

IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
COURT – 2



ITEM No.302
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: 30/10/2025

Coram:

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

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

ORDER

This case is fixed before pronouncement of order.

The order is pronounced in open court vide separate sheet.

sd/-

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

sd/-

CHITRA HANKARE
MEMBER (JUDICIAL)



**IN THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH, COURT-II,
AHMEDABAD**

CA(CAA)50/(AHM)/2025

[Application under Sections 230-232 read with Section 52 and 66 and other applicable provisions of the Companies Act, 2013].

In the matter of
Sections 230 and 231 read with
Section 52 and 66 and other applicable provisions
of the Companies Act, 2013

AND

In the matter of
Scheme of Arrangement in the
nature of Reorganisation and Reclassification of
Reserves of Suzlon Energy Limited.

SUZLON EITERGY 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-
Gujarat

.....Applicant Company

Order Pronounced on 30.10.2025

Coram:

MRS. CHITRA HANKARE

HON'BLE MEMBER (JUDICIAL)

MR. VELAMUR G VENKATA CHALAPATHY

HON'BLE MEMBER (TECHNICAL)

Appearance:

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

JUDGMENT

1. This company application has been filed under section 230 – 232 of the Companies Act, 2013 r.w. read with Section 52 and 66 and Rule 3 of the Companies (Compromise, Arrangements 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 Reorganisation and Reclassification of Reserves of Suzlon Energy Limited. The appointed date is stated to be 30.09.2024.
2. The applicant has sought the following reliefs :
 - a) to issue directions as regard convening, holding and conducting the meeting of the Equity Shareholders of the Applicant Company;
 - b) to issue directions as regards convening, holding and conducting meeting of the Secured Creditors of the Applicant Company;
 - c) to dispense with the meeting of the Unsecured Creditors of the Applicant Company or issue directions s regard convening holding and conducting meeting of the Unsecured Creditors of the Petitioner applicant company;
 - d) to issue necessary directions to the applicant company as to the method of convening, holding and conducting, the said meeting(s) through Video Conferencing or Other Audio Visual Modes including day, date and time as to the notices and advertisements to be issued in this regard;



- e) Appoint the Chairman and scrutinizer for the said meeting(s) of the Applicant Company and in respect of adjournment(s) if any and further to direct the said Chairman to report the result of the said meeting(s) to the Tribunal;
 - f) Fix the Quorum for the said meeting(s) and to lay down the procedure for voting at the meeting(s);
 - g) Issue directions to the applicant company for the service of notices of the said meetings to the concerned statutory authorities;
 - h) Issue necessary directions in view of the submissions made in paragraphs 19 to 25 of the application.
3. It is represented that registered offices of the applicant company, i.e. Suzlon Energy Limited (SEL) is situated within the territorial jurisdiction of Registrar of Companies, Ahmedabad, Gujarat, and its Registered Office is situated at “Suzlon” 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad 380009, which is falling under the jurisdiction of this Tribunal.
4. The Board of Directors of the applicant company has approved the Scheme through Board Resolution dated 28.10.2024 passed in its Board Meeting after approval by the Audit Committee and before the Independent Directors in its meeting on 25 October 2024.
5. The applicant company is a listed public limited company. It was incorporated on 10th April 1995 under the provisions of the Companies Act, 1956, with the Registrar of Companies, Gujarat as an unlisted public limited company with Corporate identity number L40100GJ1995PLCC025447.



Over the years it is submitted that several companies amalgamated with the applicant company. It is engaged in the business of design, development, manufacturing and supply of the Wind Turbine Generators (WTG's) and sale of related components of various capacities, project execution, power evacuation, Operation and Maintenance (O&M) of Wind Turbine Generators (WTGs) and power generation business.

6. The equity shares of the Company got listed on 19th October 2005 with the NSE Limited and the BSE Limited and continue to be listed on the Stock Exchanges. The details of Share Capital as on 31.03.2025 are as under:-

Particulars	Amount (INR) (in crores)
Authorized Share Capital	
10526,50,00,000 equity shares of Rs.2/- each	21,053.00
TOTAL	21,053.00/-
Issued share capital	
1367,58,52,549 equity shares of Rs.2/- each	2,735.17/-
TOTAL	2,735.17/-
Subscribed share capital	
1365,69,20,572 Equity Shares of Rs. 2 each	2,731.38/-
TOTAL	2,731.38/-
Paid-up share capital	
1364,87,26,509 Equity Shares of Rs.2 each	2,729.74/-
TOTAL	2,729.74/-

- i. It is submitted that subsequent to 31.03.2025 and up to the date of filing this application, the Company has not issued and allotted any shares except 5,76,03,000 equity shares having face value of Rs.2 each issued, subscribed and paid-up pursuant to employee stock option scheme.



- ii. The main objects of the applicant are set out in the Memorandum and Articles of Association of the company.
- iii. During the financial year ended on 31 March 2025, on standalone basis, applicant had total income of Rs.10,300.03 crores (Rupees ten Thousand Three Hundred Crores Three Lakhs only) and the profit after tax for the year was Rs.2,104.72 crores (Rupees Two Thousand One Hundred Four Crores Seventy Two Lakhs Only). The consolidated results indicate total income of Rs.10,993.13 crores (Rupees Ten thousand Nine Hundred Ninety Three Crores Thirteen Lakhs only) for the year ended 31 March 2025 and profit after tax for the year of Rs.2071.63 crores (Rupees Two Thousand Seventy One crores Sixty Three lakhs only) as per the copy of audited financial statements for the year 31 March 2024 and 31 March 2025 submitted by applicant.
- iv. The details of Other equity including General Reserve as on the appointed date, viz closing of 30 September 2024 is as under:

Particulars	Amount Rs.in crores)
General Reserve	912.05
Retained Earnings	-18,418.44
Securities Premium	12,496.34
Capital Reserve	217.81
Capital Redemption Reserve	15.00
Capital Contribution Reserve	5,830.54
Share Options Outstanding Amount	60.33



Share Application pending amount	0.64
TOTAL	1,114,27

- v. The applicant has also submitted the pre scheme and post scheme status of each of the reserves in compliance with directions given by the Stock Exchanges.
 - vi. There are 56,04,622 number of Equity Shareholders including corporate institutional as well as Foreigners and NRI shareholders as on 30.06.2025. The applicant is seeking direction to convene the meeting of its Equity Shareholders.
 - vii. There are no preference shares issued by the company.
 - viii. The Applicant Company has five secured creditors as on 30.06.2025 amounting to Rs.6640 crores. Three out of five secured creditors accounting for 94.35% of the sanctioned limit and 99.04% of the utilised limit have approved the proposed scheme in the form of the written consent affidavits. Therefore, the applicant is seeking dispensation of the meeting of Secured Creditors.
 - ix. The applicant company has 3,819 unsecured creditors (including lease creditors) of total value of Rs.38,82,54,15,552/- as on 30.06.2025. The applicant is seeking dispensation or alternatively direction to convene the meeting of the unsecured creditors.
7. The applicant has submitted that in view of the current financial health of the company with a debit balance in its retained earnings and its having unutilized balances lying under various reserves, which are neither earmarked for any specific purpose nor any lien marked thereon and/or



obligation attached thereto, this scheme proposes to set off the negative balance in retained earnings chronologically against the following reserves, viz., Capital Reserve, Capital Contribution, Capital Redemption Reserve, Securities Premium and General Reserve. This will enable the applicant to reap certain strategic benefits as enumerated below:

- a) the financial statements of the company should reflect its true and fair financial health;
- b) to obliterate the capital being lost and not represented by the available assets of the company;
- c) help in resizing the reserves of the company 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 to explore opportunities for the benefit of the shareholders of the company including but not restricted to dividend payment per the applicable provisions of the Act, etc;
- e) enable the company to use the amounts lying in the Capital reserve, Capital Contribution, Capital redemption reserve, Securities Premium, and General reserve; 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.

8. The present Scheme of Arrangement in the nature of Reorganisation and Reclassification of Reserves provided as follows:



- i. Reduction and Reorganisation as per Clause 5 of the Scheme: 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:
 - a. Capital Reserve;
 - b. Capital Contribution;
 - c. Capital Redemption Reserve;
 - d. Securities Premium; and
 - e. Balance (if any) against General Reserves
- ii. 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.
- iii. 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.
- iv. 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. 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.

- v. Reclassification as per Clause 6 of the Scheme: Upon the Scheme becoming effective, and post reduction and reorganisation of reserves pursuant to Clause 5 above, 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.
- vi. 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.
- vii. 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.

- viii. 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.
 - ix. 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.
9. The applicant company has produced the Observation letters dated 03.07.2025 given by the NSE and BSE respectively in respect of the proposed scheme of arrangement. Pursuant to which the applicant placed the statement indicating status of the reserves pre and post Scheme as follows:

S. No	Particulars	Pre-Scheme (Rs. In crore) (A)	Reduction in Reserves to adjust debit balance in	Reclassification & transfer of General Reserve to Retained	Post- Scheme (Rs. In crore) (A+B+C)
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			Retained Earnings (B)	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
Total		1,114.27	-	-	1,114.27

10. It is stated that the proposed accounting treatment in the book of the Company relating to the proposed scheme of arrangement as set out in Clause 7 of the Draft Scheme is outside the purview of the applicable accounting standards specified under Section 133 of the Act read with relevant rule issued thereunder. In the absence of specific guidance for accounting of transactions relating to reorganisation of reserves, the accounting treatment under Clause 7 of the Draft Scheme is construed to be in conformity with other generally accepted accounting principles in India. Over the years the Company has built up significant General Reserves through transfer of profits to the General Reserves in accordance with provisions of the applicable laws and rules notified thereunder. Certificate dated 28.10.2024 in this regard have been placed on record.
11. This company application is e-filed on 10.09.2025. The Board of Directors of the applicant companies have agreed upon the Appointed Date as 30.09.2024. The applicant has



annexed the Scheme of Arrangement with the petition and the material provisions of the proposed scheme are mentioned in the petition.

12. The applicant companies have produced certificates issued by the Chartered Accountants confirming the list of the Equity Shareholders, Secured Creditors and Unsecured Creditors of each of Applicant Company as on 30.06.2025.
13. The applicant company has produced the certificate of the IBBI registered valuer, Mr. Parag Vijaykant Kulkarni, IBBI/RV/04/2019/12131 dated 22.10.2024 certifying non applicability of Valuation Report to the present scheme. It stated that as per SEBI Circular Valuation Report from an independent Registered Valuer is not required in cases where there is no change in shareholding pattern of the listed company on effectiveness of the Scheme of Arrangement. Further, the applicant company has obtained a fairness opinion by a merchant banker.
14. Independent auditor's certificate dated 28.10.2024 by Walker Chandiok & Co LLP on non-applicability of Paragraph (A) 10 b) of Part - 1 of the Master Circular on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957 issued by the Securities and Exchange Board of India (SEBI) vide ref. no. SEBI/HO/CFD/ PoD-2/P/CIR/2023/93 dated June 20, 2023 (SEBI Circular) stated that the said requirements are not applicable to the Scheme for the reasons recorded in the undertaking given by the applicant company.



15. It is submitted that the Scheme is in the interest of the companies and their respective shareholders, creditors, employees and all other concerned and the Scheme shall not in any manner be prejudicial to the interest of concerned shareholders, directors or creditors or key managerial personnel or any other stakeholder of either of the companies or general public at large.
16. It is submitted that there are no proceedings pending under section 210-217, 219, 220, 223-227 of the Companies Act, 2013. There is no winding up petitions and/or any proceedings under the Insolvency and Bankruptcy Code pending against the Applicant Company. However, as directed vide the observation letters from Stock Exchanges; the Company has disclosed on-going adjudication and recovery proceedings, prosecution initiated and other enforcement action against the company, its Promoters/Directors in Annexure N.
17. Taking into consideration, the application filed by the Applicant Companies and the documents filed therewith as well as the position of law, this Tribunal propose to issue the following orders:-

ORDER

- i. Company Application i.e., CA(CAA)50/(AHM)/2025, is allowed.
- ii. In relation of Applicant Company Suzlon Energy Limited:-
 - a. Meeting of equity shareholders of the company shall be convened within 45 days through Video Conferencing or other Audio-Visual Modes for the purpose of considering and if thought fit, approving



- with or without modification(s), the proposed Scheme.
- b. The meeting of the Secured Creditors of the Applicant Company shall be dispensed with in view of their consent form submitted by way of an additional affidavit dated 17.09.2025, with approval of 94.35% of the creditors of the total sanctioned limit and 99.04% of the utilised limit of secured creditors having approved the proposed scheme.
 - c. The meeting of the Unsecured Creditors of the Applicant Company shall be convened within 45 days through Video Conferencing or other Audio-Visual Modes for the purpose of considering and if thought fit, approving with or without modification(s), the proposed Scheme.
 - d. The applicant company will provide a compliance certificate to the members of the meeting called certified by the Statutory Auditor that all compliances as per Ind AS standards and procedure prescribed have been met on account of the proposed scheme along with a copy of assessed net worth of the applicant company as on date of scheme.
- iii. In terms of Section 103 of the Companies Act, 2013 the quorum for the meeting of the Equity Shareholders is prescribed as 30 (Thirty). Quorum for the meeting of the Unsecured Creditors is prescribed as 15 (Fifteen), present either through authorised representative or by proxy.
 - iv. Mr. Ravi Kapoor, PCS (M. No. FCS 2587) shall be the Chairperson for the aforesaid meetings, and in any adjourned meeting; failing him Mr. Ashish Shah, PCS (M. No. FCS 5974) shall be the Chairperson of the



meetings.

- v. Mr. Chirag Shah is appointed as Scrutinizer for the aforesaid meetings.
- vi. At least one month before the date of the aforesaid meetings, an advertisement about convening of the said meeting, indicating the date, place and time as aforesaid, shall be published in **“Indian Express”** in English language as well as **“Sandesh”** in Vernacular language, in the State where the Equity Shareholders of the Applicant Company are residing. The publication shall indicate the time within which copies of the Scheme of Arrangement and explanatory statement shall be made available to the concerned persons free of charge from the registered office of the Applicant Transferee Company. The publication shall also indicate that the statement required to be furnished pursuant to Section 102 of the Act read with Sections 230 to 232 of the Act can be obtained free of charge from the registered office of the Company.
- vii. The Applicant Company shall ensure that the equity shareholders (including overseas, if any) who have not received notice of meeting or physical copy, can access/ download the said notice from its website. The said notice will mention the procedure to register and vote on the resolution proposed.
- viii. The Chairperson appointed for the aforesaid meetings



shall issue advertisements and send out notices of the meetings referred to above. The Chairperson is free to avail the services of the Applicant Transferee Company or any agency for carrying out the aforesaid directions. The Chairperson shall have all powers under the Articles of Association of the of the Applicant Transferee Company and also under the Rules in relation to the conduct of meetings, including for deciding any procedural question that may arise at the meeting or adjournment thereof proposed at the said meeting, amendment(s) to the aforesaid scheme or resolutions, if any, proposed at the aforesaid meetings by any person(s) and to ascertain the decision of the sense of the meetings.

- ix. The Chairperson shall file an affidavit not less than 7 (seven) days before the date fixed for holding of the meeting and to report to this Tribunal that the directions regarding issuance of notices and advertisements of meetings have been duly complied with as per Rule 12 of Companies (CAA) Rules, 2016.
- x. It is further ordered that the Chairman shall report to this Tribunal on the result of the said meeting in Form No. CAA.4, verified by his affidavit as per Rule 14 of the Rules in Form NO. CAA.4 within 7 (seven) days after the conclusion of the meetings.
- xi. We direct the applicants to pay a sum of Rs-1,50,000/- to the Chairman and a sum of Rs-50,000/-

to the Scrutinizer as their fees.

- xii. In compliance of sub-section (5) of Section 230 and Rule 8 of the Companies (CAA) Rules, 2016, the applicant companies shall send a notice in Form No.CAA.3 along with a copy of the Scheme of Amalgamation, explanatory statement and the disclosures mentioned under Rule 6, to (i) the Central Government through the Regional Director, North Western Region; (ii) the Registrar of Companies, Gujarat, Ahmedabad; (iii) and (iv) Income Tax Department along with full details of assessing officer and PAN numbers of all the Applicant Companies with copy also to the Principal Chief Commissioner of Income Tax Office, (v) Reserve Bank of India; (vi) Bombay Stock Exchange; to such other sectorial regulatory authorities who may govern the working of the Applicant Companies, stating that representations, if any, to be made by them shall be made within a period of 30 days from the date of receipt of such notice, failing which it shall be presumed that they have no objection to make on the proposed Scheme. The said notices shall be sent forthwith by email or by registered post or by speed post or by courier or by hand delivery at the office of the authority as required by sub-rule (2) of Rule 8 of the Companies (CAA) Rules, 2016. The aforesaid authorities, who desire to make any representation under sub-section (5) of Section 230 of the Act, shall send the same within 30 days to this Tribunal with a copy of the same to be supplied to the Applicant Companies.

- xiii. All the aforesaid directions are to be complied with



strictly in accordance with the applicable law including forms and formats contained in the Companies (Compromises, Arrangements, Amalgamations) Rules, 2016 as well as the provisions of the Companies Act, 2013 by the Applicants.

- xiv. The applicant companies shall file a compliance affidavit with the Registry with regard to the directions within 7 days of this order.

18. Company Application i.e. CA(CAA)50/(AHM)/2025, is disposed of accordingly.

sdl/-

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

sdl/-

CHITRA HANKARE
MEMBER (JUDICIAL)

Prachi-LRA