



## CHIRAG SHAH & ASSOCIATES

Company Secretaries

1213, Ganesh Glory, Nr. Jagatpur Crossing,

Besides Ganesh Genesis,

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**Form No. MR-3**

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
SUZLON ENERGY LIMITED  
(CIN: L40100GJ1995PLC025447)  
Regd. Office: "Suzlon", 5, Shrimali Society,  
Near Shri Krishna Complex, Navrangpura,  
Ahmedabad-380009.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Suzlon Energy Limited (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit by using appropriate Information technology tools like virtual data sharing by way of data room and remote desktop access tools, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2021, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The physical Inspection or Verification of documents and records were taken to the extent possible.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2021 according to the provisions of:

- (i). The Companies Act, 2013 (the Act) and the rules made there under;



- (ii). The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii). The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv). Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v). The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable to the Company during the audit period);
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the audit period);
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the audit period);
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not Applicable to the Company during the audit period);
  - i. The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015;
  - j. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.



- (vi). As informed to us, there are no other Sector specific laws which are specifically applicable to the Company

We have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by the Institute of Company Secretaries of India;
- b. The Listing Agreements entered into by the Company with Stock Exchange(s):-

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that,** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

As per the Information provided by the management, adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions in the board meetings were carried through by majority while there were no dissenting members' views, and hence not captured and recorded as part of the minutes.

**We further report that,** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that,** during the year under review, the Company has passed following Special Resolutions in Annual General Meeting –

1. To re-appoint Mr. Per Hornung Pedersen as an Independent Director for a second term of five years.
2. To approve payment of remuneration to Mr. Vinod R.Tanti, the Wholetime Director & Chief Operating Officer of the Company.
3. To amend the Articles of Association of the Company.
4. To issue redeemable non-convertible debentures on private placement basis.



**We further report that,** the extra ordinary general meeting of the shareholders of the Company which was scheduled to be held on 24.03.2020, could not be held in view of the pandemic situation of COVID-19 and was postponed twice and eventually cancelled on 15.04.2020. The Company then initiated postal ballot process for obtaining approval of the shareholders for all the aforesaid items.

**We further report that,** during the year under review, the Company has passed following Special Resolutions through postal ballot on 18.05.2020 in terms of the Postal Ballot Notice dated 18.04.2020 the results of which were declared on 19.05.2020 –

1. To approve issue of equity shares of the Company on preferential basis to the lenders pursuant to the restructuring of debt of the Company and its certain identified subsidiaries.
2. To approve issue of optionally convertible debentures of the Company on preferential basis to the lenders pursuant to the restructuring of debt of the Company and its certain identified subsidiaries.
3. To approve issue of convertible warrants of the Company on preferential basis to the lenders pursuant to the restructuring of debt of the Company and its certain identified subsidiaries.
4. To consider in-principle approval for conversion of loan to equity.
5. To approve issue of equity shares / equity linked instruments.
6. To approve divestment / dilution / disposal of the Company's investment(s) / asset(s) / undertaking(s).
7. To approve issue of equity shares of the Company on preferential basis to the Promoters and certain persons / entities in terms of the Companies Act, 2013 and the ICDR Regulations .
8. To approve issue of compulsorily convertible debentures of the Company on preferential basis to certain persons / entities in terms of the Companies Act, 2013 and the ICDR Regulations.
9. To amend the Articles of Association of the Company.

**We further report that,** during the year under review, the Company and its certain specified subsidiaries namely Suzlon Global Services Limited ("SGSL"), Suzlon Power Infrastructure Limited ("SPIL"), Suzlon Gujarat Wind Park Limited ("SGWPL") and Suzlon Generators Limited ("SGL") (hereinafter collectively referred to as the "STG") had proposed a debt resolution plan to the lenders for restructuring of the debt of the STG ("Resolution Plan") under the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 issued by Reserve Bank of India vide its circular dated 07.06.2019 ("the RBI Circular"). On 27.03.2020, the Resolution Plan was approved by 100% of the consortium lenders subject to certain conditions precedent. Subsequently, on 05.06.2020, the STG has entered into Framework Restructuring Agreement (FRA) to give effect to the Resolution Plan. On 30.06.2020, the Resolution Plan was implemented upon completion of compliance



of all the conditions precedent to the satisfaction of the consortium lenders and the Resolution Plan is effective from 30.06.2020 (Effective date).

**We further report that,** during the year under review, the Company has received notice dated 02.07.2020 from National Stock Exchange of India Limited (“NSE”) and an email notice dated 03.07.2020 from BSE Limited (“BSE”) for non-compliance with the corporate governance requirements in respect of Regulation 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from 01.01.2020 till 15.03.2020. The said non-compliance was since cured w.e.f. 16.03.2020. Further, the fine was also duly paid by the company on 10.07.2020.

**We further report that,** during the year under review, the Board of Directors of the Company in its meeting dated 04.02.2021, subject to the approval of the lenders, approved restructuring domestic and overseas subsidiaries as under:

1. Scheme of amalgamation (“Scheme 1”) involving merger by absorption of Suzlon Power Infrastructure Limited (“SPIL”), a wholly owned subsidiary of the Company, with Suzlon Global Services Limited (“SGSL”), also a wholly owned subsidiary of the Company. Pursuant to this scheme, the Business Undertaking of SPIL will be merged in to SGSL from the appointed date of this scheme.
2. Scheme of arrangement (“Scheme 2”) involving transfer and vesting of Project Execution Business and Power Evacuation Business of Suzlon Gujarat Wind Park Limited (“SGWPL”), a step down wholly owned subsidiary of the Company, in to SGSL. Pursuant to this scheme, the remaining business of SGWPL will continue in the same company.
3. Liquidation of AE-Rotor Holding B.V., The Netherlands, a wholly owned subsidiary of the Company.

**We further report that,** during the year under review, the company was in receipt of a letter from the Securities and Exchange Board of India (SEBI) dated 22.03.2021 informing that it has appointed the Forensic Auditor to carry out forensic audit with respect to the financial statements of the Company.



*Chirag Shah*

Chirag Shah  
Partner

Chirag Shah and Associates

FCS No. 5545

C P No.: 3498

UDIN : F005545C000540409

Place: Ahmedabad

Date: June 29, 2021

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

**'Annexure A'**

To,  
The Members  
SUZLON ENERGY LIMITED.  
(CIN: L40100GJ1995PLC025447)  
Regd. Office: "Suzlon", 5, Shrimali Society,  
Near Shri Krishna Complex, Navrangpura,  
Ahmedabad-380009.

Our Secretarial Audit Report of even date is to be read along with this letter.

**Management's Responsibility**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.



*Chirag Shah*

Chirag Shah  
Partner

Chirag Shah and Associates

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Place: Ahmedabad

Date: June 29, 2021