clause 6.1 of the scheme, upon scheme becoming effective, the entire amount standing to the credit of the General Reserve of the company as on the Appointed Date shall be reclassified and Credited to the Retained Earnings of the company, but the company failed to mention the purpose for which the amount is going to be transfer from General Reserve to Retained Earnings of the company. The petitioner company to place the fact of the case justifying the reason for transferring the amount from General Reserve to Retained Earnings even if there was neither any requirement nor any compulsion to do so. The purposes for which general reserve could be utilized do not envisage transfer of the general reserve to retained earnings or Profit & Loss Account for unfettered and unrestricted use. That the funds which were meant for restrictive use as part of general reserve, would now be available for any purpose, including distribution as dividend, after transfer to Profit & Loss Account, which does not have any apparent



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restrictions on its use.

That, the Petitioner Company has wrongly interpreted the proviso under Section 123 of the Companies Act, 2013. That in terms of Section 205(2A) of the erstwhile Companies Act, 1956, wherein it was mandatory for the companies to transfer a certain percentage of profits i.e. not exceeding ten percent to the reserves, which would be beneficial to both company as well as shareholders, as such reserves would be available to the company for ploughing them back for expansion or would be available for declaration of dividends in a lean year but now, in the present scenario even though such transfer is not mandatory but the language of the relevant provisos under Section 123(1) of the Companies Act, 2013 provides that:-

*"123. Declaration of dividend. Provided that a company may, before the declaration of any dividend in any financial year, transfer such percentage of its profits for that financial year as it may consider appropriate to the reserve of the company. Provided further that where, owing to inadequacy or absence of profits in any financial year, any company proposes to declare dividend out of the accumulated profits earned by it in previous years and transferred by the company to the reserves, such declaration of dividend shall not be made except in accordance with such rules as may be prescribed in this behalf. Provided also that no dividend shall be declared or paid by a company from its reserves other than free reserves."*

Consequently, the limited freedom given to companies through the Companies Act, 2013, is



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with respect to whether or not profits may be transferred to reserves, and not an untrammelled right to utilize the already existing compulsorily transferred reserves in total disregard to the restrictions on usage as contained in the Companies (Declaration and Payment of Dividend) Rules, 2014.

- The petitioner company states that it has build up the General Reserves through transfer of revenue profits to the General Reserves on account of dividend that were declared in past in accordance with provisions. As per the Section 123(1) of the Companies Act, 2013, the transfer of profits to reserves is now discretionary rather than mandatory, thereby granting companies the flexibility to determine whether and to what extent, profits should be transferred to reserves prior to the declaration of dividends. Further, as per clause E of the scheme, the rationale thereof and accurately captures the factual background and necessity of the arrangement contemplated in the Scheme. It further states that over a period of time, the company has accumulated a significant balance in its General Reserve in accordance with the provisions of the

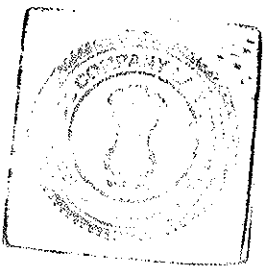


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Companies Act, 1956.

- Further, that the General Reserve has been historically made by transferring amount from retained earnings and is also included in the definition of “free reserves”. The amount lying in the General Reserves are nothing but a part of the post-tax profits of the company which was transferred on account of provisions of the Companies Act, 1956. Such reserves are presently unutilized and are not subject to any specific lien, charge or obligation.
- It is further stated that clause 6.4 does not in any manner prejudice the discretion of the Board of Directors of the company in declaring the dividend in accordance with applicable provisions of the law nor does it operate as a condition precedent or prohibition in relation thereto. The company has incorporated the said clarification only to ensure that the proposed transfer of amount from General Reserve to retained earnings pursuant to the Scheme is not deemed by itself to result in any automatic obligation for declaration or distribution of dividend under the Act.



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- It is further stated that the word “arrangement” as provided for in Sections 391 to 394 of the 1954 Act and Sections 230 to 232 of the Act are to be given a wide import. The word “arrangement” contemplates all arrangements and not only reorganization of share capital. The word “arrangement” though not specifically defined under either the 1956 Act or 2013 Act, has a wide range and ambit. The petitioner company relied upon the judgment of NCLT Ahmedabad bench, in the case of *Sun Pharma Limited (CP(CAA)/13(AHM) 2025 in CA(CAA) 48(AHM)2024)* in which general reserves were reclassified into retained earning.

d. That on one side the company has submitted that the accounting treatment is in accordance with the Indian Accounting Standards ("IND AS") notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015 while on the other side it is mentioned that accounting treatment is not specifically addressed by the accounting standards (Indian Accounting Standards) as prescribed under Section 133 of the Act.

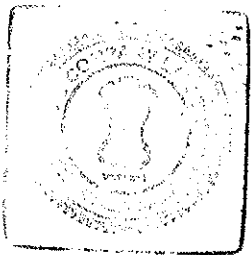
- The petitioner company has placed reliance on paragraphs 10 to 12 of Indian

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Accounting Standard (Ind AS) 8- Accounting Policies, changes in accounting estimates and errors, which provide that in the absence of a specific Indian Accounting Standard that applies to a particular transaction or event, management shall use its judgement in developing and applying an appropriate accounting policy that results in information that is relevant and reliable. Further, management is required to refer to requirements in Indian Accounting Standards dealing with similar and related issues and may also consider accepted industry practices.

- Accordingly, the proposed accounting treatment for reduction and reorganization of reserves and reclassification of General Reserve, though not specifically prescribed under any notified Ind AS, has been determined in accordance with the principles laid down under Ind AS and other generally accepted accounting principles, and therefore remains compliant with the provisions of Section 133 of the Companies Act, 2013.
- The petitioner company has relied upon the judgements, wherein the similar



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accounting treatment involving the reduction and reorganization of reserves and/or reclassification of General Reserves to retained earnings pursuant to schemes of arrangement has been adopted by various listed companies and approved by the Hon'ble NCLT as follows:

a) *Mafatlal Industries Ltd* in  
CP(CAA)/09(AHM)2024 in  
CA(CAA)/619(AHM)2023), NCLT,  
Ahmedabad Bench.

b) *Prime Securities Ltd* in  
CP(CAA)/1084(MB)2020 in  
CA(CAA)/1058(MB)2020. NCLT,  
Mumbai Bench

c) *Sun Pharmaceutical Industries Ltd* in  
CP(CAA)/13(AHM)2025 in  
CA(CAA)/48(AHM)2024, NCLT,  
Ahmedabad Bench.

d) *Reliance Infrastructure Limited* in  
CP(CAA)/111(MB)2025  
C.A.(CAA)/68(MB)2025, NCLT, Mumbai  
Bench.

- e. That the comments given by the BSE & NSE in the aforementioned letter about the draft scheme of arrangement are also required to be taken into consideration before approving the scheme.

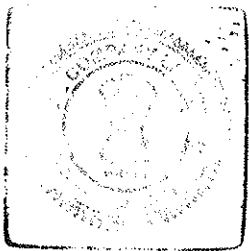
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- The petitioner company states that the petitioner company has duly complied with the terms of the observation letters issued by both the NSE and BSE, to the extent applicable and has submitted all requisite documents to NSE and BSE from time to time. Further that NSE and BSE have not sought any further clarifications or additional information from the Petitioner company.

f. That, on perusal of the Balance Sheet filed by the company, it is observed that the company is having Retained Earnings amounting to Rs. (18,910.54) Crore as on 31.03.2024 and Rs. (16,799.86) Crore as on 31.03.2025 while as per submission made by the company in its reply dated 25.02.2026, the company is going to set off accumulated loss amounting to Rs. (18,418.44) Crore i.e. as on 30.09.2024. The company has already set off accumulated loss amounting to Rs. 1618.58 Crore from 30.09.2024 to 31.03.2025. Hence, the remaining accumulated loss of the company at present is only Rs. (16,799.86) Crore which is required to be set off.

- The petitioner company states that it shall account for reduction and reorganization of reserve and subsequent reclassification of general reserves pursuant to the scheme in



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its books of account in accordance with Indian Accounting Standards ("IND AS") notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time and other accounting principles generally accepted in India from the Appointed Date.

- g. That, in compliance with Para No. 17 (xii) of the Order 30.10.2025 passed by the Hon'ble NCLT, Bench at Ahmedabad, the company has already served a notice to ROC, RD and Income Tax Department and a copy of service has also been furnished to this Directorate by the company in its reply dated 25.02.2026 filed by the company. However, a copy of notice served to RBI and other sectorial regulatory authorities who may govern the working of the applicant company has not been furnished.

- The petitioner company states that it has served a copy of the Scheme upon the Reserve Bank of India pursuant to the directions of this Bench as per order dated 30.10.2024 and that there are no sectoral regulators for the petitioner company.

- h. That the Petitioner Company to clarify the matter

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with reference to one reference from SEBI through the office of DGCoA's letter No. CL-II-07/99/2022-O/o DGCoAMCA dated 27.04.2023 in respect of the Petitioner Company, wherein the ROC has already submitted a report dated 12.07.2023 to this Directorate which was submitted to the office of DGCoA by this Directorate vide letter dated 18.07.2023 and no further instruction received from DGCOA/Ministry till date and undertake to comply with the direction, if any passed by ROC/ Regional Director/Ministry (DGCoA) in the matter.

- The petitioner company states that the company had submitted its response on 1.09.2022, post which the company has not been in receipt of any communication from any of the offices of the Ministry of Corporate Affairs.



- i. The Petitioner Companies are required to file an affidavit to the extent that the Scheme enclosed to the Company Application and Company Petition are one and same and there is no discrepancy or change made. Also the petitioner Companies are required to file an affidavit to the extent that no CIRP proceedings under IBC and/or winding up petition against the applicant companies are pending.


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- The Petitioner Companies have enclosed the Scheme with the Company Application and Company Petition are one and the same and there is no discrepancy or change in the Scheme. Also there is no CIRP proceedings under the IBC or winding up petition against the Applicant Transferor or Transferee Company.

RoC's observations

- a. The RoC in its report submitted that both the companies are not registered as NBFC's. The petitioner company has filed Balance Sheet for the year 31.03.2023, 31.03.2024, 31.03.2025 as well as relevant Annual Return for the Financial year ended 31.03.2022, 31.03.2023 and 31.03.2024. It is further submitted that no show cause notice has been issued to both the companies, no court case is pending, no technical scrutiny/inquiry is pending, as per the MCA portal record no complaint received and no inspection / investigation proceedings under Section 209A/206(5) of the Companies Act, 1956/2013 is pending against the companies.
- b. That the equity share of the applicant company are listed on the BSE and NSE. As such, the Company shall comply with the directive issued by SEBI and respective stock exchanges from time to time.



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- The petitioner company undertakes to comply with the directive issued by SEBI and respective stock exchanges from time to time.
- c. That a public company so long as remained as public company shall ensure that such statutory requirements of law are duly complied with at relevant time in prescribed manner. Therefore, onus of the due compliance of the applicable provisions of the Companies Act, 2013 is vested with the Applicant Public Company and its KMP/BoDs.
- The petitioner company states that it is in compliance with applicable provisions of the Companies Act, 2013 with regards to the status as Public Company and its KMP/BoDs and undertakes to comply with the same from time to time.
- d. The RoC submitted that the petitioner company to preserve its books of accounts, papers and record and shall not be disposed of without prior permission of Central Government as per Section 239 of the Companies Act, 2013. It is further submitted that petitioner companies to ensure statutory compliance of all applicable laws and also on sanctioning of the present Scheme, the Transferor Company shall not be absolved from any



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of its statutory liabilities, necessary stamp duty on transfer of property/assets, if any, to the respective authorities before implementation of the Scheme and to comply with the provisions of Section 232(5) of the Companies Act with respect to file certified copy of order sanctioning the Scheme with Registrar of Companies within 30 days from the date of passing order.

- The petitioner company undertakes to comply with all statutory compliances of applicable laws and on sanctioning of the Scheme and the companies will not absolve from any of its statutory liabilities, in any manner and further declare that no Corporate Insolvency Resolution Proceedings under Insolvency and Bankruptcy Code, 2016 and/or winding up petition are pending against the Petitioner Companies.

8. In response to the notice of hearing served upon the Income Tax Department, it has filed report vide letters dated 16.03.2026. It is stated that in respect of petitioner company, there is an outstanding demand of Rs. 1,01,60,818/- for the A.Y. 2017-2018 is pending as on the date. It is further stated that there is pending proceedings u/s 147 against the demerged company. It is further stated that the scheme of arrangement in the nature of



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Reorganization and Reclassification of Reserves of Suzlon Energy Limited be subject to the compliance of the relevant provisions of the Income Tax Act, 1961. It has also been stated that the Income-tax Department reserves its right to invoke the provisions of Income-tax Act,1961, in any proceedings subsequent to the reorganization and reclassification of reserves of Suzlon Energy Ltd, if happens, for which response is sought and to bring to tax any income arising as a result of the said Scheme of arrangement in the above-mentioned company and its respective Shareholders and creditors, if any.

9. The petitioner company has filed its affidavit in reply on 17.03.2026 stating that the Hon'ble Gujarat High court vide its order dated 25/11/2025 quashed the original penalty order passed and remanded the matter to Assessing Officer. Pursuant to the directions of the Hon'ble Gujarat High court, National Faceless Assessment Center ('NFAC) passed a fresh penalty order on 16/02/2026 and dropped the penalty levied u/s 270A. Hence, there is no demand outstanding in case of a Petitioner. It has also been pointed out that there are pending Appellate proceedings for the Assessment 2018-19 and 2019-20 under Section 147. It is respectfully submitted that the Petitioner Company shall fulfill its liabilities as and when the above referred proceedings are finally adjudicated. The petitioner company further states that Scheme of Arrangement is an internal



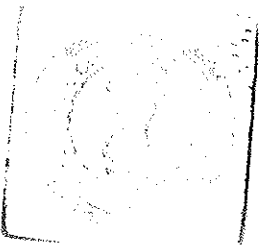
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accounting reorganization and no immediate adverse tax implication has been observed. It is further submitted that the Petitioner Company hereby undertakes to comply with all applicable provisions of the Companies Act as well as Income Tax Act. The accounting entries shall be in compliance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. The Petitioner Company further submits that under the present Scheme of Arrangement, no absolution is sought from the compliance of the applicable provisions of law. Right of the Income Tax Department to take appropriate action under the applicable Provisions of the Act, with respect to the examination of taxability, if any, arising out of the implementation of the Scheme will remain open, and the Department shall continue to have the liberty to take recourse to appropriate action as per law in case of an event of any tax avoidance or violation of Income Tax law.

10. Despite service of notice and paper publication, no representation from any other sectorial/regulatory authorities has been received.

11. Petitioner companies submitted that there are no proceedings/ investigation pending against both the petitioner companies under Sections 210-217, 219, 220,



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223, 224, 225, 226 & 227 of the Companies Act, 2013. It is further submitted that the Scheme does not provide for any capital reduction as well as does not provide for any corporate debt restructuring. It is further submitted that there are no winding up petition pending against the petitioner companies under the provisions of the Act. The Statutory Auditors have certified that the accounting treatment specified in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act.

12. We heard the Counsel for the petitioner companies and representative of the Office of the Regional Director, counsel for Income Tax Department and Registrar of Companies and also gone through the material available on record.

13. Observations & Conclusions:

The Petitioner who has proposed the scheme of arrangement under the provisions of Sec 230 and 231 read with Sec 52 and Sec 66 of the Companies Act 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules 2016 has explained the rationale of the scheme which intends on a turnaround of the company and its business operations resulting in profit on a stand alone basis for the financial years 2022-23, 2023-24 and for the period ended 30 June 2024, to reduce its



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accumulated losses due to negative accumulated retained earnings proposes to use its unutilized balances in various reserves which are not earmarked for any specific purpose nor any lien attached. This helps the petitioner to reflect a better financial health of the company as it reorganizes its reserves and off set the negative balance in retained earnings. The proposal to set off by using the Capital reserve, Capital Contribution, Capital redemption reserve, Securities Premium and Balance if any in General Reserve, which as per submissions does not alter the share holding pattern of the company. Also a compliance is provided post resizing of the balance sheet by this proposal as per applicable law and in compliance with Indian Accounting Standard ("IND AS") notified under Sec 133 of the Act under the Companies (Indian Accounting Standard) Rules 2015 and other accounting principles accepted, which is approved by the Board of Directors in the meeting held on 28 Oct 2024. Necessary certifications of the statutory auditor, approval of the Audit Committee and report of Independent Directors have been submitted.

14. The necessary meetings as directed by this tribunal was obtained on 12.12.2025 from the equity share holders and unsecured creditors of the petitioner companies in the meeting held and notices were issued. It is submitted that the resolution carrying the scheme was passed by the requisite majority of the equity holders of the petitioner company and relevant regulatory provisions are complied.



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The Meeting convened of the unsecured creditors approved the scheme by a majority of 97.1154% in numbers and 98.1638% in value. The scheme has also been approved by BSE and NSE as per the observation letters, being a listed company and the necessary compliance to regulatory circulars and instructions of SEBI have been provided.

15. We have perused the report of the RD/ROC and Income tax department and the compliance affidavit filed by the petitioners on 20 March 2026. The RD and Income tax department appearing on 09.04.2026 did not raise any further objections to the scheme.
16. This being a scheme of arrangement proposed by the petitioner, has cited the judgment in the matter of Mafatlal Industries Limited (CP(CAA)09(AHM) 2024 in CA(CAA)/61 (AHM 2023 and certain other judgments. We also rely upon the judgment in the matter CP(CAA)No.90/230/232/ND 2022 (2<sup>nd</sup> motion) in Nestle India Limited of NCLT ND.
17. We observe that the scheme is in the interest of the Petitioner company and its share holders and the future growth of the company and there is no restriction on the mode proposed for the reorganisation and reclassification of reserves of the petitioner company which has complied with the necessary provisions of the Companies Act and there is no impediment in approving the proposed scheme. The sanction of the scheme is subject to compliance of all the relevant provisions of the Companies Act including



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applicable regulatory and other considerations including of the payment of taxes due and payable as envisaged in the proposed scheme.

18. Hence we pass the following order:

**ORDER**

- I. Accordingly, Company Petition i.e. C.P. (C.A.A.) / 1 (AHM) of 2026 in C.A.(C.A.A.)/50 of 2025, is allowed.
- II. The approval to scheme of arrangement under Section 230 to 232 of the Companies Act 2013 is accorded with the following directions which is binding on all the equity share holders, secured creditors and unsecured creditors of the petitioner company:
  - a) The 'appointed date' as fixed in the Scheme is 30.09.2024.
  - b) Since the Scheme involves reclassification and transfer of Capital reserve, Capital Contribution, Capital redemption reserve, Securities Premium and Balance if any in General Reserve of the Applicant Company to retained earnings of the Applicant Company and no new shares are to be issued by the Applicant Company pursuant to the Scheme, the Shareholding Pattern of the Applicant Company shall not undergo any change due to the proposed Scheme of Arrangement.
  - c) Any pay out, other than as dividend to the existing shareholders shall require prior approval by the

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Shareholders through Annual General meeting/Extra-ordinary General Meeting, and will be subject to payment of all applicable taxes including Income Tax Dept and ROC.

- d) The Petitioners shall however remain bound to comply with the statutory requirements in accordance with all applicable law.
- e) Notwithstanding the above, if there is any deficiency found or, violation committed, qua any enactment, statutory rule or regulation, the sanction granted by this Tribunal to the scheme will not come in the way of action being taken in accordance with the law, against the concerned persons, directors and officials of the petitioners.
- f) While approving the Scheme as above, we further clarify that this order should not be construed as an order in any way granting exemption from taxes or any other charges if any, and payment in accordance with law or in respect to any permission/compliance with any other requirement which may be specifically required under any law.
- g) To comply with all applicable Tax legislations and has to pay taxes consequent to the sanction of the Scheme of Arrangement.
- h) To comply with the applicable and relevant accounting standards and regulations pursuant to the proposed scheme of arrangement.



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- i) Further, the petitioner company shall within thirty days of the date of the receipt of this order, submit a certified copy of this order along with the sanctioned scheme of arrangement to the Registrar of Companies for registration along with Form INC-28.

Accordingly, Company Petition i.e. C.P. (C.A.A.) / 1 (AHM) of 2026 in C.A.(C.A.A.)/50 of 2025, is allowed and disposed of.

Sd/-

DR. V. G. VENKATA CHALAPATHY  
MEMBER (TECHNICAL)

Sd/-

CHITRA HANKARE  
MEMBER (JUDICIAL)

Prepared by Bhushik

Signature [Signature]

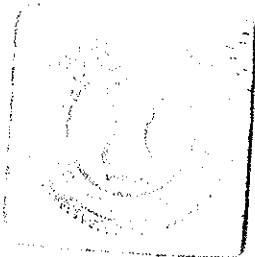
Date 04/05/26

Certified to be True Copy of the Original

[Signature]

Assistant Registrar  
NCLT, Ahmedabad Bench  
Ahmedabad

05/05/26



Date of pronouncement of Order: 29/04/26  
Date on which application for Certified Copy was made: 30/04/26  
Date on which Certified Copy was ready: 05/05/26  
Date on which Certified Copy delivered: 05/05/26

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05/05/26

**FORM No. CAA 7**  
**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL**  
**BENCH AT AHMEDABAD**

**C P (CAA) NO. 1 OF 2026**

**CONNECTED WITH**

**C A (CAA) NO. 50 OF 2025**

In the matter of the Companies Act, 2013;

AND

In the matter of Section 230 and 231 read with Section 52 and 66 and other applicable provisions of the Companies Act, 2013 as may be applicable and Rules framed thereunder

AND

In the matter of Scheme of Arrangement in the nature of Reorganisation and Reclassification of Reserves of Suzlon Energy Limited and its Shareholders and Creditors (the 'Scheme')

**SUZLON ENERGY LIMITED,**

CIN: L40100GJ1995PLC025447

a company incorporated under the Companies Act, 1956 having its Registered Office situated at Suzlon 5, Shrimali Society, near Shri Krishna Complex, Navrangpura, Ahmedabad-380009 in the State of Gujarat, India.

... Petitioner Company



**ORDER CONFIRMING SCHEME OF ARRANGEMENT FOR UTILISATION  
OF RESERVES FOR SET OFF OF LOSSES AND REORGANISATION  
AND RECLASSIFICATION OF RESERVES**

Upon hearing the aforesaid petition of Suzlon Energy Limited, coming up for hearing on 9<sup>th</sup> April 2026, alongwith the Application; for the purpose of seeking sanction of the Scheme of Arrangement in the nature of Reorganisation and Reclassification of Reserves under Sections 230 and 231 read with Sections 52 and 66 of the Companies Act, 2013 for utilisation of Capital Reserves for the set off of Losses and Reclassification of Reserves of the Company; perusing the representations of the Regulatory Authorities and



considering the affidavits filed by the Petitioner; and upon hearing Mrs. Swati Soparkar, advocate for the petitioner company,

**THIS TRIBUNAL DO ORDER**

- (1) That upon Scheme being effective, the Reserves of the Petitioner Company shall be reorganised to set off the debit balance of Retained earnings and the reclassified as envisaged under Clause 5, 6 and 7 of the Scheme, with Appointed Date being 30<sup>th</sup> September 2024; and specifically as detailed in the Statement annexed herewith.
- (2) That upon Scheme being effective, Petitioner Company shall not be required to allot any shares as the Scheme envisages only Reorganisation and Reclassification of its Capital Reserves and General Reserve; and
- (3) That upon Scheme being effective, the Petitioner Company do within thirty days of the receipt of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration.
- (4) That any person interested shall be at liberty to apply to the Tribunal in the above matter for any directions that may be necessary.

**Statement**

Details of Pre Scheme and Post Scheme Reserves of Suzlon Energy Limited as on the Appointed Date viz. 30<sup>th</sup> September 2024.



Contents verified and found in order.  
(By the Tribunal)

Registrar/Deputy Registrar  
This ..... day of April 2026

*Swati Soparkar*  
(Swati Saurabh Soparkar)  
Advocate  
301, Shivalik-10, Opp. SBI Zonal Office,  
Near Old Excise Chowky, S.M. Road,  
Ambavadi, Ahmedabad 380 015.

*Raj Vaibhava*  
Asstt. Registrar  
NCLT Ahmedabad Bench  
Ahmedabad



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**SCHEME OF ARRANGEMENT**  
**BY AND AMONG**  
**SUZLON ENERGY LIMITED**  
**AND**  
**ITS SHAREHOLDERS**  
**AND**  
**CREDITORS**

(Under Sections 230 and 231 read with Section 52 and Section 66 and other applicable provisions of the Companies Act, 2013, as may be applicable, and rules framed thereunder)

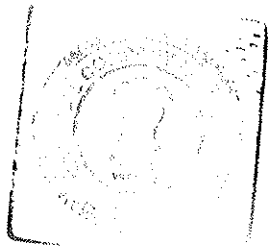


Suzlon Energy Limited

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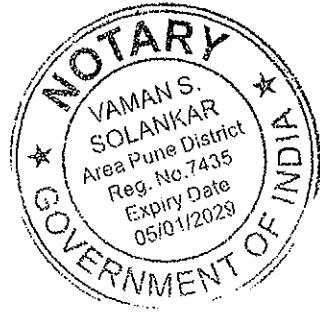
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**GENERAL**

**A. PREAMBLE**

- a. This Scheme (as defined hereinafter) provides for the reduction and reorganization of reserve of the Company (as defined hereinafter) and reclassification and transfer of General Reserves (as defined hereinafter) in the manner as set out in this Scheme (as defined hereinafter) pursuant to the provisions of Sections 230 and 231 read with Section 52 and Section 66 and other applicable provisions of the Act (as defined hereinafter), the SEBI Circular (as defined hereinafter), the Listing Regulations (as defined hereinafter), and Applicable Law (as defined hereinafter). This Scheme (as defined hereinafter) also provides for various other matters consequential thereto or otherwise integrally connected therewith;
- b. The Board of Directors of the Company (as defined hereinafter) have resolved that the reduction and reorganization of reserve of the Company (as defined hereinafter) and reclassification and transfer of general reserves are in the best interests of the Company and their respective shareholders, creditors and other stakeholders; and
- c. The Scheme (as defined hereinafter) does not affect the rights of the creditors of the Company (as defined hereinafter). There will not be any reduction in amounts payable to the creditors of the Company (as defined hereinafter) post sanctioning of the Scheme (as defined hereinafter).

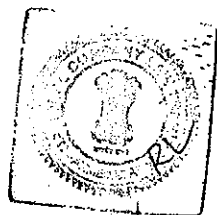
**B. BACKGROUND AND DESCRIPTION OF THE COMPANY**

Suzlon Energy Limited ('SEL' or the 'Company') is a public limited listed company incorporated under the Companies Act, 1956 with corporate identity number L40100GJ1995PLC025447 and having its registered office at "Suzlon", 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad-380009, Gujarat, India. It is in the business of manufacturing and supply of the wind turbine generators (hereinafter referred to as 'WTG'). The equity shares of the Company are listed on BSE Limited and the National Stock Exchange of India Limited (collectively, the 'Stock Exchanges').

SEL was originally incorporated as a public limited company on 10 April 1995 in the name and style as 'Suzlon Energy Limited' under the provisions of the Companies Act, 1956. Later SEL got listed on 19 October 2005 with the Stock Exchanges.

**C. OVERVIEW AND OPERATION OF THIS SCHEME**

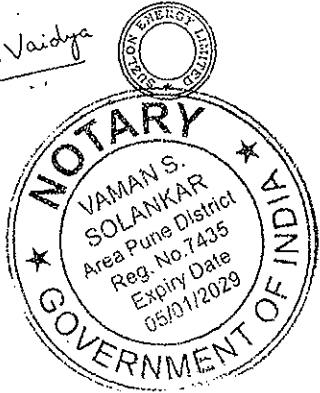
This scheme provides for:



Suzlon Energy Limited

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- a. reduction and reorganization of reserve of the Company (as defined hereinafter) and reclassification and transfer of General Reserves (as defined hereinafter) in the manner as set out in this Scheme (as defined hereinafter) pursuant to the provisions of Sections 230 and 231 read with Section 52 and Section 66 and other applicable provisions of the Act (as defined hereinafter);
- b. this Scheme (as defined hereinafter) also provides for various other matters consequential, incidental or otherwise integrally connected therewith.

**D. PARTS OF THIS SCHEME**

- a. PART I deals with the definitions of capitalized terms used in this Scheme, interpretation and the share capital of the Company (as defined hereinafter);
- b. PART II deals with the reduction and reorganization of reserve of the Company (as defined hereinafter) and subsequent reclassification and transfer of General Reserves (as defined hereinafter) of the Company (as defined hereinafter);
- c. PART III deals with the general terms and conditions that would be applicable to this Scheme.

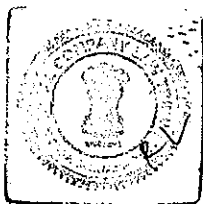
**E. RATIONALE FOR THIS SCHEME**

The Company (as defined hereinafter) is currently engaged in the business of manufacturing and supply of Wind Turbine Generators ("WTG").

The Company (as defined hereinafter) had suffered losses in the past, due to which it has been facing challenges to scale its business and unleash its full potential for growth and profitability. However, there has been a turnaround in the operations/business of the Company (as defined hereinafter). After proactively managing its debt position by way of debt restructuring agreements and repayment of debt, clubbed with the boost in the renewable energy markets, the Company (as defined hereinafter) has been able to report profits on a standalone basis in the financial year 2022-23, financial year 23-24 and for the period end 30<sup>th</sup> June 2024.

Despite reporting profits during the financial year 2022-23 financial year 23-24 and for the period end 30<sup>th</sup> June 2024, the accumulated losses are weighing down the financial statements of the Company (as defined hereinafter) with a substantial amount of accumulated negative Retained Earnings (as defined hereinafter) the financial statements of the Company (as defined hereinafter) are not reflective of its true current financial health.

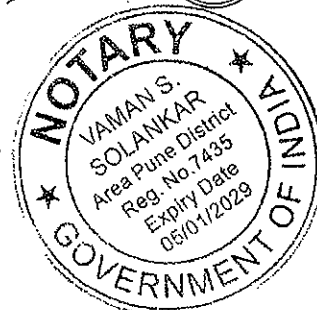
The Company (as defined hereinafter) continues to carry a debit balance (in other words negative balance) of Retained Earnings (as defined hereinafter)



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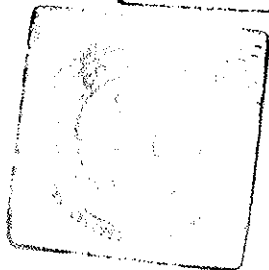
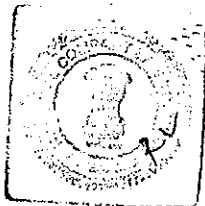
on its balance sheet. At the same time, the Company (as defined hereinafter) has unutilized balances lying under various reserves, which are neither earmarked for any specific purpose, nor have any lien marked thereon and/or obligation attached thereto.

The Company (as defined hereinafter) is of the view that the financial statements of the Company (as defined hereinafter) are not reflective of its true current financial health and therefore, it is necessary to reduce and reorganize the reserve of the Company (as defined hereinafter).

In a strategic move to reduce and reorganize the reserves of the Company, the Scheme (as defined hereinafter) proposes to set-off the negative balance in the Retained Earnings (as defined hereinafter) chronologically against the following reserves viz. Capital Reserve (as defined hereinafter), Capital Contribution (as defined hereinafter), Capital Redemption Reserve (as defined hereinafter), Securities Premium (as defined hereinafter), and General Reserve (as defined hereinafter). The above set-off could potentially reap strategic benefits including but not limited to the following:

- a. the financial statements of the Company (as defined hereinafter) should reflect its true and fair financial health;
- b. to obliterate the capital being lost and not represented by available assets of the Company (as defined hereinafter);
- c. help in resizing the reserves of the Company (as defined hereinafter) and thereby denoting a positive reserve representing its true and fair financial position which is commensurate with its business and assets;
- d. enable the Company (as defined hereinafter) to explore opportunities for the benefit of the shareholders of the Company (as defined hereinafter) including but not restricted to dividend payment per the applicable provisions of the Act (as defined hereinafter), etc.;
- e. enable Company (as defined hereinafter) to use the amounts lying in the Capital Reserve (as defined hereinafter), Capital Contribution (as defined hereinafter), Capital Redemption Reserve (as defined hereinafter), Securities Premium (as defined hereinafter), and General Reserve (as defined hereinafter) which are currently neither earmarked for any specific purpose, nor have any lien marked thereon and/or obligation attached thereto; and
- f. The Scheme would not have any impact on the shareholding pattern of the Company.

Over the years the Company (as defined hereinafter) has built up significant General Reserves (as defined hereinafter) through transfer of profits to the General Reserves (as defined hereinafter) in accordance with provisions of the applicable laws and rules notified thereunder.



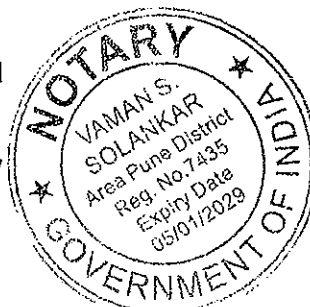
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While the excess reserves can be profitably utilized for the Company's (as defined hereinafter) overall growth strategy, for achieving flexibility in using these funds to maximise shareholder's wealth it is proposed that post the set-off of reserves as mentioned above the balance in General Reserve (as defined hereinafter) will be transferred to Retained Earnings (as defined hereinafter).

The reduction and reorganisation of reserve and subsequent reclassification and transfer of General Reserves (as defined hereinafter) to Retained Earnings (as defined hereinafter) as mentioned above will resize the balance sheet of the Company (as defined hereinafter) with effect from the Appointed Date (as defined hereinafter) and shall be in accordance with the provisions of the Applicable Law.



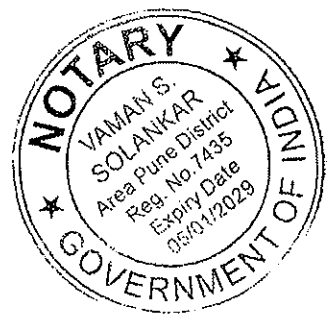
Suzlon Energy Limited

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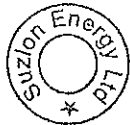
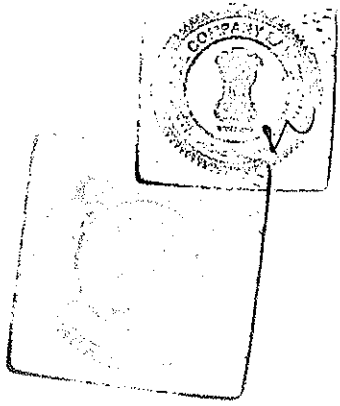
Part I

DEFINITIONS, INTERPRETATION, DATE OF TAKING EFFECT AND OPERATIVE DATE AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme (as defined hereinafter), unless repugnant to the meaning or context thereof, (i) terms defined in the introductory paragraphs and recitals shall have the same meanings throughout this Scheme (as defined hereinafter) and (ii) the following words and expressions, wherever used (including in the recitals and the introductory paragraphs above), shall have the following meanings:

- 1.1. 'Act' or 'the Act' means the Companies Act, 2013 and shall include any other statutory amendment or re-enactment or restatement and the rules and/ or regulations and/ or other guidelines or notifications made thereunder from time to time;
- 1.2. 'Applicable Law(s)' or 'Law' means any applicable central, provincial, local or other law including all applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, tribunal having jurisdiction over the Company; (b) Permits; and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Company;
- 1.3. 'Appointed Date' means the closing business hours as on 30 September 2024, or such other date as may be approved by the Tribunal in this regard;
- 1.4. 'Appropriate Authority' means:
  - a. the government of any jurisdiction (including any central, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, central bank, commission or other authority thereof;
  - b. any public international organisation or supranational body and its institutions, departments, agencies and instrumentalities;
  - c. any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing or other governmental or quasi-governmental authority including (without limitation), SEBI (as defined hereinafter), the Tribunal (as defined hereinafter), Registrar of Companies, Regional Director, Competition



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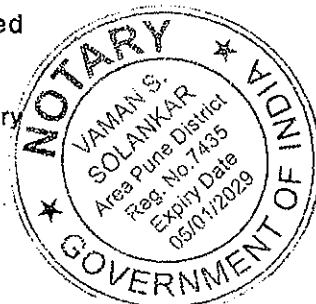
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- Commission of India, Reserve Bank of India and such other sectoral regulators or authorities as may be applicable;
- d. any entity authorized to make laws, rules, regulations, standards, requirements, procedures or to pass directions or orders, in each case having the force of law,
  - e. any non-governmental regulatory or administrative authority, body or other organization to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of law;
  - f. any Stock Exchange.
- 1.5. 'Board of Directors' or 'Board' in relation to the Company means the Board of Directors of the Company, and shall include a committee duly constituted and authorised for the purposes of matters pertaining to the arrangement, this Scheme and/or any other matter relating thereto;
  - 1.6. 'BSE' means the BSE Limited;
  - 1.7. 'Capital Contribution' means and includes the reserve of the Company which has been built primarily due to the resultant gain arising on extinguishment of debt and fair value of financial instruments issued as per the terms of debt restructuring plan over the years, pursuant to the provisions of the Act and which forms a part of the reserves of the Company, as reflected in the books of accounts of the Company;
  - 1.8. 'Capital Redemption Reserve' means and includes the capital redemption reserve of the Company which have been built primarily through transfer of retained undistributed profits over the years, pursuant to the provisions of the Act and which forms a part of the reserves of the Company, as reflected in the books of accounts of the Company;
  - 1.9. 'Capital Reserve' means and includes the reserves of the Company which have been built primarily through recognition of profit or loss on purchase / sale of the equity instruments in case of merger to capital reserve, pursuant to the provisions of the Act and which forms a part of the reserves of the Company, as reflected in the books of accounts of the Company;
  - 1.10. 'Effective Date' means the opening business hours of the date or last of the dates on which the certified copies of the order of the Appropriate Authority sanctioning the Scheme are filed by the Company with the Registrar of Companies Gujarat;

Any references in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" or "Scheme taking effect" shall mean the Effective Date;



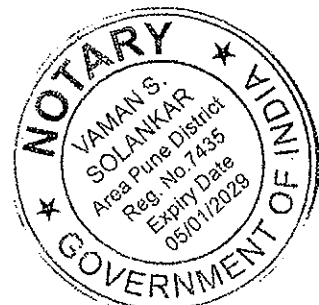
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- 1.11. **'Employees'** mean all the employees on the payroll of the Company, as on the Effective Date;
- 1.12. **'General Reserves'** means and includes the general reserves of the Company which have been built primarily through transfer of retained undistributed profits over the years, pursuant to the provisions of the Act and which forms a part of the reserves of the Company, as reflected in the books of accounts of the Company;
- 1.13. **'Indian Accounting Standards'** means the applicable accounting principles as prescribed under the Companies (Indian Accounting Standards) Rules, 2015 and shall include any statutory modifications, re-enactments or amendments thereof;
- 1.14. **'IT Act'** or **'the ITA'** means the Income Tax Act, 1961 and shall include any statutory modifications, re-enactments or amendments thereof and the rules made thereunder, for the time being in force;
- 1.15. **'National Company Law Tribunal'** or **'NCLT'** or **'Tribunal'** means the National Company Law Tribunal at Ahmedabad which has jurisdiction over the Company and/ or the National Company Law Appellate Tribunal as constituted and authorised as per the provisions of the Act for approving any scheme of arrangement, compromise or reconstruction of companies under Sections 230 and 231 read with Section 52 and Section 66 and other applicable provisions of the Act and shall include, if applicable, such other forum or authority as may be vested with the powers of a tribunal for the purposes of Sections 230 to 231 read with Section 66 and Section 52 or other applicable provisions of the Act as may be applicable;
- 1.16. **'NSE'** means National Stock Exchange of India Limited;
- 1.17. **'Permits'** means all consents, licences, permits, permissions, authorisations, rights, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, whether governmental, statutory, regulatory under Applicable Law;
- 1.18. **'Person'** means an individual, a partnership, a corporation, a limited liability partnership, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or an Appropriate Authority;
- 1.19. **'Registrar of Companies'** / **'RoC'** means the Registrar of Companies, Gujarat;
- 1.20. **'Relevant Jurisdiction'** means the territories of the State of Gujarat or Republic of India.
- 1.21. **'Rupees'** or **'Rs'** or **'INR'** means Indian rupees, being the lawful currency of Republic of India;



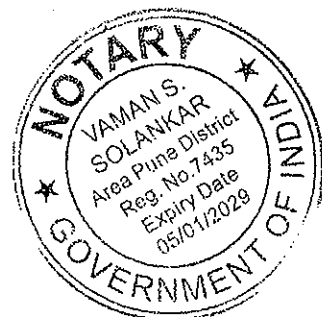
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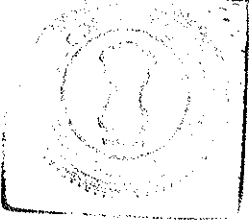
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- 1.22. **'Retained Earnings'** means line-item classified as retained earnings as presented in the balance sheet of the Company, which constitute accumulated losses of the Company, arrived at after providing depreciation in accordance with the provisions of the Act;
- 1.23. **'Scheme'** or **'the Scheme'** or **'this Scheme'** means this composite scheme of arrangement in its present form as submitted to the Tribunal of Relevant Jurisdiction with any modification(s) made under Clause 14 of the Scheme as approved or directed by the Tribunal or such other Appropriate Authority, as may be applicable;
- 1.24. **'SEBI'** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;
- 1.25. **'SEBI Circular'** shall mean the circular issued by the SEBI, being Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, and any amendments thereof;
- 1.26. **'SEBI LODR Regulations'** means SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, and any amendments thereof;
- 1.27. **'Securities Premium'** means and includes the premium received on issue of shares of the Company, pursuant to the provisions of the Act and which forms a part of the reserves of the Company, as reflected in the books of accounts of the Company;
- 1.28. **'SEL'** or **'the Company'** or **'the Party'** means Suzlon Energy Limited, a public limited listed company incorporated under the Companies Act, 1956 with corporate identity number L40100GJ1995PLC025447 having its registered office at "Suzlon", 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad-380009;
- 1.29. **'Stock Exchanges'** means the BSE and NSE collectively;
- 1.30. **'Taxation'** or **'Tax'** or **'Taxes'** means and includes any tax, whether direct or indirect, including income tax (including withholding tax, dividend distribution tax), GST, excise duty, central sales tax, service tax, octroi, local body tax and customs duty, duties, charges, fees, levies, surcharge, cess or other similar assessments by or payable to Governmental Authority, including in relation to (i) income, services, gross receipts, premium, immovable property, movable property, assets, profession, entry, capital gains, municipal, interest, expenditure, imports, wealth, gift, sales, use, transfer, licensing, withholding, employment, payroll and franchise taxes; and (ii) any interest, fines, penalties, assessments or additions to Tax resulting from, attributable to or incurred in connection with any proceedings or late payments in respect thereof;
- 1.31. **'Tax Laws'** means all Applicable Laws, acts, rules and regulations dealing with Taxes including but not limited to the income-tax, wealth tax, sales tax



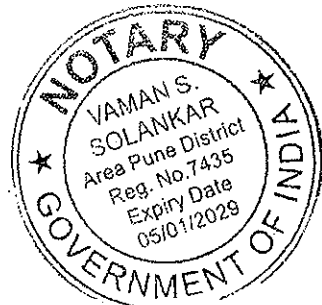
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/ value added tax, service tax, goods and services tax, excise duty, customs duty or any other levy of similar nature;

2. INTERPRETATION

Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the IT Act, the Securities Contracts (Regulation) Act, 1956, Securities and Exchange Board of India Act, 1992 (including the regulations made thereunder), the Depositories Act, 1996 and other Applicable Laws, rules, regulations, by-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time. In particular, wherever reference is made to the Appropriate Authority in this Scheme, the reference would include, if appropriate, reference to the Appropriate Authority or such other forum or authority, as may be vested with any of the powers of the Appropriate Authority under the Act and / or rules made thereunder.

- a. references to clauses and recitals, unless otherwise provided, are to clauses and recitals to this Scheme;
- b. the headings herein shall not affect the construction of this Scheme;
- c. the singular shall include the plural and vice versa; and references to one gender include all genders;
- d. any phrase introduced by 'the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;
- e. references to a person includes any individual, firm, body corporate (whether incorporated or not), Appropriate Authority, or any joint venture, association, partnership, works council or employee representatives' body (whether or not having separate legal personality);
- f. terms "hereof", "herein", "hereby", "hereto" and derivative or similar words shall refer to this entire Scheme or specified clauses of this Scheme, as the case may be;
- g. reference to "writing" or "written" includes printing, typing, lithography and other means of reproducing words in a visible form including e-mail;
- h. reference to any agreement, contract, document or arrangement or to any provision thereof shall include references to any such agreement, contract, document or arrangement as it may, after the date hereof, from time to time, be amended, supplemented or novated; and
- i. references to any provision of law or legislation or regulation shall include: (a) such provision as from time to time amended, modified, re-

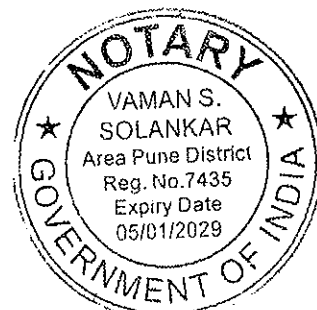
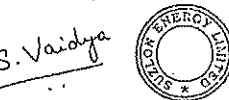


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enacted or consolidated (whether before or after the date of this Scheme) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to the transaction entered into under this Scheme and (to the extent liability there under may exist or can arise) shall include any past statutory provision (as amended, modified, re-enacted or consolidated from time to time) which the provision referred to has directly or indirectly replaced, (b) all subordinate legislations (including circulars, notifications, clarifications or supplement(s) to, or replacement or amendment of, that law or legislation or regulation) made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated from time to time) and any retrospective amendment.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

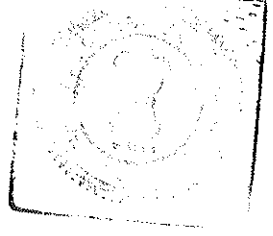
The Scheme set out herein in its present form with or without any modification(s) approved or imposed or directed by the Tribunal or made as per the Scheme, shall be effective from the Appointed Date and shall be operative from the Effective Date.

Any references in the Scheme to 'upon the Scheme becoming effective' or 'effectiveness of the Scheme' shall mean the Effective Date.

4. SHARE CAPITAL

4.1. The share capital of the Company as at 30 September, 2024 is as under:

| Particulars                                 | Amount (Rs. crores) |
|---|---------------------|
| <b>Authorized Capital</b>                   |                     |
| 55,00,00,00,000 Equity Shares of Rs. 2 each | 11,000.00           |
| <b>Total</b>                                | <b>11,000.00</b>    |
| <b>Issued Capital</b>                       |                     |
| 1367,23,56,861 Equity Shares of Rs. 2 each  | 2,734.47            |
| <b>Total</b>                                | <b>2,734.47</b>     |
| <b>Subscribed Capital</b>                   |                     |
| 1365,34,24,884 Equity Shares of Rs. 2 each  | 2,730.68            |
| <b>Total</b>                                | <b>2,730.68</b>     |
| <b>Paid-up Capital</b>                      |                     |
| 1364,52,30,821 Equity Shares of Rs.2 each   | 2,729.05            |



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Suzlon Energy Limited

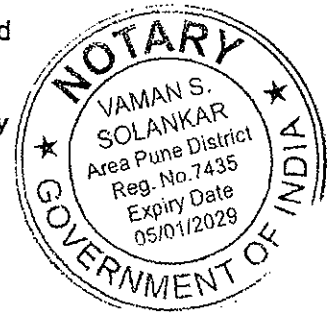
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|       |          |
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| Total | 2,729.05 |
|-------|----------|

The equity shares of the Company are listed on the Stock Exchanges.

Subsequent to 30 September 2024 and up to the approval of this Scheme by the Board of the Company, the Company has not issued and allotted any shares except 14,38,875 equity shares having face value of Rs. 2 each issued subscribed and paid-up on 17 October 2024 pursuant to employee stock option scheme.

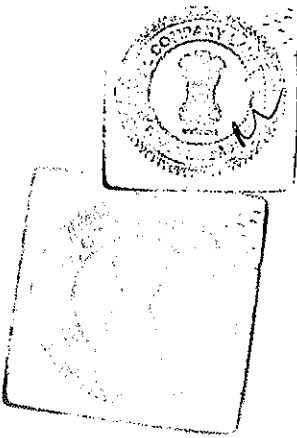
There are no existing commitments, obligations or arrangements by the Company as on the date of sanction of this Scheme by the Board of Directors to issue any further shares or convertible securities except to issue shares on exercise of options granted under any of its existing employee stock option schemes or forfeiture / receipt of call money pertaining to partly paid-up shares which may result in change in the issued and paid-up share capital of the Company .



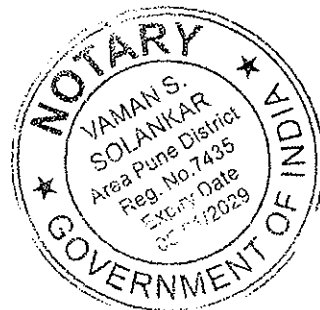
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## Part II

**REDUCTION AND REORGANIZATION OF RESERVE OF THE COMPANY AND  
SUBSEQUENT RECLASSIFICATION AND TRANSFER OF GENERAL  
RESERVE OF THE COMPANY**

5. REDUCTION AND REORGANIZATION OF RESERVE OF THE COMPANY

- 5.1. Upon the Scheme becoming effective, the Company shall adjust the debit balance in of the Retained Earnings Account of the Company as on the Appointed Date, in chronological order against credit balances in the following reserves:
- Capital Reserve;
  - Capital Contribution;
  - Capital Redemption Reserve;
  - Securities Premium; and
  - Balance (if any) against General Reserves.
- 5.2. The reduction and reorganization of reserve of the Company would neither involve a diminution of liability in respect of unpaid share capital nor a diminution of paid-up share capital.
- 5.3. Notwithstanding the reduction of capital, as stated in this Scheme, the Company shall not be required to add "And Reduced" as suffix to its name.
- 5.4. The utilization of the Capital Reserve, Capital Contribution, Capital Redemption Reserve, Securities Premium and General Reserves as aforesaid shall be effected as an integral part of the Scheme and the order of the NCLT sanctioning this Scheme shall be deemed to be an order under section 66 read with section 52 and other applicable provisions of the Act and no separate sanction under section 66 read with section 52 and other applicable provisions of the Act will be necessary.
- 5.5. The Scheme neither involves reduction in the issued, subscribed, paid-up share capital of the Company, nor any payment of the paid-up share capital to the shareholders of the Company nor does it result in extinguishment of any liability or diminution. There is no outflow of / payout of funds from the Company and hence, the interest of the shareholders / creditors is not adversely affected.

6. RECLASSIFICATION OF GENERAL RESERVE OF THE COMPANY

- 6.1. Upon the Scheme becoming effective, and post reduction and reorganisation of reserves pursuant to Clause 5 above, the entire amount

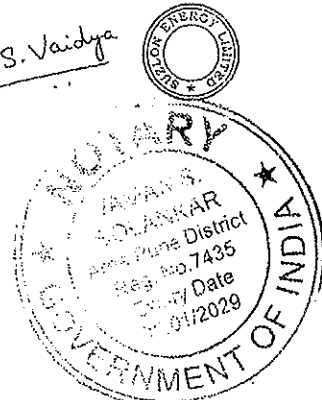


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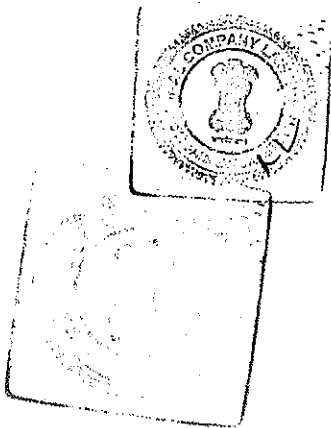
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standing to the credit of the General Reserve of the Company as on the Appointed Date shall be reclassified and credited to the Retained Earnings of the Company.

- 6.2. The amount credited to the Retained Earnings pursuant to Clause 6.1 above shall constitute to be accumulated profits of the Company for the previous financial year, arrived at after providing for depreciation in accordance with the provisions of the Act and remaining undistributed in the manner provided in the Act and other applicable laws. The amount so reclassified to the Retained Earnings shall be available for distribution to the equity shareholders of the Company, from time to time, by the Board of Directors of the Company, at its sole discretion, in such manner, quantum and at such time as the Board of Directors may decide.
- 6.3. The transfer of General Reserve of the Company, as stated in Clause 6.1 above, shall be effected as an integral part of this Scheme and the approval of the Scheme by the members shall be deemed to be sufficient for the purpose of effecting the re-classification and transfer of the amounts standing to the credit of the General Reserve to the Retained Earnings and no further resolution under any other applicable provisions of the Act would be required to be separately passed.
- 6.4. It is further clarified that transfer of the amounts standing to the credit of General Reserve to the Retained Earnings of the Company as contemplated in the Clause 6.1 should not entail or should not be deemed as any obligation on the Company for declaration or distribution of dividend for the purpose of Section 123 of the Act, and rules notified thereunder.
- 6.5. Pursuant to the reduction and reorganization of reserves and re-classification of General Reserve of the Company pursuant to Clause 5 and 6 of this Scheme, there is no outflow of/ payout of funds from the Company and hence, the interest of the shareholders/ creditors is not adversely affected. For the removal of doubt, it is expressly recorded and clarified that the Scheme shall not in any manner involve distribution of reserves or revenue reserves and shall be in accordance with the accounting standards prescribed under provisions of Section 133 of the Act.

7. ACCOUNTING TREATMENT FOR REDUCTION AND REORGANISATION OF RESERVES AND SUBSEQUENT RECLASSIFICATION OF GENERAL RESERVE OF THE COMPANY AS PER CLAUSE 5 AND 6 ABOVE

- 7.1. Notwithstanding anything else contained in the Scheme, the Company shall account for reduction and reorganization of reserve and subsequent reclassification of general reserves in its books of account in accordance with Indian Accounting Standards ("IND AS") notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015,



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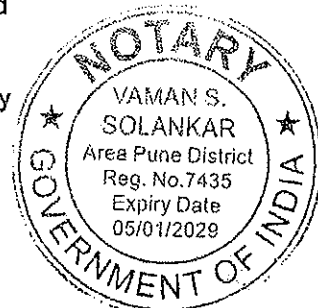


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as may be amended from time to time and other accounting principles generally accepted in India, such that:

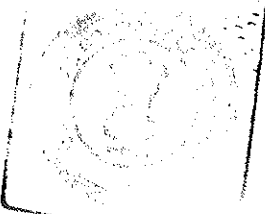
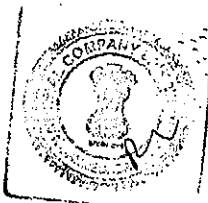
- 7.2. The debit balance in Retained Earnings in the books of the Company as on the Appointed Date shall be adjusted/ set-off in chronological order against credit balances in the following reserves:
  - a. Capital Reserve;
  - b. Capital Contribution;
  - c. Capital Redemption Reserve;
  - d. Securities Premium; and
  - e. Balance (if any) against General Reserves., in order to give effect to Clause 5.1 above;
- 7.3. The balance standing to the credit of General Reserve in the books of the Company as on Appointed Date post set-off pursuant to Clause 5.1 shall be reclassified and credited to Retained Earnings of the Company, in order to give effect to Clause 6.1 above.
- 7.4. The above accounting treatment is not specifically addressed by the accounting standards (Indian Accounting Standards) as prescribed under section 133 of the Act, however the same is in compliance with other generally accepted accounting principles and industry practices.



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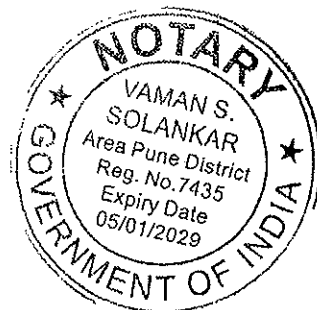
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## Part III

## GENERAL TERMS AND CONDITIONS

8. EMPLOYEES

- 8.1. The Employees shall, in no way, be affected by the proposed reduction, reorganization of reserves and subsequent reclassification of General Reserve (as set out in Clause 5 and 6 above) as there is no transfer of Employees under the Scheme.
- 8.2. On the Scheme becoming effective, all the Employees shall continue with their employment without any break or interruption in their services, on the same terms and conditions on which they are engaged as on the Effective Date.

9. CREDITORS

- 9.1. The reduction and reorganization of reserves of the Company and reclassification and transfer of General Reserves (as set out in Clause 5 and 6 above) will not cause any prejudice to the creditors of the Company. The creditors of the Company are, in no way, affected by the Scheme, as there is no reduction in the amount payable to any of the creditors as a result of this Scheme, and no compromise or arrangement is contemplated with the creditors under this Scheme. Further, there is no outflow of cash from the Company. Thus, the proposed adjustment would not, in any way, adversely affect the operations of the Company or the ability of the Company to honor its commitments or to pay its debts in the ordinary course of business.

10. COMPLIANCE WITH TAX LAWS

- 10.1. The Scheme is in compliance with the applicable Tax Laws. Upon the Scheme becoming effective, the Company shall continue to pay Taxes in accordance with and subject to applicable Tax Laws.

11. LEGAL PROCEEDINGS

- 11.1. Upon the Scheme becoming effective, all suits, actions, administrative proceedings, tribunals proceedings, show cause notices, demands and legal proceedings of whatsoever nature by or against the Company pending and/or arising on or before the Effective Date or which may be instituted any time thereafter shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme but shall be continued and be enforced by or against the Company.

12. CONDITIONS PRECEDENT

The effectiveness of the Scheme is conditional upon and subject to:



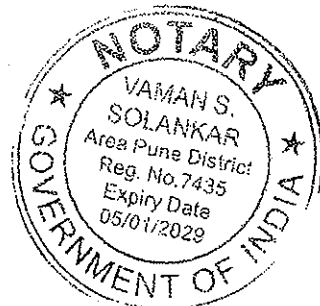
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- a. obtaining no-objection/ observation letter from the Stock Exchanges in relation to the Scheme under Regulation 37 of the SEBI LODR Regulations;
- b. this Scheme being approved by the respective requisite majorities of the various classes of shareholders as well as creditors of the Company if required under the Act unless dispensed with by the Tribunal and the requisite orders of the Tribunal being obtained; and
- c. the certified copy of the order of the Tribunal under Sections 230 and 231 read with Section 52 and Section 66 and other applicable provisions of the Act sanctioning the Scheme being filed with the Registrar of Companies by the Company.

13. APPLICATIONS

- 13.1. The Company, if required, shall, with all reasonable dispatch, make applications/ petitions to the Tribunal under Sections 230 and 231 read with Section 52 and Section 66 and other applicable provisions of the Act, for sanctioning of this Scheme.
- 13.2. On the approval of this Scheme by the shareholders of the Company (unless dispensed with by the Tribunal), such shareholders shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the reduction, reorganization of reserve and subsequent re-classification of General Reserves as set out in this Scheme, related matters and this Scheme itself.
- 13.3. The Company shall be entitled, pending the effectiveness of the Scheme, to apply to any Appropriate Authority, if required, under any Applicable Law for such consents and approvals, which the Company may require to effect the transactions contemplated under the Scheme.

14. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

- 14.1. The Company (acting through its Board or committee or such other person or persons, as the respective Board of Directors may authorize) may, in its full and absolute discretion:
  - a. assent/ make and/ or consent to any modifications or amendments to this Scheme, or to any conditions or limitations and which the Appropriate Authority and/or any other authorities may deem fit to direct or impose, and/or effect any other modification or amendment, and to do all acts, deeds and things which may otherwise be considered necessary or desirable or appropriate for settling any question or doubt or difficulty that may arise for implementing and / or carrying out this Scheme;



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Suzlon Energy Limited

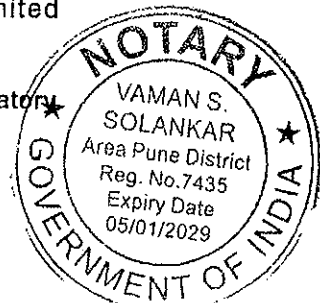
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- b. take such steps and do all such acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and give such directions as to resolve any doubts, difficulties or questions, arising under this Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any insolvent or deceased shareholders, debenture holders, depositors of the Company), whether by reason of any order(s) of the Appropriate Authority or of any direction or orders of any other Appropriate Authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith, or to review the position relating to the satisfaction of the various conditions of the Scheme and if necessary, to waive any of those (to the extent permissible under the law); and
- c. modify or vary this Scheme prior to the Effective Date in any manner at any time subject to Applicable Law; and

14.2. In case, post approval of the Scheme by the Appropriate Authority, there is any confusion in interpreting any Clause of this Scheme, or otherwise, the Board of Directors of the Company shall have complete power to take the most sensible interpretation so as to render the Scheme operational.

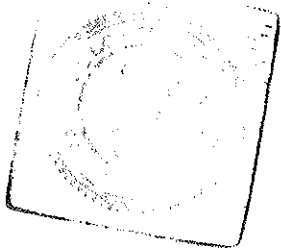
15. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in the Clause 12 above, not being obtained and/ or the Scheme not being sanctioned by the Tribunal and / or the order not being passed as aforesaid within such period or periods as may be agreed upon by the Board, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

16. REMOVAL OF DIFFICULTIES

16.1. The Company acting through its Board, may:

- a. give such directions and agree to take steps, as may be necessary, desirable or proper, to resolve all doubts, difficulties or questions arising under this Scheme, whether by reason of any orders of the Appropriate Authority or of any directive or orders of any Appropriate Authority, under or by virtue of this Scheme in relation to the arrangement contemplated in this Scheme and/ or matters concerning or connected therewith or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any manner whatsoever connected therewith, or to review the position relating to the satisfaction



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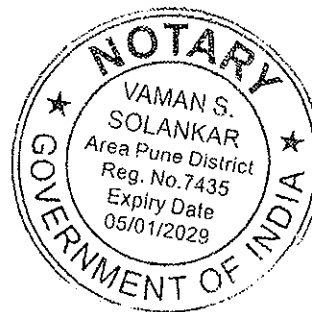


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of various conditions of this Scheme and if necessary, to waive any of those to the extent permissible under Applicable Law; and/or

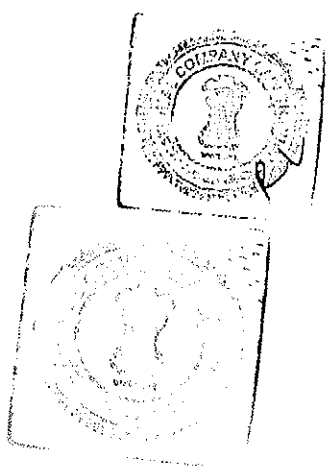
- b. do all such acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect.
- 16.2. Without prejudice to the other provisions of the Scheme and notwithstanding the reduction, reorganization of the reserve of the Company and subsequent reclassification of the General Reserves of the Company by virtue of the Scheme itself, in order to ensure implementation of the provisions of the Scheme the Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under Applicable Law or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement in relation to which the Company has been a party, including any filings with the regulatory authorities in order to give formal effect to the above provisions and to carry out or perform all such formalities or compliances referred to above on the part of the Company.

17. SEVERABILITY

If any part of this Scheme hereof is invalid, ruled illegal by Appropriate Authority or any court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Company that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to the Company, in which case the Company, acting through its Boards of Directors, shall attempt to bring about a modification in the Scheme, as will best preserve for the Company the benefits and obligations of the Scheme including but not limited to such part, which is invalid, ruled illegal or rejected by the Appropriate Authority or any court of competent jurisdiction, or unenforceable under present or future Applicable Laws.

18. MISCELLANEOUS

- 18.1. This Scheme is an "arrangement" between the Company and its shareholders and creditors under Sections 230 and 231 read with Section 52 and Section 66 and other applicable provisions of the Act and the Scheme does not envisage the transfer of vesting of any properties and/or liabilities as contemplated in Sections 230 to 232 of the Act. This Scheme does not involve any "conveyance" or "transfer" of any property/liabilities and does not relate to amalgamation or merger or demerger of companies in terms of Sections 230 to 232 of the Act. Accordingly, this Scheme and the order sanctioning this Scheme shall not be deemed to be a conveyance within the meaning of the Gujarat Stamp Act, 1958, and therefore no stamp



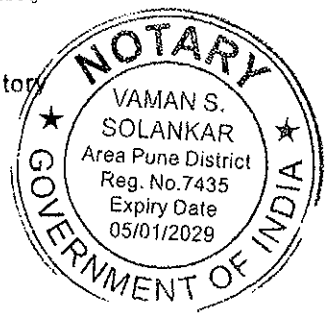
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duty shall be payable on the Scheme and / or the order sanctioning this Scheme.

- 18.2. Upon this Scheme becoming effective, the accounts of the Company and any other record/certificate/return, as on the Appointed Date shall be reconstructed in accordance with the terms of this Scheme.
- 18.3. Upon the Scheme becoming effective, the same shall be binding on the Company and all concerned parties without any further act, deed, matter or thing.
- 18.4. The provisions contained in this Scheme are inextricably inter-linked and the Scheme constitutes an integral whole. The Scheme would be given effect to only if it is approved in its entirety unless specifically agreed otherwise by the Board of Directors of the Company or any committee constituted by such Board.
- 18.5. The Company shall be at liberty to withdraw this Scheme at any time as may be agreed by the Board of Directors of the Company prior to the Effective Date.



Suzlon Energy Limited

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Authorised Signatory

*Raj Vaibha*  
04/05/24

Asstt. Registrar  
NCLT Ahmedabad Bench  
Ahmedabad



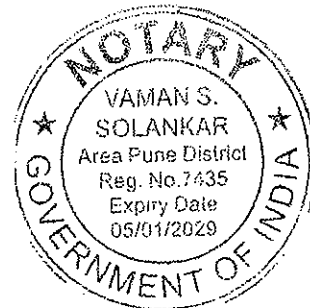
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**Suzlon Energy Limited**

Regd. Office:  
 "Suzlon", 5, Shrimall Society, Near Shri Krishna Complex, Navrangpura  
 Ahmedabad - 380 009, India

**SUZLON**

POWERING A GREENER TOMORROW

Phone : +91.79.66045000  
 E-mail : ho@suzlon.com  
 URL : www.suzlon.com

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**Details of Pre and Post Reserves of Suzlon Energy Limited (the 'Company') as on the Appointed Date i.e. 30<sup>th</sup> September 2024**

| S. No | Particulars                         | Pre-Scheme      | Reduction in       | Reclassification | Post-Scheme     |
|-------|-------------------------------------|-----------------|--------------------|------------------|-----------------|
|       |                                     | (Rs. In cr.)    | Reserves to adjust | and transfer of  | (Rs. In cr.)    |
|       |                                     | A               | debit balance in   | General Reserve  | A+B+C           |
|       |                                     |                 | Retained Earnings  | to Retained      |                 |
|       |                                     |                 |                    | Earnings         |                 |
|       |                                     |                 |                    | C                |                 |
| 1     | Capital Reserve                     | 217.81          | -217.81            | -                | -               |
| 2     | Capital Contribution Reserve        | 5,830.54        | -5,830.54          | -                | -               |
| 3     | Capital Redemption Reserve          | 15.00           | -15.00             | -                | -               |
| 4     | Securities Premium                  | 12,496.34       | -12,355.09         | -                | 141.25          |
| 5     | General Reserve                     | 912.05          | -                  | -912.05          | -               |
| 6     | Share options outstanding account   | 60.33           | -                  | -                | 60.33           |
| 7     | Share application pending allotment | 0.64            | -                  | -                | 0.64            |
| 8     | Retained Earnings                   | -18,418.44      | 18,418.44          | 912.05           | 912.05          |
|       | <b>Total</b>                        | <b>1,114.27</b> | <b>-</b>           | <b>-</b>         | <b>1,114.27</b> |

For Suzlon Energy Limited

*Parshwa Doshi*

Authorized Signatory

*Raj Vaibha*  
04/05/26

Asstt. Registrar  
 NCLT Ahmedabad Bench  
 Ahmedabad

Certified to be True Copy of the Original

*Raj Vaibha*

Assistant Registrar  
 NCLT, Ahmedabad Bench  
 Ahmedabad

Prepared by *Bhushk*Signature *[Signature]*Date *04/05/26*

Corporate Identity Number: L40100GJ1995PLC025447

Group Headquarters : One Earth, Hadapsar, Pune - 411 028, India Ph.: +91.20.61356135 / 67022000, Fax: +91.20.67022100 / 67022200

Date of pronouncement of Order:

Date on which application for Certified Copy was made: *30/04/26*Date on which Certified Copy was ready: *05/05/26*Date on which Certified Copy delivered: *05/05/26*

