

08/05/2025

**MEMORANDUM OF ASSOCIATION
AND
ARTICLES OF ASSOCIATION
OF
SUZLON ENERGY LIMITED**

Co. No. 04-25447



कारबार प्रारम्भ करने के लिए प्रमाण-पत्र

CERTIFICATE FOR COMMENCEMENT OF BUSINESS

कम्पनी अधिनियम, 1956 की धारा 149 (3) अनुसरणम्

Pursuant of Section 149 (3) of The Companies Act, 1956

मैं एतद्वारा प्रमाणित करता हूँ _____
जो कम्पनी अधिनियम, 1956 के अधीन तारीख _____ को निगमित की गई
थी और जिसने आज विहित प्रथम में सम्यक रूप में स्थापित घोषणा काइल कर दी है कि उक्त
अधिनियम की धारा 149 (1) (क) से लेकर (घ) तक/149 (2) (क) से लेकर (घ) तक की शर्तों का
अनुपालन किया गया है, कारबार प्रारम्भ करने की हकदार है।

I hereby certify that the SUZLON ENERGY LIMITED

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which was incorporated under The Companies Act, 1956, on the

TENTH

day of

APRIL

1995

and which has this day filed a duly verified declaration in this prescribed
form that the conditions of section 149 (1) a) to (d) / 149 (2) (a) to (c) of
the said Act, have been complied with, is entitled to commence business.

मेरे हस्ताक्षर से यह तारीख _____ को _____ में दिया गया।

Give under my hand at AHMEDABAD this TWENTYFIFTH

day of APRIL One Thousand Nine Hundred Ninety FIVE.



(S.N. MISRA)
कम्पनीयों का रजिस्ट्रार

ASSTT. Registrar of Companies
Gujarat, Dadra & Nagar Haveli



प्रारूप ० आई ० आर ०

FORM I, R.

CERTIFICATE OF INCORPORATION

निगमन का प्रमाण-पत्र

ता.....का म.....

No. 0425447..... of 199⁵96.....

में एतद्वारा प्रमाणित करता हूँ कि आज _____

कम्पनी अधिनियम 1956 (1956 का 1) के अधीन निगमित की गई है और यह कम्पनी परिसीमित है।

I HEREBY CERTIFY THAT SUZLON ENERGY LIMITED

IS THIS DAY INCORPORATED UNDER THE COMPANIES ACT, 1956 (NO. 1 OF 1956) AND THAT THE COMPANY IS LIMITED.

मेरे हस्ताक्षर से आज ता _____ को दिया गया।

GIVEN UNDER MY HAND AT AHMEDABAD THIS

TENTH

DAY OF

APRIL

ONE THOUSAND NINE HUNDRED NINETY FIVE.



Ch. Parmar
(V. K. PARMAR)

Asstt. Registrar of Companies,
GUJARAT,
Dadra & Nagar Haveli

MEMORANDUM OF ASSOCIATION OF SUZLON ENERGY LIMITED

- I. The Name of the Company is **"SUZLON ENERGY LIMITED"**.
- II. The Registered Office of the Company will be situated in the State of Gujarat.
- III. The objects for which the Company is established are:
 - (A) **¹THE MAIN OBJECT TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION IS:**
 1. To carry on business of manufacturing, producing, processing, generating, accumulating, distributing, transferring, preserving, mixing, supplying contracting, as consultants, importers, exporters, buyers, sellers, assemblers, hirers, repairers, dealers, distributors, stockists, wholesalers, retailers, jobbers, traders, agents, brokers, representatives, collaborators, of merchandising, marketing, managing, leasing, renting, utilising of electricity, steam, power, solar energy, wind energy, biomass energy, geothermal energy, hydel energy, tidal and wave energy, and other conventional, non-conventional and renewable energy sources, waste treatment plants of all kinds, and equipments thereof in India and outside India.
 2. To carry on, in India and abroad, the business as manufacturer, assembler, repairer, fabricator, processor, producer, buyer, seller, dealer, wholesaler, retailer, consignor, consignee, agent, importer, exporter, consultants of and in engineering and non-engineering products of metallic or non-metallic materials of mechanical, electrical, electronic, instrumentation, hydraulic, plastic or any other nature or combination thereof, including engineering products and components like steel structures, towers of any kind and nature, transformers, generators, control panels, pitch panels, power panels, solar panels, batteries, nacelle cover, gear and gear box, compressor, rotor blades, reinforced fibre glass products, used for renewable and green energy sector or otherwise and general engineering products.
 3. To engage in operation and maintenance of conventional and non-conventional power projects including distributing, transferring, preserving, mixing, supplying, contracting, consulting, importing, exporting, buying, selling, assembling, hiring, repairing, dealing, distributing, stocking, trading, broking, representing, collaborating, managing, maintaining, leasing, renting, servicing, dealing in all kind and type, nature and description of power projects, power sources, equipments and infrastructure.

¹ The Main Object Clause of the Object Clause of the Memorandum of Association of the Company stands altered and amended by adding Main Object Clause Nos.2 to 6 after the existing Main Object Clause No.1 in terms of the Order passed by the Honourable National Company Law Tribunal, Ahmedabad Bench on 8th May 2025 sanctioning the Scheme of Amalgamation of Suzlon Global Services Limited (CIN: U27109GJ2004PLC044170) with the Company.

4. To carry on in India and anywhere else in the World the business of and as an independent power project company and for the purpose to establish, develop, install, commission, acquire, operate and maintain, either independently and / or in association with and / or through one or more subsidiary / joint venture / associate / such person or persons, non-conventional, renewable and green power projects including solar, wind, hydro, biomass, geothermal; tidal, wave energy and for the purpose do all such acts and deeds including acquiring and developing land, utilizing, undertaking, laying out, developing, re-erecting, altering, repairing, re-modelling, setting-up and / or arranging, on behalf of clients as well as for its own, in connection with any infrastructure development including civil construction, electrical, laying of evacuation and transmission facility, setting-up of sub-stations, erection, installation & commissioning of solar power projects, wind power projects, windmills, power plants, renewable and green energy projects, power supply works or any other structural or architectural work of any kind whatsoever, and marketing, buying, selling and / or dealing in power.
5. To engage in the business of evacuation, transmission, distribution of power generated from any conventional or non-conventional energy sources including but not limiting to wind energy, thermal, solar, hydro, tidal, wave, steam, biomass, geothermal, atomic, waste energy sources and for the purpose to utilizing, undertake, layout, develop, construct, build, erect, demolish, re-erect, alter, repair, re-model, modify, augment for and on its own behalf or for and on behalf of other person or persons including but not limiting to individuals, organisations, bodies corporate, associations, unincorporated bodies, State Electricity Boards, State Nodal Agencies, private / semi-government / government companies – power generation, power transmission, power distribution, power trading companies or otherwise, all infrastructure development activities including transmission lines, sub-stations, power houses, power stations, etc.
6. To organise, undertake, layout, develop, construct, build, erect, demolish, re-erect, alter, repair, re-model on behalf of clients as well as on its own in connection with any infrastructure development like civil construction, electrical, laying of evacuation and transmission facility, erection, installation & commissioning of windmills, building or building scheme, roads, highways. Docks, ships, sewers, bridges, canals, wells, springs, series, dams, power plants, wind power projects, solar power projects, renewable and green energy projects, boars, wharves, ports, reservoirs, embankments, tramway, railways, irrigations, reclamations, improvements, sanitary, water, gas, electric light, telephonic, telegraphic and power supply works or any other structural or architectural work of any kind whatsoever and for such purpose to prepare reports, estimates, designs, plants, specification or models as may be requisite thereof and for the purpose or otherwise carry on the business as and of contractors and engineers and consultants in all its branches.

(B) THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECT ARE:

1. To acquire real or leasehold estate and to purchase, lease or otherwise acquire or provide in any place in which any part of the business of the Company may from time to time be carried on, all such offices, warehouses, workshops, buildings, houses for employees and Directors, Machineries, Engines, Plant and appliances as may be considered requisite for the purpose of carrying on the business of the Company or any part thereof.

2. To form, constitute, float, lend, money to assist and control similar association or undertakings whatsoever.
3. To promote, subsidies and assist companies, syndicates and partnerships of all kind in any manner as may be thought fit in connection with any or the above objects of the Company.
4. To hold use, work, manage, improve, carry on, develop the undertaking, lands and movable estate or property and assets of any kind of the Company or any part thereof.
5. To dispose of any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as may be thought fit and to accept payment or satisfaction for the same in cash or otherwise.
6. To subscribe for, take or otherwise acquire and hold shares, stocks debentures or other securities of any other Company having objects altogether or in part similar to those of the Company or carrying on any business capable of being conducted so as directly to benefit of the Company.
7. To subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public, or any other useful institutions in their objects or purposes or for any exhibitions but not for political objects.
8. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of and give or procure the giving of donation, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of Company or of any Company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary company or who are/were at any time Director or officers of the Company or of any such other company as aforesaid and the wives, widows, families and dependants of any such persons and also to establish and subsidies and subscribe to any institutions, associations, club or funds calculated to be for the benefit of or to advance the interest and well being of the Company or of any such other company as aforesaid and make payment to or towards the insurance of any such persons as aforesaid and to any matters aforesaid either alone or in conjunction with any such other company as aforesaid.
9. To provide for the welfare of Directors, employees, or ex-employees of the Company and the wives, widows and families of the dependants or connections of such persons by building or contributing for the building, dwelling or quarters, or by grants of money, pensions, gratuities, allowance, bonus, profit sharing bonus or benefits or other payments or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds profit sharing or other scheme or trust and by providing or subscribing, or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendants, and other assistance as the Company shall think fit.
10. To establish, provide, maintain and conduct or otherwise subsidies research, laboratories and experimental workshop for scientific and technical research and experiments and tests of all kinds and to promote studies and research both scientific and technical investigation and invention by providing subsidizing or assisting laboratories workshops, libraries, lectures, meeting and conferences and by providing

the remunerations of scientific or technical professor or teachers and by providing for the award or exhibition, scholarship prizes and grants to students or otherwise and generally to encourage promote and reward studies, researches, investigation, experiment, tests and invention of any kind that may be considered likely to assist any of the business which the Company is authorized to carry on.

11. To appoint any Directors or Managers of any subsidiary company or of any other company in which this Company is or may be interested.
12. To aid peculiarly or otherwise, any association, body or movement having similar object, the solution, settlement or labour problems or the promotion of industry or trade.
13. To acquire and undertake all or any part of the business property and liabilities of any person, company carrying on or proposing to carry on any business which the Company is authorized to carry on or proposed of property suitable for the purpose of the Company which can be capable of being conducted so as directly to benefit the Company and to subsidies or assist any such persons or company financially or otherwise.
14. To vest any movable or immovable property rights or interests acquired by or belonging to the Company in any person or Company on behalf of or for the benefit of the Company and with or without any declared trust in favour of the Company.
15. To lend and advance money or give credit to such persons or companies and on such terms as may seem expedient and in particular to customers and others having dealing with Company and to guarantee the performance of any contract or obligation and the payment of money to any such person or companies and generally to give guarantee and indemnities.
16. To guarantee the payment of money secured or unsecured by or payable under in respect of promissory notes, bonds, debentures, debenture-stock, contracts, mortgages charges, obligations, instruments of any person whatsoever, whether incorporated or not and generally to guarantee or become securities for the performance of any contracts or obligations.
17. To under take and execute any trust, the undertaking of which may seem to the Company desirable either gratuitously or otherwise.
18. To carry on business or branch of a business which this Company is authorized to carry on by means or through the agency of any subsidiary or other companies and to enter into any arrangements with such subsidiary Company for taking the profits and bearing the loss at any business or branch so carried on, or for financing any such business or branch so guaranteeing its liabilities or to make any other arrangements which may seem desirable with reference to any business or branch so carried on including power at any time and either temporarily to close any such branch or business.
19. To pay all preliminary expenses of any company promoted by the Company or any company in which this Company is or may contemplate being interested including in such preliminary expenses all or any part of the cost and expenses of owners of any business or property acquired by the Company.

20. To procure the incorporation, registration or other recognition of the Company in any country, state or place outside India and to establish and maintain local registers and branches places of business in any part of the world subject to law in force.
21. To create any depreciation fund, reserve fund, sinking fund, insurance fund, educational fund or any other special fund or reserves whether for depreciation or for repairing, improving, extending or maintaining any of the properties of the Company or for redemption of debentures or redeemable preference shares or for any other purposes conducive to the interest of the Company.
22. Subject to the provisions of the Companies Act, 1956 to place or reserve or to distribute as dividends or bonus share among the members or otherwise to apply any money received by way of premium on shares or debentures issued at a premium by the Company and any money received in respect of dividends accrued on or arising from the sale of forfeited shares.
23. To establish, promote or concur in establishing or promoting any company or companies for the purpose of acquiring all or any of the properties, rights and liabilities of the Company or for any other purpose which may seem directly or indirectly, calculated to benefit the Company and to place or guarantee the placing of subscribed for or otherwise acquired all or any part of the shares, business capable of being conducted so as directly or indirectly to benefit the Company.
24. To pay out of the funds of the Company all costs, charges and expenses of any incidental to the promotion, formation, registration and establishment of the Company and the issue of its capital including any undertaking or other commissions, broker's fees and charges in connection therewith and to remunerate (by cash or other assets or by the allotment of fully or partly paid shares) or by a call or option on shares, debentures, debenture-stocks, or securities of this or any other company or in any other manner whether out of the Company's capital or profits or otherwise to any person or persons for services rendered in introducing any property or business of the Company, in placing or assisting to place or guaranteeing the subscription of any shares, debentures. debenture-stocks or other securities of the Company as the directors may think proper.
25. To draw, make, accept, endorse, execute, issue, negotiate, assign and otherwise deal with cheques, drafts, bills of exchange, promissory notes, hundies, debenture, bonds, bills of lading, railway, receipts, warrants and all other negotiable or transferable instruments.
26. To insure with any other company or person against losses, damages, risks and liabilities of all kinds which may affect this Company.
27. To open account or accounts with any firm or Company or with any bank or banks or bankers or shroffs to pay into withdraw money from such account or accounts.
28. To apply for, tender, purchase or otherwise acquire and contracts, sub-contracts, licences and concessions for or in relation to the objects or business herein mentioned or any of them and to undertake execute, carry out dispose of or otherwise turn to account the same.

29. To employ experts to investigate and examine into the conditions, prospects, value, character and circumstances of any business concerns and undertakings having similar objects and generally of any assets, property or rights.
30. To take part in the management, supervision and control of the business or operation of any company or undertaking having similar objects and for that purpose to appoint and remunerate any directors, trustees, accounts or other experts.
31. Subject to the provisions of the Act, to pay for any properties, rights or privileges acquired by the Company either in shares of the Company or partly in shares and partly in cash or otherwise.
32. To amalgamate, enter into partnership or into any arrangement for sharing or pooling of profits, amalgamation, union of interest, cooperation, joint venture, reciprocal concession or otherwise with any person, firm or company carrying on or engaged in or about to carry on any business or transaction which may seem capable of being carried on or conducted so as, directly or indirectly to benefit the Company.
33. To lend, invest or otherwise employ or deal with money belonging to or entrusted to the Company in securities and shares or other movable or immovable property or without security upon such terms and in such manner as may be thought proper from time to time, to vary such transactions and investment in such manner as the Directors may think fit subject to the provisions of the Companies Act, 1956.
34. To purchase or otherwise acquire, protect, prolong and renew any patents, rights, inventions, licences, protections and concessions which may appear likely to be advantageous or useful to the Company and to use and turn to account the same and to grant licence or privileges in respect of the same.
35. To pay or satisfy the consideration for any property, rights, shares, securities or assets whatsoever which the Company is authorized to purchase, or otherwise acquire either by payment in cash or by the issue of shares, or other securities of the Company, or in such other manner as the Company may agree to partly in one mode and partly in another.
36. To search for and to purchase, protect, prolong, renew or otherwise acquire from any Government, State or authority any patents, protections, licences, concessions, grants, decrees, rights, powers and privileges whatsoever which may seem to the Company capable of being turned to account, to work develop, carry out, exercise and turn to account the same.
37. To furtherance of the aforesaid objects of the Company:
 - (a) To enter into negotiations with and enter into arrangements and contracts and conclude the same with foreign and/or Indian parties and other persons for obtaining by grant, licence, and/or on other terms, formulate and other rights and benefits, and to obtain technical and engineering information assistance and service know-how and expert advice for installation of plant and machinery, production and manufacture of any products, and
 - (b) To pay for technical know-how, technical and engineering assistance and

information and/or service rights or privileges acquired by the Company either in shares of the Company or partly in cash or otherwise.

- (c) To pay to promoters such remuneration and fees and otherwise recompensate them for their time and for the service rendered by them.
- 38. To do above things as may be incidental or conducive to the attainment of above objects, as principals and as or through agents, brokers, trustees, contractors, either alone or in partnership or in conjunction with others.
- 39. Subject to the provisions of Section 58 A of the Companies Act, 1956 and the Rules made thereunder and the directives of the Reserve Bank of India, to borrow or raise or secure the payments of money or to receive money on deposit at interest for any of the purpose of the Company and at such time and from time to time and in such manner as may be thought fit and in particular by the issue of debenture or debenture-stocks convertible into shares of this or any other company or perpetual annuities and as security for any such money so borrowed, raised or received or for any such debentures or debenture-stocks so issued to mortgage, pledge or charge the whole or any part of the property, assets, or revenue and profits of the Company present or future including its uncalled capital by special assignments or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may seem expedient and to purchase, redeem or pay off any such securities and also by a similar mortgage, charger or lien to secure and guarantee the performance by the Company or any other person or company as the case may be provided that the Company shall not carry on banking business as defined in the Banking Regulations Act, 1949.
- 40. To enter into any agreements and to take all necessary or proper steps with Governments or with other authorities imperial, supreme, national, local, municipal or otherwise of any place in which the Company may have interests and to carry on any negotiations or operations for the purpose of carrying out the objects of the Company directly or indirectly or effecting any modifications in the constitution of the Company or furthering interests of its members and to oppose any such steps taken by any other Company, firm or person which may be considered likely directly or indirectly to prejudice the interest of the Company or its members and to promote or assist the promotion, whether directly or indirectly of any legislation which may appear to be in the interests of the Company and to oppose and resist, whether directly or indirectly, any legislation which may seem disadvantageous to the Company.
- 41. To apply for, promote, and obtain any Act of Parliament or Legislature, charter, privilege, concession, licence or authorization of Government, State or Municipality provisional order or licence of the Board of Trade or other authority for enabling the Company to carry out any of the objects into effect or for extending any of the powers of the Company of for effecting any modification of the constitution of the Company for any other purpose which may seem calculated, directly or indirectly to prejudice the interests of the Company.
- 42. To make and/or receive donations, gifts or income to or from such persons, institution or trusts and in such cases and whether of cash or any other assets as may be thought directly or indirectly to benefit the Company or any of the object of the Company and also to remunerate any person or corporation introducing or assisting in

any manner the business of the Company.

43. To establish and support or aid in the establishment of and support associations, institutions, companies, societies, funds, trusts and conveniences for the benefit of the employees or ex-employees or of persons having dealing with the Company or the dependants, relatives or connections of such persons and in particular friendly or other benefit societies and to grant pensions, allowances and bonuses either by way of annual payments or by way of lumpsum and to make payments towards insurance to form and contribute to provident fund and benefit funds, or to such persons.
44. To indemnify members, officers, directors, agents and employees of the Company against proceedings, cost, damages, claims and demands in respect of anything done or ordered to be done by them for and in the interest of the Company or any loss, damage or misfortune whatsoever which shall happen in the execution of the duties of their offices or in relation thereto.
45. To establish agencies in India and elsewhere for sale and purchase to regulate and discontinue the same subject to law in force.
46. Subject to the provisions of the Act, the Company shall have power to borrow any sum or sums of money for the purpose of the Company on such terms and conditions and from such person or persons, firms, bank or any financial, industrial, institutions or any government or semi-government corporation as the Company may think fit.

(C) OTHER OBJECTS:

1. To undertake, carry out, promote and sponsor rural development including any programme for promoting the social and economic welfare of, or the uplift of the people in any rural area and to incur any expenditure on any programme of rural development and to assist execution and promotion thereof either directly or through an independent agency or in any other manner, without prejudice to the generality of the foregoing, "Programme of Rural Development" shall also include any programme for promoting the social and economic welfare of or the uplift of the people in any rural area which the Directors consider it likely to promote and assist rural development, and that the words "Rural Area" shall include such areas as may be regarded as rural areas under the Income-Tax Act, 1961, or any other law relating to rural development for the time being in force or as may be regarded by the Directors as rural areas and the Directors may at their discretion in order to implement any of the above mentioned objects or purpose transfer without consideration at a such fair or concessional value as the Directors may think fit and divest the ownership of any property of the Company to or in favour of any Public or Local Body or Authority or Central or State Government or any Public Institution or Trust or Fund as may be approved by competent authority.
2. To undertake, carry out, promote and sponsor or assist any activity for the promotion and growth of national economy and for discharging what the Directors may consider to be social and moral responsibilities of the Company to the Public or any section of the public as also any activity which the Directors consider likely to promote national welfare or social, economic or moral uplift of the Public or any section of the public in such manner and by such means as the Directors without prejudice to the generality of the foregoing, undertake, carry out, promote and sponsor any activity for

publication of any books, literature, newspapers, or for organising lectures or seminars likely to advance these objects or for giving merit awards, for giving scholarships, loans or any other assistance to deserving students, other scholars or persons to enable them to prosecute their studies or academic pursuits or research and for establishing, conducting, or assisting any institution, fund, trust, having any one of the aforesaid objects as one of its objects, by giving donations or otherwise in any other manner as the Directors may at their discretion in order to implement any of the above mentioned objects or purposes transfer without consideration or at such fair concessional value as the Directors may think fit and divest the ownership of any property of the Company to or in favour of any Public or Local Body or Authority or Central or State Government or any Public Institution or Trusts or funds as the Directors may approve.

3. To carry on business as capitalists, commercial agents, mortgage brokers and financial advisors.
4. To carry on all or any of the following business, namely, cotton, kapas spinners and doublers, flax, hemp and jute spinners, linen manufacturers, flax, hemp, jute and wool merchants, wool combers, worsted spinners, woollen spinners, yarn merchants, worsted stuff manufacturers, bleachers and dyers and makers of vitriol, bleaching and dyeing materials and deal in linen, cloth and fabrics, whether textiles, terrylene, terrycotton and of the other substances felted, netted or looped.
5. To carry on the business of dealers in, and of plant, machinery accessories, equipments, apparatuses, machines tools, instruments required for industrial as well as non-industrial purposes.
6. To carry on the business as manufacturers and processors of disposable and all types of diapers, baby care products, sanitary napkins and other medicinal, clinical and toilettory products.
7. To carry on business as dyers, bleachers and calico printers in dyehouse and textile mill and as wholesale or retail druggists, analytical or pharmaceutical chemists, and as manufacturers of and dealers in paint, oil and varnishes and dyes, and medical drugs.
8. To carry on business of manufacturing, extracting refining, processing, non-edible oil of every description.
9. To act as agents, brokers and trustees and to undertake, perform, sub-contracts, to act through or by means of agents, brokers, sub-contractors or others, to carry on the business of agency and manufacturers' representatives to execute and to carry out agreements and sole agency or other similar agreements and may appoint sub-agents or distributing agents with relation to business of any type or kind.
10. To carry on all or any of the business of finance brokers, registrar to the issues and transfer agents, issue houses or insurance agents/brokers and agents or underwriters, consultants, accessors, valuers, surveyors, mortgage brokers and undertaking the provision of hire purchase and credit sale finance and of acting as factors and brokers (provided that nothing contained herein shall enable the Company to carry on the business of Banking as defined in the Banking Regulations Act, 1949).

11. To carry on the trade or businesses of iron makers, steel makers, steel converters, colliery proprietors, coal manufacturers, miners, smelters, engineers tin plate makers and iron founders, in all their respective branches.
12. To carry on business of manufacturers, importers, exporters, assemblers, hirers and repairers of and/or dealers in and marketing and distribution of all type of electronic equipments, their parts and accessories and spares thereof such as computers and computer peripherals, computer parts, data transmission circuit, audio visual equipments and industrial machinery and consumer electronics including radio receivers, television receivers, television picture, tubes, tape-recorders, record changers, professional and defence electronics, test and measuring instruments, musical instruments, digital and analytical instruments, electronic environmental and pollution measuring instruments, photocopying machines and other office equipments, electronic desk calculators, oscilloscopes and associated instruments, process control systems, industrial electronics, medical electronic equipments, electronic devices, audio record/playback systems, closed circuit T.V., aerospace electronics, geo-science, electronic, communication electronics and broadcasting electronics.
13. To grow, produce, deal in agricultural and vegetable products of all kinds, grains, cereals, pulses, fruits, cloves, cardamom, cassia, saffron, cumins seeds, pepper, ginger and other spices, cotton, coffee, coco, tobacco, bidi leaves, rubber, indigo, lakh, sugarcane, oilseeds and essential oil producing seeds, plants, herbs, tubers, drugs, medicinal plants, and tanning materials of all kinds, sandalwood, rosewood, grasswood, timber, and other raw materials that are the produce of land and to sell, purchase, import, export and deal in the same and to carry on all or any of the business of farmers, poultry farming, fisherman, dairying, livestock breeding dead stock, meat, cattle food and feeding and factoring preparations of every kind maker and manufacturers of manures and fertilisers, pesticides, fungicides and agrochemicals of all kinds and their formulations and mixtures, paper pulp and paper.
14. To buy, sell, deal in, export, import and manufacture steel castings, alloyed steel castings, cast iron castings, alloyed cast iron castings, melting, annealing and industrial furnaces, fabrication of equipments, machinery spares boiler spares, ferro alloys, non-ferrous castings and to purchase, manufacture or erect by contract or otherwise the necessary plant, machinery or other necessary equipment for the manufacture of all or any of the above mentioned items and other metals or foundry products of all types and descriptions, manufacturers and dealers in wire nettings and meshings and standard wire, barbed wire, ropes and any other wire products of all types and descriptions and steel finding, requisite and implements required for Railways, Tramways, Boats, Launches and Steamers, Countrying aeroplanes, helicopters and all other type of office, domestic or other furnitures and fixture, steel and wooden or other substances, locks and padlocks and allied goods and products.
15. To carry on and undertake the business of finance and trading, hire purchase leasing and to finance lease operation of all kinds, purchasing, selling, hiring or letting on hire all kinds of plant and machinery and equipment that the Company may think fit and to assist in financing of all every kind and description of hire purchase or deferred payment or similar transaction and to subsidise, finance or assists in subsidising or financing the sale and maintenance of any goods, articles or commodities of all and every kind and description upon any terms whatsoever and to purchase or otherwise deal in all form of immovable and movable property including lands and buildings,

plants and machinery, equipments, ships, aircrafts, automobiles, computers and all consumers commercial and industrial items and to lease or otherwise deal with them in any manner whatsoever including resale thereof regardless of whether the property purchase and leased be new and/or used.

16. To carry on the business of electricians, electrical engineers and manufacturers of all kinds of electrical machinery and electrical apparatuses for any purpose whatsoever and to manufacture, sell, supply, lay down, establish, fix, carry out, and deal in accumulators, lamps, meters, lines, post, engines, dynamos, batteries, telephonic or wireless apparatuses of any kind and accessories thereof and manufacturers of and dealers in scientific instruments of any kind.
17. To carry on the business of mechanical engineers and manufacturers of machinery, tool makers, brass founders, metal workers, boiler makers, mill wrights, machinists, wood workers, builders and suppliers, painters, metallurgists, water supply engineers, gas makers, printers and to repair, convert, alter, let on hire and deal in machinery, implements, rolling stock and hardware of all kinds.
18. Subject to law to carry on the business of running hotel, restaurants, cafe, tavern, beerhouse, refreshment-room and as lodging-house keepers, licenced victuallers, wine, beer and spirit merchants, brewers, malsters, distillers, importers and manufacturers, marketing of aerated, mineral and artificial waters and other drinks, purveyors, caterers for public amusements generally, garage proprietors, livery stable keepers, job-master, ice merchants, importers and workers of food live and dead stock and colonial and foreign produce of all descriptions, hair dressers, perfumers, chemists, proprietors of clubs, baths, dressing rooms, laundries, reading, writing and newspaper rooms, libraries, ground and places of amusement, recreating, sport, entertainment and tobacco and cigar merchants, theatrical opera box office proprietors, entrepreneurs and general agents which can be conveniently carried on in connection therewith.
19. To carry on the business as transporters and general carriers carting and haulage contractors, clearing and forwarding agents, commission agents, custom agents, stevedores, wharfingers, cargo superintendents, packers and to carry goods of every kind and description in any form (solid, liquid, or other), passengers, live stock from one place to another in any part of the world whether by road, rail, air and/or water, and for that purpose to own, purchase, assemble, acquire, charter, hire, lease, all types, kinds, sizes and nature of vehicles, such as hand cart, bullock cart, horse cart, car, truck, tempo, lorry, steamer, tramways, boat, barges, aeroplanes, sea planes, gliders aeroplanes, other crafts moved by whatever motive power/energy such as oil, coal and land cock, wood, gas, electricity, solar, atomic energy and/or such other motive power and substitutes thereof.
20. To undertake or direct the construction and the maintenance of and to acquire by purchase, lease, exchange, hire or otherwise, land or property, building and estate of any tenure of any interest therein, to sell, lease, let, mortgage or otherwise dispose of the same and to purchase and sell for any person free or lease hold land, house, property, buildings, offices, factories, workshops, godowns, farm houses, farms or any share/interests therein and to carry on the business of land and estate agent on commission or otherwise without commission.
21. To carry on the business of and act as promoters, organisers and developers of land,

estate, property, co-operative housing societies, association, housing schemes, shopping-office complexes, townships, farms, farm houses, holiday resorts, hotels, motels, and to finance with or without security for the same and to deal with and improve such properties either as owner or as agents.

22. To carry on the business of an investment company and to invest in and acquire and hold and otherwise deal in shares, stocks, debentures, debenture-stocks, bonds, obligations and securities issued or guaranteed by any company constituted or private industrial enterprises carrying on business in India or elsewhere and shares, debentures, debenture-stocks, bonds, obligations and securities issued or guaranteed by any Government, State, Dominion, Sovereign, Public Body or authority, Supreme, Municipal local or otherwise whether in India or elsewhere.
23. To provide personnel recruitment services and to carry on business of industrial consultants and providing management services by providing personnel services accountants, typists, salesmen, supervisors, workers and labourers, incur expenses for transportation, postage, stationery and other auxiliary and incidental expenses for the business of service contract entered into by any person.
24. To irrigate, improve and develop lands, farms, plots and properties, whether belonging to the Company or not and to develop the resources thereof by cleaning, draining, fencing, ploughing, sowing, planting, manuring, farming, weeding, letting or otherwise and to carry on the business usually carried on by planters, plantation owners, peasants and process of agricultural and horticultural produces, flowers and fruits and trees of all kinds.
25. To carry on the business as manufacturers, traders, exporters, importers, dealers, consignors, consignees of all classes of cables, and wires including mineral insulated thermocouple cables, thermocouple wires, heating cables, thermometer compensating cables, resistance temperature detectors, resistance thermometer elements and assembly thereof, thermocouple assemblies resistance thermometer assemblies, thermowells, terminal block, terminal lead process control instruments, cables, having PVC, sheathing, asbestos sheathing, steel braiding and wires and cables used and required by all process industries, power stations, railways, petrochemical industries, fertilizers, dairy, defence, nuclear reactors, space application, and wherever temperature measuring and control is required for conservation, energy pollution control and other purposes.
26. To carry on the business of printers and stationers in all of its branches.
27. To act as manufacturers, buyers, seller, dealer, supplier, agent, exporter, importer, developer of software and hardware.
28. To establish and manage Private Safe Deposit Locker Vaults, for renting out lockers as a 'Private Safe Deposit Vault', and accept deposits there against.
29. To carry on the business as stone marble merchants, quarry masters and to supply polished stone, rough stone, granites, italian marbles, carara marbles, white marbles, black marbles and all type of stone to act as buyers, sellers, manufacturers of glazed tiles, mosaic tiles, bricks, get through others, shape, hew, curve, polish, glaze, crush, cutting. into flat sheet, process prepare for sell stone and marbles of all kinds and to carry on the business as dealers in lime traders, lime stone, cement, white cement,

sand, mortar, concrete, quarry.

30. To carry on the business of manufacturing dealers, buyers, sellers and to deal in any type of ready-made knitted garments made out of fabrics, in India or elsewhere.
31. To carry on the business of tourist and travel agent and contractors to arrange and operate tours and travel packages.
32. To set up steel furnaces and continuous casting and rolling mill plant for producing steel and alloy steel ingots, steel billets and all kinds and sizes of re-rolled section, flats, angles, rounds, squares, hexagons, octagons, rails, joints, channels, strips, sheets, plates, deformed bars, plain and cold twisted bars, bright bars, shafting and steel structurals.
33. To carry on the business as manufacturers, exporters, importers, dealers, traders and processors of all kinds of ferrous and non-ferrous metal and of cold and hot rolling, re-rolling, slitting, edge milling, sheeting, stamping processing, extruding drawing, flattening, straightening, heat treatment of all kinds of ferrous and non-ferrous metals either of own or for others.
34. Subject to the provisions of law to manufacture, brew, distil process, dehydrate, can package, buy, sell and deal in confectionery, dry and preserved fruits, juices, vegetables, packing materials, bread flour, biscuits, backing materials, beer, wines, alcohol and molasses, vanaspati, ghee, vegetable oils, processed food products ice-cream, candy milk products, sweets and all other eatables and by products including fish, prawns and other edible produce of the water.
35. To acquire, take over, promote, establish and carry on all or any of the business of seed crushers and manufacturers of and dealers in groundnut, gingerly, castor, cotton, mowra linseed, rape and mustard cakes, oil extractors by crushing chemical of any other process, cake and oil manufacturers, oil refineries, scrap boilers, manufacturers of floors and floors covering of every description makers and manufacturers of cattle food and feeding and fattening preparations of every description, makers and manufacturers of artificial manures and fertilizers of every description, mean manufacturers, grain and seed merchants, oil merchants, flax cotton, groundnut gingerly, mowra and castor merchants.
36. To carry on business as printers and publishers of news papers, journals, magazines, books and other literary works and undertakings, in all languages, whether on payment of royalty or not.
37. To carry on as the business of manufacturing of all kinds of cement, cement products lime, burners and ceramics.
38. To carry on the business of manufacturers and dealers of tractors, automobiles, earth moving equipments, internal combustion engines, boilers, locomotives and compressors.
39. To carry on the business of manufacturers of automobiles parts, spare parts and components of machineries and to act as agents for manufacturers.
40. To carry on business as manufacturers of soaps, cosmetics, perfumes and toilet requisites.

41. To carry on the business of purchase and sale of petroleum products, to act as dealers and distributors for petroleum companies to run service station for the repairs and servicing of automobiles and to manufacture or deal in fuel oils, cutting oils, greases.
42. To carry on the business of manufacturers and dealers in all types of rubber, leather, celluloid, bakelite, plastic and products thereof, particularly industrial rolls, rollers, sheets beatings and consumer goods such as tyres, tubes and other allied products, chappals, shoes, toys, medical and surgical goods.
43. To carry on the business of manufactures of timber and wood products, plywood matches and wooden of metal furniture.
44. To carry on the business of manufacturers or dealers in glass products, including sheet and plate glass, optical glass, glass wool and laboratory ware.
45. To carry on business of the manufacturers and dealers in dairy products and allied products.
46. To manufacturer or deal in bricks, tiles, sanitaryware bathroom fittings and fixtures flushings cisterns, commodes, wash basins, pipes and tubes of plastic, glass or at other material, earthenware pottery articles, china and terracotta wares of all kinds and to carry on business as quarry masters and stone merchants.
47. To carry on the business of yarn by doubling, spinning, crimping, texurising sizing, mercerising, bleaching, blending, carbonising, calendaring, converting, printing, colouring, curing, processing, dyeing, sanforising, scouring, twisting, thinning, washing and knitting of the same and to carry on the business of importers, exporters, and dealers in all kinds of yarns fibres and fibrous materials.
48. To carry on the business as manufacturers, contractors, sellers, buyers, importers, exporters and dealers in all kinds of plastics, plastic goods, products, articles and materials and to manufacture, import, export and deal in all kinds of plastic machinery apparatus, equipments, spares, parts and accessories.
49. To carry on the business of manufacturing, dealers, buyers, sellers and to deal in all types of dyes, intermediates, pigments, organics, inorganics and allied chemicals.
50. To carry on the business of manufacturers, processors. refiners, buyers, sellers, importers, exporters, agents and dealers in tubes, cables, copper and alluminium conductors or other conductors, made of any metal or substances and sheet, circles, strips, sings, canisters, including extruded products such as cans containers, tubes, rod, angles, collapsible tubes and all types of machineries, plants or apparatus and things required for or capable of being used in connection with the manufacture of above items.
51. To transport passengers and goods and generally to do the business of common carriers.
52. To act as agent, consultant, adviser, councillors in all such types of services within India and in overseas countries within the framework of law in force.
53. To deal in the manufacturing, trading, importing, exporting, processing and formulation of m.c.c.p.

54. To manufacture all kinds of cosmetics products, hairs, skin, nail and other beauty preparations, deodorants, aerosol and pump spray products, baby products, all kinds of perfumery and other compounds preparations, materials and products, bath products, care products, raw and finished cosmetics, perfumes and essences, dentifrices, lotions, extracts, greases, creams, cream salves, ointments, pomades, powders, eau-de-cologne, toilet requisites, and preparations, deodorising compounds, all kinds of packing materials, soaps, soap chips, soap powders, detergents, toiletries other substances all kinds of oils, fats, perfumes, laundry products, cosmetics tooth powders, tooth brushes, shaving creams, shaving foams, after shave lotions, shoe polish and all types of all kinds of cosmetics goods.
55. To carry on all or any of the business of manufacturers, exporters, buyers, sellers, suppliers, traders, merchants, indentors, brokers, agents, assemblers, packers, stockists, distributors, jobworkers and dealers of all kinds of full pad based, gas based and mineral such as precipitated silica, sodium silicate, calcium silicate, aluminium silicate, sodium magnesium, aluminium silicate, aluminium silicate, sodium aluminium silicate, magnetium oxide, silica gel, molecule sieve, filter and polishing composition, oil refining compositions.
56. To undertake and carry on the business of shippers, ship owners, shipbreakers, shipping agents, ship managers, tug owners, loading brokers, freight contractors, barge owners, lightermen, dredgers and forwarding agents, engineers, ship store merchants, ship husbands, stevedores, salvors ship builders and ship repairers, ship breaking yards, and to carry on business of breaking, cutting, dismantling of ship, steamers, trailers, steam launches, ocean going vessels plying on water either by Company itself or through other arrangements whether on contract or job work basis.
57. To carry on business of manufacturers, makers, manufacturer's representatives, converters, fabricators, repairers, finishers, developers, designers, distributors, stockists, importers, exporters, agents, buyers, sellers, consignees, consignors and dealers in all kinds, types, descriptions and sizes of compressors, piston compressors for all type, and kind of refrigeration plants, air conditioning plants, refrigerators, cooling appliances, apparatuses, components, parts and accessories and fittings for that purpose.
- 58.² To organise, undertake, layout, develop, construct, build, erect, demolish, re-erect, alter, repair, re-model, on behalf of clients as well as on its own in connection with any infrastructure development including but not limiting to civil construction, electrical, laying of evacuation and transmission facility, erection, installation & commissioning of windmills, power plants, wind power projects, solar power projects, renewable and green energy projects, power supply works or any other structural or architectural work of any kind whatsoever and to engage in operation and maintenance of conventional and non-conventional power projects including distributing, transferring, preserving, mixing, supplying, contracting, consulting, importing, exporting, buying, selling, assembling, hiring, repairing, dealing, distributing, stocking, trading, broking, representing, collaborating, managing, maintaining, leasing, renting, servicing, dealing

²Other Object Clause of the Object Clause of the Memorandum of Association of the Company amended by addition of new Clause 58 after the existing Clause 57 as approved vide Special Resolution passed by the shareholders on 12th April 2013 by way of Postal Ballot and the activities covered therein were commenced in terms of the Special Resolution approved by the shareholders by Postal Ballot on 12th April 2013 and a Certificate of Registration of the Special Resolution Confirming Alteration of Object Clause(s) issued by the Registrar of Companies, Gujarat on 18th April 2013.

in all kind and type, nature and description of power projects, power sources, equipments and infrastructure.

IV. The liability of the Members is limited.

V. The Authorised Share Capital of the Company is Rs.21053,00,00,000/- (Rupees Twenty One Thousand Fifty Three Crores Only) divided into 10526,50,00,000 (Ten Thousand Five Hundred Twenty Six Crores Fifty Lacs) Equity Shares of Rs.2/- (Rupees Two Only) each.

(The initial authorised share capital of Rs.25,00,000/- was enhanced to Rs.1,00,00,000/- at the Extra Ordinary General Meeting held on 14th October 1995, which was subsequently enhanced to Rs.1,50,00,000/- at the Extra Ordinary General Meeting held on 16th January 1996, which was subsequently enhanced to Rs.5,00,00,000/- at the Extra Ordinary General Meeting held on 30th December 1996, which was subsequently enhanced to Rs.15,00,00,000/- at the Second Annual General Meeting held on 26th June 1997, which was subsequently enhanced to Rs.25,00,00,000/- at the Extra Ordinary General Meeting held on 10th January 2000, which was subsequently enhanced to Rs.50,00,00,000/- at the Eighth Annual General Meeting held on 30th September 2003, which was subsequently enhanced to Rs.100,00,00,000/- at the Extra Ordinary General Meeting held on 9th April 2004, which was subsequently enhanced to Rs.216,00,00,000/- at the Extra Ordinary General Meeting held on 26th July 2004, which was subsequently enhanced to Rs.445,00,00,000/- comprising of 33,00,00,000 Equity Shares of Rs.10/- each and 1,15,00,000 preference shares of Rs.100/- each at the Extra Ordinary General Meeting held on 16th June 2005, which was subsequently amended by reclassification of 1,00,00,000 preference shares of Rs.100/- each to 10,00,00,000 equity shares of Rs.10/- each at the shareholders' meeting dated 10th March 2007 held by Postal Ballot, which was further amended by re-classifying and sub-dividing the capital as 222,50,00,000 equity shares of Rs. 2/- each, as approved by the shareholders on 6th December 2007 passed by Postal Ballot, which was subsequently enhanced to Rs.700,00,00,000/- divided into 350,00,00,000 equity shares of Rs.2/- each in terms of the resolution passed by the shareholders on 16th November 2010 by way of Postal Ballot, which was subsequently enhanced to Rs.1,100,00,00,000/- divided into 550,00,00,000 equity shares of Rs.2/- each in terms of the resolution passed by the shareholders on 12th April 2013 by way of Postal Ballot, which was subsequently enhanced to Rs.1,500,00,00,000/- divided into 750,00,00,000 Equity Shares of Rs.2/- each in terms of the resolution passed by the shareholders at the Nineteenth Annual General Meeting held on 25th September 2014, which was subsequently enhanced to 2498,00,00,000/- divided into 1249,00,00,000 equity shares of Rs.2/- each w.e.f. 1st June 2017 in terms of Common Final Order passed by the Honourable National Company Law Tribunal, Ahmedabad Bench on 31st May 2017 sanctioning the merger / demerger, which was subsequently enhanced to Rs.9200,00,00,000/- divided into 4600,00,00,000 Equity Shares of Rs.2/- each in terms of the resolution passed by the shareholders on 18th May 2020 by way of postal ballot and which was subsequently enhanced to Rs.11000,00,00,000/- divided into 5500,00,00,000 Equity Shares of Rs.2/- each in terms of the resolution passed by the shareholders at the Extra Ordinary General Meeting held on 25th March 2022 and which now stands amended as above in terms of Order passed by the Honourable National Company Law Tribunal, Ahmedabad Bench on 8th May 2025 sanctioning the Scheme of Amalgamation of Suzlon Global Services Limited (CIN: U27109GJ2004PLC044170) with the Company.

- Certified true copies of the Orders dated 10th August 2011 and 2nd September 2011 passed by the Honourable High Court of Gujarat at Ahmedabad and Honourable High Court of Judicature at Bombay, sanctioning the Scheme of Arrangement And Restructuring (De-merger and Amalgamation), in respect of De-merger and Transfer of Power Generation Division of Suzlon Towers And Structures Limited (STSL) to Suzlon Engitech Limited (SENL), De-merger and Transfer of Project Execution Division of Suzlon Infrastructure Services Limited (SISL) to Suzlon Gujarat Wind Park Limited (SGWPL), Amalgamation of Suzlon Towers And Structures Limited (STSL) (after the above referred de-merger) with Suzlon Energy Limited (SEL), Amalgamation of Suzlon Infrastructure Services Limited (SISL) (after the above referred de-merger) with Suzlon Energy Limited (SEL), are attached;
- Certified true copy dated 1st June 2017 of the Order dated 31st May 2017 passed by the Honourable National Company Law Tribunal, Ahmedabad Bench sanctioning the Composite Scheme of Amalgamation and Arrangement in the nature of amalgamation of SE Blades Limited, Suzlon Wind International Limited, SE Electricals Limited (collectively referred to as the "Transferor Companies") with Suzlon Energy Limited from the Appointed Date, i.e. 1st January 2016 and demerger and transfer of tower business of Suzlon Structures Limited (now known as Suzlon Global Services Limited) (the "Demerging Company") with Suzlon Energy Limited from the Appointed Date, i.e. 1st April 2016, is attached.
- Certified true copy of the Order dated 8th May 2025 passed by the Honourable National Company Law Tribunal, Ahmedabad Bench sanctioning the Scheme of Amalgamation of Suzlon Global Services Limited (CIN: U27109GJ2004PLC044170) with the Company from the Appointed Date, i.e. 15th August 2024, is attached.

We, the several persons, whose names and addresses are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the Company set of opposite our respective names:

Sr. No.	Names, Addresses, Descriptions, Occupations and Signature of the Subscribers	Number of Equity Shares taken by each Subscriber	Name, Address, Description and Occupation of the Common Witness
1.	TULSI R. TANTI S/o. Ranchhodbhai Tanti 21, Ankur Society, Adajan Patia, Rander Road Surat – 395 009 Occupation: Business Sd/-	100 (One Hundred)	Common Witness to all Sd/- Kapil Acharya Son of Rajanikant Acharya Chartered Accountant Membership No. 48595 F/9, Bijal Apartment, Ellisbridge Ahmedabad – 380 006
2.	VINOD R. TANTI S/o. Ranchhodbhai Tanti 21, Ankur Society, Adajan Patia, Rander Road Surat – 395 009 Occupation: Business Sd/-	100 (One Hundred)	
3.	JITENDRA R. TANTI S/o. Ranchhodbhai Tanti 21, Ankur Society, Adajan Patia, Rander Road Surat – 395 009 Occupation: Business Sd/-	100 (One Hundred)	
4.	GEETABEN T. TANTI W/o. Tulsibhai Tanti 21, Ankur Society, Adajan Patia, Rander Road Surat – 395 009 Occupation: Business Sd/-	100 (One Hundred)	
5.	SANGITABEN V. TANTI W/o. Vinodbhai Tanti 21, Ankur Society, Adajan Patia, Rander Road Surat – 395 009 Occupation: Business Sd/-	100 (One Hundred)	
6.	LEENA J. TANTI W/o. Jitendra Tanti 21, Ankur Society, Adajan Patia, Rander Road Surat – 395 009 Occupation: Business Sd/-	100 (One Hundred)	
7.	BALRAJSINH A. PARMAR S/o. Abhaysinh Parmar 1-A, Harikrishna Society, B/h Polytechnic BHARUCH Occupation: Business Sd/-	100 (One Hundred)	
		700 (Seven Hundred)	

Place: Ahmedabad

Dated this **Seventh** day of **April, 1995**

THE COMPANIES ACT 2013

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION¹

OF

SUZLON ENERGY LIMITED

(Incorporated under the Companies Act, 1956)

PART A

PRELIMINARY

TABLE ‘F’ EXCLUDED

1. The Regulations contained in the Table marked ‘F’ in Schedule I to the Companies Act, 2013, shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.
2. The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles.

DEFINITIONS AND INTERPRETATION

3. In these Articles, the following words and expressions, unless repugnant to the subject, shall mean the following:

“**Act**” means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.

“**Annual General Meeting**” means the annual general meeting of the Company convened and held in accordance with the Act.

“**Articles of Association**” or “**Articles**” mean these articles of association of the Company, as may be altered from time to time in accordance with the Act.

¹ A new set of regulations of the Articles of Association were adopted pursuant to a special resolution passed at the Twenty Seventh Annual General Meeting of the Company held on 29th September 2022 in substitution for the earlier Regulations comprised in the extant Articles of Association of the Company.

“Board” or **“Board of Directors”** means the board of directors of the Company in office at applicable times.

“Convertible Instruments” shall mean the compulsorily convertible and optionally convertible debentures, preference shares, and foreign currency convertible bonds (“FCCBs”), issued by the Company in accordance with the terms of Financing Documents.

“Depository” means a depository, as defined in clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996 and a company formed and registered under the Companies Act, 2013 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992.

“Director” shall mean any director of the Company, including alternate directors, Independent Directors and nominee directors appointed in accordance with and the provisions of these Articles.

“Debt Service Reserve Account” or **“DSRA”** shall have the meaning ascribed thereto in the Financing Documents.

“Debt Service Reserve Amount” shall mean an amount as per the Financing Documents.

“Extraordinary General Meeting” means an extraordinary general meeting of the Company convened and held in accordance with the Act.

“Financing Documents” shall mean the documents identified as financing documents (as may be amended from time to time) in terms of the contractual arrangements entered into by the Lenders with the Company.

“Financing Plan” shall mean the financing plan (approved by the Lenders) setting out the means of financing the Project, as set out in the Financing Documents.

“Final Settlement Date” shall mean the date on which all Secured Obligations have been irrevocably, indefeasibly and unconditionally paid and discharged in full by the Borrowers to the satisfaction of the Lenders.

“General Meeting” means any duly convened meeting of the shareholders of the Company and any adjournments thereof.

“Lenders” shall mean REC Limited, Indian Renewable Energy Development Agency Limited and / or such other lenders subsequently forming part of consortium led by the REC Limited who have provided term loan facilities (fund based & non-fund based) to the Company for financing as per terms of the Financing Documents and shall include their respective successors and assignees.

“Lenders Security Stipulation” shall mean the stipulation, contained in the Insurance Contracts/ policies taken out with respect to the Project, specifying and confirming that all Insurance Proceeds shall be paid by the relevant insurers to (or to the order of) the Lenders/ Secured Party.

“Member” means the duly registered holder from time to time, of the shares of the Company and includes the subscribers to the Memorandum of Association and in case of

shares held by a Depository, the beneficial owners whose names are recorded as such with the Depository.

“Memorandum” or **“Memorandum of Association”** means the memorandum of association of the Company, as may be altered from time to time.

“Nominee Director” shall mean professional/institutional nominees (including nominee(s)) appointed, by the Lenders, on the Board.

“Observer” shall mean a representative appointed by the Lenders on the Board of the Borrowers to observe and report to the Lenders about the proceedings of the Board.

“Office” means the registered office, for the time being of the Company.

“Officer” shall have the meaning assigned thereto by the Act.

“Ordinary Resolution” shall have the meaning assigned thereto by the Act.

“Permitted Indebtedness” shall mean:

- (a) the Rupee Term Loan as mentioned under the Financing Documents (limited to the total Debt disbursed);
- (b) Non-fund based facility as mentioned under the Financing Documents (limited to NFB/ LoC issued at the time of disbursement);
- (c) any other debt/ project specific funding (**“PSF”**) as may be permitted by the Lenders specifically in writing .

“Project” shall mean the business comprising of WTG manufacturing, EPC Business, O&M Services or any other business undertaken by the Company and its subsidiaries.

“Register of Members” means the register of members to be maintained pursuant to the provisions of the Act and the register of beneficial owners pursuant to Section 11 of the Depositories Act, 1996, in case of shares held in a Depository.

“Restricted Payments” shall mean, collectively, the payments towards dividends/ interest out of surplus left in the TRA, or other payments towards redemption, repurchase, retirement or otherwise acquisition of its shares, which may be made with prior approval of the Lenders upon satisfaction of Restricted Payment Conditions.

“Restricted Payments Conditions” shall mean each of the following conditions which shall be complied with, and upon satisfaction of which the Borrowers can, with the prior approval of the Lenders, pay dividends/ interest out of surplus left in the TRA, or make other payments towards redemption, repurchase, retirement or otherwise acquisition of its shares,:

- (a) no event of default or potential event of default shall have occurred under the Financing Documents and/or is continuing as on the date the Restricted Payment is proposed to be made/effectuated;
- (b) the DSRA is funded, at the time the Restricted Payment is proposed to be made, to the extent of the Debt Service Reserve Amount;
- (c) all other reserves are maintained;
- (d) the maintenance of the financial covenants as stipulated by the Lenders as per the Financing Documents;
- (e) any other condition specifically imposed by the Lenders;

“Rupee Term Loan” shall mean the financial assistance provided by the Lenders as per Financing Documents.

“Rupee Term Loan Agreement” or “RTL Agreement” shall mean the rupee term loan agreement dated April 28, 2022 executed by the Company and its group companies with the Secured Parties for availing the Rupee Term Loan or any amendments thereto and / or any supplemental documents executed in furtherance to the RTL Agreement.

“Secured Party” shall mean the Lenders and the Security Trustee to the extent of the security interest or the secured obligation owed to the Lenders as per Financing Documents.

“Security Interest” shall mean any mortgage, pledge, guarantee, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), preference, priority or other security agreement of any kind or nature whatsoever including, without limitation, (i) any conditional sale or other title retention agreement, any financing or similar statement or notice filed under any recording or notice statute, and any lease having substantially the same effect as any of the foregoing, (ii) Lenders security stipulation as per the Financing Documents, and (iii) any designation of loss payees or beneficiaries or any similar arrangement under any insurance contract.

“Securities” shall mean any equity shares, preference shares, debentures, bonds convertible into equity shares or any other equity linked instruments (including stock options, warrants), debt instruments / non-equity linked instruments issued / to be issued by the Company with the prior permission of the Lenders and shall include Convertible Instruments.

“Secured Obligations” shall mean all amounts due, owing or payable to the Lenders/ any Secured Party by the Company pursuant to the terms of the Financing Documents.

“Security Trustee” shall mean SBICAP Trustee Company Limited, a company incorporated under the Companies Act, 1956 having CIN U65991MH2005PLC158386 and having its registered office at 202, Maker Tower, 'E', Cuffe Parade, Colaba, Mumbai - 400005, India and a branch office at 610, 6th Floor, Ansal Bhawan, Kasturba Gandhi Marg, New Delhi – 110001 including its successors and assigns as per Financing Documents or such other security trustee or trustee as may be appointed by Lenders from time to time.

“Special Resolution” shall have the meaning assigned thereto by the Act.

“Trust and Retention Account” or “TRA” shall mean the trust and retention account opened by the Company pursuant to the terms of the Financing Documents.

4. Except where the context requires otherwise, these Articles will be interpreted as follows:
- (a) headings are for convenience only and shall not affect the construction or interpretation of any provision of these Articles.
 - (b) where a word or phrase is defined, other parts of speech and grammatical forms and the cognate variations of that word or phrase shall have corresponding meanings;
 - (c) words importing the singular shall include the plural and vice versa;
 - (d) all words (whether gender-specific or gender neutral) shall be deemed to include each of the masculine, feminine and neuter genders;
 - (e) the expressions “hereof”, “herein” and similar expressions shall be construed as references to these Articles as a whole and not limited to the particular Article in which the relevant expression appears;
 - (f) the *ejusdem generis* (of the same kind) rule will not apply to the interpretation of these Articles. Accordingly, **include** and **including** will be read without limitation;
 - (g) any reference to a **person** includes any individual, firm, corporation, partnership, company, trust, association, joint venture, government (or agency or political subdivision thereof) or other entity of any kind, whether or not having separate legal personality. A reference to any person in these Articles shall, where the context permits, include such person’s executors, administrators, heirs, legal representatives and permitted successors and assigns;
 - (h) a reference to any document (including these Articles) is to that document as amended, consolidated, supplemented, novated or replaced from time to time;
 - (i) references made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the Ministry of Corporate Affairs. The applicable provisions of the Companies Act, 1956 shall cease to have effect from the date on which the corresponding provisions under the Companies Act, 2013 have been notified;
 - (j) a reference to a statute or statutory provision includes, to the extent applicable at any relevant time:
 - (i) that statute or statutory provision as from time to time consolidated, modified, re-enacted or replaced by any other statute or statutory provision; and
 - (ii) any subordinate legislation or regulation made under the relevant statute or statutory provision;
 - (k) references to writing include any mode of reproducing words in a legible and non-transitory form; and
 - (l) references to *Rupees, Rs., INR, `* are references to the lawful currency of India.

SHARE CAPITAL AND VARIATION OF RIGHTS

5. AUTHORISED SHARE CAPITAL

The authorised share capital of the Company shall be such amount, divided into such class(es) denomination(s) and number of shares in the Company as stated in Clause V of the Memorandum of Association of the Company, with power to increase or reduce such capital from time to time in accordance with the Financing Plan and power to divide the shares in the capital for the time being into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the Articles of the Company or the provisions of applicable Law for the time being in force.

6. NEW CAPITAL PART OF THE EXISTING CAPITAL

Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

7. SHARES AT THE DISPOSAL OF THE DIRECTORS

Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may, with the prior consent of the Lenders and as per the terms of the Financing Documents, issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the Company in General Meeting give to any person the option to call for any shares either at par or at a premium during such time and for such consideration as the Directors think fit. Further, the Board shall not issue any shares having preferential or differential rights.

8. CHANGE OF CAPITAL STRUCTURE

The Board shall not effect any change in the capital structure of the Company, except as approved by the Lenders. Further, there shall be no change in the management control of the Company, unless specifically approved by the Lenders.

9. FURTHER ISSUE & CONSIDERATION FOR ALLOTMENT

Subject to the prior consent of the Lenders and as per the terms of the Financing Documents, the Board of Directors may issue and allot such Securities of the Company as the Board of Directors may deem fit whether for cash or consideration other than in cash. Any change in the terms and conditions of the Securities shall be carried out only with the prior consent of the Lenders.

10. SUB-DIVISION, CONSOLIDATION AND CANCELLATION OF SHARE CERTIFICATE

Subject to the provisions of the Act and with the prior consent of the Lenders, the Company in its General Meetings may, by an Ordinary Resolution, from time to time:

- (a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient;
- (b) divide, sub-divide or consolidate its shares, or any of them, and the resolution whereby any share is sub-divided, may determine that as between the holders of the shares resulting from such sub-division one or more of such shares have some preference or special advantage in relation to dividend, capital or otherwise as compared with the others;
- (c) cancel shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled;
- (d) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; provided that any consolidation and division which

- results in changes in the voting percentage of Members shall require applicable approvals under the Act; and
- (e) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination.

11. RIGHT TO CONVERT LOANS INTO CAPITAL

Subject to provisions of the Act, the Lenders shall be entitled to convert the Secured Obligations into equity in the manner considered necessary/appropriate by the Lenders and in accordance with the provisions of the Financing Documents. Notwithstanding anything to the contrary in these Articles, the Company shall take all such actions as may be necessary to effectuate the conversion including issuance of requisite shares and registration of the same in the name of the Lenders or their nominee pursuant to exercise of the aforementioned right by the Lenders.

12. MONEY DUE ON SHARES TO BE A DEBT TO THE COMPANY

The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them, shall immediately on the inscription of the name of allottee in the Register as the name of the holder of such shares become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

13. INSTALLMENTS ON SHARES

If, by the conditions of allotment of any shares, whole or part of the amount or issue price thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who, for the time being and from time to time, shall be the registered holder of the share or his legal representative.

14. MEMBERS OR HEIRS TO PAY UNPAID AMOUNTS

Every Member or his heirs, executors or administrators shall pay to the Company the portion of the capital represented by his share or shares which may, for the time being remain unpaid thereon, in such amounts, at such time or times and in such manner, as the Board shall from time to time, in accordance with the Act, require or fix for the payment.

15. CONVERTIBLE INSTRUMENTS

- (a) No payments of dividend, interest or repayments to the subscribers of Convertible Instruments, if any, shall be made until the required appropriations/replenishments are made to the DSRA, to the satisfaction and with prior approval of the Lenders.
- (b) Any change in the agreement or document relating to Convertible Instruments shall be subject to the prior written approval of the Lenders and shall be done as per the terms of the Financing Documents.

16. PAYMENTS OF INTEREST OUT OF CAPITAL

The Company shall have the power to pay interest out of its capital on so much of the shares which were issued for the purpose of raising money to defray the expenses of the

construction of any work or building or the provision of any plant for the Company in accordance with the Act.

17. AMALGAMATION

Subject to provisions of the Act, the Company may, with the prior approval of the Lenders, amalgamate or cause itself to be amalgamated with any other person, firm or body corporate.

SHARE CERTIFICATES

18. ISSUE OF CERTIFICATE

Every Member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors so determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates, unless prohibited by any provision of law or any order of court, tribunal or other authority having jurisdiction, within two (2) months from the date of allotment, or within one (1) month of the receipt of application of registration of transfer, transmission, sub division, consolidation or renewal of any of its shares as the case maybe or within a period of six (6) months from the date of allotment in the case of any allotment of debenture. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such joint holders.

19. RULES TO ISSUE SHARE CERTIFICATES

The Act shall be complied with in the issue, reissue, renewal of share certificates and the format, sealing and signing of the certificates and records of the certificates issued shall be maintained in accordance with the said Act.

20. ISSUE OF NEW CERTIFICATE IN PLACE OF ONE DEFACED, LOST OR DESTROYED

If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under the Article shall be issued upon on payment of Rupees 20 for each certificate. Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other act or rules applicable in this behalf. The provision of this Article shall *mutatis mutandis* apply to debentures of the Company.

UNDERWRITING & BROKERAGE

21. COMMISSION FOR PLACING SHARES, DEBENTURES, ETC.

- (a) Subject to the provisions of the Act and other applicable Laws, the Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) to any shares or debentures of the Company or underwriting or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares or debentures of the Company and provisions of the Act shall apply.
- (b) The Company may also, in any issue, pay such brokerage as may be lawful.
- (c) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

LIEN

22. COMPANY'S LIEN ON SHARES

The Company shall subject to applicable Law have a first and paramount lien on every share (not being a fully paid share) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of that share and no equitable interest in any share shall be created upon the footing and condition that this Article will have full effect.

Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

23. LIEN TO EXTEND TO DIVIDENDS, ETC.

The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares.

24. ENFORCING LIEN BY SALE

The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made—

- (a) unless a sum in respect of which the lien exists is presently payable; or
- (b) until the expiration of fourteen (14) days' after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.

No Member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

25. VALIDITY OF SALE

To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the

shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.

26. APPLICATION OF SALE PROCEEDS

The proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

27. OUTSIDER'S LIEN NOT TO AFFECT COMPANY'S LIEN

In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by law) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

28. PROVISIONS AS TO LIEN TO APPLY MUTATIS MUTANDIS TO DEBENTURES, ETC.

The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

CALLS ON SHARES

29. BOARD TO HAVE RIGHT TO MAKE CALLS ON SHARES

The Board may subject to the provisions of the Act and any other applicable Law, from time to time, make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares (whether on account of the nominal value of the shares or by premium) and not by the conditions of allotment thereof made payable at fixed times.

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call. A call may be revoked or postponed at the discretion of the Board.

30. NOTICE FOR CALL

Each Member shall, subject to receiving at least fourteen (14) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.

The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more Members as the Board may deem appropriate in any circumstances.

31. CALL WHEN MADE

The Board of Directors may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call, and thereupon the call shall be deemed to have been made on the date so determined and if no such date is so determined a call shall be deemed to have been made at the date when the resolution authorizing such call was passed at the meeting of the Board and may be required to be paid in instalments.

32. LIABILITY OF JOINT HOLDERS FOR A CALL

The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

33. CALLS TO CARRY INTEREST

If a Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member. The Board shall be at liberty to waive payment of any such interest wholly or in part.

34. DUES DEEMED TO BE CALLS

Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

35. EFFECT OF NON-PAYMENT OF SUMS

In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

36. PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST

The Board –

- (a) may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as as may be agreed upon between the Board and the Member paying the sum in advance. Nothing contained in this Article shall confer on the Member (i) any right to participate in profits or dividends; or (ii) any voting rights in respect of the moneys so paid by him, until the same would, but for such payment, become presently payable by him.

37. PROVISIONS AS TO CALLS TO APPLY MUTATIS MUTANDIS TO DEBENTURES, ETC.

The provisions of these Articles relating to calls shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

FORFEITURE OF SHARES

38. BOARD TO HAVE A RIGHT TO FORFEIT SHARES

If a Member fails to pay any call, or instalment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or instalment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.

39. NOTICE FOR FORFEITURE OF SHARES

The notice aforesaid shall:

- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

40. RECEIPT OF PART AMOUNT OR GRANT OF INDULGENCE NOT TO AFFECT FORFEITURE

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by applicable Law.

41. FORFEITED SHARE TO BE THE PROPERTY OF THE COMPANY

Any share forfeited in accordance with these Articles, shall be deemed to be the property of the Company and may be sold, re-allocated or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Board thinks fit.

42. MEMBER TO BE LIABLE EVEN AFTER FORFEITURE

A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by

him to the Company in respect of the shares. All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realisation. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.

43. EFFECT OF FORFEITURE

The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles expressly saved.

44. CERTIFICATE OF FORFEITURE

A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

45. TITLE OF PURCHASER AND TRANSFEREE OF FORFEITED SHARES

The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of. The transferee shall thereupon be registered as the holder of the share and the transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

46. VALIDITY OF SALES

Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and after his name has been entered in the Register of Members in respect of such shares the validity of the sale shall not be impeached by any person.

47. CANCELLATION OF SHARE CERTIFICATE IN RESPECT OF FORFEITED SHARES

Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.

48. BOARD ENTITLED TO CANCEL FORFEITURE

The Board may at any time before any share so forfeited shall have them sold, reallocated or otherwise disposed of, cancel the forfeiture thereof upon such conditions as it thinks fit.

49. SUMS DEEMED TO BE CALLS

The provisions of these Articles as to forfeiture shall apply in the case of non payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

50. PROVISIONS AS TO FORFEITURE OF SHARES TO APPLY MUTATIS MUTANDIS TO DEBENTURES, ETC.

The provisions of these Articles relating to forfeiture of shares shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

TRANSFER AND TRANSMISSION OF SHARES

51. ENDORSEMENT OF TRANSFER

In respect of any transfer of shares registered in accordance with the provisions of these Articles, the Board may, at its discretion save and except shares that are pledged with the Lenders , direct an endorsement of the transfer and the name of the transferee and other particulars on the existing share certificate and authorize any Director or Officer of the Company to authenticate such endorsement on behalf of the Company or direct the issue of a fresh share certificate, in lieu of and in cancellation of the existing certificate in the name of the transferee.

52. INSTRUMENT OF TRANSFER

- (a) The instrument of transfer of any share shall be in writing and all the provisions of the Act, and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. The Company shall use the form of transfer, as prescribed under the Act, in all cases. In case of transfer of shares, where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act, 1996 shall apply.
- (b) The Board may decline to recognize any instrument of transfer unless-
 - (i) the instrument of transfer is in the form prescribed under the Act;
 - (ii) the instrument of transfer is accompanied by the certificate of shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
 - (iii) the instrument of transfer is in respect of only one class of shares.
- (c) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

53. EXECUTION OF TRANSFER INSTRUMENT

Every such instrument of transfer shall be executed both by or on behalf of both the transferor and the transferee and the transferor shall be deemed to remain holder of the

shares until the name of the transferee is entered in the Register of Members in respect thereof.

54. CLOSING REGISTER OF MEMBERS

Subject to compliance with the Act and other applicable Law, the Board shall be empowered, on giving not less than seven (7) days' notice to close the Register of Members, the register of debenture holders at such time or times, and for such period or periods, not exceeding thirty (30) days at a time and not exceeding an aggregate forty five (45) days in each year as it may seem expedient.

55. DIRECTORS MAY REFUSE TO REGISTER TRANSFER

Subject to the provisions of these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse, whether in pursuance of any power of the Company under these Articles or otherwise, to register the transfer of, or the transmission by operation of law of the right to, any securities or interest of a Member in the Company. Provided that the registration of transfer of any securities shall not be refused on the ground of the transferor being alone or jointly with any other person or persons, indebted to the Company on any account whatsoever except where the Company has a lien on shares. However, the Company shall adhere to the direction of Lenders issued, if any, regarding registration and record in respect of the transfer of shares held by promoters as defined in the Financing Documents.

56. TITLE TO SHARES OF DECEASED MEMBERS

The executors or administrators or the holders of a succession certificate issued in respect of the shares of a deceased Member and not being one of several joint holders shall be the only person whom the Company shall recognize as having any title to the shares registered in the name of such Members and in case of the death of one or more of the joint holders of any registered share, the survivor or survivors shall be entitled to the title or interest in such shares but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person. Provided nevertheless that in case the Directors, in their absolute discretion think fit, it shall be lawful for the Directors to dispense with the production of a probate or letters of administration or a succession certificate or such other legal representation upon such terms (if any) (as to indemnify or otherwise) as the Directors may consider necessary or desirable.

57. TRANSFERS NOT PERMITTED

No share shall in any circumstances be transferred to any infant, insolvent or person of unsound mind, except through a legal guardian.

58. TRANSMISSION OF SHARES

Subject to the provisions of the Act and these Articles, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any Members, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence as the Board thinks sufficient, that he sustains the character in respect of which he proposes to act under this Article, or of his title, elect to either be registered himself as holder of the shares or elect to have some person nominated by him

and approved by the Board, registered as such holder or to make such transfer of the share as the deceased or insolvent member could have made. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. Provided, nevertheless, if such person shall elect to have his nominee registered, he shall testify that election by executing in favour of his nominee an instrument of transfer in accordance with the provision herein contained and until he does so he shall not be freed from any liability in respect of the shares. Further, all limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

59. RIGHTS ON TRANSMISSION

A person becoming entitled to a share by transmission shall, reason of the death or insolvency of the holder shall, subject to the Directors' right to retain such dividends or money, be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Board may at any time give a notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within ninety (90) days, the Board may thereafter withhold payment of all dividends, bonus or other moneys payable in respect of such share, until the requirements of notice have been complied with.

60. SHARE CERTIFICATES TO BE SURRENDERED

Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with (save as provided in the Act) properly stamped and executed instrument of transfer.

61. COMPANY NOT LIABLE TO NOTICE OF EQUITABLE RIGHTS

The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register) to the prejudice of persons having or claiming any equitable rights, title or interest in the said shares, notwithstanding that the Company may have had notice of such equitable rights referred thereto in any books of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable rights, title or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

62. TRANSFER AND TRANSMISSION OF DEBENTURES

The provisions of these Articles, shall, *mutatis mutandis*, apply to the transfer of or the transmission by law of the right to any securities including, debentures of the Company

only with the prior approval of Lenders in respect of Securities held by promoters as defined in the Financing Documents.

ALTERATION OF CAPITAL

63. RIGHTS TO ISSUE SHARE WARRANTS

The Company may issue share warrants only with the prior written approval of the Lenders and subject to, and in accordance with provisions of the Act. The Board may, with respect to any share which is fully paid up on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the Board may from time to time require as to the identity of the person signing the application, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require having been paid, issue a warrant with the prior written approval of the Lenders.

64. BOARD TO MAKE RULES

The Board may, from time to time, make rules as to the terms on which it shall think fit, a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

65. SHARES MAY BE CONVERTED INTO STOCK

Where shares are converted into stock:

- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:
Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose;
- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage;
- (c) such of the Articles of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder"/"Member" shall include "stock" and "stock-holder" respectively.

66. REDUCTION OF CAPITAL

The Company may, by resolution as prescribed by the Act, and with prior approval of the Lenders, reduce in any manner and in accordance with the provisions of the Act –

- (a) its share capital; and/or
- (b) any capital redemption reserve account; and/or
- (c) any share premium account

and in particular without prejudice to the generality of the foregoing power may be: (i) extinguishing or reducing the liability on any of its shares in respect of share capital not paid up; (ii) either with or without extinguishing or reducing liability on any of its shares, cancel paid up share capital which is lost or is unrepresented by available assets; or (ii) either with or without extinguishing or reducing liability on any of its shares, pay off any paid up share capital which is in excess of the wants of the Company; and may, if and so far as is necessary, alter its Memorandum, by reducing the amount of its share capital and of its shares accordingly.

67. DEMATERIALISATION OF SECURITIES

- (a) Company to recognise interest in dematerialised securities under the Depositories Act, 1996

Subject to the provisions of the Act, either the Company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event, the rights and obligations of the parties concerned and matters connected therewith or incidental thereof shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification(s) thereto or re-enactment thereof.

- (b) Dematerialisation/Re-materialisation of securities

Notwithstanding anything to the contrary or inconsistent contained in these Articles, the Company shall be entitled to dematerialise its existing securities, re materialise its securities held in Depositories and/or offer its fresh securities in the dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.

- (c) Option to receive security certificate or hold securities with the Depository

Every person subscribing to or holding securities of the Company shall have the option to receive the security certificate or hold securities with a Depository. Where a person opts to hold a security with the Depository, the Company shall intimate such Depository of the details of allotment of the security and on receipt of such information, the Depository shall enter in its Record, the name of the allottees as the beneficial owner of that Security.

- (d) Securities in electronic form

All securities held by a Depository shall be dematerialized and held in electronic form. No certificate shall be issued for the securities held by the Depository.

- (e) Beneficial owner deemed as absolute owner

Except as ordered by a court of competent jurisdiction or by applicable Law required and subject to the provisions of the Act, the Company shall be entitled to treat the person whose name appears on the applicable register as the holder of any security or whose name appears as the beneficial owner of any security in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such securities or (except

only as by these Articles otherwise expressly provided) any right in respect of a security other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any security in the joint names of any two or more persons or the survivor or survivors of them.

(f) Register and index of beneficial owners

The Company shall cause to be kept a register and index of members with details of securities held in materialised and dematerialised forms in any media as may be permitted by law including any form of electronic media. The register and index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members, resident in that state or country.

68. BUY BACK OF SHARES

Notwithstanding anything contained in these Articles, but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities, with prior approval of the Lenders.

GENERAL MEETINGS

69. ANNUAL GENERAL MEETINGS

- (a) The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meeting in that year.
- (b) An Annual General Meeting of the Company shall be held in accordance with the provisions of the Act.
- (c) Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 of the Act to extend the time with which any Annual General Meeting may be held.

70. EXTRAORDINARY GENERAL MEETINGS

All General Meetings other than the Annual General Meeting shall be called "Extraordinary General Meeting". Provided that, the Board may, whenever it thinks fit, call an extraordinary general meeting.

71. EXTRAORDINARY MEETINGS ON REQUISITION

The Board shall on, the requisition of Members convene an Extraordinary General Meeting of the Company in the circumstances and in the manner provided under the Act.

72. QUORUM FOR GENERAL MEETING

Five (5) Members or such other number of Members as required under the Act or the applicable Law for the time being in force prescribes, personally present shall be quorum for a General Meeting and no business shall be transacted at any General Meeting unless the requisite quorum is present at the commencement of the meeting.

73. TIME FOR QUORUM AND ADJOURNMENT

Subject to the provisions of the Act, if within half an hour from the time appointed for a meeting, a quorum is not present, the meeting, if called upon the requisition of Members, shall be cancelled and in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine. If at the adjourned meeting also a quorum is not present within half an hour from the time appointed for the meeting, the Members present shall be quorum and may transact the business for which the meeting was called.

74. CHAIRMAN OF GENERAL MEETING

The chairman, if any, of the Board of Directors shall preside as chairman at every General Meeting of the Company.

75. ELECTION OF CHAIRMAN

Subject to the provisions of the Act, if there is no such chairman or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the Directors present shall elect another Director as chairman and if no Director be present or if all the Directors decline to take the chair, then the Members present shall choose a Member to be the chairman.

76. ADJOURNMENT OF MEETING

Subject to the provisions of the Act, the chairman of a General Meeting may, with the consent given in the meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When the meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

77. VOTING AT MEETING

A demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded. Further, no objection shall be raised to the qualification of any voter except at the General Meeting or adjourned General meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairperson of the General Meeting, whose decision shall be final and conclusive.

78. DECISION BY POLL

If a poll is duly demanded in accordance with the provisions of the Act, it shall be taken in such manner as the chairman directs and the results of the poll shall be deemed to be the decision of the meeting on the resolution in respect of which the poll was demanded.

79. CASTING VOTE OF CHAIRMAN

In case of equal votes, whether on a show of hands or on a poll, the chairman of the General Meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote in addition to the vote or votes to which he may be entitled to as a Member.

80. PASSING RESOLUTIONS BY POSTAL BALLOT

- (a) Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Act to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company.
- (b) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under the Act.

VOTE OF MEMBERS

81. VOTING RIGHTS OF MEMBERS

Subject to any rights or restrictions for the time being attached to any class or classes of shares:

- (a) On a show of hands every Member holding equity shares and present in person shall have one vote.
- (b) On a poll, every Member holding equity shares therein shall have voting rights in proportion to his share in the paid up equity share capital.
- (c) A Member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.

82. VOTING BY JOINT-HOLDERS

In case of joint holders the vote of first named of such joint holders in the Register of Members, who tender a vote whether in person or by proxy shall be accepted, to the exclusion of the votes of other joint holders.

83. VOTING BY MEMBER OF UNSOUND MIND

A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or legal guardian may, on a poll, vote by proxy.

84. NO RIGHT TO VOTE UNLESS CALLS ARE PAID

No Member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him have been paid, or in regard to which the Company has lien and has exercised any right of lien.

85. PROXY

Any Member entitled to attend and vote at a General Meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.

86. INSTRUMENT OF PROXY

An instrument appointing a proxy shall be in the form as prescribed under the Act for this purpose. The instrument appointing a proxy shall be in writing under the hand of appointer or of his attorney duly authorized in writing or if appointed by a body corporate either under its common seal or under the hand of its officer or attorney duly authorized in writing by it. Any person whether or not he is a Member of the Company may be appointed as a proxy.

The instrument appointing a proxy and power of attorney or other authority (if any) under which it is signed or a notarized copy of that power or authority must be deposited at the registered Office of the Company not less than forty eight (48) hours prior to the time fixed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in case of a poll, not less than twenty four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

87. VALIDITY OF PROXY

A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

88. CORPORATE MEMBERS

Any corporation which is a Member of the Company may, by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorized shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Member of the Company (including the right to vote by proxy).

DIRECTOR

89. NUMBER OF DIRECTORS

Unless otherwise determined by General Meeting, the number of Directors shall not be less than three (3) and not more than sixteen (16).

Provided that the Company may appoint more than sixteen (16) directors after passing a Special Resolution.

The following shall be first Directors of the Company:

- (a) Tulsibhai Ranchhodbhai Tanti
- (b) Vinodbhai Ranchhodbhai Tanti
- (c) Jitendra Ranchhodbhai Tanti

90. SHARE QUALIFICATION NOT NECESSARY

Any person whether a Member of the Company or not may be appointed as Director and no qualification by way of holding shares shall be required of any Director.

91. ADDITIONAL DIRECTORS

Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.

92. ALTERNATE DIRECTORS

The Board may appoint an alternate director to act for a director (hereinafter in this Article called “the Original Director”) during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act and other applicable Laws.

An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India. If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.

93. APPOINTMENT OF DIRECTOR TO FILL A CASUAL VACANCY

If the office of any Director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board. The director so appointed shall hold office only upto the date which the director in whose place he is appointed would have held office if it had not been vacated.

94. REMUNERATION OF DIRECTORS

- (a) A Director (other than a managing Director or whole-time Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the Central Government from time to time for each meeting of the Board of Directors or any committee thereof attended by him. The remuneration of Directors including managing Director and/or whole-time Director may be paid in accordance with the applicable provisions of the Act.
- (b) The Board of Directors may allow and pay or reimburse any Director who is not a bonafide resident of the place where a meeting of the Board or of any committee is held and who shall come to such place for the purpose of attending such meeting or for attending its business at the request of the Company, such sum as the Board may consider fair compensation for travelling, and out-of-pocket expenses and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business he shall be entitled to be reimbursed any travelling or other expenses incurred in connection with the business of the Company.
- (c) The managing Directors\whole-time Directors shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection

with the business of the Company. They shall be entitled to appoint part time employees in connection with the management of the affairs of the Company and shall be entitled to be paid by the Company any remuneration that they may pay to such part time employees.

95. REMUNERATION FOR EXTRA SERVICES

If any Director, being willing, shall be called upon to perform extra services or to make any special exertions (which expression shall include work done by Director as a Member of any committee formed by the Directors) in going or residing away from the town in which the Office of the Company may be situated for any purposes of the Company or in giving any special attention to the business of the Company or as member of the Board, then subject to the provisions of the Act, the Board may remunerate the Director so doing either by a fixed sum, or by a percentage of profits or otherwise and such remuneration, may be either in addition to or in substitution for any other remuneration to which he may be entitled.

96. CONTINUING DIRECTOR MAY ACT

The continuing Directors may act notwithstanding any vacancy in the Board, but if the number is reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a General Meeting of the Company, but for no other purpose.

ROTATION AND RETIREMENT OF DIRECTOR

97. RETIREMENT OF DIRECTORS

At the Annual General Meeting of the Company to be held in every year, such number of Directors as required under the Act shall be liable to retire by rotation.

98. RETIRING DIRECTORS ELIGIBLE FOR RE-ELECTION

A retiring Director shall be eligible for re-election and the Company, at the Annual General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing a person thereto.

99. DIRECTORS NOT LIABLE FOR RETIREMENT

The Company in General Meeting may, when appointing a person as a Director declare that his continued presence on the Board of Directors is of advantage to the Company and that his office as Director shall not be liable to be determined by retirement by rotation for such period until the happening of any event of contingency set out in the said resolution.

100. DIRECTOR FOR COMPANIES PROMOTED BY THE COMPANY

Directors of the Company may be or become a director of any company promoted by the Company or in which it may be interested as vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as a director or member of such company, subject to compliance with applicable provisions of the Act.

PROCEEDINGS OF BOARD OF DIRECTORS

101. MEETINGS OF THE BOARD

- (a) The Board of Directors shall meet at least once in every three (3) months with a maximum gap of one hundred twenty (120) days between two (2) meetings of the Board for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit in accordance with the Act, provided that at least four (4) such meetings shall be held in every year.
- (b) The chairman may, at any time, and the secretary or such other Officer of the Company as may be authorised in this behalf on the requisition of Director shall at any time summon a meeting of the Board. Notice of at least seven (7) days in writing of every meeting of the Board shall be given to every Director and every alternate Director at his usual address whether in India or abroad, provided always that a meeting may be convened by a shorter notice in accordance with the provisions of the Act.
- (c) The notice of each meeting of the Board shall include (i) the time for the proposed meeting; (ii) the venue for the proposed meeting; and (iii) an agenda setting out the business proposed to be transacted at the meeting.
- (d) To the extent permissible by applicable Law, the Directors may participate in a meeting of the Board or any committee thereof, through electronic mode, that is, by way of video conferencing i.e., audio visual electronic communication facility. The notice of the meeting must inform the Directors regarding the availability of participation through video conferencing. Any Director participating in a meeting through the use of video conferencing shall be counted for the purpose of quorum.

102. QUESTIONS AT BOARD MEETING HOW DECIDED

Questions arising at any time at a meeting of the Board shall be decided by majority of votes and in case of equality of votes, the Chairman, in his absence the Vice Chairman or the Director presiding shall have a second or casting vote.

103. ADJOURNED MEETING

Subject to the provisions of the Act, if within half an hour from the time appointed for a meeting of the Board, a quorum is not present, the meeting, shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine.

104. ELECTION OF CHAIRMAN OF BOARD

- (a) The Board may elect a chairman of its meeting and determine the period for which he is to hold office.
- (b) If no such chairman is elected or at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting the Directors present may choose one among themselves to be the chairman of the meeting.

105. POWERS OF DIRECTORS

- (a) The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act or any other applicable Law, or by the Memorandum or by the Articles required to be exercised by the Company in a General Meeting, subject nevertheless to these Articles, to the provisions of the Act or any other

applicable Law and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in a General Meeting; but no regulation made by the Company in a General meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

- (b) All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case maybe, by such person and in such manner as the Board shall from time to time by resolution determine.

105A. OTHER RESTRICTIONS ON THE BOARD

- (a) The Board shall not make any investment and/or grant loans to any person, firm or company;
- (b) The Board shall not extend any corporate guarantee on behalf of its associates and subsidiary companies, which is beyond Permitted Indebtedness, without the prior written approvals of the Lenders .
- (c) Company shall not transfer/ sell/ divest its shareholding in domestic or foreign companies without the prior approval of Lenders and shall adhere to the specific provisions of Financing Documents in this regard.

106. DELEGATION OF POWERS

- (a) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such members of its body as it thinks fit.
- (b) Any committee so formed shall, in the exercise of the power so delegated conform to any regulations that may be imposed on it by the Board.

107. ELECTION OF CHAIRMAN OF COMMITTEE

- (a) A committee may elect a chairman of its meeting. If no such chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be the chairman of the committee meeting.
- (b) The quorum of a committee may be fixed by the Board of Directors.

108. QUESTIONS HOW DETERMINED

- (a) A committee may meet and adjourn as it thinks proper.
- (b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present as the case may be and in case of equality of vote, the chairman shall have a second or casting vote, in addition to his vote as a member of the committee.

109. VALIDITY OF ACTS DONE BY BOARD OR A COMMITTEE

All acts done by any meeting of the Board, of a committee thereof, or by any person acting as a Director shall notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person

acting as aforesaid or that they or any of them were disqualified be as valid as if even such Director or such person has been duly appointed and was qualified to be a Director.

110. RESOLUTION BY CIRCULATION

Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the committee then in India, not being less in number than the quorum fixed of the meeting of the Board or the committee, as the case may be and to all other Directors or Members at their usual address in India and approved by such of the Directors as are then in India or by a majority of such of them as are entitled to vote at the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or committee duly convened and held.

111. MAINTENANCE OF FOREIGN REGISTER

The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of those Sections) make and vary such regulations as it may think fit respecting the keeping of any register.

112. BORROWING POWERS

- (a) The Board shall not issue any debentures, raise any loans, accept any deposits from public or incur any financial liabilities beyond Permitted Indebtedness or make any change in the capital structure without the prior written approval of the Lenders.
- (b) Subject to the provisions of the Act and these Articles, the Board may from time to time at their discretion raise or borrow or secure the payment of any such sum of money for the purpose of the Company, in such manner as envisaged in the Financing Plan and upon such terms and conditions in the Financing Documents , and in particular, by promissory notes or by receiving deposits and advances with or without security or by the issue of bonds, debentures, perpetual or otherwise, including debentures convertible into shares of this Company or any other company or perpetual annuities and to secure any such money so borrowed, raised or received, mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities; provided however, that the moneys to be borrowed, together with the money already borrowed by the Company apart from temporary loans obtained from the Company's bankers in the ordinary course of business shall not, without the sanction of the Company by a Special Resolution at a General Meeting, exceed the aggregate of the paid up capital of the Company and its free reserves. Provided that every Special Resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow shall specify the total amount up to which moneys may be borrowed by the Board of Directors.
- (c) The Directors may by resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a committee of Directors or managing Director or to any other person permitted by applicable Law, if any, within the limits prescribed.

- (d) To the extent permitted under the applicable Law and subject to compliance with the requirements thereof, the Directors shall be empowered to grant loans to such entities at such terms as they may deem to be appropriate and the same shall be in the interests of the Company.
- (e) Any bonds, debentures, debenture-stock or other securities may if permissible in applicable Law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into equity shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, appointment of Directors or otherwise. Provided that debentures with rights to allotment of or conversion into equity shares shall not be issued except with the sanction of the Company in General Meeting accorded by a Special Resolution.
- (f) Notwithstanding anything contained Article 112, the Borrower cannot raise any further debt including term loan, bonds, fund based working capital and non-fund based working capital without prior approval of the Lenders.

112A. CREATION OF SECURITY INTEREST

The Rupee Term Loan together with all interest, additional interest, liquidated damages, further interest, prepayment premium, all and any other fees, financing charges, fees/remuneration payable to the Secured Parties (including their representatives, trustees/agents) costs, charges, expenses and other monies whatsoever as stipulated in or payable under the Financing Documents shall be secured in the manner provided in the Financing Documents.

- 112B.** A request for transfer of shares or other securities by the Lender claiming under them invoking the pledge/lien/charge, etc., over the shares or securities of the Company provided as security for financial assistance availed by the Company and/or any entity or person, shall be duly recognized and taken on record by the Company and all its shareholders without any delay, demur or objection in accordance with applicable laws and regulations;

113. NOMINEE DIRECTORS

- (a) Subject to the provisions of the Act, so long as any moneys remain owing by the Company to any All India Financial Institutions, State Financial Corporation or any financial institution owned or controlled by the Central Government or State Government or any Non Banking Financial Company controlled by the Reserve Bank of India or any such company from whom the Company has borrowed for the purpose of carrying on its objects or each of the above has granted any loans / or subscribes to the debentures of the Company or so long as any of the aforementioned companies of financial institutions holds or continues to hold debentures /shares in the Company as a result of underwriting or by direct subscription or private placement or so long as any liability of the Company arising out of any guarantee furnished on behalf of the Company remains outstanding, and if the loan or other agreement with such institution/ corporation/company (hereinafter referred to as the "Corporation") so provides, the Corporation may, in pursuance of the provisions of any law for the time being in force or of any agreement, have a right to appoint from time to time any person or persons as a Director or Directors whole- time or non whole- time (which Director or Director/s is/are hereinafter referred to as "Nominee Directors/s") on

- the Board of the Company and to remove from such office any person or person so appointed and to appoint any person or persons in his /their place(s).
- (b) The Nominee Director/s appointed under this Article shall be entitled to receive all notices/ agenda of and attend all General Meetings, Board meetings and of the meetings of the committee of which Nominee Director/s is/are member/s as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes.
- (c) Provided that the sitting fees, in relation to such Nominee Director/s shall also accrue to the appointer and same shall accordingly be paid by the Company directly to the appointer.

113A. NOMINEE DIRECTOR PRIVILEGES

“Nominee Director Privileges” shall mean, collectively, the following rights, benefits, privileges and entitlements of the Nominee Director to be provided by the Borrowers at all times during the tenure of the Nominee Director:

- (a) the Nominee Director shall not be required to hold qualification shares;
- (b) the Nominee Director shall not be liable to retire by rotation;
- (c) the Nominee Director shall, *mutatis mutandis*, be a member of the management committee of the Board/other committees of the Board, except of audit committee;
- (d) the Nominee Director shall hold office till the Lenders so desire irrespective of the factum of the Nominee Director being otherwise disqualified so to do in individual capacity;
- (e) the Nominee Director shall in no case bear the responsibility and liability of managing director at any time even if the position of the managing director falls vacant or the Nominee Director remains the sole and effective director on the Board;
- (f) if the Nominee Director is unable to attend a particular meeting, it may appoint in its place and stead an observer (the expenses whereof shall be borne by the Borrower);
- (g) the Nominee Director shall have all the rights and privileges as are available to other Directors including sitting fee, commission, monies or remuneration in any form; and
- (h) all costs and expenses of the Nominee Director, including but not limited to expenses in relation to their attending Board meetings or other meetings and on conducting any examinations/ reviews of the Project in this respect, shall be borne by the Borrowers and be paid to, or to the order of, the Lenders.

113B. Appointment of Observer

- (a) The Company shall appoint an Observer on the Board as and when indicated by the Lenders in accordance with the Financing Documents.
- (b) The Company shall bear all and any expenses incurred by the Lenders on the Observer for an in relation to their attending Board meetings or other meetings and on conducting any examinations/ reviews of the Project.
- (c) The Company shall provide to the Observer all notices and communications with respect to the corporate affairs of the Company, and all notices, agenda and minutes of the Board and shareholders’ meetings.
- (d) The Observer shall not be required to hold qualification shares and shall not be liable to retire by rotation.

- (e) The Observer shall in no case bear the responsibility and liability of managing director of the Company.

114. MANAGING DIRECTOR(S) AND/OR WHOLE TIME DIRECTORS

- (a) The Board may from time to time and in accordance with the Act, appoint one or more of the Directors to the office of the managing Director and/ or whole time Directors for such term and subject to such remuneration, terms and conditions as they may think fit.
- (b) The Directors may from time to time resolve that there shall be either one or more managing Directors and/ or whole-time Directors.
- (c) In the event of any vacancy arising in the office of a managing Director and/or whole time Director, the vacancy shall be filled by the Board of Directors in accordance with the provisions of the Act.
- (d) If a managing Director and/or whole time Director ceases to hold office as Director, he shall ipso facto and immediately cease to be managing Director/whole time Director.
- (e) The managing Director and/or whole time Director shall be liable to retirement by rotation as long as he holds office as managing Director or whole-time Director.

115. REIMBURSEMENT OF EXPENSES

The managing Directors\whole-time Directors shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection with the business of the Company. They shall be entitled to appoint part time employees in connection with the management of the affairs of the Company and shall be entitled to be paid by the Company any remuneration that they may pay to such part time employees.

116. CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER

Subject to the provisions of the Act,

- (a) A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses.
- (b) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. Further, an individual may be appointed or reappointed as the chairperson of the Company as well as the managing Director or chief executive officer of the Company at the same time.
- (c) A provision of the Act or the Articles requiring or authorising a thing to be done by or to a Director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as a Director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

COMMON SEAL

117. CUSTODY OF COMMON SEAL

The Board shall provide for the safe custody of the common seal for the Company and they shall have power from time to time to destroy the same and substitute a new seal in lieu thereof.

118. SEAL HOW AFFIXED

The Directors shall provide a common seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the Directors shall provide for the safe custody of the seal for the time being and the seal shall never be used except by or under the authority of the Directors or a committee of the Directors previously given, and in the presence of one Director or the company secretary or such other person duly authorised by the Directors or a committee of the Directors, who shall sign every instrument to which the seal is so affixed in his presence.

- 119.** The Company may exercise the powers conferred by the Act with regard to having an official seal for use abroad and such powers shall accordingly be vested in the Directors or any other person duly authorized for the purpose.

DIVIDEND

120. COMPANY IN GENERAL MEETING MAY DECLARE DIVIDENDS

The Company in general meeting may declare dividends provided it meets the Restricted Payment Conditions, but no dividend shall exceed the amount recommended by the Board. Further no payments of dividend to equity shareholders of the Company, interest or repayments to the providers of subordinate debt shall be made until the required appropriations / replenishments are made to the DSRA to the satisfaction of the Lenders, and except with the prior consent of the Lenders.

121. INTERIM DIVIDENDS

Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.

122. RIGHT TO DIVIDEND AND UNPAID OR UNCLAIMED DIVIDEND

- (a) The profits of the Company, subject to any special rights, relating thereto created or authorized to be created by these Articles and subject to the provisions of these Articles as to the reserve fund, shall be divisible among the Members in proportion to the amount of capital paid up on the shares held by them respectively on the last day of the year of account in respect of which such dividend is declared and in the case of interim dividends on the close of the last day of the period in respect of which such interim dividend is paid. However, if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
- (b) Where capital is paid in advance of calls, such capital, whilst carrying interest, shall not confer a right to dividend or to participate in the profits.
- (c) Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed

within the said period of thirty (30) days, to a special account to be opened by the Company in that behalf in any scheduled bank to be called “Unpaid Dividend Account of Suzlon Energy Limited”.

- (d) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the fund known as Investors Education and Protection Fund established under the Act.
- (e) No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.
- (f) All other provisions under the Act will be complied with in relation to the unpaid or unclaimed dividend.

123. RESERVE FUNDS

- (a) The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends and pending such application, may, at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time think fit.
- (b) The Board may also carry forward any profits when it may consider necessary not to divide, without setting them aside as a reserve.

124. DEDUCTION OF ARREARS

Subject to the Act, no Member shall be entitled to receive payment of any interest or dividend in respect of his share or shares whilst any money may be due or owing from him to the Company in respect of such share or shares of or otherwise howsoever wether alone or jointly with any other person or persons and the Board may deduct from any dividend payable to any Members all sums of money, if any, presently payable by him to the Company on account of the calls or otherwise in relation to the shares of the Company.

125. RETENTION OF DIVIDENDS

The Board may retain dividends payable upon shares in respect of which any person is, under the Articles 52 to 63 hereinbefore contained, entitled to become a Member, until such person shall become a Member in respect of such shares.

126. RECEIPT OF JOINT HOLDER

Any one of two or more joint holders of a share may give effective receipt for any dividends, or other moneys payable in respect of such shares.

127. DIVIDEND HOW REMITTED

Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register of Members, or to such

person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

128. DIVIDENDS NOT TO BEAR INTEREST

No dividends shall bear interest against the Company.

129. TRANSFER OF SHARES AND DIVIDENDS

Subject to the provisions of the Act, any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

CAPITALISATION OF PROFITS

130. CAPITALISATION OF PROFITS

- (a) The Company, with the prior written approval of the Lenders, in General Meeting, may, on recommendation of the Board and provided it meets the Restricted Payment Conditions resolve:
 - (i) that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution; and
 - (ii) that such sum be accordingly set free for distribution in the manner specified in the sub-clause (b) amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportion.
- (b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in sub-clause (c) below, either in or towards:
 - (i) paying up any amounts for the time being unpaid on shares held by such Members respectively;
 - (ii) paying up in full, unissued share of the Company to be allotted and distributed, credited as fully paid up, to and amongst such Members in the proportions aforesaid; or
 - (iii) partly in the way specified in sub-clause (i) and partly that specified in sub-clause (ii).
 - (iv) A securities premium account and a capital redemption reserve account or any other permissible reserve account may be applied as permitted under the Act in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares.
 - (v) The Board shall give effect to the resolution passed by the Company in pursuance of these Articles.

131. POWER OF DIRECTORS FOR DECLARATION OF BONUS ISSUE

- (a) Whenever such a resolution as aforesaid shall have been passed, the Board shall, with prior permission of Lenders:
 - (i) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares or other securities, if any; and
 - (ii) generally do all acts and things required to give effect thereto.
- (b) The Board shall have full power, subject to approval of the Lenders:

- (i) to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fractions; and
- (ii) to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or other securities to which they may be entitled upon such capitalization or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized, of the amount or any parts of the amounts remaining unpaid on their existing shares.
- (c) Any agreement made under such authority shall be effective and binding on such Members.

ACCOUNTS

132. WHERE BOOKS OF ACCOUNTS TO BE KEPT

The Books of Account shall be kept at such place in India as the Directors think fit.

133. INSPECTION BY DIRECTORS

The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act.

134. INSPECTION BY MEMBERS

No Member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by law or authorised by the Board.

SERVICE OF DOCUMENTS AND NOTICE

135. MEMBERS TO NOTIFY ADDRESS IN INDIA

Each registered holder of shares from time to time notify in writing to the Company such place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

136. SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS

If a Member has no registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighbourhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

137. SERVICE ON PERSONS ACQUIRING SHARES ON DEATH OR INSOLVENCY OF MEMBERS

A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a Member by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased, assignees of the insolvent by any like description at the address (if any) in India supplied

for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served as if the death or insolvency had not occurred.

138. NOTICE BY ADVERTISEMENT

Subject to the provisions of the Act any document required to be served or sent by the Company on or to the Members, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district in which the Office is situated.

139. MEMBERS BOUND BY DOCUMENT GIVEN TO PREVIOUS HOLDERS

Every person, who by the operation of law, transfer or other means whatsoever, shall become entitled to any shares, shall be bound by every document in respect of such share which, previously to his name and address being entered in the Register of Members, shall have been duly served on or sent to the person from whom he derived his title to such share.

- 140.** Any notice to be given by the Company shall be signed by the managing Director or by such Director or Secretary (if any) or Officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.

WINDING UP

- 141.** Subject to the applicable provisions of the Act—

- (a) If the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- (b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.
- (c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.
- (d) Any person who is or has been a Director or manager, whose liability is unlimited under the Act, shall, in addition to his liability, if any, to contribute as an ordinary member, be liable to make a further contribution as if he were at the commencement of winding up, a member of an unlimited company, in accordance with the provisions of the Act.

142. APPLICATION OF ASSETS

Subject to the provisions of the Act as to preferential payment the assets of the Company shall, on its winding up, be applied in satisfaction of its liabilities *pari passu* and, subject to such application shall be distributed among the Members according to their rights and interests in the Company.

INDEMNITY

143. DIRECTOR'S AND OTHERS' RIGHT TO INDEMNITY

Subject to the provisions of the Act, every Director and officer of the Company shall be indemnified by the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the tribunal.

Provided, however, that such indemnification shall not apply in respect of any cost or loss or expenses to the extent it is finally judicially determined to have resulted from the negligence, willful misconduct or bad faith acts or omissions of such Director.

144. INSURANCE

The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

SECRECY CLAUSE

145. SECRECY

No Member shall be entitled to inspect the Company's works without the permission of the managing Director/Directors or to require discovery of any information respectively and detail of the Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the managing Director/Directors will be inexpedient in the interest of the Members of the Company to communicate to the public.

146. GENERAL POWER

- (a) Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.
- (b) Any amendment/ modification to the Articles of the Company shall require prior written consent of Lenders. A request for transfer of shares or other securities by the Lender claiming under them invoking the pledge/lien/charge, etc., over the shares or securities of the Company provided as security for financial assistance availed by the Company and/or any entity or person, shall be duly recognized and taken on record by the Company and all its shareholders without any delay, demur or objection in accordance with applicable laws and regulations;

BINDING NATURE OF FINANCING DOCUMENTS

- 147.** The Company shall adhere to and abide by all the terms and conditions of the Financing Documents, shall undertake all necessary corporate actions to give effect to the rights of the Lenders and shall not act in contravention of the provisions of the Financing Documents.

PART B

APPLICATION OF PART B

It is clarified that the matters listed in Part B of the Articles are in addition to all other rights that the Investor Group (as defined below) have as shareholders of the Company under Part A of the Articles and under applicable Laws. As long as Part B remains a part of the Articles and notwithstanding what is stated elsewhere in these Articles, in case of a conflict or inconsistency or contradiction between Part A of the Articles and Part B of the Articles, Part B of the Articles shall always over-ride and prevail over the provisions of Part A of the Articles to the maximum extent permitted under the Companies Act, 2013. Part B of the Articles shall cease to have any force and effect upon the Amended and Restated Shareholders' Agreement being terminated between the Parties.

DEFINITIONS AND INTERPRETATION

- 148.** In these Articles, the following words and expressions, when used in this Part B of the Articles, unless inconsistent with the context shall have the following meanings ascribed to them:

“Act” means the Companies Act, 2013;

“Affiliate(s)” with respect to any Person at any time, shall mean any Person, which, at that time, directly or indirectly, Controls, is Controlled by, or is under common Control with the first named Person (provided that neither the Company nor any other member of the Company's Group shall be included as an Affiliate of either the Promoters or the Investor Group or a member of their respective Groups) and, in relation to a natural person, shall include the Relatives of such natural person;

“Alternate Director” has the meaning given to it in Article 153;

“Amended and Restated Shareholders' Agreement” means the amended and restated shareholders' agreement entered into amongst the Parties dated February 28, 2020 and as amended by the amendment agreement dated June 26, 2020 entered into amongst the Parties and as may be amended from time to time;

“Approval” means any permission, approval, confirmation, waiver, consent, license, permit, order, authorization, registration, filing, notification, exemption or ruling in, from or by any Governmental Authority;

“Block Deal Mechanism” sale of Equity Shares on a Stock Exchange pursuant to SEBI Circular dated October 26, 2017 bearing reference number CIR/MRD/DP/118/ 2017, as modified from time to time;

“Board” means the board of directors of the Company, as constituted from time to time;

“Board Meetings” means meetings of the Board;

“Business” has the meaning given to it in Recital A of the Amended and Restated Shareholders' Agreement;

“Catch-up Event” has the meaning given to it in Article 161;

“**Chairman**” has the meaning given to it in Article 154(a);

“**Company’s Group**” shall mean

- (i). the Company;
- (ii). each of the Company’s Subsidiaries; and
- (iii). any other Person which, directly or indirectly, is Controlled by the Company or under common control with the Company;

“**Company Lenders**” means banks and/ or financial institutions from which the Company or its Subsidiaries have availed or avails loan facilities, including working capital facilities and term loan facilities from time to time;

“**Competitor**” means any Person (including an Affiliate of such a Person), engaged in the Business, being part of (i) the annual list of top ten global entities published by Make Consulting or in the absence of a publication by Make Consulting, being a publication by Navigant Research (“**Global Top Ten**”); and (ii) the annual list of top five entities doing Business in India, published by Consolidated Energy Consultants Limited (CECL) or in the absence of which, a publication by Ministry of New and Renewable Energy (MNRE) (“**Indian Top Five**”), it being clarified that if any entity (including an Affiliate of an entity in Global Top Ten) is part of Indian Top Five and is also part of the Global Top Ten, then such entity shall be substituted from the India Top Five by an entity or entities that ranks immediately after the India Top Five and so on;

“**Completion**” has the meaning given to it in the Securities Subscription Agreement;

“**Completion Date**” has the meaning given to it in the Securities Subscription Agreement;

“**Control**” (including with correlative meaning, the terms, “**Controlling**”, “**Controlled by**” and “**under common Control with**”) shall have the meaning set out in Regulation 2(1)(e) of the SEBI Takeover Regulations;

“**Control Breach Cure Period**” has the meaning given to it in Article 199;

“**Creeping Acquisition Limit**” has the meaning given to it in Article 162;

“**Director**” means a director of the Company, and where the context requires, shall include an Alternate Director;

“**Encumbrance**” means (i) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, or other security interest securing any obligation of any Person, option, escrow, commitment, restriction or limitation of any nature, or any other agreement or arrangement having a similar; (ii) any conditional sale, voting agreement, lock-in, pre-emption right, right of first refusal, right of first offer, non-disposal undertaking or transfer restriction; or (iii) any agreement, arrangement or obligation to create any of the foregoing;

“**Equity Shares**” means the equity shares of the Company, having a face value of Rs. 2 (Rupees Two only) per equity share and carrying one vote per equity share;

“**Equity Share Capital**” means the paid up equity share capital of the Company;

“Exit” has the meaning given to it in Article 191;

“Exit Purchaser” has the meaning given to it in Article 189;

“FCCB” means the 2016 and 2019 series of foreign currency convertible bonds issued by the Company under the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended from time to time;

“Final Exit Purchaser” has the meaning given to it in Article 191;

“Financial Statements” means the annual audited consolidated financial statements of the Company prepared under IndAS and applicable Law;

“Financial Year” means the accounting period of the Company commencing on April 1 of a calendar year and ending on March 31 of the immediately succeeding calendar year;

“Further Public Offer” shall mean further public offer undertaken by the Company and as defined in Regulation 2(1)(q) of the SEBI ICDR Regulations;

“Fully Diluted Basis” means on any relevant date, the share capital that would have been in existence on an “as if converted” basis on the assumption that:

- (a) all convertible Securities are converted and exchanged to Equity Shares in accordance with their respective terms; and
- (b) all shares issuable pursuant to a contract or option or other obligations of the Company existing on the relevant date are issued (regardless of whether any such options or other rights are vested, exercisable or convertible in accordance with their respective terms);

“General Meeting” means a general meeting of the shareholders of the Company convened and held in accordance with the Amended and Restated Shareholders’ Agreement, these Articles and the Act;

“Governmental Authority” means: (i) the government of any nation or any province, state or any other political subdivision thereof; (ii) any entity, authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to the government, including any governmental authority, agency, department, body, commission or instrumentality, (iii) any court, quasi judicial, tribunal or arbitrator; and (iv) any securities exchange or body or authority regulating the securities markets in India, as applicable;

“Hostile Control Breach” has the meaning given to it in Article 198;

“Hostile Control Breach Notice” has the meaning given to it in Article 198;

“IndAS” means the Indian Accounting Standards as issued by the Ministry of Corporate Affairs, Government of India;

“Investment Banker” has the meaning given to it in Article 189;

“Investor Creeping Acquisition” has the meaning given to it in Article 162(b);

“Investor Group” collectively means, Shanghvi Finance Pvt. Ltd. J/w. Aditya Medisales Ltd. J/w. Kumud S. Shanghvi in the capacity of partners of M/s. Sunrise Associates, Shanghvi Finance Pvt. Ltd. J/w. Aditya Medisales Ltd. J/w. Aalok D. Shanghvi in the capacity of partners of M/s. Goldenstar Enterprises, Shanghvi Finance Pvt. Ltd. J/w. Aditya Medisales Ltd. J/w. Vibha Shanghvi in the capacity of partners of M/s. Pioneer Resources, Aditya Medisales Ltd. J/w. M J Pharmaceuticals Pvt. Ltd. J/w. Ms. Vidhi Shanghvi in the capacity of partners of M/s. Expert Vision, Cannon Realty Pvt. Ltd. J/w. Sun Fastfin Services Pvt. Ltd. in the capacity of partners of M/s. GEE SIX Enterprises, Aalok D. Shanghvi, Vibha Shanghvi, Vidhi D. Shanghvi, Neostar Developers LLP, Real Gold Developers LLP, Suraksha Buildwell LLP, Sudhir V. Valia, Raksha S. Valia, Vijay M. Parekh and Paresh M. Parekh;

“Investor Group Director” has the meaning given to it in Article 152(a);

“Investor Group Event of Default” has the meaning given to it in Article 196;

“Investor Securities” means a) Subscription Securities issued to the Investor Group in accordance with the Securities Subscription Agreement; b) any Equity Shares held by the Investor Group as on the Execution Date and the Completion Date; and (c) any Securities subscribed to or acquired by the Investor Group;

“Key Managerial Personnel” shall have the meaning prescribed under the Act and shall also include Chief Operating Officer, Chief Human Resources Officer, Chief Sales Officer, Chief Technical Officer or employee holding an equivalent designation of the Company and its Subsidiaries;

“Law(s)” means any law, statute, regulation, rule, judgment, notification, rule of common law, order, decree, bye-law, directive, guideline, requirement or other governmental restriction, or any similar form of decision of, or determination by, or any interpretation, policy or administration, having the force of law of any of the foregoing, by any Governmental Authority;

“Long Stop Date” has the meaning given to it in the Securities Subscription Agreement;

“Main Investor” means Mr. Dilip Shanghvi;

“Main Promoter” means Mr. Tulsi R. Tanti;

“Management Control Breach” has the meaning given to it in Article 199;

“Management Control Breach Notice” has the meaning given to it in Article 199;

“Market Sale” shall mean a sale of Equity Shares on a Stock Exchange, including any sale of Equity Shares undertaken:

- (i) as a bulk deal pursuant to SEBI Circular SEBI/MRD/SE/Cir-7/2004 dated January 14, 2004, as modified from time to time, or
- (ii) through the Block Deal Mechanism

but shall not include a sale of shares undertaken as an offer for sale pursuant to SEBI Circular CIR/MRD/DP/18/2012 dated July 18, 2012, as modified from time to time;

“Material Subsidiary” means any Subsidiary of the Company that contributed to the

extent of more than 10% to the revenues of the Company in the immediately preceding Financial Year based on the Financial Statements or a Subsidiary of the Company that had a Networth of at least Rs. 500,00,00,000 (Rupees Five Hundred Crore) based on its audited financial statements in the immediately preceding financial year;

“Networth” shall mean ‘networth’ as defined under Section 2(57) of the Act;

“Parties” collectively means, the Investor Group, the Promoters and the Company;

“Permitted Transferee” means a Person who is an Affiliate of an Investor, such Person not being a Competitor;

“Permitted Transferee Transfer” has the meaning given to it in Article 187;

“Person” means shall mean any natural person, limited or unlimited liability company, corporation or other body corporate, partnership (whether limited or unlimited), proprietorship, Hindu undivided family, trust, union, association, government or any agency or political subdivision thereof;

“Promoters” collectively means, Tulsi R. Tanti, Gita T. Tanti, Tulsi R. Tanti as karta of Tulsi Ranchhodbhai HUF, Tulsi R. Tanti as karta of Ranchhodbhai Ramjibhai HUF, Tulsi R. Tanti J/w. Vinod R. Tanti J/w. Jitendra R. Tanti, Tanti Holdings Private Limited, Vinod R. Tanti, Jitendra R. Tanti, Sangita V. Tanti, Lina J. Tanti, Rambhaben Ukabhai, Vinod R. Tanti as karta of Vinod Ranchhodbhai HUF, Jitendra R. Tanti as karta of Jitendra Ranchhodbhai HUF, Pranav T. Tanti, Nidhi T. Tanti, Rajan V. Tanti, Brij J. Tanti, Trisha J. Tanti, Girish R. Tanti and Samanvaya Holdings Private Limited;

“Promoters/ Company Event of Default” has the meaning given to it in Article 197;

“Proposed Value” has the meaning given to it in Article 190;

“Private Sale” shall mean any sale of Equity Shares that does not constitute a Market Sale, but for the purpose of this definition a sale of shares undertaken as an offer for sale pursuant to SEBI Circular CIR/MRD/DP/18/2012 dated July 18, 2012 (as modified from time to time) shall not be a Private Sale;

“Promoter Creeping Acquisition” has the meaning given to it in Article 162(a);

“Promoter Nominees” has the meaning given to it in Article 152(b);

“Qualified Institutions Placement” shall mean qualified institutions placement undertaken by the Company and as defined in Regulation 2(1)(tt) of the SEBI ICDR Regulations;

“Related Party(ies)” has the meaning given to the term in Section 2(76) of the Act;

“Relative” means a relative as defined in Section 2(77) of the Act;

“Rights Issue” shall mean rights issue undertaken by the Company and as defined in Regulation 2(1)(xx) of the SEBI ICDR Regulations;

“SEBI” means the Securities and Exchange Board of India;

“SEBI ICDR Regulations” shall mean the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

“SEBI LODR Regulations” shall mean the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;

“SEBI Takeover Regulations” shall mean the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

“Securities” means any Equity Shares, Subscription Securities or preference shares or debentures convertible into Equity Shares or any other equity linked instruments, including options, warrants issued by the Company or any security or right which grants voting rights in the Company or ability to influence voting rights of shareholders of the Company;

“Securities Subscription Agreement” means the securities subscription agreement entered into between the Company and the Investor Group dated February 28, 2020, as amended;

“Shareholder” means such Persons who hold Equity Shares of the Company;

“Shareholder Vote Items” has the meaning given to it in Article 163.

“Shareholding Percentage” means the percentage of the paid-up Equity Share Capital held by a Shareholder in the Company on a Fully Diluted Basis;

“Subscription Securities” has the meaning given to it in the Securities Subscription Agreement;

“Subsequent Capital Raising” has the meaning given to it in Article 171;

“Subsidiary” means a subsidiary as defined in Section 2(87) of the Act;

“Suzlon The Group” has the meaning given to it in the Securities Subscription Agreement;

“Third Party” means any Person, other than the Promoter, the Investor and their respective Affiliates;

“Transfer” (including with correlative meaning, the terms “Transferred by” and “Transferability”) means to transfer, sell, assign, novate, place in trust (voting or otherwise), exchange, gift or transfer by operation of Law or in any other way or dispose of, whether or not voluntarily;

“Transfer Breach Cure Period” has the meaning given to it in Article 201;

“Transfer Breach Notice” has the meaning given to it in Article 201;

“Transfer Restrictions Breach” has the meaning given to it in Article 201;

“Voting Arrangement” has the meaning given to it in Article 167.

149. Interpretation

- (a) In addition to the above terms, certain terms may be defined elsewhere in these Articles and wherever, such terms are used in these Articles, they shall have the meaning so assigned to them.
- (b) The terms referred to in these Articles shall, unless defined otherwise or inconsistent with the context or meaning thereof, bear the meaning ascribed to them under the relevant statute/legislation.
- (c) All references in these Articles to statutory provisions shall be construed as meaning and including references to:
 - (i) any statutory modification, consolidation or re-enactment made after the date of these Articles and for the time being in force;
 - (ii) all statutory instruments or orders made pursuant to a statutory provision; and
 - (iii) any statutory provisions of which these statutory provisions are a consolidation, re-enactment or modification.
- (d) Words denoting the singular shall include the plural and words denoting any gender shall include all genders.
- (e) Headings, subheadings and titles, subtitles to clauses, sub-clauses, sections and paragraphs are for information only and shall not form part of the operative provisions of these Articles or the schedules hereto and shall be ignored in construing the same.
- (f) References to clauses, sections or schedules are, unless the context otherwise requires, references to, clauses and schedules to these Articles.
- (g) Reference to days, months and years are to calendar days, calendar months and calendar years, respectively.
- (h) Any reference to “writing” shall include printing, typing, lithography and other means of reproducing words in visible form.
- (i) The words “include” and “including” are to be construed without limitation.
- (j) Any reference to “writing” shall include printing, typing, lithography and other means of reproducing words in visible form.
- (k) The words “include” and “including” are to be construed without limitation.
- (l) Any reference to these Articles, any agreements, arrangements or contracts in these Articles shall include any amendments or modifications to these Articles and to such agreements, arrangements or contracts referred to in these Articles.

Unless repugnant to the context therein, all references to Investor Group shall mean references to all members of the Investor Group jointly and severally. And all references to Promoter Group shall mean references to all members of the Promoter Group jointly and severally.

150. The obligations of the Investor Group under Articles 154, 156, 157, 158, 159, 160, 163, 167, 168, 169 and 170 of these Articles shall remain in effect for a period determined by the Main Investor, at his sole discretion, subject to a minimum period of 18 (eighteen) months from the Completion Date. Save as otherwise provided in this Article 150, all other provisions of this Agreement shall remain in full force and effect in accordance with the terms thereof.
151. Notwithstanding anything stated in these Articles, the Investor Group shall take all the necessary steps for exercising its voting rights at Board meeting or a General Meeting, as the case may be, in relation to all Investor Securities held by the Investor Group, to enable the fulfilment by the Company of its obligations under the Financing Documents and the transactions contemplated thereunder.

BOARD OF DIRECTORS

152. Composition of the Board

- (a) Until such time the aggregate Shareholding Percentage of the Investor Group does not fall below 5%, the Promoters shall take all necessary steps to ensure the appointment of 1 (one) nominee of the Investor Group as may be advised by the Investor Group in writing (the “**Investor Group Director**”), who fulfills the eligibility requirements under applicable Law, as the Investor Group Director.
- (b) The Promoters shall, at all times be entitled to nominate 3 (three) persons for appointment as Directors on the Board (the “**Promoter Nominees**”). The Promoters shall be entitled to appoint any of the Promoter Nominees as a whole-time and an executive director or a non-executive director of the Company.
- (c) Each of the Promoters shall take all necessary steps to ensure the appointment of the Investor Group Director fulfills the eligibility requirements under applicable Law, as a Director, including voting on the Equity Shares held by the Promoters at General Meetings and to the extent permitted under applicable Law, requiring the Promoter Nominees to exercise their voting rights at Board Meetings.

153. Alternate Director

- (a) The Investor Group Director shall have the right to nominate a person, for appointment as an alternate director (the “**Alternate Director**”) to the Investor Group Director. Each of the Company and the Promoters shall take all necessary steps to ensure that such person is appointed as Alternate Director to the concerned original Investor Group Director.
- (b) An Alternate Director shall be entitled to receive notice and agenda papers for all Board Meetings, to attend, participate and vote at any such Board Meeting and to exercise and discharge all the functions, powers and duties as a Director at any Board Meeting.

154. Chairman

- (a) Subject to Law, the Main Promoter shall at all times remain the executive chairman of the Company (the “**Chairman**”). Subject to Law, any replacement of the Chairman shall only be nominated by the Promoters.
- (b) The Chairman shall preside over Board Meetings and General Meetings at which he is present and shall have a casting vote.

155. Disclosure of Information

Subject to applicable Law, the Investor Group Director may disclose to the Investor Group any information concerning the Company which may come into his possession on account of being a Director.

MANAGEMENT OF THE COMPANY

156. The Promoters are and shall remain solely in absolute Control of the Company at all times, unless otherwise: a) agreed in writing between the Promoters and the Investor Group; or b) set out in the Amended and Restated Shareholders' Agreement.

157. Unless otherwise in compliance with the terms of the Amended and Restated Shareholders' Agreement, the Promoters shall continue to exercise Control over the Company in respect of, including but not limited, the following matters:

- a) the day to day management, operations and policies of the Company and its Subsidiaries; and
- b) appointment and removal of Key Managerial Personnel.

158. Subject to Articles 156 and 157 above, keeping in mind the best interests of the Company, the Promoters agree to discuss and consult with the Investor Group, on a good faith basis, key strategic and policy decisions (including annual business plan and any long term strategic plan) in relation to the Company. In addition, to the extent that the Investor Group has any suggestions/recommendations with a view to improve the operational efficiency of the Company, the Promoters shall consider such suggestions/recommendations in good faith and shall provide reasonably detailed explanations to the Investor Group if such suggestions/recommendations are not acceptable to the Promoters, with a view to convince the Investor Group in this regard.

159. Unless otherwise provided in the Amended and Restated Shareholders' Agreement, to ensure that the Promoters continue to remain in Control of the Company, the Investor Group shall not:

- a) either make any open offer or a delisting offer for Securities (other than with the prior written consent of the Promoters);
- b) tender Securities held by the Investor Group in acceptance of any open offer made by any other Person under the SEBI Takeover Regulations or a delisting offer under the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, subject to the Investor Group having delivered a written notice to the Promoters of the intention to tender the Securities within 10 days of the public announcement in relation to such open offer/ delisting offer by the abovementioned Person, along with explanations in this regard;
- c) take any steps or actions including exercise of voting rights in a manner that is detrimental to Control of the current Promoters of the Company.

160. The Parties acknowledge that the Investor Group and the Promoters shall be considered 'persons acting in concert' under Regulation 2(1)(q) of the SEBI Takeover Regulations, unless otherwise stated in the Amended and Restated Shareholders' Agreement.

161. The Promoters shall have the right to acquire Securities from time to time, either by way of a preferential allotment or secondary purchases or any other way permitted under the

applicable Law (“**Catch-up Event**”). The Investor Group shall take all necessary steps to facilitate the acquisition of Securities by the Promoters in accordance with this Article including as set out in Article 167 to Article 169 (*Voting Arrangements*).

- 162.** The Promoters and the Investor Group shall have the option to acquire, on a collective basis, no more than the maximum number of Equity Shares which can be subscribed to or acquired collectively without triggering requirement of an open offer under the SEBI Takeover Regulations by either the Promoters or the Investor Group (“**Creeping Acquisition Limit**”) in the following manner:
- a) Subscription or acquisition of up to such number of Securities by the Promoters that constitute 50.5% of the Creeping Acquisition Limit (“**Promoter Creeping Acquisition**”); and
 - b) Subject to the proportion of the permitted Promoter Creeping Acquisition completed by the Promoter in a Financial Year, the Investor Group shall be permitted to subscribe to or acquire such proportion of Securities that is within the remaining 49.5% of the Creeping Acquisition Limit (“**Investor Creeping Acquisition**”).

SHAREHOLDER VOTE ITEMS

- 163.** Notwithstanding anything contained in these Articles, the Company, the Subsidiaries and the Promoter Nominees shall not take any decisions or action in respect of matters set out below (“**Shareholder Vote Items**”) (whether through the Board, shareholders, employees or officers), unless such action or decision has been approved by the Shareholders at a General Meeting:
- (a) Any amendments to the Memorandum or the Articles, which prejudices in any material respect, the rights of Investor Group under the Amended and Restated Shareholders’ Agreement, except amendment to the Articles required in respect of the matters contemplated under the Amended and Restated Shareholders’ Agreement;
 - (b) Cessation or disposal of all or substantial part of the business or an undertaking of the Company or of a Material Subsidiary to a Third Party, in excess of the limits prescribed under Regulation 24(6) of SEBI LODR Regulations and Section 180 of the Act, as applicable;
 - (c) Disposal or transfer or divestment of shares of a Material Subsidiary to a Third Party resulting in reduction of the Company’s shareholding in such Material Subsidiary (either on its own or together with other Subsidiaries) to less than fifty percent or cessation of the exercise of Control over such Material Subsidiary;
 - (d) Acquisition of a business, bodies corporate or undertaking or entering into any joint venture by the Company or any of the Material Subsidiaries (including commencement of actions in this regard), (whether undertakings or shares), of an enterprise value of more than Rs. 100,00,00,000 (Rupees One Hundred Crore only) per acquisition and arranging of financing thereof;
 - (e) Any merger, demerger, buyback, reduction of capital, arrangement or compromise with its creditors (other than operational creditors) or shareholders or effecting any scheme of amalgamation or reconstruction, involving the Company or any of the Material Subsidiaries and Third Parties;
 - (f) A voluntary winding-up or insolvency or dissolution or concurrence with any winding-up or insolvency proceedings initiated by a Third Party in relation to the Company or a Material Subsidiary (save in the context of a merger transaction);

- (g) Change in capital structure of the Company by way of issuance of Securities or of any of the Material Subsidiary by way of issuance of securities or share capital other than on account of a) any preferential issuance of Equity Shares to the Promoters in accordance with Article 161 (*Catch Up Event*); b) any preferential issuance of Equity Shares to the Promoters or the Investor Group as part of the Promoter Creeping Acquisition or the Investor Creeping Acquisition; c) issuance of Securities through a Rights Issue; d) issuance of Securities through a Further Public Offer or Qualified Institutions Placement to the extent of 10% of the Equity Share Capital on a Fully Diluted Basis as of the date of the Amended and Restated Shareholders' Agreement, which may be undertaken through more than one issuances, subject to the aforementioned dilution limit; e) conversion of outstanding FCCBs or existing employee stock options issued by the Company or its Material Subsidiaries; f) conversion of loans availed by the Company or Material Subsidiaries from time to time; g) requirement of the lenders of the Company or the Material Subsidiaries; h) any issue of securities by the Material Subsidiary to the Company Group; or i) any issue of securities by the Material Subsidiary to Third Parties in excess of 25% of the share capital of such Subsidiary;
- (h) Any borrowings availed by the Company or its Material Subsidiaries which has a) repayment term in excess of 2 (Two) years; and b) in excess of limits pre-agreed annually between the Promoters and the Investor Group (on a consolidated basis). The requirements of this Article 163(h) shall not apply with respect to availing any working capital facilities by the Company or any borrowings proposed to be availed by the Company for project specific facilities;
- (i) Provide any loans or issue any guarantees or create any security in excess of the limits set out in Section 186(2) of the Act. The requirements of this Article 163(i) shall not apply with respect to provision of any loans or issuance of any guarantees or creation of any security by the Company for project specific facilities; and
- (j) Declaration of dividend by the Company of an amount greater than 25% of the net profit of the Company for a Financial Year based on the Financial Statements of the Company for the previous Financial Year, provided that any declaration of the dividend by the Company in a Financial Year of an amount between 25%-50% of the net profit of the Company for a Financial Year per the Financial Statements of the previous Financial Year shall not be a Shareholder Vote Item if the working capital requirements of the Company are met.

Provided that, nothing contained in this Article shall apply to (a) the provisions of Article 167 to Article 169 (*Voting Arrangements*); and (b) any action or decision required to be undertaken pursuant to any instruction from or requirement of the Company Lenders.

- 164.** If a Shareholder Vote Item(s) has(ve) been approved in accordance with Article 163, then the Investor Group and the Promoters shall take all necessary steps, including exercising their voting rights as Shareholders, to give effect to such Shareholder Vote Item(s).
- 165.** The Investor Group or the Promoters shall not (and shall, subject to applicable Law, request that the Investor Group Director or Directors who are Relatives of the Main Promoter not to) submit to any meeting of the Board, or to shareholders by way of postal ballot, electronic voting, in General Meetings or otherwise any proposal in relation to the Shareholder Vote Items unless the Investor Group or the Promoters, as the case may be, have provided a written consent in this regard.

166. Subject to Article 164, if any matter, decision, action or resolution relating to a Shareholder Vote Item shall be considered or taken up for voting at any Board meeting, General Meeting, by way of a postal ballot or electronic voting or otherwise, in circumstances where the Promoters have conveyed to the Investor Group or if the Investor Group has conveyed to the Promoters its rejection/dissent in writing to such Shareholder Vote Item at any time prior to the commencement of the Board meeting, General Meeting, issuance of notice for the postal ballot or electronic voting or any other notice in relation to the consideration of such matter, Investor Group or the Promoters shall exercise its voting rights in relation to the Company against such matter, decision, action or resolution.

VOTING ARRANGEMENTS

167. Each Investor shall take all necessary steps for exercising its voting rights, including at General Meeting or a Board meeting, in relation to all Investor Securities held by such Investor, in accordance with the recommendations provided by the Main Promoter (“**Voting Arrangement**”) in case of: (a) taking all steps to ensure the fulfilment of the Company’s obligations under the Financing Documents and the transactions contemplated therein; (b) along with the Promoter, taking all steps, for refinancing of the existing debt of the Company (including any unsustainable component) on such terms which are better than the existing terms; (c) any Person making a hostile or an unsolicited bid to acquire Control over the Company, other than as provided in Article 173; and (d) undertaking all actions to implement and give effect to a potential acquisition of at least 51% of the Equity Share Capital of the Company by any Person who has been approved by the Investor Group and the Promoters, in accordance with Article 189 to Article 193 (*Restriction on Transfer of Securities - Exit*).
168. For a period of 3 (three) years from the Completion Date, each Investor shall take all necessary steps for exercising its voting rights, including at General Meeting or a Board meeting, in relation to all Investor Securities held by such Investor, to effect the re-appointment of the Promoter Nominees on the Board of the Company.
169. The Investor Group shall discuss in good faith all proposals in respect of any Shareholder Vote Items with the Main Promoter and adequately consider the views of the Main Promoter keeping in mind the best interests of the Company while taking decisions on any Shareholder Vote Items. The Investor Group shall have the sole discretion in relation to its decisions on the Shareholder Vote Items.

INVESTOR GROUP COVENANTS AND UNDERTAKINGS

170. The Investor Group shall take all necessary actions which are required to give effect to the Articles and specifically Articles 156 to 162 (*Management of the Company*) and Articles 167 to 169 (*Voting Arrangements*) above.
171. In the event the Company proposes to undertake a Further Public Offer or Qualified Institutions Placement or any other capital markets issuance of Securities (“**Subsequent Capital Raising**”) then the Investor Group undertakes to consider in good faith and in the best interests of the Company, if the merchant bankers appointed by the Company in this regard to manage the Subsequent Capital Raising or per applicable Law so required, that each Investor shall not sell and undertake not to sell any Investor Securities for a period of 3 (three) months post allotment of Securities under the Subsequent Capital Raising.

- 172.** Notwithstanding anything stated in these Articles, the Investor Group shall, prior to (a) acquiring or executing any binding documents in relation to acquiring, directly or indirectly, 25% (twenty five percent) or more of the Equity Share Capital of the Company; or (b) otherwise undertaking any steps or actions with a view to acquire or take Control of the Company, inform the Promoters in writing. Upon receipt of such information, the Investor Group and the Promoters will engage with the Company Lenders to procure the release of the security and personal guarantee provided by the Promoters to the Company Lenders, in full. In the event:
- (i) the Company Lenders accepts the proposal jointly presented by the Promoters and the Investor Group, in this regard, or an alternate proposal of the Company Lenders in this regard, is acceptable to both the Investor Group and the Promoters (each acting commercially reasonably in this regard), then both the Investor Group and the Promoters shall take all necessary steps and actions to effect the release of security and personal guarantee provided by the Promoters to the Company Lenders, in full, prior to the Investor Group undertaking any actions mentioned in (a) or (b) above or moving ahead with actions in (a) or (b) above; or
 - (ii) the Company Lenders do not accept the proposal of the Investor Group and the Promoters to release the security and personal guarantee provided by the Promoters and provide an alternate proposal in this regard, and such alternate proposal is not acceptable to either the Investor Group or the Promoters (each acting commercially reasonably in this regard), the Investor Group shall forthwith cease to undertake any actions mentioned in (a) or (b) above or shall not move ahead with actions in (a) or (b) above.
- 173.** In the event the Investor Group wishes to support any hostile bid or an unsolicited bid by any Person seeking to acquire the Equity Shares or Securities of the Company, either by virtue of the shareholding of the Investor Group in the Company or otherwise, the Investor Group shall provide a prior written intimation to the Promoters along with explanations in this regard. Upon receipt of such information, the Investor Group and the Promoters will engage with the Company Lenders, on a best efforts basis, to procure the release of the security and personal guarantee provided by the Promoters to the Company Lenders, in full. In the event the Company Lenders accepts the proposal jointly presented by the Promoters and the Investor Group in this regard, or an alternate proposal of the Company Lenders in this regard, is acceptable to both the Investor Group and the Promoters (each acting commercially reasonably in this regard), then both the Investor Group and the Promoters shall take all necessary steps and actions to effect the release of security and personal guarantee provided by the Promoters to the Company Lenders, in full, so long as there is no financial impact and/ or guarantee obligations on the Investor Group in this regard.
- 174.** In the event of a potential acquisition of at least 51% of the Equity Share Capital of the Company by any Person who has been approved by the Investor Group and the Promoters, the Investor Group and the Promoters will engage with the Company Lenders to procure the release of the security and personal guarantee provided by the Promoters to the Company Lenders, in full. In the event:
- (i) the Company Lenders accepts the proposal jointly presented by the Promoters and the Investor Group, in this regard, or an alternate proposal of the Company Lenders in this regard, is acceptable to both the Investor Group and the Promoters (each acting commercially reasonably in this regard), then both the Investor Group and the Promoters shall take all necessary steps and actions to effect the release of security and personal guarantee provided by the Promoters to the

Company Lenders, in full, in order to consummate the transactions with such Person; or

- (ii) the Company Lenders do not accept the proposal of the Investor Group and the Promoters to release the security and personal guarantee provided by the Promoters and provide an alternate proposal in this regard, and such alternate proposal is not acceptable to either the Investor Group or the Promoters (each acting commercially reasonably in this regard), the Investor Group and the Promoters will forthwith cease to engage with such Person in relation to the transaction set out in Article 174.

- 175.** If any open offer/ delisting offer is required to be made by the Investor Group, at any time, in terms of the SEBI Takeover Regulations and the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, respectively, then the relationship between the Investor Group and the Promoters as 'persons acting in concert' shall not continue, unless otherwise agreed in writing between the said Parties.

PROMOTERS/COMPANY COVENANTS AND UNDERTAKINGS

- 176.** The Promoters shall take all necessary actions which are required to give effect to these Articles and specifically Articles 163 to 166 (*Shareholder Vote Items*) above.
- 177.** Each of the Promoters undertake to exercise its voting rights as a Shareholder to cause the Company to issue and allot Subscription Securities to the Investor Group and undertake such actions as contemplated under the Securities Subscription Agreement.
- 178.** The appointment of any statutory auditor and internal auditor of the Company shall be undertaken pursuant to the following:
- (a) the statutory auditor shall be appointed by the Board out of a list of profiles of 4 (four) reputed auditors, shared by Investor Group and shall be acceptable to the Lenders (each of whom should be the Indian affiliate or associate of one of the top 10 global networks providing audit services, but shall exclude any past and existing auditors of the Investor Group); and
 - (b) the internal auditor shall be appointed by the Board out of a list of profiles of 4 (four) reputed internal auditors, shared by Investor Group (each of whom should be the Indian affiliate or associate of one of the top 10 global networks providing audit services, but shall exclude any past and existing auditors of the Investor Group).
- 179.** The Company shall enter into any transaction with Related Parties, (including any ongoing exiting transactions with Related Parties and periodic renewals of the existing transactions with Related Parties,) after the Completion Date, with the prior consent of the Investor Group in writing. Such transactions with Related Parties shall be at arm's length or in compliance with the Accounting Standards issued by ICAI or any other Act or authority in this regard.

If the Investor Group rejects any such transaction (whether ongoing existing or new), then the Investor Group shall set out its reasons for such rejection in writing to the Promoters and the Company.

The ongoing existing transaction with Related Parties shall continue as per present terms for a period of 90 days from June 26, 2020, within which time the Investor Group shall provide their suggestions, acceptance or denial. Thereafter the Company and the

Promoters shall consider such suggestions and modify the said transactions accordingly or in case of denial by the Investor Group, the Promoters and the Company shall discontinue and / or terminate such transactions and change shall be implemented before March 31, 2021 or within such period as agreed by the Parties in writing.

Provide however, in the event, the Investor Group does not provide its suggestions, acceptance or denial in relation to approval sought in this Article, within a period of 30 (Thirty) days from the receipt of the request from the Promoter in writing, the Investor Group shall have deemed to have approved such related party transaction.

- 180.** The Investor Group may decide to make recommendations to strengthen the purchase and finance operations of the Company. The Company and the Promoters shall consider such suggestions positively and expeditiously.
- 181.** The Company shall enter into any new transaction with the Investor Group and their respective Affiliates (excluding any periodic renewals of the existing transactions with the Investor Group and their respective Affiliates) after the Completion Date, with the prior consent of the Promoters in writing. In the event, the Promoters do not provide their acceptance or denial in relation to approval sought in this Article, within a period of 7 (seven) days from the receipt of the request from the Investor Group, the Promoter shall have deemed to have approved such related party transaction.

INFORMATION RIGHTS

- 182.** Subject to applicable Law, the Investor Group will have a right to receive
- (a) financial information of the Company and its Material Subsidiaries as reasonably requested by the Investor Group; and
 - (b) information related to a material event in a timely manner.
- 183.** The Director(s) nominated by the Investor Group shall be provided all the information as part of the board process.
- 184.** Any information shared with the Investor Group under this Article 182 and/ or Article 183 shall constitute Confidential Information under the Amended and Restated Shareholders' Agreement.

RESTRICTIONS ON TRANSFER OF SECURITIES

- 185.** Subject to Article 173, the Investor Group shall not, directly or indirectly, Transfer the Investor Securities (including any legal or beneficial interest therein), to any Competitor. Provided that any Transfer of Investor Securities permitted under Article 185 to Article 193 does not, directly or indirectly, permit Encumbrance of the Investor Securities with a Competitor.
- 186.** The Investor Group shall comply with the lock-in requirements as prescribed under Regulation 167 of the SEBI ICDR Regulations and shall not, directly or indirectly, Transfer any Investor Securities including the Subscription Securities in breach of the Law.
- 187.** Subject to Article 185 and 186 the Investor Group may Transfer any/all of its Investor Securities to a Permitted Transferee ("**Permitted Transferee Transfer**") at any time

during the term of the Amended and Restated Shareholders' Agreement through a Private Sale or a Block Deal Mechanism, subject to the following conditions:

- (a) the Investor shall provide a written notice to the Promoter and the Company specifying the identity of the Permitted Transferee, the number of Securities Transferred and the date of the transfer within 5 (five) days of the completion;
- (b) simultaneously with the completion of the proposed Transfer to the Permitted Transferee, the Permitted Transferee shall execute a deed of adherence, agreeing to be bound by the terms and conditions of the Amended and Restated Shareholders' Agreement;
- (c) pursuant to the Transfer, the Permitted Transferee shall not individually hold such number of Securities which trigger an open offer under the SEBI Takeover Regulations;
- (d) the Investor, being the transferor, continuing to be jointly and severally liable along with the Permitted Transferee for all the obligations under the Amended and Restated Shareholders' Agreement; and
- (e) the Transfer of the Securities to the Permitted Transferee shall be reversed by such Permitted Transferee to a member of the Investor Group, prior to the Permitted Transferee ceasing to be an Affiliate of the Investor Group.

188. Any Transfer of Investor Securities in violation of the provisions of these Articles shall be null and void *ab initio*, not be binding on the Company and the Company shall not register any such Transfer.

Exit

189. The Investor Group and the Promoters undertake that, any time after the Completion Date and up to the 3rd (third) anniversary from the Completion Date or such extended period as mutually agreed between the Investor Group and the Promoters in writing, they shall jointly appoint a mutually acceptable investment banker of international/ national repute ("**Investment Banker**") and give such mandate to identify potential purchaser(s) for acquisition of at least 51% of the Equity Share Capital of the Company ("**Exit Purchaser**").
190. All Parties shall follow the process required by the Investment Banker and duly consider the price per Security offered by the Exit Purchaser ("**Proposed Value**"), who individually or as a block/ consortium, proposes to acquire at least 51% of the Equity Share Capital of the Company.
191. Each of the Investor Group and Promoters shall have the option to Transfer any or all of the Securities held by them respectively, to the Exit Purchaser (who has offered the highest Proposed Value and proposes to acquire at least 51% of the Equity Share Capital of the Company) ("**Final Exit Purchaser**"), at a value that is not lower than the Proposed Value offered by the Final Exit Purchaser ("**Exit**").
192. Each of the Investor Group and Promoters agree and acknowledges that, in the event any of the Investor Group or Promoters do not propose to Transfer all of the Securities held by it, the same shall be without prejudice to any dilution of the stake held by the said Person in the Company in order to facilitate the Exit.
193. Each of the Parties shall undertake all necessary steps including by way of exercise of voting rights in the Company to implement and give effect to the Exit and acquisition of at least 51% of the Equity Share Capital of the Company by the Final Exit Purchaser.

Without foregoing the generality of the above, each of the Parties shall take necessary steps and facilitate any requirement by the Final Exit Purchaser to restructure the Business or the shareholding structure or constitution of the Company.

NON-COMPETE AND NON-SOLICITATION

- 194.** During the term of the Amended and Restated Shareholders' Agreement, the Promoters and the Investor Group, covenant and undertake to each other that they shall not, and shall procure that, their respective Affiliates shall not, directly or indirectly, (i) in case of Investor Group, for so long as the Investor Group owns and holds (directly or indirectly) equal to or more than 5% of the Equity Share Capital in the Company; and (ii) in case of Promoters, for so long as the Promoters continue to be classified as the 'promoter' of the Company under applicable Law or own and hold (directly or indirectly) equal to or more than 5% Equity Share Capital in the Company:
- (a) carry on, engage in, manage, own, invest in (by way of equity, debt, equity linked instrument, debt linked instrument or similar hybrid instruments) business which may compete with the Business (in its entirety or in part) in India; or
 - (b) enter into any formal discussions, negotiations, or agreements with any Person, for a project which may compete with the Business, (in its entirety or in part), in India;
- provided however that, nothing contained in this Article shall restrict or apply to:
- (i) any investments or businesses being undertaken by the Promoters as on the Completion Date;
 - (ii) the acquisition of Wind World (India) Limited ("**Wind World**") by the Investor Group or an Affiliate of the Investor Group. Provided further that, the Investor Group shall take all necessary steps to procure that Wind World will not provide any services to any customer, who operates a turbine procured from the Company or does any activities that would negatively impact Suzlon business;
 - (iii) the bidding by the Investor Group or their Affiliates for any solar projects for power generation.
- 195.** The Investor Group and the Promoters (together with their respective Affiliates) shall not, whether directly or indirectly, by themselves or in association with or through any Person, in any manner whatsoever (whether in its own capacity or in conjunction with or on behalf of any Person, as an employee, adviser, partner or shareholder of or consultant to any other Person), do or undertake or attempt to do or undertake any of the following activities:
- (a) tender for, canvass or solicit or attempt to tender for, canvass or solicit any current client or customer of the Company or its Subsidiaries for a competing Business;
 - (b) induce or attempt to induce any client, customer or supplier of any member of the Company or its Subsidiaries to cease to deal with the Company or its Subsidiaries or any member thereof or otherwise interfere with the relationship between such client, customer or supplier and the Group and/or its members;
 - (c) hire or solicit the employment of any employee of any member of the Company or its Subsidiaries;
 - (d) induce or attempt to induce any employees of any of the members of the Group to leave the employment of the concerned member or otherwise interfere in any

- manner with the contractual, employment or other relationship of such employees of the Company or its Subsidiaries with the Company or its Subsidiaries; or
- (e) assist, influence, encourage or induce such action in any manner whatsoever.

EVENTS OF DEFAULT

- 196.** An event of default in relation to the Investor Group shall occur on the happening of any of the following events (such an event, an “**Investor Group Event of Default**”):
- (a) Any of the representations and warranties of the Investor Group under the Amended and Restated Shareholders’ Agreement not being true as of the date of the Amended and Restated Shareholders’ Agreement and Completion Date; and
 - (b) any breach of obligations by any Investor which are set out in Article 156 to Article 162 (*Management of the Company*), Article 163 to Article 166 (*Shareholder Vote Items*), Article 167 to Article 169 (*Voting Arrangement*), Article 169 to Article 174 (*Investor Group Covenants and Undertakings*), Article 185 to Article 193 (*Restrictions on Transfer of Securities*) and Article 205 to 207 (*Term and Termination*) of these Articles.
- 197.** An event of default in relation to the Promoters or the Company shall occur on the happening of any of the following events (such an event, a “**Promoters/ Company Event of Default**”):
- (a) any breach of obligations by the Promoters or the Company which are set out in Article 163 to Article 166 (*Shareholder Vote Items*), Article 176 to Article 181 (*Promoters Covenants and Undertakings*) and Article 205 to 207 (*Term and Termination*) of these Articles or a material breach of Article 182 to Article 184 (*Information Rights*);
 - (b) Any of the representations and warranties of the Company and the Promoters under the Amended and Restated Shareholders’ Agreement not being true as of the date of the Amended and Restated Shareholders’ Agreement and Completion Date; and
 - (c) the purported termination of the Amended and Restated Shareholders’ Agreement by the Company and/or the Promoter other than as provided in the Amended and Restated Shareholders’ Agreement.

CONSEQUENCES OF CERTAIN EVENTS OF DEFAULT

- 198.** If the Investor Group (or any Investor) takes any action or fails to take any action which, in the Promoter’s or the Company’s view, results in breach of the Investor Group’s obligations under Article 159 and Article 170 to Article 175 (the “**Hostile Control Breach**”), then the Promoters and/ or the Company shall be permitted to immediately refer the Hostile Control Breach for dispute resolution under Clause 18 of Amended and Restated Shareholders’ Agreement, upon issuance of a written notice intimating the Investor Group of the Hostile Control Breach (the “**Hostile Control Breach Notice**”), seeking:
- (a) interim relief within 30 (Thirty) days of the issuance of the Hostile Control Breach Notice, which, amongst others, may include suspension of all rights of the Investor Group under Amended and Restated Shareholders’ Agreement and

- keeping in abeyance of voting rights in respect of the Investor Group in respect of Investor Securities pending conclusion of the arbitral proceedings; and
- (b) final relief within 180 (One Hundred and Eighty) days of the issuance of the Hostile Control Breach Notice, which, amongst others, may include termination of all rights of the Investor Group under Article 185 to Article 193 (*Restrictions on Transfer of Securities*) and survival of all obligations of the Investor Group under Article 156 to Article 162 (*Management of the Company*), Article 167 to Article 169 (*Voting Arrangements*) and Article 170 to Article 175 (*Investor Group Covenants and Undertakings*) as well as any specific performance for rectification of the Hostile Control Arrangement Breach and appropriate damages.
- 199.** If the Investor Group (or any Investor) takes any action or fails to take any action, whether directly or indirectly, which, in the Promoter's or the Company's view, results in breach of the Investor Group's obligations under Article 156 to Article 162 (*Management of the Company*) ("**Management Control Breach**"), the Investor Group shall take all necessary actions, including undertaking mediations and negotiations with the Company and/or the Promoters to resolve the Management Control Breach within the 30 (Thirty) days ("**Control Breach Cure Period**") of the intimation of the Management Control Breach to the Investor Group by a written notice ("**Management Control Breach Notice**"). The Control Breach Cure Period shall not be available to the Investor Group if the Management Control Breach has led to the Promoters losing Control of the Company.
- 200.** Upon issuance of the Management Control Breach Notice or expiry of the Control Breach Cure Period, as applicable per Article 199 above, the Company and/ or the Promoters shall be permitted to immediately refer the Management Control Breach for dispute resolution under Clause 18 of Amended and Restated Shareholders' Agreement, seeking:
- (a) interim relief within 30 (Thirty) days of the Management Control Breach Notice or expiry of the Control Breach Cure Period, as applicable, which, amongst others, may include suspension of all rights of the Investor Group under Amended and Restated Shareholders' Agreement, including under Article 163 to Article 166 and keeping in abeyance of voting rights in respect of the Investor Group in respect of Investor Securities pending conclusion of the arbitral proceedings; and
- (b) final relief within 180 (One Hundred and Eighty) days Management Control Breach Notice or expiry of the Control Breach Cure Period, as applicable, which, amongst others, may include re-instatement of Control of the Promoters on the Company, termination of all rights of the Investor Group under Article 163 to 166 (*Shareholder Vote Items*) and Article 185 to Article 193 (*Restrictions on Transfer of Securities*) and survival of all obligations of the Investor Group under Article 156 to Article 162 (*Management of the Company*), Article 167 to Article 169 (*Voting Arrangements*) and Article 170 to Article 175 (*Investor Group Covenants and Undertakings*) as well as any specific performance for rectification of the Management Control Breach and appropriate damages.
- 201.** If the Investor Group (or any Investor) takes any action, whether directly or indirectly, which, in the Promoter's or the Company's view, results in breach of the Investor Group's obligations under Article 185 to Article 193 (*Restrictions on Transfer of Securities*) ("**Transfer Restrictions Breach**"), the Investor Group shall take all necessary actions, including reversing such a Transfer of Investor Securities leading to the breach in order to resolve the Transfer Restrictions Breach within the 30 (Thirty) days ("**Transfer Breach Cure Period**") of the intimation of the Transfer Restrictions Breach to the

Investor Group by a written notice (“**Transfer Breach Notice**”). The Transfer Breach Cure Period shall not be available to the Investor Group if the Management Control Breach has led to a Competitor acquiring 50% of the Shareholding Percentage of the Investor Group.

202. Upon issuance of the Transfer Breach Notice or expiry of the Transfer Breach Cure Period, as applicable per Article 201 above, the Company and/or the Promoters shall be permitted to immediately refer the Transfer Restrictions Breach for dispute resolution under Clause 18 of Amended and Restated Shareholders’ Agreement, seeking:
- (a) interim relief within 30 (Thirty) days of the Transfer Breach Notice or expiry of the Transfer Breach Cure Period, as applicable, which, amongst others, may include suspension of all rights of the Investor Group under Amended and Restated Shareholders’ Agreement, including under Article 163 to 166 and keeping in abeyance of voting rights in respect of the Investor Group in respect of Investor Securities pending conclusion of the arbitral proceedings; and
 - (b) final relief within 180 (One Hundred and Eighty) days of Transfer Breach Notice or expiry of the Transfer Breach Cure Period, as applicable, which, amongst others, may include reversal of the Transfer of the Investor Securities that led to Transfer Restrictions Breach, termination of all rights of the Investor Group under Article 163 to 166 (*Shareholder Vote Items*) and Article 185 to Article 193 (*Restrictions on Transfer of Securities*) and survival of all obligations of the Investor Group under Article 156 to Article 162 (*Management of the Company*), Article 167 to Article 169 (*Voting Arrangements*) and Article 170 to Article 175 (*Investor Group Covenants and Undertakings*) as well as any specific performance for rectification of the Transfer Restrictions Breach and appropriate damages.
203. If the Promoters breach any of its material obligations under the Amended and Restated Shareholder’s Agreement (“**Promoter Breach**”), then within 90 (Ninety) days (“**Promoter Breach Cure Period**”) of the intimation of the Promoter Breach by the Investor Group to the Promoters by a written notice with explanations and relevant evidence in this regard, the Promoters shall take all necessary actions including undertaking mediations and negotiations with the Investor Group to resolve the Promoter Breach.
204. Upon the expiry of the Promoter Breach Cure Period, the Investor Group shall be permitted to immediately refer the Promoter Breach for dispute resolution under Clause 18 of the Amended and Restated Shareholders’ Agreement.

TERM AND TERMINATION

205. The provisions of the Amended and Restated Shareholders’ Agreement shall remain valid and binding on the Parties until such time as the Amended and Restated Shareholders’ Agreement is terminated in accordance with Clause 14 of the Amended and Restated Shareholders’ Agreement.
206. The Amended and Restated Shareholders’ Agreement may be terminated:
- (a) The Amended and Restated Shareholders’ Agreement shall be valid only till the Investor Group or the Promoters hold at least 5% each in the Company. Provided that if at any time the Shareholding Percentage of the Promoters in the Company falls below 5%, the Amended and Restated Shareholders’ Agreement shall only

terminate if the Promoters have not been able to increase their Shareholding Percentage in the Company to at least 5% within a period of 180 (One Hundred and Eighty) days from the date on which the Promoter's Shareholding Percentage in the Company falls below 5%;

- (b) by the Investor Group if the Main Promoter ceases to be the Chairman or the Managing Director of the Company, within a period of 1 (One) year thereof;
- (c) at any time by mutual written agreement of the Parties;
- (d) completion does not occur by the Long Stop Date, in accordance with the provisions of the Securities Subscription Agreement; or
- (e) automatically if there is a complete exit by either the Investor Group or the Promoters pursuant to the process mentioned in Article 189 to Article 193 (*Restriction on Transfer of Securities - Exit*).

207. Consequences of Termination:

- (a) The right to terminate as aforesaid in Article 206 shall be without prejudice to all the rights and remedies under Law available to the Parties, including but not limited to the right to seek, as an alternative to termination, specific performance of the obligations under the Amended and Restated Shareholders' Agreement or terminate the Amended and Restated Shareholders' Agreement and seek losses for the breach from any Party committed during the period prior to such termination.
- (b) The termination of the Amended and Restated Shareholders' Agreement shall not relieve any Party of any obligation or liability accrued prior to the date of termination.
- (c) The provisions of Article 148 to Article 149 (*Definitions and Interpretations*), Article 196 and Article 197 (*Event of Default*), Article 198 to Article 204 (*Consequences of Certain Events of Default*) and Article 205 to Article 207 (*Term and Termination*) of these Articles and the provisions of Clauses 15 (*Representations and Warranties of the Parties*), 16 (*Confidentiality*), 17.1 (*Governing Law*), 18 (*Dispute Resolution*), 19.1 (*Costs*) and 19.2 (*Notices*) of the Amended and Restated Shareholders' Agreement, as are applicable or relevant thereto, shall survive termination of the Amended and Restated Shareholders' Agreement.

PART C

MISCELLANEOUS

Application: Notwithstanding anything contained in these Articles, in case of a conflict or inconsistency or contradiction in these Articles, the discretion of the Lenders, or where necessary, the provisions of Part C, shall prevail over Part A and/ or Part B of the Articles.

- 208.** Notwithstanding anything contained herein, any amendment to the memorandum of association and/or articles of association of the Company shall require prior written consent of the Lenders.
- 209.** **Notwithstanding** anything to the contrary, the provisions of the Financing Documents entered into with the Lender for financing of the Project are deemed to be incorporated by reference herein for the purposes of observance thereof by the Company and its members, and it is hereby acknowledged and confirmed that the rights and interests of the Lenders shall prevail over any provision inconsistent therewith (whether contained herein or in any other document/instrument relatable to the Company and/or its members) and all such inconsistent provisions herein/or in any other document/instrument relatable to the Company shall stand automatically waived.
- 210.** Notwithstanding anything contained herein, approvals required under these Articles shall be obtained on specific issues from the Lenders. Participation /action by Nominee Director or observer on any issue shall not be construed as approval from Lenders as required under these Articles.
- 211.** The amendments made in these Articles as per the resolution passed by the shareholders of the Company at their meeting held on 29th September 2022 shall be non-operative from the date on which all the liabilities under the Financing Documents are fully settled.

We, the several persons, whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of these Articles of Association and we respectively agree to take the number of shares in the capital of the Company set of opposite our respective names:

Sr. No.	Names, Addresses, Descriptions, Occupations and Signature of the Subscribers	Number of Equity Shares taken by each Subscriber	Name, Address, Description and Occupation of the Common Witness
1.	TULSI R. TANTI S/o. Ranchhodbhai Tanti 21, Ankur Society, Adajan Patia, Rander Road, Surat-395009 Occupation: Business Sd/-	100 (One Hundred)	Common witness to all Sd/- Kapil Acharya Son of Rajanikant Acharya Chartered Accountant Membership No.48595 F/9, Bijal Apartment, Ellisbridge, Ahmedabad-380006
2.	VINOD R. TANTI S/o. Ranchhodbhai Tanti 21, Ankur Society, Adajan Patia, Rander Road, Surat-395009 Occupation: Business Sd/-	100 (One Hundred)	
3.	JITENDRA R. TANTI S/o. Ranchhodbhai Tanti 21, Ankur Society, Adajan Patia, Rander Road, Surat-395009 Occupation: Business Sd/-	100 (One Hundred)	
4.	GEETABEN T. TANTI W/o. Tulsibhai Tanti 21, Ankur Society, Adajan Patia, Rander Road, Surat-395009 Occupation: Business Sd/-	100 (One Hundred)	
5.	SANGITABEN V. TANTI W/o. Vinodbhai Tanti 21, Ankur Society, Adajan Patia, Rander Road, Surat-395009 Occupation: Business Sd/-	100 (One Hundred)	
6.	LEENA J. TANTI W/o. Jitendra Tanti 21, Ankur Society, Adajan Patia, Rander Road, Surat-395009 Occupation: Business Sd/-	100 (One Hundred)	
7.	BALRAJSINH A. PARMAR S/o. Abhaysinh Parmar 1-A, Harikrishna Society, B/h Polytechnic BHARUCH Occupation: Business Sd/-	100 (One Hundred)	
		700 (Seven Hundred)	

Place: Ahmedabad

Dated this **Seventh** day of **April, 1995**

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IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

COMPANY PETITION No. 74 of 2011 ✓

With

COMPANY PETITION No. 75 of 2011

SUZLON TOWERS AND STRUCTURES LTD - Petitioner(s)

Versus

- - Respondent(s)

Appearance :

MRS SWATI SOPARKAR for Petitioner(s) : 1,

MR PS CHAMPANERI for Respondent(s) : 1,

CORAM : HONOURABLE MR.JUSTICE K.M. THAKER,

Date : 10/08/2011

ORAL ORDER

1. Heard Mrs. Soparkar, learned advocate for petitioner and Mr.Champaneri, learned Asst. Solicitor General for respondent - Regional Director.

2. These are the petitions filed by two companies viz. Suzlon Towers and Structures Limited and Suzlon Gujarat Wind Park Limited, for the purpose of obtaining the sanction of this court to a Composite Scheme of Arrangement and Restructuring in the nature of De-merger and Amalgamation between Suzlon Towers and Structures Limited, Suzlon Engitech Limited, Suzlon Infrastructure Services Limited, Suzlon Gujarat Wind Park Limited and Suzlon Energy Limited, proposed under section 391 and 394 of the Companies Act, 1956.

3. It has been pointed out that the proposed scheme involves De-merger and Transfer of Power Generation Division of



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Suzlon Towers and Structures Limited, the Petitioner De-merged Company-1 to Suzlon Engitech Limited, the Resulting Company-1 and thereafter Amalgamation of Suzlon Towers And Structures Limited, the Transferor Company -1 with Suzlon Energy Limited -the Transferee Company.



4. It further involves De-merger and transfer of the Project Execution Division of Suzlon Infrastructure Services Limited, the De-merged Company-2 to Suzlon Gujarat Wind Park Limited, the Petitioner Resulting Company-2 and thereafter Amalgamation of Suzlon Infrastructure Services Limited, the Transferor Company -2 with Suzlon Energy Limited -the Transferee Company.

5. It has been further pointed out that Suzlon Engitech Limited, the Resulting Company-1 and Suzlon Infrastructure Services Limited, the De-merged Company-2 are the companies having their registered offices in Pune and have taken out the necessary proceedings before the jurisdictional High Court viz. Bombay High Court.

6. It has also been brought to the attention of this Court that both the Transferor Companies viz. Suzlon Towers and Structures Limited and Suzlon Infrastructure Services Limited

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are the wholly Owned Subsidiaries of Suzlon Energy Limited, SEL, the Transferee Company/ the holding company. As envisaged under clauses 28 and 36 of the scheme, the share capital of both these companies shall stand cancelled on amalgamation and no new shares shall be issued by the Transferee Company. As a result, the rights and interests of the shareholders of the said Transferee Company shall not be in any way affected by the sanction of the proposed scheme. The Transferee Company, therefore, sought dispensation of the separate proceedings and vide order dated 3rd March 2011 passed in Co. Application No. 228 of 2011, the court (Coram-Anant S. Dave J.) granted the dispensation of further proceedings and hence no petition was required to be filed by the said Transferee Company.



7. It emerges from the record that the Transferee Company, SEL is a listed Public Limited Company and the shares are listed on Bombay Stock Exchange as well as National Stock Exchange. It is engaged in the business of manufacturing Wind Turbine Generators (WTG) with an emphasis on high performance and cost efficiency. STSL, the first De-merged Company/ the first Transferor Company was originally incorporated for and was engaged in establishing and setting up of independent Power Projects. At present, it is mainly

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engaged in the business of manufacturing and trading of Tubular Towers, a component of Wind Turbine Generator. The proposed scheme, it appears, envisages the de-merger of Power Generation Division of STSL into Suzlon Engitech Limited, the Resulting Company-1 and thereafter amalgamation of STSL with SEL, the Transferee Company. Since all three companies belong to the same group of management, the Board of Directors of these Companies appears to have considered it fit to enter into such arrangement, primarily to achieve operational synergies. The scheme as well as the petition contain - narrate the rationale and the resultant benefits envisaged due to the scheme.

8. On the other hand, Suzlon Infrastructure Services Limited, SISL, the De-merged company-2/Transferor company-2 is a public limited company and is a wholly owned subsidiary of Suzlon Energy Limited. The Company is engaged in the business of Operations and Maintenance of fleet size of about 5000MW. Suzlon Gujarat Wind Park Limited, SGWPL, the Resulting Company-2, the petitioner in Co. Pet. No. 75 of 2011, is a wholly owned subsidiary of SEL. SGWPL was originally incorporated for and was engaged in development of wind farm projects including acquisition of land for setting up wind farms and power evacuation facilities. At present, it is



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operating as a project developer and providing an integrated solution to the investors by making available land and power evacuation, infrastructure to set up wind farms. The present Scheme inter-alia envisages De-merger and transfer of Project Execution Division of SISL to SGWPL, and thereafter amalgamation of SISL with SEL. Since both the companies are wholly owned subsidiaries of SEL and belong to the same group of management, the Board of Directors of these Companies appears to have considered it fit to enter into such arrangement, primarily to achieve operational synergies. The scheme and petitions provide and narrate the rationale and the resultant benefits envisaged out of the said scheme.

9. It has been submitted that vide order-dated 3rd March 2011 passed in Co. Appl. No. 226 of 2011, meeting of the Equity Shareholders of STSL, the De-merged/Transferor Company-1, were dispensed with in view of the written consent letters from all its shareholders viz. the Holding Company and its nominees.

However, vide the said order, separate meetings of the Secured creditors and Unsecured Creditors of the De-merged/Transferor company-1 were directed to be convened for the purpose of seeking the approval from all the concerned

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parties to the proposed composite Scheme.

It is claimed that in compliance due notices to the concerned parties as well as the public notice were issued - published and thereafter the said meetings were duly convened on 5th April 2011 and the proposed scheme was duly approved unanimously at both the meetings respectively by Secured and Unsecured Creditors, present and voting at the respective meetings. The result of the said meetings were duly reported to this court vide the report dated 12th April 2011.

10. It has been submitted that in case of SGWPL, the Resulting Company-2, vide the order dated 3rd March 2011, passed in Co. Appl. No. 216 of 2010, the meeting of the Equity Shareholders of the company was dispensed with in view of the consent letters placed on record.

11. The substantive petitions for the sanction of the scheme were filed by the De-merged/Transferor company-1 and Resulting Company which were admitted on 26th April 2011, it is claimed and stated that the notice for the hearing of the petitions were duly advertised in the newspapers being 'The Times of India' and 'Sandesh' both Ahmedabad editions of 18th May 2011 and the publication in the Government gazette was dispensed with as directed in the said orders. In response to



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and pursuant to the Notice and Advertisement no one has come forward with any objections against the said petitions even after the publication of the notice - advertisement. The said fact has been confirmed vide the additional affidavit dated 3rd August 2011.

12. it is also shown that the Notice of the petition have been served upon the Official Liquidator for STSL, the Transferor Company and the report dated 22nd July 2011 has been filed by the Official Liquidator after obtaining the report of a Chartered Accountant. In this regard. Some observations were initially made by the said C.A., explanations to which were provided by the petitioner company and having been satisfied by the said explanations, the Official Liquidator has opined that the affairs of the company have not been conducted in a manner prejudicial to the interest of its members or the public interest.

13. Notice of the petition have been served upon the Central Govt. and Mr. P.S. Champaneri, learned Asst. Solicitor General appear for the Central Govt. An affidavit dt. 30th June 2011 has been filed by Mr. Uttam Chand Nahta, the Regional Director, North-Western Region, Ministry of Corporate Affairs, whereby the only observation made pertain to compliance of Accounting Standard-14 for the accounting entries to be

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passed by the Resulting Company and the Transferee Company upon scheme being effective.

14. In his affidavit dated 30.6.2011 the Regional Director has made below mentioned observation - objection:-

"2(a) That, the accounting entries / adjustments to be made in the books of accounts of the petitioner Demerged Company No.1/Transferor Company No.1 and Demerged Company No.2 are stated under Clause No.10 and 19 respectively of Part II and III of the Scheme. Further, account entries / adjustment to be made in the books of accounts of the petitioner transferor company are stated at Clause Nos. 29 and 37 respectively of part IV and V of the scheme. It is respectfully submitted that the Accounting entries / adjustments, as a consequence of the Scheme of Arrangement / Amalgamation, are to be made as per the Accounting Standard-14 notified by the Central Government under Section 211(3A) of the Companies Act, 1956. It is further submitted that neither of the aforesaid Clauses refer to AS-14. The Hon'ble Court may therefore, be pleased to direct the petitioner companies to make adjustments in their Books of accounts as per the Accounting Standard-14 noticed by the Central Government under Section 211 (3A) of the Companies Act, 1956."

14.1 Having raised the said observation - objection, the Regional Director has also stated that any complaint and / or representation in respect of the proposed composite scheme of arrangement / amalgamation and particularly any complaint or representation opposing the said scheme is not received by his office. The Regional Director has also observed in the said affidavit that:-

"there appears no other objection to the proposed composite scheme of arrangement / amalgamation between the petitioner companies and the scheme does not prima facie appear to be prejudicial to the interest of shareholders of the aforesaid petitioner companies and the public at large."

14.2 Now so far as the aforesaid objection - observation by the Regional Director in his said affidavit dated 30.6.2011 is



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concerned, reference needs to be made of the additional affidavit dated 3.8.2011 wherein while relying on the decision in the matter of Norfolk Infotech Private Limited 142 Company Cases 752 and also on the decision in the matter of Gallops Realty P. Ltd. 150 Company cases 596, it is submitted that so far as the Accounting standard-14 is concerned the said standard is applicable only to scheme of amalgamation. It is further submitted that the present scheme being a composite scheme involving the De-merger as well as Amalgamation, the said standard would not be applicable to the Resulting Company so far as the De-merger is concerned. So far as the Accounting Treatment in books of the Transferee Company upon amalgamation is concerned, the deponent has submitted that the accounting treatment proposed vide clause 29 and 37, is not in contravention of the applicable provisions or the Accounting Standard and it is in fact in compliance with the Accounting Standard-14. Thus, according to the explanation given and stipulation made by and on behalf of the transferee through the authorized representative and signatory of the transferee company and stipulation in the aforesaid affidavit dated 3.8.2011, it is clarified, undertaken and assured that the transferee company will be complying with Accounting Standard-14 notified by the Central Government under Section 211 (3A) of the Act. Therefore it is

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clarified that present order is subject to the condition that the transferee company shall comply with Accounting Standard-14 so far as the accounting treatment in its books of account is concerned.



15. It is also noticed from the record that besides the affidavit filed by Regional Director, the OL has also placed on record his report dated 22.7.2011. In his said report the OL has stated, inter alia, that pursuant to the permission - order granted by the Court, the OL had appointed M/s. Kalaria and Sampat, Chartered Accountant for carrying out the verification and investigation work and after scrutiny of the Books of the Account the said Chartered Accountant submitted their report dated 15.6.2011 and that according to the OL the Chartered Accountant has stated and reported that there is no exchange ratio because the Suzlon Energy Limited is holding company and that the company is found to be regular in company law compliances. The OL has also stated in his report that Chartered Accountant, after verification of the minute book for board meetings, minute book for general meetings, fixed assets register and other registrar observed certain defects or shortfall. The OL has mentioned the said defects / shortfall (from the Chartered Accountant's report) in para 9 of his report. It is stated in para 9 that:-

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"9. The Chartered Accountants have examined and analyzed the financial data of the company for the last Three Financial Years. The Chartered Accountants stated that they have called for and verified the registers like Minute Book for Board Meetings, Minute Book for General Meetings, Fixed Assets Register, Register of Investment, Register of Members, Register of Directors, Register of Directors Shareholdings, Register of Charges, Register of Contracts required to be maintained under various provisions of the Companies Act, 1956. The observations of Chartered Accountants on review of the above mentioned registers are as under:-

"1) Many pages of minute book of board meetings are not initiated by Chairman of the meeting.

2) Many pages of minutes books of general meetings are not initiated by Chairman of the meeting.

3) On review maintained under section 301 the following observations are made are relevant.

2009-10

-Transactions with fellow subsidiaries under section 299 are not entered.

2008-09

-Transactions with fellow subsidiaries under section 299 are not entered.

-Transactions related to purchaser of goods and services of Rs.130 Lakhs covered under section 299 are not entered.

- Transactions related to purchaser of fixed assets of Rs.344.45 Lakhs covered under section 299 is not entered.

- Transactions related to interest paid as per financial statements do not match with the figures entered in registers under section 301.

- Transactions related to unsecured loans as per financial statements do not match with the figures entered in registers under section 301.

- Transactions related to sale of goods to fellow subsidiaries as per financial statement does not match with the figures entered in registers under section 301.

- Transactions related to purchase of goods from fellow subsidiaries as per financial statements does not match with figures entered in register under section 301



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- Transactions related to purchase of fixed assets from fellow subsidiaries as per financial statements does not match with the figures entered in registers under section 301.
- Transactions related to interest paid to fellow subsidiaries as per financial statements are not entered in registers under section 301.
- Transactions related to unsecured loan borrowed from fellow subsidiaries as per financial statements are not entered in registers under section 301.
- Rent income received from sister concerned Sushon Structures Limited for leasing plant and machinery and factory building is not recorded in register of contracts.
- Resolution passed under Section 372A are not passed through postal ballot but are passed through BGM dated 27.11.2009 further the resolution does not show the purpose, amount and reason as per the requirement under section 372A of the Companies Act, 1956.
- Proper entries are not made in registers of investments for all the years and register of investment for the year 2007-08 is not submitted to us for verification.

The said Chartered Accountants made some qualifications and reservations on observation regarding income-tax and MAT credit "

However, immediately thereafter in paragraph 10, 11

and 11 (two paragraphs are numbered as paragraph 11) of the report the OL has also stated that:-

"10. The official liquidator most respectfully submits that in view of above certain adverse remarks observation and reservations, therefore the company was requested by the official liquidator vide letter dated 29.6.2011 to furnish its explanation and clarifications in respect of adverse observations of the Chartered Accountants. Copies of the letters dated 29.6.2011 is annexed hereto and marked as Annexure-"C". In this connection, the company has replied vide letter dated 05.07.2011 and said reply submitted to M/s. Kalaria and Sempal Chartered Accountants for his perusal and opinion. The said Chartered Accountants perused and verified the reply of the company dated 21.07.2011, it is appears that they are satisfied with the reply of the company. Copy of the letter dated 05.07.2011 of the company and letter dated 21.07.2011 of the said Chartered Accountants are annexed hereto and marked as Annexure-"D" (Colly)

11. It is submitted that after observing the Balance Sheet as on 31.03.2010, the company has reserves and surplus of Rs.195,60,85,402/-, the company has secured loans of Rs.119,72,78,014/-, the company does not have any unsecured loans. The company has fixed Assets (Net) of Rs 199,17,25,224/-. The



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company made an investment of Rs.48,353/-. The Income Tax returns have been filed. The Company is not a sick industrial company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985. On the basis of examination of books of accounts and aforesaid records of the company by the chartered accountants, they have concluded in their investigation report as under:-

On the basis of examination of books of accounts and aforesaid records of the company by the chartered accountants, they have concluded in their investigation report as under:-

"We opine that subject to observations made in report, caveats mentioned above and proper actions taken on company's part to implement / satisfy these observations, the proposed amalgamation of STSL with SEL will not be prejudicial to the interest of its members or public interest"

11. Therefore, in view of the aforesaid report of the chartered accountants, the official liquidator most respectfully submits that subject to the remarks, observations and caveat mentioned in the report of the chartered accountants and explanation given by the company vide letter dated 05.07.2011 and opinion of the chartered accountants submitted vide dated 21.07.2011, the affairs of the petitioner company have not been conducted in a manner prejudicial to the interest of its members or the public interest...."

15.1 Thus, in view of the report of the OL it transpires that affairs of the petitioner company have not been conducted in manner prejudicial to the interest of its members or the public. The OL has, however, submitted that petitioner company may be directed to preserve its books, papers and record for period of 8 years from the date of sanction of scheme and not to dispose of any record without prior permission of Central Government under Section 396(A) of the Act. Having regard to the said submission, the petitioner company is directed accordingly. The present order is subject to the compliance with the said requirements. The company shall preserve its books, papers and record at least for period of 8 years from the date of sanction of scheme and shall not



CORP/74/2011

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ORDER

dispose of record without prior permission of Central Government in accordance with the provisions of the Act.



16. Considering all the facts and circumstances and taking into account all the contentions raised by the reply affidavits and the submissions during the course of hearing, I am satisfied that the observations made by the Regional Director, not survive qua the transferee company. From official liquidator's report and also from above quoted 3 paragraphs (para 10 and para 11 and second para 11) of Regional Director's report it emerges and transpires that present scheme of arrangement does not prejudicially affect the rights of its stakeholders, creditors or the public interest.

17. Therefore the composite scheme as proposed between the companies deserves to be sanctioned and hence it is hereby sanctioned, however it shall become operative subject to the sanction of the Scheme by Bombay High Court. Prayers in terms of paragraph 33(a) of the Co. Petition No. 74 of 2011 filed by STSL, the De-merged/Transferor Company and prayers made in paragraph 22(a) of the Co. Petition No. 75 of 2011 filed by SGWPL, the Resulting Company-2 are hereby granted subject to the aforesaid condition.

GUJARAT HIGH COURT

008/74/2011

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08/08

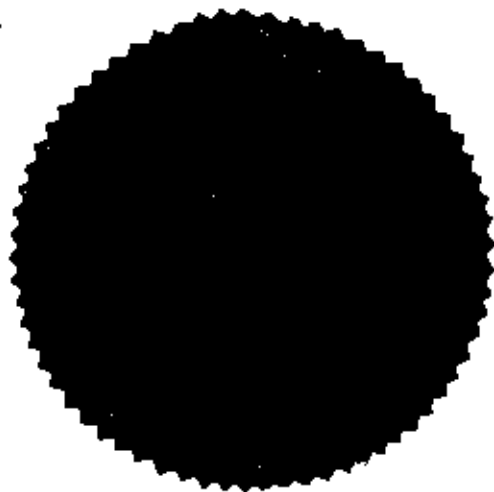
18. The petitions are disposed of accordingly. So far as the costs to be paid to the learned Asst. Solicitor General for Central Govt. and learned advocate OL is concerned, I quantify the same at Rs. 7,500/- for each one per petition i.e. per petition Rs.7,500/- for Asst. Solicitor General and per petition Rs.7,500/- for learned advocate for official liquidator. The same may be paid to the learned advocate.



Suresh*

adl
(K.M. THAKER, J.)

GUJARAT HIGH COURT



TRUE COPY

DEPUTY / ASSISTANT REGISTRAR
THIS

DAY OF

30/9/2011

U/o. No. 28911/11
Corresponding & Copy Charges
Total Rs. 49

Corrected by 29/9/11
-1-

Section Officers
Deputy Department
29/09/2011

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

ORIGINAL JURISDICTION

COMPANY PETITION NO. 74 OF 2011

CONNECTED WITH

COMPANY APPLICATION NO. 226 OF 2011

Filed on 11/8/11
Served on 30/9/11
Served on 30/9/11
By Post

By S.O.



In the matter of Scheme of Arrangement under
Sections 391 to 394 of the Companies Act, 1956

And

In the matter of

Suzlon Towers and Structures Limited.

A Company incorporated under the Companies
Act, 1956 and having its registered office at
"Suzlon", 5, Shrimali Society, Near Shrikrishna
Complex, Navrangpura, Ahmedabad in the State
of Gujarat.

And

In the matter of Composite Scheme of
Arrangement and Restructuring in the nature of
De-merger and Amalgamation between Suzlon
Towers and Structures Limited, Suzlon Engitech
Limited, Suzlon Infrastructure Services Limited,
Suzlon Gujarat Wind Park Limited and Suzlon
Energy Limited.

Suzlon Towers And Structures Limited.

A Company registered under the Companies

Act, 1956 and having its registered office at

"Suzlon", 5, Shrimali Society, Near Shri

Krishna Complex, Navrangpura,

Ahmedabad in the State of Gujarat.....Petitioner De-merged Company - 1

and Transferor Company - 1

BEFORE HONOURABLE MR. JUSTICE K.M. THAKER

Date: 10th August, 2011

Order under Section 394

The above petition coming for further hearing on 10th August 2011, upon
reading the said Petition, the order dated 3rd March, 2011 passed in the
Company Application No. 226 of 2011 whereby the meeting of the Equity
Shareholders of the Petitioner company was dispensed with in view of the
written consent letters from all of them being placed on record and it appearing
from the consent letters that the scheme was approved unanimously by the

1/11
1/11
1/11

Equity Shareholders and the Petitioner Company was further directed to convene separate meetings of the Secured and Unsecured Creditors of the Petitioner Company for the purpose of considering and if thought fit approving with or without modifications, the Composite Scheme of Arrangement and Restructuring in the nature of De-merger and Transfer of Power Generation Division of Suzlon Towers and Structures Limited to Suzlon Engitech Limited, and thereafter amalgamation of Suzlon Towers and Structures Limited with Suzlon Energy Limited, and annexed to the affidavit of Mr. Balrajsinh Parmar filed on 11th February 2011, and The Times of India and Sandesh both Ahmedabad editions dated 12th March 2011 and 14th March 2011 respectively, each containing the advertisements of the said notices convening the said meetings directed to be held by the said order dated 3rd March 2011, the affidavit of Mr. Balrajsinh A. Parmar dated 17th March 2011, showing the publication and dispatch of the notices convening the said meetings, considering the report of Mr. Balrajsinh A. Parmar, the Chairman for the said meetings alongwith the affidavit dated 12th April 2011 as to the results of said meetings convened on 5th April 2011 and it appearing from the report that the said scheme was unanimously approved by the Secured and Unsecured Creditors at the respective meetings; considering the affidavit of Mr. Uttamchand Nahta, the Regional Director, North-Western Region, Ministry of Corporate Affairs, filed on 30th June, 2011; and it appearing from the report dt. 22nd July 2011 filed by the Official Liquidator, affiliated with the Gujarat High Court, that the affairs of the Company have not been conducted in a manner prejudicial to the interest of its members or to the public interest; and considering the additional affidavit dated 3rd August, 2011 filed on behalf of Petitioner, and upon hearing Smt. Swati Soparkar, Advocate for the Petitioner Company, and upon hearing Mr. P. S. Champaneri, Asst. Solicitor General of India appearing for the Central Govt.,

THIS COURT DOTH ORDER

PART I - In Relation to the Scheme of Demerger

- (1) That all the property, rights and powers of the De-merged Undertaking viz. Power Generation Division of the De-merged Company specified in the first, second and third parts of the schedule-1 hereto and all other property, rights and powers of the said De-merged Undertaking be transferred without further act or deed to the Resulting Company and accordingly the same shall pursuant to section 394(2) of the Companies Act, 1956 be transferred to and vested in the Resulting Company for all

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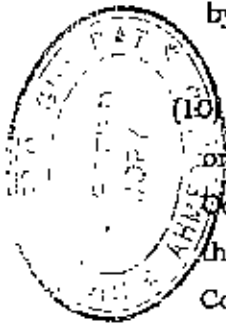
the estate and interest of the said De-merged Undertaking, therein but subject nevertheless to all charges now affecting the same, and

- (2) That all the liabilities and duties of the De-merged Company pertaining to the De-merged Undertaking viz. Power Generation Division of the De-merged Company be transferred without further act or deed to the Resulting Company and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956, be transferred to and become the liabilities and duties of the Resulting Company.
- (3) That all proceedings by or against the Demerged Company pertaining to the Demerged Undertaking be continued by or against the Resulting Company.
- (4) That the Resulting Company do without further application allow to such members of the Demerged Company the shares in the Resulting Company to which they are entitled under the said Scheme of Arrangement; and
- (5) That the De-merged Company do within 30 days after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the De-merged Undertaking viz. the Power Generation Division shall be vested in the Resulting Company and the Registrar of Companies shall place all documents relating to Power Generation Division of the De-merged Company and registered with him on the file kept by him in relation to the Resulting Company and the files relating to the said two companies shall be consolidated accordingly; and
- (6) That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.

SCHEDULE -1
Parts I,II,III as annexed.

PART II - In Relation to the Scheme of Amalgamation

- (7) That all the property, rights and powers of Suzlon Towers and Structures Limited, the Transferor Company (after the De-merger and transfer of the De-merged Undertaking, viz. Power Generation Division of Suzlon Towers and Structures Limited) specified in the first, second and third parts of the Schedule-2 hereto and all other property, rights and powers of the said Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to section 394(2) of the Companies Act, 1956 be transferred to and vested in the Transferor Company for all the estate and interest of the said Transferor Company, therein but subject nevertheless to all charges now affecting the same, and
- (8) That all the liabilities and duties of Suzlon Towers and Structures Limited, the Transferor Company (after the De-merger and transfer of the De-merged Undertaking, viz. Power Generation Division of Suzlon Towers and Structures Limited) be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956, be transferred to and become the liabilities and duties of the Transferee Company.
- (9) That all proceedings by or against the Transferor Company be continued by or against the Transferee Company.
- (10) That the Transferor Company do within 30 days after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered the Transferor Company shall be dissolved and the Registrar of Companies shall place all documents relating to the Transferor Company, and registered with him on the file kept by him relating to the Transferee Company and the files relating to the said two companies shall be consolidated accordingly; and
- (11) That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.



SCHEDULE-2
Parts I, II, III as annexed.

[Signature]
Dated this 10th day of August, 2011
[Signature]

Suzlon Towers And Structures Ltd.

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

Schedule-1

- 5 -

SUZLON
POWERING A GREENER TOMORROW

Phone : +91.79.26471100 / 26407141

Fax : +91.79.26471200 / 26442844

URL : www.suzlon.com

List of Assets of the Power Generation Division (De-merged Undertaking) of Suzlon
Towers And Structures Limited as on 10th August 2011, (the date of the order passed by the
High Court sanctioning the scheme) to be transferred to Suzlon Engitech Limited,
Resulting Company-1, pursuant to the scheme sanctioned by the
Hon'ble Gujarat High Court.

Schedule**POWER GENERATION DIVISION****Part I****Particulars of Freehold Properties:****A. LAND:**

COMPLETE ADDRESS						AREA (Specify unit of measurement as available in relevant documents)
S.F. No	Village	Taluka	District	State	Area (Acres)	
164/12, 16/21	Isharde (Brahmanvel)	Sakri	Dhule	Maharashtra	0.81	
266P, 267/P, 268/P & 269/P	Chalkewadi	Satara	Satara	Maharashtra	19.14	
52A	Aral	Palan	Satara	Maharashtra	5.02	
112/1A1, 112/1B1	Koolanaickeppatti	Pollachi	Coimbatore	Tamilnadu	2.00	
742B	Kozhumankondan	Palani	Dindigul	Tamilnadu	1.20	
374/2	Midapadi	Palani	Dindigul	Tamilnadu	1.20	
764/2	Kundadam	Dharapuram	Erode	Tamilnadu	2.00	
89/2 & 3	Ukkirankottai	Tirunelveli	Tirunelveli	Tamilnadu	2.00	
48/4	Ukkirankottai	Tirunelveli	Tirunelveli	Tamilnadu	2.00	
171/2, 160/3F	Ukkirankottai	Tirunelveli	Tirunelveli	Tamilnadu	2.00	
308/12B1	Vijayapathi	Radhapuram	Tirunelveli	Tamilnadu	1.20	
328/1, 328/2	Levenjipuram	Radhapuram	Tirunelveli	Tamilnadu	2.00	
372/1A, 372/1B, 372/1C, 372/2A, 372/2B, 585	Levenjipuram	Radhapuram	Tirunelveli	Tamilnadu	4.05	
568, 569, 575/1, 575/2, 575/3	Levenjipuram	Radhapuram	Tirunelveli	Tamilnadu	2.00	
1437/1, 1437/2, 1438/1A, C, D	Irukandurai	Radhapuram	Tirunelveli	Tamilnadu	1.75	
116/2	Radhapuram	Radhapuram	Tirunelveli	Tamilnadu	2.00	
927/1A(P)	Udayathoor	Radhapuram	Tirunelveli	Tamilnadu	2.00	
86/1B	Udayathoor	Radhapuram	Tirunelveli	Tamilnadu	2.50	
124/2, 124/8, 126/8	Udayathoor	Radhapuram	Tirunelveli	Tamilnadu	2.50	
146/3D	Udayathoor	Radhapuram	Tirunelveli	Tamilnadu	2.50	
128/3, 129/3	Udayathoor	Radhapuram	Tirunelveli	Tamilnadu	2.50	
156/2A, 157/1	Vijayapathi	Radhapuram	Tirunelveli	Tamilnadu	2.50	
301/3A1A1A/P, 600/4/P, 600/5B/P	Vijayapathi	Radhapuram	Tirunelveli	Tamilnadu	2.00	
492/2(P)	Thiruvambalapuram	Radhapuram	Tirunelveli	Tamilnadu	2.00	

Suzlon Towers And Structures Ltd.

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

SUZLON
POWERING A GREENER TOMORROW

Phone : +91 79.26471100 / 26407141

Fax : +91.79.26471200 / 26442844

URL : www.suzlon.com

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B. BUILDING: NIL.

POWER GENERATION DIVISION

Part II

Particulars of Leasehold Properties:

A. LAND

COMPLETE ADDRESS					AREA (Specify unit of measurement as available in relevant documents)
S.F. No	Village	Taluka	District	State	Extent (in Acres)
148/p	Rapargadh	Abdasa	Kutch-Bhuj	Gujarat	2.47
148/p	Rapargadh	Abdasa	Kutch-Bhuj	Gujarat	2.47
1	Rangapur Kawal Javagal	Arasikere	Hassan	Karnataka	0.62
	Rangapur Kawal Javagal	Arasikere	Hassan	Karnataka	0.62
	Rangapur Kawal Javagal	Arasikere	Hassan	Karnataka	0.62
	Rangapur Kawal Javagal	Arasikere	Hassan	Karnataka	0.62
	Rangapur Kawal Javagal	Arasikere	Hassan	Karnataka	0.62
395/508	Badabaug	Jaisalmer	Jaisalmer	Rajasthan	2.00
418/508	Badabaug	Jaisalmer	Jaisalmer	Rajasthan	2.00
507/P	Scrawa	Jaisalmer	Jaisalmer	Rajasthan	4.00
493/P	Scrawa	Jaisalmer	Jaisalmer	Rajasthan	4.00
490/P	Scrawa	Jaisalmer	Jaisalmer	Rajasthan	4.00
473/P	Scrawa	Jaisalmer	Jaisalmer	Rajasthan	4.00
476/P, 488/P	Scrawa	Jaisalmer	Jaisalmer	Rajasthan	4.00
454/P	Saru	Jaisalmer	Jaisalmer	Rajasthan	4.00
734/1	Kundadam	Dharapuram	Erode	Tamilnadu	2.00

B. BUILDING: NIL.

Part III

A. PARTICULARS OF INVESTMENT IN SHARES & SECURITIES:

Sr. No.	Details of Shares / Securities	Nos	Certificate No.	Distinctive No.	Amount
	NIL				

Suzlon Towers And Structures Ltd.

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

SUZLON
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URL : www.suzlon.com

B. PARTICULARS OF BANK ACCOUNTS:

Sr No.	Name of the Bank	Branch	Type of A/c	Account No.
1	IDBI Bank Limited	F.C. Road, Punc	Current Account	7103000001809
2	State Bank of India	Overseas Branch, Ahmedabad	Term Loan	31096050981

C. REGISTRATION WITH VARIOUS AUTHORITIES UNDER RESPECTIVE LAWS, BODIES ETC. :

(e.g. Income Tax, Sales Tax, Professional Tax, EPF, PF, etc.)

Name of Authority	Nature of registration	Registration Number
INCOME TAX DEPARTMENT	PAN	AAECS4967P
	TAN	AHMS00259A
SALES TAX DEPARTMENT		
Maharashtra State	MVAT TIN NO.	27610318015 V w.e.f.1.4.06
Maharashtra State	MH CST TIN NO.	27610318015 C w.e.f.1.4.06
Gujarat State	GVAT TIN NO.	24073403886 w.e.f.1.4.06
Gujarat State	GJ CST TIN NO.	24573403886 w.e.f.1.4.06
Tamilnadu State	TNVAT No.	33375562741 w.e.f. 01.01.07
Tamilnadu State	TN CST NO.	526158 w.e.f. 11.4.06
Rajasthan State	RVAT TIN NO.	08022106654 w.e.f. 1.4.06
Rajasthan State	CST TIN NO.	08022106654 w.e.f. 18.7.02
Karnataka State	KST TIN NO.	29600200569 w.e.f. 1.4.05
Karnataka State	CST TIN NO.	29600200569 w.e.f. 1.4.05
PROFESSIONAL TAX	COMPANY	PT/R/1/1/21/32156
	EMPLOYEE	PT/E/2/18/14520
EMPLOYEE PROVIDENT FUND	Establishment Code No	MH/300224

Suzlon Towers And Structures Ltd.

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

8

SUZLON

POWERING A GREENER TOMORROW

Phone : +91.79.26471100 / 26407141

Fax : +91.79.26471200 / 26442844

URL : www.suzlon.com**D. VEHICLES:**

Sr. No.	Name of Car	Number
	NIL	

For Suzlon Towers And Structures Limited**Director**

List of Assets of Suzlon Towers And Structures Limited, the Transferor Company-I as on (10th August 2011) the date of the order passed by the High Court sanctioning the scheme) (after the de-merger and transfer of the De-merged Undertaking) to be transferred to Suzlon Energy Limited, the Transferee Company, pursuant to the scheme sanctioned by the

Hon'ble Gujarat High Court.

Schedule

TOWER DIVISION

Part I

Particulars of Freehold Properties

A. LAND:

COMPLETE ADDRESS					AREA (Specify unit of measurement as available in relevant documents)
S.F. No	Village	Taluka	District	State	Area (Acres)
312/1, 312/2, 314	Chettikulam	Radhapuram	Tirunelveli	Tamilnadu	2.50
88/1	Udayathoor	Radhapuram	Tirunelveli	Tamilnadu	2.50

B. BUILDING: NIL.

Part II

Particulars of Leasehold Properties:

TOWER DIVISION

COMPLETE ADDRESS					AREA (Specify unit of measurement as available in relevant documents)
S.F. No	Village	Taluka	District	State	Extent (in Acres)
282/p	Moti Sindholi	Abdasa	Kutch	Gujarat	2.47
114/1	Vijayapathi	Radhapuram	Tirunelveli	Tamilnadu	3.00

B. BUILDING: NIL.

Part III

A. PARTICULARS OF INVESTMENT IN SHARES & SECURITIES:

Sr. No.	Details of Shares / Securities	Nos	Certificate No.	Distinctive No.	Amount
1	Equity Shares of Rs. 10/- each of Saraswat Co-operative Bank Limited	2500	276669	33141351 to 33143650	25000
2	National Savings Certificates	1	71CC 287614	-	1,000
3	National Savings Certificates	1	71CC 287613	-	1,000
4	National Savings Certificates	1	71CC 287615	-	1,000
5	National Savings Certificates	1	78EE 974715	-	10,000
6	National Savings Certificates	1	78EE 974714	-	10,000
7	Accrued Interest on NSC	-	-	-	353
	Total				48353

B. PARTICULARS OF BANK ACCOUNTS:

Sr No.	Name of the Bank	Branch	Type of A/c	Account No.
1.	IDBI Bank Limited	Kalyani Nagar, Pune	Current Account	34102000004213
2.	Indian Overseas Bank	East Street, Pune	Cash Credit Account	72202000001405
3.	Yes Bank Limited	Bhandarkar Road, Pune	Cash Credit Account	881400000030
4.	State Bank of Bikaner & Jaipur	Laxmi Road, Pune	Current Account	61091383774
5.	State Bank of India	Overseas Branch, Ahmedabad	Cash Credit Account	31088688084

6.	State Bank of India	Overseas Branch, Ahmedabad	Current Account (Revenue Account)	31083547693
7.	State Bank of India	Overseas Branch, Ahmedabad	Current Account (Statutory Dues Account)	31091722327
8.	State Bank of India	Overseas Branch, Ahmedabad	Current Account (Direct Cost Account)	31091724186
9.	State Bank of India	Overseas Branch, Ahmedabad	Current Account (Operating / Overhead Account)	31091732266
10.	State Bank of India	Overseas Branch, Ahmedabad	Current Account (Capex Account)	31091822037
11.	State Bank of India	Overseas Branch, Ahmedabad	Current Account (Debt Service Account)	31091835057

REGISTRATION WITH VARIOUS AUTHORITIES UNDER RESPECTIVE LAWS, BODIES ETC. :

(e.g. Income Tax, Sales Tax, Professional Tax, EPF, PF, etc.)

Name of Authority	Nature of registration	Registration Number
INCOME TAX DEPARTMENT	PAN	AAECS4967P
	TAN	AHMS00259A
SALES TAX DEPARTMENT		

Maharashtra State

MVAT TIN NO.

27610318015 V w.e.f. 1.4.06

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Tamilnadu State	INVAT No.	33375562741 w.e.f. 01.01.07
Tamilnadu State	TN CST NO.	526158 w.e.f. 11.4.06
Rajasthan State	RVAT TIN NO.	08022106654 w.e.f. 1.4.06
Rajasthan State	CST TIN NO.	08022106654 w.e.f. 18.7.02
Karnataka State	KST TIN NO.	29600200569 w.e.f. 1.4.05
Karnataka State	CST TIN NO.	29600200569 w.e.f. 1.4.05
Madhya Pradesh State	MP TIN NO.	23609024815 DT. 28.06.11
PROFESSIONAL TAX	COMPANY	PT/R/1/1/21/32156
	EMPLOYEE	PT/E/2/18/14520
EMPLOYEE PROVIDENT FUND	Establishment Code No	MH/300224
MINISTRY OF COMMERCE	IMPORTER-EXPORTER CODE	0806000350

D. VEHICLES:

Sl. No.	Name of Car	Number
	SCORPIO VLS	TN-45-AL-6518

For Suzlon Towers And Structures Limited


 Director

U/o. No. ~~100~~ pg. 70
Comparing & Copies Charges
Total Rs. ~~281~~

Corrected by

-1-

Handwritten signature
29/9/11

Section Officers
Decree Department
Dt. 30/09/2011

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

ORIGINAL JURISDICTION

COMPANY PETITION NO. 74 OF 2011

CONNECTED WITH

COMPANY APPLICATION NO. 226 OF 2011

Copy received on 11.8.11
Copy ready on 30/9/11
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Regd. by Posts

Dy S. O.

In the matter of Scheme of Arrangement under
Sections 391 to 394 of the Companies Act, 1956
And

In the matter of
Suzlon Towers and Structures Limited.
A Company incorporated under the Companies
Act, 1956 and having its registered office at
"Suzlon", 5, Shrimali Society, Near Shrikrishna
Complex, Navrangpura, Ahmedabad in the State
of Gujarat.

And

In the matter of Composite Scheme of
Arrangement and Restructuring in the nature of
De-merger and Amalgamation between Suzlon
Towers and Structures Limited, Suzlon Engitech
Limited, Suzlon Infrastructure Services Limited,
Suzlon Gujarat Wind Park Limited and Suzlon
Energy Limited.



Suzlon Towers And Structures Limited.
A Company registered under the Companies
Act, 1956 and having its registered office at
"Suzlon", 5, Shrimali Society, Near Shri
Krishna Complex, Navrangpura,
Ahmedabad in the State of Gujarat.....Petitioner De-merged Company - I
and Transferor Company - I

BEFORE HONOURABLE MR. JUSTICE K.M.THAKER

Date: 10th August, 2011

ORDER ON PETITION

The above petition coming for further hearing on 10th August 2011,
upon reading the said Petition, the order dated 3rd March, 2011 passed in the
Company Application No. 226 of 2011 whereby the meeting of the Equity
Shareholders of the Petitioner company was dispensed with in view of the
written consent letters from all of them being placed on record and it appearing
from the consent letters that the scheme was approved unanimously by the

Equity Shareholders and the Petitioner Company was further directed to convene separate meetings of the Secured and Unsecured Creditors of the Petitioner Company for the purpose of considering and if thought fit approving with or without modifications, the Composite Scheme of Arrangement and Restructuring in the nature of De-merger and Transfer of Power Generation Division of Suzlon Towers and Structures Limited to Suzlon Engitech Limited, and thereafter amalgamation of Suzlon Towers and Structures Limited with Suzlon Energy Limited, and annexed to the affidavit of Mr. Balrajsinh Parmar filed on 11th February 2011, and The Times of India and Sandesh both Ahmedabad editions dated 12th March 2011 and 14th March 2011 respectively, each containing the advertisements of the said notices convening the said meetings directed to be held by the said order dated 3rd March 2011, the affidavit of Mr. Balrajsinh A. Parmar dated 17th March 2011, showing the publication and dispatch of the notices convening the said meetings, considering the report of Mr. Balrajsinh A. Parmar, the Chairman for the said meetings alongwith the affidavit dated 12th April 2011 as to the results of said meetings convened on 5th April 2011 and it appearing from the report that the said scheme was unanimously approved by the Secured and Unsecured Creditors at the respective meetings; considering the affidavit of Mr. Uttamchand Nahta, the Regional Director, North-Western Region, Ministry of Corporate Affairs, filed on 30th June, 2011; and it appearing from the report dt. 22nd July 2011 filed by the Official Liquidator, affiliated with the Gujarat High Court, that the affairs of the Company have not been conducted in a manner prejudicial to the interest of its members or to the public interest; and considering the additional affidavit dated 3rd August, 2011 filed on behalf of Petitioner, and upon hearing Smt Swati Soparkar, Advocate for the Petitioner Company, and upon hearing Mr. P. S. Champaneri, Asst. Solicitor General of India appearing for the Central Govt.,

This Court doth hereby sanction the arrangement set forth in para 20 of the Petition herein and in the Schedule hereto, and doth hereby declare the same to be binding on the Equity Shareholders, Secured Creditors and the Unsecured Creditors of the above named Company and also on the said Company.

And this Court doth further order that the books, papers and records of the Petitioner Company shall be preserved for a period of 8 years from the date of the order sanctioning the Scheme of Arrangement and not to dispose of the

records without prior permission of the Central Govt. under Section 396-A of the Companies Act, 1956 before the aforesaid period;

And this Court doth further order that parties to the arrangement or other persons interested shall be at liberty to apply to this Court for any directions that may be necessary in regard to the working of the arrangement, and

That the said Company do file with the Registrar of the Companies a certified copy of this order within 30 days from the receipt of the same, and

This Court doth further order payment of Rs. 7,500/- as the cost of this Petition awardable to Mr. P. S. Champaneri, Asst. Solicitor General of India, counsel appearing for the Central Govt. and Rs. 7500/- awardable to the Official Liquidator.

SCHEDULE

Scheme of Arrangement as sanctioned by the Court

Dated this 10th day of August 2011.



- 4 -

**SCHEME OF ARRANGEMENT AND RESTRUCTURING
(DE-MERGER AND AMALGAMATION)**

BETWEEN

SUZLON TOWERS AND STRUCTURES LIMITED

AND

SUZLON INFRASTRUCTURE SERVICES LIMITED

AND

SUZLON ENGITECH LIMITED

AND

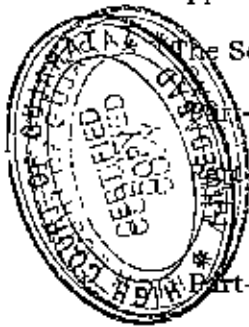
SUZLON GUJARAT WIND PARK LIMITED

AND

SUZLON ENERGY LIMITED

PRELIMINARY

This composite Scheme of arrangement is being proposed in the nature of De-merger and Transfer of Power Generation Division of Suzlon Towers And Structures Limited (STSL) to Suzlon Engitech Limited (SENL), De-merger of Project Execution Division of Suzlon Infrastructure Services Limited (SISL) to Suzlon Gujarat Wind Park Limited (SGWPL), Amalgamation of Suzlon Towers And Structures Limited (STSL) (after the above referred de-merger) with Suzlon Energy Limited (SEL), Amalgamation of Suzlon Infrastructure Services Limited (SISL) (after the above referred de-merger) with Suzlon Energy Limited (SEL) along with consequential reorganization of capital in form of utilization of Securities Premium Account of the respective De-merged Companies under Sections 391 to 394 read with Sections 78 and 100 to 103 and other applicable provisions of the Companies Act, 1956 (the Act).



The Scheme is divided into six parts as follows:

- Part-I Preamble, Definitions and Share Capital
- Part-II De-merger and Transfer of Power Generation Division of Suzlon Towers And Structures Limited to Suzlon Engitech Limited
- Part-III De-merger and Transfer of Project Execution Division of Suzlon Infrastructure Services Limited to Suzlon Gujarat Wind Park Limited
- Part-IV Amalgamation of Suzlon Towers And Structures Limited (after the above referred de-merger) with Suzlon Energy Limited
- Part-V Amalgamation of Suzlon Infrastructure Services Limited (after the above referred de-merger) with Suzlon Energy Limited.
- Part-VI General Clauses for matters incidental or consequential with the above.

The Scheme is divided into parts for the sake of convenience. The Scheme is to be implemented only after the same is approved as required under the Act, by the shareholders and creditors of the De-merged Companies and Transferor Companies; Shareholders of the Resulting Companies and Shareholders of the Transferee Company if so directed by the Hon'ble High Court and such approved Scheme is sanctioned by the High Court of Gujarat and the High Court of Judicature at Bombay or National Company Law Tribunal (NCLT) as required under the Act.

PART-I

PREAMBLE, DEFINITIONS AND SHARE CAPITAL

1. PREAMBLE

A. DESCRIPTION OF COMPANIES

- (a) **Suzlon Towers And Structures Limited**, originally incorporated as Suzlon Green Power Limited in the year 2000 with the main objective of setting up of independent power projects and selling of power generated from the said projects to State Government owned Electricity Boards.

In year 2003-2004, STSL became a wholly owned subsidiary of Suzlon Energy Limited.



During the year 2005-2006, STSL started dealing in Tubular Tower, a component of Wind Turbine Generator (WTG). STSL is engaged in manufacturing and trading of Tubular Towers. All these towers are marketed by STSL to the customers who intend to install Suzlon make WTG's.

- (b) **Suzlon Infrastructure Services Limited**, originally incorporated as Suzlon Windfarm Services Private Limited in the year 1998 with the main objective of carrying on the business activity of providing Operation Maintenance Services (OMS) for Wind Turbine Generators (WTG's) to investors in Wind Power Projects all over India.

In the year 2004-2005, SISL became a wholly owned subsidiary of Suzlon Energy Limited.

From the year 2007-2008 onwards, SISL also started undertaking Project Execution, Erection and Commissioning activity including manufacturing and marketing of Transformers for Suzlon make WTG's in addition to the existing OMS activities. Presently, SISL handles Operations and Maintenance of fleet size of about 5000MW.

- (c) **Suzlon Engitech Limited**, originally incorporated as Sarjan Engitech Private Limited was incorporated in the year 2001 with the main objective of manufacturing components for Wind Turbine Generators (WTG's) .

In the year 2005-2006, SENL became a wholly owned subsidiary of Suzlon Energy Limited.

In year 2005-2006, its name was changed to Suzlon Engitech Private Limited and in the year 2008-09 the name of the company was further changed to Suzlon Engitech Limited after conversion of the company from Private Limited to Public Limited Company.

Presently, SENL is engaged in the business of trading of installed WTG's and provides infrastructure support again on a very small scale.

- (d) **Suzlon Gujarat Wind Park Limited**, was incorporated in the year 2004 with the main objective of development of wind farm projects including acquisition of land for setting up wind farms and power evacuation facilities.

In the year 2005-2006, SGWPL became a wholly owned subsidiary of Suzlon Energy Limited.

Presently, SGWPL is operating as project developer and providing an integrated solution to the investors by making available land and power evacuation, infrastructure to set up windfarms.



- (e) **Suzlon Energy Limited** was incorporated in the year 1995 which marked a new chapter in wind energy business. SEL is engaged in the business of manufacturing Wind Turbine Generators (WTGs) with an emphasis on high performance and cost efficiency. It is among the first Asia-based companies to manufacture WTGs with multi-MW capabilities. In the year 2005-2006, the shares of SEL got publicly listed on National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE) and have since grown to become one of the world's leading players in wind energy and Asia's Leading wind turbine manufacturer, ranked as the Third largest manufacturers globally (along with share of REpower).

-7-

SEL's design, manufacture, operation and maintenance services have been certified as ISO 9001:2000 by Det Norske Veritas. SEL has state of the art in-house technology and design capabilities, resulting in development of highly successful Megawatt and Multi-Megawatt series of Wind Turbines. SEL's true prowess as a global giant was highlighted when it acquired major stake in Hansen Transmissions International NV, Belgium, the world's second leading wind gear box maker in May 2006 and REpower Systems AG, Germany in May 2007 and May 2008.

B. RATIONALE AND OBJECTIVES OF THE SCHEME OF ARRANGEMENT

The arrangement between the companies involved in the scheme would inter alia, have the following benefits

(a) With de-merger and transfer of Power Generation division of STSL with SENL -

- Power Generation business requires separate and different skills altogether and hence de-merging it into SENL will help to run it more efficiently.
- De-merger would help in better evaluation of performance of this business.

(b) With de-merger and transfer of Project Execution Division of SISL with SGWPL-

- OMS business is involved in the same line of business as SEL and Project Execution is part of infrastructure building in which SGWPL is currently engaged into.
- The business of erection and commissioning being primarily in nature of infrastructure development, requires different skills and approach to the business for which the company has to select and train its employees to achieve high performance standards so as to meet the standards of its large and reputed competitors in the infrastructure space. With the proposed de-merger and transfer of the said division, SGWPL would be better placed to scale up its skills in the infrastructure business and able to hire best talent available in the industry.



- As talent in infrastructure industry requires distinct and special treatment, it makes lot of sense from Human Resources development perspective to house and concentrate infrastructure related activities in an appropriate company. With the proposed de-merger and transfer of the said division, the same shall be better managed by SGWPL.

(c) With amalgamation of STSL (after the de-merger of Power Generation Division) with SEL -

- The Tower business which is the main stay of STSL, requires scaling up in view of the increased domestic market and needs focused efforts to bring the cost down on a continuous basis with equal emphasis on the quality side as well. Synergies of Supply Chain Management can be derived by bringing the Tower business into SEL.
- Better and efficient material management along with stores management can be achieved, ensuring on time delivery in full.
- Quick and more responsive product improvement and R&D on tower can be made possible through well established and more resourceful set up of SEL. Better compatibility of tower with each version of nacelle and better use of design and technical core competence of SEL would be the key benefits accruing as a result of this merger;
- Better negotiating powers resulting into competitive sourcing of materials and services through more active support of well established Supply Chain Management Team of SEL



(d) With amalgamation of SISL (after the de-merger of Project Execution Division) with SEL,-

- Customers will get more comfort and surety of after sales services for 20 years post commissioning, which is becoming a key factor to get more business.
- Existing customers would feel more convinced from the fact that the equipment supplier itself is taking care of the OMS part. Long term visibility will be provided to large customers by providing OMS services through equipment supplier (SEL) only and thereby improving chances of availing more business from

Utilities, Multi National Companies and other big Corporate customers.

- Availability of critical components from third party gets guaranteed for OMS.
 - With Indian business profile picking up and with the changing scenario, customers expect OMS Service provider to have a stronger Balance Sheet. SEL is better placed than SISL.
 - Regular and online feedback from OMS Team provides enormous help in improving and upgrading the overall quality of its equipments, which would be possible with this amalgamation.
 - Better working capital management through maintenance of common stock of spares for OMS as well as for regular production and also better Machine Availability of WTGs resulting into higher customer satisfaction;
- (e) The proposed amalgamation will enhance the bargaining power resulting in cost optimization through economical procurements from common vendors and suppliers.
- (f) The proposed arrangement will consolidate the business activity of all the companies, thereby resulting into time, transactions and cost optimization and improvisation of overall operational efficiency and quality.
- (g) The proposed arrangement shall improve the efficiency in cash management, organizational capability from pooling of human capital having skill, talents and vast experience and thereby increase in competitiveness in the industry.
- (h) The proposed arrangement will create enhanced value for shareholders and allow a focused strategy in operations, which would be in the best interest of all its shareholders, creditors and all persons connected with the companies.



With the aforesaid rationale and objectives, the Board of Directors of STSL, SISL, SENL, SGWPL and SEL have considered and proposed to de-merge and transfer Power Generation Business of STSL with SENL and Project Execution Division of SISL with SGWPL and thereafter amalgamate STSL with its remaining business and SISL with its remaining business into SEL. Accordingly, the Board of Directors of

all the companies have formulated the scheme of De-merger for the transfer and vesting of the Power Generation Undertaking of STSL with SENL and Project Execution Division Undertaking of SISL with SGWPL and thereafter amalgamate STSL with its remaining business and SISL with its remaining business into SEL pursuant to the provisions of Section 391 to Section 394 and other relevant provisions of the Act.

C. OPERATION OF THE SCHEME

(a) In furtherance of the rationale and objectives mentioned above, this Scheme provides for:

- (i) De-merger and transfer of Power Generation Division from the De-merged Company -1 (STSL) to the Resulting Company-1 (SENL) ;
- (ii) De-merger of the Project Execution Division from the De-merged Company-2 (SISL) to the Resulting Company-2 (SGWPL);
- (iii) Amalgamation of Transferor Company-1 (STSL) (after de-merger as above) with Transferee Company SEL and
- (iv) Amalgamation of Transferor Company-2 (SISL) (after de-merger as above) with Transferee Company SEL.

(b) The de-mergers and transfers of Power Generation Division of the De-merged Company-1 (STSL) and Project Execution Division of the De-merged Company-2 (SISL), under this Scheme will be effected under the provisions of Sections 391 to 394 of the Act read with Sections 78 and 100 to 103 of the Act. The de-mergers and transfers shall comply with the provisions of Section 2(19AA) of the Income Tax Act, 1961, such that:

- (i) All the assets and properties of the Undertakings of Power Generation Division and Project Execution Division (as defined hereinafter) being held/transferred by the De-merged Companies as on Appointed Date become the properties of the Resulting Companies by virtue of the de-merger;



- (ii) All the liabilities relating to the Undertakings of Power Generation Division and Project Execution Division being held/transferred by the De-merged Companies as on Appointed Date become the liabilities of the Resulting Companies by virtue of the de-merger and
- (iii) The assets, properties and the liabilities, if any, relating to the Undertakings of Power Generation Division and Project Execution Division being held/transferred by the De-merged Companies are transferred to the Resulting Companies at the values appearing in the books of account of the De-merged Companies immediately as on the Appointed Date.
- (iv) The Resulting Companies shall issue shares to the shareholders of the De-merged Companies in consideration of the de-merger on a proportionate basis;
- (v) All the shareholders of the De-merged Companies shall become the shareholders of the Resulting Companies by virtue of the de-merger and
- (vi) The transfer of the Undertakings of Power Generation Division and Project Execution Division will be on a going concern basis.
- (c) This Scheme has been drawn up to comply with the conditions relating to "De-merger" as specified under Section 2(19AA) of the Income Tax Act, 1961. If any terms or provisions of the Scheme is/are inconsistent with the provisions of Section 2(19AA) of the Income Tax Act, 1961, the provisions of Section 2(19AA) of the Income Tax, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(19AA) of the Income Tax Act, 1961; such modification shall not affect other parts of the Scheme.
- (d) The amalgamation of STSL and SISL with SEL under this Scheme of Arrangement will be effected under the provisions of Sections 391 to 394 of the Act. The amalgamation complies with the provisions of Section 2(1B) of the Income Tax Act, 1961, such that:
 - (i) All the properties of the Transferor Companies as on the Appointed Date shall become the property of the Transferee Company by virtue of the amalgamation and



(ii) All the liabilities of the Transferor Companies as on the Appointed Date shall become the liabilities of the Transferee Company by virtue of the amalgamation;

(e) This Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the Income Tax Act, 1961. If any terms or provisions of the Scheme is/ are inconsistent with the provisions of Section 2(1B) of the Income Tax Act, 1961, the provisions of Section 2(1B) of the Income Tax, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(1B) of the Income Tax Act, 1961; such modification shall not affect other parts of the Scheme.

2. DEFINITIONS

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

- i. **"The Act"** means The Companies Act, 1956.
- ii. **"The Appointed Date"** means 1st day of April, 2010.
- iii. **"The Court" or "The High Court"**, shall mean the jurisdictional High Court being Hon'ble High Court having judicature at Bombay and Hon'ble High Court of Gujarat, and shall be deemed to include the National Company Law Tribunal, if applicable.
- iv. **"The Effective Date"** means the date on which Certified Copies of the High Court of Gujarat and/or High Court of Judicature at Bombay or the National Company Law Tribunal (NCLT) orders vesting the undertaking including the assets, liabilities, rights, duties, obligations and the like of the De-merged Companies in the Resulting Companies and that of Transferor Companies into Transferee Company are filed with the Registrar of Companies, Gujarat at Ahmedabad and Maharashtra at Pune.
- v. **"The De-merged Company-1"** (for Part-II of the Scheme) and **"The Transferor Company-1"** (for Part-IV of the Scheme) means **SUZLON TOWERS AND STRUCTURES LIMITED (STSL)**, a Wholly Owned Subsidiary of Suzlon Energy Limited incorporated on January 25, 2000, under the Act and having its Registered Office at "Suzlon", 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad-380 009 in the state of Gujarat.



- vi. **"The De-merged Company-2"** (for Part-III of the Scheme) and **"The Transferor Company-2"** (for Part-V of the Scheme) means **SUZLON INFRASTRUCTURE SERVICES LIMITED (SISL)**, a Wholly Owned Subsidiary of Suzlon Energy Limited incorporated on July 27, 1998, under the Act and having its Registered Office at One Earth, Hadapsar, Pune -411 028 in the state of Maharashtra.
- vii. **"The Resulting Company-1"** (for Part-II of the Scheme) means **SUZLON ENGITECH LIMITED (SENL)**, a company incorporated on May 03, 2001, under the Act and having its Registered Office at One Earth, Hadapsar, Pune -411 028 in the state of Maharashtra.
- viii. **"The Resulting Company-2"** (for Part-III of the Scheme) means **SUZLON GUJARAT WIND PARK LIMITED (SGWPL)**, a company incorporated on July 05, 2004 under the Act and having its Registered Office at "Suzlon", 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad - 380 009 in the state of Gujarat.
- ix. **"The Transferee Company"** (for Part-IV and Part-V of the Scheme) means **SUZLON ENERGY LIMITED (SEL)**, a company incorporated on April 10, 1995 under the Act and having its Registered Office at "Suzlon", 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad- 380 009 in the state of Gujarat.
- x. **"The Scheme"** means this Scheme of Arrangement in its present form or with any modification(s) approved or imposed or directed by respective High Court of Gujarat and/or High Court of Judicature at Bombay or National Company Law Tribunal (NCLT).



- xi. **"The Undertaking-I"** means the Power Generation Division Undertaking of STSL, the De-merged Company-1 (for Part-II of the Scheme), consisting of WTGs installed and situated at Dhule and Satara, Badabaug, Hassan, Kutch and Devarkulam, Palladam and Sankaneri in the state of Maharashtra, Rajasthan, Karnataka, Gujarat and Tamilnadu respectively comprising of the following:

(a) All the assets and properties of the Power Generation Business Undertaking of STSL, the De-merged Company-1 as on the Appointed Date.

(b) All the debts, liabilities, duties and obligations of the Power Generation Undertaking of STSL, the De-merged Company-1 as on the Appointed Date.

(c) Without prejudice to the generality of Sub-clause (a) above, the Undertaking-I of STSL shall include all the provisions, funds, movable and immovable properties, assets including investments, claims, powers, authorities, allotment, approvals, consents, registrations, contracts, enactments, deferred income, arrangements, rights, titles, interest, benefits, advantages, lease-hold rights and other intangible rights, industrial and all licences, permits, pre & post authorizations, quota, rights, trade marks, patents, brands, secret formulae, drawings, research rights and other industrial intellectual properties, imports, telephone/facsimile/telex and other communication facilities, electrical connections, non conventional devices and equipments including Computers, Hardwares, Softwares, and other electronic equipments and instruments, system of any kind whatsoever, rights and benefits of all agreements and other interests including rights & benefits under various schemes of different Taxation Laws as may belong to or be available to the said undertaking, rights and powers of every kind, nature and description of whatsoever probabilities, liberties, easements, advantages, and approval of whatsoever nature and wheresoever situated, belonging to or in ownership, power or possession or control or entitlement of the Power Generation Business Undertaking. (The details as per Schedule.1)

(d) Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the said undertaking or whether it arises out of the activities or operations of the said undertaking shall be decided by the Board of Directors of the De-merged Company-1.



- xii. **"The Undertaking-II"** means the Project Execution Division Undertaking of SISL, the De-merged Company-2 (for Part-III of the Scheme) carrying out its activities situated at different wind farm locations mainly in the state of Maharashtra, Gujarat, Rajasthan, Madhya Pradesh, Tamilnadu, Karnataka, Andhra Pradesh and Kerala comprising of the following:

- (a) All the assets and properties of the Project Execution Division Undertaking of SISL, the De-merged Company-2 as on the Appointed Date.
- (b) All the debts, liabilities, duties and obligations of the Project Execution Division Undertaking of SISL, the De-merged Company-2 as on the Appointed Date.
- (c) Without prejudice to the generality of Sub-clause (a) above the Undertaking-II of SISL shall include all the provisions, funds, movable and immovable properties, assets including investments, claims, powers, authorities, allotment, approvals, consents, registrations, contracts, enactments, deferred income, arrangements, rights, titles, interest, benefits, advantages, leasehold rights and other intangible rights, industrial and all licences, permits, pre & post authorisations, quota, rights, trade marks, patents, brands, secret formulae, drawings, research rights and other industrial intellectual properties, imports, telephone/facsimile/telex and other communication facilities, electrical connections, non conventional devices and equipments including Computers, Hardwares, Softwares, and other electronic equipments and instruments, system of any kind whatsoever, rights and benefits of all agreements and other interests including rights & benefits under various schemes of different Taxation Laws as may belong to or be available to the said undertaking, rights and powers of every kind, nature and description of whatsoever probabilities, liberties, easements, advantages, and approval of whatsoever nature and wheresoever situated, belonging to or in ownership, power or possession or control or entitlement of Project Execution Division Undertaking. (The details as per Schedule.2)
- (d) Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the said undertaking or whether it arises out of the activities or operations of the said undertaking shall be decided by the Board of Directors of the De-merged Company-2.



xiii. "The Undertaking-III" means the entire remaining undertaking after the de-merger of Undertaking-I, interalia including the Tower Business Undertaking of STSL, the Transferor Company-I (for Part-IV of the Scheme), having its business offices at Pune, Ahmedabad, Trichy, Bangalore and Jaipur in the state of Maharashtra, Gujarat, Tamilnadu, Karnataka and Rajasthan respectively comprising of the following:

- (a) All the assets and properties of the entire remaining undertaking after the de-merger of Undertaking-I, interalia including the Tower Business Undertaking of STSL, the Transferor Company-I as on the Appointed Date.
- (b) All the debts, liabilities, duties and obligations of the entire remaining undertaking after the de-merger of Undertaking-I, interalia including the Tower Business Undertaking of STSL, the Transferor Company-I as on the Appointed Date.
- (c) Without prejudice to the generality of Sub-clause (a) above, the Undertaking-III of STSL shall include all the reserves, provisions, funds, movable and immovable properties, assets including investments, claims, powers, authorities, allotment, approvals, consents, registrations, contracts, enactments, deferred income, arrangements, rights, titles, interest, benefits, advantages, lease-hold rights and other intangible rights, industrial and all licences, permits, pre & post authorizations, quota, rights, trade marks, patents, brands, secret formulac, drawings, research rights and other industrial intellectual properties, imports, telephone/facsimile/telex and other communication facilities, electrical connections, non conventional devices and equipments including Computers, Hardwares, Softwares, and other electronic equipments and instruments, system of any kind whatsoever, rights and benefits of all agreements and other interests including rights & benefits under various schemes of different Taxation Laws as may belong to or be available to the said undertaking, rights and powers of every kind, nature and description of whatsoever probabilities, liberties, easements, advantages, and approval of whatsoever nature and wheresoever situated, belonging to or in ownership, power or possession or control or entitlement of the Tower Business Undertaking. (The details as per Schedule.1)



(d) Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the said undertaking or whether it arises out of the activities or operations of the said undertaking shall be decided by the Board of Directors of the Transferor Company-1.

xiv. **"The Undertaking-IV"** means the entire remaining undertaking after the de-merger of Undertaking-II, interalia including Operation Maintenance Service Division and all other business (collectively called "Other Business") of SISL, the Transferor Company-2 (for Part-V of the Scheme), after the de-merger of Undertaking-II as above referred, situated at different windfarm locations mainly in the state of Maharashtra, Gujarat, Rajasthan, Madhya Pradesh, Tamilnadu, Karnataka, Andhra Pradesh and Kerala comprising of the following:

(a) All the assets and properties of the entire remaining undertaking after the de-merger of Undertaking-II, interalia including Operation Maintenance Service Division and Other Business Undertakings of SISL, the Transferor Company-2 as on the Appointed Date.

(b) All the debts, liabilities, duties and obligations of the entire remaining undertaking after the de-merger of Undertaking-II, interalia including Operation Maintenance Service Division and Other Business Undertakings of SISL, the Transferor Company-2 as on the Appointed Date.

(c) Without prejudice to the generality of Sub-clause (a) above the Undertaking-IV of SISL shall include all the reserves, provisions, funds, movable and immovable properties, assets including investments, claims, powers, authorities, allotment, approvals, consents, registrations, contracts, enactments, deferred income, arrangements, rights, titles, interest, benefits, advantages, leasehold rights and other intangible rights, industrial and all licences, permits, pre & post authorisations, quota, rights, trade marks, patents, brands, secret formulae, drawings, research rights and other industrial intellectual properties, imports, telephone/facsimile/telex and other communication facilities, electrical connections, non conventional devices and equipments including Computers, Hardwares, Softwares, and other

electronic equipments and instruments, system of any kind whatsoever, rights and benefits of all agreements and other interests including rights & benefits under various schemes of different Taxation Laws as may belong to or be available to the said undertaking, rights and powers of every kind, nature and description of whatsoever probabilities, liberties, easements, advantages, and approval of whatsoever nature and wheresoever situated, belonging to or in ownership, power or possession or control or entitlement of Other Business Undertakings. (The details as per Schedule.2)

(d) Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the said undertaking or whether it arises out of the activities or operations of the said undertaking shall be decided by the Board of Directors of the Transferor Company-2.

The expressions which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning as ascribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be, or any statutory modifications or re-enactment thereof from time to time.

3. SHARE CAPITAL

3.1 The Authorized, Issued, Subscribed and Paid-Up Share Capital of Suzlon Towers And Structures Limited as on March 31, 2010 is as under:



Particulars of Share Capital	Rupees
Authorized Share Capital	
55,000,000 Equity shares of Rs.10 each	550,000,000
500,000 13% Cumulative Redeemable Preference Shares of Rs.100 each	50,000,000
Total	600,000,000
Issued, Subscribed and Paid-Up Share Capital	
40,000,000 Equity shares of Rs.10 each fully paid up	400,000,000
500,000 13% Cumulative Redeemable Preference Shares of Rs.100 each	50,000,000
Total	450,000,000

There is a change in the capital structure of the Company since 31st March 2010 as the Company has redeemed 500,000 Preference Shares of Rs.100/- each during the month of August 2010.

3.2 The Authorized, Issued, Subscribed and Paid-Up Share Capital of Suzlon Infrastructure Services Limited as on March 31, 2010 is as under:

Particulars of Share Capital	Rupees
Authorized Share Capital	
23,000,000 Equity shares of Rs.10 each	230,000,000
20,900,000 Cumulative Redeemable Preference Shares of Rs.100 each	2,090,000,000
Total	2,320,000,000
Issued, Subscribed and Paid-Up Share Capital	
23,000,000 Equity Shares of Rs.10 each	230,000,000
119,00,000 Cumulative Redeemable Preference Shares of Rs.100 each	1,190,000,000
Total	1,420,000,000

There is a change in the capital structure of the Company since 31st March 2010 as the Company has redeemed 2,500,000 Preference Shares of Rs.100/- each during the month of August 2010.

3.3 The Authorized, Issued, Subscribed and Paid-Up Share Capital of Suzlon Engitech Limited as on March 31, 2010 is as under:

Particulars of Share Capital	Rupees
Authorized Share Capital	
10,000,000 Equity shares of Rs.10 each	100,000,000
30,000,000 Preference Shares of Rs.10 each	300,000,000
Total	400,000,000
Issued, Subscribed and Paid-Up Share Capital	
15,00,000 Equity shares of Rs.10 each	15,000,000
Total	15,000,000

3.4 The Authorized, Issued, Subscribed and Paid-Up Share Capital of Suzlon Gujarat Wind Park Limited as on March 31, 2010 is as under:

Particulars of Share Capital	Rupees
Authorized Share Capital	
2,000,000 Equity Shares of Rs. 10/- each	20,000,000
Total	20,000,000
Issued, Subscribed and Paid-Up Share Capital	
2,000,000 Equity Shares of Rs. 10/- each	20,000,000
Total	20,000,000



3.5 The Authorized, Issued, Subscribed and Paid-Up Share Capital of Suzlon Energy Limited as on March 31, 2010 is as under:

Particulars of Share Capital	Rupees
Authorized Share Capital	
2,225,000,000 Equity shares of Rs.2 each	4,450,000,000
Total	4,450,000,000
Issued, Subscribed and Paid-Up Share Capital	
1,556,731,743 Equity Shares of Rs.2 each	3,113,463,486
Total	3,113,463,486

There is a change in the capital structure of the Company since 31st March 2010. The Authorized Share Capital of the company as on December, 2010 is 3,500,000,000 Equity Shares of Rs.2 each amounting to Rs. 700 Crores and Paid-up Share Capital of the company is 1,777,365,647 Equity Shares of Rs. 2 each amounting to Rs.355.47 Crores.

PART-II

SCHEME OF DE-MERGER AND TRANSFER OF POWER GENERATION BUSINESS UNDERTAKING OF SUZLON TOWERS AND STRUCTURES LIMITED

4. HIGHLIGHTS OF THE SCHEME

Pursuant to this Scheme, the **Undertaking-I** namely, the **Power Generation Business Undertaking** of STSL, consisting of WTGs installed and situated at Dhule and Satara, Badabaug, Hassan, Kutch and Devarkulam, Palladam and Sankaneri in the state of Maharashtra, Rajasthan, Karnataka, Gujarat and Tamilnadu shall, with effect from 1st April, 2010 (the Appointed Date) and without any further act or deed, be deemed to have been transferred to and vested in the **Resulting Company-1**, under Sections 391 to 394 of the Act in the manner that:

- (a) All the assets and properties of the Undertaking-I being transferred by the De-merged Company-1, as on the Appointed Date, shall become the property of the Resulting Company-1 by virtue of the de-merger.
- (b) All the liabilities relatable to the Undertaking-I, being transferred by the De-merged Company-1, as on the Appointed Date, shall become the liabilities of the Resulting Company-1 by virtue of the de-merger.



- (c) The assets, properties and liabilities of the Undertaking-I being transferred by the De-merged Company-1 shall be transferred to the Resulting Company-1 at values appearing in the books of the De-merged Company-1 as on the Appointed Date.
- (d) The transfer of the Undertaking-I of the De-merged Company-1 is on going concern basis including the stock-in-trade so as the Resulting Company-1 shall be in a position to carry on the business which was being carried on in the said premises by the De-merged Company-1 without interruption.
- (e) In consideration of the transfer of the Undertaking-I, the Resulting Company-1 shall issue shares to the shareholders of the De-merged Company-1 as and by way of consideration for the De-merged Undertaking-I;
- (f) All the shareholders of the De-merged Company-1 shall become the shareholders of the Resulting Company-1 by virtue of the de-merger.

5. TRANSFER OF UNDERTAKING-I

5.1 With effect from the Appointed Date and subject to the provisions of this Scheme and pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Act and in relation to the mode of transfer and vesting, all the assets and properties, rights, claims, title, interest, hereditaments and authorities including accretions and appurtenances thereto such as dividends, or other benefits received of the Undertaking-I, of the De-merged Company-1 shall, without any further act, instrument or deed, be and the same shall stand transferred to and / or vested in or be deemed to have been and stand transferred to or vested in the Resulting Company-1 as a going concern so as to become as and from the Appointed Date, the estate, rights, titles, hereditaments and interests and authorities including accretions and appurtenances thereto such as dividends, or other benefits receivable that of the Resulting Company-1.

5.2 With effect from the Appointed Date all debts, liabilities, duties and obligations of every kind, nature and description relating to the Undertaking-I, of the De-merged Company-1 shall be and stand transferred or deemed to be transferred, without any further act or deed, pursuant to the said Section 394 of the Act so as to become the debts, liabilities, duties and obligations of the Resulting Company-1 and it shall

not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Scheme.

5.3 Without prejudice to the generality of Clause 5.1 above, the Undertaking-I of the De-merged Company -1 shall mean and include inter alia all the relatable properties and assets including land and buildings, plant and machinery, vehicles, current assets, cash and bank balances, stock-in-trade, work-in-progress, goodwill and other intangibles, investments, rights, titles, interests, powers, authorities, licenses, contracts, tax deducted at source by vendors/ banks/ and receivable by the Undertaking-I as reflected in Form 26AS on NSDL Income Tax Website as well as those evidences by the valid TDS certificate and other Tax Credits pertaining to the Undertaking-I and registrations of whatsoever nature including, without being limited to all patents, trade marks, trade names, know-how and other intellectual property rights of whatsoever nature and licenses in respect thereof, privileges, liberties, easements, advantages, benefits, leases, tenancy rights, ownership flats, quota rights, permits, approvals, authorizations, right to use of telephone, telexes, fax machines, e-mail, internet, electricity connections, utilities and other services etc. (hereinafter collectively referred to as "the said assets") pertaining to the Undertaking-I.

(a) It is expressly provided that in respect of such of the said assets as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be so transferred by the De-merged Company-1, and shall become the property of the Resulting Company-1 in pursuance of the provisions of Section 394 of the Act.

(b) In respect of such of the said assets other than those referred to in sub para (a) above, the same shall, as more particularly provided in sub-clause 5.3 above, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred and vested in the Resulting Company-1 on the Appointed Date pursuant to the provisions of Section 394 of the Act.

5.4 With effect from the Appointed Date, all taxes relating to the Undertaking-I of the De-merged Company-1, payable by the De-merged Company-1 including all or any refunds of claims shall be treated as the

tax liabilities or refunds/claims as the case may be of Resulting Company-1.

- 5.5 The Resulting Company-1 shall be entitled to file/ revise their statutory returns and related tax payment certificates and to claim refunds, advance tax credits etc. as may be required consequent to the implementation of the Scheme.
- 5.6 The transfer/vesting of the Undertaking-1 as aforesaid shall be subject to existing charges/hypothecation/mortgage/lien/encumbrances (if any, as may be subsisting), of whatsoever nature and of whatsoever priority/preference, over or in respect of the assets of the Undertaking-1 or any part thereof. However, that any reference in security documents or arrangements relating to the Undertaking-1 to which the De-merged Company-1 is a party, to the said assets of the De-merged Company-1 which it has offered or agreed to be offered as security for any financial assistance or obligation, to the secured creditors of the said undertaking of the De-merged Company-1, shall be construed as reference only to the assets pertaining to the said undertaking of the De-merged Company-1 as are vested in the Resulting Company-1 by virtue of this Scheme, to the end and intent that such security, mortgage and charge shall not extend or be deemed to extend, to any of the asset or to any of the other units or undertaking of the Resulting Company-1, unless specifically agreed to by the Resulting Company-1 with such secured creditors and subject to the consent and approvals of the existing secured creditors of the Resulting Company-1.
- 5.7 For the avoidance of doubt and without prejudice to the generality of the forgoing, it is clarified that upon coming into effect of the scheme, all consents, permissions, licenses, certificates, forms, clearances, authorities, powers of attorneys given/issued to executed in favour of the Undertaking-1 of the De-merged Company-1 shall without any further Act or deed, stand transferred to the Resulting Company-1 as if the same were originally given by, issued to or executed in favour of the Resulting Company-1 and the Resulting Company-1 shall be bound by the terms thereof, the obligations and the duties there under and the rights and benefits under the same shall be available to the Resulting Company-1. The Resulting Company-1 shall receive relevant approval from the concerned governmental authorities as may be necessary in this behalf.



5.8 The Resulting Company-1 may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors of the De-merged Company-1 relating to the said Undertaking-I or in favour of any other party to any contract or arrangement to which the De-merged Company-1 is a party or any writing as may be necessary to execute in order to give formal effect to the above provisions. The Resulting Company-1 shall under the provisions of this Scheme be deemed to be authorised to execute any such writings on behalf of the De-merged Company-1 as the case may be and to implement or carry out all such formalities or compliances as are required to be carried out or performed by the De-merged Company-1 under any loan agreements or contracts or otherwise.

5.9 The transfer of Undertaking-I shall not affect any transaction or proceedings already concluded by the De-merged Company-1 on or after the Appointed Date till the Effective Date, to the end and intent that the Resulting Company-1 accepts and adopts all acts, deeds and things done and executed by the De-merged Company-1 in respect thereto as done and executed on behalf of itself.

5.10 Loans or other obligations, if any, due or outstanding inter se between the Undertaking-I of the De-merged Company-1 and the Resulting Company-1 shall stand discharged and there shall be no liability, relating either to principal or to interest after the Appointed Date, in respect of such loans and other obligations.

6. CONDUCT OF BUSINESS BY DE-MERGED COMPANY-1 TILL EFFECTIVE DATE

From the Appointed Date until the Effective Date,

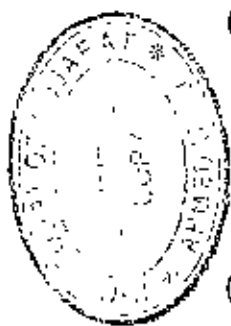
(a) The De-merged Company-1 shall carry on and shall be deemed to have carried on its business and activities and shall hold and shall stand possessed and shall be deemed to have held and stood possessed of all the assets of the Undertaking-I on account of and in trust for the Resulting Company-1 and shall act and be entitled to be indemnified accordingly.

(b) Subject to the provisions of this Scheme, all the profits or income accruing or arising to the De-merged Company-1 or expenditures or losses incurred by it on account of the Undertaking-I shall for all



purposes be treated and deemed to be the income, profit, loss or expenditure (as the case may be) of the Resulting Company-1.

- (c) The De-merged Company-1 shall carry on the business activities of the Undertaking-I with reasonable diligence, business prudence and the De-merged Company-1 shall not without the written concurrence of the Board of Directors of the Resulting Company-1, alienate, charge or otherwise deal with any of the properties or assets of the Undertaking-I (except incurring necessary and reasonable expenses to carry on the day-to-day operations and manufacturing activities of the Undertaking-I and attending to its statutory obligations) or vary the terms and conditions of employment of its employees, if any.
- (d) The De-merged Company-1 shall not vary the terms and conditions of the employment of its employees of Undertaking-I except in the ordinary course of business and with the mutual consent of the Board of Directors of the De-merged Company-1 and Resulting Company-1.
- (e) The De-merged Company-1 shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure in regard to Undertaking-I without the written consent of the Board of Directors of the Resulting Company-1.
- (f) During the pendency of the Scheme, the De-merged Company-1 shall not, undertake or commence any new business in the Undertaking-I without the prior written permission of the Board of Directors of the Resulting Company-1.
- (g) During the pendency of the Scheme, the De-merged Company-1 shall not, declare any dividend for the period commencing from the Appointed Date upto and including the Effective Date without the prior written permission of the Board of Directors of the Resulting Company-1.
- (h) The Resulting Company-1 shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and other related agencies, departments and other authorities concerned as are necessary under any law for such consents, licenses, permissions, approvals and sanctions which the Resulting Company-1 may require to own and operate the businesses of the Undertaking-I of the De-merged Company-1.



7. LEGAL PROCEEDINGS

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All proceedings, (including all suits, appeals, revisions, petitions, references, applications or other proceedings of whatsoever nature) if any, by or against the De-merged Company-1 relating to and in respect of the Undertaking-I, pending as on the Appointed Date in respect of any property, rights, assets, debts, liabilities, duties and obligations, if any, thereof referred to in Clauses 5.1, 5.2, 5.3 and 5.4 herein above, shall be continued without being prejudicially affected by reason of transfer of assets and liabilities of the said Undertaking-I of the De-merged Company-1, and enforced until the Effective Date by the De-merged Company-1 as desired by the Resulting Company-1 and as from the Effective Date, the same shall be continued and enforced by or against the Resulting Company-1, as the case may be.

8. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

(a) Subject to the other provisions of the Scheme, all lawful contracts, duties, bonds, agreements and other instruments of whatever nature in respect of the said Undertaking-I to which the De-merged Company-1 is a party subsisting or having effect immediately before the de-merger, shall be in full force and effect against or in favour of the Resulting Company-1, and may be enforced as fully and as effectively as if instead of the De-merged Company-1 the Resulting Company-1 had been a party thereto.

(b) The Resulting Company-1 in respect of Undertaking-I of the De-merged Company-1 may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, writings or confirmations or enter into a tri-partite arrangement, confirmation or novation to which the respective De-merged Company-1 will, as may be necessary also be a party in order to give formal effect to this Clause if so required or become necessary. The Resulting Company-1 shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the respective De-merged Company-1 and to carry out or perform all such formalities or compliances referred to above on the part of the respective De-merged Company-1.



9. ISSUE OF SHARES BY THE RESULTING COMPANY-1

- (a) Upon the transfer of the Undertaking-I of the De-merged Company-1, pursuant to this Scheme, the Resulting Company-1, subject to what is provided in clause (2) hereof, shall issue and allot in its capital at par, credited as paid up to the extent indicated below, to the shareholders of the De-merged Company-1, the following number of shares viz:-

61,115,785 (Six Crore, Eleven Lacs, Fifteen Thousand, Seven Hundred and Eighty Five only) Equity Shares of Rs.10 /- each credited as fully Paid up at par against 25,000,000 (Two Crores and Fifty Lacs only) Equity Shares of Rs. 10/- each held by the Shareholders of the De-merged Company-1, Suzlon Towers And Structures Limited.

- (b) The said new Equity Shares of the Resulting Company-1 to be allotted to the shareholders of the De-Merged Company-1 shall be fully paid up share and shall rank for dividend, voting rights and in all other respects pari passu with the existing Equity Shares in the Resulting Company-1 except that they shall not be eligible for any dividend paid or declared by the Resulting Company-1 prior to the Effective Date.
- (c) The Resulting Company-1, if required, shall before allotment of the Equity Shares in terms of this Scheme increase/amend its Authorised Share Capital by the creation of such number of Equity Shares of Rs.10/- each as may be necessary to satisfy its obligations under the provisions of this Scheme.
- (d) The issue and allotment of Equity Shares in the Resulting Company-1 to the members of the De-merged Company-1 as provided in the Scheme shall be carried out as per the applicable provisions of the Act.

10. ACCOUNTING TREATMENT OF ASSETS & LIABILITIES OF DE-MERGED COMPANY-1

(i) In the books of De-merged Company-1

- (a) Upon the Scheme becoming effective, De-merged Company-1 shall reduce the book value of assets and liabilities pertaining to the Undertaking-I (as detailed in Schedule-I) from its books of accounts.
- (b) Upon the Scheme being effective, an amount equivalent to net book value of the assets (net of liabilities) of the de-merged Undertaking-I transferred to the Resulting Company-1 by the De-merged



Company-1 in terms of this Scheme, shall be appropriated against the General Reserve Account and then against the Profit and Loss Account of the De-merged Company-1 to the extent required.

(ii) In the books of the Resulting Company-1

- (a) Upon the Scheme being effective, the relatable assets and liabilities of, the Undertaking-I of the De-merged Company-1 shall be transferred to and vested in the books of the Resulting Company-1 at the same values as appearing in the books of the De-merged Company-1 as on Appointed Date, as detailed in Schedule I.
- (b) The difference between "the excess of the book value of the assets over the book value of liabilities of the De-merged Company-1" and "the book-value of the shares being Issued under clause 9 above", if any, shall be credited to Capital Reserve account.
- (c) Loans and advances and other dues outstanding between Resulting Company-1 and Undertaking-I of the De-merged Company-1 will stand cancelled and there shall be no further obligation/outstanding in that behalf.
- (d) In case of any difference in accounting policy between the Undertaking-I of the De-merged Company-1 and the Resulting Company-1, the impact of the same will be quantified and adjusted in the Profit and Loss account to ensure that the financial statement of the Resulting Company-1 reflects the financial position on the basis of consistency in the accounting policy.
- (e) Notwithstanding the above, the Board of Directors of the Resulting Company-1 in consultation with its auditors, is authorized to account any of these balances in any manner whatsoever as may be deemed fit.
- (f) Upon this Scheme becoming effective, the liabilities of the De-merged Company-1 in respect of and relating to the Undertaking-I shall be paid and discharged by the Resulting Company-1 in accordance with the terms of borrowing of the said moneys and the security, if any, given to the creditors of the De-merged Company-1 over any of the assets of the said Undertaking-I, and the Resulting Company-1 shall continue to ensure to the benefit of the creditors in the same manner and to the same extent as if the scheme had not been implemented.



11. DE-MERGED COMPANY-1's STAFF, WORKMEN AND EMPLOYEES

All the staff, workmen or other employees in the service of the Undertaking-I of the De-merged Company-1 on the Effective Date shall become the staff, workmen and employees of the Resulting Company -1 on the basis that ;

- (a) Their services shall be deemed to have been continuous and not have been interrupted by reason of the said transfer.
- (b) The terms and conditions of service applicable to such staff, workmen or employees after such transfer shall not in any way be less favourable to them than those applicable to them immediately preceding the transfer date.
- (c) The Resulting Company-1, however, shall also have the right to exercise an option if warranted to transfer such number of employees to any other unit of Resulting Company-1 as may be deemed necessary.
- (d) The Resulting Company-1 shall not vary the terms and conditions of the service of their staff, workmen and employees except in the ordinary course of business.
- (e) It is expressly provided that as far as Provident Fund, Gratuity Fund, Superannuation Fund or any other Fund created or existing for the benefit of the staff, workmen and other employees of the Undertaking-I of the De-merged Company-1 are concerned, upon the Scheme becoming effective, the Resulting Company-1 shall (to the extent of the services of the Transferred Employees) stand substituted for the Undertaking-I of the De-merged Company-1 for all purposes whatsoever relating to the administration or operation of such Funds or in relation to the obligation to make contributions to the said Funds in accordance with provisions of such Funds as per the terms provided in the respective Trust Deeds. It is the aim and intent that all the rights, duties, powers and obligations of the Undertaking-I of the De-merged Company-1 in relation to such Funds shall become those of the Resulting Company-1 and all the rights, duties and benefits of the employees of the Undertaking-I of the De-merged Company-1 under such Funds and Trusts shall be protected. It is clarified that the services of the employees of the Undertaking -I of the De-merged Company-1 will also be treated as



having been continuous and shall not be treated as having been broken for the purpose of the aforesaid Funds or provisions.

12. OPERATIONS OF THE DE-MERGED COMPANY-1


Upon De-merger and transfer of Power Generation Business Undertaking of STSL to SENL, the De-merged Company -1 shall not be dissolved or wound up and shall continue with its remaining business as a going concern.

PART-III

**SCHEME OF DE-MERGER AND TRANSFER OF PROJECT EXECUTION
DIVISION UNDERTAKING OF SUZLON INFRASTRUCTURE SERVICES
LIMITED**

13. HIGHLIGHTS OF THE SCHEME

Pursuant to this Scheme, the aforesaid Undertaking-II namely, the Project Execution Division of SISL situated at different wind farm locations mainly in the state of Maharashtra, Gujarat, Rajasthan, Madhya Pradesh, Tamilnadu, Karnataka, Andhra Pradesh and Kerala, shall, with effect from 1st April, 2010 (the Appointed Date) and without any further act or deed, be deemed to have been transferred to and vested in the Resulting Company-2, under Sections 391 to 394 of the Act in the manner that:

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- (a) All the assets and properties of the Undertaking-II being transferred by SISL, the De-merged Company-2, as on the Appointed Date, shall become the property of the Resulting Company-2 by virtue of the de-merger;
 - (b) All the liabilities relatable to the Undertaking-II, being transferred by SISL, the De-merged Company-2, as on the Appointed Date, shall become the liabilities of the Resulting Company-2 respectively by virtue of the de-merger;
 - (c) The assets, properties and liabilities of the Undertaking-II, being transferred by SISL, the De-merged Company-2 shall be transferred to the Resulting Company-2 at values appearing in the books of the De-merged Company-2 as on the Appointed Date;

- (d) The transfer of the Undertaking-II of the De-merged Company-2 is on going concern basis including the stock-in-trade so as the Resulting Company-2 shall be in a position to carry on the business which was being carried on in the said premises by the De-merged Company-2 without interruption;
- (e) In consideration of the transfer of the Undertaking-II, the Resulting Company-2 shall issue, shares to the shareholders of the De-merged Company-2 as and by way of consideration for the De-merged Undertaking-II and
- (f) All the shareholders of the De-merged Company-2 shall become the shareholders of the Resulting Company-2 by virtue of the de-merger;

14. TRANSFER OF UNDERTAKING-II

14.1 With effect from the Appointed Date and subject to the provisions of this Scheme and pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Act and in relation to the mode of transfer and vesting, all the assets and properties, rights, claims, title, interest, hereditaments and authorities including accretions and appurtenances thereto such as dividends, or other benefits received of the Undertaking-II, of the De-merged Company-2 shall, without any further act, instrument or deed, be and the same shall stand transferred to and / or vested in or be deemed to have been and stand transferred to or vested in the Resulting Company-2 as a going concern so as to become as and from the Appointed Date, the estate, rights, titles, hereditaments and interests and authorities including accretions and appurtenances thereto such as dividends, or other benefits receivable that of the Resulting Company-2.




14.2 With effect from the Appointed Date all debts, liabilities, duties and obligations of every kind, nature and description relatable to the Undertaking-II of the De-merged Company-2 shall be and stand transferred or deemed to be transferred, without any further act or deed, pursuant to the said Section 394 of the Act so as to become the debts, liabilities, duties and obligations of the Resulting Company-2 and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Scheme

14.3 Without prejudice to the generality of Clause 14.1 above, the Undertaking-II of the De-merged Company-2 shall mean and include inter alia all the relatable properties and assets including land and buildings, plant and machinery, current assets, cash and bank balances, stock-in-trade, work-in-progress, goodwill and other intangibles, investments, rights, titles, interests, powers, authorities, licenses, contracts, Tax Deducted at Source by vendors/ banks/ and receivable by the said undertaking as reflected in Form 26AS on NSDL Income Tax Website as well as those evidences by the valid TDS certificate and other Tax Credits pertaining to the said undertaking and registrations of whatsoever nature including, without being limited to all patents, trade marks, trade names, know-how and other intellectual property rights of whatsoever nature and licenses in respect thereof, privileges, liberties, easements, advantages, benefits, leases, tenancy rights, ownership flats, quota rights, permits, approvals, authorisations, right to use of telephone, telexes, fax machines, e-mail, internet, electricity connections, utilities and other services etc. (hereinafter collectively referred to as "the said assets") pertaining to the said Undertaking-II.

(a) It is expressly provided that in respect of such of the said assets as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be so transferred by the De-merged Company-2, and shall become the property of the Resulting Company-2 in pursuance of the provisions of Section 394 of the Act.

(b) In respect of such of the said assets other than those referred to in sub para (a) above, the same shall, as more particularly provided in sub-clause 14.3 above, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred and vested in the Resulting Company-2 on the Appointed Date pursuant to the provisions of Section 394 of the Act.



14.4 With effect from the Appointed Date, all taxes relating to the Undertaking-II of the De-merged Company-2, payable by the De-merged Company-2 including all or any refunds of claims shall be treated as the tax liabilities or refunds/claims as the case may be of Resulting Company-2.

14.5 The Resulting Company-2 shall be entitled to file/ revised their statutory returns and related tax payment certificates and to claim refunds, advance tax credits etc. as may be required consequent to the implementation of the Scheme.

14.6 The transfer/vesting of the Undertaking-II as aforesaid shall be subject to existing charges/hypothecation/mortgage /lien/ encumbrances (if any, as may be subsisting), of whatsoever nature and of whatsoever priority/preference, over or in respect of the assets of the Undertaking-II or any part thereof. However, that any reference in security documents or arrangements relating to the Undertaking -II to which the De-merged Company-2 is a party, to the said assets of the De-merged Company-2 which it has offered or agreed to be offered as security for any financial assistance or obligation, to the secured creditors of the said undertaking of the De-merged Company-2, shall be construed as reference only to the assets pertaining to the said undertaking of the De-merged Company-2 as are vested in the Resulting Company-2 by virtue of this Scheme, to the end and intent that such security, mortgage and charge shall not extend or be deemed to extend, to any of the asset or to any of the other units or undertakings of the Resulting Company-2, unless specifically agreed to by the Resulting Company-2 with such secured creditors and subject to the consent and approvals of the existing secured creditors of the Resulting Company-2.

14.7 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon coming into effect of the scheme, all consents, permissions, licenses, certificates, forms, clearances, authorities, powers of attorneys given/issued to executed in favour of the Undertaking-II of the De-merged Company-2 shall without any further Act or deed, stand transferred to the Resulting Company-2 as if the same were originally given by, issued to or executed in favour of the Resulting Company-2 and the Resulting Company-2 shall be bound by the terms thereof, the obligations and the duties there under and the rights and benefits under the same shall be available to the Resulting Company-2. The Resulting Company-2 shall receive relevant approval from the concerned governmental authorities as may be necessary in this behalf.

14.8 The Resulting Company-2 may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors of the De-merged Company-2 relating to the said




Undertaking-II or in favour of any other party to any contract or arrangement to which the De-merged Company-2 is a party or any writing as may be necessary to execute in order to give formal effect to the above provisions. The Resulting Company-2 shall under the provisions of this Scheme be deemed to be authorised to execute any such writings on behalf of the De-merged Company-2 as the case may be and to implement or carry out all such formalities or compliances as are required to be carried out or performed by the De-merged Company-2 under any loan agreements or contracts or otherwise.

14.9 The transfer of Undertaking-II shall not affect any transaction or proceedings already concluded by the De-merged Company-2 on or after the Appointed Date till the Effective Date, to the end and intent that the Resulting Company-2 accepts and adopts all acts, deeds and things done and executed by the De-merged Company-2 in respect thereto as done and executed on behalf of itself

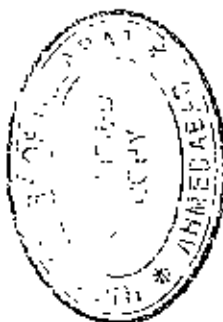
14.10 Loans or other obligations, if any, due or outstanding inter se between the Undertaking-II of the De-merged Company-2 and the Resulting Company-2 shall stand discharged and there shall be no liability, relating either to principal or to interest after the Appointed Date, in respect of such loans and other obligations.

15. CONDUCT OF BUSINESS BY DE-MERGED COMPANY-2 TILL THE EFFECTIVE DATE

From the Appointed Date until the Effective Date,

- 
- (a) The De-merged Company-2 shall carry on and shall be deemed to have carried on its business and activities and shall hold and shall stand possessed and shall be deemed to have held and stood possessed of all the assets of the said Undertaking-II on account of and in trust for the Resulting Company-2 and shall act and be entitled to be indemnified accordingly.
 - (b) Subject to the provisions of this Scheme, all the profits or income accruing or arising to the De-merged Company-2 or expenditures or losses incurred by it on account of the Undertaking-II shall for all purposes be treated and deemed to be the income, profit, loss or expenditure (as the case may be) of the Resulting Company-2.

- (c) The De-merged Company-2 shall carry on the business activities of the Undertaking-II with reasonable diligence, business prudence and the De-merged Company-2 shall not without the written concurrence of the Board of Directors of the Resulting Company-2, alienate, charge or otherwise deal with any of the properties or assets of the Undertaking-II (except incurring necessary and reasonable expenses to carry on the day-to-day operations and manufacturing activities of the said Undertaking-II and attending to its statutory obligations) or vary the terms and conditions of employment of its employees, if any.
- (d) The De-merged Company-2 shall not vary the terms and conditions of the employment of its employees of Undertaking-II except in the ordinary course of business and with the mutual consent of the Board of Directors of the De-merged Company-2 and Resulting Company-2.
- (e) The De-merged Company-2 shall not undertake any additional financial commitments or expenditure in regard to Undertaking-II of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure without the written consent of the Board of Directors of the Resulting Company-2.
- (f) During the pendency of the Scheme, the De-merged Company-2 shall not, undertake or commence any new business in the Undertaking-II without the prior written permission of the Board of Directors of the Resulting Company-2.
- (g) During the pendency of the Scheme, the De-merged Company-2 shall not, declare any dividend for the period commencing from the Appointed Date upto and including the Effective Date without the prior written permission of the Board of Directors of the Resulting Company-2.
- (h) The Resulting Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and other related agencies, departments and other authorities concerned as are necessary under any law for such consents, licenses, permissions, approvals and sanctions which the Resulting Company-2 may require to own and operate the businesses of the Undertaking-II of the De-merged Company-2.



16. LEGAL PROCEEDINGS

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All proceedings, (including all suits, appeals, revisions, petitions, references, applications or other proceedings of whatsoever nature) if any, by or against the De-merged Company-2 relating to and in respect of the said Undertaking-II, pending as on the appointed date in respect of any property, rights, assets, debts, liabilities, duties and obligations, if any, thereof referred to in Clauses 14.1, 14.2, 14.3 and 14.4 herein above, shall be continued without being prejudicially affected by reason of transfer of assets and liabilities of the said Undertaking-II of the De-merged Company-2, and enforced until the Effective Date by the De-merged Company-2 as desired by the Resulting Company-2 and as from the Effective Date, the same shall be continued and enforced by or against the Resulting Company-2, as the case may be.

17. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

- (a) Subject to the other provisions of the Scheme, all lawful contracts, duties, bonds, agreements and other instruments of whatever nature in respect of the Undertaking-II to which the De-merged Company-2 is a party subsisting or having effect immediately before the de-merger, shall be in full force and effect against or in favour of the Resulting Company-2, and may be enforced as fully and as effectively as if instead of the De-merged Company-2, the Resulting Company-2 had been a party thereto.
- (b) The Resulting Company-2 in respect of Undertaking-II may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, writings or confirmations or enter into a tri-partite arrangement, confirmation or novation to which the respective De-merged Company-2 will, as may be necessary also be a party in order to give formal effect to this Clause if so required or become necessary. The Resulting Company-2 shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the respective De-merged Company-2 and to carry out or perform all such formalities or compliances referred to above on the part of the respective De-merged Company-2.

18. ISSUE OF SHARES BY THE RESULTING COMPANY-2

- (a) Upon the transfer of the Undertaking-II of the De-merged Company -2, pursuant to this Scheme, the Resulting Company-2 shall issue and allot in its capital at par, credited as paid up to the extent indicated below, to the shareholders of the De-merged Company-2, the following number of shares viz:-

43,915,359 (Four Crore, Thirty Nine Lacs, Fifteen Thousand, Three Hundred and Fifty Nine only) Equity Shares of Rs.10/- each credited as fully Paid up at par against 4,500,000 (Forty Five Lacs) Equity Shares of Rs.10/- each held by the Shareholders of the De-merged Company-2, Suzlon Infrastructure Services Limited.

- (b) The said new Equity Shares of the Resulting Company-2 to be allotted to the shareholders of the De-Merged Company-2 shall be fully paid up share and shall rank for dividend, voting rights and in all other respects pari passu with the existing Equity Shares in the Resulting Company-2 except that they shall not be eligible for any dividend paid or declared by the Resulting Company-2 prior to the Effective Date.
- (c) The Resulting Company-2, if required, shall before allotment of the Equity Shares in terms of this Scheme increase/amend its Authorised Share Capital by the creation of such number of Equity Shares of Rs.10/- each as may be necessary to satisfy its obligations under the provisions of this Scheme.
- (d) The issue and allotment of Equity Shares in the Resulting Company-2 to the members of the De-merged Company-2 as provided in the Scheme shall be deemed to have been carried out under the applicable provisions of the Act.

19. ACCOUNTING TREATMENT OF ASSETS & LIABILITIES OF THE DE-MERGED COMPANY-2

(i) - In the books of De-merged Company-2

- (a) Upon the Scheme becoming effective, De-merged Company-2 shall reduce the book value of assets and liabilities pertaining to the Undertaking-II (as detailed in Schedule-II) from its books of accounts.

- (b) Upon the Scheme being effective, an amount equivalent to net book value of the assets (net of liabilities) of the de-merged Undertaking-II transferred to the Resulting Company-2 by the De-merged Company-2 in terms of this Scheme, shall be appropriated against the Profit and Loss Account of the De-merged Company-2 and after such appropriation, will be further appropriated against the balance of Securities Premium Account of the De-merged Company-2 to the extent required.

(II) In the books of the Resulting Company-2

- (a) Upon the Scheme being effective, the relatable assets and liabilities of, the Undertaking-II of the De-merged Company-2 shall be transferred to and vested in the books of the Resulting Company-2 at the same values as appearing in the books of the De-merged Company-2 on the Appointed Date (as detailed in Schedule II).
- (b) The difference between "the excess of the book value of the assets over the book value of liabilities of the De-merged Company-2" and "the book-value of the shares being issued under clause 18 above", if any, shall be credited to Capital Reserve account.
- (c) Loans and advances and other dues outstanding between Resulting Company-2 and Undertaking-II of the De-merged Company-2 will stand cancelled and there shall be no further obligation/outstanding in that behalf.
- (d) In case of any difference in accounting policy between the Undertaking-II of the De-merged Company-2 and the Resulting Company-2, the impact of the same will be quantified and adjusted in the Profit and Loss Account to ensure that the financial statement of the Resulting Company-2 reflects the financial position on the basis of consistency in the accounting policy.
- (e) Notwithstanding the above, the Board of Directors of the Resulting Company-2 in consultation with its Auditors, is authorized to account any of these balances in any manner whatsoever as may be deemed fit.
- (f) Upon this Scheme becoming effective, the liabilities of the De-merged Company-2 in respect of and relating to the Undertaking-II shall be paid and discharged by the Resulting Company-2 in accordance with the terms of borrowing of the said moneys and the



security, if any, given to the creditors of the De-merged Company-2 over any of the assets of the Undertaking-II, shall continue to ensure to the benefit of the creditors in the same manner and to the same extent as if the scheme had not been implemented.

20. DE-MERGED COMPANY-2'S STAFF, WORKMEN AND EMPLOYEES

All the staff, workmen or other employees in the service of the Undertaking-II of the De-merged Company-2 on the Effective Date shall become the staff, workmen and employees of the Resulting Company-2 on the basis that :

- (a) Their services shall be deemed to have been continuous and not have been interrupted by reason of the said transfer.
- (b) The terms and conditions of service applicable to such staff, workmen or employees after such transfer shall not in any way be less favourable to them than those applicable to them immediately preceding the transfer date.
- (c) The Resulting Company-2, however, shall also have the right to exercise an option if warranted to transfer such number of employees to any other unit of Resulting Company-2 as may be deemed necessary.
- (d) The Resulting Company-2 shall not vary the terms and conditions of the service of their staff, workmen and employees except in the ordinary course of business.
- (e) It is expressly provided that as far as Provident Fund, Gratuity Fund, Superannuation Fund or any other Fund created or existing for the benefit of the staff, workmen and other employees of the Undertaking-II of the De-merged Company-2 are concerned, upon the Scheme becoming effective, the Resulting Company-2 shall (to the extent of the services of the Transferred Employees) stand substituted for the Undertaking-II of the De-merged Company-2 for all purposes whatsoever relating to the administration or operation of such Funds or in relation to the obligation to make contributions to the said Funds in accordance with provisions of such Funds as per the terms provided in the respective Trust Deeds. It is the aim and intent that all the rights, duties, powers and obligations of the Undertaking-II of the De-merged Company-2 in relation to such Funds shall become those of the Resulting Company-2 and all the rights, duties and benefits of the employees of the Undertaking-II of



the De-merged Company-2 under such Funds and Trusts shall be protected. It is clarified that the services of the employees of the Undertaking-II of the De-merged Company-2 will also be treated as having been continuous and shall not be treated as having been broken for the purpose of the aforesaid Funds or provisions.

21. OPERATIONS OF THE DE-MERGED COMPANY-2

Upon De-merger and Transfer of Power Execution Division Undertaking of SISL to SGWPL, the De-merged Company-2 shall not be dissolved or wound up and shall continue with its remaining business as a going concern.

22. REORGANISATION OF CAPITAL IN FORM OF UTILISATION OF SECURITIES PREMIUM ACCOUNT OF DE-MERGED COMPANY-2.

Upon the Scheme being finally effective, in view of the transfer of Undertaking-II by the De-merged Company-2:

- (a) An amount equivalent to net book value of assets (net of liabilities) of the Undertaking-II transferred to the Resulting Company-2 by the De-merged Company-2 in terms of this Scheme, shall be appropriated against the Profit and Loss Account and then against Securities Premium Account of De-merged Company-2, to the extent required.
- (b) The approval from the Equity Shareholders of the De-merged Company-2 shall be deemed to have been received as contemplated by Section 78 read with Section 100 of the Act on this Scheme being approved by members of the De-merged Company-2.
- (c) The reduction in the Securities Premium Account of the De-merged Company-2 shall be effected as an integral part of the Scheme itself as the same does not involve either diminution of liability in respect of unpaid Share Capital or payment to any shareholder of any unpaid Share Capital and the order of the Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act confirming the reduction.



**AMALGAMATION OF SUZLON TOWERS AND STRUCTURES LIMITED WITH
SUZLON ENERGY LIMITED**

23. HIGHLIGHTS OF THE SCHEME

Pursuant to this Scheme, **STSL** with its **Undertaking-III** situated at Pune, Ahmedabad, Trichy, Bangalore and Jaipur in the state of Maharashtra, Gujarat, Tamilnadu, Karnataka and Rajasthan, respectively, shall, with effect from 1st April, 2010 (the Appointed Date) and without any further act or deed, be deemed to have been amalgamated to and vested in the **Transferee Company**, under Sections 391 to 394 of the Act in the manner that:

- (a) All the assets and properties of the Transferor Company-1, as on the Appointed Date, shall become the property of the Transferee Company by virtue of amalgamation.
- (b) All the liabilities relatable to the Transferor Company-1, as on the Appointed Date, shall become the liabilities of the Transferee Company by virtue of amalgamation.
- (c) The assets, properties and liabilities of the Transferor Company- 1, shall be transferred to the Transferee Company at values appearing in the books of the Transferor Company-1 as on the Appointed Date.

24. TRANSFER OF UNDERTAKING

24.1 With effect from the Appointed Date and subject to the provisions of this Scheme and pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Act and in relation to the mode of transfer and vesting, all the assets and properties, rights, claims, title, interest, hereditaments and authorities including accretions and appurtenances thereto such as dividends, or other benefits received or receivable by the Transferor Company-1 shall, without any further act, instrument or deed, be and the same shall stand transferred to and / or vested in or be deemed to have been and stand transferred to or vested in the Transferee Company so as to become as and from the Appointed Date, the estate, rights, titles, hereditaments and interests and authorities including accretions and appurtenances thereto such as dividends, or other benefits receivable that of the Transferee Company.

24.2 With effect from the Appointed Date all debts, liabilities, duties and obligations of every kind, nature and description relatable to the Transferor Company-1 shall be and stand transferred or deemed to be transferred, without any further act or deed, pursuant to the said Section 394 of the Act so as to become the debts, liabilities, duties and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Scheme.

24.3 Without prejudice to the generality of Clause 24.1 above, the assets and properties of the Transferor Company-1 shall mean and include inter alia all the relatable properties and assets including land and buildings, plant and machinery, vehicles, current assets, cash and bank balances, stock-in-trade, work-in-progress, goodwill and other intangibles, investments, rights, titles, interests, powers, authorities, licenses, contracts, tax deducted at source by vendors/ banks/ and receivable by the Transferor Company-1 as reflected in Form 26AS on NSDL Income Tax Website as well as those evidences by the valid TDS certificate and other Tax Credits pertaining to the Transferor Company-1 and registrations of whatsoever nature including, without being limited to all patents, trade marks, trade names, know-how and other intellectual property rights of whatsoever nature and licenses in respect thereof, privileges, liberties, easements, advantages, benefits, leases, tenancy rights, ownership flats, quota rights, permits, approvals, authorizations, right to use of telephone, telexes, fax machines, e-mail, internet, Electricity connections, utilities and other services etc. (hereinafter collectively referred to as "the said assets") pertaining to the Transferor Company-1.

(a) It is expressly provided that in respect of such of the said assets as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company-1, and shall become the property of the Transferee Company in pursuance of the provisions of Section 394 of the Act.

(b) In respect of such of the said assets other than those referred to in sub para (a) above, the same shall, as more particularly provided in sub-clause 24.3 above, without any further act, instrument or deed,

be transferred to and vested in and/or be deemed to be transferred and vested in the Transferee Company on the Appointed Date pursuant to the provisions of Section 394 of the Act.

24.4 With effect from the Appointed Date, all taxes relating and payable by the Transferor Company-1 including all or any refunds of claims shall be treated as the tax liabilities or refunds/claims as the case may be of Transferee Company.

24.5 The Transferee Company shall be entitled to file/ revise their statutory returns and related tax payment certificates and to claim refunds, advance tax credits etc. as may be required consequent to the implementation of the Scheme.

24.6 The transfer/vesting of the assets and properties of the Transferor Company- 1 as aforesaid shall be subject to existing charges/ hypothecation/ mortgage/ lien/ encumbrances (if any, as may be subsisting), of whatsoever nature and of whatsoever priority/preference, over or in respect of the assets of the Transferor Company -1 or any part thereof. However, that any reference in security documents or arrangements relating to which the Transferor Company-1 is a party, to the said assets of the Transferor Company-1 which it has offered or agreed to be offered as security for any financial assistance or obligation, to the secured creditors of the said Transferor Company-1, shall be construed as reference only to the assets pertaining to the Transferor Company-1 as are vested in the Transferee Company by virtue of this Scheme, to the end and intent that such security, mortgage and charge shall not extend or be deemed to extend, to any of the asset or to any of the other units or undertaking of the Transferee Company, unless specifically agreed to by the Transferee Company with such secured creditors and subject to the consent and approvals of the existing secured creditors of the Transferee Company.

24.7 For the avoidance of doubt and without prejudice to the generality of the forgoing, it is clarified that upon coming into effect of the scheme, all consents, permissions, licenses, certificates, forms, clearances, authorities, powers of attorneys given/issued to executed in favour of the Transferor Company-1 shall without any further Act or deed, stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company and the Transferee Company shall be bound by the terms thereof, the



obligations and the duties there under and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall receive relevant approval from the concerned governmental authorities as may be necessary in this behalf.

24.8 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors of the Transferor Company-1 or in favour of any other party to any contract or arrangement to which the Transferor Company-1 is a party or any writing as may be necessary to execute in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of this Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Company-1 as the case may be and to implement or carry out all such formalities or compliances as are required to be carried out or performed by the Transferor Company-1 under any loan agreements or contracts or otherwise.

24.9 The transfer of assets and properties of the Transferor Company-1 shall not affect any transaction or proceedings already concluded by the Transferor Company-1 on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company-1 in respect thereto as done and executed on behalf of itself.

24.10 Loans or other obligations, if any, due or outstanding inter se between the Transferor Company-1 and the Transferee Company shall stand discharged and there shall be no liability, relating either to principal or to interest after the Appointed Date, in respect of such loans and other obligations.



25. CONDUCT OF BUSINESS BY TRANSFEROR COMPANY-1 TILL EFFECTIVE DATE

From the Appointed Date until the Effective Date,

(a) The Transferor Company-1 shall carry on and shall be deemed to have carried on its business and activities and shall hold and shall stand possessed and shall be deemed to have held and stood possessed of all the assets on account of and in trust for the Transferee Company and shall act and be entitled to be indemnified accordingly.

- (b) Subject to the provisions of this Scheme, all the profits or income accruing or arising to the Transferor Company-1 or expenditures or losses incurred by it, shall for all purposes be treated and deemed to be the income, profit, loss or expenditure (as the case may be) of the Transferee Company.
- (c) The Transferor Company-1 shall carry on the business activities with reasonable diligence, business prudence and the Transferor Company-1 shall not without the written concurrence of the Board of Directors of the Transferee Company, alienate, charge or otherwise deal with any of the properties or assets (except incurring necessary and reasonable expenses to carry on the day-to-day operations and manufacturing activities and attending to its statutory obligations) or vary the terms and conditions of employment of its employees, if any.
- (d) The Transferor Company-1 shall not vary the terms and conditions of the employment of its employees except in the ordinary course of business and with the mutual consent of the Board of Directors of the Transferor Company-1 and Transferee Company.
- (e) The Transferor Company-1 shall not undertake any additional financial commitments of any nature whatsoever, borrow any amount or incur any other liabilities or expenditure without the written consent of the Board of Directors of the Transferee Company.
- (f) During the pendency of the Scheme, the Transferor Company-1 shall not, undertake or commence any new business without the prior written permission of the Board of Directors of the Transferee Company.
- (g) During the pendency of the Scheme, the Transferor Company-1 shall not, declare any dividend for the period commencing from the Appointed Date upto and including the Effective Date without the prior written permission of the Board of Directors of the Transferee Company.
- (h) The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and other related agencies, departments and other authorities concerned as are necessary under any law for such consents, licenses, permissions, approvals and sanctions which the Transferee Company may require to own and operate the businesses of the Transferor Company-1.



26. LEGAL PROCEEDINGS

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All proceedings, (including all suits, appeals, revisions, petitions, references, applications or other proceedings of whatsoever nature) if any, by or against the Transferor Company-1, pending as on the Appointed Date in respect of any property, rights, assets, debts, liabilities, duties and obligations, if any, thereof referred to in Clauses 24.1, 24.2, 24.3 and 24.4 herein above, shall be continued without being prejudicially affected by reason of transfer of assets and liabilities of the Transferor Company-1, and enforced until the Effective Date by the Transferor Company-1 as desired by the Transferee Company and as from the Effective Date, the same shall be continued and enforced by or against the Transferee Company, as the case may be.

27. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

- (a) Subject to the other provisions of the Scheme, all lawful contracts, duties, bonds, agreements and other instruments of whatever nature in respect of which the Transferor Company-1 is a party subsisting or having effect immediately before the amalgamation, shall be in full force and effect against or in favour of the Transferee Company, and may be enforced as fully and as effectively as if instead of the Transferor Company-1 the Transferee Company had been a party thereto.
- (b) The Transferee Company in respect of the Transferor Company-1 may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, writings or confirmations or enter into a tri-partite arrangement, confirmation or novation to which the Transferor Company-1 will, as may be necessary also be a party in order to give formal effect to this Clause if so required or become necessary. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the respective Transferor Company-1 and to carry out or perform all such formalities or compliances referred to above on the part of the respective Transferor Company-1.



28. ISSUE OF SHARES BY THE TRANSFEE COMPANY

The Transferor Company-1 being the wholly owned subsidiary of the Transferee Company, the entire share capital of Transferor Company -1 is held by the Transferee Company and its nominees. Upon the Scheme

becoming effective, the entire share capital of the Transferor Company-1 shall get automatically cancelled/ extinguished. The Transferee Company shall not be required to issue and allot any shares as the Transferee Company and its nominee are themselves the only shareholders of the Transferor Company-1.

29. ACCOUNTING TREATMENT OF ASSETS & LIABILITIES OF TRANSFEROR COMPANY-1

- 29.1 Upon the Scheme being effective, the relatable assets, liabilities and reserves of the Transferor Company-1 shall be transferred to and vested in the books of the Transferee Company at the same values as appearing in the books of the Transferor Company-1 on the Appointed Date.
- 29.2 Upon the scheme being effective, the interse holding of shares of the Transferor Company-1 held by the Transferee Company, shall be cancelled and no new shares of the Transferee Company shall be issued against such shares
- 29.3 The difference in the value of the net assets of the Transferor Company-1 as on appointed date after giving effect of clause 29.1, 29.2 and pursuant to this Scheme shall be adjusted to Capital Reserve by the Transferee Company.
- 29.4 As on the Appointed Date, and subject to any corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company be required, the reserves of the Transferor Company-1 will be merged with those of the Transferee Company in the same form as they appear in the financial statements of the Transferor Company-1.
- 29.5 An amount equal to the balance lying to the credit of "Profit and Loss Account" as on the Appointed Date in the books of Transferor Company-1 shall constitute the Transferee Company's free reserve as effectively as if the same were created by the Transferee Company out of its own earned and distributable profits.
- 29.6 Loans and advances and other dues outstanding between Transferee Company and Transferor Company-1 will stand cancelled and there shall be no further obligation/outstanding in that behalf.



- 29.7 In case of any difference in accounting policy between the Transferor Company-1 and the Transferee Company, the impact of the same will be quantified and adjusted in the Profit and Loss Account to ensure that the financial statement of the Transferee Company reflects the financial position on the basis of consistency in the accounting policy.
- 29.8 Notwithstanding the above, the Board of Directors of the Transferee Company in consultation with its Auditors, is authorized to account any of these balances in any manner whatsoever as may be deemed fit.

30. TRANSFEROR COMPANY-1'S STAFF, WORKMEN AND EMPLOYEES

All the staff, workmen or other employees in the service of the Transferor Company-1 on the Effective Date shall become the staff, workmen and employees of the Transferee Company on the basis that :

- (a) Their services shall be deemed to have been continuous and not have been interrupted by reason of the said transfer.
- (b) The terms and conditions of service applicable to such staff, workmen or employees after such transfer shall not in any way be less favourable to them than those applicable to them immediately preceding the transfer date.
- (c) The Transferee Company, however, shall also have the right to exercise an option if warranted to transfer such number of employees to any other unit of Transferee Company as may be deemed necessary.
- (d) The Transferee Company shall not vary the terms and conditions of the service of their staff, workmen and employees except in the ordinary course of business.
- (e) It is expressly provided that as far as Provident Fund, Gratuity Fund, Superannuation Fund or any other Fund created or existing for the benefit of the staff, workmen and other employees of the Transferor Company-1 are concerned, upon the Scheme becoming effective, the Transferee Company shall (to the extent of the services of the Transferred Employees) stand substituted for the Transferor Company-1 for all purposes whatsoever relating to the administration or operation of such Funds or in relation to the obligation to make contributions to the said Funds in accordance with provisions of such Funds as per the terms provided in the respective Trust Deeds. It is the aim and intent that all the rights, duties, powers and obligations of the Transferor



Company-1 in relation to such Funds shall become those of the Transferee Company and all the rights, duties and benefits of the employees of the Transferor Company-1 under such Funds and Trusts shall be protected. It is clarified that the services of the employees of the Transferor Company-1 will also be treated as having been continuous and shall not be treated as having been broken for the purpose of the aforesaid Funds or provisions.

31. DISSOLUTION OF TRANSFEROR COMPANY-1

Upon the Scheme being sanctioned as aforesaid, the Transferor Company-1 shall stand dissolved without winding up on such Effective Date on which the order is passed by the Hon'ble High Court of Gujarat and /or the Hon'ble High Court of Judicature at Bombay or National Company Law Tribunal (NCLT) under Section 394 of the Act.

PART-V

**AMALGAMATION OF SUZLON INFRASTRUCTURE SERVICES LIMITED
WITH SUZLON ENERGY LIMITED**

32. HIGHLIGHTS OF THE SCHEME

Pursuant to this Scheme, **SISL** with its **Undertaking-IV** situated at different windfarm locations mainly in the state of Maharashtra, Gujarat, Rajasthan, Madhya Pradesh, Tamilnadu, Karnataka, Andhra Pradesh and Kerala, shall, with effect from 1st April, 2010 (the Appointed Date) and without any further act or deed, be deemed to have been amalgamated to and vested in the **Transferee Company**, under Sections 391 to 394 of the Act in the manner that:

- (a) All the assets and properties of the Transferor Company-2, as on the Appointed Date, shall become the property of the Transferee Company by virtue of amalgamation.
- (b) All the liabilities relatable to the Transferor Company-2, as on the Appointed Date, shall become the liabilities of the Transferee Company respectively by virtue of amalgamation.
- (c) The assets, properties and liabilities of the Transferor Company-2 shall be transferred to the Transferee Company at the values appearing in the books of the Transferor Company-2 as on the Appointed Date.



33. TRANSFER OF UNDERTAKING

33.1 With effect from the Appointed Date and subject to the provisions of this Scheme and pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Act and in relation to the mode of transfer and vesting, all the assets and properties, rights, claims, title, interest, hereditaments and authorities including accretions and appurtenances thereto such as dividends, or other benefits received or receivable by the Transferor Company-2 shall, without any further act, instrument or deed, be and the same shall stand transferred to and / or vested in or be deemed to have been and stand transferred to or vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, the estate, rights, titles, hereditaments and interests and authorities including accretions and appurtenances thereto such as dividends, or other benefits receivable that of the Transferee Company.

33.2 With effect from the Appointed Date all debts, liabilities, duties and obligations of every kind, nature and description relatable to the Transferor Company-2 shall be and stand transferred or deemed to be transferred, without any further act or deed, pursuant to the said Section 394 of the Act so as to become the debts, liabilities, duties and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Scheme .

33.3 Without prejudice to the generality of Clause 33.1 above, the assets and properties of the Transferor Company-2 shall mean and include inter alia all the relatable properties and assets including land and buildings, plant and machinery, current assets, cash and bank balances, stock-in-trade, work-in-progress, goodwill and other intangibles, investments, rights, titles, interests, powers, authorities, licenses, contracts, Tax Deducted at Source by vendors/ banks/ and receivable by the Transferor Company-2 as reflected in Form 26AS on NSDL Income Tax Website as well as those evidences by the valid TDS certificate and other Tax Credits pertaining to the Transferor Company - 1 and registrations of whatsoever nature including, without being limited to all patents, trade marks, trade names, know-how and other intellectual property rights of whatsoever nature and licenses in respect



thereof, privileges, liberties, easements, advantages, benefits, leases, tenancy rights, ownership flats, quota rights, permits, approvals, authorisations, right to use of telephone, telexes, fax machines, e-mail, internet, electricity connections, utilities and other services etc. (hereinafter collectively referred to as "the said assets") pertaining to the Transferor Company-2.

(a) It is expressly provided that in respect of such of the said assets as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company-2, and shall become the property of the Transferee Company in pursuance of the provisions of Section 394 of the Act.

(b) In respect of such of the said assets other than those referred to in sub para (a) above, the same shall, as more particularly provided in sub-clause 33.3 above, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred and vested in the Transferee Company on the Appointed Date pursuant to the provisions of Section 394 of the Act.

33.4 With effect from the Appointed Date, all taxes relating and payable by the Transferor Company-2 including all or any refunds of claims shall be treated as the tax liabilities or refunds/claims as the case may be of Transferee Company.

33.5 The Transferee Company shall be entitled to file/ revised their statutory returns and related tax payment certificates and to claim refunds, advance tax credits etc. as may be required consequent to the implementation of the Scheme.

33.6 The transfer/vesting of the assets and properties of the Transferor Company -2 as aforesaid shall be subject to existing charges/hypothecation/mortgage /lien/ encumbrances (if any, as may be subsisting), of whatsoever nature and of whatsoever priority/preference, over or in respect of the assets of the Transferor Company-2 or any part thereof. However, that any reference in security documents or arrangements relating to which the Transferor Company-2 is a party, to the said assets of the Transferor Company-2 which it has offered or agreed to be offered as security for any financial assistance or obligation, to the secured creditors of the Transferor Company-2, shall be construed as reference only to the assets



pertaining to the Transferor Company-2 as are vested in the Transferee Company by virtue of this Scheme, to the end and intent that such security, mortgage and charge shall not extend or be deemed to extend, to any of the asset or to any of the other units or undertakings of the Transferee Company, unless specifically agreed to by the Transferee Company with such secured creditors and subject to the consent and approvals of the existing secured creditors of the Transferee Company.

33.7 For the avoidance of doubt and without prejudice to the generality of the forgoing, it is clarified that upon coming into effect of the scheme, all consents, permissions, licenses, certificates, forms, clearances, authorities, powers of attorneys given/issued to executed in favour of the Transferor Company-2 shall without any further Act or deed, stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company and the Transferee Company shall be bound by the terms thereof, the obligations and the duties there under and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall receive relevant approval from the concerned governmental authorities as may be necessary in this behalf.

33.8 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors of the Transferor Company-2 or in favour of any other party to any contract or arrangement to which the Transferor Company-2 is a party or any writing as may be necessary to execute in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of this Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Company-2 as the case may be and to implement or carry out all such formalities or compliances as are required to be carried out or performed by the Transferor Company-2 under any loan agreements or contracts or otherwise.



33.9 The transfer of assets and properties of the Transferor Company-2 shall not affect any transaction or proceedings already concluded by the Transferor Company-2 on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company-2 in respect thereto as done and executed on behalf of itself

33.10 Loans or other obligations, if any, due or outstanding inter se between the Transferor Company-2 and the Transferee Company shall stand discharged and there shall be no liability, relating either to principal or to interest after the Appointed Date, in respect of such loans and other obligations.

34. CONDUCT OF BUSINESS BY TRANSFEROR COMPANY-2 TILL THE EFFECTIVE DATE

From the Appointed Date until the Effective Date,

- (a) The Transferor Company-2 shall carry on and shall be deemed to have carried on its business and activities and shall hold and shall stand possessed and shall be deemed to have held and stood possessed of all the assets of and in trust for the Transferee Company and shall act and be entitled to be indemnified accordingly.
- (b) Subject to the provisions of this Scheme, all the profits or income accruing or arising to the Transferor Company-2 or expenditures or losses incurred by it, shall for all purposes be treated and deemed to be the income, profit, loss or expenditure (as the case may be) of the Transferee Company.
- (c) The Transferor Company-2 shall carry on the business activities with reasonable diligence, business prudence and the Transferor Company-2 shall not without the written concurrence of the Board of Directors of the Transferee Company, alienate, charge or otherwise deal with any of the properties or assets (except incurring necessary and reasonable expenses to carry on the day-to-day operations and manufacturing activities and attending to its statutory obligations) or vary the terms and conditions of employment of its employees, if any.
- (d) The Transferor Company-2 shall not vary the terms and conditions of the employment of its employees except in the ordinary course of business and with the mutual consent of the Board of Directors of the Transferor Company-2 and Transferee Company.
- (e) The Transferor Company-2 shall not undertake any additional financial commitments or expenditure of any nature whatsoever, borrow any amount or incur any other liabilities or expenditure without the written consent of the Board of Directors of the Transferee Company.

- (f) During the pendency of the Scheme, the Transferor Company-2 shall not, undertake or commence any new business without the prior written permission of the Board of Directors of the Transferee Company.
- (g) During the pendency of the Scheme, the Transferor Company-2 shall not, declare any dividend for the period commencing from the Appointed Date upto and including the Effective Date without the prior written permission of the Board of Directors of the Transferee Company.
- (h) The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and other related agencies, departments and other authorities concerned as are necessary under any law for such consents, licenses, permissions, approvals and sanctions which the Transferee Company may require to own and operate the businesses of the Transferor Company-2.

35. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

- (a) Subject to the other provisions of the Scheme, all lawful contracts, duties, bonds, agreements and other instruments of whatever nature in respect of which the Transferor Company-2 is a party subsisting or having effect immediately before the amalgamation, shall be in full force and effect against or in favour of the Transferee Company, and may be enforced as fully and as effectively as if instead of the Transferor Company-2, the Transferee Company had been a party thereto.
- (b) The Transferee Company in respect of the Transferor Company-2 may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, writings or confirmations or enter into a tri-partite arrangement, confirmation or novation to which the respective Transferor Company-2 will, as may be necessary also be a party in order to give formal effect to this Clause if so required or become necessary. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the respective Transferor Company-2 and to carry out or perform all such formalities or compliances referred to above on the part of the respective Transferor Company-2.



36. ISSUE OF SHARES BY THE TRANSFeree COMPANY

The Transferor Company-2 being the wholly owned subsidiary of the Transferee Company, the entire share capital of Transferor Company-2 is held by the Transferee Company and its nominees. Upon the Scheme becoming effective, the entire share capital of the Transferor Company-2 shall get automatically cancelled/ extinguished. The Transferee Company shall not be required to issue and allot any shares as the Transferee Company and its nominee are themselves the only shareholders of the Transferor Company-2.

37. ACCOUNTING TREATMENT OF ASSETS & LIABILITIES OF THE TRANSFEROR COMPANY-2

- 37.1 Upon the Scheme being effective, the relatable assets, liabilities and reserves of the Transferor Company-2 shall be transferred to and vested in the books of the Transferee Company at the same values as appearing in the books of the Transferor Company-2 on the Appointed Date.
- 37.2 Upon the scheme being effective, the interse holding of shares of the Transferor Company-2 held by the Transferee Company, shall be cancelled and no new shares of the Transferee Company shall be issued against such shares.
- 37.3 The difference in the value of the net assets of the Transferor Company-2 as on appointed date after giving effect of clause 37.1, 37.2 and pursuant to this Scheme shall be adjusted to Capital Reserve by the Transferee Company.
- 37.4 As on the Appointed Date, and subject to any corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company be required, the reserves of the Transferor Company-2 will be merged with those of the Transferee Company in the same form as they appear in the financial statements of the Transferor Company-2.
- 37.5 An amount equal to the balance lying to the credit of "Profit and Loss Account" as on the Appointed Date in the books of Transferor Company-2 shall constitute the Transferee Company's free reserve as effectively as if the same were created by the Transferee Company out of its own earned and distributable profits.




- 37.6 Loans and advances and other dues outstanding between Transferee Company and Transferor Company-2 will stand cancelled and there shall be no further obligation/outstanding in that behalf.
- 37.7 In case of any difference in accounting policy between the Transferor Company-2 and the Transferee Company, the impact of the same will be quantified and adjusted in the Profit and Loss Account to ensure that the financial statement of the Transferee Company reflects the financial position on the basis of consistency in the accounting policy.
- 37.8 Notwithstanding the above, the Board of Directors of the Transferee Company in consultation with its Auditors, is authorized to account any of these balances in any manner whatsoever as may be deemed fit.

38. LEGAL PROCEEDINGS

All proceedings, (including all suits, appeals, revisions, petitions, references, applications or other proceedings of whatsoever nature) if any, by or against the Transferor Company-2, pending as on the appointed date in respect of any property, rights, assets, debts, liabilities, duties and obligations, if any, thereof referred to in Clauses 33.1, 33.2, 33.3 and 33.4 herein above, shall be continued without being prejudicially affected by reason of transfer of assets and liabilities of of the Transferor Company-2, and enforced until the Effective Date by the Transferor Company-2 as desired by the Transferee Company and as from the Effective Date, the same shall be continued and enforced by or against the Transferee Company, as the case may be.

39. TRANSFEROR COMPANY-2's STAFF, WORKMEN AND EMPLOYEES

All the staff, workmen or other employees in the service of the Transferor Company-2 on the Effective Date shall become the staff, workmen and employees of the Transferee Company on the basis that :

- 
- (a) Their services shall be deemed to have been continuous and not have been interrupted by reason of the said transfer.
 - (b) The terms and conditions of service applicable to such staff, workmen or employees after such transfer shall not in any way be less favourable to them than those applicable to them immediately preceding the transfer date.

- (c) The Transferee Company, however, shall also have the right to exercise an option if warranted to transfer such number of employees to any other unit of Transferee Company as may be deemed necessary.
- (d) The Transferee Company shall not vary the terms and conditions of the service of their staff, workmen and employees except in the ordinary course of business.
- (e) It is expressly provided that as far as Provident Fund, Gratuity Fund, Superannuation Fund or any other Fund created or existing for the benefit of the staff, workmen and other employees of the Transferor Company-2 are concerned, upon the Scheme becoming effective, the Transferee Company shall (to the extent of the services of the Transferred Employees) stand substituted for the Transferor Company-2 for all purposes whatsoever relating to the administration or operation of such Funds or in relation to the obligation to make contributions to the said Funds in accordance with provisions of such Funds as per the terms provided in the respective Trust Deeds. It is the aim and intent that all the rights, duties, powers and obligations of the Transferor Company-2 in relation to such Funds shall become those of the Transferee Company and all the rights, duties and benefits of the employees of the Transferor Company-2 under such Funds and Trusts shall be protected. It is clarified that the services of the employees of the Transferor Company-2 will also be treated as having been continuous and shall not be treated as having been broken for the purpose of the aforesaid Funds or provisions.

40. DISSOLUTION OF TRANSFEROR COMPANY-2

Upon the Scheme being sanctioned as aforesaid, the Transferor Company-2 shall stand dissolved without winding up on such Effective Date on which the order is passed by the Hon'ble High Court of Gujarat and /or the Hon'ble High Court of Judicature at Bombay or National Company Law Tribunal (NCLT) under Section 594 of the Act.



**GENERAL CLAUSES FOR MATTERS INCIDENTAL OR CONSEQUENTIAL
WITH THE ABOVE**

41. VALIDITY OF THE EXISTING RESOLUTIONS

Upon the coming into effect, of this Scheme, the resolutions if any, of the De-merged Companies and the Transferor Companies which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as the resolutions of the Resulting Companies and the Transferee Company respectively and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Resulting Companies and the Transferee Company respectively and shall constitute the aggregate of the said limits in the Resulting Companies and the Transferee Company respectively.

42. APPLICATIONS TO HIGH COURT

The De-merged Companies/ the Transferor Companies and the Resulting Companies shall with all reasonable dispatch, make necessary applications/ petitions to the respective jurisdictional court being High Court of Gujarat and/or High Court of Judicature at Mumbai or National Company Law Tribunal (NCLT) for sanctioning the Scheme under Section 391 of the Act and for an order under Section 394 of the Act and for carrying the Scheme into effect. The Transferee Company shall make necessary application/petition, as may be necessary if so directed by the Hon'ble High Courts.

43. MODIFICATIONS/AMENDMENTS TO THE SCHEME

The De-merged Companies and the Transferor Companies by a simple majority of their respective Directors and the Resulting Companies and the Transferee Company by a simple majority of their Directors may assent from time to time on behalf of persons concerned to any modifications/amendments to the Scheme or agree to any terms and/or conditions which the High Court of Gujarat and/or High Court of Judicature at Mumbai or the National Company Law Tribunal (NCLT) and/or any other authorities under the law may deem fit to approve or impose or which may otherwise be considered necessary or desirable for settling any question, doubt or difficulties that may arise for



implementing and/or carrying out the Scheme and may do all such acts, deeds, matters and things as may be necessary, desirable or expedient for putting the Scheme into effect.

44. SCHEME CONDITIONAL ON APPROVALS/SANCTIONS

This Scheme is conditional upon and subject to the following provisions :

- (a) to the approval of and agreement to the Scheme by the requisite majorities of such classes of shareholders as well as the creditors of the De-merged Companies, Transferor Companies and shareholders of the Resulting Companies and shareholders of the Transferee Company if so directed by the Hon'ble High Courts or the National Company Law Tribunal (NCLT) on the applications made for directions under Section 391 of the Act, for calling meeting and necessary resolutions being passed under the Act for the purpose.
- (b) The sanction of the Scheme by the respective High Courts or National Company Law Tribunal (NCLT) and to the necessary order or orders being obtained under Section 391, 394 and other applicable provisions of the Act by the De-merged Companies, the Transferor Companies, the Resulting Companies and the Transferee Company.
- (c) The approvals, sanctions and permissions, if any, of the other concerned authorities as may be required.
- (d) The De-merged Companies, the Transferor Companies, the Resulting Companies and the Transferee Company shall obtain such other consent or approval as may be required under any statute or contract not specifically referred to in this Scheme.
- (e) Each Section of the scheme shall be given effect to as per the chronology in which it has been provided for in the Scheme. Each part in each Section is independent of each Section and is severable. The Scheme shall be effective upon sanction of the High Court of Gujarat and/or High Court of Judicature at Mumbai or National Company Law Tribunal (NCLT). However, failure of any one part of one Section for lack of necessary approval from the shareholders / creditors / statutory regulatory authorities or for any other reason that the Board of Directors may deem fit then this shall not result in the whole Scheme failing. It shall be open to the concerned Board of Directors to consent sever such part(s) of the Scheme and implement the rest of the Scheme with such modification.



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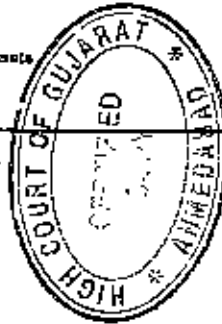
45. MISCELLANEOUS

- (a) The Scheme, although operative from the Appointed Date, shall take effect upon and from the date on which the last of the confirmation, sanctions and approvals or orders are finally obtained and the certified copies of the order(s) of the competent courts under Section 394 of the Act are filed with the respective Registrar of Companies, Gujarat at Ahmedabad and Registrar of Companies, Maharashtra at Pune and which date shall be the Effective Date for the purpose of the Scheme.
- (b) Till the event of this Scheme being effective, De-merged Companies, the Transferor Companies, the Resulting Companies and the Transferee Company, shall continue to hold their Annual General Meeting and other meetings in accordance with the relevant laws and shall continue to comply with all their statutory obligations in the same manner, as if this Scheme is not existing.
- (c) In regard to de-merger of companies in Part II and Part III of the scheme, all costs, charges and expenses in relation to or in connection with this Scheme and its implementation and of carrying out and completing the terms and provisions of this Scheme and of and incidental to completion of the arrangement under this Scheme, if identifiable with respective De-merged Companies and Resulting Companies shall be borne and paid by the respective De-merged Companies and Resulting Companies and if common and non-identifiable with respective De-merged Companies and Resulting Companies shall be borne and paid in equal proportion by the respective De-merged Companies and Resulting Companies.
- (d) In regard to amalgamation of companies in Part IV and Part V of the scheme, all costs, charges and expenses of the Transferor Companies and Transferee Company respectively in relation to or in connection with this Scheme and of carrying out and completing the terms and provisions of this scheme and/or incidental to the completion of the said Amalgamation of the said Undertaking of the Transferor Companies in pursuance of this Scheme, whether identifiable or not with respective Transferee and Transferor Companies, shall be borne and paid by the Transferee Company alone.



Schedule 1
Sazlon Towers And Structures Limited
OPENING REFERENCE BALANCE SHEET AS ON APRIL 01, 2010
All amounts in Rupees unless otherwise mentioned

Particulars	Schedule	As At 1st April 2010		
		Tower Business	Power Generation Business	Total
Sources of Funds				
Shareholders' Funds				
Share Capital	A	200,000,000	250,000,000	450,000,000
Reserves and Surplus	B	1,411,589,200	544,505,202	1,956,094,402
		1,611,689,200	794,505,202	2,406,194,402
Loan Funds				
Secured Loans	C	672,998,904	524,277,110	1,197,276,014
		672,998,904	524,277,110	1,197,276,014
Deferred Tax Liability, Net		112,002	568,815,715	680,817,717
		2,264,691,106	1,887,398,027	4,152,089,133
Application of Funds				
Fixed Assets				
Gross Block	D	2,794,041	2,388,847,882	2,391,641,923
Less: Depreciation		675,717	397,040,982	397,716,699
Net Block		2,118,324	1,991,806,900	1,993,925,224
Investments	E	48,353	-	48,353
Inter Divisional Balance		415,461,563	(415,461,563)	-
Current Assets, Loans and Advances				
Inventories	F	222,755,948	-	222,755,948
Sundry Debtors		1,830,868,717	198,882,643	2,029,751,360
Cash and Bank Balances		543,087,797	-	543,087,797
Loans and Advances		68,880,650	121,854,418	190,735,068
		2,758,392,321	318,817,061	3,077,209,382
Less: Current Liabilities and Provisions				
Current Liabilities	G	854,202,202	5,564,371	859,766,573
Provisions		35,127,453	-	35,127,453
		889,329,655	5,564,371	894,894,026
Net Current Assets		1,867,062,666	313,252,690	2,180,315,356
		2,264,691,106	1,887,398,027	4,152,089,133



Schedule 1

Sutton Towers And Structures Limited

Schedules forming part of Opening Reference Balance Sheet As On April 1, 2010

All amounts in Rupees unless otherwise mentioned

Particulars	Tower Business	Power Generation Business	Total
Schedule- A : Share Capital			
Authorised:			
65,000,000 Equity Shares of Rs. 10/- each	150,000,000	350,000,000	500,000,000
500,000 Preference Shares of Rs. 100/- each	50,000,000	-	50,000,000
	200,000,000	350,000,000	550,000,000
Issued, Subscribed & Paid Up :			
Equity:			
40,000,000 Equity Shares of Rs. 10/- each fully paid up	160,000,000	260,000,000	420,000,000
Preference:			
5,00,000 13 % Cumulative Redeemable Preference Shares of Rs. 100/- each fully Paid up	50,000,000	-	50,000,000
Note : 100% Equity and Preference shares held by Sutton Energy Limited			
	210,000,000	260,000,000	470,000,000
Schedule- B : Reserves & Surplus			
General Reserve			
As per last Balance Sheet	500,000,000	-	500,000,000
Add : Addition during the year	-	-	-
	500,000,000	-	500,000,000
Securities Premium			
As per last Balance Sheet	-	375,000,000	375,000,000
Add : Addition during the year	-	375,000,000	375,000,000
	-	375,000,000	375,000,000
Profit and Loss Account	811,580,200	169,565,202	1,081,085,402
	1,411,580,200	544,565,202	1,956,085,402
Schedule- C : Secured Loans			
Term Loan			
-From Bank	-	502,904,110	502,904,110
- From Others	-	21,373,000	21,373,000
	-	524,277,110	524,277,110
Working Capital Facilities			
-From Bank			
Rupess Loan	672,988,804	-	672,988,804
	672,988,804	-	672,988,804
	672,988,804	524,277,110	1,197,270,014



Schedule I
Schedules forming part of Operating Performance Statement for the Year 1974
Section: Tonnage and Expenses Limited
* Expenses in 1974 are not shown separately

SCHEDULE D - FIXED ASSETS

Particulars	Gross Book			Depreciation Fund			Net Book		
	Tonnage Bookings	Private (1974) Bookings	Total	Tonnage Bookings	Private (1974) Bookings	Total	Tonnage Bookings	Private (1974) Bookings	Total
Land	-	39,241,280	39,241,280	-	-	-	-	39,241,280	39,241,280
Leasehold Land	-	13,640,000	13,640,000	-	1,380,000	1,380,000	-	13,260,000	13,260,000
Plant & Machinery	-	2,100,000,000	2,100,000,000	-	1,000,000,000	1,000,000,000	-	1,100,000,000	1,100,000,000
Buildings	1,000,000	700,000	1,700,000	1,000,000	1,000,000	2,000,000	1,000,000	700,000	1,700,000
Furniture	-	-	-	-	-	-	-	-	-
Motor	1,000,000	-	1,000,000	1,000,000	-	1,000,000	1,000,000	-	1,000,000
Other Office Equipment	111,000	-	111,000	111,000	-	111,000	111,000	-	111,000
TOTAL	2,111,000	2,100,000,000	2,102,111,000	2,111,000	1,001,380,000	2,112,380,000	2,111,000	1,800,000,000	1,801,111,000



Schedule I

Suzlon Towers And Structures Limited
Schedules forming part of Opening Reference Balance Sheet As On April 1, 2010
All amounts in Rupees unless otherwise mentioned

Particulars	Tower Business	Power Generation Business	Total
Schedule- E: Investments			
Long Term Investments (At cost)			
Unquoted			
(i) Government And Other Securities (Non Trade)			
National Saving Certificate	23,353	-	23,353
(ii) Other Than Trade Investments:			
2,500 Equity Shares of Rs. 10 Each of Sarunval Co. Pvt. Bank Ltd.	25,000	-	25,000
	48,353	-	48,353
Schedule- F: Current Assets, Loans & Advances			
Current Assets			
Inventories			
Raw Material	119,534,801	-	119,534,801
Semi-finished Goods	90,471,347	-	90,471,347
Stock of Traded goods	12,750,000	-	12,750,000
	222,756,148	-	222,756,148
Sundry Debtors			
(Unsecured Considered good)			
Overseas	218,877,131	-	218,877,131
Others	1,710,791,588	188,862,843	1,907,734,229
	1,929,668,719	188,862,843	2,127,531,562
Cash And Bank Balances			
Cash on hand	64,362	-	64,362
Balance with Scheduled Banks:			
In Current Accounts	488,323,435	-	488,323,435
In Margin Accounts	54,700,000	-	54,700,000
In Term Deposit Accounts	-	-	-
	543,087,797	-	543,087,797
Loans And Advances			
(Unsecured considered good, except otherwise stated)			
Deposits	1,400,803	-	1,400,803
Other Current Assets	47,979,033	12,851,273	60,830,306
Intercompany Deposits	10,134,830	-	10,134,830
Advances Recoverable in Cash or in kind or value to be received	398,700	-	398,700
MAT credit entitlement	-	108,600,145	108,600,145
	58,880,039	121,451,418	181,734,477



Schedule 1

Suzlon Towers And Structures Limited

Schedule forming part of Opening Reference Balance Sheet As On April 1, 2010

All amounts in Rupees unless otherwise mentioned

Particulars	Tower Business	Power Generation Business	Total
Schedule- B : Current Liabilities & Provisions			
Current Liabilities			
Sundry Creditors	783,813,274	140,343	783,783,617
Advance from Customers	60,111,825	5,414,809	61,828,234
Other Current Liabilities	34,475,300	6,419	34,481,719
	878,400,399	6,570,571	884,970,970
Provisions			
Income Tax (Net of Advance Tax)	32,208,768	-	32,208,768
Gratuity, Retention Bonus and Leave Encashment	2,620,681	-	2,620,681
	34,829,449	-	34,829,449



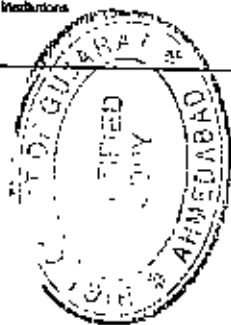
Schedule 2
Surton Infrastructure Services Limited
Opening Reference Balance Sheet as on April 01, 2010
All amounts in Rupees unless otherwise stated

Particulars	Schedule	Project Execution Business	Other Business	Total
I. SOURCES OF FUNDS				
1. Shareholders' Funds				
(a) Share Capital	A	45,000,000	1,375,000,000	1,420,000,000
(b) Reserves and Surplus	B	384,153,590	821,688,301	1,215,838,891
		439,153,590	2,196,688,301	2,635,838,891
2. Loan Funds				
(a) Secured Loans	C	545,509,789	1,258,035,797	1,804,165,586
(b) Unsecured Loans	D	-	250,000,000	250,000,000
		545,509,789	1,508,035,797	2,054,165,586
TOTAL		984,663,379	3,705,342,098	4,690,005,477
II. APPLICATION OF FUNDS				
1. Fixed Assets	E			
Gross Block		161,833,244	1,967,875,817	1,829,608,861
Less : Depreciation		64,543,116	878,625,726	741,428,641
Net Block		97,290,128	989,250,092	1,086,140,620
Capital Work-in-Progress		-	55,540,006	55,540,006
		97,290,128	1,044,790,098	1,143,720,026
2. Investments	F	-	525,000	525,000
3. Inter Divisional Balance		392,617,852	392,617,852	-
4. Deferred Tax Asset, net		-	440,137	440,137
5. Current Assets, Loans and Advances	G			
(a) Inventories		747,388,008	1,373,000,289	2,120,388,295
(b) Sundry Debtors		2,319,854,322	1,850,075,071	4,270,029,380
(c) Cash and Bank Balances		461,762,892	103,992,948	585,365,838
(d) Loans and Advances		581,517,420	991,611,402	1,573,128,822
		4,110,663,440	4,418,278,708	8,528,941,148
Less : Current Liabilities and Provisions	H			
(a) Current Liabilities		2,780,902,050	2,005,957,733	4,786,859,783
(b) Provisions		39,870,487	114,856,691	154,727,178
		2,820,772,537	2,120,814,424	4,941,586,961
Net Current Assets		1,279,890,903	2,265,429,411	3,545,320,314
TOTAL		984,663,379	3,705,342,098	4,690,005,477



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<p align="center">Schedule 2 Suzlon Infrastructure Services Limited Schedule forming part of the Opening Balance Sheet as on April 01, 2010 All amounts in Rupees unless otherwise stated</p>			
Particulars	Project Execution Business	Other Business	Total
SCHEDULE - A : SHARE CAPITAL			
Authorized			
25,000,000 Equity Shares of Rs. 10/- each	45,000,000	165,000,000	210,000,000
20,000,000 Preference Shares of Rs. 100 each	-	2,000,000,000	2,000,000,000
	45,000,000	2,165,000,000	2,210,000,000
Issued, subscribed and paid up			
Equity			
23,000,000 Equity Shares of Rs. 10/- each fully paid up.	45,000,000	185,000,000	230,000,000
Preference			
900,000 10% Cumulative Redeemable Preference Shares of Rs. 100/- each fully paid up	-	90,000,000	90,000,000
5,000,000 1% Cumulative Redeemable Preference Shares of Rs. 100/- each fully paid up	-	500,000,000	500,000,000
8,000,000 7% Optionally Convertible Cumulative Redeemable Preference Shares of Rs. 100/- each fully paid up	-	600,000,000	600,000,000
(All equity and preference shares are held by Suzlon Energy Ltd., the holding company)			
	45,000,000	1,990,000,000	2,035,000,000
SCHEDULE - B : RESERVES AND SURPLUS			
Securities Premium	405,000,000	465,000,000	870,000,000
Profit and Loss Account	10,848,110	326,686,301	337,534,411
	394,163,690	821,686,301	1,215,850,000
SCHEDULE - C : SECURED LOANS			
A. Term Loans			
From Banks		325,066,661	325,066,661
From Financial Institutions		17,008,326	17,008,326
		342,075,000	342,075,000
B. Working Capital Facilities from Banks	545,509,789	916,580,520	1,462,090,309
	545,509,789	1,258,655,520	1,804,165,309
SCHEDULE - D : UNSECURED LOANS			
Short Term			
a. From Financial Institutions		250,000,000	250,000,000
		250,000,000	250,000,000



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Exhibit B
Borden Infrastructure Services Limited
Financial Statement of the Operating Performance Balance Sheet as at April 30, 2019
All amounts in \$ except where otherwise stated

Exhibit B - Fixed Assets

S.No.	Particulars	Costs Incurred			Disposals			Net Book Value		
		Project Expenditure Balance	Other Expenditure	Total	Project Expenditure Balance	Other Expenditure	Total	Project Expenditure Balance	Other Expenditure	Total
1	Land	1,117,800	7,815,847	19,337,347	-	-	-	1,117,800	7,815,847	19,337,347
2	Leasehold Land	-	740,000	740,000	-	-	-	-	740,000	740,000
3	Buildings	22,811,317	817,118,811	840,930,128	6,475,093	37,535,320	44,010,413	16,336,224	100,833,245	117,169,469
4	Plant & Machinery	7,447,000	621,675,374	629,122,374	11,248,303	168,838,090	179,086,393	10,197,997	168,838,090	179,036,087
5	Motor Vehicle & Machinery, Equipment	-	124,751,000	124,751,000	-	18,720,764	18,720,764	-	18,720,764	18,720,764
6	Fixed Assets	-	413,200,000	413,200,000	-	207,104,118	207,104,118	-	207,104,118	207,104,118
7	Plant & Machinery	81,050,480	53,295,000	134,345,480	8,818,341	80,808,870	89,627,211	4,232,139	24,375,000	28,607,139
8	Office Equipment	20,536,043	84,057,417	104,593,460	8,818,341	33,110,000	41,928,341	8,818,341	50,847,338	59,665,679
9	Computer	24,340,343	53,868,333	78,208,676	7,184,129	41,928,341	49,112,470	7,184,129	18,024,237	25,208,366
10	Vehicle	20,837,795	10,770,134	31,607,929	1,800,210	1,800,210	3,600,420	14,037,575	3,600,420	17,637,995
11	Total	83,274,254	1,647,623,847	1,730,898,101	16,693,754	194,163,174	210,856,928	22,252,721	194,163,174	216,415,895
12	Capital Assets in Progress	-	-	-	-	-	-	-	-	-
13	Grand Total	181,132,428	1,647,623,847	1,828,756,275	16,693,754	194,163,174	210,856,928	22,252,721	194,163,174	216,415,895



Schedule 2 Sutton Infrastructure Services Limited Schedules forming part of the Opening Reference Balance Sheet as on April 01, 2010 All amounts in Rupees unless otherwise stated			
Particulars	Project Execution Business	Other Business	Total
SCHEDULE - F : INVESTMENTS			
Long Term Investments (All Cost, Fully Paid)			
OTHER THAN TRADE - UNQUOTE			
(i) Subsidiaries			
50,000 Equity Shares of Rs. 10. Each fully paid up of SISEL Green Infra Limited	-	600,000	600,000
(ii) Other than Subsidiaries			
2,500 Equity Shares of Rs. 10 Each fully paid up of The Sanshodh Co-operative Bank Ltd.	-	25,000	25,000
Total - Unquoted Investments and aggregate cost of such investment	-	625,000	625,000
SCHEDULE - G : CURRENT ASSETS, LOANS AND ADVANCES			
(a) Inventories			
Project Material, Raw material, Tools & Spares	333,888,408	1,345,815,238	1,679,703,646
Project-works in progress	213,410,568	-	213,410,568
Finished goods	-	27,370,517	27,370,517
Stock in trade	-	14,534	14,534
(b) Sundry Debtors (Unsecured)	747,399,078	1,373,000,289	2,120,399,367
Outstanding for a period exceeding six months			
Considered Good	548,887,382	594,523,992	1,143,411,374
Considered Doubtful	3,890,893	11,042,569	14,933,462
Others, Considered Good	603,778,085	606,506,581	1,210,284,666
1,778,096,360	1,259,551,078	3,125,818,009	
2,243,443,013	3,961,117,840	6,204,560,853	
Less: Provision for doubtful debts	3,890,893	11,042,569	14,933,462
2,239,552,120	3,950,075,271	6,189,627,391	
(c) Cash And Bank Balances			
Cash on hand	2,051,410	441,195	2,492,605
Balances with Scheduled Banks in Current Accounts	458,741,282	58,858,338	517,599,620
In Fixed Deposit Accounts	-	44,292,392	44,292,392
458,741,282	103,151,750	561,893,032	
(d) Loans And Advances (Unsecured and considered good, except otherwise noted)	481,782,632	103,582,945	585,365,577
Deposits			
Advances against taxes	32,521,485	12,888,878	45,410,363
Loan to Subsidiaries	-	153,388,638	153,388,638
Inter Corporate Deposits	-	2,004,882	2,004,882
Advances recoverable in cash or in kind or for value to be received	-	784,023,334	784,023,334
Considered good	348,865,804	57,204,774	406,070,578
Considered doubtful	2,490,858	899,511	3,390,369
551,376,573	58,074,285	609,450,858	
Less: Provision for doubtful loans and advances	2,490,858	899,511	3,390,369
548,885,715	57,204,774	606,070,578	
581,517,420	881,517,402	1,573,128,822	
SCHEDULE - H : CURRENT LIABILITIES AND PROVISIONS			
Current Liabilities			
Sundry Creditors	1,850,256,280	1,403,171,282	3,253,427,562
Acceptances	280,255,826	63,065,518	343,321,344
Advances from customers	313,865,883	427,542,872	741,408,755
Other current liabilities	236,473,094	112,118,064	348,591,158
3,680,851,083	2,005,897,736	5,686,748,819	
Provisions			
Gratuity, superannuation and leave encashment	39,870,487	114,512,489	154,382,976
Provision For Quarantines	-	-	28,235,873
Wealth tax	-	144,202	144,202
39,870,487	114,656,691	182,763,051	



- 70 -

Dated this 10th day of August 2011.

Witness Sudhanshu Jyoti Mukhopadhyaya Esquire,

The Chief Justice at Ahmedabad

aforesaid this Tenth day of August Two Thousand Eleven.

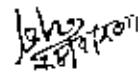
Verdict of Bench conveyed 15/9/11
14/9/11 (DUSKATE) Reach at every page
27/9/11 (GADGIL) Sign
[K. H. SHUKLA]

By the order of the Court



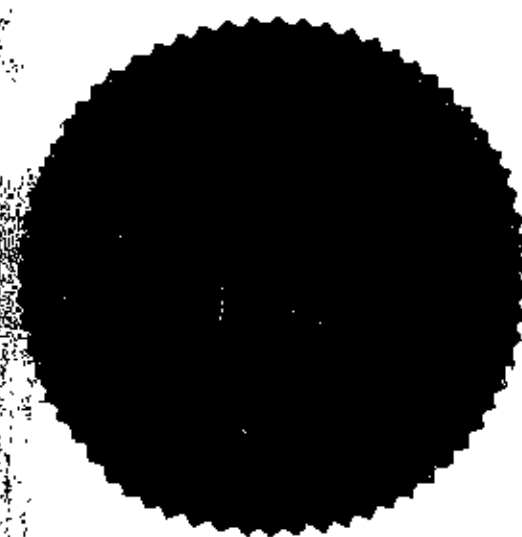
Registrar (Judicial)

This 28th day of September 2011



Sealer
[K. H. SHUKLA]

This 28th day of September 2011



Order drawn by:

Swati Saurabh Soparkar

(Swati Saurabh Soparkar)
Advocate

301, Shivalik-10, Opp. SBI Zonal Office,
Near Excise Chowky, S.M. Road,
Ambavadi, Ahmedabad 380 015.



TRUE COPY

ASSISTANT REGISTRAR
THIS DAY OF

27/9/2011

HIGH COURT, BOMBAY

0025848

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO. 348 OF 2011
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 148 OF 2011
SUZLON ENGITECH LIMITED (SENL)**

...Resulting Company-1

AND

**COMPANY SCHEME PETITION NO. 349 OF 2011
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 147 OF 2011
SUZLON INFRASTRUCTURE SERVICE LIMITED (SISL)**

...Transferor Company-2/De-merged Company-2

In the matter of the Companies Act, 1956

AND

**In the matter of Petition under Sections 391
to 394 of the Companies Act, 1956**

AND

**In the matter of SCHEME OF ARRANGEMENT
AND RESTRUCTURING (De-merger and
Amalgamation)**

BETWEEN

**SUZLON TOWERS AND STRUCTURES LIMITED
(STSL)**

...Transferor Company-1 / De-merged Company-1

AND

**SUZLON INFRASTRUCTURE SERVICE LIMITED
(SISL)**

**...Transferor Company-2/De-merged
Company-2**

AND

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HIGH COURT, BOMBAY

0025847

SUZLON ENGITECH LIMITED (SENL)

...Resulting Company-1

AND

SUZLON GUJARAT WIND PARK LIMITED (SGWPL)
...Resulting Company-2

AND

SUZLON ENERGY LIMITED (SEL)

...Transferee Company

Mr. H. N. Thakore with Mr. Naser Ali I/b Thakore Jariwala & Associates,
Advocates for the Petitioners

Mr. C.J. Joy I/b Mr. H.P. Chaturvedi for Regional Director-In all the Petitions

Dr. T. Pandian, Official Liquidator present in Court in CSP No. 349 of 2011

CORAM: S. C. Dharmadhikari, J.

DATE: 02nd September, 2011

PC:

1. Heard learned Counsel for parties.
2. The sanction of the Court is sought under Sections 391 to 394 of the Companies Act, 1956, to a Scheme of Amalgamation For De-merger and Transfer of Power Generation Division of Suzlon Towers And Structures Limited (STSL) to Suzlon Engitech Limited (SENL), De-merger and Transfer of Project Execution Division of Suzlon Infrastructure Services Limited (SISL) to Suzlon Gujarat Wind Park Limited (SGWPL), Amalgamation of Suzlon Towers And Structures Limited (STSL) (after the above referred de-merger) with Suzlon Energy Limited (SEL), Amalgamation of Suzlon Infrastructure

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Services Limited (SISL) (after the above referred de- merger) with Suzlon Energy Limited (SEL).

3. The Counsel appearing on behalf of the Petitioner Companies has stated that they have complied with all the requirements as per directions of this Court and they have filed necessary Affidavits of compliance in the Court. Moreover, the Petitioner Companies undertake to comply with all statutory requirements, if any, as required under the Companies Act, 1956, and the Rules made there under. The Undertaking is accepted.
4. The Regional Director has filed an Affidavit. Inter alia, stating therein that save and except as stated in paragraphs 6 of the said Affidavit, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraphs 6 of the said Affidavit, it is stated that:
6. The Registered office of the Demerged and Transferor Company - 1 and Resulting Company - 2 are situated in the State of Gujarat. Hence, the present scheme of arrangement and restructuring between the Demerged / Transferor Companies and Resulting / Transferee Company will be subject to condition of similar approval from Hon'ble High Court of Gujarat in respect of Demerged and Transferor Company - 1 and Resulting Company - 2.
5. As far as the objection raised by the Regional Director in paragraph 6 of the said Affidavit is concerned, the counsel for the Petitioners submits that by the said Order dated 10th August 2011 passed in Company Petition No. 74 of 2011 & 75 of 2011 by the High Court at

Gujarat, the present Scheme of Amalgamation has been sanctioned by that Court. The copy of the said Order dt. 10th August, 2011 tendered in by the Counsel for the Petitioners and the same is taken on record. In view of the same, the objection as raised by the Regional Director is satisfied. The Petitioner's Advocate undertakes to file a certified copy of the said order within 4 weeks from today. Undertaking accepted.

6. The Official Liquidator has filed a report in Company Scheme Petition No. 349 of 2011 stating that the affairs of the Transferor Company have been conducted in a proper manner and that the Transferor Company may be ordered to be dissolved.
7. From the material on record, the scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
8. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 348 of 2011 is made absolute in terms of prayer in clauses (a) to (j) of the Petition and Company Scheme Petition No. 349 of 2011 is made absolute in terms of prayer in clauses (a) to (r) of the Petition.
9. The Transferee Company and the Resulting Company to lodge a copy of this order and the scheme, duly authenticated by the Company Registrar, High Court, Bombay, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of the Order.

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HIGH COURT, BOMBAY

0025844

10. The Petitioner Companies in both the Petitions to pay cost of Rs. 10,000/- to the Regional Director, Western Region, Mumbai, and the Petitioner Company in Company Scheme Petition No. 349 of 2011 to pay a sum of Rs.10,000/- to the Official Liquidator, High Court, Bombay, towards his cost. Costs to be paid within four weeks from the date of the order.
11. Filing and Issuance of the drawn up order is dispensed with.
12. All authorities concerned to act on a copy of this order duly authenticated by Company Registrar, High Court of Bombay.

(S.C. Dharmadhikari, J.)

TRUE-COPY
26.09.2011
Mrs. K. M. RANE
COMPANY REGISTRAR
HIGH COURT (O.S.)
BOMBAY

TRUE COPY
26.9.11
Section Officer
High Court, Appellate Side
Bombay

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**NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH
AHMEDABAD**

T.P. No. 53/NCLT/AHM/2017

WITH

T.P. No. 54/NCLT/AHM/2017

WITH

T.P. No. 55/NCLT/AHM/2017

WITH

T.P. No. 56/NCLT/AHM/2017

CORAM: SRI BIKKI RAVEENDRA BABU, MEMBER JUDICIAL

Date: 31st Day of May, 2017

In the matter of

1. SE Blades Limited
2. SE Electricals Limited,
3. Suzlon Wind International Limited.
... Petitioner Transferor Companies
4. Suzlon Structures Limited. ... Petitioner Demerged Company
All the companies are incorporated
under the Companies Act, 1956
and having their registered office at
'Suzlon' 5, Shrimali Society,
Near Shri Krishna Complex,
Navrangpura,
Ahmedabad - 380 009,
In the state of Gujarat.

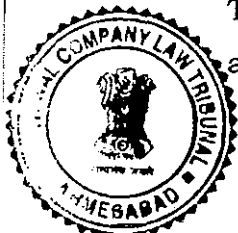
Appearance: -

Mr. Saurabh Soparkar, Learned Senior Advocate, appearing with Mrs. Swati Soparkar, Advocate for the petitioner-companies.

COMMON FINAL ORDER

(Date: 31.05.2017)

1. These petitions are filed by four companies under Section 391 to 394 of the Companies Act, 1956, originally, seeking sanction of the Hon'ble Gujarat High Court to a Composite Scheme of Arrangement in the nature of amalgamation of three Wholly Owned Subsidiaries, viz. SE Blades Limited, SE Electricals Limited and Suzlon Wind International Limited with the parent Transferee Company, viz. Suzlon Energy Limited and de-merger and transfer of Tower Business Of Suzlon Structures Limited,



the fourth Wholly Owned Subsidiary to Suzlon Energy Limited, the parent Transferee Company.

2. The same have been transferred from the Hon'ble High Court of Gujarat vide the order dated 6th March 2017 in light of the Rule 3 of the Companies (Transfer of Pending Proceedings) Rules, 2016.
3. This Tribunal by respective orders passed in TP Nos. 53 , 54, 55 and 56 of 2017 dated 31st March 2017, fixed the date of hearing of the petitions as 3rd May 2017 and directed all the petitioner companies to issue Notice of Hearing of Petition by way of advertisement in English and Gujarati Newspapers in which the earlier publications were made, not less than 10 days before the date fixed for hearing calling for their objections, if any, on or before the date of hearing. The petitioners were also directed to issue individual notices to all its Equity Shareholders and Unsecured Creditors, not less than 10 days before the date fixed for hearing calling for their objections, if any, on or before the date of hearing. This Tribunal also directed issuance of notice to (i) Regional Director, Western Region, Gujarat (ii) Registrar of Companies, Gujarat (iii) Reserve Bank of India (iv) concerned Tax Authorities (v) Bombay Stock Exchange Limited (vi) National Stock Exchange of India (vii) Competition Commission of India and (viii) Official Liquidator; asking them to file their representations if any, within 30 days from the date of receipt of notice with a condition that in case no representation is received by this Tribunal, it shall be presumed that the above said authorities have no representation to make on the proposed Scheme of Arrangement.
4. All the petitioner companies have filed affidavits in respect of service of notices to Shareholders and Publications made in the newspapers as well as Affidavit of Service to Regulatory Authorities dated 21st of April 2017. In response to such



individual notice and the publications made in newspapers, no objection is received either from any shareholder or any creditors. No representation is received from any Regulatory authorities. However, the representations filed by the Official Liquidator as well as the Regional Director in the proceedings filed before the Hon'ble High Court of Gujarat are taken into consideration hereinafter.

5. Heard Mr. Saurabh Soparkar, Learned Senior Advocate, appearing with Mrs. Swati Soparkar, learned advocate for the petitioner companies.
6. The petitioner of TP (CAA) No. 53 of 2017 i.e. SE Blades Limited, had filed an application before the Honorable High Court of Gujarat, being Company Application No. 431 of 2016, under Sections 391 to 394 of the Companies Act, 1956, seeking dispensation of the meetings of the Equity Shareholders, Preference Shareholders, Secured Creditors and Unsecured Creditors of the said Company. The Hon'ble High Court of Gujarat, vide its order dated 29th September 2016 dispensed with the holding of the meetings of the Equity Shareholders and Preference Shareholders of the said Company in view of the written consents in writing given by all the Equity and Preference Shareholders. The Hon'ble High Court also dispensed with the meetings of the Secured and Unsecured Creditors of the said Company in view of the Net Worth Certificate of the Transferee Company. The said certificate indicated that the Net Worth of the Transferee Company was very high and since the said Company had undertaken that upon scheme being effective all the liabilities of the Petitioner Transferor Company shall be duly fulfilled in the normal course of business and the rights and interests of the creditors of the Petitioner Transferor Company shall not be prejudicially affected.

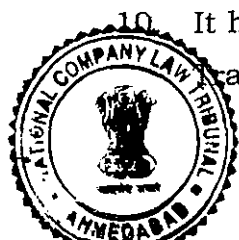


7. The petitioner of TP (CAA) No. 54 of 2017 i.e. SE Electricals Limited, had filed an application before the Honorable High Court of Gujarat, being Company Application No. 432 of 2016, under Sections 391 to 394 of the Companies Act, 1956 seeking dispensation of the meetings of the Equity Shareholders, Preference Shareholders, Secured Creditors and Unsecured Creditors of the said Company. The Hon'ble High Court of Gujarat, vide its order dated 29th September 2016 dispensed with the holding of the meetings of the Equity Shareholders and Preference Shareholders of the said Company in view of the written consents in writing given by all the Equity and Preference Shareholders. The Hon'ble High Court also dispensed with the meetings of the Secured and Unsecured Creditors of the said Company in view of the Net Worth Certificate of the Transferee Company. The said certificate indicated that the Net Worth of the Transferee Company was very high and since the said Company had undertaken that upon scheme being effective all the liabilities of the Petitioner Transferor Company shall be duly fulfilled in the normal course of business and the rights and interests of the creditors of the Petitioner Transferor Company shall not be prejudicially affected.
8. The petitioner of TP (CAA) No. 55 of 2017 i.e. Suzlon Wind International Limited, had filed an application before the Honorable High Court of Gujarat, being Company Application No. 434 of 2016, under Sections 391 to 394 of the Companies Act, 1956 seeking dispensation of the meetings of the Equity Shareholders, Preference Shareholders, Secured Creditors and Unsecured Creditors of the said Company. The Hon'ble High Court of Gujarat, vide its order dated 29th September 2016 dispensed with the holding of the meetings of the Equity Shareholders and Preference Shareholders of the said Company in view of the written consents in writing given by all the Equity and Preference Shareholders. The Hon'ble High Court also dispensed with the meetings of the Secured and Unsecured



Creditors of the said Company in view of the Net Worth Certificate of the Transferee Company. The said certificate indicated that the Net Worth of the Transferee Company was very high and since the said Company had undertaken that upon scheme being effective all the liabilities of the Petitioner Transferor Company shall be duly fulfilled in the normal course of business and the rights and interests of the creditors of the Petitioner Transferor Company shall not be prejudicially affected.

9. The petitioner of TP (CAA) No. 56 of 2017 i.e. Suzlon Structures Limited, had filed an application before the Honorable High Court of Gujarat, being Company Application No. 433 of 2016, under Sections 391 to 394 of the Companies Act, 1956 seeking dispensation of the meetings of the Equity Shareholders, Preference Shareholders, Secured Creditors and Unsecured Creditors of the said Company. The Hon'ble High Court of Gujarat, vide its order dated 29th September 2016 dispensed with the holding of the meetings of the Equity Shareholders and Preference Shareholders of the said Company in view of the written consents in writing given by all the Equity and Preference Shareholders. The Hon'ble High Court also dispensed with the meetings of the Secured and Unsecured Creditors of the said Company in view of the Net Worth Certificate of the Transferee Company. The said certificate indicated that the Net Worth of the Transferee Company was very high and since the said Company had undertaken that upon scheme being effective all the liabilities of the Petitioner De-merged Company pertaining to Tower Business shall be duly fulfilled in the normal course of business and the rights and interests of the creditors of the said undertaking of the Petitioner De-merged Company shall not be prejudicially affected.



10. It has been further submitted that Suzlon Energy Limited, the Transferee Company is a listed public limited company and all

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the Equity and Preference Shares of the Petitioner Companies are held by the said Transferee Company and its nominees. The said company had filed an application before the Honorable High Court of Gujarat, being Company Application No. 435 of 2016, under Sections 391 to 394 of the Companies Act, 1956 seeking dispensation of the further proceedings for the said Transferee Company. The Hon'ble High Court of Gujarat, vide its order dated 29th September 2016 observed that since all the three Transferor companies are wholly owned subsidiaries of the parent company, the shares held by the said Transferee Company in the respective Transferor Companies shall automatically stand cancelled and no shares will be issued by the Transferee Company towards consideration for the transfer of the undertakings of the Transferor Companies to the said Transferee Company. Similarly, for the proposed transfer of Tower Business of the fourth De-merged Company, no new shares shall be required to be issued to the shareholders of the De-merged Company as the parent company itself held all such shares. Hence, the rights and interests of the shareholders of the Transferee Company were not likely to be in any way affected as a result of the said scheme. The said contention being supported by judgments of various High Courts, including Sharat Hardware Industries P. Ltd, 48 Company Cases 23 (Del) and Mahaamba Investments Limited v. IDI Limited, 105 Company Cases 16 (Bom), the Hon'ble High Court held in the present case also that separate proceedings for the said Transferee Company were not required to be filed.

11. It has also been pointed out that the said Transferee Company, being a listed company, had obtained the approval from SEBI through the concerned stock exchanges and the same were placed on record. It was also submitted that as directed by SEBI, through the observation letters of the stock exchanges, the attention of the Hon'ble Court was drawn and explanation was given about one of the Directors of the said Company being



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declared to be a wilful Defaulter. The said company had also complied with the direction to give intimation of the said fact to all its shareholders either by letters or by e mail and the proof for the same were placed on record.

12. It has been further pointed out that in spite of the fact that the rights and interests of the creditors of the Transferee Company were not affected in light of the Net Worth of the Transferee Company being very high, in compliance with the contractual terms with the consortium of the Secured Creditors of the Transferee Company, the said Transferee Company had undertaken to place on record of the Hon'ble Court the consent letters in writing from all the Secured Creditors of the said Transferee Company. It was further clarified by an additional order dated 6th April 2017 that such consent letters can be filed in the petitions filed by any of the Transferor Companies. The written consents obtained from secured creditors of the consortium have been obtained and placed on record vide Additional Affidavits dated 7th February 2017, 2nd March 2017. However, during the course of hearing of the petitions, when it was pointed out to the learned counsel for the petitioners that consent letters of all the secured creditors were not placed on record, by way of an additional affidavit dated 25th May, 2017, the petitioners have placed on record consent letters of all the secured creditors.

13. The substantive petitions viz. Co. Petition no. 472 to 475 of 2016 for the sanction of the scheme were filed by the petitioner Transferor companies which were admitted on 20th October 2016. The notice for the hearing of the petitions were duly advertised in the Ahmedabad edition of English daily 'Indian Express', and Gujarati dailies 'Sandesh' dated 4th and 5th November respectively, and the publication in the Government gazette was dispensed with as directed in the said orders. Pursuant to the said publication in the newspapers, no



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objections were received by the petitioners or their advocate. The said fact has been confirmed vide the common additional affidavit dated 7th February 2017.

14. Notice of the petitions have been served upon the Office of the Official Liquidator for the three Transferor companies. Whereas it was not directed for the Demerged Company. The respective representations dated 9th December 2016 have been filed by the Official Liquidator after taking into account the respective reports of the Chartered Accountant appointed by him out of the panel. It has been observed by the Official Liquidator that the affairs of the respective Transferor Companies have been conducted within their respective object clauses and they have not been conducted in any manner prejudicial to the interest of their members or public interest, hence the petitioner transferor companies may be dissolved without following the process of winding up. However, the Official Liquidator has sought directions to be issued to preserve the books of accounts, papers and records and not to dispose of the same without prior permission of the Central Govt. as per the provisions of Section 396 (A) of the Companies Act, 1956. Accordingly, the Transferee Company is hereby directed to preserve the books of accounts, papers and records of all the Transferor Companies and not to dispose of the same without prior permission of the Central Govt. as required under section 239 of the Companies Act, 2013. It is hereby further directed that even after the scheme is sanctioned, the Transferor companies shall comply with all the applicable provisions of law and shall not be absolved from any of its statutory liability.

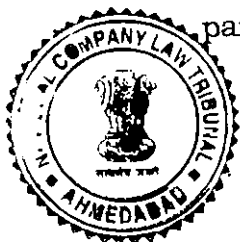
15. Notice of the petitions have been served upon the Central Govt. A common affidavit dated 14th December 2016 has been filed by Mr. Jatinder Kumar Jolly, the Regional Director, North-Western Region, Ministry of Corporate Affairs, whereby several



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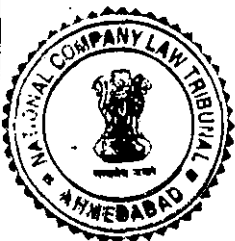
observations are made. A common Additional Affidavit dated 7th February 2017 has been filed by Mr. Hemal Kanuga, Authorised Signatory of the Petitioner companies whereby all the above issues have been dealt with. On perusal of these affidavits, the following issues are noted;

- (i) Vide the observation made vide para 2 (d) of the said affidavit, it has been observed by the Regional Director that the business of the Demerged Company and the Resulting Company relate to Power projects business which is regulated by regulatory authorities and that the deponent was not aware whether the companies have obtained relevant licences, approvals and other permissions from the concerned regulatory authorities or not. On the said issue, the petitioners have pointed out that only one of the petitioners, viz. Suzlon Structures Limited, the Demerged Company is the company which undertakes the business of generation and sale of electricity as one of its businesses. It has obtained the relevant licences and permissions for conducting the said business. However, the scheme envisages Demerger and transfer of only tower business, viz. manufacturing of fabricated structural products of Iron and Steel (Tubular towers for wind turbine generators) of the Demerged Company to the Resulting Company. The activity of generation and sale of electricity is not proposed to be transferred. Hence, the licences and permissions from the regulatory authorities for power generation are not required to be transferred. It has also been submitted that the activities of the other Transferor Companies are restricted to manufacturing of wind turbine generators or parts thereof and not power generation. In view of the said statement on affidavit behalf of the petitioners, this Tribunal is of the view that the observation made by the Regional Director in paragraph 2 (d) stands satisfied.



(ii) The observation of the Regional Director made vide para 2(e) pertains to complete list of the assets and liabilities, which are proposed to be demerged and transferred to the Transferee Company. The petitioners have submitted that the relevant details are already placed on record in form of the Divisional Balance Sheet of the Demerged Company clearly indicating the assets and liabilities of the Demerged Undertaking viz. Tower Business and residue Undertaking viz. Electricity Division/Corporate Division. It has been further submitted that the actual transfer of the said undertaking shall take place on the sanction of the Scheme and the detailed list of the assets and liabilities as on the date of the order sanctioning the scheme shall be submitted for the stamp duty adjudication along with the certified copy of the order. In view of the said statement on affidavit behalf of the petitioners, this Tribunal is of the view that the observation made by the Regional Director in paragraph 2 (e) stands satisfied.

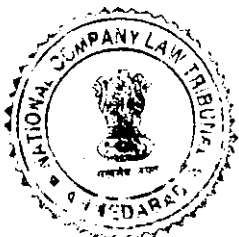
(iii) The observation of the Regional Director made vide para 2(f) pertains to the shares of the Transferee Company being held by either Non-resident Indians, Foreign Corporate Bodies and Foreign Nationals. The details are factual and not disputed by the Petitioner Transferee Company. The observation further refers to the requisite compliance of FEMA and RBI guidelines by the Transferee Company. In this regard, the petitioners have submitted that the Transferee Company has so far complied with the applicable provisions of FEMA and RBI guidelines for issuance of shares to foreign shareholders. It is further submitted that the Transferee Company being a listed company, the shares held by the foreign shareholders are held through the secondary market in due compliance of the SEBI guidelines as may be applicable. It is also clarified that since no shares of the Transferee Company are proposed to be issued under the



present scheme of arrangement, it will not be necessary to have specific compliances as a result of the present scheme. It is also to be noted that no representation has been received by the Tribunal from Reserve Bank of India in response to the Notice served upon them for the said purpose. In view of the said statement on affidavit behalf of the petitioners, this Tribunal is of the view that the observation made by the Regional Director in paragraph 2 (f) stands satisfied.

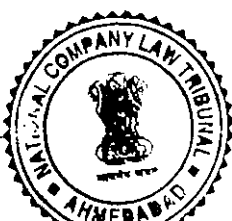
- (iv) The observation of the Regional Director made vide para 2(g) pertains to compliance of SEBI circulars. The petitioners have submitted that the Transferee Company being a listed company, has already made the requisite compliances. Prior approval to the proposed Scheme from SEBI was obtained through the concerned stock exchanges and the same is already placed on record. Upon the sanction of the Scheme, it shall further make the requisite compliances. The Regional Director has also referred to the observation letter of BSE dated 9th August 2016 pertaining to name of one of the Directors appearing in the list of wilful defaulters. In this regard, the petitioners have submitted that in compliance with the directions given vide the said letter, all the relevant facts were placed on record of the Honourable High Court. The Transferee Company also brought it to the notice of all its shareholders, either through e-mail or by post. The copy of such intimation was also placed on record of the Hon'ble court and the same has been confirmed by the order dated 29th September 2016 passed in Company Application No. 435 of 2016. In view of the said statement on affidavit behalf of the petitioners, this Tribunal is of the view that the observation made by the Regional Director in paragraph 2 (g) stands satisfied.

- (v) Vide para 2(h) of the said affidavit, the Regional Director has drawn attention to the Contingent Liabilities in



case of all the Petitioner Companies existing as on 31st March 2016. The same being factual and reflected in the respective balance sheets is not disputed by the Petitioner Companies. In this regard, the petitioners have submitted that all the four Petitioner Transferor Companies and the Transferee Company are under Corporate Debt Restructuring with its lenders and have contingent liability in relation to compensation payable in lieu of bank sacrifice. Further, there are several demands from Income Tax authorities, which are disputed and there are pending proceedings before various Appellate Authorities. There are also some other disputed commercial liabilities for which proceedings are still pending. It has been submitted that in case of all the contingent liabilities, the Transferee Company shall take necessary action to meet with all such liabilities as and when crystallized and ensure that it does not adversely affect the liquidity of the Company, and its continuance and going concern concept. In view of the said statement on affidavit behalf of the petitioners, this Tribunal is of the view that the observation made by the Regional Director in paragraph 2 (h) stands satisfied.

- (vi) Vide para 2 (i) pertains to the letter dated 27th October 2016 sent by the Regional Director to the Income Tax dept. in order to obtain their objections if any. No response was received within the statutory period of 15 days as envisaged by the relevant circular of the Ministry of Corporate Affairs. This Tribunal has also not received any representation from the Income Tax authorities in response to the Notice served in the month of April 2017. Hence, it can be presumed that the Income Tax dept. has no objection to the proposed scheme of arrangement. However, the Petitioner Companies have agreed to comply with applicable provisions of Income Tax Act and Rules. In view of the said statement on affidavit behalf of the petitioners, this Tribunal is of the view that the



observation made by the Regional Director in paragraph 2 (i) stands satisfied.

(vii) It has been further observed by the Regional Director vide para 2 (j) that there are no complaints received by the Registrar of Companies and the Regional Director has vide observation 2 (k) confirmed that he has no other objection to the scheme and that the scheme is not prejudicial to the interest of the shareholders of the petitioner company and public at large.

16. Notice was ordered to be issued to the Competition Commission of India on 31.3.2017 by this Tribunal. Pursuant to the said order, the petitioners sent notice to the Competition Commission of India on 5.4.2017. As per the compliance report filed by the petitioners, the said notice was served on Competition Commission of India on 10.4.2017. The matter was listed for hearing on 3.5.2017. Thereafter, the matter was adjourned to 8.5.2017 and again to 25.5.2017.

17. On 30th May, 2017, this Tribunal received a letter dated 22nd May, 2017 from the Competition Commission of India stating as follows: -

"It is requested that before passing an appropriate order, the NCLT may seek undertaking from the companies involved in the scheme of amalgamation/compromise/arrangement that Competition Commission of India's approval is not required for the amalgamation."

18. Section 230(5) of the Companies Act, 2013 enjoins upon the statutory authorities, including the Competition Commission of India, to file their representations, if any, within 30 days from the date of receipt of the notice. In this case, the notice under Section 230(5) was received by the Competition Commission of India on 10th April, 2017. Therefore, the Competition Commission of India ought to have filed its representation before



this Tribunal on or before 10th May, 2017. However, considering the letter of the Competition Commission of India, the petitioner-companies, including the transferee company-cum-resulting company, Suzlon Energy Limited, shall file an undertaking stating that those companies do not require the approval of the Competition Commission of India for the amalgamation.

19. In compliance with the proviso to sub-section (7) of Section 230, the petitioner companies placed on record, vide affidavit dated 5th May 2017, certificate of Chartered Accountant dated 27th April 2016, confirming that the accounting treatment envisaged under the said scheme of Arrangement is in compliance with the applicable Accounting Standards notified by Central Govt. in section 133 of the Companies Act, 2013. The said certificate was also submitted to SEBI as approval of the said authority was required to be obtained since the Transferee Company is a listed public limited company.
20. Considering the entire facts and circumstances of the case and on perusal of the Scheme and the documents produced on record, it appears that all the requirements of section 230 and 232 of the Companies Act, 2013 are satisfied. The Scheme appears to be genuine and *bona fide* and in the interest of the shareholders and creditors as well as in the public interest and the same deserves to be sanctioned.
21. In the result, these petitions are allowed. The Scheme, which is at Annexure- C to TP Nos. 53, 54, 55 and 56 of 2017, is hereby sanctioned and it is declared that the same shall be binding on the petitioner companies, viz. SE Blades Limited, SE Electricals Limited, Suzlon Structures Limited and Suzlon Wind International Limited and Suzlon Energy Limited (Transferee resulting Company), their shareholders, creditors and all concerned under the scheme. It is also declared that three transferor Companies viz. SE Blades Limited, SE Electricals



Limited and Suzlon Wind International Limited shall stand dissolved without winding up.

22. In view of the direction in paragraph 18 of this order, the petitioner companies shall implement the scheme only upon filing such undertaking before this Tribunal as well as before the Competition Commission of India.
23. The fees of the Official Liquidator are quantified at Rs. 7,500/- each in respect of T.P. Nos. 53 of 2017, 54 of 2017 and 55 of 2017. The said fees to the Official Liquidator shall be paid by the Transferee Company.
24. Filing and issuance of drawn up orders is hereby dispensed with. All concerned authorities to act on a copy of this order along with the scheme duly authenticated by the Registrar of this Tribunal. The Registrar of this Tribunal shall issue the authenticated copy of this order along with Scheme immediately.
25. These petitions are disposed of accordingly.


BIKKI RAVEENDRA BABU
MEMBER JUDICIAL

Pronounced by me in open court
on this 31st day of May, 2017.

gt



TRUE COPY


Asstt. Registrar
NCLT Ahmedabad Bench
Ahmedabad

**COMPOSITE SCHEME OF
AMALGAMATION AND ARRANGEMENT
BETWEEN
SE BLADES LIMITED
AND
SE ELECTRICALS LIMITED
AND
SUZLON WIND INTERNATIONAL LIMITED
AND
SUZLON STRUCTURES LIMITED
WITH
SUZLON ENERGY LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

(UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956 AND OTHER
APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956 AND COMPANIES ACT 2013)

PREAMBLE

(A) SE Blades Limited (“SEBL”, or the “**First Transferor Company**”),
a public limited company, has its registered office at “Suzlon”, 5,
Shrimali Society, Near Shri Krishna Complex, Navrangpura,
Ahmedabad – 380009, Gujarat, having Corporate Identification

Number U28999GJ2006PLC091978. SEBL is engaged in the business of manufacturing of rotor blades for wind turbine generators.

(B) SE Electricals Limited (“**SEEL**”, or the “**Second Transferor Company**”), a public limited company, has its registered office at “Suzlon”, 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad – 380009, Gujarat, having Corporate Identification Number U31108GJ2006PLC091977. SEEL is engaged in the business of manufacturing of Generators, Transformers and Panels for wind turbine generators.

(C) Suzlon Wind International Limited (“**SWIL**”, or the “**Third Transferor Company**”), a public limited company, has its registered office at “Suzlon”, 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad – 380009, Gujarat, having Corporate Identification Number U40108GJ2006PLC092233. SWIL is engaged in the business of manufacturing of Nacelles, Hubs and Nose Cones for wind turbine generators.

(D) SEBL, SEEL, and SWIL are collectively referred to as “**Transferor Companies**”.

(E) Suzlon Structures Limited (“**SSL**”, or the “**Demerged Company**”), a public limited company, has its registered office at “Suzlon”, 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad – 380009, Gujarat, having Corporate Identification Number U27109GJ2004PLC044170. SSL is engaged in two

businesses, being manufacturing of fabricated structural products of Iron and Steel (Tubular towers for wind turbine generators) and generation and sale of electricity.

(F) Suzlon Energy Limited (“**SEL**”, or the “**Transferee Company**” or the “**Resultant Company**”), a public limited company, has its registered office at “Suzlon”, 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad – 380009, Gujarat and having Corporate Identification Number L40100GJ1995PLC025447. The equity shares of the Transferee Company are listed on the BSE Limited (“**BSE**”) and on the National Stock Exchange of India Limited (“**NSE**”), together with BSE, referred to as the “**Stock Exchanges**”). The transferee company is engaged in the business of manufacturing wind turbine generators and related components of various capacities.

(G) SEBL, SEEL, SWIL and SSL are wholly owned subsidiaries of SEL.

Rationale for the Amalgamation and Demerger

- 1 The scheme provides for consolidation of the manufacturing operations of the Group through (a) Merger of SEBL, SEEL and SWIL into SEL and (b) demerger of Tower Business of SSL into SEL.
- 2 The above consolidation will result in -
 - a) Achieving business and administrative synergies for the Group;
 - b) Reducing administrative costs and avoiding duplication of efforts;

- c) Pooling of managerial, technical and financial resources of the Transferee Company, the Transferor Companies and the Demerged Company leading to increased competitive strength, cost reduction, and efficiencies, productivity gains and logistic advantages to the business operations; optimising the working capital usage, which is very critical for the operations considering circumstances for availing working capital credit.
- d) Result in enhancing the scale of operations and reduction in overheads, administrative, managerial and other expenditure, operational rationalisation, organizational efficiency and optimal utilisation of various resources by avoiding duplication of efforts.

This Composite Scheme of Amalgamation and Arrangement is divided into the following parts:-

Part I: Definitions of the terms used in this Composite Scheme of Amalgamation and Arrangement, and the share capital of SWIL, SEBL, SEEL, SSL and SEL.

Part II: Dealing with the amalgamation of SEBL, SEEL, SWIL into SEL.

Part III: Dealing with the transfer and vesting of Tower Business of SSL into SEL.

Part IV: General Terms and Conditions that would be applicable to the Scheme.

PART – I

1. DEFINITIONS

In this Scheme (as defined hereinafter), unless repugnant to the meaning or context thereof, the following expressions shall have the meaning mentioned herein below:

- 1.1 **“Act” or “The Act”** means the Companies Act, 1956, or the Companies Act, 2013 as in force from time to time. As on the date of approval of this Scheme by the respective Board of Directors of the Transferor Companies, the Demerged Company and SEL, Sections 391 and 394 of the Companies Act, 1956 continue to be in force with the corresponding provisions of the Companies Act, 2013 not having been notified. References in this Scheme to particular provisions of the Act are references to particular provisions of the Companies Act, 1956 unless stated otherwise. Upon such provisions standing re-enacted by enforcement of provisions of the Companies Act, 2013, such references shall unless a different intention appears be construed as references to the provisions so re-enacted;
- 1.2 **“Appointed Date”** means, for the purpose of this Scheme be as follows:-
- i. For the Purposes of Part II of this Scheme, the 1st day of January 2016.

- ii. For the Purposes of Part III of this Scheme, the 1st day of April 2016.

1.3 **"Composite Scheme of Amalgamation and Arrangement"** or **"this Scheme"** or **"the Scheme"** means this Scheme of amalgamation of SEBL, SEEL, SWIL with SEL and demerger of Tower Business of SSL into SEL;

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time;

1.4 **"Demerged Business"** means the Tubular Tower manufacturing Business carried on by Suzlon Structures Limited, along with all related assets, liabilities, employees including specifically the below mentioned along with the common assets and liabilities to be transferred in order to give effect to the provisions of Section 2(19AA) of the Income-tax Act, 1961 and the manner provided therein on a going concern basis:

1.4.1 All assets, wherever situated, whether movable or immovable, leasehold or freehold, tangible or intangible, including all capital work-in-progress, plant & machinery, equipment including specialised equipment for broadcasting, technical software, patents,

trademarks, trade names, industrial designs, brands, investments and other Intellectual Property rights, vehicles, furniture, fixtures, office equipment, computer installations, electrical appliances, accessories pertaining to the Demerged Business;

1.4.2 All liabilities, present and future (including contingent liabilities pertaining to or relatable to the Demerged Business), as may be determined by the Board of Directors of SSL;

1.4.3 All rights and all assignments and grants thereof, all permits, registrations, rights (including rights under any agreement, contracts, applications, letters of intent, etc.), benefits of all licenses, contracts/ agreement, memorandum of understanding (including but not limited to contracts/ agreement with vendors, customer, government, etc.), approvals, regulatory approvals, entitlements, goodwill, investments, cash balances, bank balances, bank accounts, receivables, loans and advances, privileges, all other claims, rights and benefits, powers and facilities of every kind, nature and description whatsoever, inventory, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity, water and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Demerged Business;

- 1.4.4 All deposits and balances with Government, Semi-Government, local and other authorities and bodies, including all tax balances/ MAT Credit balances or any other balances with any tax authority or statutory body pertaining to the Demerged Business, customers and other persons, earnest moneys and/ or security deposits paid or received by Suzlon Structures Limited, directly or indirectly in connection with or in relation to the Demerged Business;
- 1.4.5 All books, records, files, papers, directly or indirectly relating to the Demerged Business;
- 1.4.6 Any other asset / liability which is deemed to be pertaining to the Demerged Business by the Board of Suzlon Structures Limited but excluding any of the foregoing relating to the remaining business of Suzlon Structures Limited; and
- 1.4.7 All permanent employees employed by Suzlon Structures Limited pertaining to the Demerged Business, as identified by the Board of Directors of Suzlon Structures Limited, as on the Effective Date.
- Any question that may arise as to whether a specific asset or liability pertains or does not pertain to the Demerged Business or whether it arises out of the activities or operations of the Demerged Business shall be decided by mutual agreement between the Board of Directors of Suzlon Structures Limited and Suzlon Energy Limited;

- 1.5 **“Demerged Company”** means Suzlon Structures Limited (“SSL”), a public company incorporated under the Act, having its registered office at “Suzlon”, 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad – 380009, Gujarat and having Corporate Identification Number U27109GJ2004PLC044170;
- 1.6 **“Effective Date”** means the last of the date on which the conditions specified in Clause 28 of this Scheme are fulfilled with respect to a particular part of the Scheme;
- 1.7 **“First Transferor Company”** means SE Blades Limited (“SEBL”), a public company incorporated under the Act, having its registered office at “Suzlon”, 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad – 380009, Gujarat and having Corporate Identification Number U28999GJ2006PLC091978;
- 1.8 **“High Court”** means the High Court of Gujarat, and shall include the National Company Law Tribunal, if applicable;
- 1.9 **“Record Date”** means the date to be fixed jointly by the Board of Directors of Suzlon Structures Limited and Suzlon Energy Limited for the purposes of determining the shareholders of Suzlon Structures Limited to whom consideration would be given for transfer and vesting of the Demerged Business, in accordance with this Scheme (as defined hereinafter);

- 1.10 **“SEBI Circular”** means the circular number CIR/CFD/CMD/16/2015 dated 30th November 2015, issued by Securities and Exchange Board of India;
- 1.11 **“Second Transferor Company”** means SE Electricals Limited (“SEEL”), a public company incorporated under the Act, having its registered office at “Suzlon”, 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad – 380009, Gujarat and having Corporate Identification Number U31108GJ2006PLC091977;
- 1.12 **“Third Transferor Company”** means Suzlon Wind International Limited (“SWIL”), a public company incorporated under the Act, having its registered office at “Suzlon”, 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad – 380009, Gujarat and having Corporate Identification Number U40108GJ2006PLC092233;
- 1.13 **“Transferee Company”** or the **“Resultant Company”** means Suzlon Energy Limited (“SEL”), a public company incorporated under the Act, having its registered office at “Suzlon”, 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad – 380009, Gujarat and having Corporate Identification Number L40100GJ1995PLC025447;
- 1.14 **“Transferor Companies”** means SEBL, SEEL and SWIL.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court of Gujarat, shall be effective from the Appointed Date but shall be operative from the Effective Date.

Each Part of the Scheme shall be given effect to as per the chronology in which it has been provided for in the Scheme. Each Part is independent of the other Part of the Scheme and is severable. The Scheme shall be effective upon sanction of the High Court. However, failure of any one part for lack of necessary approval from the shareholders / creditors / statutory / regulatory authorities or for any other reason that the Board of Directors may deem fit than this shall not result in the whole Scheme failing. It shall be open to the concerned Board of Directors to consent to sever such part(s) of the Scheme and implement the rest of the Scheme with such modification.

3. SHARE CAPITAL

3.1 The Share Capital of SEL as on 31st March 2016 is as under:

Particulars	Amount (Rs.)
Authorised Capital	
750,00,00,000 equity shares of Rs. 2 each	1500,00,00,000
	1500,00,00,000
Issued Capital	

503,94,35,391 equity shares of Rs. 2 each	1007,88,70,782
	1007,88,70,782
Subscribed and Paid-up Capital	
502,05,03,414 equity shares of Rs. 2 each	1004,10,06,828
	1004,10,06,828

Post 31st March 2016, there has been no change in the issued, subscribed and paid-up capital of SEL.

3.2 The Share Capital of SEBL as on 31st March 2016 is as under:

Particulars	Amount (Rs.)
Authorised Capital	
1,50,00,000 equity shares of Rs. 10 each	15,00,00,000
5,63,00,000 preference shares of Rs. 100 each	563,00,00,000
	578,00,00,000
Issued, Subscribed and Paid-up	
1,50,00,000 equity shares of Rs. 10 each	15,00,00,000
5,23,98,000 9% redeemable cumulative preference shares of Rs. 100 each	523,98,00,000
	538,98,00,000

Post 31st March 2016, there has been no change in the issued, subscribed and paid-up capital of SEBL.

3.3 The Share Capital of SEEL as on 31st March 2016 is as under:

Particulars	Amount (Rs.)
Authorised Capital	
1,00,00,000 equity shares of Rs. 10 each	10,00,00,000

2,00,00,000 preference shares of Rs. 100 each	200,00,00,000
	210,00,00,000
Issued, Subscribed and Paid-up	
1,00,00,000 equity shares of Rs. 10 each	10,00,00,000
85,90,000 9% redeemable cumulative preference shares of Rs. 100 each	85,90,00,000
	95,90,00,000

Post 31st March 2016, there has been no change in the issued, subscribed and paid-up capital of SEEL.

3.4 The Share Capital of SWIL as on 31st March 2016 is as under:

Particulars	Amount (Rs.)
Authorised Capital	
1,00,00,000 equity shares of Rs. 10 each	10,00,00,000
2,00,00,000 preference shares of Rs. 100 each	200,00,00,000
	210,00,00,000
Issued, Subscribed and Paid-up	
1,00,00,000 equity shares of Rs. 10 each	10,00,00,000
1,93,29,550 9% redeemable cumulative preference shares of Rs. 100 each	193,29,55,000
	203,29,55,000

Post 31st March 2016, there has been no change in the issued, subscribed and paid-up capital of SWIL.

3.5 The share capital of SSL as on 31st March 2016 is as under:

Particulars	Amount (Rs.)
Authorised Capital	
3,50,00,000 equity shares of Rs. 10 each	35,00,00,000
10,00,000 preference shares of Rs. 100 each	10,00,00,000
	45,00,00,000
Issued, Subscribed and Paid-up	
2,93,66,800 equity shares of Rs. 10 each	29,36,68,000
10,00,000 8% redeemable cumulative preference shares of Rs. 100 each	10,00,00,000
	39,36,68,000

Post 31st March 2016, there has been no change in the issued, subscribed and paid-up capital of SSL.

PART – II

4. TRANSFER AND VESTING OF UNDERTAKING OF TRANSFEROR COMPANIES PURSUANT TO AMALGAMATION OF SEBL, SEEL & SWIL WITH SEL

4.1 With effect from the Appointed Date, the entire business and whole of the undertaking of the Transferor Companies, including but not limited to land and building, furniture and fixture, plant & machinery, capital work in progress, inventories, receivables, cash and bank balances, investments of all kinds, cash balances with banks, loans, advances, contingent right or benefits, receivables, benefit of any deposits or trusts, financial assets, leases, sub-leases, hire purchase contracts and assets, factoring contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permits and consents, quotas, rights, entitlements, contracts, licenses, development rights, whether vested or potential and whether under agreements or otherwise, tenancies, and all advantages of whatsoever nature and where so ever situated belonging to or enjoyed by the Transferor Companies, including but without being limited to trade and service names and marks, patents, copyrights, designs and other intellectual property rights of any nature whatsoever, authorisations, benefits, including but not limited to the benefit(s) under Income-tax Act, 1961 (including tax relief under the Income-tax Act, 1961 such as credit for advance tax, TDS, MAT Credit, etc.), service tax (including benefit of any unutilised CENVAT credits / service tax credits, etc.) permits, approvals, concessions, reliefs, rights to use and avail of assets shall, without any further

act, instrument, approval (whether from any governmental/regulatory authority or otherwise) or deed stand transferred to and vested in and/or deemed to be transferred to and vested in the Transferee Company, free from all encumbrances, but subject to subsisting charges and pledges, if any.

- 4.2 All tangible movable assets of the Transferor Companies, which are capable of being physically transferred including all movable plant and machinery and cash in hand, shall be delivered to the Transferee Company to the end and intent that the property therein passes to the Transferee Company. The Bank balances as appearing in the books of the Transferor Companies shall also be transferred to the Transferee Company.
- 4.3 All immovable properties would become the properties of the Transferee Company under and pursuant to order of the High Court approving this Scheme, without requiring the execution of any other deed or document or instrument of conveyance, and the order of the High Court shall for all purposes be treated as the instrument conveying such properties and assets to the Transferee Company.
- 4.4 The transfer and vesting as aforesaid shall be subject to the existing charges / hypothecation / mortgages, if any, as may be subsisting and agreed to be created over or in respect of the said assets or any part thereof, provided however, any reference in any security documents or arrangements to which any of the Transferor

Companies is a party wherein the assets of the Transferor Companies have been or is offered or agreed to be offered as security for any financial assistance or obligations, then the same shall be construed as reference only to the assets pertaining to the Transferor Companies and shall be vested in the Transferee Company by virtue of this Scheme to the end and intent that the charges shall not extend or deemed to extend to any assets of the Transferee Company.

Provided that the Scheme shall not operate to enlarge the security for the said liabilities of the Transferor Companies which shall vest in the Transferee Company by virtue of the Scheme and the Transferee Company shall not be obliged to create any further, or additional security thereof after the amalgamation has become effective or otherwise. Further, the Scheme shall not operate to enlarge the security for any liabilities of the Transferee Company, in as much as the security shall not extend to the assets transferred by the Transferor Companies to the Transferee Company in terms of Clause 4.1 above.

- 4.5 The liabilities of the Transferor Companies shall also, without any further act, instrument or deed be and transferred to and vested in and assumed by and/or deemed to be transferred to and vested in and assumed by the Transferee Company pursuant to the provisions of Sections 391 to 394 of the Act, so as to become the

liabilities of the Transferee Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities have arisen, in order to give effect to the provisions of this clause.

4.6 The Transferee Company may at any time after the coming into effect of the Scheme in accordance with the provisions of this Scheme, if so required, under any law or otherwise, execute necessary writings, in favour of the creditors of the Transferor Companies or in favour of any other party to any contract or arrangement to which the Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Companies and to implement or carry out all such formalities or compliances referred to above on the part of the Transferor Companies to be carried out or performed.

4.7 With effect from the Appointed Date and upon coming into effect of this Scheme, all the rights, licenses, permissions, approvals, consents, undertakings, etc. to carry on the operations and business of the Transferor Companies shall stand vested in or transferred to the Transferee Company without any further act or deed and shall

be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company. The benefit of all statutory and regulatory permissions, approvals, registrations or other licenses and consents shall vest in and become available to the Transferee Company pursuant to this Scheme.

5. CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC.

- 5.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, insurance policies, indemnities, guarantees, arrangements and other instruments, whether pertaining to movable or immovable properties or otherwise of whatsoever nature to which the Transferor Companies are a party or to the benefit of which the Transferor Companies may be eligible including but not limited to the exemptions under Chapter III of the Income-tax Act, 1961, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, SEL and may be enforced as fully and effectually as if, instead of the Transferor Companies, SEL had been a party or a beneficiary or an obligee thereto or there under.
- 5.2 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the Scheme becoming

effective, all consents, permissions, licenses, certificates, clearances, rights, titles, authorities, power of attorney given by, issued to or executed in favour of the Transferor Companies shall stand transferred to SEL, as if the same were originally given by, issued to or executed in favour of SEL and SEL shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to SEL. SEL shall make applications and do all such acts or things which may be necessary to obtain relevant approvals from the concerned Governmental Authorities as may be necessary in this behalf.

- 5.3 SEL, at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement to which the Transferor Companies are a party in order to give formal effect to the above provisions. SEL shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Companies and to carry out or perform all such formalities or compliances, referred to above, on behalf of the Transferor Companies.

6. LEGAL PROCEEDINGS

- 6.1 All legal proceedings of whatsoever nature by or against the Transferor Companies pending and/ or arising on or after the Appointed Date and relating to the Transferor Companies shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against SEL in the manner and to the same extent as would or might have been continued and enforced by or against the Transferor Companies, if this Scheme had not been made.
- 6.2 SEL undertakes to have all legal or other proceedings or claims initiated by or against the Transferor Companies referred to in Clause 6.1 above transferred in its name respectively and to have the same continued, prosecuted and enforced by or against SEL to the same extent as would or might have been continued and enforced by or against the Transferor Companies, to the exclusion of the Transferor Companies. Any amount receivable under the pending suits, actions and proceedings shall solely belong to the Transferee Company. Similarly the Transferee Company will be responsible for discharging the liability in future in pending suits, actions and proceedings.

7. EMPLOYEES

- 7.1 On the Scheme becoming effective, all the employees of the Transferor Companies in service on the Effective Date shall be

deemed to have become employees of SEL with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with SEL shall not be less favourable than those applicable to them with reference to the Transferor Companies on the Effective Date. SEL further agrees that for the purpose of payment of any retirement benefit / compensation, such immediate uninterrupted past services with the Transferor Companies shall also be taken into account.

- 7.2 In so far as the existing provident fund, gratuity fund and pension and/ or superannuation fund, trusts, retirement fund or benefits and any other funds or benefits created by the Transferor Companies (collectively referred to as the “**Funds**”), the Funds and such of the investments made by the Funds which pertains / relates to the employees of the Transferor Companies shall be transferred to SEL and shall be held for their benefit pursuant to this Scheme in the manner provided hereinafter. The Funds shall, subject to the necessary approvals and permissions and at the discretion of SEL, either be continued as separate funds of SEL for the benefit of the employees of the Transferor Companies or be transferred to and merged with other similar funds, if any, of SEL. In the event that SEL does not have its own funds in respect of any of the above, SEL may, subject to necessary approvals and permissions, continue

to contribute to the relevant Funds of the Transferor Companies, until such time that SEL creates its own fund, at which time the Funds and the investments and contributions pertaining to the employees of the Transferor Companies shall be transferred to the funds created by SEL. It is clarified that the services of the employees of the Transferor Companies will be treated as having been continuous for the purpose of the said fund or funds.

8. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

With effect from the Appointed Date and up to and including the Effective Date:

- 8.1 The Transferor Companies undertake to preserve and carry on its business, with reasonable diligence and business prudence and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber or otherwise deal with or dispose of any undertaking or any part thereof save and except in each case:
- (a) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the High Court;
or
 - (b) if the same is expressly permitted by this Scheme; or
 - (c) if the prior written consent of the Board of Directors of SEL has been obtained.

- 8.2 The Transferor Companies shall carry on and be deemed to have carried on all business and activities and shall stand possessed of all the assets, rights, title and interest of the Transferor Companies for and on account of, and in trust for SEL.
- 8.3 All profits and cash accruing to or losses arising or incurred (including the effect of taxes if any thereon), by the Transferor Companies, respectively, shall for all purposes, be treated as the profits/ cash, taxes or losses of SEL.

9. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets, liabilities and obligations pertaining /relating to the Transferor Companies, pursuant to this Scheme, and the continuance of the proceedings by or against SEL, under Clause 6 hereof shall not affect any transactions or proceedings already completed by the Transferor Companies, on and after the Appointed Date to the end and intent that SEL accepts all acts, deeds and things done and executed by and/ or on behalf of the Transferor Companies, as acts, deeds and things done and executed by and on behalf of SEL.

**10. CONSOLIDATION OF AUTHORISED SHARE CAPITAL
AND CORRESPONDING AMENDMENT IN THE
MEMORANDUM AND ARTICLES OF ASSOCIATION**

10.1 On coming into effect of this Scheme, the authorised share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company, including payment of Stamp Duty and Registrar of Companies fees, by the authorised share capital of the Transferor Companies which is Rs. 998,00,00,000 (Rupees Nine Hundred and Ninety Eight Crores Only) and the Memorandum of Association of the Transferee Company shall stand amended accordingly without any further act or deed and stand altered, modified and amended, and the consent of the shareholders of the Transferee Company, if any required and obtained, shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Section 13, Section 61, Section 64 or any other applicable provisions of the Act, would be required to be separately passed. For this purpose, the filing fees and stamp duty already paid by the Transferor Companies towards their authorised share capital shall be utilised and applied to the increased authorised share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such consolidated authorised share capital and, accordingly, the Transferee Company shall not be required to pay any fees/ stamp duty on the authorised share capital so increased.

- 10.2 Pursuant to the Scheme and after the Scheme becomes effective, the increased authorised share capital of the Transferee Company will be divided into such number of Equity Shares of Rs. 2 (Rupees Two Only) each.
- 10.3 It is clarified that the approval of the members of the Transferee Company, if any required and obtained, to the Scheme shall be deemed to be their consent/approval also to the alteration of the Memorandum of Association of the Transferee Company as may be required under the Act, and Clause V of the Memorandum of Association of the Transferee Company shall respectively stand amended by virtue of the Scheme.

11. CONSIDERATION

This Scheme does not involve any issue of shares (equity or preference shares) pursuant to the Transferor Companies being wholly owned subsidiaries of the Transferee Company. The proposed Amalgamation of SEBL, SEEL and SWIL with SEL is in the nature of acquisition, wherein the Transferee Company acquires the business in the Transferor Companies for which the adjustments shall be as follows:

For Equity shareholders

- 11.1 Since the entire equity share capital of the Transferor Companies is

held by SEL (i.e. the Transferor Companies are wholly owned subsidiaries of SEL), no shares of the Transferee Company shall be allotted in respect of its holding in the Transferor Companies pursuant to amalgamation, due to the operation of law.

11.2 Upon the Scheme becoming effective, the entire equity share capital of the Transferor Companies, as held by the Transferee Company shall be cancelled and extinguished.

11.3 The investment in the equity shares of the Transferor Companies appearing in the books of account of the Transferee Company shall, without any further act or deed; stand cancelled and be adjusted in accordance with clause 12.2.

For Preference shareholders

11.4 Since the entire preference share capital of the Transferor Companies is held by SEL, no shares of the Transferee Company shall be allotted in respect of its holding in the Transferor Companies pursuant to amalgamation, due to the operation of law.

11.5 Upon the Scheme becoming effective, the entire preference share capital of the Transferor Companies, as held by the Transferee Company shall be cancelled and extinguished inclusive of any unclaimed rights and obligation related thereto.

11.6 The investment in the preference shares of the Transferor Companies appearing in the books of account of the Transferee Company shall, without any further act or deed; stand cancelled and

be adjusted in accordance with clause 12.2.

12. ACCOUNTING TREATMENT FOR AMALGAMATION

Upon the Scheme becoming effective and with effect from the Appointed Date, the Amalgamation of the Transferor Companies with the Transferee Company shall be accounted as per the below method:

- 12.1 With effect from the Appointed Date, all the assets and liabilities appearing in the books of account of the Transferor Companies shall stand transferred to and vested in the Transferee Company at their respective fair values, as the case may be pursuant to the Scheme.
- 12.2 The value of the investments in the equity shares as well as preference shares of the Transferor Companies held by the Transferee Company shall stand cancelled in the books of the Transferee Company, without further act or deed. The cost of acquisition of such equity and preference shares in the hands of the Transferee Company, shall be treated as the consideration paid for the acquisition of business of the Transferor Companies.
- 12.3 The reserves (whether capital or revenue or on revaluation) of the Transferor Companies should not be recorded in the financial statements of the Transferee Company.

- 12.4 The loans and advances inter-se between the Transferor Companies and the Transferee Company appearing in the books of accounts of either the Transferor Companies or the Transferee Company, if any, shall stand cancelled.
- 12.5 In case of any difference in accounting policy between the Transferor Companies and the Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted in the balance in the statement of profit and loss of the Transferee Company to ensure that the financial statements of the Transferee Company will reflect the financial position on the basis of consistent accounting policy.
- 12.6 The difference arising between the net assets value taken over (i.e. assets minus external liabilities) of the Transferor Companies and the value of investments as mentioned in clause 12.2 in the books of the Transferee Company with respect to shares held by the Transferee Company in the Transferor Companies shall be debited to/ credited to the Goodwill Account/ Capital Reserve respectively in the books of the Transferee Company. Such goodwill, if any, shall be amortised on a straight line basis for full five years (i.e. 60 months) and shall accordingly be amortised proportionately for a part of any financial year, if so required.

13. TREATMENT OF TAXES

13.1 Any tax liabilities under the Income-tax Act, 1961, Wealth-tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Central Sales Tax Act, 1956 , any other state Sales Tax / Value Added Tax laws, Service Tax, stamp laws, registration fees or any other applicable laws/ regulations (hereinafter in this Clause referred to as "**Tax Laws**") dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Companies to the extent not provided for or covered by tax provision in the Accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company.

13.2 All taxes (including income tax and tax deducted at source, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Transferor Companies in respect of the operations and/or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and, insofar as it relates to the tax payment (including without limitation income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Companies in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly.

13.3 Any refund under the Tax Laws due to the Transferor Companies consequent to the assessments made on the Transferor Companies and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

13.4 Without prejudice to the generality of the above, all benefits including claim of tax deduction at source, tax collection at source, advance tax and self-assessment tax and any similar credits or balances under the income tax, sales tax, excise duty, customs duty, service tax, VAT, etc., to which the Transferor Companies are entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee Company. Similarly, the unabsorbed depreciation and brought forward losses of the Transferor Companies as considered for the purposes of Explanation 1 to Section 115JB (2) of the Income-tax Act, 1961 shall stand transferred to the Transferee Company and the Transferee Company shall consolidate the same with its unabsorbed depreciation and brought forward losses for the purpose of Explanation 1 to Section 115JB (2) of the Income-tax Act, 1961.

13.5 The Amalgamation as contemplated in this Scheme would be completed in a manner so as to comply with the conditions relating to 'amalgamation' as specified under section 2(1B) of the Income-

tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section at the later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income-tax Act, 1961. Such modification will however not affect the other parts of the Scheme. Furthermore, all credits or balances eligible for roll-over, set-off or carry forward under the Income-tax Act, 1961 including under Chapter VI of the Income-tax Act, 1961 shall be given effect to in compliance with the applicable provisions of the Income-tax Act, 1961.

PART – III

14. TRANSFER AND VESTING OF THE DEMERGED BUSINESS

- 14.1 With effect from the Appointed Date and upon the Scheme becoming effective, the whole of the undertaking and assets and liabilities of the Demerged Business, shall, under the provisions of Sections 391 to 394, of the Companies Act, 1956 and all other applicable provisions, if any, of Companies Act, 1956 and Companies Act 2013, without any further act, instrument, deed, matter or thing stand vested in and/or deemed to be vested in SEL, so as to vest in SEL all the rights, title and interest pertaining to the Demerged Business. In so far as the immovable properties, if any, of the Demerged Business are concerned, SEL shall register the true copy of the Order of the High Court approving the Scheme with the relevant authorities. The Demerged Business of SSL, as defined in clause 1.4, shall stand vested in or deemed to be transferred to and vested in SEL, as a going concern, in compliance with Section 2(19AA) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961, shall prevail and the Scheme

shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income-tax Act, 1961. The vesting of the Demerged Business of SSL in SEL shall happen in the following manner:

14.2 Without prejudice to the generality of Clause 14.1, in respect of such of the assets of the Demerged Business as are moveable in nature or are otherwise capable of transfer and vesting by manual delivery or by endorsement and/or delivery or by physical possession including plant, machinery and equipment, the same may be transferred to and vested into SEL, as follows:

(i) All the moveable assets capable of being transferred and vested by delivery, including plant and machinery, shall be handed over by physical delivery (together with duly executed transfer forms or other documents as may be required) to SEL along with such other documents as may be necessary towards the end and intent that the property therein passes to SEL on such delivery without requiring any deed or instrument of conveyance for the same and shall become the property of SEL accordingly. The investments held in dematerialised form, if any, will be transferred to SEL by issuing appropriate delivery instructions to the depository participant with whom SSL has an account. Such delivery and transfer shall be made on a date mutually agreed upon between the respective Boards of

Directors of SSL and SEL, being a date after the sanction of the Scheme by the High Court.

(ii) The moveable assets, other than those specified in Clause 14.2

(i) above, including intangible assets, actionable claims, sundry debtors, outstanding loans and advances, including tax relief under the Income-tax Act, 1961 such as credit for advance tax, TDS, MAT credit, unabsorbed depreciation, all credits or balances eligible for set-off or carry forward under Chapter VI of the Income-tax Act, 1961, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits including deposits paid in relation to outstanding litigations, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall, without any further act, instrument or deed, be transferred to and vested into as the property of SEL. SEL may, if required, give notice in such form as it may deem fit and proper to each person or debtor that, pursuant to the Scheme, the said person or debtor should pay the debt, loan or advance or make good the same or hold the same to its account and that the right of SEL to recover or realise the same is in substitution of the right of SSL and that appropriate entry should be passed in their respective books to record the aforesaid charges.

14.3 With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description of SSL relating to the Demerged Business shall, without any further act or deed be and stand transferred to SEL so as to become as from the Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of SEL and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause. After the Effective Date, SEL undertakes to meet, discharge and satisfy the said liabilities to the exclusion of SSL and to keep SSL indemnified at all times from and against all such liabilities and from and against all actions, demands and proceedings in respect thereto.

14.4 With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licenses, permissions or approvals or consents held by SSL required to carry on operations in the Demerged Business, shall stand vested in SEL without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of SEL, and that the order of the High Court shall be binding upon all other authorities / bodies / other establishments. The benefit of all

statutory and regulatory permissions, environmental approvals and consents, registration or other licenses, and consents shall vest in and become available to SEL pursuant to the Scheme. In so far as various incentives, subsidies, rehabilitation Schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by SSL relating to the Demerged Business are concerned, the same shall vest with and be available to SEL on the same terms and conditions.

- 14.5 The transfer and vesting of the Demerged Business as aforesaid shall be subject to the existing securities, charges, mortgages and other encumbrances if any, subsisting over or in respect of the property and assets or any part thereof relatable to the Demerged Business to the extent such securities, charges, mortgages, encumbrances are created to secure the liabilities forming part of the Demerged Business.

15 CONSIDERATION

- 15.1 For the purposes of this Scheme, it is hereby clarified that as on the Appointed Date, the Demerged Company is a wholly owned subsidiary of the Resultant Company.
- 15.2 Since the entire equity share capital of the Demerged Company is held by SEL and its nominees, no shares of the Resultant Company

shall be allotted in respect of its holding in the Demerged Company pursuant to demerger, due to the operation of law.

16 ACCOUNTING TREATMENT

In the books of SEL

- 16.1 SEL shall, upon the Scheme becoming effective, record the assets and liabilities of the Demerged Business of SSL vested in it pursuant to this Scheme, at respective book values, as appearing in the books of SSL at the close of business on the day immediately preceding the Appointed Date.
- 16.2 The intercompany balances, if any, appearing in the books of accounts of SEL and the Demerged Business being transferred, will stand cancelled;
- 16.3 The amount of the net assets/ (liabilities) of the Demerged Business transferred to SEL (being the difference between the value of assets and value of liabilities of the Demerged Business, as recorded in the books of SEL as per clause 16.1 above), would be recorded as Capital Reserve/ Goodwill respectively. The said Goodwill/ Capital Reserve shall be separate and independent of the Goodwill/ Capital Reserve as mentioned in clause 12.

In the books of SSL

- 16.4 Upon the Scheme becoming effective, SSL shall reduce the book value of assets and liabilities pertaining to the Demerged Business transferred to SEL.
- 16.5 The excess of the book value of assets transferred over the book value of liabilities transferred (i.e. net book value of assets transferred), shall be credited to/ debited to the Profit and Loss Surplus Account.

17 PROFITS, DIVIDEND, BONUS/RIGHT SHARES

SSL shall not utilise profits or income, if any, pertaining to the Demerged Business for any purpose including declaring or paying any dividend in respect of the period falling on and after the Appointed Date. SSL shall also not utilise profits, adjust or claim adjustment of the profits/loss as the case may be earned/incurred or suffered in respect of the Demerged Business after the Appointed Date.

18 CONDUCT OF THE DEMERGED BUSINESS OF SSL TILL THE EFFECTIVE DATE

With effect from the Appointed Date and up to and including the Effective Date:

- 18.1 SSL shall be deemed to have been carrying on and shall carry on its business and activities relating to the Demerged Business and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all its properties and assets pertaining to the Demerged Business for and on account of and in trust for SEL. SSL hereby undertakes to hold its said assets with utmost prudence until the Effective Date.
- 18.2 SSL shall carry on its business and activities relating to the Demerged Business with reasonable diligence, business prudence and shall not, except in the ordinary course of business or without prior written consent of SEL, alienate charge, mortgage, encumber or otherwise deal with or dispose of the Demerged Business or part thereof.
- 18.3 All the profits or income accruing or arising to SSL or expenditure or losses arising or incurred or suffered by SSL pertaining to the Demerged Business shall for all purposes be treated and be deemed to be accrued as the income or profits or losses or expenditure as the case may be of SEL.
- 18.4 SEL shall be entitled, pending the sanction of the Scheme, to apply to the Central/State Government and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which SEL may require pursuant to this Scheme.

19 EMPLOYEES

- 19.1 On the Scheme becoming operative, all staff and employees of SSL pertaining to the Demerged Business in service on the Effective Date shall be deemed to have become staff and employees of SEL without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with SEL shall not be less favourable than those applicable to them with reference to their employment in SSL.
- 19.2 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Trusts, if any, created or existing for the benefit of the staff and employees of SSL pertaining to the Demerged Business or all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of SSL in relation to the Demerged Business in relation to such Fund or Funds shall become those of SEL. It is clarified that the services of the staff and employees of SSL pertaining to the Demerged Business will be

treated as having been continuous for the purpose of the said Fund or Funds.

- 19.3 SEL shall not vary the terms and conditions of employment of any of the employees of SSL pertaining to the Demerged Business except in the ordinary course of business.

20 LEGAL PROCEEDINGS

- 20.1 If any suit, appeal or other proceeding of whatever nature by or against SSL in relation to the Demerged Business is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against SEL, as the case may be, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against SSL in relation to the Demerged Business as if this Scheme had not been made.
- 20.2 In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against SSL in relation to the Demerged Business, SEL shall be made party thereto and any payment and expenses made thereto shall be the liability of SEL.

21 CONTRACTS, DEEDS, ETC.

21.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, insurance, Letters of Intent, undertakings, arrangements, policies, agreements and other instruments, if any, of whatsoever nature pertaining to the Demerged Business to which SSL is a party and which is subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of and may be enforced by or against SEL as fully and effectually as if, instead of SSL, SEL had been a party thereto.

21.2 SEL shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which SSL will, if necessary, also be party in order to give formal effect to the provisions of this Scheme. SEL shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of SSL for the Demerged Business and to implement or carry out all formalities required to give effect to the provisions of this Scheme.

22 SAVING OF CONCLUDED TRANSACTIONS

The transfer of the Demerged Business of SSL into SEL under Clause 14 above and the continuance of proceedings by or against SEL under Clause 20 above shall not affect any transaction or proceedings already concluded by SSL for the Demerged Business

on or after the Appointed Date till the Effective Date, to the end and intent that SEL accept and adopts all acts, deeds and things done and executed by SSL for the Demerged Business in respect thereto as done and executed on behalf of SEL.

23 REMAINING BUSINESS OF SSL

- 23.1 The remaining business of SSL and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by SSL.
- 23.2 All legal and other proceedings by or against SSL under any statute, whether pending on the Appointed Date or which may be instituted in future, whether or not in respect of any matter arising before the Effective Date and relating to the remaining business of SSL (including those relating to any property, right, power, liability, obligation or duty of SSL in respect of the remaining business of SSL) shall be continued and enforced by or against SSL.
- 23.3 With effect from the Appointed Date and including the Effective Date-

- (a) SSL shall be deemed to have been carrying on and to be carrying on all business and activities relating to the remaining business of SSL for and on its own behalf;
- (b) all profit accruing to SSL thereon or losses arising or incurred by it relating to the remaining business of SSL shall, for all purposes, be treated as the profit, or losses, as the case may be, of SSL.

24 TREATMENT OF TAXES

- 24.1 It is clarified that all taxes, levies, imposts, fines and duties payable by SSL, accruing and relating to the operations of the Demerged Business from the Appointed Date onwards, including all advance tax payments, tax deducted at source, any refund and claims shall, for all purposes, be treated as advance tax payments, tax deducted at source or refunds and claims of SEL. Accordingly, upon this Scheme becoming effective, SSL is expressly permitted to revise, and SEL is expressly permitted to file their respective income tax returns, including tax deducted at source certificates, sales tax/ value added tax returns, excise returns, service tax returns and other tax returns for the period commencing on and from the Appointed Date, and to claim refunds/ credits, pursuant to the

provisions of this Scheme. Similarly, the unabsorbed depreciation and brought forward losses of the Demerged Company as are relating to the Demerged Business as considered for the purposes of Explanation 1 to Section 115JB (2) of the Income Tax Act, 1961 shall stand transferred to the Resulting Company and the Resulting Company shall consolidate the same with its unabsorbed depreciation and brought forward losses for the purpose of Explanation 1 to Section 115JB (2) of the Income-tax Act, 1961.

24.2 All expenses paid by SSL under Section 43B of the Income-tax Act, 1961, in relation to the Demerged Business, shall be claimed as a deduction by SEL and the transfer of Demerged Business shall be considered as succession of business by SEL.

24.3 The Demerger as contemplated in this Scheme would be completed in a manner so as to comply with the conditions relating to 'demerger' as specified under section 2(19AA) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section at the later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(19AA) of the Income-tax Act, 1961. Such modification will however not affect the other parts of the Scheme. Upon

approval of the scheme of amalgamation the accumulated losses and unabsorbed depreciation allowance of the Demerged Company shall be available to the Resulting Company under section 72A of the Income-tax Act, 1961.

PART – IV

25 APPLICATION TO THE HIGH COURT

SEBL, SEEL, SWIL, SSL and if required, SEL, shall, with all reasonable dispatch, make necessary applications to the High Court pursuant to Sections 391 - 394 of the Act, for convening and/or seeking exemption to convene meetings of the shareholders, for sanctioning and carrying out of this Scheme and for consequent dissolution of the Transferor Companies without winding up and shall apply for and obtain such other approvals, as required by law. Any such application shall, upon constitution of the National Company Law Tribunal under Section 10FB of the Act, be made and/or pursued before the National Company Law Tribunal, if so required. In such event references in this Scheme to the High Court

shall be construed as references to the National Company Law Tribunal and/or appropriate Benches thereof as the context may require.

26 MODIFICATIONS/AMENDMENTS TO THE SCHEME

SEBL, SEEL, SWIL, SSL and SEL by their respective Board of Directors may assent to any modifications/amendments to the Scheme or to any conditions or limitations that the High Court and/or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the respective Board of Directors of SEBL, SEEL, SWIL, SSL and SEL). SEBL, SEEL, SWIL, SSL and SEL by their respective Board of Directors be and are hereby authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions of law or otherwise, whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith. The aforesaid powers of the Board shall be exercised with the approval of the High Court.

27 DISSOLUTION OF THE TRANSFEROR COMPANIES

On the Scheme becoming effective, the Transferor Companies shall stand dissolved without being wound up under Section 394 of the Act.

28 CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

- 28.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of SEBL, SEEL, SWIL, SSL and SEL as prescribed under the Act and as may be directed by the High Court or any other appropriate authority as may be applicable.
- 28.2 Pre filing and post sanction approval of the Stock Exchanges and the Securities and Exchange Board of India in terms of the SEBI circular being obtained, if applicable.
- 28.3 The sanction of this Scheme by the High Court or any other appropriate authority under Sections 391 to 394 and other applicable provisions, if any of the Act in favour of SEBL, SEEL, SWIL, SSL and SEL.
- 28.4 Certified or authenticated copy of the Order of the High Court sanctioning the Scheme being filed with the Registrar of Companies, Gujarat at Ahmedabad by SEBL, SEEL, SWIL, SSL and SEL.

29. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in Clause 28 not being obtained and/ or the Scheme not being sanctioned by the High Court or such other appropriate authority, if any, 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 and agreed between the respective parties to this Scheme. Each party shall bear and pay its respective costs, charges and expenses for and / or in Connection with the Scheme unless otherwise mutually agreed.

30. COSTS, CHARGES AND EXPENSES

All costs, shortages, charges, taxes including duties, levies and stamp duty leviable as on Effective Date, under the respective applicable stamp duty laws, pursuant to the certified final order of the High Court sanctioning the Scheme and all other expenses, if any (save as expressly otherwise agreed) of SEBL, SEEL, SWIL, SSL and SEL arising out of or incurred in carrying out and

implementing this Scheme and matters incidental thereto shall be borne by the Resulting Company/ Transferee Company.

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09/05/25

IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
DIVISION BENCH
COURT - 1

ITEM No.312

C.P.(CAA)/52(AHM)2024 in C.A.(CAA)/25(AHM)2024

Order under Sections 230-232 of Co Act, 2013

IN THE MATTER OF:

Suzlon Global Services Limited
Suzlon Energy Limited

.....Applicants


Order delivered on: 08/05/2025

Coram:

Mr. Shammi Khan, Hon'ble Member(J)
Mr. Sanjeev Kumar Sharma, Hon'ble Member(T)

ORDER
(Hybrid Mode)

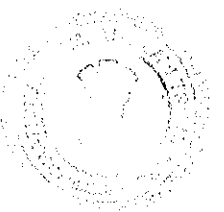
The case is fixed for pronouncement of order. The order is pronounced in the open court, vide separate sheet.



SANJEEV KUMAR SHARMA
MEMBER (TECHNICAL)



SHAMMI KHAN
MEMBER (JUDICIAL)



**IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT-1, AHMEDABAD**

CP(CAA)/52(AHM)2024

in

CA(CAA)/25(AHM)2024

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

**In the matter of Scheme of Amalgamation
(by way of Absorption)**

Memo of Parties

Suzlon Global Services Limited

CIN: U27109GJ2004PLC044170

A company incorporated under the provisions of the Companies Act, 1956, having its registered office situated at: Suzlon 5, Shrimali Society, Nr. Shri Krishna Complex, Navrangpura, Ahmedabad-380 009, in the State of Gujarat.

**..... Petitioner Company No.1/
Transferor Company**

with

Suzlon Energy Limited

CIN:L40100GJ1995PLC025447

A company incorporated under the provisions of 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.

**..... Petitioner Company No.2/
Transferee Company**

Order Pronounced on 08.05.2025

CORAM:

MR. SHAMMI KHAN, HON'BLE MEMBER (JUDICIAL)
MR. SANJEEV KUMAR SHARMA, HON'BLE MEMBER (TECHNICAL)

APPEARANCE:

For the Applicants : Mr. Saurabh Soparkar, Sr.
Advocate a.w. Ms. Swati
Soparkar, Advocate

For the Regional Director : Mr. Shiv Pal Singh, Deputy
Director

For the Official Liquidator : Mr. Sandip Tupe, Technical
Assistant

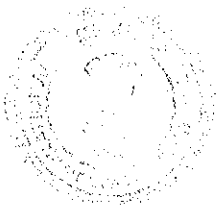
For the Income Tax
Department : Ms. Kinjal Vyas, Proxy.
Advocate for Ms. Maithili D.
Mehta, Advocate

ORDER
Per Bench

1. The present joint Company Petition has been filed by the above Petitioner Companies viz., Suzlon Global Services Limited (Transferor Company) and Suzlon Energy Limited (Transferee Company) under Sections 230-232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromise, Arrangement and Amalgamations) Rules, 2016, seeking approval of the proposed Scheme of Amalgamation by way of Merger by Absorption (Scheme) between Suzlon Global Services

Limited (Transferor Company) with Suzlon Energy Limited with effect from 15.08.2024 being the Appointed Date as mentioned in the Modified Scheme. The said Scheme is annexed as 'Annexure-F' to the Company Petition. The Transferor Company is a wholly owned subsidiary of Transferee Company.

2. Affidavits both dated 17.10.2024, in support of the present company petition, was sworn by Mr. Parshwa Doshi on behalf of the petitioner companies, being the Authorized Signatory of the petitioner companies, and the same is annexed to the company petition. The above-named authorized signatory of the Petitioner Companies has been authorized vide Board Resolutions dated 02.05.2024 and 16.08.2024 (**Annexure-E**).
3. The Petitioner Companies had filed a joint Company Application before this Tribunal, being CA(CAA)/25(AHM)2024, seeking dispensation of meetings of its Equity Shareholders as well as seeking directions for convening and holding meetings of Secured Creditors and Unsecured Creditors.



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4. The aforesaid application ie. CA(CAA)/25(AHM)2024 was heard and reserved for order on 06.06.2024. However, this matter was listed for clarification on 25.06.2024 since the Appointed Date, i.e., 01.12.2024, mentioned in the Scheme was a future calendar date not aligned with the operational or financial milestones of the companies. Accordingly, the Petitioner Companies filed an affidavit on 20.08.2024, vide diary no. D6448, along with Board Resolution dated 16.08.2024, modifying the Appointed Date to 15.08.2024 to reflect the effective date of operational integration.

5. The aforesaid company application, CA (CAA) / 25 (AHM) 2024, was allowed by this Tribunal, vide order dated 29.08.2024 read with order dated 12.09.2024. By the said orders, this Tribunal dispensed with the meetings of the Equity Shareholders and directed for convening and holding separate meetings of secured creditors and unsecured creditors of the applicant companies. This Tribunal had appointed Mr. L.N. Gupta, Ex-Member, NCLT as the Chairperson and Mr. Vishawjeet Singh, Advocate as the Scrutinizer, for the aforesaid meetings and gave further directions to comply with various stipulations contained in

the order dated 29.08.2024 read with order dated 12.09.2024 including filing of the Chairman's Report in respect of the aforesaid meetings. Further, this Tribunal had directed the applicant companies for issuance of notice to Central Government through the Regional Director, (MCA), the Registrar of Companies, Gujarat, concerned Income Tax Authorities, Stock Exchanges, viz. BSE Limited and National Stock Exchange of India Limited, the Securities and Exchange Board of India, Reserve Bank of India, for the applicant Transferee Company and the Official Liquidator (for Transferor Company) as well as other Sectorial Regulators who may have significant bearing on the operation of the applicant companies.

6. In compliance with the orders dated 29.08.2024 and 12.09.2024, the Petitioner Companies filed a service affidavit dated 30.09.2024 on 01.10.2024, vide inward diary no. D7483, confirming service of notice of meetings upon the Secured Creditors and Unsecured Creditors, along with proof of paper publication. Additionally, an affidavit dated 30.09.2024, vide the same diary number,

was filed regarding service of notice upon Statutory/Regulatory Authorities.

7. The Chairman, Shri L.N. Gupta, filed a report of the aforesaid meetings by way of affidavit dated 10.10.2024 on 21.10.2024 vide inward diary No. E2757 along with the report of Scrutinizer, Mr. Vishawjeet Singh. As per the Chairman's report, the Scheme was unanimously approved by: -

Transferor Company: Secured Creditors (100% in number and 100% in value) and Unsecured Creditors (97.73% in number and 99.995% in value).

Transferee Company: Secured Creditors (66.67% in number and 100% in value) and Unsecured Creditors (97.33% in number and 100% in value)."

8. **Rationale of the Scheme-The petitioner companies have provided the following rationale for the Scheme: -**

The Transferee Company is primarily engaged in the business of manufacturing and supply of WTG while the Transferor Company is engaged in the business via the following undertakings, viz., OMS undertaking and other business undertakings. The Transferor Company is a wholly owned subsidiary of the Transferee Company.

The energy and climate policies being implemented by major economies worldwide, demonstrate a remarkable level of ambition and commitment to supporting wind energy and other renewable energy sources. These developments signal a promising future for the growth and advancement of renewable energy and renewable energy technologies propelling the industry to redefine and forge innovative partnerships with governments, cities, communities, investors, and customers. There is increase in the demand of the wind capacity on account of increased wind, solar, hybrid, RTC and FDRE tenders, national hydrogen mission, MNRE's removal of tariff ceiling, improved technology, industrial tariffs and demand of wind energy from commercial and industrial consumers, power storage and central government allocations under strong off-takers. The Transferor and Transferee companies, founded with a deep understanding of the environment and sustainable development, have been at the forefront of renewable energy as a key solution provider since their inception. By combining forces, the Companies aim to create a more robust and competitive entity that is well-equipped to navigate the complexities of the national and international renewable energy landscape.

The amalgamation will consolidate the business of the Transferor Company and the Transferee Company which will result in focused growth, operational efficiencies and business synergies of the WTG business and OMS business. In addition, resulting corporate holding structure

will bring enhanced agility to the business ecosystem of the merged entity. Further the amalgamation could potentially reap strategic benefits including but not limited to the following:

- a. *Stronger financial position:* In an increasingly competitive global market, the financial strength of a company plays a critical role in its ability to secure large contracts and continue to expand consistently. Moreover, as the turbines have life cycle of 25 to 30 years, the customers are more likely to rely on an OEM whose presence can be assured across the lifecycle. A stronger balance sheet helps build a value proposition for customers making it a key metric to award bigger projects to financially sound organisations. A strong net worth signifies that the company possesses enough financial resources to successfully complete larger projects without negative repercussions. It gives the assurance and confidence to stakeholders about the company's capability to take on, deliver, and succeed in high stakes contracts.

The merger of the Transferor Company into the Transferee Company would help in strengthening the financial robustness, resulting in a highly fortified standalone balance sheet and profit and loss statement which benefits the Companies as follows:

- (i) stronger financial health plays a strategic role in enhancing the consolidated entity's potential to bid, secure and execute big-ticket contracts in the domestic as well as overseas markets; and
- (ii) positioning the consolidated organisation more aggressively and perceptibly in the global markets

thus paving the way for a stronger international presence and tapping back into the overseas markets broadening the client base.

- b. *Contracting:* Some of the customers are inclined more towards contracts with single entity, demonstrating a clear preference for dealing with a single entity for both WTG delivery and OMS services. For some customers (e.g. PSU customers) it is a mandatory tender condition to participate for both WTG delivery and OMS services from single entity.
- c. *Elimination of inter-company outstanding:* There are inter-company loans between the two entities and elimination of this leads to a stronger, more resilient financial position and enhanced business's creditworthiness. Moreover, the freed-up capital can be reallocated to other productive areas, further strengthening the company's financial stability and growth prospects.
- d. *Efficient utilization of resources:* Post-merger, the consolidated business can strategically manage finances which shall help optimize the cash flow. The unified cash flow management system provides an opportunity to reallocate resources effectively, reinvesting in areas that promise better returns. With shared financial goals, the consolidated business can leverage collective cash flow to fund growth opportunities, thereby tapping the new and bigger business opportunities market is offering in an effective manner.

Unfettered access to cash flow generated by the combined businesses which can be deployed more efficiently to fund organic and inorganic growth opportunities and to maximize shareholders value; It

strengthens the dividend paying abilities of the Transferee company.

- e. *Streamlining of group structure and benefit of combined resources.* The proposed amalgamation of the Transferor Company with the Transferee Company will create a streamlined group structure which will assist in more efficient utilization of the capital.
- f. *Efficiency in business operations of the WG business and OMS business.* The proposed amalgamation of the Transferor Company with the Transferee Company is expected to create greater efficiency due to economies of scale, elimination of duplication of work and rationalisation and reduction of compliance requirements;
- g. *Sharing of best practices in sustainability, safety, health and environment.* Adoption of improved safety, environment and sustainability practices owing to a centralised committee at combined level may provide focused approach towards safety, environment and sustainability practices resulting in overall improvements.

The amalgamation of the Transferor Company with the Transferee Company will combine the business activities and operations of the Transferor Company and the Transferee Company into a single company with effect from the Appointed Date (as defined hereinafter) and shall be in accordance with the provisions of the Income Tax Act, 1961, and rules framed thereunder including Section 2(1B) thereof or any amendments thereto.

9. After complying with all the directions given in the order dated 29.08.2024 read with order dated 12.09.2024, the Second Motion Petition was filed before this Tribunal by the Petitioner Companies on 21.10.2024, vide Inward Diary No. E2757, seeking sanction of the proposed Scheme by this Tribunal
10. This Tribunal vide order dated 14.11.2024 directed the Petitioner Companies to issue notice to the Statutory / Regulatory Authorities viz. (i) the Regional Director (ii) Registrar of Companies, Gujarat (iii) the Income Tax Department; for both the petitioner companies; (iv) RBI, for Transferee Company (v) SEBI, NSE, BSE-for the Transferee Company and other sectorial regulators, if any, who govern the working of the respective companies involved in the Scheme. This Tribunal also directed the Petitioner Companies for paper publication to be made in "Indian Express" in English Language and "Sandesh" in Vernacular Language, both in Ahmedabad editions.
11. In compliance of the order dated 14.11.2024, the Petitioner Companies filed affidavit of service dated 28.11.2024 vide Inward Diary No. D8647, on 29.11.2024, in respect of

service of notice upon the statutory / regulatory authorities along with proof of service as well as proof of publication of notice of hearing of the petition in "Indian Express" in English language and in 'Sandesh' in Vernacular language on 27.11.2024, both in Ahmedabad editions.

12. Pursuant to the service of notice upon the statutory/regulatory authorities, following authorities have responded:-

**STATUTORY/REGULATORY AUTHORITIES
OBSERVATION & RESPONSE THEREOF**

13. **The Regional Director, North-Western Region, Gujarat and the Registrar of Companies, Gujarat.**

In response to the notice served upon the Regional Director (RD), a representation/report dated 25.11.2024 was filed by the RD, North-Western Region, on 11.12.2024, vide Inward Diary No. R550, along with report of the Registrar of Companies (RoC) dated 22.10.2024. They have made some observations in their reports. The petitioner companies have filed an additional affidavit dated 17.12.2024, vide Inward Diary No.D9080, on 18.12.2024 in response to the

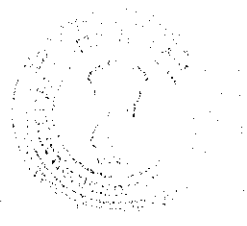
representation/reports of the Regional Director, the Registrar of Companies and the Official Liquidator.

RD's Observation

- i) As per the Scheme, the authorized share capital of the petitioner Transferor Company will be added to the authorized share capital of the petitioner transferee company. In compliance with the provisions of Section 232 (3) (i) of the Companies Act, 2013 the petitioner transferee company is under statutory obligation to pay the difference amount of fees, if any which is payable on the enhanced Authorized Capital and the fees which have already been paid by all the petitioner companies at the time of registration / increase in authorized capital.
- The Transferee Company undertakes to pay such difference, if any applicable, for the amount of fees payable as on date on the proposed enhancement of Authorised Share Capital.
- ii) It is submitted that the petitioner transferee company namely Suzlon Energy Limited is listed with BSE and NSE. In this regard, the NOCs from the stock exchanges are not required in the matter since the matter is wholly owned subsidiary and all the shares of the Transferor Company is held by the petitioner transferee company, pursuant to the SEBI Circular

No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20.06.2023. However, as per the SEBI circular, such draft scheme shall be filed with the Stock Exchange for the purpose of disclosures and the Stock Exchange shall disseminate the scheme documents on their website. In this regard, the petitioner transferee company is required to submit documentary evidence for submitting such draft scheme with the Stock Exchange for the purpose of disclosures.

- The petitioner companies confirmed that the Petitioner Transferee Company, being a listed public listed company has complied with all the applicable requirements of the SEBI Circular No. CFD/DIL13/CIR12017 121 dated March 10, 2017 read with Master Circular dated November 23, 2021 and June 20, 2023. Since the proposed Scheme involves only merger proposal of the Wholly Owned Subsidiary with the Parent Holding Company, the Petitioner Company had submitted the Scheme to the concerned Stock Exchanges for the disclosure purposes and it was not necessary to obtain the Observation letters from the concerned Stock Exchanges. It has already placed on record, the proof of such service along with acknowledgment received from the stock exchanges. However, the same are attached as **Annexure-2** to the reply. The Petitioner Companies further undertake to comply with all applicable requirements even while



implementing the Scheme, as and when made effective.

- iii) To direct the petitioner companies to file an affidavit to the extent that the Scheme enclosed to the company application and company petition is one and same and there is no discrepancy or change is made.
- Petitioner Companies submitted that the Modified Scheme enclosed with the Company Application, with revised Appointed Date and the Scheme filed with the Company Petition are one and the same and there is no discrepancy or no change made in the same.
- iv) To direct the petitioner companies to file an affidavit to the extent that no CIRP proceedings under IBC and/or winding up petition against Applicant Company are pending.
- Petitioner Companies submitted that there are no CIRP proceedings under the IBC or any other winding up proceedings against either of the Petitioner Companies.
- v) It is submitted that the office of ROC Ahmedabad has reported that no complaint received against both applicant companies specifically with reference to the proposed scheme of amalgamation/ merger, but their office was in receipt of one reference from SEBI through the office of DGCoA's letter No. CL-II-07/99/2022-O/o DGCOA-MCA dated 27.04.2023 in respect of the transferee company. In this regard, 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. The Hon'ble NCLT may be pleased to direct the applicant Transferee Company to clarify the matter and undertake to comply the direction, if any, passed by ROC/ Regional Director/Ministry (DGCoA) in the matter.

- Petitioner Companies submitted that it pertains to the issue of treatment of share application money. It is submitted that the Petitioner Transferee Company has already submitted its response to Ministry of Corporate Affairs from time to time and lastly on 10tr, July 2023. The Petitioner Companies submit that the same appears to be accepted by the said authority and hence, no further directions are issued, in this regard.

v) It is submitted that they have received a copy of letter No. CL-II-03/411/2024-0/0 DGCOA-MCA dated 22.08.2024 addressed to office of ROC Ahmedabad and copy endorsed to them in the matter of transferor company along with a copy of form ADT-4 dated 16.07.2024 filed by the statutory auditor of the company u/s 143 (12) of the Companies Act, 2013 with request ROC to report impact of the fraud on the financial statements of the company and submit the same through regional head within one month. In this regard,

it is submitted that the report from office of ROC Ahmedabad is awaited. Hence, the transferor company may direct to submit the clarification and transferee company may undertake to take all responsibility for compliance of order/direction, if any, to be issued by RoC/ Regional Director/Ministry (DGCoA), in the matter.

- Petitioner Companies submitted that the submission of Form ADT-4 relates to a fraud perpetuated by an employee of the Transferor Company named Gaurav Jain, while discharging his entrusted official duties, has misused his post / designation. It is hereby clarified by the Petitioners that the Transferor Company has not committed any fraud nor has been subject to any fraud. The concerned employee is no longer in the employment of the Transferor Company and necessary FIRs have also been filed with the police stations of relevant jurisdiction. The copy of the FIRs are attached as Annexure-3 for ready reference, along with the reply. All necessary corrective actions too have been taken in this regard. Further, the Transferee Company undertakes to comply with any instruction received in future, in this regard.

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- vi) It is submitted that as per information provided by the petitioner Transferee Company with regard to Auditors/ Secretarial auditors' observation/remarks during last three years and their respective justification as given in

the Directors' Report in terms of Section 134 of the Companies Act, 2013 in respect of both applicant companies, which are as under:

Sr. no	FY	auditor qualifications / remark	Comments of board of directors
1.		Suzlon Global Services Limited (Transferor Company)	
	2020-21	<p>(i) In respect of Note 2.5 b of the financial statements regarding COVID 19 pandemic and its implication on management's assessment of the Company's ability to generate sufficient cash flow to meet its financial obligations in the foreseeable future under such undetermined circumstances.</p> <p>(ii) In respect of auditors' observation in the financial statement regarding default in repayment of loans or borrowings to financial institutions and banks and delay in depositing statutory dues.</p>	<p>(i) It is clarified that the Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, inventories, receivables, other assets and liabilities. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic and impact of the same on future performance, the Company has used information from internal and external sources including likely impact on the industry. The Company based on the current estimates, expects the carrying amount of these assets will be recovered. The impact of COVID 19 on the Company's financial statements may differ from that estimated. However, the Company believes that the difference should not be significant.</p> <p>(ii) It is clarified that the Company together with the parent company and its identified subsidiaries and a joint venture (collectively known as The Group). The delay arose on account of liquidity shortage due to losses, delay in timely realisation of certain receivables from the customers and</p>

			prevailing uncertain economic environment at Group level.
	2021-22	In respect of Note 5 of the financial statements regarding accounting treatment in respect of scheme of the amalgamation of Suzlon Power Infrastructure Limited with Suzlon Global Services Limited effective from April 1, 2020 and scheme of arrangement for transfer and vesting of project execution business and power evacuation business of Suzlon Gujarat Windpark Limited into the company effective April 2, 2020 as approved by respective National Company Law Tribunal 'NCLT'.	It is clarified that the Company has considered the possible effects and have restated the financials of previous year i.e 2020-21 considering merger impact and auditor has not modified the opinion in respect of this matter.
	2022-23	NIL	NA
2.		Suzlon Energy Limited (Transferee Company)	
	2020-21	<p>i) In respect of Note 6 of the standalone financial statements and the consolidated financial statements regarding use of going concern assumption for the preparation of Ind AS financial statements due to existence of default in repayment of principal and interest payable to lenders (including FCCB), notices and insolvency proceedings against the Company with the National Company Law Tribunal (NCLT), and overdue amounts payable to certain creditors due to liquidity issues.</p> <p>ii) In respect of Note 2.5 of the standalone financial statements and Note 2.6 of the consolidated financial statements regarding COVID 19 pandemic and its implications on the management's</p>	<p>It is clarified that subsequent to balance sheet date, the debt amounting to ₹ 11,367 Crore has been restructured with the unanimous approval of the lenders which includes waiver of all the past events of default under the existing agreements and conversion of debt into new term loan and various other financial instruments as described in more detail in Note 20 to the Ind AS financial statements. Further, the FCCB holders also have agreed to restructure the bonds on the terms as agreed under the Consent Solicitation Information Memorandum ("IM"). The Company is also taking various other steps to reduce costs and accordingly the financial statements have been prepared on the basis that the Company is a going concern.</p> <p>ii) It is clarified that the Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property plant and equipment, intangible assets, inventories, receivables, investments, other assets and liabilities. In</p>

		<p>assessment of the Company's ability to generate sufficient cash flows to meet its financial obligations in the foreseeable future under such undetermined circumstances.</p> <p>iii) In respect of auditors' observation in standalone financial statements and consolidated financial statements regarding certain default in payment of interest and repayment of dues to financial institutions and banks and delay in depositing statutory dues.</p>	<p>developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic and impact of the same on future performance, the Company has used available information from internal and external sources to assess the impact of COVID-19 on the standalone and consolidated financial statements. However, given the undetermined circumstances due to the pandemic the actual outcome may differ from what has been estimated. The Company will continue to monitor the future developments and update its assessment.</p> <p>iii) It is clarified that the delay arose on account of liquidity shortage due to losses, delay in timely realisation of certain receivables from the customers and prevailing uncertain economic environment that adversely impacted the sales volumes.</p>
	2021-22	<p>In respect of Note 6 of the standalone financial statements and the consolidated financial statements regarding use of going concern assumption for the preparation of Ind AS financial statements due to existence of an obligation to achieve reduction in refinanced borrowing from REC Limited from ₹ 3,553 Crore to ₹ 2,178 Crore within a period of one year from the loan disbursement date and fulfil certain conditions including monetisation of specified assets, failing which it could trigger an event of default before March 31, 2023:</p> <p>ii) In respect of auditors'</p>	<p>It is clarified that, the Management has plans to meet the financial obligations in the foreseeable future through various options including refinancing of part of loan with other lenders, execution of the pipeline of orders in hand, future business plans, realisation of trade receivables and financial assets, capital raising, monetisation of assets and accordingly the standalone and consolidated financial statements have been prepared on the basis that the Company is a going concern.</p> <p>ii) It is clarified that the delay arose on account of liquidity</p>

		observation in standalone financial statements regarding certain delay in depositing statutory dues.	shortage due to losses, delay in timely realisation of certain receivables from customers and prevailing uncertain economic environment that adversely impacted the financial position of the Company.
2022-23		<p>i) Note 5 of the standalone financial statements and consolidated financial statements relating to a show cause notice received by the Company from SEBI in respect of certain specific transactions between the Company and its domestic subsidiaries and disclosure of a contingent liability in respect of earlier years.</p> <p>ii) Note 48 (j) of the standalone financial statements and Note 48 (h) of the consolidated financial statements regarding use of going concern assumption for the preparation of Ind AS financial statements due to existence of certain obligations falling which it could trigger an event of default within next 12 months from reporting date.</p> <p>iii) Auditors' observation in standalone financial statements regarding certain delay in depositing statutory dues:</p>	<p>i) It is clarified that, the Management has responded to the SCN and has denied the allegations made by the SEBI. Additionally, the management has also filed a settlement application in accordance with of the Securities and Exchange Board of India (Settlement Proceedings) Regulations, 2018 (the "SEBI Settlement Regulations") to settle the matter without admission of guilt with respect to such allegations. This matter has been disclosed under contingent liability and the management believes that there is no material impact of this matter on the standalone and consolidated financial statements.</p> <p>ii) It is clarified that, the Management is confident of meeting the obligations in the foreseeable future through various options including execution of the orders in hand, future business plans, seeking additional facilities and proposing extension for monetisation of specified assets, if required. Accordingly, the standalone and consolidated financial statements have been prepared on the basis that the Company is a going concern.</p> <p>iii) It is clarified that the delay arose on account of mismatch in liquidity</p>
3	Secretarial auditors' observation(s) in secretarial audit report and directors' explanation thereto		
		Secretarial auditors' observation	Comments of board of directors
		Auditor's observation regarding non compliance with the constitution of the Nomination and Remuneration Committee	It is clarified that Mr. Girish R. Tanti was the member of the Nomination and Remuneration Committee since September 28, 2015. Due to organisational

		for the period from October 7, 2022 to December 2, 2022.	changes pursuant to untimely demise of Mr. Tulsi R. Tanti, the then Chairman and Managing Director, the Board was reconstituted pursuant to which Mr. Girish R. Tanti was inter alia appointed as an Executive Vice Chairman w.e.f. October 7, 2022. Therefore, during the period from October 7, 2022 to December 2, 2022, the requirement of all members of the Nomination and Remuneration Committee to be non executive was not met. Subsequently, the Nomination and Remuneration Committee was reconstituted w.e.f. December 2, 2022 by inducting Mr. Pranav T.Tanti, Non-Executive Director, in place of Mr. Girish R. Tanti.
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The Hon'ble NCLT may, therefore, be pleased to direct the petitioner company to place on record all the relevant facts of the matter

- The petitioner companies submitted that it refers to several observations/remarks made by Statutory Auditors/ Secretarial Auditors during last three years and their respective justification as given in the Directors' Report in terms of Section 134 of the Companies Act, 2013 in respect of both applicant companies. It is submitted that these observations/ remarks are not in the nature of Qualifications and the detailed explanation for the same has been provided in the Directors' reports for the respective years, which are reproduced by the Regional Director in the representation and the said observations have no impact and hence not relevant for the

consideration of the sanction to the proposed Scheme of Arrangement before this Tribunal.

vii) **The RD in his representation further submitted that this Tribunal may be pleased to direct the Petitioner Companies:-**

- a) To ensure compliance and furnish clarification, if any, regarding observations made by Registrar of Companies and this Directorate (NWR).
- b) To preserve its books of accounts, papers and records and shall not be disposed of without prior permission of Central Government as per the Provision Section 239 of the Companies Act, 2013.
- c) To ensure statutory compliance of all applicable Laws and on sanctioning of the present Scheme, the Petitioner Companies shall not be absolved from any of its Statutory liabilities, in any manner.
- d) Necessary Stamp Duty on transfer of property/Assets, if any, is to be paid to the respective Authorities before implementation of the Scheme.
- e) The petitioner companies involved in the scheme to comply with the provisions of Section 232(5) of the Companies Act, 2013 with respect to file certified copy of order sanctioning the scheme with Registrar of Companies within 30 days from date of passing order.
- f) The Petitioner companies shall undertake to comply with Income Tax /GST law and any

demand /taxes payable on implementation of the said scheme as per law.

- The petitioner companies undertake to comply with all the aforesaid statutory requirements in accordance with the directions of this Hon'ble Tribunal.

RoC's Observation

- i) The Transferor Company and the Transferee Company have filed Balance Sheet as at 31.03.2022, 31.03.2023 and 31.03.2024 and relevant annual return for the financial year ended 31.03.2021, 31.03.2022 and 31.03.2023. Both the companies have filed Balance Sheet, Director's Report and Auditor's Report with prescribed e-form AOC-4 (XBRL) for the aforesaid financial years.
- ii) No show cause notice has been issued to the applicant companies. As per record, no court case is pending in the court against the companies and no technical scrutiny/inquiry is pending.
- iii) The Statutory Auditor's / Secretarial Auditor's of the subject companies have reported qualified remarks/ observations in their Auditor's Report for the Financial Year 2020-21, 2021- 22 and 2022-23 may be perused by the Directorate.

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- iv) No court case is pending in the court against both the Companies and no technical scrutiny/inquiry is pending against both the companies.
- v) No complaint received against both the companies specially with reference to the proposed Scheme of Amalgamation/ Merger but this office has in receipt of one reference from SEBI through the office of DGC&A's letter No. CL-II-07/99/2022-0/0 DGC&A-MCA dated 27.04.2023 in respect of the Transferee company. In the matter, this office has already sent report to the Directorate vide this office letter dated 12.07.2023. No further instructions received from the Ministry/ Directorate in the matter till date.
- vi) No inspection/investigation proceedings under Section 209A/206(5) of the Companies Act, 1956/2013 is pending against both the companies.
- vii) The Transferor Company is not listed with any Stock Exchange. The equity shares of the Transferee Company are listed on BSE Limited and the National Stock Exchange of India Limited. The NOC requirement from the Stock Exchange is exempted as per SEBI circular CFD/DIL3/CIR/2017/21 dated 10.03.2017 and SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20.06.2023. However, draft schemes shall be filed with the Stock Exchanges for the purpose of disclosures. Thus, Transferee Company

shall comply with the directive /Circular issued by SEBI from time to time.

viii) It is submitted that on perusal of the Scheme, it is observed that Paid-up Share capital of the Transferee company has been mentioned as Rs.2,721.72 Crores divided into 13,61,26,88,88,222 equity shares comprising of 13,60,44,94,159 fully paid-up equity shares of Rs.2 each and 81,94,063 Equity Shares face value of Rs.2 each/- partly Paid-up Rs.1/-. Further, stated that from the MCA portal that the Transferee company has increased its paid-up Capital of Rs. 8,14,73,324/- by allotment of Equity Shares from time to time. In this regard, the Transferee company has filed prescribed e-Form PAS-3 (04 counts) on MCA21 portal and same were taken on record through STP mode. Further, the Transferee Company had forfeited equity shares to the extent of Rs.81,94,063/-. Now, the paid-up capital of the Company as per the master data available on MCA's website shows as Rs. 27,29,04,61,642/-.

- The petitioner companies submitted that the discrepancy with regard to the Share Capital was pointed out between the records of the company and MCA Portal. It is respectfully submitted that the same has now been resolved after updating the data on MCA Portal.

ix) It is further submitted that as per the para 11(ii) of the order dated 29.08.2024 passed in

CA(CAA)/25(AHM) 2024 by the Hon'ble NCLT in respect of Transferee Company regarding Secured Creditors, wherein it has mentioned that there are 3 (Three) Secured Creditors for non-fund bases facilities as on 30th April 2024. Whereas, on perusal of Index of Charge available under the MCA's website, it is observed that there are shows 07 open Charge IDs in favor of 05 secured creditors. Hence, this Hon'ble Tribunal may kindly issue suitable directions to the Transferee Company to place on record all the relevant facts regarding due compliance of the provisions of the Companies Act, 2013 read with Rules made thereunder.

- The petitioner companies submitted that there are only three secured creditors of the Transferee Company, namely, REC Limited, Barclays Bank Plc and IndusInd Bank Limited. It is just that the Transferee Company has created charges for various facilities of one or more or all the above referred lenders, either as primary security provider or as collateral security provider, and accordingly the outstanding charges on Portal indicate higher number. A detailed explanation in this regard is annexed with to reply as **Annexure-4**.

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- x) Applicant Companies have to undertake to comply with section 232(3)(i) of Companies Act, 2013 and Transferee Company must be paid the differential fee,
- 2

if any after setting off the fee already paid by Transferor Companies on its Authorised capital.

- xi) It is submitted that as per the provisions of the Companies Act, 2013 wherein it is mandated certain statutory responsibilities on the part of the public company or Deemed Public Company and its KMP/BoD. A public company so long as remain 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 Deemed Public Company and its KMP/BoDs.
- xii) To direct the petitioner companies to preserve its books of accounts, papers and records and shall not be disposed of without prior permission of Central Government as per the provisions of the Section 239 of the Companies Act, 2013.
- xiii) It is submitted that as per Section 240 of the Companies Act, 2013, the liability in respect of offences committed under the Companies Act by the Officers in default, of the Transferor Company prior to Merger, Amalgamation or Acquisition shall continue after such Merger, Amalgamation or Acquisition.

- xiv) To direct the 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 of its Statutory liabilities, in any manner.
- xv) Necessary Stamp Duty on transfer of property/Assets, if any is to be paid to the respective Authorities before implementation of the Scheme.
- xvi) This Hon'ble Tribunal may direct the Petitioner Companies involved in the scheme to comply with the provisions of Section 232(5) of the Companies Act, 2013 with respect to file certified copy of order sanctioning the scheme with Registrar of Companies within 30 days from date of passing order.

14. The Official Liquidator

In response to the notice served upon the Official Liquidator (RD), a representation/report dated 16.12.2024 was filed by the OL, on the same day, vide Inward Diary No.R565, in respect of the Transferor Company.

OL's Observation

- i) The Transferor Company has not accepted Deposits u/s 73 of the Companies Act, 2013. Maintaining of cost record is applicable to the company and maintains the same. Further, the Transferor Company is not required to register with RBI as a NBFC.

- ii) The Income Tax Assessment of the Transferor Company has been completed upto A.Y. 2023-24. However, it is observed from the information submitted by the Transferor Company that some of the assessments are under appeal/ reassessment with the department for which scrutiny is under process.
- iii) It is submitted that the Official Liquidator vide a letter dated 29.10.2024 raised certain observations with respect to the Scheme. In response to said queries, the Transferor Company submitted its reply dated 03.12.2024 which are as follows:-

Queries by O/o Official Liquidator	Remark/ Reply by Transferor Company
1. As per information provided by you regarding Share Capital of the Transferor Company and as per master Data of MCA seems to be differ - Please Clarify.	It seems there is some technical error with the MCA website, wherein MCA has not taken on records the complete allotment of 4,454 equity shares and instead taken on records allotment of 3200 equity shares of Rs. 10/- only thereby creating difference of 1254 equity shares. Also, allotment of 10,00,000 preference shares

	<p>of Rs. 100/- each have not been taken on MCA records. Further, allotment of 10,000 preference shares of Rs. 100/- each have also not been taken on MCA records.</p> <p>Ticket have been generated with MCA for correction of the paid-up share capital of the Company in the Master Data of MCA.</p> <p>The same has been taken on records by MCA and have been updated successfully.</p>
<p>2. As per Auditor Reports as on 31.03.2024 w.r.t. immovable properties classification mentioned at point no. 43(i) notes on financial statement wherein that two properties have been classified under property, plant and equipment in Balance Sheet not held in the name of company since 2014 & 2020. Please clarify why those two properties were not transferred in the name of the transferor company despite lapse of 10 years & 4 years</p>	<p>The immovable property of the Transferor Company as specified, were mortgaged to the lenders and hence could not be transferred in the name of Transferor Company in the records of sub-registrar.</p> <p>It is clarified that while the properties may not have been transferred in the name of the Transferor Company, but the said immovable properties are of the legal ownership of the Transferor Company only, acquired to the earlier scheme of amalgamation duly approved by the Hon'ble High Court and Hon'ble National Company Law Tribunals, as the case maybe. It is merely the name change formalities, which is pending in absence of the original title deeds. Further, the said properties are in the possession of the Transferor Company only.</p> <p>We humbly submit that mutation entries</p>

respectively.

are made in revenue records for fiscal purpose, such as collecting land revenue. And mutation entries do not affect title or ownership. Thus, the Transferor Company is the rightful owner of all the land as referred, acquired pursuant to the merger.

The Transferor Company, post respective mergers, has also got the respective order of the Hon'ble High Court and Hon'ble National Company Law Tribunal, as the case may be and has paid proper stamp duty to the Superintendent of Stamps, State of Gujarat. Thus, there is no revenue loss to the State.

- iv) It is submitted that the reply furnished by the Transferor Company in response to query no.1 has been duly considered and found satisfactory, as evidenced by the updated MCA records concerning the Share Capital.
- v) It is further submitted that in regard to query no. 2, it is submitted that while the non-transfer of assets in the name of transferor company continues, despite of earlier merger order passed by Hon'ble High Court of Mumbai & NCLT, Delhi in year 2014 & 2019 respectively, the legal ownership of concerned immovable assets vested with the Transferor Company under the provision of Companies Act, 1956 &

Companies Act, 2013. It is further submitted that mutation of revenue records is essential for the establishment of clear title for taxation and revenue purpose. The failure to update such mutation records by the Transferor Company, despite the lapse of 10 years & 4 years respectively since the vesting of assets, indicates an apparent lack of due diligence and raises concerns regarding good corporate governance on the part of the Transferor Company. Having said that, non-updation of mutation records does not, in any manner, affect the present scheme.

- The petitioner companies submitted that with regard to the failure on the part of the Transferor Company for mutation of the records of the Revenue Dept. for the transfer of Assets as a result of previous schemes of mergers. It is respectfully submitted that in the matter of P. Kishore Kumar V/s. Vithal K. Patkar (civil appeal no.7270 of 2011; November 20, 2023) the Honourable Supreme Court has held that it is trite law that revenue records are not documents of title. The Honourable Supreme Court relied on its previous ruling in Sawarni vs. Inder Kaur and Ors. (1996) and held that mutation in revenue records neither creates nor extinguishes title, nor does it have any presumptive value on title. All it does is entitle the person in whose favour mutation is done to pay the land revenue in question. The Honourable Supreme Court also noted that this principle had been affirmed by the Apex Court in Balwant Singh & Ors vs. Daulat Singh (Dead) by LRs

and Ors.(1997) wherein the Apex Court held that mere mutation of records would not divest the owners of a land of their right, title and interest in the land. The Honourable Supreme Court in its order noted its previous ruling in Jitendra Singh vs. State of Madhya Pradesh and Ors. (2021, where the Honourable Supreme Court after considering a catena of judgments, reiterated the principle of law that "****mutation entry does not confer any right, title or interest in favour of the person and the mutation entry in the revenue record is only for the fiscal purpose."

The petitioner companies submitted that mutation entries are made in revenue records for fiscal purposes, such as collecting land revenue. And mutation entries do not affect title or ownership. Further, it is submitted that the petitioner Company had paid the requisite stamp duty for the said transfer, and thus the ownership of the said assets is with the Transferor Company and non-updation of the mutation records does not have any impact on the present Scheme.

- vi) To direct the Transferor Company to preserve its books of accounts, papers and records and shall not be disposed of without prior permission of Central Government as per the provisions of Section 239 of the Companies Act, 2013.
- vii) To direct the Transferor Company 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 of its Statutory liabilities, in any manner.

- viii) It is submitted that Suzlon Global Services Limited, being the Transferor Company, may be dissolved without following the process of winding-up in terms of sub-section 3(d) of Section 232 of the Companies Act, 2013. Further, the Transferor company being dissolved, the fee, if any paid by the Transferor Company on its Authorized Share Capital shall be set-off against any fees payable by the Transferee Company on its Authorized Capital subsequent to the amalgamation in terms of sub section 3(i) of Section 232 of Companies Act, 2013.
- ix) To direct the Petitioner Company to lodge a certified copy of the order along with the scheme, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any.
- x) This Tribunal may direct the companies involved in the scheme to comply with Provision of Section 232(5) of Companies Act, 2013 with respect to filing of certified copy of order sanctioning the scheme with Registrar of Companies within 30 days from the date of passing order.
- The petitioner companies submitted that they are duty bound to comply with the directions of this Hon'ble Tribunal while sanctioning the proposed

Scheme and no absolution from such compliances is envisaged as a result of the proposed scheme.

15. Income Tax Department Observations

In response to the notice served upon the Income Tax Department, it filed a report dated 15.12.2024, 10.12.2024 and 09.12.2024, vide inward diary no. R570. The petitioner companies have filed an additional affidavit dated 19.12.2024, vide Inward Diary No.D9133, on 20.12.2024 in response to the representation/reports of the Income Tax Department.

15.1. In paragraph-6.1, 6.2 and 7 of the aforesaid report, it is stated as follows:

6.1 M/s. Suzlon Global Services Limited (Transferor company)

(a) With regard to the transferor company, M/s. Suzlon Global Services Limited, it is submitted that there is no existing goodwill recorded in the books of account and after the scheme of arrangement becoming effective, this company shall stand dissolved without being wound up. On verification of ITBA portal, it has been found that there is no outstanding demand in the case of the transferor company.

(b) Furthermore, with regard to the carried forward losses to the future years, as per latest return for. A.Y. 2023-24, the transferor company has shown

Rs.27,55,84,824/-under business loss which are being carried forward to the future years.

- (c) Unabsorbed depreciation of Rs.793,34,09,678/- which is carried forward to next year has been shown by the company in its ITR for A.Y. 2023-24.
- (d) With regard to the pending proceedings as on date, as per ITBA portal following proceedings are pending:-

Sr. No.	Name of the proceedings	A.Y.
1	Assessment proceeding u/s 143(3) of the Act	2023-24
2	Assessment proceeding u/s 147 of the Act	2017-18
3	Assessment proceeding u/s 147 of the Act	2016-17
4	Penalty Proceeding u/s. 270A	2017-18

Therefore, it is requested that the Hon'ble NCLT may be intimated that M/s. Suzlon Energy Limited (Transferee Company), in event of amalgamation will be liable to pay future demands which may arise after completion of these pending proceedings which are pending as on date in the case of transferor company.

The petitioner companies in their reply at para-2 & 3, submitted as follows: -

2. Vide Para 6.1, it is confirmed that so far as the Transferor Company, viz. Suzlon Global Services is concerned, there is no existing goodwill recorded in the books of accounts and after the

Scheme of Amalgamation becoming effective, this company will stand dissolved without being wound up. It is further confirmed that on verification of ITBA Portal, it has been found that there is no outstanding demand in the case of the Transferor Company.

3. It has further given the details of the pending proceedings and it is observed that Suzlon Energy Limited (Transferee Company) in event of amalgamation will be liable to pay future demands which may arise after completion of these pending proceedings. The Petitioner Transferee Company hereby undertakes to pay such dues on behalf of the Transferor Company as and when finally crystallised.

15.2 Para-6.2 M/s. Suzlon Energy Limited (Transferee company)

- (a) With regard to the transferee company, M/s. Suzlon Energy Ltd, it is submitted that there is no existing goodwill recorded in the books of account and after the scheme of arrangement becoming effective, transferor company will be absorbed by this company. On verification of ITBA portal, it has been found that following demands are the outstanding in the case of the assessee:

Sr. No.	A.Y.	Demand Amount	Section	Date of Order
1	2016-17	Rs.87,29,20,800/-	271(1)(c)	27.03.2024
2	2017-18	Rs.172,75,63,920/-	270A	27.03.2024

It may also be noted that the assessee has filed writ petition against the said orders before Hon'ble High Court of Gujarat. Hon'ble High Court has granted stay for operation and implementation of the subject penalty orders vide its order dated 15.04.2024. Thus, as on date the above demands are not enforceable in nature. Furthermore, the Hon'ble ITAT has passed an order dated 12.11.2024 in favour of assessee regarding the appeal filed against the additions made in the assessment order passed u/s. 143(3). Consequently, there is no penalty demand for A.Y. 2016-17 and 201 7-18 for which penalty was levied.

(b) Furthermore, with regard to the carried forward losses to the future years, as per latest return for. A.Y. 2023-24, the transferee company has shown Rs.1974,67,85,841/- under business loss, Rs.3,35,09,920/- under short term capital loss & Rs.1263,72,82,155/- under long term capital loss which are being carried forward to the future years.

(c) Unabsorbed depreciation of Rs.17,59,04,59,330/- which is carried forward to next year has been shown by the company in its ITR for A.Y. 2023-24.

The petitioner companies in their reply at para-4, submitted as follows:-

4. Vide Para 6.2 of the said representation, with regards to the Transferee Company, viz. Suzlon Energy Limited, it is observed that as per the ITBA Portal, there are outstanding demands against the said company for Assessment Years 2016-17 and 2017-18. However, in view of the stay orders passed by the Hon'ble Gujarat High Court, the same are not enforceable at present.

15.3 Para-7- Based upon the submissions of the companies and on verification of records available in this office, this office has no objection to this scheme of Amalgamation involving merger by absorption of M/s. Suzlon Global Services Limited (Transferor company) and M/s. Suzlon Energy Limited (Transferee Company) Provided the following conditions are adhered to :-

7.1 The amalgamation should comply with the provisions of Section 2(1B) and Section 72A of the Income Tax Act, 1961, along with all other relevant statutory requirements.

7.2 Any future tax demands arising out of pending proceedings, including those currently pending in the case of the Transferor Company, shall be borne entirely by the Transferee Company after the amalgamation comes into effect.

7.3 The Income Tax Department reserves the right to invoke relevant provisions of the Income Tax Act in subsequent proceedings, if it is observed that there has been non-compliance with the applicable statutory provisions of or that the amalgamation results in the evasion of taxes.

7.4 Any income, gains, of benefits accruing to the companies of their respective shareholders /creditors as a result of the amalgamation will remain liable to taxation in accordance with the provisions of the Income Tax Act, 1961.

In view of the above and facts reported by the Assessing Officer, it is requested that the matter be taken up with Hon'ble NCLT as reported by the Assessing Officer and due consideration may be given to the demands and proceedings of the transferee company while deciding the Scheme.

The petitioner companies in their reply at para-5, 6 and 7 submitted as follows: -

5. Vide Para 7 of the said representation, it has been confirmed that the said authorities have no objection to the Scheme of Amalgamation involving merger by absorption of Suzlon Global Services Limited and Suzlon Energy Limited, subject to certain conditions.

6. In compliance of the same, the petitioners hereby undertake to abide by all relevant statutory compliances.

(i) The amalgamation shall be in compliance with the provisions of Section 2(1B) and section 72A of the Income Tax Act, along with all relevant statutory compliances;

(ii) The Petitioner Transferee Company undertakes to fulfil all the future tax demands arising out of the pending proceedings currently pending in case of the Transferor Company as well as the Transferee Company;

(iii) The petitioners confirm the reservation of the right of the Income Tax Department to invoke relevant provisions of the Income Tax at the future date at the time of Assessment proceedings.

(iv) It is respectfully submitted that the Scheme being the amalgamation of the Wholly Owned Subsidiary with the Parent Company, no new shares are being issued. Hence, the shareholders and / or creditors are not likely to have any income or gain or any benefit accruing as result of the Scheme.

7. The petitioner companies are bound to comply with all applicable provisions of the Income Tax Act, while implementing the Scheme.

16. The Income Tax Department reserves its right to invoke the provisions of the Income Tax Act in any proceedings subsequent to the Amalgamation, 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 above mentioned companies and their respective shareholders and creditors, if any.

17. Reserve Bank of India

In response to the notice served upon the Reserve Bank of India (RBI), a letter dated 03.10.2024 received from RBI, vide inward diary no. 2080, in which at para-2, it is submitted as follows:-

2. In this connection, we submit that it is the duty of the companies undergoing compromise/arrangement / amalgamation to comply with the requirements of various laws including the rules, regulations and guidelines prescribed by RBI, viz. the companies may have to comply with Foreign Exchange Management Act, 1999, and the rules and regulations made thereunder. It is also submitted that as a Regulator it will not be ethical on the part of RBI to vet individual cases, as it will preclude it from taking action on contraventions, if any, committed by such companies.

18. Valuation Report

The Transferor Company is wholly owned subsidiary of the Transferee Company, no shares are issued to the shareholders of the Transferor Company hence, there is no requirement of valuation report.

19. Accounting Treatment

The Petitioner Companies submitted that the Statutory Auditors have certified that the accounting treatment proposed in terms of Clause-8 of the Scheme is in conformity with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013. The certificates issued by the Statutory Auditors certifying the Accounting Treatment of the Petitioner Companies are annexed to the Company Petition as **Annexure-G**.

20. The petitioner companies submitted that there are no proceedings/investigation pending against any of the petitioner companies under Sections 210-217, 219, 220, 223, 224, 225, 226 & 227 of the Companies Act, 2013 and/or Sections 235 to 251 of the Companies Act, 1956 and the like.



21. It is further submitted that there is no winding up petitions or proceedings under the Insolvency and Bankruptcy Act, pending against any of the petitioner companies.

22. During the hearing on 19.12.2024, the officials of the Regional Director's office and Official Liquidator's office submitted that they have no objection for approval of the Scheme. The Income Tax Department has also given their No objection the scheme via Report dated 15.12.2024 subject to the conditions mentioned thereunder.

23. OBSERVATION OF THIS TRIBUNAL

A. We have gone through the Company Petition, Modified Scheme, Representation/Report of the Regional Director, report of the Registrar of Companies, representation of Official Liquidator in respect of Transferor Company, Letter of the Reserve Bank of India, and report of Income Tax Department as well as the response of the Petitioner Companies in respect of the Representation/Report of the RD, RoC, OL and Income Tax Department. There is no adverse observation in respect of the petitioner companies as

well as in respect of the scheme by the Regional Director, the Registrar of Companies and the Official Liquidator. The Income Tax Department, vide Report dated 15.12.2024, has also given their No objection, subject to the conditions mentioned thereunder.

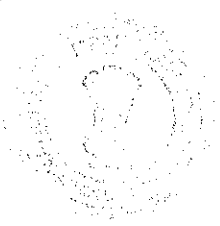
B. After analysing the Scheme in detail, this Tribunal is of the considered view that the Scheme as contemplated between the Companies seems to be *prima facie* beneficial to the Companies and will not be in any way detrimental to the interest of the shareholders and the creditors of the Companies. Considering the record placed before this Tribunal and since all the requisite statutory compliances have been fulfilled by the Petitioner Companies, this Tribunal sanctions the proposed Scheme as well as the prayer made therein. In short, the proposed Scheme provides for amalgamation by way of Merger by absorption between Suzlon Global Services Limited (Transferor Company) and Suzlon Energy Limited and their respective Shareholders and Creditors effect from the Appointed Date of 15.08.2024.

- C. The Learned Counsel for the Petitioner Companies submitted that no investigation proceedings are pending against the Petitioner Companies under the provisions of the Companies Act, 1956 or the Companies Act, 2013, and no proceedings for oppression or mismanagement have been filed before this Tribunal or the erstwhile Company Law Board. The Transferee Company undertakes to assume responsibility for any undisclosed litigations or proceedings that may arise post-sanction, in accordance with applicable laws.
- D. 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 will not come in the way of action being taken, albeit, in accordance with law, against the concerned persons, directors and officials of the petitioner company.
- E. While approving the Scheme as above, it is clarified that this order should not be construed as an order in

any way granting approval of the said loan assignments and exemption from payment of stamp duty, taxes or any other charges, if any, payment is due or required in accordance with law or in respect to any permission/compliance with any other requirement which may be specifically required under any law.

F. Further, it becomes relevant to discuss that in Company Petition CAA-284/ND/2018 vide Order dated 12.11.2018, the NCLT New Delhi has made the following observations with regard to the right of the IT Department in the Scheme of Amalgamation:

*"taking into consideration the clauses contained in the Scheme in relation to liability to tax and also as insisted upon by the Income Tax and in terms of the decision in re **Vodafone Essar Gujarat Limited v. Department of Income Tax (2013) 353 ITR 222 (Guj)** and the same being also affirmed by the Hon'ble Supreme Court and as reported in (2016) 66 taxmann.com374 (SC) from which it is seen that at the time of declining the SLPs filed by the revenue, however stating to the following effect vide its order dated April 15,2015 that the Department is entitled to take out appropriate proceedings for recovery of any statutory dues from the Petitioner or transferee or any other person who is liable for payment of such tax dues, the said protection be afforded is granted. With the above observations, the petition stands allowed and the scheme of amalgamation is sanctioned."*



4

24. THIS TRIBUNAL DO FURTHER ORDER:

- i) The Scheme of Amalgamation as annexed as **Annexure 'F'** to the Company Petition is hereby sanctioned and it is declared that same shall be binding on the Petitioner Companies and its Shareholders and Creditors and all concerned under the Scheme;
- ii) The petitioner Transferor Company shall be dissolved without winding up.
- iii) The Transferee Company is directed to comply with the guidelines of the Reserve Bank of India.
- iv) The petitioner companies are directed to comply with the observations of the Regional Director and the Registrar of Companies in their representation. The petitioner companies shall:
 - a) Preserve their books of accounts, papers, and records and not dispose of them without prior permission of the Central Government, as per Section 239 of the Companies Act, 2013.
 - b) Ensure compliance with all applicable laws, including but not limited to the Companies Act, 2013, SEBI regulations, and the Income Tax Act, 1961. The sanction of the Scheme shall not absolve the petitioner companies from any statutory liabilities, and all books of accounts,

papers, and records shall be preserved as per Section 239 of the Companies Act, 2013, without disposal unless permitted by the Central Government.

- c) File a certified copy of this order with the Registrar of Companies within 30 days of receipt, as per Section 232(5) of the Companies Act, 2013.
- v) The Transferee Company, being a listed entity, shall comply with all applicable regulations, circulars, and directions issued by the Securities and Exchange Board of India (SEBI), BSE Limited, and National Stock Exchange of India Limited (NSE), including ongoing disclosure and compliance obligations under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- vi) The approval of the Scheme will not be foreclosing the right of the Income Tax Department to take any decision as per the provisions of the Income Tax Act, 1961, against the Petitioner Companies.
- vii) The petitioner companies are directed to comply with the conditions of Income Tax Department mentioned in paragraph-7 of its Report dated 15.12.2024.
- viii) The approval of the Scheme does not affect the authorities' right to proceed with pending cases, if any, against the Petitioner Companies
- ix) All the properties rights and powers of the Transferor

Company and all the other property, rights and powers of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 232 of the Act, be transferred to and vested in the Transferee Company for all the estates and interest of the Transferor Company therein.

- x) All licenses, permissions, permits, approvals, certificates, clearances, authorities, leases, tenancy, assignments, rights, claims, liberties, special status, other benefits or privileges and any power of attorney relating to the Transferor Company shall stand transferred to and vested in the Transferee Company, without any further act or deed. The Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.
- xi) All the liabilities and duties of the Transferor Company shall be transferred, without further act or deed, to the Transferee Company, and accordingly, the same shall pursuant to Sections 230 & 232 of the Companies Act, 2013, be transferred to and become the liabilities and duties of the Transferee Company.
- xii) All contracts, agreements, insurance policies, bonds and all other instruments of whatsoever nature or description, of the Transferor Company, shall stand

transferred to and vested in the Transferee Company and be in full force and effect in favour of the Transferee Company and may be enforced by or against it as fully and effectually against the Transferee Company.

xiii) All taxes paid or payable by the Transferor Company including existing and future incentives, unveiled credits and exemptions, the benefit of carried forward losses and other statutory benefits, which shall be available to and vest in the Transferee Company. The Tax liability of the Transferor Company shall become a liability of the Transferee Company, and any proceedings against the Transferor Company shall continue against the Transferee Company. It is stated that any credit/exemption/relief, etc., as discussed, will be subject to the provisions of the Income Tax Act, 1961.

xiv) All proceedings, if any, now pending against the Transferor Company are continued by or against the Transferee Company.

xv) The Appointed Date for the Scheme shall be **15.08.2024.**

xvi) **Consideration:**

Since the Transferor Company is a wholly owned subsidiary of the Transferee Company with all the shares in the share capital of the Transferor Company being held by the Transferee Company and the Transferee Company being the holding company, cannot issue or allot any shares to itself, no shares whatsoever

shall be issued by the Transferee Company in consideration of the amalgamation. Accordingly, all such shares of the Transferor Company held by the Transferee Company and investment of the Transferee Company shall stand cancelled upon the Scheme becoming effective without any issue or allotment of new shares in lieu of such shares of the Transferor Company without any further act, instrument or deed.

This scheme does not result into capital reduction for the Transferor Company or the Transferee Company+

- xvii) All workers/employees of the Transferor Company shall be deemed to have become the workers/employees of the Transferee Company with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to the Transferor Company as on the Effective Date.
- xviii) The Petitioner Companies are further directed to file a copy of this order along with a copy of the Scheme with the concerned Registrar of Companies, electronically, along with e-form INC-28 in addition to a physical copy within 30 days from the date of issuance of the certified copy of the Order by the Registry as per relevant provisions of the Act.
- xix) The Petitioner Companies within thirty days of the date

of the receipt of this order, cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the entire Undertaking of the Transferor Company shall stand transferred to the Transferee Company and the Registrar of Companies shall place all documents relating to the Petitioner Companies to the file kept by him in relation to the Transferee Company and the files relating to the said two companies shall be treated accordingly;

- xx) All concerned Authorities shall act on the copy of this order along with the Scheme annexed at "**Annexure-F**" of the Company Petition. The Registrar of this Tribunal shall issue the certified copy of this order within 7 days of its pronouncement.
- xxi) The Petitioner Companies are directed to lodge a copy of this Order and the approved Scheme as annexed at '**Annexure-F**', duly Certified by the Registrar of this Tribunal, with the concerned Superintendent of Stamps, for adjudication of stamp duty within 30 days from the date of this Order, and pay requisite stamp duty payable, if any, within 60 days from the date of adjudication.
- xxii) The approval of the Scheme does not affect the authorities' right to proceed with pending cases, if any, against the Petitioner Companies.
- xxiii) The legal fees and expenses of the office of the Regional

Director are quantified at Rs.20,000/-, to be paid collectively by the Petitioner Companies. The said fees shall be paid by the Transferee Company.

- xxiv) The legal fees and expenses of the office of the Official Liquidator are quantified at Rs.20,000/- in respect of the Amalgamating Company. The said fees of the Official Liquidator shall be paid by the Amalgamated Company.
- xxv) The Statutory Auditors of the Petitioner Companies are hereby directed to ensure that the Accounting Treatment as a result of this order is carried out in accordance with the provisions of Section 133 of the Companies Act, 2013, and as per the draft treatment as proposed in the Scheme. They are further directed to disclose their observations in this regard in the next Annual Audit Report/Audit Report of the Petitioner Companies.
- xxvi) The Income Tax Department will be free to examine the aspect of any tax payable as a result of the sanction of the Scheme and if it is found that the Scheme of Arrangement ultimately results in tax avoidance or is not in accordance with the applicable provisions of Income Tax Act, then the Income Tax Department shall be at liberty to initiate appropriate course of action as per law. Any sanction of the Scheme of Amalgamation under Sections 230-232 of the Companies Act, 2013 shall not adversely affect the rights of Income Tax

Department or any past, present or future proceedings and the sanction of the scheme shall not come in its way for the appropriate course of action as per law for the tax liabilities, if any.

xxvi RD's observations in paragraph (vii) of this order regarding transferor and transferee companies concerning auditors and secretarial remarks should be taken care of by the transferee company after the transferor company merges with the transferee company.

xxvii) Any person aggrieved shall be at liberty to apply to this Tribunal for any directions that may be necessary.

24. Accordingly, Company Petition i.e. **CP(CAA)/52(AHM)2024** in **CA(CAA)/25AHM)2024**, stands allowed and disposed of in terms of the aforementioned terms.

25. The Registry is directed to send a copy of this order to the Regional Director, the Registrar of Companies, the Official Liquidator, the Reserve Bank of India, BSE, NSE and the Income Tax Department, within seven days from the date of this order, through e-mail and place proof on the file.

SANJEEV KUMAR SHARMA
MEMBER (TECHNICAL)

GS/ST

SHAMMI KHAN
MEMBER (JUDICIAL)

CP(CAA)/52(AHM)2024 in CA(CAA)/25(AHM)2024
Suzlon Global Services Ltd. & Anr.

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NCLT Bench

Announcement of Order: 08/05/25
Date on which application for Certified Copy was made: 09/05/25
Date on which Certified Copy was ready: 09/05/25
Date on which Certified Copy delivered: 09/05/25

Prepared by Vijay Kumar
Signature [Signature]

Date 09/05/25

**SCHEME OF AMALGAMATION
BY WAY OF MERGER BY ABSORPTION**

BETWEEN

**SUZLON GLOBAL SERVICES LIMITED
(‘Transferor Company’ or ‘Amalgamating Company’)**

AND

**SUZLON ENERGY LIMITED
(‘Transferee Company’ or ‘Amalgamated Company’)**

AND

THEIR RESPECTIVE SHAREHOLDERS

AND

CREDITORS

**(Under Sections 230 to 232 read with other applicable
provisions of the Companies Act, 2013 as may be applicable
and rules framed thereunder)**

GENERAL

A. PREAMBLE

- a. This Scheme (as defined hereinafter) seeks to amalgamate and consolidate the businesses of the Transferor Company, which is a wholly owned subsidiary of the Transferee Company, with and into the Transferee Company pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act (as defined hereinafter), the SEBI Circular (as defined hereinafter), Section 2(1B) of the IT Act (as defined hereinafter), the Listing Regulations (as defined hereinafter), and Applicable Law (as defined hereinafter);
- b. This Scheme (as defined hereinafter) for the merger by way of absorption of the Transferor Company (as defined hereinafter) with the Transferee Company (as defined hereinafter), is presented under Sections 230 to 232 and other relevant provisions of the Act, and pursuant to this Scheme:
 - (i) All the property of the Transferor Company immediately before the amalgamation, shall become the property of the Transferee Company, by virtue of this amalgamation;
 - (ii) All the liabilities of the Transferor Company immediately before the amalgamation, shall become the liabilities of the Transferee Company, by virtue of this amalgamation;
 - (iii) Transfer of the authorised share capital of the Transferor Company to the Transferee Company as provided in Part III of this Scheme, and consequential increase in the authorised share capital of the Transferee Company as provided in Part III of this Scheme;
 - (iv) All the issued share capital of the Transferor Company shall be cancelled and the same shall be effected as a part of the Scheme and not in accordance with Section 66 of the Act; and
 - (v) The Transferor Company shall be dissolved, without being wound up.
- c. The Board of Directors(s) of the Transferor Company and the Transferee Company (collectively, the “Companies”) have resolved

that the amalgamation of the Transferor Company with and into the Transferee Company would be in the best interests of the Companies and their respective shareholders, creditors, employees and other stakeholders;

- d. The Scheme does not affect the rights of the creditors of the Transferor Company and the Transferee Company. There will not be any reduction in the amounts payable to the creditors of the Transferor Company and the Transferee Company post sanctioning of the Scheme.

B. BACKGROUND AND DESCRIPTION OF THE COMPANIES WHO ARE PARTIES TO THIS SCHEME

- a. Suzlon Energy Limited (**'SEL'** or the **'Transferee 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 Transferee 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.

- b. Suzlon Global Services Limited (**'SGSL'** or the **'Transferor Company'**) is an unlisted public limited company incorporated under the Companies Act, 1956 with corporate identity number U27109GJ2004PLC044170 having its registered office at "Suzlon", 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad-380009, Gujarat, India. It is a wholly owned subsidiary of SEL, and it is engaged in the business of operation and maintenance of the WTG (**'OMS'**) and other businesses.

SGSL was originally incorporated as a private limited company on 25 May 2004 in the name and style as 'Suzlon Structures Private Limited' under the provisions of the Companies Act, 1956.

The name of the Transferor Company was changed from Suzlon Structures Private Limited to Suzlon Structures Limited on getting converted into a public limited company in terms of the special resolution passed by the shareholders at the Fourth Annual General Meeting held on 30 July 2008 and a fresh certificate of incorporation consequent upon change of name on conversion to a public limited company issued by the Registrar of Companies, Gujarat on 4 September 2008.

The name of the Transferor Company was further changed from Suzlon Structures Limited to Suzlon Global Services Limited in terms of the Scheme of Amalgamation as approved by the Honourable High Court of Gujarat on 14 October 2016 and a fresh certificate of incorporation pursuant to change of name issued by the Registrar of Companies, Gujarat on 23 January 2017.

C. OVERVIEW AND OPERATION OF THIS SCHEME

This scheme provides inter-alia for:

- a. the merger by way of absorption of the Transferor Company (as defined hereinafter) with the Transferee Company, in the manner set out in this Scheme (as defined hereinafter), the consequent dissolution of the Transferor Company without winding up and cancellation of the existing holding of the Transferee Company in the Transferor Company pursuant to the provisions of Sections 230 to 232 of the Act and in compliance with Section 2(1B) and other relevant provisions of the IT Act (as defined hereinafter) ('**Amalgamation**');
- b. this Scheme (as defined hereinafter) also provides for various other matters consequential, incidental or otherwise integrally connected therewith;

Pursuant to Sections 230 to 232 and other relevant provisions of the Act (as defined hereunder), in the manner provided for in this Scheme, and in compliance with provisions of the IT Act (as defined hereunder).

D. PARTS OF THIS SCHEME

- a. **PART I** deals with the definitions of capitalised terms used in this Scheme, interpretation and the share capital of the Transferor Company and the Transferee Company;
- b. **PART II** deals with the amalgamation of the Transferor Company with the Transferee Company;
- c. **PART III** deals with the general terms and conditions that would be applicable to this Scheme.

E. RATIONALE FOR THIS SCHEME

The Transferee Company is primarily engaged in the business of manufacturing and supply of WTG while the Transferor Company is engaged in the business via the following undertakings, viz., OMS undertaking and other business undertakings. The Transferor Company is a wholly owned subsidiary of the Transferee Company.

The energy and climate policies being implemented by major economies worldwide, demonstrate a remarkable level of ambition and commitment to supporting wind energy and other renewable energy sources. These developments signal a promising future for the growth and advancement of renewable energy and renewable energy technologies propelling the industry to redefine and forge innovative partnerships with governments, cities, communities, investors, and customers. There is increase in the demand of the wind capacity on account of increased wind, solar, hybrid, RTC and FDRE tenders, national hydrogen mission, MNRE's removal of tariff ceiling, improved technology, industrial tariffs and demand of wind energy from commercial and industrial consumers, power storage and central government allocations under strong off-takers. The Transferor and Transferor companies, founded with a deep understanding of the environment and sustainable development, have been at the forefront of renewable energy as a key solution provider since their inception. By

combining forces, the Companies aim to create a more robust and competitive entity that is well-equipped to navigate the complexities of the national and international renewable energy landscape.

The amalgamation will consolidate the business of the Transferor Company and the Transferee Company which will result in focused growth, operational efficiencies and business synergies of the WTG business and OMS business. In addition, resulting corporate holding structure will bring enhanced agility to the business ecosystem of the merged entity. Further the amalgamation could potentially reap strategic benefits including but not limited to the following:

- a. *Stronger financial position:* In an increasingly competitive global market, the financial strength of a company plays a critical role in its ability to secure large contracts and continue to expand consistently. Moreover, as the turbines have life cycle of 25 to 30 years, the customers are more likely to rely on an OEM whose presence can be assured across the lifecycle. A stronger balance sheet helps build a value proposition for customers making it a key metric to award bigger projects to financially sound organisations. A strong net worth signifies that the company possesses enough financial resources to successfully complete larger projects without negative repercussions. It gives the assurance and confidence to stakeholders about the company's capability to take on, deliver, and succeed in high stakes contracts.

The merger of the Transferor Company into the Transferee Company would help in strengthening the financial robustness, resulting in a highly fortified standalone balance sheet and profit and loss statement which benefits the Companies as follows:

- (i) stronger financial health plays a strategic role in enhancing the consolidated entity's potential to bid, secure and execute big-ticket contracts in the domestic as well as overseas markets; and
- (ii) positioning the consolidated organisation more aggressively and perceptibly in the global markets thus paving the way for a stronger

international presence and tapping back into the overseas markets broadening the client base.

- b. *Contracting:* Some of the customers are inclined more towards contracts with single entity, demonstrating a clear preference for dealing with a single entity for both WTG delivery and OMS services. For some customers (e.g. PSU customers) it is a mandatory tender condition to participate for both WTG delivery and OMS services from single entity.
- c. *Elimination of inter-company outstanding:* There are inter-company loans between the two entities and elimination of this leads to a stronger, more resilient financial position and enhanced business's creditworthiness. Moreover, the freed-up capital can be reallocated to other productive areas, further strengthening the company's financial stability and growth prospects.
- d. *Efficient utilization of resources:* Post-merger, the consolidated business can strategically manage finances which shall help optimize the cash flow. The unified cash flow management system provides an opportunity to reallocate resources effectively, reinvesting in areas that promise better returns. With shared financial goals, the consolidated business can leverage collective cash flow to fund growth opportunities, thereby tapping the new and bigger business opportunities market is offering in an effective manner.
Unfettered access to cash flow generated by the combined businesses which can be deployed more efficiently to fund organic and inorganic growth opportunities and to maximize shareholders value; It strengthens the dividend paying abilities of the Transferee company.
- e. *Streamlining of group structure and benefit of combined resources:* The proposed amalgamation of the Transferor Company with the Transferee Company will create a streamlined group structure which will assist in more efficient utilization of the capital.
- f. *Efficiency in business operations of the WTG business and OMS business:* The proposed amalgamation of the Transferor Company

with the Transferee Company is expected to create greater efficiency due to economies of scale, elimination of duplication of work and rationalisation and reduction of compliance requirements;

- g. *Sharing of best practices in sustainability, safety, health and environment:* Adoption of improved safety, environment and sustainability practices owing to a centralised committee at combined level may provide focused approach towards safety, environment and sustainability practices resulting in overall improvements

The amalgamation of the Transferor Company with the Transferee Company will combine the business, activities and operations of the Transferor Company and the Transferee Company into a single company with effect from the Appointed Date (as defined hereinafter) and shall be in accordance with the provisions of the Income Tax Act, 1961, and rules framed thereunder including Section 2(1B) thereof or any amendments thereto.

Part I

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

1. DEFINITIONS

In this Scheme, 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 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 Parties; (b) Permits; and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Parties;
- 1.3. **'Appointed Date'** means 15 August 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 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 Transferor Company and the Transferee Company as the case may be, means the Board of Directors of the respective Transferor Company and the Transferee 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. **'Companies'** means SEL and SGSL collectively, and **'Company'** shall mean any one of them as the context may require;
- 1.8. **'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 Transferor Company and the Transferee 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;

- 1.9. **‘Employees’** mean all the employees on the payroll of the Transferor Company, as on the Effective Date;
- 1.10. **‘Encumbrance’** or to **‘Encumber’** means: (i) any encumbrance including, without limitation, any claim, mortgage, negative lien, pledge, equitable interest, charge (whether fixed or floating), hypothecation, lien, deposit by way of security, security interest, trust, guarantee, commitment, assignment by way of security, or other encumbrances or security interest of any kind securing or conferring any priority of payment in respect of any obligation of any person and includes without limitation any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security in each case under any law, contract or otherwise, including any option or right of pre-emption, public right, common right, easement rights, any attachment, restriction on use, transfer, receipt of income or exercise of any other attribute of ownership, right of set-off and/ or any other interest held by a third party; (ii) any voting agreement, conditional sale contracts, interest, option, right of first offer or transfer restriction; (iii) any adverse claim as to title, possession or use; and / or (iv) any agreement, conditional or otherwise, to create any of the foregoing, and the term ‘encumber’ shall be construed accordingly;
- 1.11. **‘GST’** means goods and services tax and shall include any statutory modifications, re-enactments or amendments thereof and the rules made thereunder, for the time being in force;
- 1.12. **‘GST Act’** means the Central Goods and Services Tax (GST) Act, 2017 / Integrated GST Act, 2017 / Respective State GST Act, 2017 / Union territories GST Act, 2017 / GST (Compensation to States) Act, 2017 and shall include any statutory modifications, re-enactments or amendments thereof and the rules made thereunder, for the time being in force;
- 1.13. **‘Indian Accounting Standards’** or **‘Ind AS’** 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. **'Input Tax Credit'** means the central value added tax (**'CENVAT'**) credit as defined under the CENVAT Credit Rules, 2004 and the goods and services tax input credit as defined in Central Goods & Service Tax Act, 2017 (**'CGST'**), Integrated Goods & Service Tax Act, 2017 (**'IGST'**) and respective State Goods & Service Tax laws (**'SGST'**) and any other tax credits under any indirect tax law (including Goods & Services Tax Rules/ Act) for the time being in force;
- 1.16. **'Liabilities'** means all debts (whether in Indian Rupees or foreign currency), liabilities (including bills payable, interest accrued, statutory reserves, provisions and all other liabilities including contingent liabilities, amounts under any licenses or permits or schemes), loans raised and used, obligations incurred, duties of any kind, nature or description and undertakings of every kind or nature and the liabilities of any description whatsoever whether or not provided in the books of accounts or disclosed in the financial statements of the Transferor Company, whether present or future, and howsoever raised or incurred or utilized along with any charge, encumbrance, lien or security thereon;
- 1.17. **'National Company Law Tribunal'** or **'NCLT'** or **'Tribunal'** means the National Company Law Tribunal at Ahmedabad which has jurisdiction over SEL and SGSL 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 to 232 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 232 of the Act as may be applicable;
- 1.18. **'NSE'** means National Stock Exchange of India Limited;
- 1.19. **'Parties'** shall mean collectively the Transferor Company and the Transferee Company and **'Party'** shall mean each of them, individually;

- 1.20. **‘Permits’** means all consents, licences, permits, certificates, permissions, authorisations, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, no objections, whether governmental, statutory or regulatory, including application(s) for renewal thereof, as required under Applicable Law;
- 1.21. **‘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;
- 1.22. **‘Registrar of Companies’ / ‘RoC’** means the relevant Registrar of Companies having territorial jurisdiction in the state in which the respective registered offices of the Companies are located;
- 1.23. **‘Relevant Jurisdiction’** means the territories of the State of Gujarat or Republic of India.
- 1.24. **‘Rupees’ or ‘Rs’ or ‘INR’** means Indian rupees. being the lawful currency of Republic of India;
- 1.25. **‘Scheme’ or ‘the Scheme’ or ‘this Scheme’** means this scheme of amalgamation in its present form as submitted to the Tribunal of Relevant Jurisdiction with any modification(s) made under Clause 15 of the Scheme as approved or directed by the Tribunal or such other appropriate authority, as may be applicable;
- 1.26. **‘SEBI’** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;
- 1.27. **‘SEBI Circular’** shall mean the circular issued by the SEBI, being Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20 June 2023, and any amendments thereof;
- 1.28. **‘SEBI LODR Regulations’** means SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, and any amendments thereof;
- 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 Appropriate 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 / value added tax, service tax, goods and services tax, excise duty, customs duty or any other levy of similar nature;
- 1.32. **‘TDS’** means tax deductible at source, in accordance with the provisions of the IT Act;
- 1.33. **‘TCS’** means tax collected at source, in accordance with the provisions of the IT Act;
- 1.34. **‘Transferee Company’** or **‘Amalgamated Company’** or **‘SEL’**, 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, Gujarat, India.
- 1.35. **‘Transferor Company’** or **‘Amalgamating Company’** or **‘SGSL’** means Suzlon Global Services Limited, a public limited unlisted company incorporated under the Companies Act, 1956 with corporate identity number U27109GJ2004PLC044170 having its registered office at “Suzlon”, 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad-380009, Gujarat India.
- 1.36. **‘Undertaking’** means all assets and liabilities of the Transferor Company along with all the undertakings and the entire business of the Transferor

Company as a going concern as on the Appointed Date, including all its assets, properties (whether movable or immovable, tangible or intangible), investments, rights, approvals, licenses and powers, leasehold rights and all its debts, outstanding, liabilities, duties, obligations, and employees including, but not in any way limited to, the following:

- a. all the immovable properties and rights thereto, i.e. land together with the buildings and structures standing thereon (whether freehold, leasehold, leave and licensed, right of way, tenancies or otherwise) including roads, drains and culverts, civil works, foundations for civil works, buildings, warehouses, offices, etc., whether or not recorded in the books of accounts of the Transferor Company and all documents (including panchnamas, declarations, receipts) of title, rights and easements in relation thereto and all rights, covenants, continuing rights, title and interest, benefits and interests of rental agreements for lease or license or other rights to use of premises, in connection with the said immovable properties;
- b. all assets, as are movable in nature forming part of the Transferor Company, whether present or future or contingent, tangible or intangible, in possession or not, corporeal or incorporeal, in each case, wherever situated (capital work in progress, furniture, fixtures, fixed assets, computers, air conditioners, appliances, accessories, office equipment, communication facilities, installations, vehicles, inventories, stock in trade, stores and spares, packing material, raw material, tools and plants), actionable claims, earnest monies and sundry debtors, prepaid expenses, bills of exchange, promissory notes financial assets, investment and shares in entities/ branches in India, outstanding loans and advances, recoverable in cash or in kind or for value to be received, receivables, funds, cash and bank balances and deposits including accrued interest thereto with government, semi-government, local and other authorities and bodies, banks, customers and other persons, dividends declared or interest accrued thereon, reserves, provisions, funds, benefits of all agreements, bonds,

debentures, debenture stock, units or pass through certificates, the benefits of any bank guarantees, performance guarantees and all the tax related assets/credits, tax refunds, incentives, allowances, exemptions or rebates or such other benefits including but not limited to goods and service tax input credits, service tax input credits, central excise, cenvat credit, value added tax credits, value added/ sales tax/ entry tax credits or set-offs, income tax including advance tax, withholding tax/ TDS/TCS, taxes withheld/ paid in a foreign country, self-assessment tax, regular tax, minimum alternate tax, dividend distribution tax, securities transaction tax, deferred tax assets/ liabilities, tax refunds, accumulated losses under the IT Act and allowance for unabsorbed depreciation under the IT Act and as per books of account, rights of any claim not made by the Transferor Company in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or scheme made by the Appropriate Authority;

- c. all investments, receivables, loans, security deposits and advances extended, earnest monies, advance rentals, payments against warrants, if any, or other rights or entitlements, including without limitation accrued interest thereon, of the Transferor Company;
- d. all permits, licenses, permissions, right of way, approvals, authorisations, clearances, consents, benefit, registrations, rights, entitlements, credits, certificates, awards, sanctions, quotas, no objection certificates, exemptions, pre - qualifications, bid acceptances, concessions, subsidies, tax deferrals and exemptions and other benefits (in each case including the benefit of any applications made for the same), income tax benefits/ holidays and exemptions including the right to deduction for the residual period, i.e., for the period remaining as on the Appointed Date out of the total period for which the deduction is available in law, if any, liberties and advantages, approval for commissioning of project and other licenses

or clearances granted/ issued/ given by any governmental, statutory or regulatory or local or administrative bodies, organizations or companies for the purpose of carrying on its existing business or in connection therewith including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto that form part of the Transferor Company;

- e. all registrations obtained under Value Added Tax Laws, Central Sales Tax Act, 1956, GST Act or any other Applicable Laws;
- f. all contracts, agreements, purchase orders/ service orders, operation and maintenance contracts, benefits of any arrangements, allotments, approvals, authorities, registrations, exemptions, benefits, waivers, security and other agreements, engagements, memoranda of understanding/ undertakings/ agreements, memoranda of agreed points, bids, tenders, tariff policies, expressions of interest, letters of intent, hire and purchase arrangements, agreements/deeds for hire of fitted assets, equipment purchase agreements, agreements with customers, purchase and other agreements with the supplier/ manufacturer of goods/ service providers, other arrangements, undertakings, deeds, bonds, schemes, concession agreements, insurance policies, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether vested or potential and written, oral or otherwise and all rights, title, interests, assurances, claims and benefits thereunder;
- g. all insurance policies pertaining to the Transferor Company;
- h. all intellectual property rights, applications (including hardware, software, licenses, source codes, object code, algorithm and scripts), registrations, servers, software assets, hardware assets, cloud, data centres, any devices including but not limited to laptops and mobile devices, goodwill, trade names, service marks, copyrights, patents, project designs, marketing authorization, approvals, marketing intangibles, permits, permissions, incentives, privileges, special status, domain names, designs, trade secrets, research and studies, technical

knowhow, confidential information and other benefits (in each case including the benefit of any applications made for the same) and all such rights of whatsoever description and nature;

- i. all rights to use, subscribe and avail, transfer or sell telephones, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by Transferor Company;
- j. rights of any claim not made by the Transferor Company in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or scheme made by the Appropriate Authority, and in respect of carry forward of unabsorbed losses and unabsorbed tax depreciation, deferred revenue expenditure, rebate, incentives, benefits, tax credits, minimum alternate tax, etc., under the IT Act, sales tax, value added tax, custom duties and good and service tax or any other or like benefits under Applicable Law;
- k. any and all of the advance monies, earnest monies, margin money and / or security deposits, payment against warrants or other entitlements, as may be lying with them, including but not limited to the deposits from members, investor's service fund and investor protection fund;
- l. all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including

databases for procurement, commercial and management, catalogues, quotations, manuals, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/ supplier pricing information, and all other books and records, whether in physical or electronic form and all other interest of whatsoever nature belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company;

- m. any and all of its staff and employees, who are on its payrolls, including those employed at its offices and branches, employees/personnel engaged on contract basis and contract labourers and interns / trainees, as are primarily engaged in or in relation to the business, activities and operations carried on by the Transferor Company, including liabilities of the Transferor Company, with regard to their staff and employees, with respect to the payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise, in terms of its license, at its respective offices, branches or otherwise, and any other employees/personnel and contract labourers and interns / trainees hired by the Transferor Company as on the Effective Date;
- n. all suits, actions, legal or other proceedings including quasi-judicial, arbitral of whatsoever nature involving or continued or to be enforced by or against the Transferor Company, which are capable of being continued by or against the Transferor Company under the Applicable Law; and
- o. all debts (secured and unsecured), liabilities including contingent liabilities, duties, leases of the Transferor Company and all other obligations of whatsoever kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized. Provided that if there

exists any reference in the security documents or arrangements entered into by the Transferor Company under which the assets of the Transferor Company stand offered as a security for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to the Transferor Company vested in the Transferee Company by the virtue of the Scheme. The Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Transferor Company which shall vest in Transferee Company by virtue of the amalgamation. The Transferee Company shall not be obliged to create any further or additional security thereof after the amalgamation has become effective.

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, bye-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-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.

The Transferor Company shall stand transferred to and be vested in the Transferee Company on and from and with effect from the Appointed Date (defined hereinafter) for all intent and purposes and the Transferor Company shall stand dissolved without being wound up.

4. SHARE CAPITAL

4.1. The share capital of Transferor Company as at 31 March 2024 is as under:

Particulars	Amount (Rs. crores)
Authorized Capital	
534,30,00,000 Equity Shares of Rs. 10 each	5,343.00
2,10,00,000 Preference Shares of Rs. 100 each	210.00
4,50,000 Preference Shares of Rs. 1,00,000/- each	4,500.00
Total	10,053.00
Issued, Subscribed and Paid-up Capital	
2,93,71,254 Equity Shares of Rs. 10 each	29.37
10,00,000, 8% Redeemable Cumulative Preference Shares of Rs. 100 each	10.00
10,000, 0.1% Redeemable Non-Cumulative Preference Shares of Rs. 100 each	0.10
Total	39.47

The equity shares of the Transferor Company are not listed on any of the Stock Exchanges.

Subsequent to 31 March 2024 and up to the date of approval of this Scheme by the Board of Transferor Company, there is no change in the stated capital of the Transferor Company.

As on the date of approval of this Scheme by the Board of Directors, the entire share capital of the Transferor Company is held by the Transferee Company. Accordingly, the Transferor Company is a wholly owned subsidiary of the Transferee Company.

There are no existing commitments, obligations or arrangements by the Transferor Company as on the date of sanction of this Scheme by the Board of Directors to issue any further shares or convertible securities except for the obligation to convert the 40,00,000 (Forty Lakhs Only) number of compulsorily convertible debentures ('CCDs') of face value Rs. 1,000 (Rupees One Thousand Only) each as on 31 March 2024. Since the CCDs are held by the Transferee Company, the same shall stand cancelled pursuant to this Scheme.

- 4.2. The share capital of Transferee Company as at 31 March, 2024 is as under:

Particulars	Amount (Rs. crores)
Authorized Capital	
55,00,00,00,000 Equity Shares of Rs. 2 each	11,000.00
Total	11,000.00
Issued Capital	
1363,16,20,199 Equity Shares of Rs. 2 each (Out of total issued capital, 1362,34,26,136 are fully paid-up Equity Shares of Rs. 2 each 81,94,063 are partly paid-up Equity Shares having face value of Rs. 2 each with Re. 1 paid-up)	2,726.32
Total	2,726.32
Subscribed and Paid-up Capital	

1361,26,88,222 Equity Shares comprising of 1360,44,94,159 fully paid-up Equity Shares of Rs. 2 each 81,94,063 partly paid-up Equity Shares having face value of Rs. 2 each with Re. 1 paid-up	2,721.72
Total	2,721.72

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

Subsequent to 31 March 2024 and up to the approval of this Scheme by the Board of the Transferee Company, the Transferee Company has not issued and allotted shares.

Part II

AMALGAMATION OF THE TRANSFEROR COMPANY ALONG WITH ITS UNDERTAKINGS INTO AND WITH THE TRANSFeree COMPANY

5. TRANSFER AND VESTING

- 5.1. With effect from the Appointed Date, upon this Scheme becoming effective, and subject to the provisions of this Scheme, the Transferor Company along with all its assets (including immovable property and intellectual property), liabilities, contracts, employees, licenses, consents, permits, records, approvals, etc., comprising the Undertaking shall, pursuant to the provisions of the Act, IT Act and any other Applicable Law without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Transferee Company as a going concern, so as to become, as and from the Appointed Date, the estate, assets, rights, title, interests and authorities of the Transferee Company, by virtue of and in the manner provided in this Scheme.
- 5.2. Without prejudice to the generality of the above, with effect from the Appointed Date and upon this Scheme becoming effective:
- 5.2.1. Transfer of Assets:
- a. without prejudice to the generality of Clause 5.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date, all the estate, assets, properties, rights, claims, title, interest and authorities including accretions and appurtenances comprised in the Undertaking of whatsoever nature and where so ever situated shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Law, if any, without any further act or deed, be and stand transferred to and vested in the Transferee Company and/or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, as and from the Appointed Date, the estate, assets, properties, rights, claims, title, interest and authorities of the Transferee Company. Provided that the

movable assets of the Transferor Company shall vest in the Transferee Company in the manner laid down hereunder:

- (i) without prejudice to the provisions of Clause 5.2.1 above, in respect of such of the assets and properties of the Transferor Company as are movable in nature or incorporeal property or are otherwise capable of vesting or transfer by delivery or possession, or by endorsement and/or delivery, the same shall stand so transferred or vested by the Transferor Company upon the coming into effect of this Scheme, and shall, become the assets and property of the Transferee Company with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act, without requiring any deed or instrument of conveyance for transfer or vesting of the same;
- (ii) in respect of such of the assets and properties belonging to the Transferor Company (other than those referred to in Clause (i) above) including sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any government, quasi government, local or other authority or body or with any company or other person, the same shall stand transferred to and vested in the Transferee Company and/or be deemed to have been transferred to and vested in the Transferee Company, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party, upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act;
- (iii) all the assets, rights, title, interest, investments and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets, rights, title, interest, investments and properties, which are acquired by the Transferor Company on or after the Appointed

Date, shall be deemed to be and shall become the assets, rights, title, interest, investments and properties of the Transferee Company, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act;

- (iv) all the licenses, permits, registrations, quotas, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, including income tax benefits and exemptions, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in and/or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become the licenses, permits, registrations, quotas, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.
- b. all the assets and the properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets and properties which are acquired by the

Transferor Company on or after the Appointed Date, shall be deemed to be and shall become the assets and properties of the Transferee Company, and shall under the relevant provisions of the Act, without any further act, instrument or deed, be and stand transferred to and vested in, and be deemed to have been transferred to and vested in, the Transferee Company upon the coming into effect of this Scheme pursuant to the relevant provisions of the Act;

- c. all debentures, bonds, notes or other debt securities, if any, of the Transferor Company, whether convertible into equity or otherwise, other than the debentures, bonds, notes or other debt securities held by the Transferee Company in the Transferor Company, shall become securities of the Transferee Company and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in or deemed to have been transferred to and vested in and shall be exercised by or against the Transferee Company as if it were the Transferor Company in respect of securities so transferred;
- d. all immovable properties, whether or not included in the books of the Transferor Company, whether freehold or leasehold or licensed properties (including but not limited to capital works in progress, land, buildings, and any other rights, titles, interests, rights of way and easements in relation thereto) forming part of the Transferor Company shall become the property of the Transferee Company and be vested in the Transferee Company or be deemed to have been so, automatically without any act or deed to be done or executed by the Transferor Company and/or the Transferee Company. All lease or license or rent agreements forming part of the Transferor Company, entered into by the Transferor Company with various landlords, owners and lessors in connection with the use of the assets of the Transferor Company, together with security deposits, shall stand automatically vested in favour of the Transferee Company on the same terms and conditions, subject to Applicable Law, without any further act, instrument or deed. The Transferee Company shall continue to pay

rent amounts as provided for in such agreements and shall comply with the other terms, conditions and covenants thereunder and shall also be entitled to refund of security deposits paid under such agreements by the Transferor Company;

- e. for the purpose of giving effect to the order passed under Sections 230 to 232 of the Act in respect of this Scheme, the Transferee Company shall be entitled to exercise all rights and privileges and shall be liable to fulfil all its obligations in relation to or applicable to all such immovable properties, including mutation and/or substitution of the ownership or the title to, or interest in the immovable properties which shall be made and duly recorded by the Appropriate Authority(ies) in favour of the Transferee Company pursuant to the order and upon the effectiveness of this Scheme in accordance with the terms hereof without any further act or deed to be done or executed by the Transferor Company and/or the Transferee Company. It is clarified that the Transferee Company shall be entitled to engage in such correspondence and make such representations, as may be necessary for the purposes of the aforesaid mutation and/or substitution. For the purposes of this clause, the Boards of the relevant Companies may, in their absolute discretion, mutually decide the manner of giving effect to the vesting of the whole or part of the right, title and interest in all or any of the immovable properties along with any attendant formalities involved, including by way of execution of appropriate deed(s), including of conveyance, assignment, transfer or rectification, in order to give effect to the objectives of the Scheme;
- f. upon this Scheme becoming effective, the Transferee Company shall be entitled to occupy and use all the premises, whether owned, leased or licensed, relating to the Transferor Company until the transfer of the rights and obligations of the Transferor Company to the Transferee Company under this Scheme is formally accepted by the parties concerned;

- g. all bank accounts operated or entitled to be operated by the Transferor Company shall be deemed to have been transferred and shall stand transferred to the Transferee Company and name of the Transferor Company shall be substituted by the name of the Transferee Company in the bank's records and the Transferee Company shall be entitled to operate all bank accounts, realise all monies and complete and enforce all pending contracts and transactions in the name of the Transferor Company to the extent necessary until the transfer of the rights and obligations of the Transferor Company to the Transferee Company under the Scheme is formally accepted and completed by the parties concerned. For avoidance of doubt, it is thereby clarified that all cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date, shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. Similarly, the banker of the Transferee Company shall honour all cheques issued by the Transferor Company for payment after the Effective Date.

It is further clarified that with effect from the Effective Date and till such time that the name of the bank accounts of the Transferor Company have been replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in the name of the Transferor Company in so far as may be necessary. Further, if any refund under the Tax Laws is claimed by the Transferor Company and processing of such refund is pending as on the date of the scheme becoming effective, the Transferee Company can continue to maintain the bank account in the name of the Transferor Company until the claim of such refund is credited to the bank account.

Even after the Scheme becomes effective, the Transferee Company shall be entitled to operate all the bank accounts of the Transferor Company and realise all monies and complete and enforce all pending

contracts and transactions in respect of the Transferor Company in the name of the Transferor Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme is formally accepted the parties concerned.

- h. all letters of intent, requests for proposal, pre-qualifications, bid acceptances, tenders, and other instruments of whatsoever nature to which the Transferor Company is a party to or to the benefit of which the Transferor Company may be eligible for, shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto. Upon coming into effect of the Scheme, the past experience of the Transferor Company with respect to execution/ managing of the projects shall be deemed to be the experience of the Transferee Company for all commercial and regulatory purposes;
- i. all the security interest over any moveable and/ or immoveable properties and security in any other form (both present and future) including but not limited to any pledges, or guarantees, if any, created/ executed by any person in favour of the Transferor Company or any other person acting on behalf of or for the benefit of the Transferor Company for securing the obligations of the persons to whom the Transferor Company has advanced loans and granted other funded and non-funded financial assistance, by way of letter of comfort or through other similar instruments shall without any further act, instrument or deed stand vested in and be deemed to be in favour of the Transferee Company and the benefit of such security shall be available to the Transferee Company as if such security was ab initio created in favour of the Transferee Company. The mutation or substitution of the charge in relation to the movable and immovable properties of the Transferor Company shall, upon this Scheme becoming effective, be made and duly recorded in the name of the

Transferee Company by the appropriate authorities and third parties (including any depository participants) pursuant to the sanction of this Scheme by the Appropriate Authority and upon the Scheme becoming effective in accordance with the terms hereof;

- j. in so far as various incentives, subsidies, exemptions, remissions, reductions, export benefits, all indirect tax related benefits, including GST benefits, service tax benefits, customs duty exemptions/concessions, all indirect tax related assets/credits, including but not limited to Input Tax Credit (if transferable), sales tax/entry tax credits or set-off, TDS/TCS credits or set-off (to the extent remaining unutilised on the Appointed Date), income tax holiday/benefit/losses/minimum alternative tax and other benefits or exemptions or privileges enjoyed (to the extent remaining unutilized on the Appointed Date), granted by any Appropriate Authority or by any other person, or availed of by the Transferor Company itself or by any of the entities historically merged or demerged into the Transferor Company (to the extent pertaining to the undertaking merged or demerged with the Transferor Company) are concerned, the same shall, together with any corresponding obligations, without any further act or deed, in so far as they relate to the Transferor Company, vest with and be available to the Transferee Company on the same terms and conditions as were available with the Transferor Company and as if the same had been allotted and/or granted and/or sanctioned and/or allowed to the Transferee Company, to the end and intent that the right of the Transferor Company to recover or realise the same, shall become the right of the Transferee Company and/or stands vested in the Transferee Company; and
- k. all assets and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets and properties which are acquired by the Transferor Company on or after the Appointed Date, if any, due or which may at any time from the Appointed Date become due between the Transferor Company and the Transferee Company shall, ipso

facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company.

5.2.2. Transfer of contracts, deeds etc.:

- a. all the contracts, agreements, memoranda of undertakings, memoranda of agreement, memoranda of agreed points, letters of agreed points, bids, letters of intent, arrangements, undertakings whether written or otherwise, lease rights, deeds, bonds, understandings, insurance policies, applications, schemes and instruments of whatsoever nature to which the Transferor Company is a party, or to the benefit of which, the Transferor Company may be eligible/entitled, and which are subsisting and having effect immediately before the Effective Date, shall without any further act, instrument or deed continue in full force and effect on, against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligor thereto or thereunder. If the Transferee Company enters into and/ or issues and/ or executes deeds, writings or confirmations or enters into any tripartite arrangements, confirmations or novations, the Transferor Company may, if necessary, also be party to such documents in order to give formal effect to the provisions of this Scheme, if so required and permitted under the law;
- b. without prejudice to the generality of the foregoing, upon the coming into effect of this Scheme and with effect from the Appointed Date, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties

thereunder, and the rights and benefits under the same shall be available to the Transferee Company;

- c. on and from the Effective Date, and thereafter, the Transferee Company shall be entitled to complete and enforce all pending contracts and transactions in respect of the Transferor Company, in the name of the Transferor Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme has been given effect to under such contracts and transactions.

5.2.3. Transfer of Liabilities:

- a. upon the coming into effect of this Scheme and with effect from the Appointed Date all debts and liabilities of the Transferor Company including all secured and unsecured debts (in whatsoever currency and whether provided for or not in the books of accounts or disclosed in the balance sheet of the Transferor Company), liabilities (including contingent liabilities), duties and obligations of the Transferor Company of every kind, nature and description whatsoever whether present or future, and howsoever arising, along with any charge, encumbrance, lien or security thereon shall, pursuant to the sanction of this Scheme by the Tribunal and under the provisions of Sections 230 to 232 of the Act and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company, to the extent they are outstanding on the Effective Date so as to become the Liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause 5.2.3;

- b. all loans raised and utilised and all liabilities, duties and obligations incurred or undertaken by the Transferor Company on or after the Appointed Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed be and stand transferred to and vested in the Transferee Company and shall become the loans and liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same;
- c. loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time from the Appointed Date become due between the Transferor Company and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company; and
- d. subject to the necessary consents being obtained in accordance with the terms of this Scheme, the provisions of this Clause shall operate notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security document, all of which instruments shall stand modified and / or superseded by the foregoing provisions of this Scheme. It is expressly provided that, no other terms or conditions of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.

5.2.4. Transfer of Encumbrances:

- a. The transfer and vesting of the assets, contracts, etc. comprised in the Undertaking to the Transferee Company under Clause 5.2.1 and

Clause 5.2.2. of this Scheme shall be subject to the Encumbrances, if any, affecting the same as hereinafter provided;

- b. all the Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company shall, after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date, provided that if any of the assets of the Transferor Company have not been Encumbered, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above;
- c. the existing Encumbrances over the other assets and properties of the Transferee Company or any part thereof which relate to the Liabilities of the Transferee Company prior to the Effective Date shall continue to relate to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme;
- d. any reference in any security documents or arrangements (to which the Transferor Company is a party) to the Transferor Company and its respective assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies of Relevant Jurisdiction to give formal effect to the above provisions, if required;

- e. upon the coming into effect of this Scheme, the Transferee Company shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of this Scheme;
- f. it is expressly provided that, save as herein provided, no other term or condition of the Liabilities transferred to the Transferee Company is amended by virtue of this Scheme except to the extent that such amendment is required statutorily;
- g. the provisions of this Clause 5.2.4. shall operate notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings or the terms of sanction or issue or any security document shall stand modified and/or superseded by the foregoing provisions. Without prejudice to the foregoing provisions, the Transferor Company and the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge(s), with the Registrar of Companies to give formal effect to the above provisions, if required.

5.2.5. Transfer of licenses and approvals:

- a. all approvals, allotments, consents, concessions, clearances, credits, awards, sanctions, exemptions, subsidies, rehabilitation schemes, registrations, no-objection certificates, permits, quotas, rights, entitlements, authorisation, pre-qualifications, bid acceptances, tenders, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), permissions, privileges, powers, facilities, letter of allotments and certificates of every kind and description whatsoever in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible/ entitled, and which are subsisting or having effect immediately before the Effective Date, including the benefits of any applications made for any of the foregoing, shall be and remain in full force and effect in favour of the

Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto, It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/ endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Appropriate Authority, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/ documents with relevant authorities concerned for information and record purposes;

- b. all statutory licenses, no objection certificates, consents, permissions, approvals, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company or any applications made for the same by the Transferor Company shall stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company;
- c. all trademarks, trade names, service marks, copyrights, patents, logos, corporate names, brand names, domain names and all registrations, applications and renewals in connection therewith, and, software and all website content (including text, graphics, images, audio, video and data), trade secrets, confidential business information and other proprietary information or other intellectual property rights shall stand transferred to and vested in the Transferee Company without any further act, instrument or deed, upon the sanction of this Scheme by the Appropriate Authority;

- h. the Transferor Company and/ or the Transferee Company as the case may be, shall, at any time after this Scheme becoming effective in accordance with the provisions hereof, if so required under Applicable Laws or otherwise, do all such acts or things as may be necessary to transfer/ obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the Transferor Company. It is hereby clarified that if the consent of any third party or Appropriate Authority, if any, is required to give effect to the provisions of this Clause, the said third party or Appropriate Authority shall make and duly record the necessary substitution/ endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Appropriate Authority, and upon this Scheme becoming effective in accordance with the provisions of the Act and with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/ documents with relevant authorities concerned for information and record purposes;
- i. since each of the permissions, approvals, consents, sanctions, remissions, special reservations, holidays, incentives, concessions and other authorizations, shall stand vested by the order of sanction of the Appropriate Authority in the Transferee Company, the Transferee Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the Tribunal; and
- j. the Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

5.2.6. Transfer of legal and other proceedings:

- a. any pending suits/appeals, all legal or other proceedings including before any statutory or quasi-judicial authority or tribunal or other

proceedings of whatsoever nature relating to the Transferor Company, whether by or against the Transferor Company, whether pending on the Effective Date or which may be instituted any time in the future, if such proceedings are capable of being continued by or against the Transferee Company, shall not abate, be discontinued or in any way prejudicially be affected by reason of this amalgamation of the Transferor Company or because of the provisions contained in this Scheme. The proceedings shall continue by or against the Transferee Company in the same manner and to the same extent as they would have been continued, prosecuted and/or enforced by or against the Transferor Company, if this Scheme had not been implemented;

- b. in case of any litigation, suits, recovery proceedings which are to be initiated by or may be initiated against the Transferor Company, the Transferee Company shall be made party thereto and shall prosecute or defend such proceedings;
- c. the Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company, which are capable of being continued by or against the Transferee Company, transferred to its name as soon as is reasonably possible after the Effective Date and to have the same continued, prosecuted and enforced by or against the Transferee Company; and
- d. the Transferee Company shall be deemed to be authorised under this Scheme to execute any pleadings, applications, forms, etc., as are required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme.

5.2.7. Transfer of Employees:

- a. upon the coming into effect of this Scheme, all the Employees of the Transferor Company shall, become the employees of the Transferee Company, on same terms and conditions and shall not be less favourable than those on which they are engaged by the Transferor Company and without any interruption of or break in service as a result of the merger of the Transferor Company with the Transferee

Company. For the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such Employees with the Transferor Company and such benefits to which the Employees are entitled in the Transferor Company shall also be taken into account and paid (as and when payable) by the Transferee Company;

- b. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into or deemed to have been entered into by the Transferor Company with any union/ employee of the Transferor Company;
- c. The past services of all Employees prior to the Scheme being effective shall be taken into account for the purposes of all benefits to which the Employees may be eligible, including for the purpose of payment of any retrenchment or redundancy compensation, leave encashment, gratuity and other terminal benefits. To this effect, on the Scheme becoming effective, the accumulated balances or contributions if any, standing to the credit of the Employees in the existing provident fund, gratuity fund and/or superannuation funds shall be continued in the existing funds on behalf of the Transferee Company, or transferred to fund(s)/ trust(s) nominated by the Transferee Company or to such new fund(s)/ trust(s) to be established (if any) by the Transferee Company and caused to be recognized by the Appropriate Authorities, or to the government provident fund, in relation to the Employees where applicable;
- d. with regard to provident fund and gratuity fund or any other special funds or schemes created or existing for the benefit of such employees (hereinafter referred to as the "said Funds") of the Transferor Company, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever relating to the administration or operation of such schemes or funds in relation to the obligations to make contributions to the said Funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other

documents. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such Funds shall become those of the Transferee Company. In the event that trustees are constituted as holders of any securities, trust funds or trust monies, in relation to any provident fund trust, gratuity trust, superannuation trust, welfare trust, or any other such trust existing for the benefit of the employees of the Transferor Company, such funds shall be transferred by such trustees of the trusts of the Transferor Company, to separate trusts and the trustees of the Transferee Company if set up for the same purpose and object and shall be deemed to be a transfer of trust property from one set of trustees to another set of trustees in accordance with the provisions of the relevant labour laws, Indian Trusts Act, 1882, the Income Tax Act, 1961 and relevant stamp legislations, as applicable. In such a case, appropriate deeds of trusts and/or documents for transfer of trust properties shall be executed upon the sanction of the Scheme in accordance with the terms hereof by the trustees of such trusts in favour of the trusts of the Transferee Company so as to continue the benefits of the employees. For this purpose, the trusts created by the Transferor Company shall be transferred/ merged with the respective trust(s) of the Transferee Company and/or be continued; by the Transferee Company, if permitted by law, failing which the Transferee Company shall establish similar trusts ensuring that there is continuity in this regard. The Trustees, including the Board of Directors of the Transferee Company, shall be entitled to adopt such course of action in this regard, as may be advised, provided however that there shall be no discontinuation or break-in the service of the employees of the Transferor Company. Notwithstanding the above, the Board of Directors of the Transferee Company, if it deems fit and subject to applicable law, shall be entitled to retain separate trusts/schemes within the Transferee Company for each of the erstwhile trusts/schemes of the Transferor Company;

- e. further to the transfer of Funds as set out herein above, for all purposes whatsoever in relation to the administration or operation of such Funds or in relation to the obligation to make contributions to the said Funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, all rights, duties, powers and obligations of the Transferor Company as on the Effective Date in relation to such Funds shall become those of the Transferee Company. It is clarified that the services of the Employees will be treated as having been continuous for the purpose of the said Funds; and
- f. in relation to any funds (including any funds set up by the government for employee benefits) created or existing for the benefit of the transferred Employees, the Transferee Company shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said funds in accordance with the provisions of such scheme, funds, bye laws, etc. in respect of such transferred Employees.

5.2.8. Taxation related provisions:

- a. all the expenses incurred by the Transferor Company and the Transferee Company in relation to the amalgamation of the Transferor Company with the Transferee Company as per this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Transferee Company in accordance with Section 35DD of the IT Act over a period of 5 (five) years beginning with the previous year in which the Scheme becomes effective;
- b. upon the Scheme becoming effective, the Transferor Company (if required) and the Transferee Company are expressly permitted to revise, its financial statements and returns (including tax deducted at source ('TDS') or tax collected at source ('TCS') returns) along with prescribed forms, filings and annexures (including but not limited to TDS certificates) under the IT Act (including for the purpose of re-computing income-tax under the normal provisions, minimum alternative tax, and claiming other tax benefits), GST Act, central sales

tax, applicable state value added tax, entry tax, octroi, local tax law, service tax laws, excise and central value added tax ('CENVAT') duty laws, customs duty laws, and other tax laws, if required to give effect to the provisions of the Scheme. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have expired. The Transferee Company is also expressly permitted to claim refunds / credits in respect of any transaction by and between the Transferor Company and the Transferee Company. With respect to the TDS certificates issued in the name of Transferor Company itself or in the name of any of the entities historically merged or demerged into the Transferor Company (to the extent pertaining to the undertaking merged or demerged with the Transferor Company) after the Appointed Date, the same will be deemed to be issued in the name of the Transferee Company for the income tax purposes;

- c. without prejudice to the generality of the foregoing, on and from the Appointed Date, if any certificate for tax deducted or collected at source or any other tax credit certificate is received in the name of Transferor Company itself or in the name of any of the entities historically merged or demerged into the Transferor Company (to the extent pertaining to the undertaking merged or demerged with the Transferor Company), or tax credit is appearing in Form 26AS of the Transferor Company itself or in the name of any of the entities historically merged or demerged into the Transferor Company (to the extent pertaining to the undertaking merged or demerged with the Transferor Company), it shall be deemed to have been received by and in the name of the Transferee Company which alone shall be entitled to claim credit for such Tax deducted or paid;
- d. upon the Scheme becoming effective, the Transferee Company shall be entitled to (i) claim deductions with respect to provisions, expenses, etc., disallowed in earlier years in the hands of the Transferor Company, which may be allowable in accordance with the provisions of the IT Act on or after the Appointed Date; and (ii) exclude items such

- as provisions, reversals, etc., for which no deduction or tax benefit has been claimed by the Transferor Company prior to the Appointed Date;
- e. With effect from Appointed Date, the Transferee Company is expressly permitted to claim any deduction (including deferred revenue expenditure, whether or not recorded for tax purposes) otherwise admissible such as under section 40, 40A, 43B, etc. of the IT Act / exemption, refunds and/or input tax credit/ cenvat, credit for taxes paid (including MAT, TDS/TCS, income tax including, advance tax, self-assessment tax, dividend distribution tax, carry forward of accumulated losses unabsorbed depreciation, foreign tax credit, etc.) and for matters incidental thereto under the IT Act, GST Act, central sales tax, applicable state value added tax, service tax laws, local body tax, entry tax, excise duty and CENVAT duty laws, customs duty laws, and other applicable tax laws. All tax assessment proceedings/ appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to the Transferor Company shall be continued and/or enforced until the Effective Date by the Transferor Company. In the event of the Transferor Company failing to continue or enforce any proceeding/ appeal, the same may be continued or enforced by the Transferee Company, at the cost of the Transferee Company. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company;
- f. further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme;
- g. any tax liabilities under the IT Act, GST Act, service tax laws, excise duty laws, central sales tax, customs duty laws, local body tax, entry tax, wealth tax, applicable state value added tax laws or other

Applicable Laws dealing with taxes/ duties or levies of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding Appointed Date shall be transferred to or stand transferred to the Transferee Company. Any surplus in the provision for taxation / duties or levies account including advance tax, foreign tax credit, MAT credit and TDS/ TCS of the Transferor Company itself or of the entities historically merged or demerged into the Transferor Company (to the extent pertaining to the undertaking merged or demerged with the Transferor Company) as on the date immediately preceding to Appointed Date will also be transferred to the account of the Transferee Company;

- h. any refund under the IT Act, GST Act, service tax laws, excise duty laws, central sales tax, customs duty, applicable state value added tax laws or other Applicable Laws dealing with taxes/ duties or levies due to the Transferor Company consequent to the assessment made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company upon this Scheme becoming effective;
- i. the tax payments (including, without limitation income tax, GST, advance tax, self-assessment tax, dividend distribution tax, MAT, service tax, excise duty, central sales tax, customs duty, local body tax, entry tax, wealth tax, applicable state value added tax, etc.) whether by way of TDS/TCS, foreign tax credit, advance tax, all earnest monies, security deposits provisional payments, payment under protest, or otherwise howsoever, by the Transferor Company itself or by any of the entities historically merged or demerged into the Transferor Company (to the extent pertaining to the undertaking merged or demerged with the Transferor Company) after the Appointed Date, shall be deemed to be paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly. Credit for such taxes shall be allowed to the Transferee Company

notwithstanding that certificates or challans for taxes paid are in the name of the Transferor Company and not in the name of the Transferee Company;

- j. obligation for TDS on any payment made by or to be made by the Transferor Company under the IT Act, GST Act, service tax laws, excise duty laws, central sales tax, customs duty, applicable state value added tax laws or other Applicable Laws dealing with taxes/duties or levies shall be made or deemed to have been made and duly complied with by the Transferee Company;
- k. without prejudice to the generality of the above, all benefits, entitlements, incentives, accumulated losses, and allowance for unabsorbed depreciation as per Section 72A of the IT Act, losses brought forward and unabsorbed depreciation as per books of accounts, credits, registrations (including, without limitation income tax, minimum alternate tax, TDS/TCS, taxes withheld/paid in foreign country, GST, wealth tax, service tax, excise duty, central sales tax, applicable state value added tax, customs duty, CENVAT, registrations, etc.) to which the Transferor Company itself or any of the entities historically merged or demerged into the Transferor Company (to the extent pertaining to the undertaking merged or demerged with the Transferor Company) is entitled to in terms of Applicable Laws, shall be available to and vest in the Transferee Company, upon this Scheme coming into effect;
- l. upon coming into effect of this Scheme, all tax compliances under any tax laws by the Transferor Company on or after Appointed Date shall be deemed to be made by the Transferee Company;
- m. all deductions otherwise admissible to the Transferor Company including payment admissible on actual payment or on deduction of appropriate taxes or on payment of tax deducted at source (such as under Sections 40, 40A, 43B etc. of the IT Act) shall be available for deduction to the Transferee Company as it would have been available to the Transferor Company; and

- n. Upon the Scheme becoming effective, subject to applicable laws, the Transferee Company is expressly permitted to revise or amend the returns along with prescribed forms filings and annexures of the Transferor Company under the IT Act (including for minimum alternate tax purposes and tax benefits), GST Act, service tax law and other tax laws, and to claim refunds and/or credits for taxes paid (including minimum alternate tax, Goods and Service Tax, etc), and to claim tax benefits of the Income Tax Act, 1961 etc. and for matters incidental thereto, if required, to give effect to the provisions of the Scheme and in accordance with the relevant provisions. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have expired and without incurring any additional liability on account of interest, penalty, late fees or any other sum.

5.2.9. Inter-se transaction:

- a. without prejudice to the foregoing provisions, with effect from the Appointed Date, all inter- party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes;
- b. with effect from the Effective Date, there will be no accrual of income or expense on account of any transactions, including, inter alia, any transactions in the nature of sale or transfer of any goods, materials or services, between the Companies. For avoidance of doubt, it is hereby clarified that with effect from the Effective Date, there will be no accrual of interest or other charges in respect of any inter se loans, deposits or balances between the Companies;
- c. from the Effective Date, the Transferee Company shall commence, carry on and be authorized to carry on the business of the Transferor Company;
- d. with effect from the Effective Date, any liabilities, loans, advances, debentures and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which

may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and Transferee Company shall, ipso facto, stand discharged and deemed to be discharged in accordance with the mode prescribed under the IT Act. Further, all such arrangements shall come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company; and

- e. all inter se contracts solely between the Transferor Company and the Transferee Company shall stand cancelled and cease to operate.

5.2.10. Miscellaneous:

- a. For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to ensure the smooth transition and sales of services and inventory of the Transferor Company marketed and/or branded and/or labelled in the name of the Transferor Company prior to the Effective Date, the Transferee Company shall have the right to own, use, market, sell, exhaust or to in any manner deal with any such products and inventory (including packing material) pertaining to the Transferor Company, without making any modifications whatsoever to such products and/or their branding, packing or labelling. All invoices/ payment related documents pertaining to such products and inventory (including packing material) may be raised in the name of the Transferee Company after the Effective Date;
- b. All profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income) for the period commencing from the Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure (including taxes), as the case may be, of the Transferee Company;

c. Notwithstanding the fact that vesting of the Transferor Company occurs by virtue of this Scheme, it is clarified that in order to ensure (i) implementation of the provisions of the Scheme; (ii) uninterrupted transfer of the relevant consents, approvals, patents, permissions, licenses, registrations, certificates etc.; and (iii) continued vesting of the benefits, exemptions available to the Transferor Company in relation to the Transferor Company in favour of the Transferee Company without prejudice to the other provisions of this Scheme and notwithstanding that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which any of the Transferor Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, after the Effective Date, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed;

6. SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of the Scheme, the transfer and vesting of the Transferor Company along with all its assets, liabilities, contracts, employees, licenses, consents, permits, records, approvals, etc., comprising the Undertaking into the Transferee Company under Clauses 5 above shall not affect any transaction or proceedings already concluded by the Transferor Company until the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto

as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

7. **BUSINESS AND PROPERTY**

7.1. Except as provided under this Scheme, from the date of the Scheme being approved by the Board of the Companies and up to the Effective Date:

- a. the Transferor Company shall carry on its business and activities with due business prudence and diligence and shall not, without prior written consent of the Transferee Company or pursuant to any preexisting obligation, sell transfer or otherwise alienate, charge, mortgage, encumber or otherwise deal with any part of its assets nor incur or accept or acknowledge any debt, obligation or liability except as is necessary in the ordinary course of business; and
- b. pending sanction of the Scheme, the Transferor Company shall not, except by way of issue of shares / convertible debentures to the Transferee Company, increase its capital (by fresh issue of shares, convertible debentures or otherwise).

7.2. With effect from the Appointed Date and up to and including the Effective Date:

- a. the Transferor Company shall be deemed to have been carrying on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all the estates, assets, rights, title, interest, authorities, contract, investments and strategic decisions, for and on account of, and in trust for, the Transferee Company;
- b. all profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income) shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure, as the case may be, of the Transferee Company;
- c. any of the rights, powers, authorities, privileges, exercised by the Transferor Company shall be deemed to have been exercised by the

Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Transferee Company;

- d. all debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations as on the close of business on the date preceding the Appointed Date, whether or not provided in the books of the Transferor Company which arise or accrue to the Transferor Company on or after the Appointed Date, shall be deemed to be of the Transferee Company;
- e. all assets and properties comprised in the Transferor Company as on the date immediately preceding the Appointed Date, whether or not included in the books of the Transferor Company and all assets and properties relating thereto, which are acquired by the Transferor Company, on or after the Appointed Date, shall be deemed to be the assets and properties of the Transferee Company;
- f. all taxes (including without limitation, income tax, wealth tax, sales tax, excise duty, customs duty, service tax, value added tax, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the Transferor Company before the Appointed Date, shall be on account of the Transferor Company and, in so far as it relates to the tax payment (including, without limitation, income tax, minimum alternate tax, dividend distribution tax, wealth tax, sales tax, excise duty, customs duty, goods and services tax, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the Transferor Company with effect from the Appointed Date, shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly;
- g. any refund (including interest, if any) under any tax laws due to the Transferor Company consequent to the assessment made on

Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company. The Transferee Company is expressly permitted to revise and file income tax returns, goods and services tax returns and other tax returns, and to claim refunds / credits pursuant to the provisions of this Scheme. The Transferee Company shall be entitled to such tax benefits including but not limited to minimum alternate tax paid under Section 115JA/115JB of the IT Act, and the right to claim credit therefore in accordance with the provisions of Section 115JAA of the IT Act, including the benefit of brought forward losses or depreciation as admissible under the provisions of the IT Act, including Section 72A, to the extent applicable to the taxable profits of the Transferee Company with effect from the Appointed Date. The Transferee Company shall continue to enjoy the tax benefits/concessions provided to the Transferor Company through notifications, circulars, etc. issued by the concerned Appropriate Authorities; and

- h. Notwithstanding anything contained in this Scheme, the Parties shall be entitled to declare, distribute and pay dividend, whether interim or final, to their respective shareholders prior to this Scheme becoming effective.

8. ACCOUNTING TREATMENT

- 8.1. Upon scheme being effective, the Transferee Company shall account for amalgamation in accordance with "Pooling of Interest Method" laid down by Appendix C of Ind AS 103 (Business combinations of entities under common control) notified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other applicable accounting standards prescribed under the Act as below:
 - 8.1.1. All assets, liabilities and reserves of Transferor Company transferred to and vested in the Transferee Company shall be recorded in the books of accounts of the Transferee Company at their respective book values as appearing in the consolidated financial statements of the Transferee

Company, being the holding company of the Transferor Company. No goodwill gets created pursuant to the above Scheme.

- 8.1.2. The identity of the reserves pertaining to Transferor Company shall be preserved and shall appear in the merged separate financial statements of the Transferee Company in the same form in which they appeared in the consolidated financial statements of the Transferee Company, being the Holding Company of the Transferor Company;
- 8.1.3. To the extent that there are inter-company loans, debentures, deposits, obligations, balances or other outstanding including any interest thereon, as between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and there shall be no asset or liability in that behalf;
- 8.1.4. The investment in shares of the Transferor Company appearing in the books of accounts of the Transferee Company shall stand cancelled and there shall be no further obligation / outstanding in that behalf;
- 8.1.5. The difference, if surplus, between the (a) book value of assets, liabilities and reserves of Transferor Company recorded in terms of sub-clause 8.1.1 and 8.1.2 above as adjusted by 8.1.3 above and (b) the value of investment in share capital of Transferor Company cancelled in terms of sub-clause 8.1.4 above, shall be credited to capital reserve and presented separately from other capital reserves of the Transferee Company, and in case of deficit, adjusted to existing capital reserves or revenue reserves of Transferee Company, in that order, and if the Transferee Company has no reserves or has inadequate reserves, then the remaining deficit will be debited to an account titled 'Amalgamation Adjustment Deficit Account'.
- 8.1.6. In case of any difference in accounting policies between the Transferor Company and the Transferee Company, the impact of the same will be quantified and adjusted in the revenue reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of a consistent accounting policies.

- 8.1.7. Comparative financial information in the financial statements of the Transferee Company shall be restated for the accounting impact of Scheme, as stated above, as if the amalgamation had occurred from the beginning of the comparative period.

9. CANCELLATION OF SHARE CAPITAL OF TRANSFEROR COMPANY AND CONSIDERATION

Since the Transferor Company is a wholly owned subsidiary of the Transferee Company with all the shares in the share capital of the Transferor Company being held by the Transferee Company and the Transferee Company being the holding company, cannot issue or allot any shares to itself, no shares whatsoever shall be issued by the Transferee Company in consideration of the amalgamation. Accordingly, all such shares of the Transferor Company held by the Transferee Company and investment of the Transferee Company shall stand cancelled upon the Scheme becoming effective without any issue or allotment of new shares in lieu of such shares of the Transferor Company without any further act, instrument or deed.

This scheme does not result into capital reduction for the Transferor Company or the Transferee Company.

10. DISSOLUTION OF THE TRANSFEROR COMPANY

Upon the Scheme coming into effect, the Transferor Company shall stand dissolved without being wound up by the order of the Appropriate Authority, or any other act or deed.

11. AMALGAMATION AS PER INCOME TAX ACT

This Scheme has been drawn up to comply and come within the definition and conditions relating to 'amalgamation' as specified under Section 2(1B) of the IT Act. If any term(s) or provision(s) of the Scheme are found or interpreted to be inconsistent with the provisions of the said sections of the IT Act, at a later date, including resulting from an amendment of law or for any other reason whatever, the Scheme shall stand modified / amended to the extent determined necessary to comply and come within the definition and conditions relating to 'amalgamation' as specified in the IT Act. In such

an event, where the Clauses which are inconsistent are modified or deemed to be deleted, such modification / deemed deletion shall, however, not affect the other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of the Companies, which power shall be exercised reasonably in the best interests of the Companies concerned and their stakeholders.

PART III: GENERAL TERMS AND CONDITIONS

12. CONDITIONS PRECEDENT

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

- a. this Scheme being approved by the respective requisite majorities of the various classes of shareholders as well as creditors of the Transferor Company and the Transferee Company if required under the Act unless dispensed with by the Tribunal and the requisite orders of the Tribunal at Ahmedabad being obtained; and
- b. the certified copy of the order of the Tribunal at Ahmedabad under Sections 230 to 232 and other applicable provisions of the Act sanctioning the Scheme being filed with the Registrar of Companies by the Transferee Company and the Transferor Company.

13. APPLICATIONS

- 13.1. The Transferee Company and the Transferor Company, if required, shall, with all reasonable dispatch, make application/ petition to the National Company Law Tribunal at Ahmedabad under Section 230 to 232 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 Transferor Company and the Transferee 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 merger set out in this Scheme, related matters and this Scheme itself.
- 13.3. The Companies 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, as agreed between the Companies, which the Companies may require to effect the transactions contemplated under the Scheme, in any case subject to the terms as may be mutually agreed between the Companies.
- 13.4. The Transferor Company shall take all necessary steps for sanctioning of this Scheme and for its dissolution without winding up, and apply for and obtain such other approvals, if any, required under the law.

14. AMENDMENT TO MEMORANDUM OF ASSOCIATION OF TRANSFEREE COMPANY

14.1. Change in object clause:

14.1.1. Upon the scheme becoming effective, the Transferee Company will continue to run the business of the Transferor Company on the same lines as carried on by the Transferor Company. For the aforesaid purpose and as integral part of scheme, upon the scheme becoming effective, to enable the Transferee Company to carry on the business of Transferor Company, the Memorandum of Association of the Transferee Company shall stand altered and amended without any separate approval from the shareholders of the Transferee Company pursuant the applicable provisions of the Act or without any further act or deed, or without following the procedure laid down under the Act, by way of insertion of the following clauses after main object clause 1 in the existing Memorandum of Association of the Transferee Company:

“1. To carry on, in India and abroad, the business as manufacturer, assembler, repairer, fabricator, processor, producer, buyer, seller, dealer, wholesaler, retailer, consignor, consignee, agent, importer, exporter, consultants of and in engineering and non-engineering products of metallic or non-metallic materials of mechanical, electrical, electronic, instrumentation, hydraulic, plastic or any other nature or combination thereof, including engineering products and components like steel structures, towers of any kind and nature, transformers, generators, control panels, pitch panels, power panels, solar panels, batteries, nacelle cover, gear and gear box, compressor, rotor blades, reinforced fibre glass products, used for renewable and green energy sector or otherwise and general engineering products.

2. To engage in operation and maintenance of conventional and non-conventional power projects including distributing, transferring, preserving, mixing, supplying, contracting, consulting, importing, exporting, buying, selling, assembling, hiring, repairing, dealing, distributing, stocking, trading, broking, representing, collaborating, managing, maintaining,

leasing, renting, servicing, dealing in all kind and type, nature and description of power projects, power sources, equipments and infrastructure.

3. To carry on in India and anywhere else in the World the business of and as an independent power project company and for the purpose to establish, develop, install, commission, acquire, operate and maintain, either independently and / or in association with and / or through one or more subsidiary / joint venture / associate / such person or persons, non-conventional, renewable and green power projects including solar, wind, hydro, biomass, geothermal; tidal, wave energy and for the purpose do all such acts and deeds including acquiring and developing land, utilizing, undertaking, laying out, developing, re-erecting, altering, repairing, re-modelling, setting-up and / or arranging, on behalf of clients as well as for its own, in connection with any infrastructure development including civil construction, electrical, laying of evacuation and transmission facility, setting-up of sub-stations, erection, installation & commissioning of solar power projects, wind power projects, windmills, power plants, renewable and green energy projects, power supply works or any other structural or architectural work of any kind whatsoever, and marketing, buying, selling and / or dealing in power.

4. To engage in the business of evacuation, transmission, distribution of power generated from any conventional or non-conventional energy sources including but not limiting to wind energy, thermal, solar, hydro, tidal, wave, steam, biomass, geothermal, atomic, waste energy sources and for the purpose to utilizing, undertake, layout, develop, construct, build, erect, demolish, re-erect, alter, repair, re-model, modify, augment for and on its own behalf or for and on behalf of other person or persons including but not limiting to individuals, organisations, bodies corporate, associations, unincorporated bodies, State Electricity Boards, State Nodal Agencies, private / semi-government / government companies – power generation, power transmission, power distribution, power trading

companies or otherwise, all infrastructure development activities including transmission lines, sub-stations, power houses, power stations, etc.

5. To organise, undertake, layout, develop, construct, build, erect, demolish, re-erect, alter, repair, re-model on behalf of clients as well as on its own in connection with any infrastructure development like civil construction, electrical, laying of evacuation and transmission facility, erection, installation & commissioning of windmills, building or building scheme, roads, highways. Docks, ships, sewers, bridges, canals, wells, springs, series, dams, power plants, wind power projects, solar power projects, renewable and green energy projects, boars, wharves, ports, reservoirs, embankments, tramway, railways, irrigations, reclamations, improvements, sanitary, water, gas, electric light, telephonic, telegraphic and power supply works or any other structural or architectural work of any kind whatsoever and for such purpose to prepare reports, estimates, designs, plants, specification or models as may be requisite thereof and for the purpose or otherwise carry on the business as and of contractors and engineers and consultants in all its branches.”

14.1.2. Under the accepted principle of single window clearance, it is hereby provided that the amendments pursuant to this Clause 14.1 shall become operative on the Scheme becoming effective by virtue of the fact that the shareholders of the Transferee Company, while approving the Scheme as a whole (unless dispensed with by the Tribunal), have approved and accorded the relevant consents as required under the Act for amendment of the memorandum of association of the Transferee Company and shall not be required to pass separate resolutions under the applicable provisions of the Act.

14.2. Increase of Authorised Share Capital:

14.2.1. As an integral part of the Scheme, and, upon coming into effect of the Scheme, the authorised share capital of the Transferor Company shall stand merged with the authorized share capital representing the ordinary shares of the Transferee Company and consequently, the authorized

share capital of the Transferee Company shall stand suitably increased, without any further act, instrument or deed.

- 14.2.2. Clause V of the Memorandum of Association of the Transferee Company (relating to authorised share capital) and without any further instrument, act or deed be stand altered, modified and amended as under pursuant to Sections 13, 14, 61, 62 and 64 and other applicable provisions of the Act: *V. The Authorized share capital of the company is INR 2,10,53,00,00,000/- (Rupees Twenty-One Thousand Fifty-Three Crores Only) divided into 1,05,26,50,00,000 (Ten Thousand Five Hundred Twenty-Six Crores Fifty Lacs) Equity Shares of INR 2/- (Rupees Two Only) each.”*
- 14.2.3. Pursuant to this Scheme, the Transferee Company shall file the requisite forms, if any, with the Registrar of Companies for alteration of its authorized share capital. The fee paid by the Transferor Company on its authorised capital, shall be set off against any fees payable by the Transferee Company on its authorised capital subsequent to the amalgamation and dissolution of the Transferor Company.
- 14.2.4. Under the accepted principle of single window clearance, it is hereby provided that the amendments pursuant to this Clause 14.2 shall become operative on the Scheme becoming effective by virtue of the fact that the shareholders of the Transferee Company, while approving the Scheme as a whole (unless dispensed with by the Tribunal), have approved and accorded the relevant consents as required under the Act for amendment of the memorandum of association of Transferee Company and shall not be required to pass separate resolutions under the applicable provisions of the Act.

15. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

- 15.1. The Companies (acting through their respective Boards or committees or such other person or persons, as the respective Board of Directors may authorize) may, in their full and absolute discretion, jointly and as mutually agreed in writing:
- a. assent/ make and/ or consent to any modifications or amendments to this Scheme, or to any conditions or limitations as may be mutually

agreed 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;

- 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 (acting jointly) 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 respective Companies), 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);
- c. modify or vary this Scheme prior to the Effective Date in any manner at any time subject to Applicable Law; and
- d. determine jointly whether any asset, liability, employee, legal or other proceedings pertains to the Transferor Company or not, on the basis of any evidence that they may deem relevant for this purpose.

15.2. 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 respective Companies shall have complete power to mutually take the most sensible interpretation so as to render the Scheme operational.

16. EFFECT OF NON-RECEIPT OF APPROVALS

- 16.1. The Scheme shall not come into effect unless the aforementioned conditions mentioned in Clause 12 above are satisfied and in such an event, the Scheme shall become null and void. Unless each of the conditions are satisfied, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Companies or their respective shareholders or creditors or employees or any other person.
- 16.2. In the event of this Scheme failing to take effect, the Board of Directors of any of the Companies may opt to terminate this Scheme and the Scheme shall stand revoked, cancelled and be of no effect and any of the Companies, if required, may file appropriate proceedings before the Appropriate Authority in this respect.
- 16.3. Upon the termination of the Scheme, no rights and liabilities whatsoever shall accrue to or be incurred inter-se between the Companies or their shareholders or creditors or employees or any other person.
17. REMOVAL OF DIFFICULTIES
- 17.1. The Companies through mutual consent and acting through their respective Boards, jointly and as mutually agreed in writing may:
- a. give such directions (acting jointly) 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 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.

17.2. Without prejudice to the other provisions of the Scheme and notwithstanding the vesting of the Transferor Company into the Transferee Company by virtue of the Scheme itself, in order to ensure (i) implementation of the provisions of the Scheme; and (ii) continued vesting of the benefits, exemptions available to the Transferor Company in favour of the Transferee Company, the Transferee 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 tripartite arrangements with any party to any contract or arrangement in relation to which the Transferor 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 Transferor Company.

18. COSTS, CHARGES AND EXPENSES

All costs, charges, taxes, including stamp duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne and paid by the Transferee Company.

19. MISCELLANEOUS

19.1. The Scheme is to give effect to the bona fide Rational of the Scheme as discussed in the Scheme; contribution to the development of combined business operations; reap the benefits of combined business operations which is in the best interest of various stakeholders which are based on commercial substance of the entire arrangement.

19.2. Upon the sanction of this Scheme and upon this Scheme becoming effective, the following shall be deemed to have occurred on the Appointed Date and become effective and operative at the same time:

- a. amalgamation of the Transferor Company into the Transferee Company in accordance with Part II of the Scheme;

- b. cancellation of all the issued share capital of the Transferor Company which shall be effected as a part of the Scheme and not in accordance with Section 66 of the Act in accordance with Part II of this Scheme;
 - c. transfer of the authorised share capital of the Transferor Company to the Transferee Company as provided in Part III of this Scheme, and consequential increase in the authorised share capital of the Transferee Company as provided in Part III of this Scheme;
 - d. amendment in the main object of the Memorandum of Association of Transferee Company as provided in Part III of this Scheme; and
 - e. dissolution of the Transferor Company, without winding up.
- 19.3. Upon this Scheme becoming effective, the accounts of the Companies, as on the Appointed Date shall be reconstructed in accordance with the terms of this Scheme.
- 19.4. Upon the Scheme becoming effective, the same shall be binding on the Transferor Company and the Transferee Company and all concerned parties without any further act, deed, matter or thing.
- 19.5. 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 respective Board of Directors of the Transferor Company and the Transferee Company or any committee constituted by such Boards.
- 19.6. The Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the respective Board of Directors of the Companies prior to the Effective Date. In such a case, each of the Companies shall respectively bear their own cost or as may be mutually agreed. It is hereby clarified that notwithstanding anything to the contrary contained in this Scheme, any one of the Companies shall not be entitled to withdraw the Scheme unilaterally: (a) without the prior written consent of the other Company; or (b) unless such withdrawal is in accordance with any written agreement entered into between the Companies.