

**IN THE NATIONAL COMPANY LAW TRIBUNAL**  
**AHMEDABAD**  
**COURT - 2**



ITEM No.302  
CA(CAA)/50(AHM)2025

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

**IN THE MATTER OF:**

Suzlon Energy Limited

.....Applicant

.....Respondent

**Order delivered on: 30/10/2025**

**Coram:**

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

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

**ORDER**

This case is fixed before pronouncement of order.

The order is pronounced in open court vide separate sheet.

sd/-

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

sd/-

**CHITRA HANKARE**  
**MEMBER (JUDICIAL)**



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

**CA(CAA)50/(AHM)/2025**

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

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

AND

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

**SUZLON EITERGY LIMITED**

CIN: L40100GJ1995PLC025447

A company incorporated under the  
Companies Act, 1956 having its  
Registered Office situated at  
"Suzlon", 5, Shrimali Society, Near  
Shri Krishna Complex,  
Navrangpura, Ahmedabad-380009-  
Gujarat

**.....Applicant Company**

**Order Pronounced on 30.10.2025**

**Coram:**

**MRS. CHITRA HANKARE**

**HON'BLE MEMBER (JUDICIAL)**


**MR. VELAMUR G VENKATA CHALAPATHY**

**HON'BLE MEMBER (TECHNICAL)**

**Appearance:**

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

**JUDGMENT**

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1. This company application has been filed under section 230 – 232 of the Companies Act, 2013 r.w. read with Section 52 and 66 and Rule 3 of the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of the Companies Act, 2013 by the applicant company, viz. Suzlon Energy Limited for the proposed Scheme of Arrangement in the nature of Reorganisation and Reclassification of Reserves of Suzlon Energy Limited. The appointed date is stated to be 30.09.2024.
  
  2. The applicant has sought the following reliefs :
    - a) to issue directions as regard convening, holding and conducting the meeting of the Equity Shareholders of the Applicant Company;
    - b) to issue directions as regards convening, holding and conducting meeting of the Secured Creditors of the Applicant Company;
    - c) to dispense with the meeting of the Unsecured Creditors of the Applicant Company or issue directions s regard convening holding and conducting meeting of the Unsecured Creditors of the Petitioner applicant company;
    - d) to issue necessary directions to the applicant company as to the method of convening, holding and conducting, the said meeting(s) through Video Conferencing or Other Audio Visual Modes including day, date and time as to the notices and advertisements to be issued in this regard;



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




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

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

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

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

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

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



Share Application pending amount	0.64
TOTAL	1,114,27

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



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


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

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





- i. Reduction and Reorganisation as per Clause 5 of the Scheme: Upon the Scheme becoming effective, the Company shall adjust the debit balance in of the Retained Earnings Account of the Company as on the Appointed Date, in chronological Order against credit balances in the following reserves:
  - a. Capital Reserve;
  - b. Capital Contribution;
  - c. Capital Redemption Reserve;
  - d. Securities Premium; and
  - e. Balance (if any) against General Reserves
- ii. The reduction and reorganization of reserve of the Company would neither involve a diminution of liability in respect of unpaid share capital nor a diminution of paid-up share capital.
- iii. Notwithstanding the reduction of capital, as stated in this Scheme, the Company shall not be required to add "And Reduced" as suffix to its name.
- iv. The utilization of the Capital Reserve, Capital Contribution, Capital Redemption Reserve, Securities Premium and General Reserves as aforesaid shall be effected as an integral part of the Scheme and the order of the NCLT sanctioning this Scheme shall be deemed to be an order under section 66 read with section 52 and other applicable provisions of the Act and no separate sanction under section 66 read with section 52 and other applicable provisions of the Act will be necessary. The Scheme neither involves reduction in the issued, subscribed, paid-up share capital of the Company, nor any payment of the paid-up share Capital to the



shareholders of the Company, nor does it result in extinguishment of any liability or diminution. There is no outflow of /payout of funds from the Company and hence, the interest of the shareholders / creditors is not adversely affected.

- v. Reclassification as per Clause 6 of the Scheme: Upon the Scheme becoming effective, and post reduction and reorganisation of reserves pursuant to Clause 5 above, the entire amount standing to the credit of the General Reserve of the Company as on the Appointed Date shall be reclassified and credited to the Retained Earnings of the Company.
- vi. The amount credited to the Retained Earnings pursuant to Clause 6.1 above shall constitute to be accumulated profits of the Company for the previous financial year, arrived at after providing for depreciation in accordance with the provisions of the Act and remaining undistributed in the manner provided in the Act and other applicable laws. The amount so reclassified to the Retained Earnings shall be available for distribution to the equity shareholders of the Company, from time to time, by the Board of Directors of the Company, at its sole discretion, in such manner, quantum and at such time as the Board of Directors may decide.
- vii. The transfer of General Reserve of the Company, as stated in Clause 6.1 above, shall be effected as an integral part of this Scheme and the approval of the Scheme by the members shall be deemed to be sufficient for the purpose of effecting the re-classification and transfer of the amounts standing to the credit of the

General Reserve to the Retained Earnings and no further resolution under any other applicable provisions of the Act would be required to be separately passed.

- viii. It is further clarified that transfer of the amounts standing to the credit of General Reserve to the Retained Earnings of the Company as contemplated in the Clause 6.1 should not entail or should not be deemed as any obligation on the Company for declaration or distribution of dividend for the purpose of Section 123 of the Act, and rules notified thereunder.
- ix. Pursuant to the reduction and reorganization of reserves and re-classification of General Reserve of the Company pursuant to Clause 5 and 6 of this Scheme, there is no outflow of/ payout of funds from the Company and hence, the interest of the shareholders/ creditors is not adversely affected. For the removal of doubt it is expressly recorded and clarified that the Scheme shall not in any manner involve distribution of reserves or revenue reserves and shall be in accordance with the accounting standards prescribed under provisions of Section 133 of the Act.
9. The applicant company has produced the Observation letters dated 03.07.2025 given by the NSE and BSE respectively in respect of the proposed scheme of arrangement. Pursuant to which the applicant placed the statement indicating status of the reserves pre and post Scheme as follows:


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



			Retained Earnings (B)	Earnings (C)	
1.	Capital Reserve	217.81	-217.81	-	-
2.	Capital Contribution Reserve	5,830.54	-5,830.54	-	-
3.	Capital Redemption Reserve	15.00	-15.00	-	-
4.	Securities Premium	12,496.34	-12,355.09	-	141.25
5.	General Reserve	912.05	-	-912.05	-
6.	Share Options Outstanding Account	60.33	-	-	60.33
7.	Share Application Pending Allotment	0.64	-	-	0.64
8.	Retained Earnings	-18,418.44	18,418.44	912.05	912.05
	<b>Total</b>	<b>1,114.27</b>	<b>-</b>	<b>-</b>	<b>1,114.27</b>

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

11. This company application is e-filed on 10.09.2025. The Board of Directors of the applicant companies have agreed upon the Appointed Date as 30.09.2024. The applicant has



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

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




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

**ORDER**

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



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



meetings.

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






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

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

to the Scrutinizer as their fees.

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

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



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

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

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

sdl-

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

sdl-

**CHITRA HANKARE**  
**MEMBER (JUDICIAL)**

*Prachi-LRA*

**SCHEME OF ARRANGEMENT**

**BY AND AMONG**

**SUZLON ENERGY LIMITED**

**AND**

**ITS SHAREHOLDERS**

**AND**

**CREDITORS**

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

*G. S. Vaidya*



## **GENERAL**

### **A. PREAMBLE**

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

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

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

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

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

This scheme provides for:

*G. S. Vaidya*



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

**D. PARTS OF THIS SCHEME**

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

**E. RATIONALE FOR THIS SCHEME**

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

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

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

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

*G. S. Vaidya*



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

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

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

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

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

*G. S. Vaidya*



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

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

G. S. Vaidya





## Part I

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

#### 1. DEFINITIONS

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

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

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

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

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

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

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

2. INTERPRETATION

Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the IT Act, the Securities Contracts (Regulation) Act, 1956, Securities and Exchange Board of India Act, 1992 (including the regulations made thereunder), the Depositories Act, 1996 and other Applicable Laws, rules, regulations, 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-

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

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

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

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

4. SHARE CAPITAL

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

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

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<b>Total</b>	<b>2,729.05</b>
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The equity shares of the Company are listed on the Stock Exchanges.

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

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

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## Part II

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

5. REDUCTION AND REORGANIZATION OF RESERVE OF THE COMPANY
- 5.1. Upon the Scheme becoming effective, the Company shall adjust the debit balance in of the Retained Earnings Account of the Company as on the Appointed Date, in chronological order against credit balances in the following reserves:
- Capital Reserve;
  - Capital Contribution;
  - Capital Redemption Reserve;
  - Securities Premium; and
  - Balance (if any) against General Reserves.
- 5.2. The reduction and reorganization of reserve of the Company would neither involve a diminution of liability in respect of unpaid share capital nor a diminution of paid-up share capital.
- 5.3. Notwithstanding the reduction of capital, as stated in this Scheme, the Company shall not be required to add "And Reduced" as suffix to its name.
- 5.4. The utilization of the Capital Reserve, Capital Contribution, Capital Redemption Reserve, Securities Premium and General Reserves as aforesaid shall be effected as an integral part of the Scheme and the order of the NCLT sanctioning this Scheme shall be deemed to be an order under section 66 read with section 52 and other applicable provisions of the Act and no separate sanction under section 66 read with section 52 and other applicable provisions of the Act will be necessary.
- 5.5. The Scheme neither involves reduction in the issued, subscribed, paid-up share capital of the Company, nor any payment of the paid-up share capital to the shareholders of the Company nor does it result in extinguishment of any liability or diminution. There is no outflow of / payout of funds from the Company and hence, the interest of the shareholders / creditors is not adversely affected.
6. RECLASSIFICATION OF GENERAL RESERVE OF THE COMPANY
- 6.1. Upon the Scheme becoming effective, and post reduction and reorganisation of reserves pursuant to Clause 5 above, the entire amount

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

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

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

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

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

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

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**Part III**  
**GENERAL TERMS AND CONDITIONS**

8. EMPLOYEES

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

9. CREDITORS

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

10. COMPLIANCE WITH TAX LAWS

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

11. LEGAL PROCEEDINGS

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

12. CONDITIONS PRECEDENT

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

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

13. APPLICATIONS

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

14. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

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

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

15. EFFECT OF NON-RECEIPT OF APPROVALS

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

16. REMOVAL OF DIFFICULTIES

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

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

- b. do all such acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect.

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

17. SEVERABILITY

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

18. MISCELLANEOUS

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

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

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

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## Certificate of non-applicability of Valuation Report

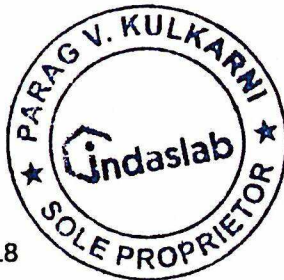
**Certificate of non-applicability of Valuation Report in the matter of Scheme of Arrangement by and among Suzlon Energy Limited ('the Company') and its shareholders and creditors pursuant to the provisions of Sections 230 and 231 read with section 52 and section 66 and other applicable provisions of the Companies Act, 2013 as may be applicable and rules framed thereunder**

1. Suzlon Energy Limited is in the process of obtaining requisite approvals for the draft Scheme of Arrangement involving reduction and reorganization of reserve of the Company and reclassification and transfer of General Reserves of the Company into Retained Earnings pursuant to the provisions of Sections 230 and 231 read with section 52 and section 66 and other applicable provisions of the Companies Act, 2013, including 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 ('the Act'), the SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 ('SEBI Circular'), the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, and any amendments thereof ('the SEBI LODR Regulations'), and any other applicable law ('the Scheme of Arrangement' or 'Scheme').
2. As per SEBI Circular, Valuation Report from an Independent Registered Valuer is not required in cases where there is no change in shareholding pattern of the listed company on effectiveness of the Scheme of Arrangement.
3. On the basis of our evaluation of the relevant documents and according to the information and explanations given to us by the Management of Suzlon Energy Limited, we hereby state that:
  - a) As per paragraph 5.2. of the proposed Scheme of Arrangement involving the reduction and reorganization of reserve of the Company would neither involve a diminution of liability in respect of unpaid share capital nor a diminution of paid-up share capital.
  - b) As per paragraph 5.5. of the proposed Scheme of Arrangement, the aforesaid Scheme neither involves reduction in the issued, subscribed, paid-up share capital of the Company, any payment of the paid-up share capital to the shareholders of the Company nor does it result in extinguishment of any liability or diminution.
  - c) In our opinion as there will be no change in the shareholding pattern of the listed entity Company pursuant to the Scheme of Arrangement and hence no Valuation Report from an Independent Registered Valuer is required as per SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023.
4. This certificate is intended for the information of the Company and for the purpose of submitting the same to the relevant authorities in relation to the proposed Scheme of Arrangement.

Thanks & Regards,



Parag Vijaykant Kulkarni  
Registered Valuer  
IBBI/RV/04/2019/12131  
COP - IIV - RVO/OM/238/2018  
Place: Pune  
Date: October 22, 2024





To,  
The Board of Directors  
**Suzlon Energy Limited**  
"Suzlon", 5, Shrimali Society, Near Shri Krishna Complex,  
Navrangpura, Ahmedabad – 380 009,  
Gujarat, India.

**Subject:- Fairness Opinion on Valuation Report**

1. Suzlon Energy Limited is in the process of obtaining requisite approvals for the draft Scheme of Arrangement involving reduction and reorganization of reserve of the Company and reclassification and transfer of General Reserves of the Company into Retained Earnings pursuant to the provisions of Sections 230 to 231 read with Sections 52, 66 and other applicable provisions of the Companies Act, 2013, including 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 ('the Act'), the SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 ('SEBI Circular'), the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, and any amendments thereof ('the SEBI LODR Regulations'), and any other applicable law ('the Scheme of Arrangement' or 'Scheme').
2. Paragraph (A) 2 (d) of Part - I of the Master Circular specifies that a listed entity shall obtain a fairness opinion from a SEBI Registered merchant banker in case there is a valuation of assets/shares done by the valuer for the listed entity and unlisted entity.
3. On the basis of our evaluation of the relevant documents and according to the information and explanations given to us by the Management of Suzlon Energy Limited, we hereby state that:
  - a. The draft scheme provides for the reduction and reorganization of reserves of the Company and reclassification and transfer of General Reserves of the Company into Retained Earnings.
  - b. There is no consideration for the proposed Scheme and there is no change in the shareholding of the Company. The Company has also obtained a Certificate from Mr. Parag Vijaykant Kulkarni (Registered Valuer) dated October 22, 2024 for non-applicability of the Valuation Report as mentioned in the SEBI Circular.
  - c. The proposed Scheme of Reduction and certificate obtained from Mr. Parag Vijaykant Kulkarni (Registered Valuer) dated October 22, 2024 for non-applicability of the Valuation Report as mentioned in the SEBI Circular is **fair and reasonable**.
4. This certificate is intended for the information of the Company and for the purpose of submitting the same to the relevant authorities in relation to the proposed Scheme of Arrangement.

For, **Kunvarji Finstock Private Limited**



**Mr. Atul Chokshi**  
Director (DIN: 00929553)

Place: Ahmedabad  
Date: October 24, 2024  
MB Registration: INM000012564

**Kunvarji Finstock Pvt. Ltd.**

+91 79 6666 9000 ✉ mb@kunvarji.com

Registered Office : Kunvarji, B - Wing, Siddhivinayak Towers, Off. S.G. Road, Ahmedabad - 380 051.

Corporate Office : 1218-20, 12th Floor, Summit Business Bay, Opp. PVR Cinema,

Near Western Express Highway – Metro Station, Andheri (E), Mumbai, Maharashtra - 400093.

CIN - U65910GJ1986PTC008979

000231/2024



## Annexure V

**REPORT OF THE AUDIT COMMITTEE OF SUZLON ENERGY LIMITED  
RECOMMENDING THE DRAFT SCHEME OF ARRANGEMENT BETWEEN SUZLON  
ENERGY AND ITS SHAREHOLDERS AND CREDITORS**

**Members Present:**

- |                             |   |             |
|-----------------------------|---|-------------|
| 1. Mr. Gautam Doshi         | : | Chairperson |
| 2. Mr. Per Hornung Pedersen | : | Member      |
| 3. Mr. Sameer Shah          | : | Member      |
| 4. Mr. Vinod R.Tanti        | : | Member      |

**In attendance:**

- |                      |   |                               |
|----------------------|---|-------------------------------|
| 1. Mr. Himanshu Mody | : | Group Chief Financial Officer |
|----------------------|---|-------------------------------|

**1. Background of the proposed scheme:**

- 1.1 A draft Scheme of Arrangement under section 230 and 231 read with section 52, section 66 and other applicable provisions, if any, of the Companies Act, 2013, (the "Act") as may be applicable, between Suzlon Energy Limited ("SEL" or the "Company") and its shareholders and creditors (the "Scheme") has been placed before the Audit Committee at their meeting dated 28<sup>th</sup> October 2024 by the management to consider recommending the Scheme to the Board of Directors.
- 1.2 The Scheme provides for:
  - (i) reduction and reorganisation of reserve of the Company and reclassification and transfer of General Reserves in the manner as set out in the Scheme pursuant to the provisions of Sections 230 and 231 read with Sections 52, Section 66 and other applicable provisions of the Act, as may be applicable;
  - (ii) various other matters consequential, incidental or otherwise integrally connected therewith.
- 1.3 The Equity shares of SEL are listed on the BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (collectively the "Stock Exchanges") and SEL will be filing the Scheme along with necessary information / documents with the Stock Exchanges.
2. Words and expressions, used in capitalised form but not defined in this report, shall have the meaning ascribed to them in the Scheme.
3. The Scheme is to be filed with the Honourable National Company Law Tribunal, Ahmedabad Bench ("Tribunal").
4. This report of the Audit Committee is made in order to comply with the requirements of the SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20<sup>th</sup> June 2023, on Schemes of Arrangement by Listed Entities and Relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957, as amended from time to time, issued by SEBI ("SEBI Circular").
5. The following documents / draft documents were placed before the Audit Committee at its meeting held on 28<sup>th</sup> October 2024:
  - 5.1.1 Draft Scheme;
  - 5.1.2 The certificate issued by the registered valuer, viz., Mr. Parag Vijaykant Kulkarni (Registration Number: IBBI/RV/04/2019/12131) (Sole Proprietor – Trade Name:

Indaslab) for non-applicability of the valuation report in the matter of the Scheme ('Valuation Report');

- 5.1.3 The certificate issued by Kunvarji Finstock Private Limited (Registration Code: INM000012564), a SEBI Registered Merchant Banker, certifying that the certificate obtained from the registered valuer, Mr. Parag Vijaykant Kulkarni (Registration Number: IBBI/RV/04/2019/12131) for non-applicability of the Valuation Report, as mentioned in the SEBI Circular, is fair and reasonable (the 'Fairness Opinion on Valuation Report');
- 5.1.4 The draft auditors' certificate(s) to be issued by the statutory auditors of the Company, viz., M/s. Walker Chandiook & Co LLP, Chartered Accountants ('Auditors' Certificate-1'), certifying that the accounting treatment mentioned in the draft Scheme is in compliance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and generally accepted accounting principles;
- 5.1.5 The draft certificate issued by the Statutory Auditors of Company, viz., M/s. Walker Chandiook & Co LLP, Chartered Accountants ('Auditors' Certificate-2'), certifying non-applicability of approval of majority of public shareholders as prescribed under Paragraph (A)(10)(b) of Part I of the SEBI Circular

**6. Rationale of the Scheme:**

The Audit Committee took note of the rationale of the Scheme, which inter-alia is as follows:

- (i) The Company is currently engaged in the business of manufacturing and supply of Wind Turbine Generators ('WTGs').
- (ii) The Company had suffered losses in the past, due to which it has been facing challenges to scale its business and unleash its full potential for growth and profitability. However, there has been a turnaround in the operations / business of the Company. After proactively managing its debt position by way of debt restructuring agreements and repayment of debt, clubbed with the boost in the renewable energy markets, the Company has been able to report profits on a standalone basis in the financial year 2022-23, financial year 2023-24 and for the period ended on 30<sup>th</sup> June 2024..
- (iii) Despite reporting profits during the financial year 2022-23, financial year 2023-24 and for the period ended on 30<sup>th</sup> June 2024, the accumulated losses are weighing down the financial statements of the Company with a substantial amount of accumulated negative Retained Earnings the financial statements of the Company are not reflective of its true current financial health.
- (iv) The Company continues to carry a debit balance (in other words negative balance) of Retained Earnings on its balance sheet. At the same time, the Company has unutilised balances lying under various reserves, which are neither earmarked for any specific purpose, nor have any lien marked thereon and / or obligation attached thereto.
- (v) The Company is of the view that the financial statements of the Company are not reflective of its true current financial health and therefore, it is necessary to reduce and reorganise the reserve of the Company.
- (vi) In a strategic move to reorganise the balance sheet of the Company, the Scheme proposes to set-off the negative balance in the Retained Earnings chronologically against the following reserves, viz., Capital Reserve, Capital Contribution, Capital

Redemption Reserve, Securities Premium, and General Reserve. The above set-off could potentially reap strategic benefits including but not limited to the following:

- (a) the financial statements of the Company should reflect its true and fair financial health;
  - (b) obliterate the capital being lost and not represented by available assets of the Company;
  - (c) help in resizing the reserves of the Company and thereby denoting a positive reserve representing its true and fair financial position which is commensurate with its business and assets;
  - (d) enable the Company to explore opportunities for the benefit of the shareholders of the Company including but not restricted to dividend payment per the applicable provisions of the Act, etc.;
  - (e) enable the Company to use the amounts lying in the Capital Reserve, Capital Contribution, Capital Redemption Reserve, Securities Premium, and General Reserve which are currently neither earmarked for any specific purpose, nor have any lien marked thereon and / or obligation attached thereto; and
  - (f) The Scheme would not have any impact on the shareholding pattern of the Company.
- (vii) Over the years the Company has built up significant General Reserves through transfer of profits to the General Reserves in accordance with provisions of the applicable laws and rules notified thereunder.
  - (viii) While the excess reserves can be profitably utilised for the Company's overall growth strategy, for achieving flexibility in using these funds to maximise shareholder's wealth it is proposed that post the set-off of reserves as mentioned above the balance in General Reserve will be transferred to Retained Earnings.
  - (ix) The reduction and reorganisation of reserve and subsequent reclassification and transfer of General Reserves to Retained Earnings as mentioned above will resize the balance sheet of the Company with effect from the Appointed Date and shall be in accordance with the provisions of the Applicable Law.

**7. Valuation Report and certificates relied upon:**

- a) The Audit Committee took note of the Valuation Report which *inter-alia*, stated that valuation report would not be applicable for the draft Scheme since there is no change in the shareholding pattern.
- b) The Fairness Opinion on Valuation Report confirmed that the certificate obtained from the registered valuer, Mr. Parag Vijaykant Kulkarni (Registration Number: IBBI/RV/04/2019/12131) for non-applicability of the Valuation Report, as mentioned in the SEBI Circular, is fair and reasonable.
- c) The Auditors' Certificate-1 confirmed the compliance of the accounting treatment.
- d) The Auditors' Certificate-2 confirmed the non-applicability of Paragraph (A)(10)(b) of Part I of the SEBI Circular.

**8. Synergies of business of the entities involved in the Scheme**

The present Scheme does not involve any merger/ demerger/ re-organisation of the business of the Company with any other company.

**9. Salient Features of the Scheme**

The Audit Committee considered and took note of the salient features of Scheme, which *inter-alia* are as under:

- a. **Reduction and reorganisation of reserve of the Company:** Upon the Scheme coming into effect, the Company shall adjust the debit balance in of the Retained Earnings Account of the Company as on the Appointed Date, in chronological order against credit balances in the following reserves:
  - i. Capital Reserve;
  - ii. Capital Contribution;
  - iii. Capital Redemption Reserve;
  - iv. Securities Premium; and
  - v. Balance (if any) against General Reserves.
- b. **Reclassification and transfer of General Reserves:** Upon the Scheme becoming effective, and post reduction and reorganisation of reserves as mentioned above, the entire amount standing to the credit of the General Reserve of the Company as on the Appointed Date shall be reclassified and credited to the Retained Earnings of the Company.
- c. The Scheme neither involves reduction in the issued, subscribed, paid-up share capital of the Company, nor any payment of the paid-up share capital to the shareholders of the Company nor does it result in extinguishment of any liability or diminution. There is no outflow of / payout of funds from the Company and hence, the interest of the shareholders / creditors is not adversely affected.
- d. Appointed Date shall mean the closing business hours as on 30<sup>th</sup> September 2024, or such other date as may be approved by the Tribunal in this regard.
- e. Effective Date shall mean the opening business hours of the date or last of the dates on which the certified copy of the order of the Tribunal sanctioning the Scheme is filed by the Company with the Registrar of Companies, Gujarat.
- f. Upon the Scheme becoming effective, all the Employees shall continue with their employment without any break or interruption in their services, on the same terms and conditions on which they are engaged as on the Effective Date.
- g. The creditors of the Company are, in no way, affected by the Scheme, as there is no reduction in the amount payable to any of the creditors as a result of the Scheme, and no compromise or arrangement is contemplated with the creditors under the Scheme. Further, there is no outflow of cash from the Company.
- h. If the Scheme is not approved by the Tribunal and does not come into effect, the 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.

- i. The Company shall not be required to add "And Reduced" as suffix to its name.

**10. Cost Benefit Analysis**

The Scheme would entail some costs towards implementation. However, the benefits of the scheme over a longer period are expected to far outweigh such costs for the stakeholders of the scheme.

**11. Effect of the Scheme on the Shareholders of the Company**

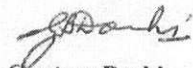
The Audit Committee discussed and deliberated upon the rationale and expected benefits of the Scheme. The Audit Committee also noted that there is no proposed change in the shareholding pattern of the Company pursuant to the said Scheme.

In light of the above discussions, Valuation Report, Fairness Opinion on Valuation Report, other documents presented before the Audit Committee and rationale and cost benefit of the Scheme, the Audit Committee was of the opinion that the proposed Scheme is expected to be beneficial to the Company and all other stakeholders at large and is not detrimental to the interest of shareholders, creditors, employees and any other stakeholders of the Company.

**12. Recommendation**

The Audit Committee, after due deliberation and due consideration of all terms of the Scheme, Valuation Report, Fairness Opinion on Valuation Report, certificate and confirmation and undertaking from Statutory Auditors of Company, other documents and information made to / furnished before the Audit Committee and the specific points mentioned above, recommends the Scheme to the Board of Directors of the Company for its approval.

Dated this 28<sup>th</sup> day of October 2024 at Mumbai.



**Gautam Doshi,**  
**Chairperson of the Audit Committee of Suzlon Energy Limited**  
DIN: 00004612

**TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF SUZLON ENERGY LIMITED HELD ON MONDAY, 28<sup>TH</sup> OCTOBER 2024 AT 11.30 A.M. AT ONE EARTH, HADAPSAR, PUNE-411028**

**To consider and approve the draft Scheme of Arrangement by and among Suzlon Energy Limited and its shareholders and creditors under section 230 and 231 read with section 52 and section 66 and other applicable provisions of the Companies Act, 2013, as may be applicable, and rules framed thereunder**

“RESOLVED THAT pursuant to the provisions of Section 230 and 231 read with Section 52 and Section 66 and other applicable provisions of the Companies Act, 2013, as may be applicable, read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other rules made thereunder (including any statutory modification(s) or re-enactment(s) or amendment(s) thereof for the time being in force) (collectively, the “Companies Act”), and other applicable laws, including regulations issued by Securities and Exchange Board of India (“SEBI”), inter alia including applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), SEBI circular no.SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20<sup>th</sup> June 2023 (“SEBI Circular”) and the relevant provisions of the Memorandum of Association and the Articles of Association of the Company and other applicable laws, rules, regulations, bye-laws as the case may be; and subject to requisite approval of the shareholders and / or the creditors / lenders of the Company, as may be applicable, and necessary, consents, observations, no-objections, permissions and approvals of the Stock Exchanges, statutory or regulatory or appropriate authorities and subject to the sanction of the Honourable National Company Law Tribunal, Ahmedabad Bench (“NCLT” / “Tribunal”) before whom the application would be filed, and subject to all such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, observations, no-objections, permissions and sanctions, which may be agreed to by the Company, the consent of the Board of Directors of the Company (the “Board”), be and is hereby accorded to the scheme of arrangement by and among Suzlon Energy Limited and its shareholders and creditors (hereinafter referred to as the “Scheme”), as approved and recommended by the Audit Committee and recommended by the Independent Directors, and a draft of which is placed before this meeting, as per the terms and conditions mentioned in the Scheme and inter alia containing the following salient terms and conditions:

- a) Reduction and reorganisation of reserve of the Company: Upon the Scheme coming into effect, the Company shall adjust the debit balance in the Retained Earnings Account of the Company as on the Appointed Date, in chronological order against credit balances in the following reserves:
  - i. Capital Reserve,
  - ii. Capital Contribution,
  - iii. Capital Redemption Reserve,
  - iv. Securities Premium, and
  - v. Balance (if any) against General Reserves;
- b) Reclassification and transfer of General Reserves: Upon the Scheme becoming effective, and post reduction and reorganisation of reserves as mentioned above, the entire amount standing to the credit of the General Reserve of the Company as on the Appointed Date shall be reclassified and credited to the Retained Earnings of the Company;
- c) The Scheme neither involves reduction in the issued, subscribed, paid-up share capital of the Company, nor any payment of the paid-up share capital to the shareholders of the Company nor does it result in extinguishment of any liability or diminution. There is no outflow of / payout of funds from the Company and hence, the interest of the shareholders / creditors is not adversely affected;
- d) Appointed Date shall mean the closing business hours as on 30<sup>th</sup> September 2024, or such other date as may be approved by the Tribunal in this regard;
- e) Effective Date shall mean the opening business hours of the date or last of the dates on which the certified copy of the order of the Appropriate Authority sanctioning the Scheme is filed by the Company with the Registrar of Companies, Gujarat;



- f) Upon the Scheme becoming effective, all the Employees shall continue with their employment without any break or interruption in their services, on the same terms and conditions on which they are engaged as on the Effective Date;
- g) The creditors of the Company are, in no way, affected by the Scheme, as there is no reduction in the amount payable to any of the creditors as a result of this Scheme, and no compromise or arrangement is contemplated with the creditors under this Scheme. Further, there is no outflow of cash from the Company;
- h) If the Scheme is not approved by the Tribunal and does not come into effect, the 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;
- i) The Company shall not be required to add "And Reduced" as suffix to its name."

"RESOLVED FURTHER THAT pursuant to the requirements under the Companies Act and applicable SEBI regulations, the Board be and hereby approves and takes on record the following documents, as placed before the Board:

1. Report of the Independent Directors recommending the Scheme;
2. Report of the Audit Committee recommending the Scheme;
3. The certificate issued by the registered valuer, viz., Mr. Parag Vijaykant Kulkarni (Registration Number: IBBI/RV/04/2019/12131) (Sole Proprietor – Trade Name: Indaslab) for non-applicability of valuation report in the matter of the Scheme;
4. The certificate issued by Kunvarji Finstock Private Limited (Registration Code: INM000012564), a SEBI Registered Merchant Banker, certifying that the certificate obtained from the registered valuer, Mr. Parag Vijaykant Kulkarni (Registration Number: IBBI/RV/04/2019/12131) for non-applicability of the Valuation Report, as mentioned in the SEBI Circular, is fair and reasonable (the 'Fairness Opinion on Valuation Report');
5. Draft Certificate of Statutory Auditors confirming compliance of the Accounting Treatment;
6. Draft Certificate of the Statutory Auditors confirming the non-applicability of Paragraph (A) 10 (b) of Part - I of the SEBI Master circular no.SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20<sup>th</sup> June 2023; and
7. Draft Undertaking to be submitted by the Company, confirming the non-applicability of Paragraph (A) 10 (b) of Part - I of the SEBI Master circular no.SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20<sup>th</sup> June 2023."

"RESOLVED FURTHER THAT the National Stock Exchange of India Limited ("NSE") is hereby appointed as the designated stock exchange for the purpose of the Scheme."

"RESOLVED FURTHER THAT Mr. Vinod R.Tanti, Chairman and Managing Director, Mr. Girish R.Tanti, Executive Vice Chairman, Mr. J.P.Chalasanani, Group Chief Executive Officer, Mr. Himanshu Mody, Group Chief Financial Officer, Mrs. Geetanjali S.Vaidya, Company Secretary, Mr. Anand Bagrecha, Mr. Het Shah, Mr. Parshwa Doshi and Mr. Rasik Patel, the authorised representatives of the Company (hereinafter collectively referred to as the "Authorised Persons"), be and are hereby severally authorised to do all such acts, deeds, matters and things as may be necessary to give effect to this resolution including but not limited to seeking any directions of the Tribunal or any other statutory authority / regulator / stock exchanges and to take all steps necessary to:

- a) finalise and settle the Scheme with or without any modification as may be required, to settle any question or difficulty arising under the Scheme or in regard to and of the meaning or interpretation of the Scheme or implementation hereof or in any manner whatsoever;





- b) file the Scheme and / or any other information / details with the concerned stock exchanges in terms of provisions of the Listing Regulations and liaising with them to resolve queries, submitting additional information as may be required to obtain their comments / observations on the Scheme;
- c) finalise, sign and execute applications, petitions, scheme, affidavits, vakalatnamas, confirmations, statements, reports, letters, forms, powers of attorney, pleadings, representations, public advertisements, notices, authority letters, deeds, documents and such other letters and papers in connection with the Scheme;
- d) file the Scheme and / or any other document / information / details / submissions with the government, judicial, quasi-judicial and other statutory authorities or regulatory authorities or any other body or agency to obtain their approval(s) or sanction(s) to the provisions of the Scheme or for giving effect thereto;
- e) sign and file application(s) with the Tribunal or any other appropriate authority under the applicable provisions of the Companies Act, as may be applicable, seeking directions as to convening / dispensing with the meeting of the shareholders and / or creditors of the Company, and where necessary, to take steps to convene and hold such meetings as per such directions to give effect to the Scheme;
- f) finalise and settle the Scheme, draft of the notices for convening the shareholders' and / or creditors' meetings as directed by the Tribunal or otherwise and the draft of the explanatory statement with any modifications as they may deem fit;
- g) convene and conduct the meetings of the shareholders and / or the creditors, as may be directed by the Tribunal;
- h) appoint or engage or ratify the appointment / engagement of any third party intermediaries including without limitation, stamp duty consultant(s), e-voting agency, lawyers, valuer / chartered accountant for certification, independent SEBI registered merchant banker, auditor for certification, scrutiniser, advertisement agency or any other professionals as may be required in connection with the transaction set out in the Scheme;
- i) obtain the certificate(s) from the Statutory Auditors or such other certificates from any professional, consultants, as may be required to give effect to this resolution;
- j) engage and instruct counsels, advocates, solicitors, chartered accountants and other professionals to do all things necessary and expedient in connection with the Scheme including to declare and file all pleadings, reports and sign and issue public advertisement and notices;
- k) approve such actions as may be considered necessary for approval / sanction of the Scheme and the implementation of the Scheme after the same is sanctioned by the Tribunal or any other appropriate authority under the applicable provisions of the Companies Act, as may be applicable including but not limited to making filing with the concerned Registrar of Companies, Regional Directors, Income Tax authorities and other authorities as may be required and to approve all other actions required for full and effective implementation of the proposed Scheme and to remove and resolve all doubts and difficulties and to do all such acts, deeds and things as they may deem necessary and desirable in connection therewith and incidental thereto;
- l) finalise and bring into effect the Scheme and make and give effect to any modifications, changes, variations, alterations or revision in the Scheme from time to time or to suspend, withdraw, transfer or revive the Scheme from time to time as may be specified by any statutory authority or as may suo motto be decided by the Board in its absolute discretion;
- m) delegate powers to the executive(s) of the Company and / or such other representative(s), to sign / execute on behalf of the Company, all deeds, documents, agreements, notices, forms, writings and papers, as may be required, for any of the purpose related to the proposed Scheme and to revoke / modify all or any of



the aforesaid powers so delegated to the executive(s) of the Company and / or such other representative(s), from time to time, as deem fit and proper in the best interest of the Company;

- n) suo moto decide in their absolute discretion in consultation with the legal counsel(s) and do all such acts, deeds, matters and things whatsoever, including settling any question, difficulty or doubt that may arise with regard to or in relation to the Scheme as they may in their absolute discretion consider necessary, expedient, fit and proper; provided that no alteration, modification or amendment which amounts to a material change to the substance of the Scheme shall be made except with the prior approval of the Board;
- o) make such alterations or modifications or amendments to the Scheme and other relevant documents as may be expedient or necessary particularly to comply with any requirements, conditions or limitations, the Tribunal or any other statutory authority(ies) may deem fit to direct or impose or for any other reason;
- p) obtain approval from and / or represent before the Registrar of Companies, Regional Director, Ministry of Corporate Affairs, Income Tax authorities and such other statutory and other governmental body(ies) including the shareholders and / or creditors as may be considered necessary;
- q) produce all the documents, matters or other evidence in connection with the matters aforesaid and any other proceedings incidental thereto or arising therefrom;
- r) accept service of notices or other processes which may from time to time be issued in connection with the matter aforesaid and also to serve notices or other processes to parties or persons concerned;
- s) obtain Order of the Tribunal, as the case may be, approving the Scheme and file the same along with requisite forms, returns, other documents with the Registrar of Companies, Gujarat, so as to make the sanctioned Scheme effective;
- t) incur such expenses as may be necessary in relation to the above or the transaction;
- u) authorise the officer of the Company and / or any other person to discuss, negotiate, finalise, execute, sign, submit and fill all required documents, deeds of assignment / conveyance and other deeds, documents, scheme, agreements, forms, returns, applicable, letters, etc. including any modification thereto as may be deemed necessary and expedient at their absolute discretion in order to give effect to this resolution in all respects whatsoever and / or for obtaining directions including but not limited to from the Tribunal and for this purpose, to appear in person and / or represent the Company before the Tribunal or any other judicial forums / authority and to deliver a certified copy of this resolution to any concerned party or authorities and for this purpose, to appear in person and / or represent the Company before the Tribunal or any other judicial forums / authority;
- v) sign and execute the request letters / no objection / sanction letters for obtaining the necessary no objection / sanction letters for dispensation of the meeting(s) of the shareholders and / or creditors of the Company for approving the Scheme and thereafter submitting the same on receipt thereof to the Tribunal or any other appropriate authority, as may be required;
- w) take all procedural steps for having the Scheme sanctioned by the Tribunal including without limitation, filing necessary applications, petitions and signing, verifying and affirming all applications, affidavits and petitions as may be necessary;
- x) do all further acts, deeds, matters and things as may be necessary, proper or expedient to give effect to the Scheme and for matters connected therewith or incidental thereto.”

“RESOLVED FURTHER THAT the Common Seal of the Company be affixed on such agreements, undertakings, deeds, declarations, documents, etc. as may be required including on any modifications or amendments or alternations thereto as may be required from time to time in accordance with the provisions of the Articles of Association of the Company in the presence of any one of the Authorised Persons of the Company, who do sign the same in token thereof.”



“RESOLVED FURTHER THAT the Directors / Key Managerial Personnel of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things including engaging Mr. Shailesh Indapurkar, a Company Secretary in practice, and / or any other professional for certification of necessary forms, filing necessary forms, statements, intimations, letters and such other papers and for the purpose to sign and execute forms, declarations, returns, letters and such other papers as may be necessary, desirable and expedient.”

“RESOLVED FURTHER THAT the copy of the foregoing resolution certified to be true by any one of the Authorised Persons of the Company be furnished to whomsoever it may concern with a request to act thereupon.”

CERTIFIED TRUE COPY

**FOR SUZLON ENERGY LIMITED**

*G. S. Vaidya*

**GEETANJALI S.VAIDYA,  
COMPANY SECRETARY.  
M.NO.A18026.**



## **Independent Auditor's Report**

### **To the Members of Suzlon Energy Limited**

#### **Report on the Audit of the Standalone Financial Statements**

##### **Opinion**

1. We have audited the accompanying standalone financial statements of Suzlon Energy Limited ('the Company'), which comprise the Standalone Balance Sheet as at 31 March 2025, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flow and the Standalone Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information, in which are included the returns for the year ended on that date audited by the branch auditors of the Company's branches located at the Federal Republic of Germany and the Kingdom of Netherlands.
2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the branch as referred to in paragraph 16 below, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

##### **Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the branch, in terms of their reports referred to in paragraph 16 of the Other Matter section below is sufficient and appropriate to provide a basis for our opinion.

##### **Emphasis of Matter**

4. We draw attention to Note 1 to the accompanying standalone financial statements, which describes that pursuant to the Scheme of Amalgamation (the 'Scheme') between the Company and its erstwhile wholly-owned subsidiary, namely, Suzlon Global Services Limited (referred to as 'Transferor Company'), as approved by the Hon'ble National Company Law Tribunal vide order dated 8 May 2025, the Transferor Company has been amalgamated with the Company with effect from appointed date of 15 August 2024. The Company has given accounting effect to the business combination in accordance with the Scheme and the accounting principles prescribed under Appendix C of Ind AS 103, Business Combinations, applicable to common control business combinations. Accordingly, the comparative financial information for the year ended 31 March 2024 has been restated in the accompanying standalone financial statements from the beginning of the earliest period presented, being 01 April 2023. Our opinion is not modified in respect of the above matter.

##### **Key Audit Matters**

5. Key audit matters are those matters that, in our professional judgment, and based on the consideration of the reports of the branch auditors as referred to paragraph 16 below, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

6. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p><b>Impairment assessment of investment in equity shares of and Inter Corporate Deposits given to SE Forge Limited</b></p> <p>As described in Note 9 and Note 11 to the standalone financial statements, carrying value of investment in equity shares of, and Inter Corporate Deposits given to SE Forge Limited (SEFL) as at 31 March 2025 amounted to ₹ 290.73 crores and ₹ 118.97 crores respectively, net off impairment losses of ₹ 754.23 crores. Refer Note 2.3(q) for the related material accounting policy information.</p> <p>The management has noted impairment indicators as Company's share in net asset of SEFL is lower than the carrying value of investment in and Inter Corporate Deposits given as at 31 March 2025.</p> <p>The recoverable amount of the investment in and Inter Corporate Deposits are assessed based on assumptions that require the management to exercise their judgment such as future expected revenue, future expected revenue growth rate, gross margins, future cash flows, determination of historical trends and the most appropriate discount rate. As a result of such impairment testing, the Company recorded a total impairment of ₹ 754.23 crores against these investments in earlier years.</p> <p>Considering the materiality of the amounts and significant degree of judgement and subjectivity involved in the estimates and key assumptions used by the management in determining recoverable amount of aforesaid investments and Inter Corporate Deposits, we have considered this matter as a key audit matter for current year's audit.</p>	<p>Our audit procedures in relation to assessment of the recoverable amount of investments and Inter Corporate Deposits included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of management's impairment assessment process and evaluated the design and tested the operating effectiveness of internal controls over such process</li> <li>• Obtained the impairment analysis carried out by the management including report of external valuation expert</li> <li>• Assessed the professional competence and objectivity of the external valuation expert engaged by management</li> <li>• Assessed the methodology used by the management to estimate the recoverable value of investment in and Inter Corporate Deposits</li> <li>• Engaged auditor's expert to assess appropriateness of valuation methodology used by the management and reasonableness of valuation assumptions used</li> <li>• Traced the projected cash flows to approved business plans and critically challenged underlying assumptions such as future expected revenue, future expected revenue growth rate, terminal growth rate and gross margins basis our understanding of business and market conditions</li> <li>• Tested the arithmetical accuracy and sensitivity analysis performed by management of key assumptions such as discount and growth rates and</li> <li>• Assessed the appropriateness of disclosures made in the standalone financial statements in accordance with the requirements of applicable Indian Accounting Standards.</li> </ul>
<p><b>Recoverability of trade receivables and other financial assets: Power evacuation infrastructure receivables ('PE receivables').</b></p>	<p>Our audit procedures in relation to recoverability of trade receivables and other financial assets included, but were not limited to, the following:</p>

Key audit matter	How our audit addressed the key audit matter
<p>As described in Note 10 and Note 12 to the standalone financial statements, the Company has trade receivables (net) of ₹ 3,682.90 crores and PE receivables (net) of ₹ 41.12 crores respectively as on 31 March 2025. Refer Note 2.3(q) for the related material accounting policy information.</p> <p>The Company recognises loss allowance for trade receivables and other financial assets as per the expected credit loss ('ECL') principles enunciated under Ind AS 109, Financial Instruments ('Ind AS 109'). Assessment of the recoverability of trade receivables and other financial assets is inherently subjective and requires significant management judgement which includes consideration of repayment history and financial position of entities from whom these balances are recoverable, terms of underlying arrangements, overdue balances, market conditions etc.</p> <p>Considering the materiality of the amounts involved and the high estimation uncertainty related to the risk that trade receivables and PE receivables may not be recoverable, we have considered this matter as a key audit matter for current year's audit.</p>	<ul style="list-style-type: none"> <li>• Obtained an understanding of the process of estimating recoverability and allowance for impairment of trade receivables and PE receivables as per Ind AS 109</li> <li>• Evaluated the design and tested the operating effectiveness of the internal controls implemented over the aforesaid process.</li> <li>• Assessed reasonableness of the method, assumptions and judgements used by the management with respect to recoverability and determination of the allowance for impairment of trade receivables and PE receivables</li> <li>• Tested, on sample basis, the key input data used in the provisioning model by the Company such as repayment history, terms of underlying arrangements, ageing of outstanding balances, etc., basis underlying records</li> <li>• Obtained balance confirmation for selected samples and verified the reconciliation for differences, if any for the confirmations received</li> <li>• Obtained management's assessment of recoverability and adequacy of ECL allowance with respect to specific overdue trade receivables and PE receivables</li> <li>• Tested subsequent settlement of selected trade receivables after the Balance Sheet date</li> <li>• Assessed the appropriateness of disclosures made in the standalone financial statements in accordance with the requirements of applicable Indian Accounting Standards.</li> </ul>
<p><b>Recognition and recoverability of deferred tax assets</b></p> <p>As detailed in note 32 to the accompanying standalone financial statements, the Company has deferred tax assets (net) aggregating to 638.05 crore as at 31 March 2025 recognised during the current year. Refer Note 2.3(f) for the related material accounting policy information.</p> <p>The Company's ability to recover the said deferred tax assets is assessed by the management at the close of each reporting period which depends on the forecasts of the future results and taxable profits that the Company expects to earn within the period by which such brought forward losses, unabsorbed depreciation can be adjusted against the taxable profits as governed by the Income-tax Act, 1961.</p>	<p>Our audit procedures in relation to the recoverability of deferred tax assets included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Evaluated the design and tested the operating effectiveness of key controls implemented by the Company over recognition and recoverability of deferred tax assets based on the assessment of Company's ability to generate sufficient taxable profits in foreseeable future allowing the use of deferred tax assets within the time prescribed by income tax laws</li> <li>• Reconciled the future business projections with approved business plans of the Company</li> <li>• Tested the assumptions used in the aforesaid future projections such as growth rates, expected saving, increased utilisation of plants, etc. considering our understanding of the business, actual historical results, other relevant existing conditions, external data and market conditions</li> <li>• Tested the arithmetical accuracy of the calculations including those related to</li> </ul>

Key audit matter	How our audit addressed the key audit matter
<p>The determination of projected future taxable profits is inherently subjective and requires significant management judgement to be exercised with respect to key assumptions such as future growth rates and market and economic conditions, including expected favourable industry-focused trade policies. Any significant change in these assumptions could have a material impact on the carrying value of deferred tax assets.</p> <p>We have identified the recognition and recoverability of deferred tax assets on carried forward tax losses, unabsorbed depreciation as a key audit matter for the current year audit considering the materiality of the amounts, complexities and significant judgements involved, as described above.</p>	<p>sensitivity analysis performed by the management</p> <ul style="list-style-type: none"> <li>• Performed independent sensitivity analysis to test the impact of possible variations in key assumptions</li> <li>• Reviewed the historical accuracy of the cash flow projections prepared by the management in prior periods</li> <li>• Evaluated management's assessment of time period available for adjustment of such deferred tax assets as per provisions of the Income tax Act, 1961 and appropriateness of the accounting treatment with respect to the recognition of deferred tax assets as per requirements of Ind AS 12, Income Taxes</li> <li>• Evaluated the appropriateness and adequacy of the disclosures made in the standalone financial statements in respect of deferred tax assets in accordance with applicable accounting standards</li> </ul>
<p><b>Valuation and accounting of Employee Stock Option Plan (ESOP)</b></p> <p>Refer Note 2.3(p) and Note 27 to the accompanying standalone financial statements for the material accounting policy information on share-based payments and relevant details of share-based payment expenses incurred during the year.</p> <p>The Company has framed an ESOP scheme for its employees approved by the shareholders of the Company under which the Company pays remuneration to its employees for their services in the form of equity-settled share-based payments.</p> <p>In accordance with the principles of Ind AS 102, Share Based Payment (Ind AS 102), the fair value of the aforesaid employee stock options granted under such scheme determined on the grant date is recognised as an employee benefits expense with a corresponding increase in equity over the vesting period.</p> <p>The fair value is measured by external valuation experts using Black-Scholes valuation model</p>	<p>Our audit procedures in relation to valuation and accounting of share-based payment expenses included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the terms and conditions of the Company's Employee Stock Option Plans</li> <li>• Evaluated the design and tested the operating effectiveness of internal controls implemented by management relating to accounting and valuation of share-based payments</li> <li>• Assessed appropriateness of accounting policy adopted by the Company in accordance with the requirements of Ind AS 102</li> <li>• Inspected approvals from appropriate authority for grant of options during the current year</li> <li>• Evaluated professional competence and objectivity of valuation experts hired by the management for fair valuation</li> <li>• Reviewed the report from valuation expert engaged by management for options granted during current year and tested the same for mathematical accuracy</li> <li>• Assessed reasonableness of the valuation model, assumptions and estimates used in arriving at fair value including expected volatility, dividend yield, risk-free interest rate, etc., by engaging auditor's valuation experts, and further evaluated management's estimation of achievement of specified non-market performance conditions basis our</li> </ul>

Key audit matter	How our audit addressed the key audit matter
<p>which requires management to make certain key assumptions including expected volatility, dividend yield, risk-free interest rate, performance factor, attrition rate and non-acceptance factors. Further, the number of options expected to vest is based on management's estimation of achievement of specified non-market performance based conditions.</p> <p>Considering significant management judgment and estimates involved as described above, this matter was considered as a key audit matter for current year's audit.</p>	<p>understanding of the business and market conditions</p> <ul style="list-style-type: none"> <li>• Evaluated appropriateness of disclosures made in standalone financial statements with respect to share based payments in accordance with applicable Indian Accounting Standards</li> </ul>

### Information other than the Standalone Financial Statements and Auditor's Report thereon

7. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

8. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
9. In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern



and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

10. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

11. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

12. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation and
- Obtain sufficient appropriate audit evidence regarding the business activities and standalone financial statements of the Company which includes financial information of its branches to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of standalone financial statements of the Company, of which we are the independent auditors. For the branches, included in the standalone financial statements, which have been audited by the branch auditors, such branch auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matter**

16. We did not audit the annual financial statements of two branches included in the standalone financial statements of the Company whose annual financial statements reflects total assets of ₹ 68.33 crores as at 31 March 2025, total revenues of ₹ 130.01 crores and net cash inflows of ₹ 2.67 crores for the year ended on that date. These annual financial statements have been audited by the branch auditors whose reports have been furnished to us by the management, and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of these branches, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid branches, is based solely on the report of such branch auditors.

Further, these branches, are located outside India whose annual financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by branch auditors under generally accepted auditing standards applicable in India. The Company's management has converted the financial statements of such branches from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of such branches is based on the report of branch auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Our opinion above on the standalone financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the branch auditors.

#### **Report on Other Legal and Regulatory Requirements**

17. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
18. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
19. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, and on the consideration of the reports of the branch auditors as referred to in paragraph 16 above, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit

have been received from the branches not visited by us except for the matters stated in paragraph 19 (i) (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rule, 2014 (as amended). Further, the back-up of the books of accounts and other books and papers of the Company maintained in electronic mode has been maintained on servers physically located in India, on a daily basis;

- c) The reports on the accounts of the branch offices of the Company audited under section 143(8) of the Act by the branch auditors have been sent to us and have been properly dealt with by us in preparing this report;
- d) The standalone financial statements dealt with by this report are in agreement with the books of account and with the returns received from the branches not visited by us;
- e) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
- f) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;
- g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 19(b) above on reporting under section 143(3)(b) of the Act and paragraph 19 (i) (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- h) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company as on 31 March 2025 and the operating effectiveness of such controls, refer to our separate report in Annexure II wherein we have expressed an unmodified opinion; and
- i) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the branch auditors as referred to in paragraph 16 above:
  - i. The Company as detailed in note 39 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2025;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2025;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2025;
  - iv.
    - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 47 (e) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
    - b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 47 (f) to the standalone financial statements, no funds have been received by the Company from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner

whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
  
- v. The Company has not declared or paid any dividend during the year ended 31 March 2025.
  
- vi. As stated in Note 46.5 to the standalone financial statements and based on our examination which included test checks, the Company, in respect of financial year commencing on 1 April 2024, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software except that the audit trail feature was not enabled at the database level for accounting software to log any direct data changes as described in Note 46.5 to the standalone financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, in respect of the accounting software where such feature is enabled. Furthermore, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Rohit Arora**  
Partner  
Membership No.: 504774

**UDIN: 25504774BMIDMM3101**

**Place:** Pune  
**Date:** 29 May 2025

**Annexure I referred to in paragraph 18 of the Independent Auditor's Report of even date to the members of Suzlon Energy Limited on the standalone financial statements for the year ended 31 March 2025**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and based on the consideration of the reports of the branch auditors, and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress, investment properties and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its property, plant and equipment and investment property under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment and investment property were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties (including investment properties) held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in Note 4 and Note 7 to the standalone financial statements, are held in the name of the Company, except for the following properties:

<b>Description of property</b>	<b>Gross carrying value (Rs. In Crores)</b>	<b>Held in name of</b>	<b>Whether promoter, director or their relative or employee</b>	<b>Period held</b>	<b>Reason for not being held in name of company</b>
Land and building (including Investment Properties)	226.69	OE Business Park Private Limited	No	0.5 year	Refer note 46.2 to the standalone financial statements
15 freehold lands located at various locations admeasuring 57.3 acres	10.50	Suzlon Windfarm Services Private Limited ('SWSPL')	No	11 years	The title deeds are in the name of SWSPL, which was merged with Suzlon Global Services Limited (SGSL) w.e.f. 29 March 2014. SGSL is now merged with the Company w.e.f. 15 August 2024.
2 freehold lands located at multiple locations admeasuring 4.4 acres	0.48	Suzlon Power Infrastructure Limited ('SPIL')	No	5 years	The title deeds are in the name of SPIL, which was merged with SGSL w.e.f. 01 April 2020. SGSL is now merged with the Company w.e.f. 15 August 2024.

- (d) The Company has adopted cost model for its Property, Plant and Equipment (including right-of-use assets) and intangible assets. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records. In respect of inventory lying with third parties, these have substantially been confirmed by third parties and in respect of goods-in-transit, these have been confirmed from corresponding receipt and /or dispatch of inventory records.
- (b) As disclosed in Note 18 to the standalone financial statements, the Company has been sanctioned a non-fund based working capital limit in excess of Rs. 5 crores during the year, by banks / financial institutions on the basis of security of current assets. Pursuant to the terms of the sanction letters, the Company is not required to file any quarterly return or statement with such banks or financial institution.
- (iii) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans to firms, limited liability partnerships during year. The Company has made investment, granted unsecured loans and provided guarantees to the subsidiaries during the year, in respect of which:
- (a) The Company has made investments, provided loans as well as guarantee to subsidiaries during the year as per details given below:

<b>Particulars</b>	<b>Guarantees</b>	<b>Loans</b>	<b>Investments</b>
Aggregate amount provided/granted/invested during the year (Rs. in Crores):	342.00	57.55	1,107.40
- Subsidiaries			
Balance outstanding as at Balance Sheet date (Rs. in Crores):	146.65	150.71	1,072.40
- Subsidiaries			

- (b) In our opinion, and according to the information and explanations given to us, the guarantees provided and terms and conditions of the grant of all loans and advances in the nature of loans and investment made are, prima facie, not prejudicial to the interest of the Company.
- (c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and principal amount including interest is not due for payment currently.
- (d) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies.

- (e) The Company has not granted any loans or advances in the nature of loans which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans existed as at the beginning of the year.
- (f) The Company has not granted any loan or advance in the nature of loan, which is repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans and investments made and guarantees provided by it, as applicable. Further, the Company has not entered into any transaction covered under section 185 of the Act.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)(a) In our opinion and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, we report that there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

<b>Name of the statute</b>	<b>Nature of dues</b>	<b>Gross Amount (Rs. In Crores)</b>	<b>Period to which the amount relates (FY)</b>	<b>Forum where dispute is pending</b>
The Customs Act, 1962	Dues under Customs Act	2.34	2023-24	CESTAT, Chennai
The Customs Act, 1962	Dues under Customs Act	0.03	2021-22	CESTAT, Mumbai
The Customs Act, 1962	Dues under Customs Act	3.71	2022-23	CESTAT, Mumbai
The Customs Act, 1962	Dues under Customs Act	0.13	2024-25	Commissioner of Customs (Appeals), Chennai

<b>Name of the statute</b>	<b>Nature of dues</b>	<b>Gross Amount (Rs. In Crores)</b>	<b>Period to which the amount relates (FY)</b>	<b>Forum where dispute is pending</b>
The Customs Act, 1962	Dues under Customs Act	0.45	2021-22	CESTAT, Mumbai
The Customs Act, 1962	Dues under Customs Act	0.12	2020-21	Commissioner of Customs (Appeals), Nhava Sheva
The Customs Act, 1962	Dues under Customs Act	9.83	2022-23	Commissioner of Customs, Nhava Sheva
The Customs Act, 1962	Dues under Customs Act	0.13	2021-22	The Commissioner (Revisionary Authority)
The Customs Act, 1962	Dues under Customs Act	0.26	2021-22	The Commissioner (Revisionary Authority)
The Customs Act, 1962	Dues under Customs Act	4.15	2021-22	The High Court of Madras
The Finance Act, 1994	Service Tax	101.11	2018-19	The Supreme Court of India
The Finance Act, 1994	Service Tax	6.47	2015-16	CESTAT, Bangalore
The Finance Act, 1994	Service Tax	33.56	2019-20	CESTAT, Bangalore
The Goods and Service Tax Act, 2017	Goods and Service Tax	0.89	2017-18	Special Commissioner, Appellate Authority, Rajasthan
The Goods and Service Tax Act, 2017	Goods and Service Tax	0.15	2018-19	Commissioner (Appeals), Appellate Authority, Rajasthan
The Goods and Service Tax Act, 2017	Goods and Service Tax	0.43	2020-21	Special Commissioner, Appellate Authority, Rajasthan
The Goods and Service Tax Act, 2017	Goods and Service Tax	11.84	2020-21 to 2022-23	The High Court of Madras
The Goods and Service Tax Act, 2017	Goods and Service Tax	1.03	2020-21	Joint Commissioner (ST) Appellate Authority, Chennai.
The Goods and Service Tax Act, 2017	Goods and Service Tax	1.10	2020-21	Special Commissioner, Appellate Authority, Rajasthan.



- (viii) According to the information and explanations given to us, we report that no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and did not have any term loans outstanding at the beginning of the current year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the standalone financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) In our opinion and according to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) In our opinion and according to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us, the Company has received whistle blower complaints during the year, which have been considered by us while determining the nature, timing and extent of audit procedures.

- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv)(a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**For Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Rohit Arora**  
Partner  
Membership No.: 504774

**UDIN: 25504774BMIDMM3101**

**Place:** Pune  
**Date:** 29 May 2025

**Annexure II to the Independent Auditor's Report of even date to the members of Suzlon Energy Limited on the standalone financial statements for the year ended 31 March 2025**

**Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

1. In conjunction with our audit of the standalone financial statements of Suzlon Energy Limited ('the Company') as at and for the year ended 31 March 2025, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

**Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Standalone financial statements**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

**Meaning of Internal Financial Controls with Reference to Standalone financial statements**

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide

reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

#### **Inherent Limitations of Internal Financial Controls with Reference to Standalone financial statements**

7. Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Rohit Arora**

Partner

Membership No.: 504774

**UDIN: 25504774BMIDMM3101**

Place: Pune

Date: 29 May 2025

**Suzlon Energy Limited**

**Standalone balance sheet as at March 31, 2025**

All amounts in ₹ Crore, unless otherwise stated

Particulars	Notes	As at	
		March 31, 2025	March 31, 2024
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	579.31	554.87
Right-of-use assets	37	36.06	35.62
Capital work-in-progress	5	59.59	4.28
Investment properties	7	25.75	27.01
Intangible assets	6	91.35	55.35
Intangible assets under development	8	16.35	3.51
Financial assets			
Investments	9	1,277.70	370.25
Trade receivables	10	-	-
Loans	11	139.06	95.07
Other financial assets	12	1,062.67	871.82
Deferred tax asset	32	638.05	-
Other non-current assets	13	62.54	72.61
		<b>3,988.43</b>	<b>2,090.39</b>
<b>Current assets</b>			
Inventories	14	2,857.11	2,053.52
Financial assets			
Investments	9	-	8.35
Trade receivables	10	3,682.90	1,658.56
Cash and cash equivalents	15	808.02	184.89
Bank balance other than above	15	188.78	177.27
Loans	11	0.27	0.26
Other financial assets	12	185.63	153.67
Current tax assets, net		49.68	-
Other current assets	13	583.64	430.14
		<b>8,356.03</b>	<b>4,666.66</b>
		<b>12,344.46</b>	<b>6,757.05</b>
<b>Total assets</b>			
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	16	2,731.79	2,721.72
Other equity	17	2,797.21	559.47
		<b>5,529.00</b>	<b>3,281.19</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Lease liabilities	37	22.97	14.50
Other financial liabilities	19	617.94	4.58
Provisions	20	147.96	163.41
Other non-current liabilities	21	0.45	0.48
		<b>789.32</b>	<b>182.97</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	18	-	-
Lease liabilities	37	12.57	23.16
Trade payables	22		
Total outstanding dues of micro and small enterprises		61.86	33.92
Total outstanding dues other than micro and small enterprises		3,271.34	2,148.06
Other financial liabilities	19	369.37	211.45
Contract liabilities		1,680.03	280.48
Provisions	20	550.20	548.52
Other current liabilities	21	73.72	47.30
Current tax liabilities, net		7.05	-
		<b>6,026.14</b>	<b>3,292.89</b>
		<b>6,815.46</b>	<b>3,475.86</b>
<b>Total liabilities</b>		<b>6,815.46</b>	<b>3,475.86</b>
<b>Total equity and liabilities</b>		<b>12,344.46</b>	<b>6,757.05</b>

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date

**For Walker Chandiok & Co LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 001076N/N500013

**For and on behalf of the Board of Directors of  
Suzlon Energy Limited**

**Rohit Arora**  
Partner  
Membership No.: 504774

**Vinod R. Tanti**  
Chairman and Managing Director  
DIN: 00002266

**J. P. Chalasani**  
Group Chief  
Executive Officer

**Himanshu Mody**  
Group Chief Financial Officer

**Geetanjali S. Vaidya**  
Company Secretary  
Membership No.: A18026

Place: Pune  
Date: May 29, 2025

Place: Pune  
Date: May 29, 2025

**Suzlon Energy Limited****Standalone statement of profit and loss for the year ended March 31, 2025**

All amounts in ₹ Crore, unless otherwise stated

Particulars	Notes	March 31, 2025	March 31, 2024
<b>Income</b>			
Revenue from operations	23	10,161.60	5,834.35
Other operating income	24	36.12	29.81
Finance income	25	102.31	47.37
<b>Total income</b>		<b>10,300.03</b>	<b>5,911.53</b>
<b>Expenses</b>			
Cost of raw materials, components and services consumed	26	6,986.89	3,767.73
Purchase of stock-in-trade		-	-
Changes in inventories of finished goods, semi-finished goods and work-in-progress	26	(269.17)	(32.09)
Employee benefits expense	27	791.75	585.75
Finance costs	28	228.86	144.43
Depreciation and amortisation expense	29	166.85	141.53
Other expenses	30	1,023.99	631.86
<b>Total expenses</b>		<b>8,929.17</b>	<b>5,239.21</b>
<b>Profit before exceptional items and tax</b>		<b>1,370.86</b>	<b>672.32</b>
Exceptional items	31	(102.86)	(50.85)
<b>Profit before tax</b>		<b>1,473.72</b>	<b>723.17</b>
<b>Tax expense</b>			
Earlier period tax expense		7.05	-
Deferred tax		(638.05)	-
<b>Total income tax expense</b>	32	<b>(631.00)</b>	<b>-</b>
<b>Profit for the year</b>		<b>2,104.72</b>	<b>723.17</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Re-measurements gains/ (losses) on defined benefit plans	33	5.98	3.43
Income tax effect on the above		-	-
<b>Other comprehensive income for the year, net of tax</b>		<b>5.98</b>	<b>3.43</b>
<b>Total comprehensive income for the year</b>		<b>2,110.70</b>	<b>726.60</b>
<b>Earnings per equity share (EPS)</b>			
	34		
- Basic earnings per share in ₹ [Nominal value of share ₹ 2 (₹ 2)]		1.54	0.55
- Diluted earnings per share in ₹ [Nominal value of share ₹ 2 (₹ 2)]		1.54	0.55

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date

**For Walker Chandiook & Co LLP**

Chartered Accountants

ICAI Firm Registration Number: 001076N/N500013

**Rohit Arora**

Partner

Membership No.: 504774

**For and on behalf of the Board of Directors of****Suzlon Energy Limited****Vinod R. Tanti**

Chairman and Managing Director

DIN: 00002266

**J. P. Chalasani**

Group Chief

Executive Officer

**Himanshu Mody**

Group Chief Financial Officer

**Geetanjali S. Vaidya**

Company Secretary

Membership No.: A18026

Place: Pune

Date: May 29, 2025

Place: Pune

Date: May 29, 2025



## a. Equity share capital (refer Note 16)

	No. in Crore	₹ in Crore
<b>Equity shares, subscribed and fully, partly paid</b>		
<b>As at April 01, 2024</b>	1,361.27	2,721.72
Issue of equity share capital	4.42	8.84
Equity shares forfeited	-	1.23
<b>At March 31, 2025</b>	<b>1,365.69</b>	<b>2,731.79</b>
<b>As at April 01, 2023</b>	<b>1,247.31</b>	<b>2,454.40</b>
Issue of equity share capital	113.96	267.32
<b>As at March 31, 2024</b>	<b>1,361.27</b>	<b>2,721.72</b>

## b. Other equity (refer Note 17)

	Share application money, pending allotment	Reserves and surplus							Total
		Capital reserve	Capital redemption reserve	General reserve	Securities premium	Capital contribution	Share options outstanding account	Retained earnings	
<b>As at April 1, 2024</b>	-	217.81	15.00	912.06	12,465.48	5,830.54	29.14	(18,910.56)	559.47
Profit for the year	-	-	-	-	-	-	-	2,104.72	2,104.72
Other comprehensive income / (loss) (refer Note 33)	-	-	-	-	-	-	-	5.98	5.98
<b>Total comprehensive income</b>	-	-	-	-	-	-	-	<b>2,110.70</b>	<b>2,110.70</b>
Share based payment	-	-	-	-	-	-	114.95	-	114.95
Money received on exercise of stock option by employees	0.05	-	-	-	13.27	-	-	-	13.32
Exercise of stock option by employees	-	-	-	-	21.57	-	(21.57)	-	-
Equity shares forfeited	-	-	-	-	(1.23)	-	-	-	(1.23)
<b>As at March 31, 2025</b>	<b>0.05</b>	<b>217.81</b>	<b>15.00</b>	<b>912.06</b>	<b>12,499.09</b>	<b>5,830.54</b>	<b>122.52</b>	<b>(16,799.86)</b>	<b>2,797.21</b>
<b>As at April 1, 2023</b>	-	217.81	15.00	912.06	10,667.59	5,830.54	-	(19,637.16)	(1,994.16)
Profit for the year	-	-	-	-	-	-	-	723.17	723.17
Other comprehensive income / (loss) (refer Note 33)	-	-	-	-	-	-	-	3.43	3.43
<b>Total comprehensive income</b>	-	-	-	-	-	-	-	<b>726.60</b>	<b>726.60</b>
Share based payment	-	-	-	-	-	-	29.14	-	29.14
Premium on issuance of equity shares to Qualified Institutional Buyers (QIB)	-	-	-	-	1,772.08	-	-	-	1,772.08
Premium on issue of rights equity shares	-	-	-	-	59.10	-	-	-	59.10
Share issue expenses	-	-	-	-	(33.29)	-	-	-	(33.29)
<b>As at March 31, 2024</b>	-	<b>217.81</b>	<b>15.00</b>	<b>912.06</b>	<b>12,465.48</b>	<b>5,830.54</b>	<b>29.14</b>	<b>(18,910.56)</b>	<b>559.47</b>

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date

**For Walker Chandhok & Co LLP**

Chartered Accountants

ICAI Firm Registration Number: 001076N/IN500013

**For and on behalf of the Board of Directors of  
Suzlon Energy Limited**

**Rohit Arora**

Partner

Membership No.: 504774

**Vinod R. Tanti**

Chairman and Managing Director

DIN: 00002266

**J. P. Chalasani**

Group Chief

Executive Officer

**Geetanjali S. Vaidya**

Company Secretary

Membership No.: A18026

**Himanshu Mody**

Group Chief Financial Officer

Place: Pune

Date: May 29, 2025

Place: Pune

Date: May 29, 2025

**Suzlon Energy Limited**
**Standalone statement of cash flows for the year ended March 31, 2025**

All amounts in ₹ Crore, unless otherwise stated

Particulars	March 31, 2025	March 31, 2024
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>1,473.72</b>	<b>723.17</b>
<b>Adjustments for:</b>		
Depreciation and amortisation expense	166.85	141.53
Exceptional items	(102.86)	(50.85)
Loss on disposal of property, plant and equipment, net	6.21	8.10
Gain on sale of investment	-	(0.85)
Rental income from investment properties	(14.97)	(14.47)
Finance income	(98.50)	(46.51)
Gain on sale of mutual funds	(0.02)	(0.07)
Interest expenses and other borrowing cost	84.01	88.35
Operation, maintenance and warranty expenditure	120.89	62.89
Share based payment expenses (refer Note 36)	111.19	27.90
Liquidated damages expenditure/ (reversal)	(28.11)	35.65
Performance guarantee expenditure	72.72	77.71
Bad debts written off	59.06	(0.26)
Impairment allowance	19.62	5.49
Allowance/ (reversal) for doubtful debts and advances, net	(50.01)	7.58
Exchange differences, net	(0.10)	(0.04)
<b>Operating profit before working capital changes</b>	<b>1,819.70</b>	<b>1,065.32</b>
<b>Movements in working capital</b>		
(Increase)/ decrease in financial assets and other assets	(358.66)	(451.24)
(Increase)/ decrease in trade receivables	(2,052.39)	(644.54)
(Increase)/ decrease in inventories	(791.02)	(456.25)
(Decrease)/ increase in other liabilities, financial liabilities and provisions	2,291.42	456.35
<b>Cash (used in) / generated from operating activities</b>	<b>909.05</b>	<b>(30.36)</b>
Direct taxes paid (net of refunds)	6.46	(17.84)
<b>Net cash (used in)/ generated from operating activities</b>	<b>A</b> <b>915.51</b>	<b>(48.20)</b>
<b>Cash flow from investing activities</b>		
Payments for purchase of property, plant and equipment including capital work-in-progress and capital advances	(328.46)	(209.21)
Proceeds from sale of property, plant and equipment	0.45	1.02
Consideration paid on acquisition of subsidiary	(441.33)	-
Investment in subsidiaries	(200.05)	-
Proceeds from sale of stake in subsidiaries, associates and joint ventures	35.00	44.53
Purchase of mutual fund	-	(34.70)
Proceeds from sale of mutual fund	8.38	26.41
Rental income from investment properties	14.97	14.47
Inter-corporate deposits given	(57.55)	(8.00)
Inter-corporate deposits repaid	291.90	34.68
Interest received	64.79	23.91
<b>Net cash (used in) / generated from investing activities</b>	<b>B</b> <b>(611.90)</b>	<b>(106.89)</b>

**Cash flow from financing activities**

Repayment of long-term borrowings	-	(1,777.37)	
Proceeds from financing arrangement, net	411.21	-	
Finance cost paid on financing arrangement	(29.95)	-	
Proceeds from subsidiary towards share based payment	3.76	1.24	
Payment of principal portion of lease liabilities	(25.80)	(19.84)	
Proceeds from issuance of Rights equity shares including premium, net of expenses	-	98.50	
Proceeds from issuance of QIP, net of expenses	-	1,966.71	
Proceeds from issuance of share capital including premium	22.11	-	
Proceeds towards share application money pending allotment	0.05	-	
Interest expenses and other borrowing cost paid	(50.35)	(90.01)	
<b>Net cash (used in) / generated from financing activities</b>	<b>C</b>	<b>331.03</b>	<b>179.23</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>A+B+C</b>	<b>634.64</b>	<b>24.14</b>
Cash and cash equivalents at the beginning of year		362.16	338.02
<b>Cash and cash equivalents at the end of year</b>		<b>996.80</b>	<b>362.16</b>

Components of cash and cash equivalents	As at	
	March 31, 2025	March 31, 2024
Balances with banks	807.86	184.45
Bank balance other than above	188.78	177.27
Cash on hand	0.16	0.44
<b>Total</b>	<b>996.80</b>	<b>362.16</b>

The figures in brackets represent outflows.

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date

**For Walker Chandiook & Co LLP**

Chartered Accountants

ICAI Firm Registration Number: 001076N/N500013

**Rohit Arora**

Partner

Membership No.: 504774

**For and on behalf of the Board of Directors of  
Suzlon Energy Limited****Vinod R. Tanti**

Chairman and Managing Director

DIN: 00002266

**J. P. Chalasani**

Group Chief

Executive Officer

**Himanshu Mody**

Group Chief Financial Officer

**Geetanjali S. Vaidya**

Company Secretary

Membership No.: A18026

Place: Pune

Date: May 29, 2025

Place: Pune

Date: May 29, 2025

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

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### 1. Company information

Suzlon Energy Limited ('SEL' or 'the Company') having CIN: L40100GJ1995PLC025447 is a public company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. Its equity shares are listed on BSE and NSE in India. The registered office of the Company is located at "Suzlon", 5 Shrimali Society, Near Shree Krishna Complex, Navrangpura, Ahmedabad – 380 009, India. The principal place of business is its headquarters located at One Earth, Hadapsar, Pune – 411 028, India.

The Honorable National Company Law Tribunal, Ahmedabad has approved the Scheme of Amalgamation involving merger by absorption of Suzlon Global Services Limited (the "Transferor Company"), a wholly owned subsidiary of the Company, with the Company (the "Transferee Company"), their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 (the "Scheme"), with appointed date of August 15, 2024 ('Appointed date') vide order dated May 08, 2025. Subsequently, upon filing of the certified true copy of the Order with the Registrar of Companies, Ahmedabad on May 10, 2025, the Scheme became effective from Appointed date. Accordingly, the Company has accounted the said merger in accordance with the Scheme and in compliance with the Ind AS 103: Business Combinations, Appendix C: Business Combination of Entities under Common Control. In consequence of above, the financial information in respect of prior period in the financial statements of the Company has been restated as if the business combination had occurred from the beginning of the preceding period in the financial statements.

The Company is primarily engaged in the business of manufacturing of Wind Turbine Generators ('WTGs') and sale of related components of various capacities. Pursuant to the Scheme of Amalgamation being effective with effect from May 10, 2025, the Company has amended its main object clause in the memorandum of association enabling it to carry additional business in India and outside India into activities pertaining to designing and manufacturing of various components used in conventional, non-conventional and renewable and green energy sector, project execution, power evacuation, distribution of power, operation & maintenance and infrastructure development with respect to conventional and non-conventional power projects and setting up of independent power projects and related, incidental and ancillary activities in future.

The resultant Company is now primarily engaged into the business of manufacturing of Wind Turbine Generators ('WTGs') and sale of related components of various capacities, project execution, power evacuation, Operation and Maintenance (O&M) of Wind Turbine Generators (WTG's) and power generation business.

The standalone financial statements were authorised for issue in accordance with a resolution of the Board of Directors on May 29, 2025.

### 2. Basis of preparation and material accounting policies

#### 2.1 Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the standalone financial statements.

These standalone financial statements have been prepared on accrual basis and under the historical cost convention, except for certain financial assets and liabilities, defined benefit plans and share based payments.

The standalone financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest Crore (INR 0,000,000) up to two decimals, except when otherwise indicated.

These standalone financial statements have been prepared in accordance with the accounting policies, set out below and were consistently applied to all periods presented unless otherwise stated. They have been prepared under the assumption that the Company operates on a going concern basis.

### 2.2 Changes in accounting policies and disclosures

#### a. New and amended standards

The Ministry of Corporate Affairs notified new standards or amendment to existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. The Company applied for the first-time certain standards and amendments, which are effective for annual period beginning on or after April 01, 2024.

#### Amendments to Ind AS 116 – Lease liability in a sale and leaseback

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment does not have any impact on the Company's financial statements.

#### Introduction of Ind AS 117

MCA notified Ind AS 117, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. It applies to all types of "insurance contracts" regardless of the type of entities that issue them. However, Ind AS 117 is not applicable to the entities which are insurance companies registered with IRDAI.

The application of Ind AS 117 had no impact on the Company's financial statements as the Company has not entered any contracts in the nature of insurance contracts covered under Ind AS 117.

#### b. Standards issued but are not yet effective

There are no standards that are notified, and not yet effective, upto the date of adoption of the Company's financial statements.

### 2.3 Material accounting policies information

#### a. Current versus non-current classification

The Company segregates assets and liabilities into current and non-current categories for presentation in the balance sheet after considering its normal operating cycle and other criteria set out in Ind AS 1, "Presentation of Financial Statements". For this purpose, current assets and liabilities include the current portion of non-current assets and liabilities respectively.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified period up to twelve months as its operating cycle.

#### b. Foreign currencies

The Company's standalone financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency.

#### Transactions and balances

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

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Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income ('OCI') or profit or loss are also recognised in OCI or profit or loss, respectively.

### **c. Fair value measurement**

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company management determines the policies and procedures for recurring and non-recurring fair value measurement. Involvement of external valuers is decided upon annually by management. The management decides after discussion with external valuers, about valuation technique and inputs to use for each case.

At each reporting date, the Company's management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

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policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. The Company, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes

- Disclosures for valuation methods, significant estimates and assumptions [refer Note 3 and 42]
- Quantitative disclosures of fair value measurement hierarchy [refer Note 43];
- Investment properties [refer Note 2.3 (h)];
- Financial instruments (including those carried at amortised cost) [refer Note 2.3(q)].

### d. Revenue from contracts with customers

Revenue from contracts with customers is recognised at the point in time when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The policy of recognising the revenue is determined by the five-stage model specified by Ind AS 115 "Revenue from contract with customers".

#### i. Sale of equipment

Revenue from sale of equipment is recognised in the statement of profit and loss at the point in time when control of the goods is transferred to the buyer as per the terms of the respective sales order, generally on dispatch of the goods.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation. In determining the transaction price for the sale of equipment, the Company considers the effects of:

- **Variable consideration:** The contracts for sale of equipment provide customers with a right for compensation in case of delayed delivery or commissioning and in some contracts compensation for performance shortfall expected in future over the life of the guarantee. The Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer.
- **Existence of significant financing component:** Generally, the Company receives short-term advances from its customers. Using the practical expedient as per Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.
- **Consideration payable to the customer (if any):** The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g. warranties). At the time of equipment sale, the Company provides operations and maintenance warranty for a standard period for all contracts and extended warranty beyond standard period in few contracts existed at the time of sale. These service-type warranties are bundled together with the sale of equipment. Contracts for bundled sales of goods and a service-type warranty comprise two performance obligations because the promises to transfer the equipment and to provide the service-type warranty are capable of being distinct. Using the relative stand-alone selling price method, a portion of the transaction price is

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

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allocated to the service-type warranty and recognised as a contractual liability. These assurance-type warranties are accounted for under Ind AS 37, refer Note 20. Revenue is recognised over the period in which the service-type warranty is provided based on the time elapsed.

### ii. Operation and maintenance service income ('OMS')

Revenues from operation and maintenance contracts are recognised pro-rata over the period of the contract and when services are rendered.

### iii. Project execution

Revenue from project execution consisting of installation, erection and commissioning of WTG's is recognised on completion of the respective activities identified as per terms of the sales order, net of taxes charged.

### iv. Power evacuation infrastructure facilities ('PE')

Revenue from power evacuation infrastructure facilities is recognised at a point in time upon commissioning and electrical installation of the WTG to the said facilities followed by approval for commissioning of WTG from the concerned authorities.

### v. Land

Revenue from land lease activity is recognised upon the transfer of leasehold rights to the customers. Revenue from sale of land / right to sale land is recognised at the point in time when control of goods is transferred to the customer as per the terms of the respective sales order/ agreement. Revenue from land development is recognised upon rendering of the service as per the terms of the respective sales order.

### vi. Power generation

Income from power generation is recognised on sale of unit generated and invoiced to respective state electricity board.

### vii. Sale of services

Revenue from sale of services is recognised in the statement of profit and loss as and when the services are rendered and when the Company has enforceable right to payment for services transferred.

### Contract balances

**Contract assets:** A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

**Trade receivables:** A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (q) Financial instruments – initial recognition and subsequent measurement.

**Contract liabilities:** A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.



# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

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**Refund liabilities:** A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from the customer. The Company's refund liabilities arise from customers' right of return and volume rebates. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

### e. Interest income

For all financial assets measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income on deposits is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included in finance income in the statement of profit and loss.

### f. Taxes

#### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside statement of profit and loss is recognised either in OCI or in equity. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates the positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred tax

Deferred tax is provided using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities ('DTL') are recognised for all taxable temporary differences, except:

- When the DTL arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets ('DTA') are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. DTA are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the DTA relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, DTA is recognised only to the extent that it is probable that the temporary

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of DTA is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the DTA to be utilised. Unrecognised DTA is re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the DTA to be recovered.

DTA and DTL are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. DTA and DTL are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognised outside statement of profit and loss is recognised either in OCI or in equity.

### g. Property, plant and equipment ('PPE') and Capital work-in-progress ('CWIP')

PPE are stated at cost, net of accumulated depreciation and accumulated impairment loss, if any. Such cost includes the cost of replacing part of the plant and equipment, transportation cost and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

CWIP comprises of the cost of PPE that are not yet ready for their intended use as at the balance sheet date. CWIP is stated at cost, net of accumulated impairment loss, if any.

Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss when they are incurred.

Depreciation is calculated on the written down value method ('WDV') based on the useful lives and residual values estimated by the management in accordance with Schedule II to the Companies Act, 2013. For certain assets, the Company applies different useful lives than those specified in Schedule II, based on a technical evaluation by experts and management's assessment. The management considers these estimates to be reasonable and a fair reflection of the expected period of use of the assets. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal PPE.

Type of asset	Useful lives (years)
Buildings (including electrifications)	28 to 58
Plant and equipment	15 to 22
Moulds	Lower of : 15 years or useful life based on usage
Wind research and measuring equipment	3
Computers and office equipment	3 to 5
Servers and networks	6
Furniture & fixtures and vehicles	10

Gains or losses arising from de recognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset on the date of disposal and are recognised in the statement of profit and loss when the asset is derecognised. The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year end and adjusted prospectively, if appropriate.

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

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### **h. Investment properties**

Investment property comprises property held under a lease, completed property (land or a building or part of a building or both) and property under development or re-development that is held, or to be held, to earn rentals or for capital appreciation or both. It does not include property held use in the production or supply of goods or services or for administrative purposes, nor it includes property held for sale in the ordinary course of business.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment properties are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

The Company depreciates building component of investment property over 58 years from the date of original purchase / date of capitalisation. Though the Company measures investment properties using cost-based measurement, the fair value of investment properties is disclosed in the notes.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit and loss in the period of de-recognition.

Transfers are made to (or from) investment properties only when there is a change in use. Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

### **i. Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortised on a straight-line basis over the useful economic life which generally does not exceed five years and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite life is recognized in the statement of profit and loss under the head Depreciation and amortization expense.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

### **Research and development costs**

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

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- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale,
- Its intention to complete and its ability and intention to use or sell the asset,
- How the asset will generate future economic benefits,
- The availability of resources to complete the asset,
- The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised on a straight-line basis over the period of expected future benefit from the related project, i.e., the estimated useful life. Amortisation is recognised in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

### **j. Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### **k. Leases**

The Company assesses whether a contract contains a lease, at inception of a contract. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### **• Company as a lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### **i. Right-of-use assets (ROU assets)**

The Company's lease asset classes primarily consist of leases for land, buildings and vehicles. The Company recognises ROU assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). ROU assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The ROU assets are also subject to impairment. Refer Note 2.3(m) for the accounting policies.

#### **ii. Lease liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable. In calculating the present value of lease payments, the Company uses its borrowing rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term or a change in the lease payments.

### iii. Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leased asset (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. For the short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

#### • Company as a lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset is classified as operating lease. Assets subject to operating leases other than land, building and vehicles are included in PPE. Lease income on an operating lease is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the statement of profit and loss.

### I. Inventories

Inventories of raw materials including components, project materials, stock in trade, stores and spares and consumables, packing materials, semi-finished goods, components, work-in-progress, project work-in-progress and finished goods are valued at the lower of cost and estimated net realisable value. Inventories held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of inventory is determined on a moving weighted average basis.

Inventories include some materials that are repaired as well as repairable as at the balance sheet date. Net realisable value of such materials is determined considering the remaining useful life of the material after repairs based on the technical estimates.

The cost of work-in-progress, semi-finished goods and finished goods includes the cost of material, labour and a proportion of overheads. Project work-in-progress includes cost of civil, electrical line, installation of WTG's and portion of non-utilised charges paid for capacity allocation, PE facilities which are in process as at the balance sheet date.

Inventories of land and land lease rights is valued at lower of cost and estimated net realisable value. Cost is determined on average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

### m. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ('CGU') net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognised in the statement of profit and loss.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term

growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/ forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

The impairment loss recognised in prior accounting periods is reversed if there has been a change in estimates of recoverable amount. The carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

Goodwill and intangible assets with indefinite useful life are tested for impairment annually as at year end. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

The Company assesses whether climate risks, including physical risks and transition risks could have a significant impact. If so, these risks are included in the cash-flow forecasts in assessing value-in-use amounts.

### **n. Provisions, Contingent liabilities and contingent assets**

#### **Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

#### **Contingent liabilities**

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resource embodying economic benefit will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

The Company does not recognise a contingent liability and contingent assets but discloses it as per Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets in the financial statements unless the possibility of an outflow of resources embodying economic benefit is remote.

#### **Contingent assets**

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by- the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. The Company does not recognize the contingent asset in its standalone financial statements since this may result in the recognition of income that may never be realised. Where an inflow of economic benefits is probable, the Company disclose a brief description of the nature of contingent

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assets at the end of the reporting period. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and the Company recognizes such assets.

Provisions, contingent liabilities and contingent assets are reviewed at each reporting date.

### **o. Employee benefits**

#### **i. Short-term employee benefits:**

Employee benefits such as short-term compensated absences, bonus, ex-gratia and performance linked rewards falling due within twelve months of rendering the service are classified as short-term employee benefits and are charged to the statement of profit and loss in the period in which the employee renders the service.

#### **ii. Post-employment benefits:**

##### **A. Defined contribution schemes:**

The Company provides defined contribution schemes such as statutory provident fund, employee state insurance, voluntary superannuation and the pension plan. The Company has no obligation other than the contribution payable to the funds which is recognised as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

##### **B. Defined benefit plan:**

The employee's gratuity fund scheme managed by board of trustees established by the Company, represent defined benefit plan. Gratuity is provided for on the basis of actuarial valuation, using projected unit credit method as at each balance sheet date.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to statement of profit and loss in subsequent periods. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognised the following changes in defined benefit obligation as an expense in statement of profit or loss:

- Service cost comprising of current service cost, past service cost gains and loss on entitlements and non-routine settlement.
- Net interest expenses or income.

Gains or losses on settlement of any defined benefit plan are recognised when the settlement occurs. In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

#### **iii. Long-term employee benefits:**

The Company provides long-term benefits such as Retention bonus (i.e long service award) and compensated absences. Retention bonus is awarded to certain cadre of employees on completion of specific years of service. The obligation recognised in respect of these long-term benefits is measured at present value of estimated future cash flows expected to be made by the Company and is recognised on the basis of actuarial valuation, using projected unit credit method as at each balance sheet date. As

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the Company does not have an unconditional right to defer its settlement for 12 months after the reporting date, the entire leave is presented as a current liability in the balance sheet and expenses recognised in statement of profit and loss account. Long-term compensated balances and retention bonus are unfunded.

### **p. Share based payment**

Employees of the Company has been granted Employee Stock Option Plan, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. Further details are given in Note 36.

That cost is recognised, together with a corresponding increase in Share options outstanding account in other equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

At the end of each reporting period, the Company revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in statement of profit and loss with a corresponding adjustment to equity.

The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense with a corresponding increase in Share options outstanding account in other equity. In case of the employee stock option schemes having a graded vesting schedule, each vesting tranche having different vesting period has been considered as a separate option grant and accounted for accordingly.

Where shares are forfeited due to a failure by the employee to satisfy the service conditions, any expenses previously recognised in relation to such shares are reversed effective from the date of the forfeiture.

Employees of the subsidiary companies also received the options in the form of share based payment transactions. The cost of equity settled transactions are recovered by the Company from the subsidiary companies on yearly basis based on the estimated options that will vest to the employees of the subsidiary companies.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

### **q. Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **i. Financial assets**

##### ***Initial recognition and measurement***

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, on initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit or loss, its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.



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Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in 2.3 (d) - Revenue from contracts with customers.

### ***Subsequent measurement***

For purposes of subsequent measurement, financial assets are classified in below categories:

- at amortized cost
- at fair value through other comprehensive income (FVTOCI)
- at fair value through profit or loss (FVTPL)

### ***Financial assets at amortised cost***

A financial asset is measured at amortised cost if both the following conditions are met:

- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method and are subject to impairment as per the accounting policy applicable to 'Impairment of financial assets.'

### ***Financial assets at FVTOCI***

A financial asset is classified as at the FVTOCI if both the following conditions are met::

- a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b. The asset's contractual cash flows represent SPPI.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method. The Company has not designated any financial asset as at FVTOCI.

### ***Financial assets at FVTPL***

Any financial asset, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

Financial asset included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss. In addition, the Company may elect to designate a financial asset, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

For all equity investments, the Company accounts for the investment at FVTPL. The fair value is determined in line with the requirements of Ind AS 113 'Fair value measurements'.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI

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to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Assets in this category are measured at fair value with all changes recognized in the statement of profit and loss. The fair values of financial assets in this category are determined by reference to active market transaction or using a valuation technique where no active market exists.

### ***De-recognition***

A financial asset (or, where applicable, a part of a financial asset or part of Company's similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  - a. the Company has transferred substantially all the risks and rewards of the asset, or
  - b. The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### ***Impairment of financial assets***

In accordance with Ind AS 109, the Company recognises an allowance for expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a. Financial assets measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- b. Financial assets that are measured as at FVTOCI.
- c. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 Revenue from contracts with customers.
- d. Loan commitments and financial guarantee which are not measured as at FVTPL.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and contract assets. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument

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improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company considers a financial asset in default when payments are past due as per contractual terms. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### ii. Financial liabilities

#### ***Initial recognition and measurement***

At initial recognition, financial liabilities are classified at FVTPL, at fair value through other equity, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

#### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

#### ***Financial liabilities at fair value through profit or loss***

Financial liabilities at FVTPL include financial liabilities held for trading and designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at FVTPL are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains / losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability at FVTPL.

#### ***Financial liabilities at amortised cost (Loans and borrowings)***

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

#### ***Derecognition***

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially

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different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

### **Reclassification of financial assets and liabilities**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **r. Earnings per share**

Basic earnings per share are calculated by dividing the net profit/ (loss) after tax for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for any bonus shares issued during the year and also after the balance sheet date but before the date the financial statements are approved by the board of directors.

Diluted earnings per share are calculated by dividing the net profit/ (loss) after tax for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been outstanding on issue / conversion of all dilutive potential equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date.

### **s. Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **t. Dividend**

The Company recognises a liability to pay dividend when the distribution is authorised by way of approval of shareholders. A corresponding amount is recognised directly in equity.

### **u. Events after the reporting period**

If the Company receives information after the reporting period, but prior to the date the financial statements are approved for issue, about conditions that existed at the end of the reporting period, the Company assess

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whether the information affects the amounts that it recognises in its financial statements. The Company will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Company will not change the amounts recognised in its financial statements but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

### 2.4. Other accounting policies

#### a. Government grants and subsidies

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant / subsidy will be received.

When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

#### b. Non-current assets held for sale

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered high probable to be concluded within 12 months from the balance sheet date.

Such non-current assets or disposal groups are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets including those that are part of a disposal group held for sale are not depreciated or amortised while they are classified as held for sale.

#### c. Derivative financial instruments and hedge accounting

##### Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss.

Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Company's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

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- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment,
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment,
- Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

### **i. Fair value hedges**

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in statement of profit and loss.

### **ii. Cash flow hedges**

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in finance income or expenses.

Amounts recognised as OCI are transferred to statement of profit and loss when the hedged financial income or financial expense is recognised or when a forecast sale occurs.

When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI

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remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

### 2.5. Climate-related matters

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though the Company believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are:

- a. Useful life of property, plant and equipment:** When reviewing the residual values and expected useful lives of assets, the Company considers climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures.
- b. Impairment of non-financial assets:** The value-in-use may be impacted in several different ways by transition risk in particular, such as climate-related legislation and regulations and changes in demand for the Company's products. The Company considered expectations for increased costs of emissions, increased demand for goods sold by the Company's WTG equipment CGU and cost increases due to stricter recycling requirements in the cash-flow forecasts in assessing value-in-use amounts.
- c. Fair value measurement:** For revalued office properties, the Company considers the effect of physical and transition risks and whether investors would consider those risks in their valuation. The Company believes it is not currently exposed to severe physical risks, but believes that investors, to some extent, would consider impacts of transition risks in their valuation, such as increasing requirements for energy efficiency of buildings due to climate-related legislation and regulations as well as tenants' increasing demands for low-emission buildings.

### 3. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### 3.1 Significant judgements in applying the Company's accounting policy

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the standalone financial statements:

##### a. Operating lease commitments – Company as a lessor

The Company has entered into commercial property leases on its investment property portfolio. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

##### b. Revenue from contracts with customers

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

- *Identifying performance obligations*

The Company supplies WTG that are either sold separately or bundled together with project execution activities to customers.

The Company determined that both the supply of WTGs and project execution activities can be performed distinctly on a stand-alone basis which indicates that the customer can benefit from respective performance obligations on their own. The Company also determined that the promises to supply the WTG and execute projects are distinct within the context of the contract and are not inputs to a combined item in the contract. Further, the WTG supply and project execution activities are not highly interdependent or highly interrelated, as the Company would be able to supply WTGs wherein the project execution activities can be performed by customers directly. Further, the Company uses output method for measuring the progress of performance obligation as it represents a faithful depiction of the transfer of goods or services.

- *Determining method to estimate variable consideration and assessing the constraint*

Contracts for the supply of WTGs and project execution activities include a right for penalty in case of delayed delivery or commissioning and compensation for performance shortfall expected in future over the life of the guarantee assured that give rise to variable consideration. In estimating the variable consideration, the Company considers the dynamics of each contract and the factors relevant to that sale on a case-to-case basis.

Before including any amount of variable consideration in the transaction price, the Company considers whether the amount of variable consideration is constrained. The Company determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

### 3.2 Significant accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Uncertainty about these assumption and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### a. Allowance for trade receivables

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowance for expected credit loss ("ECL"). The Company recognises impairment loss allowance based on management judgment and the financial position of customers. For recognition of impairment loss, the Company follows 'simplified approach' on trade receivables. It recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Details on movement in allowance for credit impairment and expected credit loss are given in Note 10.2.

#### b. Taxes

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, future tax planning strategies. The Company has unabsorbed depreciation and brought forward losses details of which are given in Note 32.3.



### **c. Defined benefit plans (gratuity benefits)**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. Assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The estimates of future salary increase consider the inflation, seniority, promotion and other relevant factors.

Further details about gratuity obligations are given in Note 35.

### **d. Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted cash flow ("DCF") model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer Note 42 for further disclosures.

### **e. Intangible assets under development**

The Company capitalises intangible assets under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. The carrying value of intangible assets under development has been disclosed in Note 8.

### **f. Property, plant and equipment**

Refer Note 2.3 (g) for the estimated useful life and Note 4 for carrying value of property, plant and equipment.

### **g. Share based payment**

Estimating fair value for share based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share based payment transactions are disclosed in Note 36.

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

### 4. Property, plant and equipment

Particulars	Gross carrying value				Accumulated depreciation						Net carrying value
	As at April 1, 2024	Additions	Translation adjustment	Deductions	As at March 31, 2025	As at April 1, 2024	Charge for the year	Translation adjustment	Deductions	As at March 31, 2025	As at March 31, 2025
Land	111.20	0.24	-	-	111.44	-	-	-	-	-	111.44
Buildings	410.32	14.51	-	1.09	423.74	215.12	16.30	-	0.63	230.79	192.95
Plant and equipment	529.36	95.28	-	60.77	563.87	322.75	80.89	-	45.51	358.13	205.74
Wind research and measuring equipment	16.77	15.66	-	0.74	31.69	10.85	4.75	-	0.63	14.97	16.72
Computers and office equipment	99.00	37.34	0.42	33.65	103.11	73.36	19.68	0.32	30.83	62.53	40.58
Furniture and fixtures	33.49	3.07	0.06	1.97	34.65	25.85	1.59	0.05	1.72	25.77	8.88
Vehicles	18.76	1.35	-	1.31	18.80	16.10	0.91	-	1.21	15.80	3.00
<b>Total</b>	<b>1,218.90</b>	<b>167.45</b>	<b>0.48</b>	<b>99.53</b>	<b>1,287.30</b>	<b>664.03</b>	<b>124.12</b>	<b>0.37</b>	<b>80.53</b>	<b>707.99</b>	<b>579.31</b>

Particulars	Gross carrying value				Accumulated depreciation						Net carrying value
	As at April 1, 2023	Additions	Translation Adjustment	Deductions	As at March 31, 2024	As at April 1, 2023	Charge for the year	Translation Adjustment	Deductions	As at March 31, 2024	As at March 31, 2024
Land	110.75	0.45	-	-	111.20	-	-	-	-	-	111.20
Buildings	401.30	11.72	-	2.70	410.32	200.40	16.34	-	1.62	215.12	195.20
Plant and equipment	504.54	107.48	-	82.66	529.36	361.14	40.91	-	79.30	322.75	206.61
Wind research and measuring equipment	16.05	4.46	-	3.74	16.77	10.09	4.13	-	3.37	10.85	5.92
Computers and office equipment	91.28	18.10	0.15	10.53	99.00	70.73	11.92	0.12	9.41	73.36	25.64
Furniture and fixtures	44.70	2.53	0.02	13.76	33.49	36.26	1.08	0.02	11.51	25.85	7.64
Vehicles	21.01	0.04	-	2.29	18.76	17.12	1.02	-	2.04	16.10	2.66
<b>Total</b>	<b>1,189.63</b>	<b>144.78</b>	<b>0.17</b>	<b>115.68</b>	<b>1,218.90</b>	<b>695.74</b>	<b>75.40</b>	<b>0.14</b>	<b>107.25</b>	<b>664.03</b>	<b>554.87</b>

#### Notes:

- Buildings include those constructed on leasehold land forming part of ROU assets.
- For contractual commitment with respect to property, plant and equipment refer Note 38.
- The translation adjustment is the difference resulting from translating foreign currency to Indian currency at closing exchange rate.

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

### 5. Capital work-in-progress (CWIP)

CWIP as at March 31, 2025 stood at ₹ 59.59 Crore (previous year: ₹ 4.28 Crore), which primarily includes office building under construction and plant and equipment under installation.

#### 5.1 Movement of CWIP during the year:

	March 31, 2025	March 31, 2024
Opening balance	4.28	1.99
Additions during the year	141.02	110.43
Capitalized during the year	(85.71)	(108.14)
<b>Closing balance</b>	<b>59.59</b>	<b>4.28</b>

#### 5.2 CWIP ageing schedule

	< 1 year	1-2 years	2-3 years	> 3 years	Total
<b>As at March 31, 2025</b>					
Projects in progress	57.19	2.40	-	-	59.59
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>57.19</b>	<b>2.40</b>	<b>-</b>	<b>-</b>	<b>59.59</b>
<b>As at March 31, 2024</b>					
Projects in progress	4.28	-	-	-	4.28
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>4.28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.28</b>

During the year, there are no projects whose completion is overdue or has exceeded its cost compared to its original plan. The expected completion schedule for amounts lying in CWIP as at the year-end is within 1 to 2 years.

### 6. Intangible assets

	Design and drawings	SAP and other software	Total
<b>Gross carrying value</b>			
Balance as of April 1, 2024	756.79	38.82	795.61
Additions	51.09	5.21	56.30
Translations adjustment	-	0.19	0.19
Deductions	(-)	0.01	0.01
<b>Balance as at March 31, 2025</b>	<b>807.88</b>	<b>44.23</b>	<b>852.11</b>
Balance as of April 1, 2023	719.33	36.62	755.95
Additions	37.99	2.12	40.11
Translations adjustment	-	0.08	0.08
Deductions	(0.53)	-	(0.53)
<b>Balance as at March 31, 2024</b>	<b>756.79</b>	<b>38.82</b>	<b>795.61</b>

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

	Design and drawings	SAP and other software	Total
<b>Accumulated amortisation</b>			
Balance as of April 1, 2024	703.21	37.05	740.26
Amortisation	18.98	1.35	20.33
Translations adjustment	-	0.16	0.16
Deductions	-	0.01	0.01
<b>Balance as at March 31, 2025</b>	<b>722.19</b>	<b>38.57</b>	<b>760.76</b>
Balance as of April 1, 2023	656.49	35.60	692.09
Amortisation	47.25	1.38	48.63
Translations adjustment	-	0.07	0.07
Deductions	(0.53)	-	(0.53)
<b>Balance as at March 31, 2024</b>	<b>703.21</b>	<b>37.05</b>	<b>740.26</b>
<b>Net carrying value as at March 31, 2025</b>	<b>85.69</b>	<b>5.66</b>	<b>91.35</b>
<b>Net carrying value as at March 31, 2024</b>	<b>53.58</b>	<b>1.77</b>	<b>55.35</b>

Notes :

- Designs and drawings represent internally generated intangible asset.
- The translation adjustment is the difference resulting from translating foreign currency to Indian currency at closing exchange rate.

### 7. Investment properties

The Company's investment properties consist of three commercial properties given on lease.

	March 31, 2025	March 31, 2024
<b>Gross carrying value</b>		
Opening balance	49.77	53.44
Additions	0.41	-
Deduction	(1.17)	(3.67)
<b>Closing balance (a)</b>	<b>49.01</b>	<b>49.77</b>
<b>Accumulated depreciation</b>		
Opening balance	22.76	24.23
Depreciation	1.43	1.52
Deduction	(0.93)	(2.99)
<b>Closing balance (b)</b>	<b>23.26</b>	<b>22.76</b>
<b>Net carrying value (a-b)</b>	<b>25.75</b>	<b>27.01</b>

#### 7.1 Information regarding income and expenditure of investment properties:

	March 31, 2025	March 31, 2024
Rental income derived from investment properties	11.57	11.67
Direct operating expenses (including repairs and maintenance)	(1.67)	(1.69)
Depreciation	(1.43)	(1.52)
<b>Profit before indirect expenses</b>	<b>8.47</b>	<b>8.46</b>

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

### 7.2 Fair value and valuation techniques:

As at March 31, 2025, and March 31, 2024, the fair value of the investment properties were ₹ 72.57 Crore and ₹ 64.80 Crore respectively. The fair valuation is derived by management internally on the basis of Discounted Cash Flow (“DCF”) method. Description of key inputs to valuation on investment properties is as below:

Investment property	Significant unobservable inputs	Percentage		
		March 31, 2025	March 31, 2024	
Godrej	Rent growth p.a.	5%	5%	
Millennium	Rent growth p.a. (for terminal value)	2%	2%	
Condominium	Long term vacancy rate	0%	0%	
	Long term vacancy rate (for terminal value)	Nil	Nil	
	Discount rate	12.46%	14.03%	
	Aqua Lounge	Rent growth p.a.	5%	5%
One Earth (refer Note 46.2)	Rent growth p.a. (for terminal value)	2%	2%	
	Long term vacancy rate	10%	10%	
	Long term vacancy rate (for terminal value)	7%	7%	
	Discount rate	12.46%	14.03%	
Sun Lounge	Rent growth p.a.	5%	5%	
	One Earth (refer Note 46.2)	Rent growth p.a. (for terminal value)	2%	2%
	Long term vacancy rate	10%	10%	
	Long term vacancy rate (for terminal value)	7%	7%	
	Discount rate	12.46%	14.03%	

Under the DCF method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the investment property life including an exit or terminal value. This method involves the projection of a series of cash flows on a real property interest. To this projected cash flow series, a market-derived discount rate is applied to establish the present value of the income stream associated with the investment property.

The Company has entered into certain contractual arrangements related to investment properties associated with One Earth. For further details, please refer Note 46.2.

Fair value hierarchy disclosures for investment properties have been provided in Note 43.

### 8. Intangible assets under development (IAUD)

Intangible assets under development as at March 31, 2025 stood at ₹ 16.35 Crore (previous year: ₹ 3.51 Crore), which primarily includes designs and drawings under development.

#### 8.1 Movement of IAUD during the year:

	March 31, 2025	March 31, 2024
Opening balance	3.51	3.43
Additions during the year	63.94	38.07
Capitalized during the year	(51.10)	(37.99)
<b>Closing balance</b>	<b>16.35</b>	<b>3.51</b>

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

### 8.2 IAUD ageing schedule

	< 1 year	1-2 years	2-3 years	> 3 years	Total
<b>As at March 31, 2025</b>					
Projects in progress	16.35	-	-	-	16.35
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>16.35</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16.35</b>
<b>As at March 31, 2024</b>					
Projects in progress	3.51	-	-	-	3.51
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>3.51</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.51</b>

During the year, there are no projects whose completion is overdue or has exceeded its cost compared to its original plan.

### 9. Investments

#### Non-current

	March 31, 2025	March 31, 2024
<b>9.1 Investments in equity instrument in an associate, at cost (Unquoted)</b>		
Suzlon Energy (Tianjin) Limited, China	58.33	58.33
Less: Impairment allowance	(58.33)	(58.33)
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Aggregate amount of unquoted investments in an associate</b>	<b>58.33</b>	<b>58.33</b>
<b>Aggregate impairment allowance for investments in an associate measured at cost</b>	<b>(58.33)</b>	<b>(58.33)</b>
<b>9.2 Investments in subsidiaries (Unquoted)</b>		
<b>a. in equity instrument of Indian subsidiaries, at cost</b>		
i. 20 (previous year: 20) equity shares of ₹ 10 each fully paid of Varadvinayak Renewables Limited	0.00*	0.00*
ii. Nil (previous year: 20) equity shares of ₹ 10 each fully paid of Suzlon Western India Projects Limited (formerly Manas Renewables Limited)	-	0.00*
iii. Nil (previous year: 20) equity shares of ₹ 10 each fully paid of Suzlon Southern Projects Limited (formerly Vakratunda Renewables Limited)	-	0.00*
iv. 375,020 (previous year: 375,020) equity shares of ₹ 10 each fully paid of Vignaharta Renewables Limited	37.50	37.50
v. 20 (previous year: 20) equity shares of ₹ 10 each fully paid of Suzlon Shared Services Limited (formerly Sirocco Renewables Limited)	0.00*	0.00*
vi. 7,84,920,791 (previous year: 7,84,920,791) equity shares of ₹ 10 each fully paid of SE Forge Limited	1,044.96	1,044.96
Less: Impairment allowance	(754.23)	(754.23)
vii. 1,25,420 (previous year: 1,25,420) equity shares of ₹ 10 each fully paid of SWE Wind Project Services Limited	12.54	12.54
Less: Impairment allowance	(0.57)	(0.57)

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

	March 31, 2025	March 31, 2024
viii. 62,820 (previous year: 62,820) equity shares of ₹ 10 each fully paid of Suryodaya Renewables Limited	6.28	6.28
Less: Impairment allowance	(0.25)	(0.25)
ix. 45,000 (previous year: 14) equity shares of ₹ 10 each fully paid of Suzlon projects Limited (formerly Suyash Renewables Limited)	0.05	0.00*
x. 20 (previous year: 14) equity shares of ₹ 10 each fully paid of Gale Green Urja Limited	0.00*	0.00*
xi. 2,50,420 (previous year: 2,50,420) equity shares of ₹ 10 each fully paid of SWE Renewables Limited	25.04	25.04
Less: Impairment allowance	(1.05)	(1.05)
xii. 30,00,000 (previous year: Nil) equity shares of ₹ 10 each fully paid of Renom Energy Services Private Limited (refer Note 46.1)	907.40	-
xiii. 1,24,59,15,359 (previous year: 1,24,59,15,359) equity shares of ₹ 10 each of Suzlon Renewable Development Limited (formerly Suzlon Gujarat Wind Park Limited)	191.60	191.60
Less: Impairment allowance	(191.60)	(191.60)
<b>Total</b>	<b>1,277.68</b>	<b>370.23</b>
<b>b. in preference shares of Indian subsidiaries, at cost</b>		
1,65,00,000 (previous year: Nil) 8% Optionally Convertible Redeemable Preference Shares ('OCRPS') of ₹ 100/- each of Suzlon Renewable Development Limited (formerly Suzlon Gujarat Wind Park Limited)	165.00	-
Less: Impairment allowance	(165.00)	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>c. in equity shares of overseas subsidiaries, at cost</b>		
i. 54,23,712 (previous year: 54,23,712) equity shares of Euro 10 each fully paid of AE Rotor Holding B.V., The Netherlands	418.21	418.21
Less: Impairment allowance	(418.21)	(418.21)
ii. 3,77,90,592 (previous year: 3,77,90,592) equity shares of Suzlon Energy Limited, Mauritius.	71.99	71.99
Less: Impairment allowance	(71.99)	(71.99)
iii. Suzlon Wind Energy Equipment Trading (Shanghai) Co. Limited, China	10.11	10.11
Less: Impairment allowance	(10.11)	(10.11)
<b>Total</b>	<b>-</b>	<b>-</b>
<b>d. in preference shares of overseas subsidiaries, at FVTPL</b>		
46,99,567 (previous year: 46,99,567) 10% non-cumulative redeemable preference shares of MUR 100 each fully paid of Suzlon Energy Limited Mauritius.	84.46	84.86
Less: Impairment allowance	(84.46)	(84.86)
<b>Total</b>	<b>-</b>	<b>-</b>

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

	March 31, 2025	March 31, 2024
<b>9.3 Other investments, at FVTPL (unquoted)</b>		
a. Investments in government securities	0.01	0.01
b. 7,550 (previous year: 7,550) equity shares of ₹ 10 each fully paid of Saraswat Co-operative Bank Limited	0.01	0.01
c. 30 (previous year: 30) equity shares of ₹ 10 of Godrej Millennium Condominium	0.00*	0.00*
<b>Total</b>	<b>0.02</b>	<b>0.02</b>
<b>Total investments</b>	<b>1,277.69</b>	<b>370.25</b>
<b>Aggregate amount of unquoted investments (cost)</b>	<b>3,033.49</b>	<b>1,961.45</b>
<b>Aggregate impairment allowance</b>	<b>(1,756.20)</b>	<b>(1,591.20)</b>

	March 31, 2025	March 31, 2024
<b>Current</b>		
<b>Investment in mutual funds at FVTPL</b>		
Nil (previous year : 17,761 units of ₹ 3,895.78 each) SBI overnight fund direct growth plan	-	6.92
Nil (previous year : 3,723 units of ₹ 3,849.00 each) SBI overnight fund regular growth plan	-	1.43
<b>Total</b>	<b>-</b>	<b>8.35</b>

**9.4** The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

\*Less than ₹ 0.01 Crore.

### 10. Trade receivables

	March 31, 2025	March 31, 2024
<b>Non-current</b>		
Unsecured, credit impaired	136.76	194.83
Less: Allowance for credit impairment	(136.76)	(194.83)
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Current</b>		
Unsecured, considered good	3,720.76	1,676.80
Less: Allowance for expected credit loss	(37.86)	(18.24)
<b>Total</b>	<b>3,682.90</b>	<b>1,658.56</b>

Refer Note 41.2 for the for details of balances with related parties.

Trade receivables are non-interest bearing and are generally on terms as per contractual milestone.



# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

### 10.1 Ageing schedule for trade receivables

	Current but not due	Outstanding from due date of payment					Total
		< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	
<b>As at March 31, 2025</b>							
<b>Undisputed trade receivables</b>							
Considered good	1,670.40	1,444.05	318.16	160.40	67.44	29.04	3,689.49
Credit impaired	-	4.52	0.78	17.63	15.69	95.72	134.34
<b>Disputed trade receivables</b>							
Considered good	-	1.32	5.97	0.75	0.31	22.92	31.27
Credit impaired	-	0.14	0.28	0.45	0.38	1.17	2.42
<b>Gross trade receivables</b>	<b>1,670.40</b>	<b>1,450.03</b>	<b>325.19</b>	<b>179.23</b>	<b>83.82</b>	<b>148.85</b>	<b>3,857.52</b>
Allowance for credit impairment and expected credit loss	-	-	-	-	-	-	(174.62)
<b>Total</b>							<b>3,682.90</b>
<b>As at March 31, 2024</b>							
<b>Undisputed trade receivables</b>							
Considered good	-	1,143.40	208.70	136.96	32.44	127.57	1,649.07
Credit impaired	-	5.40	2.72	18.97	25.09	138.67	190.85
<b>Disputed trade receivables</b>							
Considered good	-	1.59	0.01	3.79	0.07	22.28	27.74
Credit impaired	-	-	-	1.43	0.40	2.14	3.97
<b>Gross trade receivables</b>		<b>1,150.39</b>	<b>211.43</b>	<b>161.15</b>	<b>58.00</b>	<b>290.66</b>	<b>1,871.63</b>
Allowance for credit impairment and expected credit loss	-	-	-	-	-	-	(213.07)
<b>Total</b>	-	-	-	-	-	-	<b>1,658.56</b>

Refer note 12 for the Income Accrued but not due.

### 10.2 Movement in allowance for credit impairment and expected credit loss is as under:

	March 31, 2025	March 31, 2024
Balance as at the beginning of the year	213.07	199.50
Add: Impairment / (reversal) during the year, net	(38.45)	13.57
<b>Balance as at the end of the year</b>	<b>174.62</b>	<b>213.07</b>

### 10.3 Transactions with struck off companies:

Name of struck off company	Nature of transaction	Transaction during the year ended		Balance outstanding as at		Relationship with struck off company
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	
		Akilan Future Sakthi Pvt Ltd	Receivable	-	-	
	Sales	0.35	-	-	-	
	Receipt	(0.30)	-	-	-	

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

### 11. Loans

	March 31, 2025	March 31, 2024
<b>Non-current</b>		
Inter-corporate deposits to related parties		
Unsecured, considered good	139.06	95.07
Credit impaired	13.29	281.14
Less: Allowance for credit impaired	(13.29)	(281.14)
<b>Total</b>	<b>139.06</b>	<b>95.07</b>
<b>Current</b>		
Unsecured, considered good		
Loans to employees	0.27	0.26
<b>Total</b>	<b>0.27</b>	<b>0.26</b>

Inter-corporate deposits to related parties are repayable from February 28, 2027, to June 30, 2030, and carry interest rate @ 10% per annum. They have an option to make prepayment of the loans during the term.

### 12. Other financial assets

	March 31, 2025	March 31, 2024
<b>Non-current</b>		
Bank balances (refer Note a below)	1,036.28	802.46
Security deposits		
Unsecured, considered good	26.39	16.47
Credit impaired	0.86	3.30
Less: Allowance for impairment	(0.86)	(3.30)
	<b>26.39</b>	<b>16.47</b>
Advances recoverable in cash		
Credit impaired	318.61	317.21
Less: Allowance for impairment	(318.61)	(317.21)
	-	-
Other assets (refer Note b below)	-	52.89
<b>Total</b>	<b>1,062.67</b>	<b>871.82</b>
<b>Current</b>		
Security deposits (unsecured, considered good)	3.30	9.62
Interest accrued on deposits	31.75	16.41
Advances recoverable in cash (considered good)	17.58	20.80
Income Accrued but not due	87.33	89.39
Other assets (refer Note b below)	45.67	17.45
<b>Total</b>	<b>185.63</b>	<b>153.67</b>

**12.1** Bank balances mainly represents margin money deposits, which are subject to first charge towards non-fund based facilities from banks and financial institutions.

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

**12.2** Other assets primarily include ₹ 41.12 Crore (previous year: ₹ 67.73 Crore) towards expenditure incurred by Company on development of infrastructure facilities for power evacuation arrangements as per authorisation of the State Electricity Board ('SEB') / Nodal agencies in Maharashtra and Tamil Nadu. The expenditure is reimbursed, on agreed terms, by the SEB/ Nodal agencies. In certain cases, the Company had received contribution towards power evacuation infrastructure from customers in the ordinary course of business. The cost incurred towards development of infrastructure facility is reduced by the reimbursements received from SEB/ Nodal agencies and the net amount is shown as 'Infrastructure Development Asset' under other financial assets. During the year, the Company had provided for ₹ 5.13 Crore (previous year: ₹ Nil) based on ECL at the reporting date.

All the financial assets are measured at amortised cost.

### 13. Other assets

	March 31, 2025	March 31, 2024
<b>Non-current</b>		
Capital advances (unsecured, considered good)	59.50	23.35
Advances recoverable in kind (unsecured, considered doubtful)		
Advances to others	4.29	1.22
Less: Allowance for impairment	(4.29)	(1.22)
	-	-
Advance income tax (net of provisions)	0.03	49.11
Prepaid expenses	3.01	0.15
<b>Total</b>	<b>62.54</b>	<b>72.61</b>
<b>Current</b>		
Advances recoverable in kind (unsecured, considered good)		
Advances to related parties	-	-
Advances to others	222.60	182.64
Advances to employees	2.44	1.95
Prepaid expenses	79.86	49.88
Balances with government / statutory authorities	278.74	195.04
Others	-	0.62
<b>Total</b>	<b>583.64</b>	<b>430.13</b>

### 14. Inventories (valued at lower of cost and net realisable value)

	March 31, 2025	March 31, 2024
Raw materials [including goods in transit of ₹ 381.38 Crore (previous year: ₹ 150.38 Crore)]	1,685.16	1,259.69
Finished goods, semi-finished goods and work-in-progress	901.36	631.00
Stores and spares	270.34	161.39
Land and lease rights	0.25	1.44
<b>Total</b>	<b>2857.11</b>	<b>2053.52</b>

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

### 15. Cash and cash equivalents

	March 31, 2025	March 31, 2024
<b>a. Cash and cash equivalents</b>		
Balances with banks	807.86	184.45
Cash on hand	0.16	0.44
	<b>808.02</b>	<b>184.89</b>
<b>b. Bank balance other than (a) above</b>	188.78	177.27
<b>Total</b>	<b>996.80</b>	<b>362.16</b>

There are no restrictions with regard to cash and cash equivalents at the end of the financial year and previous year.

### 16. Equity share capital

	March 31, 2025	March 31, 2024
<b>Authorised shares</b>		
10,526.50 Crore # (previous year: 5,500.00 Crore) equity shares of ₹ 2 each	<b>21,053.00</b>	<b>11,000.00</b>
<b>Issued shares</b>		
1,366.77 Crore (previous year: 1,362.34 Crore) equity shares of ₹ 2 each fully paid-up	2,733.53	2,724.69
0.82 Crore (previous year: 0.82 Crore) equity shares of ₹ 2 each partly paid-up ₹ 1 each.	1.64	1.64
	<b>2,735.17</b>	<b>2,726.33</b>
<b>Subscribed shares</b>		
1,364.87 Crore (previous year: 1,360.45 Crore) equity shares of ₹ 2 each fully paid-up	2,729.74	2,720.90
0.82 Crore (previous year: 0.82 Crore) equity shares of ₹ 2 each partly paid-up ₹ 1 each.	1.64	1.64
	<b>2,731.38</b>	<b>2,722.54</b>
<b>Paid-up shares</b>		
<b>Fully paid-up shares</b>		
1,364.87 Crore (previous year: 1,360.45 Crore) equity shares of ₹ 2 each fully paid-up.	2,729.74	2,720.90
<b>Partly paid-up shares</b>		
Nil (previous year: 0.82 Crore) equity shares of ₹ 2 each partly paid-up ₹ 1 each.	-	0.82
Amount paid-up on 0.82 Crore (previous year: Nil) equity shares of ₹ 2 each forfeited	2.05	-
	<b>2,731.79</b>	<b>2,721.72</b>

# During the year ended March 31, 2025, the Company's authorised share capital has increased, with requisite regulatory approvals because of the mergers given effect as referred to in Note 1.

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

### 16.1 Reconciliation of the equity shares:

Particulars	March 31, 2025		March 31, 2024	
	Number of shares (Crore)	₹ Crore	Number of shares (Crore)	₹ Crore
<b>Opening balance</b>	<b>1,361.27</b>	<b>2,721.72</b>	<b>1,247.31</b>	<b>2,454.40</b>
Issued during the year				
- Employee share options (refer Note 36)	4.42	8.84	-	-
- Issue/ (forfeiture) of Rights equity shares	(0.82)**	(0.82)**	-	39.40
- Qualified Institutional Placement	-	-	113.96	227.92
<b>Closing balance</b>	<b>1,364.87</b>	<b>2,729.74</b>	<b>1,361.27</b>	<b>2,721.72</b>

\*\* On May 24, 2024, the Board of Directors of the Company approved forfeiture of 81,94,063 partly paid-up equity shares of ₹ 2 each of the Company bearing ISIN IN9040H01011 issued on Rights basis in terms of Letter of Offer dated September 28, 2022 read with addendum dated October 10, 2022, on which the first and final call money of ₹ 2.50 per share (of which ₹ 1.00 was towards face value and ₹ 1.50 was towards securities premium) has not been paid.

### 16.2 Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2 each. The voting rights of the shareholders shall be in proportion to their shares in the paid-up equity share capital of the Company i.e. each holder of fully paid-up equity share is entitled to one vote per share and each holder of partly paid-up equity share is entitled to half a vote per share.

The Company declares and pays dividends in Indian rupees (₹). The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### 16.3 Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

Nil during the period of five years immediately preceding the reporting date.

- *Securities convertible into equity/ preference shares issued along with the date of conversion*

In June 2020, the Company had allotted securities in the form of Optionally Convertible Debentures (OCDs) aggregating to ₹ 4,100 Crore, due 2040, on preferential basis to the Erstwhile Lenders in accordance with the Resolution Plan, convertible only in the event of default. The Company had also allotted 49.86 Crore full paid-up share warrants, on preferential basis to the Erstwhile Lenders in accordance with the Resolution Plan, convertible only in the event that Part A Facilities under Resolution Plan are not classified as "Standard" as per IRAC norms within the stipulated timelines. Subsequently, on May 24, 2022, pursuant to the implementation of the refinancing proposal, the entire outstanding value of OCDs was converted into 57.14 Crore equity shares having a face value of ₹ 2/- and the share warrants were lapsed.

### 16.4 Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option ('ESOP) plan of the Company, refer Note 36.

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

### 16.5 Details of shares held by promoters and shareholders holding more than 5% in the Company:

Sr. No.	Promoter Name	No. of shares at the beginning of the year	% of total shares	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
<b>As at March 31, 2025</b>							
1	Gita T. Tanti	48,46,761	0.04	-	48,46,761	0.04	(0.00)
2	Pranav T. Tanti as karta of Tulsi Ranchhodbhai HUF	180,00,000	0.13	-	1,80,00,000	0.13	(0.00)
3	Vinod R. Tanti as karta of Ranchhodbhai Ramjibhai HUF	5,27,05,714	0.39	-	5,27,05,714	0.39	(0.00)
4	Vinod R. Tanti J/w. Jitendra R.Tanti	5,28,17,142	0.39	-	5,28,17,142	0.39	(0.00)
5	Vinod R. Tanti	3,02,67,000	0.22	-	3,02,67,000	0.22	(0.00)
6	Jitendra R. Tanti	90,23,000	0.07	-	90,23,000	0.07	(0.00)
7	Rambhaben Ukabhai	47,31,76,759	3.48	-	47,31,76,759	3.47	(0.01)
8	Girish R. Tanti	10,00,19,000	0.73	-	10,00,19,000	0.73	(0.00)
9	Tanti Holdings Private Limited	70,19,72,874	5.16	-	70,19,72,874	5.14	(0.02)
10	Samanvaya Holdings Private Limited	36,58,56,353	2.69	-	36,58,56,353	2.68	(0.01)
11	The Tanti Trust	1,000	0.00*	-	1,000	0.00*	(0.00)
<b>Total</b>		<b>1,80,86,85,603</b>	<b>13.29</b>	<b>-</b>	<b>1,80,86,85,603</b>	<b>13.25</b>	<b>(0.04)</b>
<b>Total paid-up shares</b>		<b>13,61,26,88,222</b>	<b>100.00</b>		<b>13,64,87,26,509</b>	<b>100.00</b>	
<b>As at March 31, 2024</b>							
1	Late Tulsi R. Tanti	48,34,761	0.04	(4,834,761)	-	-	(0.04)
2	Gita T. Tanti	12,000	0.00	4,834,761	4,846,761	0.04	0.04
3	Pranav T. Tanti as karta of Tulsi Ranchhodbhai HUF	1,80,00,000	0.14	-	18,000,000	0.13	(0.01)
4	Vinod R. Tanti as karta of Ranchhodbhai Ramjibhai HUF	5,27,05,714	0.42	-	52,705,714	0.39	(0.04)
5	Tulsi R. Tanti J/w. Vinod R. Tanti J/w. Jitendra R. Tanti	5,28,17,142	0.42	-	52,817,142	0.39	(0.04)
6	Vinod R.Tanti	3,02,67,000	0.24	-	30,267,000	0.22	(0.02)
7	Jitendra R.Tanti	90,23,000	0.07	-	9,023,000	0.07	(0.01)
8	Rambhaben Ukabhai	47,31,77,759	3.79	(1,000)	473,176,759	3.48	(0.32)
9	Girish R. Tanti	10,00,19,000	0.80	-	100,019,000	0.73	(0.07)
10	Tanti Holdings Private Limited	70,19,72,874	5.63	-	701,972,874	5.16	(0.47)
11	Samanvaya Holdings Private Limited	36,58,56,353	2.93	-	365,856,353	2.69	(0.25)
12	The Tanti Trust	-	-	1,000	1,000	0.00	0.00
<b>Total</b>		<b>1,80,86,85,603</b>	<b>14.50</b>	<b>-</b>	<b>1,80,86,85,603</b>	<b>13.29</b>	<b>(1.21)</b>
<b>Total paid-up shares</b>		<b>12,473,087,083</b>	<b>100.00</b>	<b>-</b>	<b>13,612,688,222</b>	<b>100.00</b>	<b>-</b>

Note: As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

### 17. Other equity

Refer statement of changes in equity for detailed movement in other equity.

	March 31, 2025	March 31, 2024
Capital reserve	217.81	217.81
Capital redemption reserve	15.00	15.00
General reserve	912.06	912.05
Securities premium	12,499.09	12,465.48
Capital contribution	5,830.54	5,830.53
Share options outstanding account (refer Note 36)	122.52	29.14
Share application money, pending allotment	0.05	-
Retained earnings	(16,799.86)	(18,910.54)
<b>Total</b>	<b>2,797.21</b>	<b>559.47</b>

#### Nature and purposes of various items in other equity:

##### a. Capital reserve

The Company recognises profit or loss on purchase / sale of the equity instruments in case of merger to capital reserve.

##### b. Capital redemption reserve

The Company has transferred amount from statement of profit or loss to capital redemption reserve on redemption of preference shares issued by the Company.

##### c. General reserve

The Company has transferred a portion of the net profit of the Company before declaring dividend or a portion of net profit kept separately for future purpose is disclosed as general reserve.

##### d. Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

##### e. Capital contribution

The resultant gain arising on extinguishment of debt and fair value of financial instruments issued as per the terms of Resolution plan had been transferred to Capital contribution.

##### f. Share options outstanding account

The share options outstanding account is used to recognise the grant date fair value of options issued to employed under Employee Stock Option Plan.

### 18. Borrowings

The Company has availed Non-Fund Based ('NFB') facilities from certain banks and financial institutions on the basis of security of current assets of the Company, charge on bank accounts (including TRA, DSRA and cash margin accounts), pari-passu charge on identified PPE, assignment of all rights and benefits arising out of the contracts in respect of the projects for which the facility is being availed, including all rights of SEL under such contracts and non-disposal undertaking of SE Forge Limited shares.

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

### Loan covenants

Under the terms of NFB facilities, the Company is required to comply with certain covenants relating to working capital ratio, ratio of the total financial indebtedness to consolidated earnings before interest, tax and depreciation ("EBITDA"), minimum level of net worth of the Company and achieving quarterly EBITDA targets as per the terms of facility agreement.

The Company has complied with these covenants throughout the tenure of the facility falling within the reporting period.

### 18.1 Reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities in the statement of cash flows:-

Balance sheet caption	Statement of cash flow line item	As at April 01, 2024	Cash Inflow	Cash outflow	Non-cash changes/ impact of foreign exchange rates	As at March 31, 2025
Finance liability	Proceeds / (repayment) of long-term finance liability	-	411.21	(29.95)	35.69	416.95
Lease liabilities	Payment of principal portion of lease liabilities	37.66	-	25.80	23.68	35.54

Balance sheet caption	Statement of cash flow line item	As at April 01, 2023	Cash outflow	Non-cash changes/ impact of foreign exchange rates	As at March 31, 2024
Borrowings	(Repayment) of long-term borrowings	1,769.00	(1,777.38)	8.38	-
Lease liabilities	Payment of principal portion of lease liabilities	23.25	(19.84)	34.25	37.66

Borrowings are measured at amortised cost.

### 19. Other financial liabilities

	March 31, 2025	March 31, 2024
<b>Non-current</b>		
Deferred consideration payable (refer Note 46.1)	197.40	-
Liability under financing arrangement (refer Note 46.2)	416.95	-
Other liabilities	3.59	4.58
<b>Total</b>	<b>617.94</b>	<b>4.58</b>
<b>Current</b>		
Deferred consideration payable (refer Note 46.1)	268.67	-
Other liabilities (refer Note 19.1)	100.70	211.45
<b>Total</b>	<b>369.37</b>	<b>211.45</b>

**19.1** Other current liabilities include amount received against claim payables, provision for employee payables and advances.

**19.2** Other financial liabilities are measured at amortised cost and deferred consideration payable are measured at fair value.



# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

### 20. Provisions

	March 31, 2025	March 31, 2024
<b>Non-current</b>		
Employee benefits	30.53	55.66
Provision for operation, maintenance and warranty	117.43	107.75
<b>Total</b>	<b>147.96</b>	<b>163.41</b>
<b>Current</b>		
Employee benefits	29.63	28.11
Provision for performance guarantee, operation maintenance and warranty and liquidated damages	520.57	520.41
<b>Total</b>	<b>550.20</b>	<b>548.52</b>

In pursuance of Ind AS 37 - 'Provisions, contingent liabilities and contingent assets, the provisions required have been recognised in the books of account in the following manner:

Particulars	Performance guarantee	Machine availability	Operation, maintenance and warranty	Liquidated Damages	Total
Opening balance	42.61 (54.82)	107.34 (67.86)	283.42 (268.77)	194.79 (225.89)	628.16 (617.34)
Additions, net	15.50 (7.10)	58.26 (71.73)	118.95 (64.33)	37.54 (80.27)	230.25 (223.13)
Unwinding of warranty discounting and deferral of O&M	- (-)	- (-)	2.65 (-0.48)	- (-)	2.65 (-0.48)
Utilisation	3.34 (18.49)	84.60 (31.95)	54.25 (49.20)	14.16 (66.75)	156.6 (166.39)
Reversal	1.05 (0.82)	- -	- (-)	65.66 (44.62)	66.46 (45.44)
Closing balance	53.72 (42.61)	81.00 (107.34)	350.77 (283.42)	152.51 (194.79)	638.00 (628.16)
<b>Non-current</b>	-	-	117.43	-	117.43
<b>Current</b>	53.72	81.00	233.34	152.51	520.57

Figures in the brackets represents balance of previous year.

Performance guarantee ('PG') represents the expected outflow of resources against claims for performance shortfall expected in future over the life of the guarantee assured. The period of performance guarantee varies for each customer according to the terms of contract. The key assumptions in arriving at the performance guarantee provisions are wind velocity, plant load factor, grid availability, load shedding, historical data, wind variation factor etc.

Machine availability provision represents obligation of the Company to compensate the customer in connection with unplanned suspension of operations or the expected outflow of resources against claims for the loss incurred by the customer on account of the wind turbine generator uptime being lower than the specific threshold of the time the grid was available, as defined in the contracts.

Operation, maintenance and warranty represents the expected liability on account of field failure of parts of WTG and expected expenditure of servicing the WTGs over the period of free operation, maintenance and warranty, which varies according to the terms of each sales contract.

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

Liquidated damages ('LD') represents the expected claims which the Company may need to pay for non-fulfilment of certain commitments as per the terms of the respective sales / purchase contracts. These are determined on a case to case basis considering the dynamics of each contract and the factors relevant to that sale.

The figures shown against 'Utilisation' represent withdrawal from provisions credited to statement of profit and loss to offset the expenditure incurred during the year and debited to statement of profit and loss.

### 21. Other liabilities

**Non-current** – It includes deferred revenue of ₹ 0.45 Crore (previous year: ₹ 0.48 Crore).

<b>Current</b>	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Statutory dues	73.60	47.19
Other liabilities	0.12	0.11
<b>Total</b>	<b>73.72</b>	<b>47.30</b>

### 22. Trade payables

	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Trade payables to micro and small enterprises ('MSE')	61.86	33.92
Trade payables to related parties	623.24	608.20
Trade payables to others	2,648.10	1,539.86
	<b>3,333.20</b>	<b>2,181.98</b>

#### 22.1 Ageing schedule for trade payables

Particulars	Unbilled dues	Outstanding from due date of payment					Total
		Not due	< 1 year	1-2 years	2-3 years	> 3 years	
<b>As at March 31, 2025</b>							
Undisputed dues of MSE	-	36.36	25.33	0.06	0.07	0.04	61.86
Undisputed dues of creditors other than MSE	55.57	2,054.74	618.75	4.53	4.83	532.92	3,271.34
Disputed dues of MSE	-	-	-	-	-	-	-
Disputed dues of creditors other than MSE	-	-	-	-	-	-	-
<b>Total</b>	<b>55.57</b>	<b>2,091.10</b>	<b>644.08</b>	<b>4.59</b>	<b>4.90</b>	<b>532.96</b>	<b>3,333.20</b>
<b>As at March 31, 2024</b>							
Undisputed dues of MSE	-	16.76	16.75	0.16	0.12	0.12	33.92
Undisputed dues of creditors other than MSE	53.03	1,087.36	486.25	10.38	21.12	489.91	2,148.06
Disputed dues of MSE	-	-	-	-	-	-	-
Disputed dues of creditors other than MSE	-	-	-	-	-	-	-
<b>Total</b>	<b>53.03</b>	<b>1,104.13</b>	<b>503.00</b>	<b>10.54</b>	<b>21.24</b>	<b>490.03</b>	<b>2,181.98</b>

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

### 22.2 Details of due to micro and small enterprises as defined under MSMED Act, 2006

Sl. Particulars	March 31, 2025	March 31, 2024
a. Principal amount remaining unpaid to any supplier as at the end of the accounting year.	61.86	33.92
b. Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	0.12	0.43
c. Amount of interest paid along with the amounts of payment made to the supplier beyond due date.	243.08	117.31
d. Amount of interest due and payable for the period of delay in making payment but without adding the interest specified under this Act.	5.65	5.06
e. Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
f. Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid.	5.77	5.49

The Company has identified micro and small enterprises, as defined under the MSMED Act, 2006 by requesting confirmation from the vendors through the letters circulated by the Company.

### 22.3 Transactions with struck off companies

Name of struck off company	Nature of transaction	Transactions during the year ended		Balance outstanding as at		Relationship with the struck off company
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	
Contact4Care Health Pvt. Ltd.		0.02	0.06	0.02	0.06	
Avanza Epsilon Elektro Pvt. Ltd.	Purchase of goods/ services	-	-	0.10	0.10	
Maruti Infrastructure Ltd.		-	-	0.00*	0.00*	
Sunhertz Power & Infrastructures		-	-	0.00*	0.00*	
Contact4Care Health Pvt. Ltd.	Payment	0.06	-	0.02	0.06	None

\*Less than ₹ 0.01 Crore.

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# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

### 23. Revenue from operations

#### 23.1 Disaggregated revenue information

	March 31, 2025	March 31, 2024
<b>Revenue from contracts with customers</b>		
Sale of equipment and other spare parts	7,993.34	3,693.43
Income from operation and maintenance service	1,689.64	1,567.31
Project execution income	317.09	389.84
Power evacuation infrastructure services	72.69	107.39
Income from power generation	5.87	2.68
Sale of services	12.49	5.48
Income from sale of land	2.67	0.08
<b>Total</b>	<b>10,093.79</b>	<b>5,766.21</b>
Scrap sales	67.81	68.14
<b>Grand total</b>	<b>10,161.60</b>	<b>5,834.35</b>
<b>Geography</b>		
India	10,154.04	5,826.80
Outside India	7.56	7.55
<b>Total</b>	<b>10,161.60</b>	<b>5,834.35</b>
<b>Timing of revenue recognition</b>		
Goods transferred at a point in time	8,063.82	3,761.66
Services transferred at a point in time	85.18	112.87
Services transferred over a period of time	2,012.60	1,959.82
<b>Total</b>	<b>10,161.60</b>	<b>5,834.35</b>

#### 23.2 Contract balances

	March 31, 2025	March 31, 2024
Trade receivables	3,682.90	1,658.56
Contract liabilities	1,680.03	280.48

Refer Note 10.2 for movement in allowance for expected credit loss.

#### 23.3 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

	March 31, 2025	March 31, 2024
Revenue as per contracted price	10,206.21	5,947.71
<b>Less: Variable consideration</b>		
Liquidated damages (refer Note 20)	28.11	(35.65)
Performance guarantee (refer Note 20)	(14.46)	(6.28)
Machine availability (refer Note 20)	(58.26)	(71.43)
<b>Total</b>	<b>10,161.60</b>	<b>5,834.35</b>

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

### 23.4 Performance obligation

Information about the Company's performance obligations are summarised below:

#### i. Sale of equipment

The performance obligation is satisfied upon dispatch of the equipment and payment is generally due within 30 to 45 days from completion of contract milestone.

The Company provides a standard warranty for general repairs/ replacement/ refurbishment at the time of equipment sale to customers. Since this warranty is not sold separately and is customary within the industry, it covers product defects and routine operation and maintenance during warranty period. Therefore, it qualifies as an assurance-type warranty, which ensures that the product complies with agreed-upon specifications. Accordingly, the cost is accounted under Ind AS 37 and a provision for warranty is recognized at the time of sale.

#### ii. Operation and maintenance service income

The performance obligation is satisfied over-time and payment is due within 30 days from invoice date which is raised as per contractual agreement.

#### iii. Power evacuation infrastructure facilities

The performance obligation is satisfied upon commissioning and electrical installation of the WTG to the said facilities followed by approval for commissioning of WTG from the concerned authorities.

#### iv. Land

In case of leasehold, the performance obligation is satisfied upon the transfer of leasehold rights to the customers, for outright sale, the performance obligation is satisfied when title of land is transferred to the customer as per the terms of the respective sales order. The performance obligation for land development is satisfied upon rendering of the service as per the terms of the respective sales order.

- 24. Other operating income:** It includes rental income of ₹ 14.97 Crore (previous year: ₹ 14.47 Crore), other miscellaneous income of ₹ 21.15 Crore (previous year: ₹ 9.28 Crore) which majorly consist of rental income from tools. It also includes receipt of Nil (previous year: ₹ 6.06 Crore) towards an old legal case involving recovery proceedings pending before Hon'ble Bombay High Court. Since the timing and quantum of eventual recovery is not certain and is linked with final decree to be passed by the Hon'ble Bombay High Court, the legal claim has not accrued and hence it would be accounted for as and when amount is received pursuant to judicial orders.

### 25. Finance income

	March 31, 2025	March 31, 2024
Interest income on		
Financial assets measured at amortised cost		
on inter corporate deposit	20.04	9.23
on deposits with banks	69.41	32.13
on other financial assets	1.93	3.96
On income tax refund	7.06	0.74
On GST refund	3.79	-
Gain on sale of mutual funds measured at FVTPL	0.02	0.07
Financial liabilities measured at amortised cost	0.06	1.24
<b>Total</b>	<b>102.31</b>	<b>47.37</b>

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

### 26. Cost of raw materials, components and services consumed

	March 31, 2025	March 31, 2024
<b>Consumption of raw materials, components and services consumed</b>		
Opening inventory	1,259.69	849.31
Add: Purchases	7,050.64	3,838.79
	<b>8,310.33</b>	<b>4,688.10</b>
Less : Closing inventory	1,685.16	1,259.69
	<b>6,625.17</b>	<b>3,428.42</b>
Cost of project services and infrastructure development expenses	361.72	339.32
	<b>6,986.89</b>	<b>3,767.73</b>
<b>Changes in inventories:</b>		
Opening inventory		
Finished, semi-finished goods and work- in- progress	631.00	600.10
Land and land lease rights	1.44	0.25
	<b>(A) 632.44</b>	<b>600.35</b>
Closing inventory		
Finished, semi-finished goods and work- in- progress	901.36	631.00
Land and land lease rights	0.25	1.44
	<b>(B) 901.61</b>	<b>632.44</b>
<b>Changes in inventories (C) = (A) - (B)</b>	<b>(269.17)</b>	<b>(32.09)</b>

### 27. Employee benefits expense

	March 31, 2025	March 31, 2024
Salaries, wages, allowances and bonus	595.55	485.51
Contribution to provident fund and other funds*	38.40	35.53
Share based payment to employees (refer Note 36)	111.19	27.91
Staff welfare expenses	46.61	36.80
<b>Total</b>	<b>791.75</b>	<b>585.75</b>

\*Includes gratuity expense of ₹ 12.78 Crore (previous year: ₹ 13.08 Crore).

The employee benefits expense includes expenses of ₹ 43.43 Crore (previous year: ₹ 47.25 Crore) pertaining to research and development.

### 28. Finance costs

	March 31, 2025	March 31, 2024
Interest expense on		
Financial liabilities measured at amortised cost	83.30	87.40
Unwinding interest on long-term provisions	0.71	0.95
Bank charges	144.85	56.08
<b>Total</b>	<b>228.86</b>	<b>144.43</b>

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

### 29. Depreciation and amortisation expense

	March 31, 2025	March 31, 2024
Depreciation on property, plant and equipment (refer Note 4)	124.12	75.40
Amortisation of intangible assets (refer Note 6)	20.33	48.63
Depreciation on investment properties (refer Note 7)	1.43	1.52
Amortisation on right-of-use assets (refer Note 37)	20.97	15.99
<b>Total</b>	<b>166.85</b>	<b>141.53</b>

### 30. Other expenses

	March 31, 2025	March 31, 2024
Stores and spares consumed	105.11	53.66
Power and fuel	16.99	12.48
Factory and site expenses	52.05	37.68
Repairs and maintenance:		
- Plant and machinery	8.18	8.49
- Building	10.05	8.54
- Others	35.32	19.82
Operation and maintenance charges	0.52	0.27
Rent	27.31	21.66
Rates and taxes	7.96	8.02
Operation, maintenance and warranty expenditure (refer Note 20)	120.89	62.89
Quality assurance expenses	2.31	1.22
R & D, certification and product development	3.04	8.82
Insurance	24.10	20.76
Advertisement and sales promotion	22.53	8.68
Freight outward and packing expenses	46.50	14.08
Travelling, conveyance and vehicle expenses	95.62	86.60
Communication expenses	7.63	7.97
Auditors' remuneration and expenses (refer Note 30.1)	1.11	1.03
Consultancy charges	130.46	65.52
CSR, charity and donations	8.81	10.62
Security expenses	53.59	51.57
Outsource manpower cost	130.12	56.07
Miscellaneous expenses	63.51	37.07
Exchange differences, net	15.40	8.28
Bad debts written off	59.06	(0.26)
Impairment allowance/ (reversal)	19.62	5.49
Allowance/ (reversal) for doubtful debts and advances, net	(50.01)	7.58
Gain on sale of investment	-	(0.85)
Loss on disposal of PPE and investment property, net	6.21	8.10
<b>Total</b>	<b>1,023.99</b>	<b>631.86</b>

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

### 30.1 Payment to statutory auditors includes:

	March 31, 2025	March 31, 2024
Statutory audit fees	1.01	1.01
Certification	0.04	0.60
Reimbursement of out-of-pocket expenses	0.10	0.04
<b>Total</b>	<b>1.15</b>	<b>1.65</b>

### 30.2 Corporate Social Responsibility expenditure

In accordance with provisions of section 198 of the Companies Act, 2013 ("Act"), the Company has recorded an average net loss over the preceding three financial years. Consequently, there is no obligation to incur any expenditure under Section 135(5) of the Act and the CSR disclosure requirements are not applicable to the Company.

Following the merger of SGSL with the Company, the net profit for determining the minimum CSR expenditure under Section 198 of the Companies Act, 2013 has been computed using the merged entity's net profit for the previous financial year, along with the standalone net profits of the two previous years. Notably, SGSL, on a standalone basis, reported positive net profits for each of the last three financial years, and had already fulfilled its minimum CSR spending obligations during that period.

**30.3** The other expense includes expenses of ₹ 28.70 Crore (previous year: ₹ 20.63 Crore) pertaining to research and development.

### 31. Exceptional items

	March 31, 2025	March 31, 2024
Write-off of loan and financial assets (refer Note 31 a)	-	5,495.44
Utilisation of impairment allowance (refer Note 31 a)	-	(5,495.44)
Buyback of equity shares of subsidiary (refer Note 31 b)	-	6,239.23
Utilisation of impairment allowance (refer Note 31 b)	-	(6,239.23)
Gain on sale of assets held for sale	-	(14.46)
Impairment provision/ (reversal) on financial assets, net (refer Note c below)	(102.86)	(36.39)
<b>Total</b>	<b>(102.86)</b>	<b>(50.85)</b>

- During the previous year, the Company had utilised the impairment allowance recognised in respect of outstanding amount of loan receivable and SBLC receivable of its wholly owned subsidiary AE Rotor Holding B.V. in earlier years amounting to ₹ 5,495.44 Crore.
- During the previous year, the Company had recognised impairment allowance in respect of its investment in Suzlon Energy Limited Mauritius ('SELM') amounting to ₹ 6,239.23 Crore in earlier year, which has been reversed in view of buy back.
- During the current year the Company has reversed provision ₹ 267.86 Crore (previous year: ₹ 36.39 Crore) towards impairment of loans given and considered provision of ₹ 165.00 Crore (previous year: Nil) on investments done in subsidiary.



# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

### 32. Income tax expense

#### 32.1 Major components of income tax expense:

	March 31, 2025	March 31, 2024
<b>Current income tax</b>		
Current income tax charge	-	-
Earlier period tax expense	7.05	-
<b>Total</b>	<b>7.05</b>	<b>-</b>
<b>Deferred tax</b>		
Business loss and unabsorbed depreciation (refer Note 32.3)	(616.94)	-
On temporary difference	(21.11)	-
<b>Total</b>	<b>(638.05)</b>	<b>-</b>
<b>Total tax expense as per statement of profit and loss</b>	<b>(631.00)</b>	<b>-</b>

Earlier period tax expense represents tax liability for the FY 2002-03 and FY 2005-06 pursuant to applications filed by the Company under Direct Tax "Vivad Se Vishwas Scheme 2024".

#### 32.2 Reconciliation of tax expense and the accounting profit:

	March 31, 2025	March 31, 2024
<b>Accounting profit before income tax</b>	<b>1,473.72</b>	<b>723.17</b>
Less: Profit not taxable for the Company *	261.28	-
<b>Net accounting profit before income tax</b>	<b>1,212.43</b>	<b>723.17</b>
Enacted corporate tax rates in India	25.168%	25.168%
Computed tax expense	305.15	182.01
Accounting profit not taxable		
Non-deductible expenses for tax purpose	138.60	73.00
Deductible expenses for tax purpose	(188.95)	(103.87)
Expenses taxable at different rates @ 14.56%	31.84	-
Effect of unrecognized deferred tax assets	(286.64)	(151.14)
<b>Current income tax charge</b>	<b>-</b>	<b>-</b>
Effect of recognised deferred tax assets	(638.05)	-
Effect of earlier year tax expense (refer Note 32.1)	7.05	-
<b>Expense as per statement of profit and loss</b>	<b>631.00</b>	<b>-</b>

\* The profit amounting to ₹ 261.28 Crore earned by SGSL for the period from April 1, 2024, to August 14, 2024, is subject to tax in the hands of SGSL on account of amalgamation with the Company (refer Note 1) and therefore this profit has been excluded from the computation of net accounting profit before income tax in the financial statements of the Company.

The Company has opted for concessional tax regime u/s 115BAA of the Income-tax Act, 1961 since FY 2020-21 and accordingly Minimum Alternate Tax is not applicable.

#### 32.3 Details of carry forward losses and unused credit on which deferred tax asset is recognised by the Company are as follows:

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

The Company has unabsorbed depreciation and brought forward tax losses including capital losses amounting to ₹ 14,289.39 Crore (previous year: ₹ 16,571.03 Crore). Based on the assessment of the reasonable certainty, the Company has recognised deferred tax asset amounting to ₹ 616.94 Crore, only in respect of the assessed unabsorbed depreciation and brought forward losses in accordance with the principles laid out in Ind AS 12 – Income Taxes.

The unabsorbed depreciation is available for offsetting all future taxable profits of the Company and can be carried forward indefinitely whereas the business losses and capital losses can be carried forward for 8 years from the year in which losses arose. Majority of business losses and capital losses, to the extent remaining unutilized will lapse between FY 2025-26 to FY 2031-32.

### 33. Components of other comprehensive income (OCI)

It includes gain on account of re-measurement of defined benefit plans of ₹ 5.98 Crore (previous year: ₹ 3.42 Crore), refer Note 35.1.

### 34. Earnings per equity share (EPS)

	March 31, 2025	March 31, 2024
<b>Basic</b>		
Net profit for the year attributable to equity shareholders	2,104.71	723.17
Weighted average number of equity shares	13,63,51,53,976	13,14,90,93,386
<b>Basic earnings per share of ₹ 2 each</b>	<b>1.54</b>	<b>0.55</b>
<b>Diluted</b>		
Net profit for the year attributable to equity shareholders	2,104.71	723.17
Weighted average number of equity shares	13,63,51,53,976	13,14,90,93,386
Add: Effect of dilution on account of ESOP	6,18,24,860	6,82,83,591
Weighted average number of equity shares for diluted EPS	<b>13,69,68,87,892</b>	<b>13,2173,76,977</b>
Diluted earnings per share (₹) of face value of ₹ 2 each	<b>1.54</b>	<b>0.55</b>

### 35. Post-employment benefit plans

#### Defined contribution plan:

During the year the Company has recognised ₹ 23.60 Crore (previous year: ₹ 20.10 Crore) in the statement of profit and loss towards defined contribution plans as detailed in Note 2.3 (o)(ii)(A).

The Company manages domestic provident fund plan for its domestic employees which is permitted under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The plan mandates contribution by employer at a fixed percentage of employee's salary. Employees also contribute to the plan at a fixed percentage of their salary as a minimum contribution and additional sums at their discretion. The plan guarantees interest at the rate notified by Employees' Provident Fund Organisation. The contribution by employer and employee together with interest are payable at the time of separation from service or retirement whichever is earlier. The benefit under this plan vests immediately on rendering of service.

The Superannuation scheme of the Company has the form of a trust and is governed by the Board of Trustees. The scheme is partially funded with an insurance company in the form of a qualifying insurance policy.

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

### Defined benefit gratuity plan:

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the payment of Gratuity Act, 1972. Under the act, Employee who has completed five years of service is eligible for gratuity. Gratuity is computed based on 15 days salary based on last drawn salary for each completed year of service.

The fund has the form of a trust and is governed by the Board of Trustees. The scheme is partially funded with an insurance company in the form of a qualifying insurance policy.

### 35.1 Net defined benefits expense recognised in statement of profit and loss and OCI:

	March 31, 2025	March 31, 2024
Current service cost	9.69	8.44
Net interest cost	3.76	3.68
<b>Total expense recognised in statement of profit and loss</b>	<b>13.45</b>	<b>12.12</b>
Re-measurement for the period - obligation (gain)/ loss	(5.55)	(3.42)
Re-measurement for the period – plan assets (gain)/ loss	(0.43)	-
<b>Total expense / (income) recognised in OCI</b>	<b>(5.98)</b>	<b>(3.42)</b>
<b>Total</b>	<b>7.47</b>	<b>8.70</b>

### 35.2 Changes in the defined benefit obligation:

	March 31, 2025	March 31, 2024
Opening defined benefit obligation	88.45	81.82
Current service cost	9.69	8.44
Interest cost	6.23	6.07
Benefits paid	(13.48)	(4.45)
Transfer in/ out	(0.59)	-
<b>Re-measurement adjustment:</b>		
Experience adjustments	2.55	(2.84)
Actuarial changes arising from changes in demographic assumptions	(1.32)	(2.03)
Actuarial changes arising from changes in financial assumptions	(6.78)	1.44
<b>Closing defined benefit obligation</b>	<b>84.75</b>	<b>88.45</b>

### 35.3 Changes in the fair value of plan assets:

	March 31, 2025	March 31, 2024
Opening fair value of plan assets	35.33	32.22
Interest income	2.47	2.39
Contributions by employer towards approved fund	31.25	5.17
Benefits paid	(13.48)	(4.45)
Acquisition adjustments / settlement cost	-	-
Transfer In/(out)	(0.59)	-
Re-measurements - return on plan assets, excluding amount recognised in net interest expense	0.43	-
<b>Closing fair value of plan assets</b>	<b>55.41</b>	<b>35.33</b>
Actual return on plan assets	<b>2.47</b>	<b>2.39</b>

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

**35.4** Funds managed by insurer is 100% for March 31, 2025 (previous year: 100%). The composition of investments in respect of funded defined benefit plans are not available with the Company, the same has not been disclosed.

### 35.5 Net asset / (liability) recognised in the balance sheet:

	March 31, 2025	March 31, 2024
Present value of defined benefit obligation as at the end of the financial year		
Current portion	13.21	10.04
Non-current portion	71.54	78.41
<b>Total liability</b>	<b>84.75</b>	<b>88.45</b>
Fair value of plan assets as at the end of the year	55.41	35.33
<b>Net asset / (liability) recognised in the balance sheet</b>	<b>(29.34)</b>	<b>(53.12)</b>

### 35.6 Principal assumptions used in determining long term employee benefits:

	March 31, 2025	March 31, 2024
Discount rate (in %)	6.65	7.10
Future salary increases (in %)	7.50%	7.5% for FY 2025 and 9% thereafter
Life expectation (in years)	5.01	6.86
Attrition rate	24.70 % at younger ages and reducing to 9.70 % at older ages according to graduated scales.	23.90 % at younger ages and reducing to 8.30 % at older ages according to graduated scales.

During the year, the Company has reassessed the actuarial assumption for attrition rate based on trend of attrition.

### 35.7 Quantitative sensitivity analysis for significant assumption and risk analysis:

**Interest rate risk:** The plan exposes the company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

**Salary escalation risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**Demographic risk:** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Particulars	March 31, 2025		March 31, 2024	
	Decrease	Increase	Decrease	Increase
Discount rate (- / + 1%)	5.03	(4.54)	7.30	(6.41)
Future salary increases (- / + 1%)	(4.56)	4.95	(6.39)	7.12
Attrition rate (- / + 50% of attrition rates)	1.73	(0.97)	4.62	(2.77)

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

### 35.8 Expected benefit payment for the next years:

Particulars	March 31, 2025	March 31, 2024
1 year	13.21	10.04
2 to 5 years	44.26	35.86
6 to 10 years	36.22	38.47
More than 10 years	38.06	87.74

For the year ending on March 31, 2026, the Company expects to contribute ₹ 38.45 Crore (previous year: ₹ 61.82 Crore) towards its defined benefit plan.

The average duration of the defined benefit plan obligation at the end of the financial year is 5 years (previous year: 7 years).

### 36. Share-based payment

36.1 The Company has provided Employee Stock Option Scheme 2022 to its employees. Following are the details:

Particulars	Grant 1	Grant 2	Grant 3	Grant 4	Grant 5
Board approval date	August 10, 2022				
Shareholders' approval date	September 29, 2022				
Number of options approved under the Scheme (Nos.)	20,00,00,000				
Grant date	May 22, 2023	May 23, 2024	May 23, 2024	May 19, 2025	May 19, 2025
Number of options granted under the Scheme (Nos.)	10,92,90,000	3,59,10,000	3,86,30,000	1,30,70,000	3,46,17,200
Vesting period	2 (Two) years from the date of respective grant				
First vesting on	May 22, 2024	May 23, 2025	May 23, 2025	May 19, 2026	May 19, 2026
Second vesting on	May 22, 2025	May 23, 2026	May 23, 2026	May 19, 2027	May 19, 2027
Vesting %					
Tranch I	50%	50%	50%	50%	50%
Tranch II	50%	50%	50%	50%	50%
Condition of vesting					
Tranch I	25% - fixed 25% - variable	25% - fixed 25% - variable	25% - fixed 25% - variable	25% - fixed 25% - variable	25% - fixed 25% - variable
Tranch II	25% - fixed 25% - variable	50% - fixed	50% - fixed	50% - fixed	50% - fixed
Exercise period	2 (Two) years from the date of respective vesting				
Exercise period for first vesting	May 22, 2026	May 23, 2027	May 23, 2027	May 19, 2028	May 19, 2028
Exercise period for second vesting	May 22, 2027	May 23, 2028	May 23, 2028	May 19, 2029	May 19, 2029
Exercise price	₹ 5.00	₹ 30.00	₹ 24.00	₹ 45.00	₹ 40.00
Expected life of the option (years)	1-3	1-4	1-4	1-5	1-5

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

### 36.2 Movement in employee stock options during the year:

Particulars	Grant 1	Grant 2	Grant 3
Opening balance of options outstanding (Nos.)	10,58,40,000	N.A.	N.A.
Options granted during the year (Nos.)	Nil	3,59,10,000	3,86,30,000
Options vested during the year (Nos.)	4,55,44,500	N.A.	N.A.
Options exercised during the year (Nos.)	4,42,32,350	N.A.	N.A.
Options forfeited/ cancelled during the year (Nos.)	1,38,70,500	-	13,50,000
Closing balance of options outstanding (Nos.)	4,64,25,000	3,59,10,000	3,72,80,000
Options exercisable at the end of the year (Nos.)	13,12,150	Nil	Nil

The weighted average share price during the year ended March 31, 2025, was approximately ₹ 59.80 (previous year: ₹ 27.43)

### 36.3 Fair value of options granted

The Company applies intrinsic value based method of accounting for determining compensation cost for Grant 1, Grant 2 and Grant 3. The fair value at grant date is independently determined using the Black-Scholes Model which takes into account the following inputs:

Particulars	Grant 1	Grant 2	Grant 3
Fair value on the date of first exercise			
First vesting	₹ 9.88	₹ 51.89	₹ 50.52
Second vesting	₹ 10.50	₹ 55.27	₹ 53.01
Risk-free interest rate for the term of the option	~7%	~7%	~7%
Term of the option	Tranch I - 1 year Tranch II - 2 years	Tranch I - 1 year Tranch II - 2 years	Tranch I - 1 year Tranch II - 2 years
Expected price volatility of the underlying share	~64.0%	~53.7%	~53.7%
Expected dividend yield	Nil	Nil	Nil
Share price at grant date (₹)	₹ 9.25	₹ 48.30	₹ 48.30

The expected life of the stock options is based on the Company's expectations and is not necessarily indicative of exercise patterns that may actually occur. The expected volatility reflects the assumption that the historical volatility of the options is indicative of future trend, which may not necessarily be the actual outcome. Further, the expected volatility is based on the Company's equity shares volatility for a period of 5 years upto grant date of an option.

**36.4** The total expenses arising from share-based payment transaction recognised in statement of profit and loss as part of employee benefit expense is ₹ 111.19 Crore (previous year: ₹ 27.91 Crore).

## 37. Leases

### 37.1 Company as a lessee

The Company has lease contracts for land, buildings and vehicles used in its operations. Leases of land, building and vehicles generally have lease terms between 2 to 3 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets.

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

Generally, the Company is restricted from assigning and subleasing the leased assets. The Company also has certain leases of premises with lease terms of 12 months or less and with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

### a. The movement in ROU assets during the year and carrying value are as follows:

Particulars	ROU assets category			
	Building	Land	Vehicles	Total
Balance as of April 1, 2024	24.63	7.12	3.87	<b>35.62</b>
Additions	20.90	-	2.59	23.49
Depreciation	(14.06)	(5.73)	(1.18)	(20.97)
Deletions	(2.08)	-	-	(2.08)
<b>Balance as of March 31, 2025</b>	<b>29.39</b>	<b>1.39</b>	<b>5.28</b>	<b>36.06</b>
Balance as of April 1, 2023	7.74	12.86	-	20.60
Additions	26.67	-	4.34	31.01
Depreciation	(9.78)	(5.74)	(0.47)	(15.99)
Deletions	-	-	-	-
<b>Balance as of March 31, 2024</b>	<b>24.63</b>	<b>7.12</b>	<b>3.87</b>	<b>35.62</b>

### b. The movement in lease liabilities during the year are as follows:

Particulars	March 31, 2025	March 31, 2024
Opening balance	37.66	23.25
Additions	22.13	30.60
Deletions	(2.08)	-
Finance cost accrued during the year	3.64	3.65
Payment of lease liabilities	(25.81)	(19.84)
<b>Closing balance</b>	<b>35.54</b>	<b>37.66</b>

### c. The following are the amounts recognised in the statement of profit and loss:

Particulars	March 31, 2025	March 31, 2024
Amortisation on right-of-use assets	20.97	15.98
Interest expense on lease liabilities	3.64	3.65
Rental expense for short-term leases (under other expenses)	27.30	21.66
<b>Total</b>	<b>51.91</b>	<b>41.29</b>

### d. Details of contractual maturities of lease liabilities are as follows:

Particulars	March 31, 2025	March 31, 2024
Not later than one year	12.57	23.16
Later than one year and not later than five years	12.12	14.50
Later than five years	10.85	-
<b>Total</b>	<b>35.53</b>	<b>61.34</b>

The effective interest rate for lease liabilities is 9% with maturity between 2025 and 2026.

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

During the year, the Company had total cash outflows for leases of ₹ 54.11 Crore (previous year ₹ 41.50 Crore). The Company also had non-cash additions to ROU assets of ₹ 21.41 Crore (previous year: ₹ 31.01 Crore) and lease liabilities of ₹ 20.05 Crore (previous year: ₹ 30.60 Crore).

### 37.2 Company as a lessor

The Company has entered into operating leases on its investment property portfolio consisting of certain office premises (refer Note 7). These leases have terms between two to ten years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. Rental income recognised by the Company during the year is ₹ 11.57 Crore (previous year: ₹ 11.67 Crore).

Future minimum rentals receivable under non-cancellable operating leases as at year-end are as follows:

Particulars	March 31, 2025	March 31, 2024
Not later than 1 year	3.27	2.04
1st to 2nd year	2.22	2.18
2nd to 3rd year	0.47	1.09
3rd to 4th year	-	0.02
Later than five years	-	-
<b>Total</b>	<b>5.96</b>	<b>5.33</b>

**38. Capital commitments:** Estimated amount of contract remaining to be executed on capital accounts and not provided for, net of advances stands at ₹ 125.54 Crore (previous year: ₹ 25.16 Crore).

### 39. Contingent liabilities

	March 31, 2025	March 31, 2024
Claims against the Company not acknowledged as debts (refer Note a below)	200.65	163.13
Guarantees given on behalf of subsidiaries towards loans/ guarantee granted to them by banks/ financial institutions	146.65	6.84
Amounts in respect of MSMED for which the Company is contingently liable	5.77	2.04
<b>Total</b>	<b>349.07</b>	<b>172.01</b>

- Claims against the Company not acknowledged as debts includes demand from customs duty, service tax, VAT, GST and labour department for various matters. The Company/ tax department has preferred appeals on these matters and the same are pending with various appellate authorities. Considering the facts of the matters, no provision is considered necessary by the management.
- The Company has also various income tax matters where the Company/ tax department has preferred appeals on these matters and the same are pending with various appellate authorities. As the Company has sufficient carry forward losses available for set-off in case the Company loses, the liability is neither provided nor disclosed above under contingent liabilities.
- During the previous year, the Company had received the penalty order u/s 271(1)(c) levying penalty aggregating to ₹ 260.35 Crore. The Company then filed a writ petition before Gujarat High Court against these penalty orders wherein the Honourable Gujarat High Court had granted an interim stay against the implementation of the said penalty orders. Pursuant to favourable quantum appeal order for the subject years at ITAT, Ahmedabad Bench, penalty got reduced to ₹ 1.06 Crore. The Company then has filed an appeal against this reduced penalty before CIT(A). Considering the facts of the



# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

matters, neither provision nor disclosure under contingent liabilities is considered necessary by the management.

- d. The Company had received a show cause notice (SCN) dated November 09, 2022, from Securities and Exchange Board of India ('SEBI') with respect to certain specific transactions between the Company and its domestic subsidiaries, and non-disclosure of a contingent liability in the financial information of the Company, in earlier financial years from 2013-14 to 2017-18, alleging violations under various applicable laws and regulations. The management had responded to the SCN in a timely manner, giving factual justifications and denying the allegations made by SEBI in the SCN. However, in an attempt towards early closure, a settlement application was filed by the Company in accordance with SEBI (Settlement Proceedings) Regulations, 2018 to settle the matter, which has not been allowed. In the light of the same, the adjudication process has now commenced. The first hearing was held on May 22, 2025. Based on external legal assessment, the management has disclosed this matter under contingent liability and believes that there is no material impact on these standalone financial statements.
- e. A few lawsuits have been filed on the Company by some of their suppliers for disputes in fulfilment of obligations as per supply agreements. Further, few customers of the Company have disputed certain amount as receivable which the Company believes is contractually not payable. These matters are pending for hearing before respective courts, the outcome of which is uncertain. The management has provided portion of an amount as a matter of prudence which it believes shall be the probable outflow of resources. Rest of the claim is not disclosed above under contingent liabilities is considered necessary by the management.

#### 40. Segment information

As permitted by paragraph 4 of Ind AS-108, 'Operating Segments', if a single financial report contains both consolidated financial statements and the separate financial statements of the parent, segment information need to be presented only on the basis of the consolidated financial statements. Thus, disclosures required by Ind AS-108 are given in consolidated financial statements

#### 41. Related party transactions

##### 41.1 List of related parties

Subsidiaries		
1.	AE Rotor Holding B.V.	16 Suzlon Southern Projects Limited (formerly Vakratunda Renewables Limited)
2	Gale Green Urja Limited	17 SWE Wind Project Services Limited
3	Renom Energy Services Private Limited	18 Suzlon Wind Energy Limited
4	SE Blades Technology B.V. <sup>(i)</sup>	19 Suzlon Wind Energy (Lanka) Private Limited
5	SE Forge Limited	20 Suzlon Wind Energy Espana, S. L
6	Suzlon Western India Projects Limited (formerly Manas Renewables Limited)	21 Suzlon Wind Energy Nicaragua Sociedad Anonima
7	Suzlon Shared Services Limited	22 Suzlon Wind Energy Equipment Trading (Shanghai) Co., Limited
8	Suryoday Renewables Limited	23 Suzlon Wind Energy Romania SRL
9	Suzlon projects Limited (formerly Suyash Renewables Limited)	24 Suzlon Wind Energy South Africa (PTY) Limited
10	Suzlon Energy A/S, Denmark	25 Suzlon Wind Energy Uruguay SA
11	Suzlon Energy Australia Pty Limited	26 Suzlon Wind Energy Portugal Energia Elocia Unipessoal Lda
12	Suzlon Energy B.V. <sup>(i)</sup>	27 Suzlon Wind Enerji Sanayi Ve Ticaret Sirketi
13	Suzlon Energy Korea Co Limited	28 SWE Renewables Limited

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

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### Subsidiaries

14	Suzlon Energy Limited, Mauritius	29	Varadvinayak Renewables Limited
15	Suzlon Renewable Development Limited (formerly Suzlon Gujarat Wind Park Limited)	30	Vignaharta Renewable Energy Limited

### Associates

1	Suzlon Energy (Tianjin) Limited
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### Entities where KMP have significant influence (EKMP)

1	SE Freight and Logistics India Private Limited	4	Shubh Realty (South) Private Limited
2	Samanvaya Holdings Private Limited	5	Tanti Holdings Private Limited
3	Sarjan Realities Private Limited		

### Key Management Personnel (KMP)

1.	Mr. Vinod R. Tanti	7	Mr. Himanshu Mody
2	Mr. Girish R. Tanti	8	Mrs. Geetanjali S. Vaidya
3	Mr. Pranav T. Tanti	9	Mr. Gautam Doshi
4	Mr. Marc Desaedeleer <sup>(ii)</sup>	10	Mr. Sameer Shah
5	Mr. Per Hornung Pedersen	11	Ms. Seemantinee Khot
6	Mr. J. P. Chalasani		

### Relatives of Key Management Personnel (RKMP)

1.	Mrs. Gita T. Tanti	3	Mr. Jitendra R. Tanti
2	Ms. Rambhaben Ukabhai		

### Employee funds

1.	Suzlon Energy Limited - Superannuation fund scheme	7	Suzlon Global Services Limited - Superannuation Fund
2	Suzlon Energy Limited - Employees group gratuity	8	Suzlon Global Services Limited - Employee Group Gratuity Scheme

<sup>i</sup>. Merged with AE-Rotor Holding B.V. <sup>ii</sup> Ceased w.e.f. June 08, 2024

## 41.2 Transactions between the Company and related parties during the year and the status of outstanding balances as at March 31, 2025:

Particulars	Subsidiaries	Associates	EKMP	KMP/ RKMP	Employee funds
Loan given	57.55 (8.00)	- (-)	- (-)	- (-)	- (-)
Realisation of loan given	300.20 (34.32)	- (0.01)	- (-)	- (-)	- (-)
Purchase of goods and services	256.01 (186.75)	- (-)	- (-)	- (-)	- (-)
Write off of loan and financial assets receivable from subsidiaries pursuant to restructuring of balance sheet	- (5,495.44)	- (-)	- (-)	- (-)	- (-)
Utilisation of impairment allowance on loans and financial assets written off	- (5,495.44)	- (-)	- (-)	- (-)	- (-)
Buyback of equity shares of subsidiary pursuant to right sizing of the balance sheet	- (6,324.09)	- (-)	- (-)	- (-)	- (-)

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

Particulars	Subsidiaries	Associates	EKMP	KMP/ RKMP	Employee funds
Utilisation of impairment allowance on investment in subsidiary	- (6,324.09)	- (-)	- (-)	- (-)	- (-)
Investment in preference shares of subsidiary against buyback of equity shares of subsidiary	- (84.86)	- (-)	- (-)	- (-)	- (-)
Impairment in preference shares of subsidiary	- (84.86)	- (-)	- (-)	- (-)	- (-)
Sale of goods and services	21.53 (4.48)	- (-)	3.79 (2.20)	1.38 (1.18)	- (-)
Finance income	26.18 (14.90)	- (-)	- (0.00)	- (-)	- (-)
Lease rent income	0.10 (0.26)	- (-)	0.78 (0.71)	- (-)	- (-)
Lease rent paid	0.12 (2.92)	- (-)	7.48 (7.11)	- (-)	- (-)
Finance cost	0.06 (-)	- (-)	- (-)	- (-)	- (-)
Managerial remuneration	- (-)	- (-)	- (-)	27.03 (21.19)	- (-)
Director sitting fees	- (-)	- (-)	- (-)	0.60 (0.72)	- (-)
Directors' ex-gratia	- (-)	- (-)	- (-)	2.56 (-)	- (-)
Share based payments expense	- (-)	- (-)	- (-)	26.79 (2.26)	- (-)
Contribution to various funds	- (-)	- (-)	- (-)	- (-)	31.45 (6.79)
Reimbursement of expenses payable	2.03 (-)	- (-)	- (-)	- (-)	- (-)
Reimbursement of expenses receivable	4.81 (2.59)	- (-)	- (-)	- (-)	- (-)
Performance guarantee expense	- (-)	- (-)	0.34 (0.53)	0.07 (0.01)	- (-)
Sale of Investment	35.00 (0.85)	- (-)	- (-)	- (-)	- (-)
Corporate guarantee given	342.00 (97.63)	- (-)	- (-)	- (-)	- (-)
Investment in preference shares	200.00 (-)	- (-)	- (-)	- (-)	- (-)
Purchase of equity share investment	0.04 (-)	- (-)	- (-)	- (-)	- (-)

### Outstanding balances:

Particulars	Subsidiaries	Associates	EKMP	KMP/ RKMP	Employee funds
Contract liabilities	0.41 (1.35)	- (-)	- (-)	- (-)	- (-)
Investments in equity shares and preference shares	2,975.52 (1,711.49)	58.33 (58.33)	- (-)	- (-)	- (-)

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

Particulars	Subsidiaries	Associates	EKMP	KMP/ RKMP	Employee funds
Impairment allowance on investments	1,697.85 (1,341.25)	58.33 (58.33)	- (-)	- (-)	- (-)
Trade receivables	20.00 (2.41)	- (-)	2.69 (0.56)	0.32 (0.09)	- (-)
Loan given	152.35 (376.21)	- (-)	- (-)	- (-)	- (-)
Impairment allowance on loans	13.29 (281.14)	- (-)	- (-)	- (-)	- (-)
Security deposit taken	- (-)	- (-)	0.07 (0.07)	- (-)	- (-)
Advance to supplier and other asset	339.12 (333.86)	- (-)	- (-)	- (-)	- (-)
Impairment allowance on other assets	321.54 (313.06)	- (-)	- (-)	- (-)	- (-)
Trade payables	623.24 (606.21)	- (1.99)	- (-)	- (-)	- (-)
Corporate guarantee given	224.28 (104.47)	- (-)	- (-)	- (-)	- (-)
Other current financial liabilities	- (71.75)	- (-)	- (-)	- (-)	- (-)
Other financial asset	0.08 (-)	- (-)	- (-)	- (-)	- (-)

Figures in bracket are in respect of previous year.

### 41.3 Disclosure of significant transactions with related parties

Type of transaction	Type of relationship	Name of the entity	Year ended March 31,	
			2025	2024
Loan given	Subsidiary	Suzlon Renewable Development Limited	24.05	8.00
	Subsidiary	SE Forge Limited	13.50	-
	Subsidiary	Renom Energy Services Private Limited	20.00	-
Realisation of loan given	Subsidiary	Suzlon Renewable Development Limited	300.20	34.32
Write off of loan and financial assets receivable from subsidiaries pursuant to restructuring of balance sheet	Subsidiary	AE Rotor Holding B.V.	-	5,495.44
Utilisation of impairment allowance on loans and financial assets written off	Subsidiary	AE Rotor Holding B.V.	-	5,495.44
Buyback of equity shares of subsidiary	Subsidiary	Suzlon Energy Limited, Mauritius	-	6,324.09
Utilisation of impairment allowance on investment in subsidiary	Subsidiary	Suzlon Energy Limited, Mauritius	-	6,324.09
Investment in preference shares of subsidiary against buyback of equity shares of subsidiary	Subsidiary	Suzlon Energy Limited, Mauritius	-	84.86
Impairment in preference shares of subsidiary	Subsidiary	Suzlon Energy Limited, Mauritius	-	84.86

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

Type of transaction	Type of relationship	Name of the entity	Year ended March 31,	
			2025	2024
Purchase of equity share investment from subsidiary	Subsidiary	Suryoday Renewables Limited	0.04	-
Investment in preference shares of subsidiary	Subsidiary	Suzlon Renewable Development Limited	200.00	-
Purchase of goods and services	Subsidiary	SE Forge Limited	240.84	175.38
	Subsidiary	Suzlon Energy A/S Denmark	9.67	8.76
Sale of goods and services	Subsidiary	Renom Energy Services Private Limited	15.49	-
	Subsidiary	Suzlon Renewable Development Limited	1.59	1.45
	EKMP	SE Freight and Logistics India Private Limited	1.02	0.80
	EKMP	Samanvaya Holdings Private Limited	2.17	0.83
	Subsidiary	Suzlon Energy Australia Pty. Limited	3.67	0.98
	Subsidiary	Suzlon Wind Energy South-Africa (PTY) Limited	0.35	0.83
	Subsidiary	Suzlon Wind Energy (Lanka) Private Limited	0.24	1.21
	EKMP	Tanti Holdings Private Limited	0.60	0.57
Finance income	Subsidiary	Suzlon Renewable Development Limited	15.34	4.23
	Subsidiary	SE Forge Limited	10.52	8.91
	Subsidiary	Suzlon Wind Energy South-Africa (PTY) Limited	-	0.98
Lease rent income	Subsidiary	Suzlon Renewable Development Limited	0.09	0.25
	EKMP	Sarjan Realities Private Limited	0.78	0.71
Finance cost	Subsidiary	Suzlon Renewable Development Limited	0.06	-
Lease rent expense	EKMP	Sarjan Realities Private Limited	7.38	7.03
	Subsidiary	Suzlon Renewable Development Limited	0.12	2.92
Managerial remuneration	KMP	Mr. Vinod R Tanti	6.54	6.29
	KMP	Mr. Himanshu Mody	9.38	6.22
	KMP	Mr. J.P. Chalasani	10.34	5.37
	KMP	Mr. Ashwani Kumar	-	2.70
Director sitting fees	KMP	Mr. Girish R. Tanti	0.08	0.10
	KMP	Mr. Marc Desaeleer	0.02	0.07
	KMP	Mr. Sameer Shah	0.11	0.11
	KMP	Ms. Seemantinee Khot	0.13	0.10
	KMP	Mr. Gautam Doshi	0.11	0.08
	KMP	Mr. Per Hornung Pedersen	0.09	0.10
	KMP	Mr. Ajay Mathur	-	0.05
	KMP	Mr. Hiten Timbadia	-	0.04
	KMP	Mr. Pranav Tanti	0.07	0.07
Directors ex-gratia	KMP	Mr. Marc Desaeleer	0.96	-
	KMP	Mr. Sameer Shah	0.32	-
	KMP	Ms. Seemantinee Khot	0.32	-
	KMP	Mr. Gautam Doshi	0.32	-
	KMP	Mr. Per Hornung Pedersen	0.64	-
	KMP	Mr. Himanshu Mody	7.75	2.09

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## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

Type of transaction	Type of relationship	Name of the entity	Year ended March 31,	
			2025	2024
Share based payments expense	KMP	Mr. J.P. Chalasani	18.96	-
	KMP	Mrs. Geetanjali Vaidya	0.08	0.17
Sale of investments	Subsidiary	Suzlon Energy Limited Mauritius	-	0.85
	Subsidiary	Vignaharta Renewable Limited	35.00	-
Corporate guarantee given	Subsidiary	Suzlon Wind Energy South-Africa (PTY) Limited	-	97.63
	Subsidiary	SE Forge Limited	300.00	-
	Subsidiary	Renom Energy Services Private Limited	42.00	-
Contribution to various funds	Employee funds	SEL-Superannuation fund	0.54	0.54
		SEL-Employees group gratuity scheme	14.50	1.88
		Suzlon Global Services Limited Employee Superannuation Fund	0.16	0.17
		Suzlon Global Services Limited Employee Group Gratuity Scheme	16.25	4.20
Reimbursement of expenses payable	Subsidiary	Suzlon Renewable Development Limited	2.03	-
Reimbursement of expenses receivable	Subsidiary	Suzlon Renewable Development Limited	3.91	1.52
	Subsidiary	SE Forge Limited	0.89	1.07
Performance guarantee expense	RKMP	Mr. Jitendra R. Tanti	0.06	-
	EKMP	Samanvaya Holdings Private Limited	0.17	0.32
	EKMP	Tanti Holdings Private Limited	0.16	-
	RKMP	Mrs. Gita T. Tanti	0.01	-
	EKMP	SE Freight and Logistics India Private Limited	0.02	0.21

#### 41.4 Compensation of key management personnel of the Company recognised as an expense during the financial year:

	March 31, 2025	March 31, 2024
Short-term employee benefits	26.22	19.93
Post-employment benefits	0.81	1.26
Share based payments expense	26.79	2.26
<b>Total</b>	<b>53.82</b>	<b>23.45</b>

#### 41.5 Terms and conditions of transactions with related parties

All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

#### 42. Fair value measurements

The fair value of the financial assets and liabilities are considered to be same as their carrying values except for investments in Mutual funds. The fair value of investments in mutual funds is derived from the NAV of the respective units in the active market at the measurement date.

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

### 43. Fair value hierarchy

There are no transfers between level 1 and level 2 and level 3 during the year and earlier comparative periods. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the financial year.

**43.1** The following table provides the fair value measurement hierarchy of the Group's financial assets and financial liabilities.

	March 31, 2025			
	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>At fair value through profit or loss</b>				
Investment in Saraswat Co-operative Bank Limited	-	-	0.01	0.01
Investment in government securities	-	-	0.01	0.01
Investment properties	-	-	72.57	72.57
<b>Total</b>	<b>-</b>	<b>-</b>	<b>72.59</b>	<b>72.59</b>
<b>Financial liabilities</b>				
Financial liability at fair value				
Deferred consideration payable (non-current)	-	-	197.40	197.40
Deferred consideration payable (current)	-	-	268.67	268.67
<b>Total</b>	<b>-</b>	<b>-</b>	<b>466.07</b>	<b>466.07</b>
<b>March 31, 2024</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>				
<b>At fair value through profit or loss</b>				
Investment in Saraswat Co-operative Bank Limited	-	-	0.01	0.01
Investment in government securities	-	-	0.01	0.01
Investment properties	-	-	64.80	64.80
Investment in mutual funds	-	8.35	-	8.35
	<b>-</b>	<b>8.35</b>	<b>64.82</b>	<b>73.17</b>
<b>Financial liabilities</b>				
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**43.2 Reconciliation of financial instruments measured at fair value through profit or loss:**

	March 31, 2025	March 31, 2024
<b>Investment</b>		
Opening balance	0.02	0.02
Additions during the year	165.00	84.86
Impairment during the year	(165.00)	(84.86)
Finance income recognised in statement of profit and loss	-	-
<b>Closing balance</b>	<b>0.02</b>	<b>0.02</b>
<b>Financial liabilities</b>		
	<b>-</b>	<b>-</b>

### 44. Financial risk management

The Company's principal financial liabilities comprise borrowings, trade payables and other liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

financial assets include investments, loans, trade receivables and other assets, and cash and cash equivalents that the company derive directly from its operations. The Company also holds FVTPL investments.

The Company is exposed to market risk, credit risk and liquidity risk which may adversely impact the fair value of its financial instruments. The Company has constituted an internal Risk Management Committee ('RMC'), which is responsible for developing and monitoring the Company's risk management framework. The focus of the RMC is that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Risk Management Policy is approved by the Board of Directors.

### 44.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

Market risk comprises three types of risk: interest rate risk, foreign currency risk and price risk, such as commodity risk. The Company's exposure to market risk is primarily on account of interest risk and foreign currency risk. Financial instruments affected by market risk include loans and borrowings, FVTPL investments and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2025 and March 31, 2024.

#### a. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

#### b. Foreign currency risk and sensitivity

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Company's borrowings and loans and investments in foreign subsidiaries.

The Company's exposure to foreign currency risk as at the end of the financial year expressed in INR Crore are as follows:

Particulars	March 31, 2025			March 31, 2024		
	USD	EURO	Others	USD	EURO	Others
<b>Financial assets</b>						
Investments	-	575.06	68.43	-	575.06	68.43
Trade receivables	33.05	-	1.57	47.14	-	0.23
Other assets	28.80	20.59	15.77	11.25	25.38	2.58
<b>Total</b>	<b>61.84</b>	<b>595.65</b>	<b>85.77</b>	<b>58.39</b>	<b>600.44</b>	<b>71.24</b>
<b>Financial liabilities</b>						
Borrowings	-	-	-	-	-	-
Trade payables	317.82	69.26	117.25	429.76	51.91	58.99
Other liabilities	1.44	0.10	0.25	0.17	0.18	-
<b>Total</b>	<b>319.26</b>	<b>69.37</b>	<b>117.50</b>	<b>429.94</b>	<b>52.09</b>	<b>58.98</b>



# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

### Foreign currency sensitivity

The Company's currency exposures in respect of monetary items as at March 31, 2025 and March 31, 2024 that result in net currency gains and losses in the income statement and equity arise principally from movement in US Dollar and Euro exchange rates.

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EURO exchange rates, with all other variables held constant. The Company's exposure to foreign currency changes for all other currencies is not material. The other currencies includes Australian Dollar, Great Britain Pound, Danish Kroner etc.

Currency	Change in currency rate	Effect on profit before tax and equity	
		March 31, 2025	March 31, 2024
USD	+5%	(12.87)	(18.58)
USD	-5%	12.87	18.58
EURO	+5%	(2.44)	1.34
EURO	-5%	2.44	(1.34)

### 44.2 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities. Progressive liquidity management is being followed to de-risk the Company from any non-fulfilment of its liabilities to various creditors, statutory obligations, or any stakeholders.

#### a. Trade receivables

The Company's exposure to trade receivables is limited due to diversified customer base. The Company consistently monitors progress under its contracts with customers and sales proceeds are being realised as per the milestone payment terms agreed to minimise the loss due to defaults or insolvency of the customer.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

#### b. Financial instruments

Financial instruments that are subject to concentrations of credit risk primarily consist of cash and cash equivalents, term deposit with banks, loans given to subsidiaries and other financial assets. Investments of surplus funds are made only with approved counterparties and within credit limits assigned.

The Company's maximum exposure to credit risk as at March 31, 2025 and as at March 31, 2024 is the carrying value of each class of financial assets.

Refer Note 2.3 (q) for accounting policy on financial instruments.

### 44.3 Liquidity risk

Liquidity risk refers to that risk where the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirement. In doing this, management considers both normal and stressed conditions. The Company manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring cash flow forecast and by matching the maturity profiles of financial assets and liabilities.

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

The table below summarises the contractual maturity profile of the Company's financial liabilities:

	On demand	Upto 1 year	2-5 years	> 5 years	Total
<b>Year ended March 31, 2025</b>					
Lease liabilities	-	12.58	12.12	10.84	35.54
Other financial liabilities	-	369.37	617.94	-	987.31
Trade and other payables	-	3,333.20	-	-	3,333.20
<b>Total</b>	<b>-</b>	<b>3,715.15</b>	<b>630.06</b>	<b>10.84</b>	<b>4,356.05</b>
<b>Year ended March 31, 2024</b>					
Lease liabilities	-	21.49	16.17	-	37.66
Other financial liabilities	-	211.48	4.55	-	216.03
Trade and other payables	-	2,181.98	-	-	2,181.98
<b>Total</b>	<b>-</b>	<b>2,414.95</b>	<b>20.72</b>	<b>-</b>	<b>2,435.67</b>

### 45. Ratios and its elements

Ratio	March 31, 2025	March 31, 2024	% change
<b>Current ratio <sup>(1)</sup></b>			
Current assets/ Current liabilities	1.39	1.42	(2.16)
<b>Debt - Equity ratio</b>			
Total debt/ Shareholders equity	-	-	-
<b>Debt service coverage ratio <sup>(2)</sup></b>			
EBITDA (excluding non-cash expenses)/ (Interest + principal repayments)	34.05	0.55	6136.11
<b>Return on Equity ratio <sup>(2)</sup></b>			
Net profit after tax - Preference dividend (if any)/ Equity shareholder's funds	0.38	0.22	72.72
<b>Inventory turnover ratio <sup>(2)</sup></b>			
Sales/ average inventory	4.14	3.20	29.48
<b>Trade receivables turnover ratio <sup>(1)</sup></b>			
Sales/ average receivables	3.80	4.34	(12.43)
<b>Trade payable turnover ratio <sup>(1)</sup></b>			
Net credit purchases/ average payables	3.04	2.73	11.41
<b>Net capital turnover ratio <sup>(1)</sup></b>			
Sales / Working capital = current assets – current liabilities	4.36	4.25	2.69
<b>Net profit ratio (%) <sup>(1)</sup></b>			
Net profit (before tax and exceptional items)/ Sales	13.49%	11.52%	14.58
<b>Return on capital employed (%) <sup>(1)</sup></b>			
Earnings before interest and tax (EBIT)/ Capital employed = total assets – current liabilities	23.70%	22.21%	6.29
<b>Return on investment (%) <sup>(1)</sup></b>			
Finance income/ Investment	4.22%	4.48%	(5.78%)

#### Reasons for variance

<sup>(1)</sup> There is no significant change (i.e. change of more than 25% as compared to the immediately previous financial year) in the key financial ratios.

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

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- (2) The improvement in ratios is primarily driven by higher business volumes and enhanced operational efficiency, resulting in increased gross margins, net profits and liquidity, which collectively strengthened the Groups net worth.
- (3) In addition to reasons given in point (2) above, during the year, the Company also recognised deferred tax asset due to which there is increase in net profit leading to increase in ratios.

### 46. Other information

**46.1** On September 05, 2024, the Company acquired 51% stake in Renom Energy Services Private Limited ('Renom'), the largest multi-brand operation and maintenance services provider in renewable sector in India for a consideration of ₹ 400.00 Crore. An additional 25% stake for ₹ 310.00 Crore will be acquired by the Company within 18 months of the initial acquisition, with an obligation to purchase the remaining 24% at a later stage. The Company subsequently acquired additional 3.33% equity stake out of 25% and as of March 31, 2025, the Company holds 54.33% of Renom's equity share capital. The acquisition of Renom represents a strategic step aimed at enhancing long-term growth prospects and operational synergies for the Company.

In accordance with IND AS 32 Financial Instruments, the Company has accounted for the investment using the anticipated acquisition method. Accordingly, using external valuation report, the total fair value of the consideration has been determined at ₹ 930.20 Crore, which includes:

- ₹ 464.13 Crore paid for the 54.33% stake acquired till year end,
- ₹ 268.67 Crore (fair value) for the additional 21.67% stake,
- ₹ 197.40 Crore (fair value) for the remaining 24% stake.

The fair values of the additional 21.67% and 24.00% stakes have been recognised as deferred consideration payable in these standalone financial statements.

Acquisition-related costs amounting to ₹ 6.08 Crore have been recognised as an expense in the standalone statement of profit and loss as part of other expenses.

**46.2** On September 05, 2024, the Company sold its corporate office, "One Earth"("premises"), to OE Business Park Private Limited ("OEBPPL") for a net consideration of ₹ 411.21 Crore. Immediately following the sale, the Company entered into a lease back arrangement for a term of five years, with rights to sublease and license the premises.

Pursuant, to the contractual arrangements, the Company holds a conditional call option to purchase the securities of OEBPPL, while the OEBPPL possess a corresponding put option to sell their securities to the Company. In accordance with the principles of Ind AS 115 – Revenue from Contracts with Customers, the aforesaid transaction does not meet the criteria for recognition as a sale. Accordingly, the transaction has been accounted for as a financing arrangement, and no gain on the transfer has been recognized in these standalone financial statements.

As a result, the proceeds received from the buyer have been recognized as a financial liability measured at amortised cost, rather than sale consideration. This liability represents the Company's obligation under the financing arrangement and is disclosed under financial liabilities in the standalone financial statements. The carrying amount of this financial liability as at, March 31, 2025, is ₹ 416.95 Crore.

**46.3** The Scheme of Arrangement approved by the Board of Directors on May 24, 2024, which provides for reduction and re-organisation of reserves of the Company was withdrawn on July 22, 2024. Subsequently, on October 28, 2024, the Board of Directors of the Company has approved the Scheme of Arrangement entailing the following and the same is with SEBI for its approval:

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

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- Setting-off debit balance in the Retained Earnings Account of the Company against the reserves as on the Appointed Date, viz., Capital Reserve; Capital Contribution; Capital Redemption Reserve; Securities Premium; and balance (if any) against General Reserves.
- Re-classification of balance General Reserve to Retained Earnings Account.

**46.4** The Board of the Company at its meeting held on May 09, 2025, has, subject to the Scheme becoming effective and signing of the definitive documents, approved the following:

- a. the transfer of the Project Division of the southern region of the Company to Suzlon Southern Projects Limited (formerly known as Vakratunda Renewables Limited) ("Suzlon Southern"), a wholly owned step-down subsidiary of the Company; and
- b. the transfer of the Project Division of the western region of the Company to Suzlon Western India Projects Limited (formerly known as Manas Renewables Limited) ("Suzlon Western"), another wholly owned step-down subsidiary of the Company.

The aforesaid transfer of the Project Divisions of the Company has taken place on May 10, 2025 on a going concern and on an "as-is-where-is" basis with all the assets and liabilities, for a lumpsum consideration at a value not less than fair market value of the net assets as per Rule 11UAE of the Income Tax Rules, 1962 on transfer date.

**46.5** The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for company under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses an accounting software for maintaining books of account. During the year ended March 31, 2025, the Company has enabled audit trail (edit log), which has operated throughout the year at the application level for all relevant transactions recorded in the accounting software. The company has not enabled the feature of recording audit trail (edit log) at the database level for the said accounting software to log certain transactions recorded with privileged access and any direct data changes on account of recommendation in the accounting software administration guide which states that enabling the same all the time consumes storage space on the disk and can impact database performance significantly. The end user of the Company do not have any access to database IDs which can make direct data changes (create, change, delete) at database level.

### 47. Other statutory information

- a. In accordance with the provisions of Section 186(4) of the Companies Act, 2013, the Company has given loans and provided guarantees to related parties for general corporate purposes (refer Note 11 and Note 39). Further the Company has also made certain investments during the year (refer Note 9).
- b. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- c. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- d. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

- e. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- f. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- g. The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 (as amended).
- h. The Company is in compliance with the scheme of arrangement which has an accounting impact on current financial year.
- i. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey).
- j. Details of title deeds of the immovable properties, in the nature of freehold land, as indicated in the below mentioned cases were acquired pursuant to the Scheme of Amalgamation involving the merger of Suzlon Windfarm Services Private Limited ('SWSPL') and Suzlon Power Infrastructure Limited ('SPIL') with Suzlon Global Services Limited ("SGSL") with effect from March 29, 2014 and April 01, 2020 respectively the Company, as approved by the Hon'ble National Company Law Tribunal (NCLT) wide Order dated May 08, 2025. These properties are not individually held in the name of the Company as on March 31, 2025.

In addition to the cases listed below, certain other immovable properties in the nature of freehold land were also acquired by the Company, pursuant to the Scheme of Merger of SGSL with the Company. However, since the effective date of the merger is post Balance Sheet date i.e March 31, 2025, these properties are not individually held in the name of the Company as on the reporting date and have therefore not been included in the disclosures under this clause.

Description of the property	Gross carrying value (in ₹ crore)	Held in the name of	Whether promoter, director or their relative or their employee	Property held sincef which date	Reason for not being held in the name of the Company
One Earth premises related Land and building forming part of Property, plant and Equipment and Investment Property	226.69	OE Business Park Private Limited	No	0.5 years	Through Conveyance Deed the said property has been transferred for a consideration ( already received in full) but since the Company has a right to get back the property through purchase of 100% of the shares of OE Business Park Private Limited, the property

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

					is still shown as property of the Company so far as accounting is concerned
15 freehold lands located at various locations admeasuring 57.3 acres	10.50	Suzlon Windfarm Services Private Limited ('SWSPL')	No	11 years	The title deeds are in the name of SWSPL, erstwhile SEL-OMS division, which was merged with SGSL w.e.f. March 29, 2014.
2 freehold lands located at multiple locations admeasuring 4.4 acres	0.48	Suzlon Power Infrastructure Limited ('SPIL')	No	5 years	The title deeds are in the name of SPIL, which was merged with SGSL w.e.f. April 01, 2020

### 48. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to safeguard its ability to reduce the cost of capital and to maximise shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Company monitors capital using a gearing ratio, which is net debt (total borrowings and lease liabilities net of cash and cash equivalents divided by total equity (as shown in the balance sheet).

The gearing ratios are as follows:

	March 31, 2025	March 31, 2024
Net debt	(961.26)	(324.50)
Total equity	5,529.00	3,281.19
<b>Net debt to equity</b>	<b>(0.17)</b>	<b>(0.10)</b>

The net debt to equity ratio for the current year further reduced as a result of increased volume leading to increase in operating cash flows and cash held by the Company at the end of the year.

# Suzlon Energy Limited

## Notes to standalone financial statements for the year ended March 31, 2025

All amounts in ₹ Crore, unless otherwise stated

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49. The Company have regrouped/ reclassified the figures of the previous year wherever necessary to confirm with current year presentation. The impact of such reclassification/ regrouping is not material to the standalone financial statements.

**For Walker Chandiook & Co LLP**

Chartered Accountants  
ICAI Firm Registration Number:  
001076N/N500013

**For and on behalf of the Board of Directors of  
Suzlon Energy Limited**

**Rohit Arora**

Partner  
Membership No.: 504774

**Vinod R. Tanti**

Chairman and Managing Director  
DIN: 00002266

**J. P. Chalasani**

Group Chief Executive  
Officer

**Himanshu Mody**

Group Chief Financial Officer

**Geetanjali S. Vaidya**

Company Secretary  
Membership No.: 18026

Place: Pune  
Date: May 29, 2025

Place: Pune  
Date: May 29, 2025

Suzlon Energy Limited

Provisional Balance sheet as at June 30, 2025

All amounts in ₹ Crore, unless otherwise stated

Particulars	Notes	As at June 30, 2025	As at March 31, 2025
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment		544.80	579.31
Right-of-use assets		61.94	36.06
Capital work-in-progress		100.67	59.59
Investment properties		25.39	25.75
Other intangible assets		112.72	91.35
Intangible assets under development		9.99	16.35
<b>Financial assets</b>			
Investments	1	1,298.69	1,277.70
Trade receivables	2	-	-
Loans	5	241.24	139.06
Other financial assets	6	1,211.31	1,062.67
Deferred tax asset		503.67	638.05
Other non-current assets	7	99.39	62.54
		<b>4,209.81</b>	<b>3,988.43</b>
<b>Current assets</b>			
Inventories	3	3,293.32	2,857.11
<b>Financial assets</b>			
Investments		187.52	-
Trade receivables	2	4,233.72	3,682.90
Cash and cash equivalents	4	375.36	808.02
Bank balance other than above	4	104.09	188.78
Loans	5	0.16	0.27
Other financial assets	6	200.35	185.63
Current tax assets, net		49.74	49.68
Other current assets	7	819.50	583.64
		<b>9,263.76</b>	<b>8,356.03</b>
<b>Assets classified as held for sale</b>			
		-	-
<b>Total assets</b>		<b>13,473.57</b>	<b>12,344.46</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	8	2,741.83	2,731.79
Other equity	9	3,240.55	2,797.21
		<b>5,982.38</b>	<b>5,529.00</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings		-	-
Lease liabilities		47.55	22.97
Other financial liabilities	10	616.70	617.94
Provisions	12	146.08	147.96
Other non-current liabilities	11	0.23	0.45
		<b>810.56</b>	<b>789.32</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings		-	-
Lease liabilities		16.14	12.57
Trade payables		-	-
Total outstanding dues of micro and small enterprises		0.00	61.86
Total outstanding dues other than micro and small enterprises	13	4,258.76	3,271.34
Other financial liabilities	10	280.86	369.37
Contract liabilities	11	1,458.39	1,680.03
Provisions	12	592.10	550.20
Other current liabilities	11	67.97	73.72
Current tax liabilities, net		6.41	7.05
		<b>6,680.63</b>	<b>6,026.14</b>
<b>Liabilities directly associated with assets classified as held for sale</b>			
		-	-
<b>Total liabilities</b>		<b>7,491.19</b>	<b>6,815.46</b>
<b>Total equity and liabilities</b>		<b>13,473.57</b>	<b>12,344.46</b>

For and on behalf of Suzlon Energy Limited



Authorised Signatory





Suzlon Energy Limited

Provisional Statement of profit and loss for the period ended June 30, 2025

All amounts in ₹ Crore, unless otherwise stated

Particulars	Notes	June 30, 2025	June 30, 2024
<b>Income</b>			
Revenue from operations	14	2,843.89	1,906.04
Other operating income	15	3.71	5.54
Finance income	16	29.39	24.38
<b>Total income</b>		<b>2,876.99</b>	<b>1,935.96</b>
<b>Expenses</b>			
Cost of raw materials, components consumed and services rendered	17	2,298.53	1,298.30
Purchase of stock-in-trade		-	-
Changes in inventories of finished goods, semi-finished goods and work-in-progress	17	(515.97)	(67.39)
Employee benefits expense	18	183.97	167.07
Finance costs	19	93.00	40.36
Depreciation and amortisation expense		38.90	35.14
Other expenses	20	298.54	170.46
<b>Total expenses</b>		<b>2,396.97</b>	<b>1,643.94</b>
<b>Profit / (loss) before exceptional items and tax</b>		<b>480.02</b>	<b>292.02</b>
Exceptional items	21	(1.71)	(8.22)
<b>Profit before tax</b>		<b>481.73</b>	<b>300.24</b>
Earlier period tax expense	22	-	-
Deferred tax	22	134.38	-
<b>Profit after tax</b>		<b>347.35</b>	<b>300.24</b>
<b>Other comprehensive income / (loss)</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Re-measurements of the defined benefit plans	23	(0.82)	(0.22)
Income tax effect on the above		-	-
<b>Other comprehensive income / (loss) for the year, net of tax</b>		<b>(0.82)</b>	<b>(0.22)</b>
<b>Total comprehensive income for the year</b>		<b>346.53</b>	<b>300.02</b>

For and on behalf of Suzlon Energy Limited



*[Handwritten Signature]*

Authorised Signatory

**Suzlon Energy Limited**  
**Notes to financial statements for the period ended June 30, 2025**

	June 30, 2025	March 31, 2025
<b>1 Investments</b>		
<b>Non-current investments</b>		
Non-trade investments (including investment in JV)	3,054.85	3,033.86
Impairment on Investments (including investment in JV)	(1,756.18)	(1,756.18)
Investments in government or trust securities (unquoted)	0.02	0.02
<b>Total</b>	<b>1,298.69</b>	<b>1,277.70</b>
<b>Current investments</b>		
Investment-MF	187.52	-
<b>Total</b>	<b>187.52</b>	<b>-</b>
<b>2 Trade receivables</b>		
<b>Non-current</b>		
Unsecured considered doubtful	124.28	136.76
Less: Impairment allowance	(124.28)	(136.76)
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Current</b>		
Unsecured considered good	4,276.48	3,720.76
Less: Impairment allowance	(42.76)	(37.86)
<b>Total</b>	<b>4,233.72</b>	<b>3,682.90</b>
<b>3 Inventories</b> (valued at lower of cost and net realisable value)		
Raw materials (including goods in transit)	1,199.24	1,685.16
Finished goods, semi finished goods and work- in- progress	1,360.38	901.36
Components and spares	423.53	
Stores and spares	309.92	270.34
Land and lease rights	0.25	0.25
<b>Total</b>	<b>3,293.32</b>	<b>2,857.11</b>
<b>4 Cash and cash equivalents</b>		
Balances with banks	375.14	807.86
Bank balance other than above	104.09	188.78
Cash on hand	0.22	0.16
<b>Total</b>	<b>479.45</b>	<b>996.80</b>
<b>5 Loans</b>		
<b>Non-current</b>		
Inter-corporate deposits to related parties		
Unsecured, considered good	241.24	139.06
Credit impaired	17.02	13.29
Less: Impairment allowance	(17.02)	(13.29)
<b>Total</b>	<b>241.24</b>	<b>139.06</b>
<b>Current</b>		
Loans to employees	0.16	0.27
<b>Total</b>	<b>0.16</b>	<b>0.27</b>
<b>6 Other financial assets</b>		
<b>Non-current</b>		
Non-current bank balances	1,006.75	1,036.28
Security deposits	28.56	26.39
Security deposits Credit impaired	0.87	0.87
Less: Impairment allowance	(0.87)	(0.87)
Advances recoverable in cash	353.69	325.68
Less: Unsecured, considered doubtful	(353.69)	(325.68)
Other assets	176.00	-
<b>Total</b>	<b>1,211.31</b>	<b>1,062.67</b>

**Suzlon Energy Limited**  
**Notes to financial statements for the period ended June 30, 2025**

	June 30, 2025	March 31, 2025
<b>Current</b>		
Security deposits	4.42	3.30
Interest accrued on deposits, loans and advances	34.36	31.75
Advances recoverable in cash (considered good)	18.52	17.58
Income accrued but not due	92.78	87.33
Other assets	50.27	45.67
<b>Total</b>	<b>200.35</b>	<b>185.63</b>
<b>7 Other assets</b>		
<b>Non-current</b>		
Capital advances	97.91	59.49
Advance income tax (net of provisions)	-	0.04
Advance recoverable in kind		
Credit impaired	1.00	4.29
Less:- Allowance for credit impairment	(1.00)	(4.29)
Prepaid expenses	1.48	3.01
<b>Total</b>	<b>99.39</b>	<b>62.54</b>
<b>Current</b>		
Advances recoverable in kind (unsecured)	569.34	222.60
Balances with government/ statutory authorities	165.71	278.74
Prepaid expenses	79.77	79.86
Advances to employees	4.68	2.44
<b>Total</b>	<b>819.50</b>	<b>583.64</b>
<b>8 Share capital</b>		
<b>Subscribed and paid-up</b>		
Rs in Crore	2,741.83	2,731.79
<b>9 Other equity</b>		
Capital reserve	217.81	217.81
Capital redemption reserve	15.00	15.00
General reserve	912.06	912.06
Securities premium	12,624.17	12,499.09
Capital contribution	5,830.54	5,830.54
Share options outstanding account	89.59	122.52
Share Application Money	4.72	0.05
Retained earnings	(16,453.34)	(16,799.86)
<b>Total</b>	<b>3,240.55</b>	<b>2,797.21</b>

**Suzlon Energy Limited**  
**Notes to financial statements for the period ended June 30, 2025**

	June 30, 2025	March 31, 2025
<b>10 Other financial liabilities</b>		
<b>Non-current</b>		
Liability towards OE Business park	419.30	420.49
Deferred consideration	197.40	197.40
Other long-term payables	-	0.05
<b>Total</b>	<b>616.70</b>	<b>617.94</b>
<b>Current</b>		
Renom acquisition liability	208.73	268.67
Employee payables	57.56	74.86
Security deposit from customer	4.68	0.50
Other liabilities	9.89	25.34
<b>Total</b>	<b>280.86</b>	<b>369.37</b>
<b>11 Other liabilities</b>		
<b>Non-current</b>		
Others	0.23	0.45
<b>Total</b>	<b>0.23</b>	<b>0.45</b>
<b>Current</b>		
Advance from customer	1,458.39	1,680.03
Statutory dues	67.68	73.60
Others	0.29	0.12
<b>Total</b>	<b>1,526.36</b>	<b>1,753.75</b>
<b>12 Provisions</b>		
<b>Non-current</b>		
Employee benefits	28.90	30.53
Provision for maintenance and warranty	117.18	117.43
<b>Total</b>	<b>146.08</b>	<b>147.96</b>
<b>Current</b>		
Employee benefits	26.26	29.63
Provision for performance guarantee, maintenance and warranty and liquidated damages	565.84	520.57
<b>Total</b>	<b>592.10</b>	<b>550.20</b>
<b>13 Trade Payable</b>		
Trade Payable	4,258.76	3,333.20
	<b>4,258.76</b>	<b>3,333.20</b>

**Suzlon Energy Limited**

**Notes to financial statements for the period ended June 30, 2025**

	June 30, 2025	June 30, 2024
<b>14 Revenue from operations</b>		
<b>a. Revenue from contracts with customers</b>		
Sale of wind turbines and other spare parts	2,325.00	1,442.55
Less : variable consideration		
Performance guarantee expenditure	(4.44)	(2.74)
Liquidated damages expenditure	(22.19)	(2.03)
Income from operation and maintenance service	471.43	408.67
Less : variable consideration		
Performance guarantee expenditure	(14.25)	(13.13)
Project execution income	77.57	56.83
Sale of services	0.87	10.06
<b>b. Other revenue</b>		
Scrap sales	9.90	5.83
<b>Total</b>	<b>2,843.89</b>	<b>1,906.04</b>
<b>15 Other operating income</b>		
Rent income	2.01	2.85
Other miscellaneous income	1.70	2.69
<b>Total</b>	<b>3.71</b>	<b>5.54</b>
<b>16 Finance income</b>		
Interest income on		
Financial assets measured at amortised cost		
on inter-corporate deposits	4.12	2.37
on deposits with banks	22.10	20.20
on other financial assets	0.40	1.79
On Income tax refund	0.13	-
Gain on sale of Mutual fund	2.64	-
Financial liabilities measured at amortised cost	-	0.02
<b>Total</b>	<b>29.39</b>	<b>24.38</b>
<b>17 Cost of raw materials and components consumed</b>		
<b>Consumption of raw materials (including project business)</b>		
Opening inventory	1,685.16	1,259.69
Inventory transfer under business transfer agreement	193.79	
Add : Purchases	2,429.93	1,426.03
	<b>3,921.30</b>	<b>2,685.72</b>
Project Bought out cost	-	55.32
Less : Closing inventory	1,622.77	1,442.74
	<b>2,298.53</b>	<b>1,298.30</b>
<b>Purchases of stock-in-trade</b>	-	-
<b>(Increase)/ decrease in stocks:</b>		
Opening inventory		
Finished, semi finished goods and work- in- progress	901.36	631.00
Land and land lease rights	0.25	1.44
<b>(A)</b>	<b>901.61</b>	<b>632.44</b>
Closing inventory		
Finished, semi finished goods and work- in- progress	1,360.38	698.39
Land and land lease rights	0.25	1.44
<b>(B)</b>	<b>1,360.63</b>	<b>699.83</b>
Inventory Transferred in business transfer agreement	56.95	-
<b>(C)</b>	<b>56.95</b>	<b>-</b>
<b>(Increase)/ decrease in stocks</b>	<b>(D) = (A) - (B) - (C)</b>	<b>(67.39)</b>

**Suzlon Energy Limited**

**Notes to financial statements for the period ended June 30, 2025**

	June 30, 2025	June 30, 2024
<b>18 Employee benefits expense</b>		
Salaries, wages, allowances and bonus	133.29	133.09
Contribution to provident fund and other funds	10.22	8.27
Staff welfare expenses	9.10	7.67
Employee stock option scheme	31.36	18.04
<b>Total</b>	<b>183.97</b>	<b>167.07</b>
<b>19 Finance costs</b>		
Interest expense on:		
Financial liabilities measured at amortised cost	34.51	5.87
Unwinding of long term provisions	0.62	1.06
Bank charges	57.87	33.43
<b>Total</b>	<b>93.00</b>	<b>40.36</b>
<b>20 Other expenses</b>		
Stores and spares consumed	33.96	20.86
Power and fuel	5.46	3.30
Factory and site expenses	10.86	9.50
Repairs and maintenance:		
Plant and machinery	0.81	1.14
Building	3.53	2.29
Others	10.94	5.37
Operation and maintenance charges	0.24	0.85
Rent	5.99	4.56
Rates and taxes	0.88	1.04
Operation, maintenance and warranty expenditure	18.70	21.29
Quality assurance expenses	1.34	0.48
Insurance	5.69	5.45
Advertisement and sales promotion	5.89	0.76
Freight outward and packing expenses	38.17	3.06
Travelling, conveyance and vehicle expenses	20.83	20.82
Communication expenses	1.66	1.81
Auditors' remuneration and expenses	0.26	0.27
Consultancy charges	25.86	15.02
CSR, charity and donations	1.69	1.65
Security expenses	13.22	12.19
Outsource manpower cost	38.57	21.24
Miscellaneous expenses	16.25	9.25
Exchange differences, net	25.33	0.27
Bad debts written off	-	(0.01)
Impairment allowance	10.12	5.59
Allowance/ (reversal) for doubtful debts and advances	2.28	2.57
Loss on assets sold / discarded, net	0.01	(0.16)
<b>Total</b>	<b>298.54</b>	<b>170.46</b>
<b>21 Exceptional items</b>		
Provision/ (reversal) towards diminution in loans/ investments/ advance in subsidiaries/ interest income	(1.71)	(8.22)
<b>Total</b>	<b>(1.71)</b>	<b>(8.22)</b>
<b>22 Income tax expense</b>		
Current Tax expense	-	-
Earlier period tax expense	-	-
Deffered tax	134.38	-
	<b>134.38</b>	<b>-</b>
<b>23 Other comprehensive income / (loss)</b>		
Re-measurements of the defined benefit plans	(0.82)	(0.22)
Income tax effect on the above	-	-
	<b>(0.82)</b>	<b>(0.22)</b>

# Walker Chandiook & Co LLP

To,  
The Board of Directors  
**Suzlon Energy Limited**  
5, Shrimali Society,  
Near Shree Krishna Complex,  
Navrangpura, Ahmedabad,  
Gujarat – 380 009

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**Walker Chandiook & Co LLP**

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Maharashtra, India

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**Independent Auditor's Certificate on the Proposed Accounting treatment specified in the Draft Scheme of Arrangement pursuant to the sections 230 and 231 read with section 66 and section 52 and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the 'Act') and rules framed thereunder.**

- 1) This certificate is issued in accordance with the terms of our agreement dated 24 May 2024 with Suzlon Energy Limited ('the Company').
- 2) The management of the Company has prepared the accompanying Draft Scheme of Arrangement between the Company and its shareholders and creditors (the 'Draft Scheme'), of which, Clause 7 specify the proposed accounting treatment, as approved by the Board of Directors in its meeting held on 28 October 2024, in terms of the provisions of sections 230 and 231 read with section 66 and section 52 and other applicable provisions of the Act and rules framed thereunder (together hereinafter referred as the 'applicable provisions of the Act') and with reference to its compliance with applicable accounting standards as specified in Section 133 of the Act, read with relevant rules issued thereunder (the 'applicable accounting standards') and other generally accepted accounting principles in India. We have initialled the draft scheme for identification purposes only.

### Management's Responsibility for the Undertaking

- 3) The responsibility for the preparation of the Draft Scheme, and its compliance with the relevant laws and regulations, including the applicable accounting standards and other generally accepted accounting principles in India, is that of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Draft Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
- 4) The management is also responsible for ensuring that the Company complies with the requirements of the Act and the Rules framed thereunder with respect to the proposed scheme of arrangement and furnishing the requisite information to the National Company Law Tribunal (NCLT), Securities and Exchange Board of India (SEBI), BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) (collectively referred to as 'Authorities').

### Auditor's Responsibility

- 5) Pursuant to the requirement of applicable provisions of the Act, it is our responsibility to provide reasonable assurance in the form of an opinion as to whether the proposed accounting treatment specified in the Draft Scheme is in compliance with the applicable accounting standards and other generally accepted accounting principles in India.



Chartered Accountants

Offices in Ahmedabad, Bangalore, Chandigarh, Chennai, Dehradun, Goa, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

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Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2095 and has its registered office at L-41, Connaught Circus, Outer Circle, New Delhi, 110001, India

## Walker Chandiook & Co LLP

- 6) We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note'), issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
- 7) We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the ICAI.

### Opinion

- 8) Based on our examination as above, evidence obtained, and the information and explanations along with the representations provided by the Management, in our opinion, the proposed accounting treatment in the books of the Company relating to the proposed scheme of arrangement as set out in Clause 7 of the Draft Scheme is outside the purview of the applicable accounting standards specified under Section 133 of the Act read with relevant rules issued thereunder. In the absence of specific guidance for accounting of transactions relating to reorganization of reserves, the accounting treatment under Clause 7 of the Draft Scheme is construed to be in conformity with other generally accepted accounting principles in India.

### Restriction on Use

- 9) Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with applicable provisions of the Act. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have as auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as auditors of the Company.
- 10) The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of compliance with applicable provisions of the Act which requires it to submit the certificate with the accompanying Draft Scheme to the relevant Authorities and should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/N500013



**Shashi Tadwalkar**  
Partner  
Membership No. 101797

**UDIN: 24101797BKCPHH7891**

Place: Pune  
Date: 28 October 2024



**SCHEME OF ARRANGEMENT**

**BY AND AMONG**

**SUZLON ENERGY LIMITED**

**AND**

**ITS SHAREHOLDERS**

**AND**

**CREDITORS**

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

*G. S. Vaidya*



## GENERAL

### A. PREAMBLE

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

### B. BACKGROUND AND DESCRIPTION OF THE COMPANY

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

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

### C. OVERVIEW AND OPERATION OF THIS SCHEME

This scheme provides for:

*G. S. Vaidya*



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

**D. PARTS OF THIS SCHEME**

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

**E. RATIONALE FOR THIS SCHEME**

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

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

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

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

*G. S. Vaidya*



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

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

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

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

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

*G. S. Vaidya*



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

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

G. S. Vaidya



## Part I

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

#### 1. DEFINITIONS

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

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

*G. S. Vaidya*



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

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

*G. S. Vaidya*



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

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

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

2. INTERPRETATION

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

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

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

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

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

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

4. SHARE CAPITAL

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

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

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<b>Total</b>	<b>2,729.05</b>
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The equity shares of the Company are listed on the Stock Exchanges.

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

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



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## Part II

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

5. REDUCTION AND REORGANIZATION OF RESERVE OF THE COMPANY
- 5.1. Upon the Scheme becoming effective, the Company shall adjust the debit balance in of the Retained Earnings Account of the Company as on the Appointed Date, in chronological order against credit balances in the following reserves:
- Capital Reserve;
  - Capital Contribution;
  - Capital Redemption Reserve;
  - Securities Premium; and
  - Balance (if any) against General Reserves.
- 5.2. The reduction and reorganization of reserve of the Company would neither involve a diminution of liability in respect of unpaid share capital nor a diminution of paid-up share capital.
- 5.3. Notwithstanding the reduction of capital, as stated in this Scheme, the Company shall not be required to add "And Reduced" as suffix to its name.
- 5.4. The utilization of the Capital Reserve, Capital Contribution, Capital Redemption Reserve, Securities Premium and General Reserves as aforesaid shall be effected as an integral part of the Scheme and the order of the NCLT sanctioning this Scheme shall be deemed to be an order under section 66 read with section 52 and other applicable provisions of the Act and no separate sanction under section 66 read with section 52 and other applicable provisions of the Act will be necessary.
- 5.5. The Scheme neither involves reduction in the issued, subscribed, paid-up share capital of the Company, nor any payment of the paid-up share capital to the shareholders of the Company nor does it result in extinguishment of any liability or diminution. There is no outflow of / payout of funds from the Company and hence, the interest of the shareholders / creditors is not adversely affected.
6. RECLASSIFICATION OF GENERAL RESERVE OF THE COMPANY
- 6.1. Upon the Scheme becoming effective, and post reduction and reorganisation of reserves pursuant to Clause 5 above, the entire amount

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

- 6.2. The amount credited to the Retained Earnings pursuant to Clause 6.1 above shall constitute to be accumulated profits of the Company for the previous financial year, arrived at after providing for depreciation in accordance with the provisions of the Act and remaining undistributed in the manner provided in the Act and other applicable laws. The amount so reclassified to the Retained Earnings shall be available for distribution to the equity shareholders of the Company, from time to time, by the Board of Directors of the Company, at its sole discretion, in such manner, quantum and at such time as the Board of Directors may decide.
- 6.3. The transfer of General Reserve of the Company, as stated in Clause 6.1 above, shall be effected as an integral part of this Scheme and the approval of the Scheme by the members shall be deemed to be sufficient for the purpose of effecting the re-classification and transfer of the amounts standing to the credit of the General Reserve to the Retained Earnings and no further resolution under any other applicable provisions of the Act would be required to be separately passed.
- 6.4. It is further clarified that transfer of the amounts standing to the credit of General Reserve to the Retained Earnings of the Company as contemplated in the Clause 6.1 should not entail or should not be deemed as any obligation on the Company for declaration or distribution of dividend for the purpose of Section 123 of the Act, and rules notified thereunder.
- 6.5. Pursuant to the reduction and reorganization of reserves and re-classification of General Reserve of the Company pursuant to Clause 5 and 6 of this Scheme, there is no outflow of/ payout of funds from the Company and hence, the interest of the shareholders/ creditors is not adversely affected. For the removal of doubt, it is expressly recorded and clarified that the Scheme shall not in any manner involve distribution of reserves or revenue reserves and shall be in accordance with the accounting standards prescribed under provisions of Section 133 of the Act.
7. ACCOUNTING TREATMENT FOR REDUCTION AND REORGANISATION OF RESERVES AND SUBSEQUENT RECLASSIFICATION OF GENERAL RESERVE OF THE COMPANY AS PER CLAUSE 5 AND 6 ABOVE
- 7.1. Notwithstanding anything else contained in the Scheme, the Company shall account for reduction and reorganization of reserve and subsequent reclassification of general reserves in its books of account in accordance with Indian Accounting Standards ("IND AS") notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015,

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

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

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**Part III**  
**GENERAL TERMS AND CONDITIONS**

8. EMPLOYEES

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

9. CREDITORS

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

10. COMPLIANCE WITH TAX LAWS

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

11. LEGAL PROCEEDINGS

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

12. CONDITIONS PRECEDENT

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

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

13. APPLICATIONS

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

14. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

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

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- b. take such steps and do all such acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and give such directions as to resolve any doubts, difficulties or questions, arising under this Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any insolvent or deceased shareholders, debenture holders, depositors of the Company), whether by reason of any order(s) of the Appropriate Authority or of any direction or orders of any other Appropriate Authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith, or to review the position relating to the satisfaction of the various conditions of the Scheme and if necessary, to waive any of those (to the extent permissible under the law); and
- c. modify or vary this Scheme prior to the Effective Date in any manner at any time subject to Applicable Law; and
- 14.2. In case, post approval of the Scheme by the Appropriate Authority, there is any confusion in interpreting any Clause of this Scheme, or otherwise, the Board of Directors of the Company shall have complete power to take the most sensible interpretation so as to render the Scheme operational.
15. EFFECT OF NON-RECEIPT OF APPROVALS
- In the event of any of the said sanctions and approvals referred to in the Clause 12 above, not being obtained and/ or the Scheme not being sanctioned by the Tribunal and / or the order not being passed as aforesaid within such period or periods as may be agreed upon by the Board, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.
16. REMOVAL OF DIFFICULTIES
- 16.1. The Company acting through its Board, may:
- a. give such directions and agree to take steps, as may be necessary, desirable or proper, to resolve all doubts, difficulties or questions arising under this Scheme, whether by reason of any orders of the Appropriate Authority or of any directive or orders of any Appropriate Authority, under or by virtue of this Scheme in relation to the arrangement contemplated in this Scheme and/ or matters concerning or connected therewith or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any manner whatsoever connected therewith, or to review the position relating to the satisfaction

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

- b. do all such acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect.

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

17. SEVERABILITY

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

18. MISCELLANEOUS

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

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

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

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To,  
The Board of Directors  
**Suzlon Energy Limited**  
5, Shrimali Society,  
Near Shree Krishna Complex,  
Navrangpura, Ahmedabad,  
Gujarat – 380 009

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**Walker ChandioK & Co LLP**  
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West Wing, Nyati Unitree  
Nagar Road, Yerwada,  
Pune - 411 006  
Maharashtra, India  
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**Independent Auditor’s Revised Certificate on the Proposed Accounting treatment specified in the Draft Scheme of Arrangement pursuant to the sections 230 and 231 read with section 66 and section 52 and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the ‘Act’) and rules framed thereunder and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any amendments thereof and circulars issued thereunder (hereinafter referred to as ‘the SEBI LODR’).**

We, Walker ChandioK & Co LLP, Chartered Accountants, the Statutory Auditors of Suzlon Energy Limited (the ‘Company’) issued a certificate dated 28 October 2024 on the Proposed Accounting treatment specified in the Draft Scheme of Arrangement for its submission by the Company to the National Company Law Tribunal, Securities and Exchange Board of India (‘SEBI’), BSE Limited and National Stock Exchange Limited.

Subsequently, we have been informed by the Company that the National Stock Exchange of India Limited has requested the Company to furnish a revised certificate with an additional specific mention therein regarding the Compliance of proposed accounting treatment with SEBI LODR. Accordingly, we have been requested by the Company to issue a revised certificate in order to submit it to National Company Law Tribunal, SEBI, BSE Limited and National Stock Exchange of India Limited.

This certificate is issued in accordance with the terms of our agreement dated 24 May 2024 with Suzlon Energy Limited (‘the Company’).

The management of the Company has prepared the accompanying Draft Scheme of Arrangement between the Company and its shareholders and creditors (the ‘Draft Scheme’), of which, Clause 7 specify the proposed accounting treatment, as approved by the Board of Directors in its meeting held on 28 October 2024, in terms of the provisions of sections 230 and 231 read with section 66 and section 52 and other applicable provisions of the Act and rules framed thereunder (together hereinafter referred as the ‘applicable provisions of the Act’) and with reference to its compliance with applicable accounting standards as specified in Section 133 of the Act, read with relevant rules issued thereunder (the ‘applicable accounting standards’), the SEBI LODR and other generally accepted accounting principles in India. We have initialled the draft scheme for identification purposes only.

#### **Management’s Responsibility for the Undertaking**

- 1) The responsibility for the preparation of the Draft Scheme, and its compliance with the relevant laws and regulations, including the applicable accounting standards and other generally accepted accounting principles in India, is that of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Draft Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
- 2) The management is also responsible for ensuring that the Company complies with the requirements of the Act and the Rules framed thereunder and the SEBI LODR with respect to the proposed scheme of arrangement and furnishing the requisite information to the National Company Law Tribunal (NCLT), SEBI, BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) (collectively referred to as ‘Authorities’).



**Auditor's Responsibility**

- 5) Pursuant to the requirement of applicable provisions of the Act, it is our responsibility to provide reasonable assurance in the form of an opinion as to whether the proposed accounting treatment specified in the Draft Scheme is in compliance with the applicable accounting standards, the SEBI LODR and other generally accepted accounting principles in India.
- 6) We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note'), issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
- 7) We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the ICAI.

**Opinion**

- 8) Based on our examination as above, evidence obtained, and the information and explanations along with the representations provided by the Management, in our opinion, the proposed accounting treatment in the books of the Company relating to the proposed scheme of arrangement as set out in Clause 7 of the Draft Scheme is outside the purview of the applicable accounting standards as specified under Section 133 of the Act read with relevant rules issued thereunder and the SEBI LODR. In the absence of specific guidance for accounting of transactions relating to reorganization of reserves, the accounting treatment under Clause 7 of the Draft Scheme is construed to be in conformity with other generally accepted accounting principles in India.

**Restriction on Use**

- 9) Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with applicable provisions of the Act. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have as auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as auditors of the Company.
- 10) The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of compliance with applicable provisions of the Act which requires it to submit the certificate with the accompanying Draft Scheme to the relevant Authorities and should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **Walker Chandniok & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/N500013



**Shashi Tadwalkar**  
Partner  
Membership No. 101797

**UDIN: 24101797BKCPJ9148**

Place: Pune  
Date: 18 December 2024

**SCHEME OF ARRANGEMENT**

**BY AND AMONG**

**SUZLON ENERGY LIMITED**

**AND**

**ITS SHAREHOLDERS**

**AND**

**CREDITORS**

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



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## GENERAL

### A. PREAMBLE

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

### B. BACKGROUND AND DESCRIPTION OF THE COMPANY

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

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

### C. OVERVIEW AND OPERATION OF THIS SCHEME

This scheme provides for:



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

**D. PARTS OF THIS SCHEME**

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

**E. RATIONALE FOR THIS SCHEME**

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

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

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

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



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

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

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

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

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



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

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



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## Part I

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

#### 1. DEFINITIONS

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

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



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Commission of India, Reserve Bank of India and such other sectoral regulators or authorities as may be applicable;

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

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



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



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



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

2. INTERPRETATION

Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the IT Act, the Securities Contracts (Regulation) Act, 1956, Securities and Exchange Board of India Act, 1992 (including the regulations made thereunder), the Depositories Act, 1996 and other Applicable Laws, rules, regulations, 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-



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

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

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

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

4. SHARE CAPITAL

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

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



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<b>Total</b>	<b>2,729.05</b>
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The equity shares of the Company are listed on the Stock Exchanges.

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

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



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## Part II

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

5. REDUCTION AND REORGANIZATION OF RESERVE OF THE COMPANY
- 5.1. Upon the Scheme becoming effective, the Company shall adjust the debit balance in of the Retained Earnings Account of the Company as on the Appointed Date, in chronological order against credit balances in the following reserves:
- Capital Reserve;
  - Capital Contribution;
  - Capital Redemption Reserve;
  - Securities Premium; and
  - Balance (if any) against General Reserves.
- 5.2. The reduction and reorganization of reserve of the Company would neither involve a diminution of liability in respect of unpaid share capital nor a diminution of paid-up share capital.
- 5.3. Notwithstanding the reduction of capital, as stated in this Scheme, the Company shall not be required to add "And Reduced" as suffix to its name.
- 5.4. The utilization of the Capital Reserve, Capital Contribution, Capital Redemption Reserve, Securities Premium and General Reserves as aforesaid shall be effected as an integral part of the Scheme and the order of the NCLT sanctioning this Scheme shall be deemed to be an order under section 66 read with section 52 and other applicable provisions of the Act and no separate sanction under section 66 read with section 52 and other applicable provisions of the Act will be necessary.
- 5.5. The Scheme neither involves reduction in the issued, subscribed, paid-up share capital of the Company, nor any payment of the paid-up share capital to the shareholders of the Company nor does it result in extinguishment of any liability or diminution. There is no outflow of / payout of funds from the Company and hence, the interest of the shareholders / creditors is not adversely affected.
6. RECLASSIFICATION OF GENERAL RESERVE OF THE COMPANY
- 6.1. Upon the Scheme becoming effective, and post reduction and reorganisation of reserves pursuant to Clause 5 above, the entire amount



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

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

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

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



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

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



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**Part III**  
**GENERAL TERMS AND CONDITIONS**

8. EMPLOYEES

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

9. CREDITORS

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

10. COMPLIANCE WITH TAX LAWS

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

11. LEGAL PROCEEDINGS

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

12. CONDITIONS PRECEDENT

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



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

13. APPLICATIONS

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

14. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

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



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

15. EFFECT OF NON-RECEIPT OF APPROVALS

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

16. REMOVAL OF DIFFICULTIES

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



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

- b. do all such acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect.

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

17. SEVERABILITY

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

18. MISCELLANEOUS

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



G. S. Vaidya



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

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



G. S. Vaidya



DCS/AMAL/NB/R37/3679/2025-26

To,  
The Company Secretary,  
**Suzlon Energy Ltd**  
Suzlon, 5, Shrimali Society,  
Near Shri Krishna Complex,  
Navrangpura, Ahmedabad,  
Gujarat, 380009

**Sub: Scheme of Arrangement by and among Suzlon Energy Limited and Its Shareholders and Creditors**

We refer to your application for Scheme of Arrangement by and among Suzlon Energy Limited ("SEL") and Its Shareholders and Creditors under section 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act 2013 and other applicable provisions of the filed with the Exchange under Regulation 37 of SEBI LODR Regulations, 2015, read with SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, and Reg. 94(2) of SEBI LODR Regulations, 2015.

In this regard, SEBI vide its Letter dated July 02, 2025, has inter alia given the following comment(s) on the said scheme of Arrangement:

1. "The proposed composite Scheme of Arrangement shall be in compliance with the provisions of Regulation 11 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015."
2. "The Entity shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."
3. "The Entities shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter, is displayed on the websites of the listed company."
4. The entities involved in the proposed scheme shall not make any changes in the draft scheme subsequent to filing the draft scheme with SEBI by the Stock Exchange(s), except those mandated by the regulators/ authorities/ tribunal.
5. "The Entity shall ensure compliance with the SEBI circulars issued from time to time."
6. "The Entities shall ensure that the financials in the scheme considered are not for period more than 6 months old"
7. The entity is advised to prominently disclose the following, as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013, so that public shareholders can make an informed decision in the matter:
  - A. **Under the Heading — "Reduction and reorganisation of Reserves of the Company, and transfer of Credit Balance in General Reserve to the Retained Earnings of the Company"-**
    - a. Details of adjustment of the debit balance of the Retained Earnings Account, against the credit balances in the reserves as per para 7.2 of the Scheme.

- b. Details of the manner of adjustment and transfer of the credit balance in the General Reserve to the Retained Earnings of the Company may also be disclosed in the following format-

S. No.	Particulars	Pre-Scheme (Rs. in Cr.)	Reduction in Reserves to adjust debit balance in Retained Earning	Reclassification and transfer of Credit balance in General Reserve to Retained Earnings / P&L a/c
1	Capital Reserve			
2	Capital Contribution Reserve			
3	Capital Redemption Reserve			
4	Securities Premium			
5	General Reserv			
6	Retained Earnings / P&L A/c			

- c. Disclosure of the following legal and regulatory considerations, that may arise in relation to the proposed transfer of the General Reserve to Retained Earnings:

i. Under Section 205(2A) of the Companies Act, 1956, companies were mandatorily required to transfer a portion of their profits (not exceeding 10%) to general reserves. These reserves served the dual purpose of enabling future business expansion and facilitating dividend payments during periods of inadequate profits. The Companies (Declaration of Dividend out of Reserves) Rules, 1975 governed such utilisation, prescribing conditions such as a cap on dividend rate, a limit on withdrawal from reserves (10% of paid-up capital and free reserves), and a requirement to maintain a minimum balance of 15% of paid-up capital in reserves post withdrawal.

ii. With the introduction of the Companies Act, 2013, Section 123(1) replaced the earlier provision, making the transfer of profits to reserves optional rather than mandatory. Companies now have discretion in deciding whether and how much profit to allocate to reserves before declaring dividends. However, the second proviso to Section 123(1) retains the requirement that dividend out of accumulated reserves, in case of insufficient profits, must be in accordance with prescribed rules. In this regard, the Companies (Declaration and Payment of Dividend) Rules, 2014 were notified, carrying forward similar restrictions as earlier, including limits on dividend rate, withdrawal thresholds, offsetting of current year losses, and maintenance of reserve balances.

iii. This scheme involves a reclassification of General Reserve (accumulated under the mandatory regime of the 1956 Act) into Retained Earnings, effectively making the funds available for general use, including dividend distribution. The Companies Act, 2013 does not expressly permit or prohibit such retransfer, and remains silent on whether the discretionary framework

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of the 2013 Act can be retrospectively applied to reserves created under the erstwhile mandatory framework.

- iv. While the 2013 Act has done away with the compulsory transfer of profits to reserves, the 2014 Rules continue to impose conditions on the utilisation of such reserves for declaring dividends. Hence, although companies have discretion regarding new reserve creation, the use of pre-existing reserves created under the previous statutory mandate remains subject to regulatory constraints. The legislative intent appears to preserve conditionality on utilisation while offering flexibility in creation.
- v. Upon approval of the scheme, the reclassified funds would become part of Retained Earnings, thereby expanding their potential application, including for dividend purposes.

**B. In addition to the above, the following disclosures may also be made in the explanatory statement:**

- a. The built up of accumulated losses since inception
  - b. The built up of Reserves of the company since inception
  - c. Need for the scheme of arrangement
  - d. Rationale of the scheme of arrangement
  - e. Impact of the scheme of arrangement on the shareholder
  - f. Cost benefit analysis of the scheme of arrangement
  - g. Pre and Post Scheme Provisional Balance Sheet of the Company
- 8. The entity is advised that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders.
  - 9. "Company is advised that the proposed equity shares to be issued in terms of the "Scheme" shall mandatorily be in demat form only".
  - 10. "Company is advised that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document."
  - 11. No changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI.
  - 12. "The Company is advised that the observations of SEBI/Stock exchanges shall be incorporated in the petition to be filed before NCLT and the company is obliged to bring the observations to the notice of NCLT."
  - 13. "The Company is advised that applicable additional information, if any, to be submitted to SEBI along with the draft scheme of arrangement as advised by Email dated July 03, 2025 shall form part of disclosure to the shareholders."
  - 14. "The Company is advised to comply with the all applicable provisions of the Companies Act, 2013, rules and regulations issue thereunder including obtaining the consent from the creditors for the proposed scheme."
  - 15. "It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."



**16. "The listed entity involved in the proposed scheme shall disclose the No-Objection letter of the Stock Exchanges on its website within 24 hours of receiving the same."**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- i. To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- ii. To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- iii. To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Please note that the submission of documents / information, in accordance with the circular to SEBI / Exchange should not any way be deemed or construed that the same has been cleared or approved by SEBI / Exchange. SEBI / Exchange does not take any responsibility either for the financial soundness of any scheme or for the correctness of the statements made or opinions expressed in the document submitted.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023.

Kindly note that as required under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**



Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,



**Ashok Kumar Singh**  
Deputy Vice President



**Nilima Burghate**  
Deputy Manager

Ref: NSE/LIST/45321

July 03, 2025

The Company Secretary  
Suzlon Energy Limited

**Kind Attn.: Ms. Geetanjali Vaidya**

Dear Sir/Madam,

**Sub: Observation Letter for draft scheme of Arrangement by and among Suzlon Energy Limited and its shareholders and creditors (under sections 230 to 231 read with Section 52 and Section 66 and other applicable provisions of the Companies Act, 2013 as may be applicable and rules made thereunder).**

We are in receipt for captioned draft Scheme of arrangement filed by Suzlon Energy Limited.

Based on our letter reference no. NSE/LIST/45321 dated February 03, 2025, submitted to SEBI pursuant to SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, SEBI vide its letter dated July 02, 2025, has inter alia given the following comment(s) on the draft scheme of arrangement:

- a) *The Company shall ensure that the proposed composite Scheme of Arrangement shall be in compliance with the provisions of Regulation 11 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*
- b) *The Company shall ensure to disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters, and directors, before Hon'ble NCLT and shareholders, while seeking approval of the Scheme.*
- c) *The Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchange, from the date of receipt of this letter, is displayed on the websites of the Listed Company and the Stock Exchanges.*
- d) *The Company shall ensure entities involved in the proposed scheme shall not make any changes in the draft scheme subsequent to filing the draft scheme with SEBI by Stock Exchange(s), except those mandated by the regulators/ authorities/tribunal.*
- e) *The Company shall ensure compliance with the SEBI circulars issued from time to time.*
- f) *The Company shall ensure that the financials in the scheme considered are not for period more than 6 months old.*

This Document is Digitally Signed



Signer: SAILI MOHAN KAMBLE  
Date: Thu, Jul 3, 2025 11:22:44 IST  
Location: NSE



Ref: NSE/LIST/45321

July 3, 2025

g) The Company shall ensure to prominently disclose the following, as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013, so that public shareholders can make an informed decision in the matter.

i. Under the Heading- “Reduction and Reorganisation of Reserves of the Company, and transfer of Credit Balance in General Reserve to the Retained Earnings of the Company”-

1. Details of adjustment of the debit balance of the Retained Earnings Account, against the credit balances in the reserves as per para 7.2 of the Scheme.
2. Details of the manner of adjustments and transfer of the credit balance in the General Reserve to the Retained Earnings of the Company may also be disclosed in the following format:

S. No	Particulars	Pre-Scheme (Rs. In cr.)	Reduction in Reserves to adjust debit balance in Retained Earnings	Reclassification and transfer of Credit balance in General Reserve to Retained Earnings / P&L A/c
1	Capital Reserve			
2	Capital Contribution Reserve			
3	Capital Redemption Reserve			
4	Securities Premium			
5	General Reserve			
6	Retained Earnings/ P&L A/c			

3. Disclosures of the following legal and regulatory considerations, that may arise in relation to the proposed transfer of the General Reserve to Retained Earnings:

- (i) Under Section 205(2A) of the Companies Act, 1956, companies were mandatorily required to transfer a portion of their profits (not exceeding 10%) to general reserves. These reserves served the dual purpose of enabling future business expansion and facilitating dividend payments during periods of inadequate profits. The Companies (Declaration of Dividend out of Reserves) Rules, 19 governed such utilisation, prescribing conditions such as a cap on dividend rate, a limit on withdrawal from reserves (10% of paid-up capital and free reserves), and a requirement to maintain a minimum balance of 15% of paid-up capital in reserves post withdrawal.

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July 3, 2025

- (ii) *With the Introduction of the Companies Act, 2013, Section 123(1) replaced the earlier provisions, making the transfer of profits to reserves optional rather than mandatory. Companies now have discretion in deciding whether and how much profit to allocate to reserves before declaring dividends. However, the second proviso to Section 123(1) retains the requirement that dividend out of accumulated reserves, in case of insufficient profits, must be in accordance with prescribed rules. In this regard, the Companies (Declaration of Payments of Dividend) Rules, 2014 were notified, carrying forward similar restrictions as earlier, including limits on dividend rate, withdrawal thresholds, offsetting of current year losses, and maintenance of reserve balance.*
- (iii) *This scheme involves a reclassification of General Reserve (accumulated under the mandatory regime of the 1956 Act) into Retained Earnings, effectively making the funds available for general use, including dividend distribution. The Companies Act, 2013 does not expressly permit or prohibit such retransfer, and remains silent on whether the discretionary framework of the 2013 Act can be retrospectively applied to reserves created under the erstwhile mandatory framework.*
- (iv) *While the 2013 Act has done away with the compulsory transfer of profits to reserves, the 2014 Rules continue to impose conditions on the utilisation of such reserves for declaring dividends. Hence, although companies have discretion regarding new reserve creation, the use of pre-existing reserves created under the previous statutory mandate remains subject to regulatory constraints. The legislative intent appears to preserve conditionality on utilisation while offering flexibility in creation.*
- (v) *Upon approval of the scheme, the reclassified funds would become part of Retained Earnings, thereby expanding their potential application, including for dividend purposes.*
- ii. *In addition to the above, the following disclosures may also be made in the explanatory statement:-*
- a. *The built up of accumulated losses since inception*
  - b. *The built up of Reserves of the company since inception*
  - c. *Need for the scheme of arrangement*
  - d. *Rationale of the scheme of arrangement*
  - e. *Impact of the scheme of arrangement on the shareholders*
  - f. *Cost benefit analysis of the scheme of arrangement*
  - g. *Pre and Post Scheme Provisional Balance Sheet of the Company*

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Ref: NSE/LIST/45321

July 3, 2025

- h) *The Company shall ensure that the details of proposed scheme under consideration as provided by the Company to the Stock Exchanges shall be prominently disclosed in the notice sent to the shareholders.*
- i) *The Company shall ensure that the proposed equity shares to be issued in terms of the “Scheme” shall mandatorily be in demat form only.*
- j) *The Company shall ensure that the “Scheme” shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.*
- k) *The Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities/ tribunals shall be made without specific written consent of SEBI.*
- l) *The Company shall ensure that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT, and the Company is obliged to bring the observations to the notice of NCLT.*
- m) *The Company shall ensure that all the applicable additional information, if any, shall form part of disclosures to shareholders, which was submitted by the Company to the Stock Exchange as per Annexure M of Exchange checklist.*
- n) *The Company shall ensure to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.*
- o) *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.*
- p) *The listed entity involved in the proposed scheme shall ensure to disclose the No-Objection letter of the Stock Exchange on its website within 24 hours of receiving the same.*

**It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ Stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.**

Please note that the submission of documents/information, in accordance with the Circular to SEBI and National Stock Exchange of India (NSE), should not in any way be deemed or construed that the same has been cleared or approved by SEBI and NSE. SEBI and NSE does not take any responsibility either for the financial soundness of any scheme or for the correctness of the statements made or opinions expressed in the documents submitted.

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Ref: NSE/LIST/45321

July 3, 2025

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No objection” in terms of Regulation 37 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from July 03, 2025, within which the Scheme shall be submitted to NCLT.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

**The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37 of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.**

Yours faithfully,  
For National Stock Exchange of India Limited

Saili Kamble  
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL:<https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>

This Document is Digitally Signed



Signer: SAILI MOHAN KAMBLE  
Date: Thu, Jul 3, 2025 11:22:44 IST  
Location: NSE

**Details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken against Suzlon Energy Limited (“the Company”), its promoters and directors:**

Considering the language of clause (b) of SEBI’s comment in NSE observation letter dated July 3, 2025 and clause (2) of BSE observation letter dated July 3, 2025, the purpose of the disclosure and its relevance to the proposed Scheme, the Company is making disclosure of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken against the Company, its promoters and directors.

A number of litigations are filed against the Company and its directors, in the normal course of business, and are pending before various forums, which arise in connection with allegations of service deficiencies, property or labour or tax related disputes, fraudulent transactions. The Company is also subject to counterclaims arising in connection with the Company’s enforcement of contracts. For brevity purposes, the Company has disclosed matters with exposure of more than INR 5 crores per case.

Sr. No.	Particulars	Court	Total Demand (INR Cr.)
	<b>Tax related matters</b>		
1.	Income tax Department v. SEL Tax appeal No. 399 and 400 of 2016 dated 06/04/2016 - FY 2009-10: Consent incentive fees and interest thereon u/s 201(1A)	Gujarat HC	8.99
2.	Income tax Department v. SEL Tax appeal No. 806 of 2017 dated 06/10/2017 - FY 2010-11: Consent incentive fees. This is in same line of F Y 09-10	Gujarat HC	5.26
3.	Suzlon Energy Ltd. V/s. Joint Commissioner of CGST, Chennai, Tamil Nadu (Writ Appeal No. 13959 of 2025)- The Joint Commissioner of CGST confirmed the liability without considering the submissions and that too for multiple financial years under single SCN on various grounds viz, excess ITC, wrong availment of ITC etc. Hence, SEL filed stay application and WP before the Hon’ble High Court of Madras. The Hon’ble HC of Madras granted stay. Further, the hearing is completed, and order is reserved.	Madras HC	11.84
4.	Suzlon Energy Limited Vs. Commissioner of Service Tax and Excise, Pune. [OIO No.31-32/P-III/ ST/ COMMR/2012-13 Dt.25.03.2013] - The Hon’ble CESTAT, Mumbai had allowed our appeal vide CESTAT Order dated 02.05.2018 against demand of tax, interest and penalty on import of drawings and designs. Subsequently, the Department have filed an appeal/stay application before the Supreme	CESTAT, Mumbai	21.80



Sr. No.	Particulars	Court	Total Demand (INR Cr.)
	Court. The SC refused to give any interim stay against the CESTAT order. However, department's appeal is admitted by the SC vide its order dated 26.11.2018. The Hon'ble SC passed order dated 10.04.2023 holding to remand the matter back to the CESTAT, Mumbai. Hearing before the Hon'ble CESTAT, Mumbai is completed. Order is reserved.		
5.	Commissioner of Service Tax and Excise, Mangalore Vs. Suzlon Energy Limited [Appeal No. ST/20133/2020-DB]- On the pointing out by the department, SEL paid Service Tax/interest and penalty under protest on Liquidated Damages paid to foreign entity. On the adjudication of SCN, the commissioner of CE & CT, Mangalore set aside the proceeding arising from the SCN and vacated the demand with consequential relief, being not sustainable on merits. Accordingly, the Company got the refund of said service tax/ interest and penalty paid under protest. Now, the department filed an appeal against the said OIO before the CESTAT, Bangalore demanded tax along interest and penalty. Hearing is awaited.	CESTAT, Bangalore	22.75
6.	Case No. CUSTOMS/0087534/2024 dtd. 10.10.2024 Appeal filed against Order-In-Original No.80/2024-25/Commr/NS-V/CAC/JNCH dated 3rd July 2024 passed by the Commissioner of Customs, NS-V, JNCH. Suzlon Energy Limited v/s Commissioner of Customs, Mumbai. -Show Cause Notice issued under Section 28(4) read with Section 124 of CA alleging that incorrectly levied to lower IGST duty, instead of correct IGST duty at higher rate of IGST Notification No. 01/2017 dated 28.06.2017 and incorrectly availed Notification benefit of 57/2017-customs dated 30.06.2017.	CESTAT, Mumbai	7.54
	<b>Matters pending against the Enforcement Directorate</b>		
1.	SE Composites Limited ("SECL") (an erstwhile subsidiary which was merged into our Company in 201) was summoned to produce certain documents and information of export sale and outstanding export receivable. The Company had responded and submitted the documents. There was subsequent summons (the "Follow-up	Directorate of Enforcement, Bangalore Zonal Office	NA



Sr. No.	Particulars	Court	Total Demand (INR Cr.)
	Summons”) from ED to provide further information. Our Company has submitted the relevant information and documents sought by the ED in the respective follow-up summons		
2.	<p>Pursuant to a letter, the Enforcement Directorate (ED) sought, among other things, details regarding the remittance received during December 2016 and December 2017 from our erstwhile step-down subsidiary, Sure Power LLC (renamed Seventus LLC, “Seventus”). The Company provided the requested information. Subsequently, the ED sought further information, including details of the investment made by the Company in Seventus. The Company submitted the information and documents.</p> <p>In March 2025, the Company received a show cause notice from the ED regarding the utilization of an advance payment of USD 3.86 lakh (equivalent to approximately Rs. 2.5 crore) without making any shipment of goods against the same within the prescribed time period. Our Company, SEL, has submitted a reply to the show cause notice, and the matter is currently under adjudication by the ED.</p>	Directorate of Enforcement, Mumbai Zonal Office	NA
	<b>Other Miscellaneous Matters</b>		
1.	<p>Kandhari Beverages has initiated multiple arbitration proceedings against SEL, seeking claims under the generation guarantee clause of the Purchase Order. While an award was passed in favor of Kandhari for an earlier period, subsequent claims have also resulted in arbitral awards, which are currently under challenge through appeals filed by SEL. Execution petitions filed by Kandhari remain pending due to these appeals.</p> <p>It is SEL’s position that the generation guarantee was contractually limited to a specific period, and Kandhari’s attempt to extend this guarantee for the entire life of the project is not supported by the terms of the agreement.</p>	Punjab & Haryana HC Chandigarh District Court, Arbitral Tribunal	39.26
2.	NMDC initiated arbitration proceedings against Suzlon Energy Limited (COP No. 43 of 2019 and CEP No. 16 of 2021), seeking	Additional Chief Judge cum	24.8



Sr. No.	Particulars	Court	Total Demand (INR Cr.)
	compensation for generation loss due to project shutdown. An arbitral award was passed in favor of NMDC for a certain amount, while Suzlon's counterclaim for pending O&M charges was also partially upheld. Suzlon has challenged the portion of the award passed against it, and NMDC has filed an execution petition, which remains pending due to the ongoing challenge.	Commercial Court, City Civil Court, Hyderabad	
3.	Suzlon Energy Limited commissioned two wind power projects for IOCL in Rajasthan. Disputes arose regarding payments withheld by IOCL, citing non-renewal of PPAs. Suzlon initiated arbitration proceedings, and IOCL filed a counterclaim. A majority arbitral award dated February 25, 2023 was passed in favor of Suzlon for its claims, while also directing Suzlon to ensure extension of the PPAs—subject to the outcome of a writ petition filed by IOCL before the Rajasthan High Court.  Both parties have challenged different parts of the award under Section 34 applications, which are currently pending adjudication.	Delhi High Court	35.41
4.	A Public Interest Litigation (PIL No. 129 of 2013) was filed before the Hon'ble Bombay High Court against multiple parties, including Suzlon Energy Limited, seeking directions regarding the relocation of certain Wind Turbine Generators in accordance with applicable micrositing guidelines and government resolutions. The PIL also raises concerns about procedural aspects of certain amendments and related documentation. The matter is currently under judicial consideration.	Mumbai High Court	Shifting of 03 Wind Turbines and power generation loss till shifting.
5.	A Public Interest Litigation (PILST/34079/2024) has been filed before the Hon'ble Bombay High Court by an individual petitioner against various parties, including Suzlon Global Services Limited and Suzlon Foundation, raising concerns related to CSR obligations. The petitioner had earlier addressed correspondence to Suzlon Energy Limited, which was duly responded to. Suzlon has clarified its position, stating that it complies with all applicable statutory requirements. The matter is currently under judicial consideration.	Mumbai HC (Aurangabad Bench)	NA





Sr. No.	Particulars	Court	Total Demand (INR Cr.)
6.	Following a settlement agreement in January 2022, disputes arose over non-payment of O&M charges by Indowind. Suzlon suspended services, leading Indowind to file a Section 9 application before the Madras High Court. The Court directed restoration of services upon part-payment of dues and appointed an Arbitrator. Arbitration proceedings are currently ongoing, with both parties having filed claims and counterclaims.	Arbitration Tribunal J. V. Bharathidasan (Retd.)	69.81 Cr. (Claim)

**Notes:**

1. Under the Vivad se Vishwas Scheme 2024 (VsV), introduced through the Finance Act (No. 2), 2024, the company has opted to settle certain appeals pending before various appellate forums. Please note that the details of these appeals are not included in the list above.
2. In ordinary course of business, the Company is in receipt of show cause notices and assessment notices from the GST, customs and income-tax department. These notices are mostly preliminary and general in nature and in most cases are dismissed without materializing into a demand. Thus, we have not given the details of such show cause notices.
3. Without prejudice, M/s Harri Wind Farms, purporting to be an operational creditor, has filed an application under Section 9 of the Insolvency and Bankruptcy Code against Suzlon Gujarat Wind Park Limited (CP(IB)/318(AHM)2022), alleging a disputed operational debt of INR 4.62 crores (principle). Additionally, M/s Harri Wind Farms has filed an application (IA(I.B.C.)/1450/AHM/2024) seeking substitution of Suzlon Gujarat Wind Park Limited with Suzlon Global Services Limited. It is pertinent to note that Suzlon Global Services Limited has since been merged into Suzlon Energy Limited pursuant to an NCLT-approved scheme. As of date, neither of the applications has been admitted, and therefore, no insolvency proceedings are pending against the Company. However, out of abundant caution, the Company is making this disclosure.

For Suzlon Energy Limited



**Authorised Signatory**

Het Shah

Date: 21<sup>st</sup> August 2025

Place: Pune

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

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

**For Suzlon Energy Limited**


**Authorised Signatory**

Het Shah

Date: 31<sup>st</sup> July 2025

Place: Pune

## Details of built-up of Reserves of the Company getting utilized/adjusted under the Scheme of Arrangement

(Rs. In Crores)

Particulars	As on 30 September 2024 (i.e Appointed Date)	Reserves Built-up/reduced on account of following
Capital Reserve	23.30	Built up in FY 11-12 - For Scheme of Arrangement and Restructuring undertaken by the Company. The difference between the excess of the book value of the assets over the book value of liabilities and reserves is adjusted to Capital Reserve. For details refer table at <b>Annexure A</b>
Capital Redemption Reserve	15.00	Transferred from balance accumulated in General Reserve, on account of redemption of preference shares in accordance with provisions of the Companies Act, 1956. For details refer table at <b>Annexure B</b> .
Capital Contribution Reserve	5,698.74	The Company has completed the debt resolution plan with the lenders for restructuring of the debt during the financial year ended 31 March 2021. The Company entered into Framework Restructuring Agreement (FRA) to give effect to the resolution plan wherein erstwhile debt was settled and the resultant net gain had been included in the 'Other Equity' as Capital Contribution. During the quarter ended 30 June 2022, the Company obtained new loan / borrowing from REC Limited ("REC") and Indian Renewable Energy Development Agency Limited (IREDA") (the "New Lenders") and repaid the old loans/ borrowings/ financial liabilities. Accordingly, the entire debt under the resolution plan were discharged / extinguished. For details refer table at <b>Annexure C</b> .
Retained Earnings/Profit and Loss A/c	(18,050.02)	Profit/Loss balance after appropriations. For details refer table at <b>Annexure D</b> .
General Reserve	908.56	Transferred/Appropriation from Profit and Loss A/C, Employee Benefit Provision/ESOPs A/C and as reduced by Capitalisation as bonus shares, transfer to CRR, foreign currency monetary item, adjustment pursuant to merger/demerger. For details refer table at <b>Annexure E</b> .
Securities Premium	12,496.34	Additions on issue of various securities, and as reduced by capitalisation as bonus shares, share and securities issue expense, premium payable on redemption, ESOPs exercised/transferred, conversion of FCCBs and OCDs. For details refer table at <b>Annexure F</b> .

For Suzlon Energy Limited



Authorised Signatory

Date: 08 November 2024



Corporate Identity Number: L40100GJ1995PLC025447

Regd. Office: "Suzlon", 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad - 380 009, India Phone: +91.79.66045000

## Details of Capital Reserve

Amount in Rs. Crores

Sr. No.	FY	Particulars	Opening Balance	Closing Balance	Change during year	Remarks
1	2011-12	Addition pursuant to merger		23.30	23.30	Amalgamation of Suzlon Towers and Structures Limited ('STSL') and Suzlon Infrastructure Services Limited ('SISL') with the Company has been accounted for under the "Pooling of Interest Method (Amalgamation in the nature of Merger)" as prescribed by Accounting Standard 14 - Accounting for Amalgamations. Accordingly, all the assets, liabilities and reserves of STSL and SISL (after the de-merger of Power Generation Division of STSL and Project Execution Division of SISL as per the Scheme) as at April 1, 2010 have been taken over at their book values. The inter se holding of the shares of the Transferor Companies held by the Transferee Company is cancelled. After giving effect, the difference between the excess of the book value of the assets over the book value of liabilities and reserves is adjusted to Capital Reserve.
2	2012-13	NA	23.30	23.30	-	No change
3	2013-14	NA	23.30	23.30	-	
4	2014-15	NA	23.30	23.30	-	
5	2015-16	NA	23.30	23.30	-	
6	2016-17	NA	23.30	23.30	-	
7	2017-18	NA	23.30	23.30	-	
8	2018-19	NA	23.30	23.30	-	
9	2019-20	NA	23.30	23.30	-	
10	2020-21	NA	23.30	23.30	-	
11	2021-22	NA	23.30	23.30	-	
12	2022-23	NA	23.30	23.30	-	
13	2023-24	NA	23.30	23.30	-	
14	HY24-25	NA	23.30	23.30	-	



## Details of Capital Redemption Reserve

Amount in Rs. Crores

Sr. No.	FY	Particulars	Opening Balance	Closing Balance	Change during year	Remarks
1	2006-07	Transferred from GR	-	15.00	15.00	During the year, the Company has redeemed 1,500,000 10% cumulative redeemable preference shares of Rs 100/- each. As the shares have been redeemed otherwise than out of the proceeds of a fresh issue, a sum equal to the nominal amount of the shares redeemed has been transferred to capital redemption reserve in accordance with the provisions of the the Act.
2	2007-08	NA	15.00	15.00	-	No change
3	2008-09	NA	15.00	15.00	-	
4	2009-10	NA	15.00	15.00	-	
5	2010-11	NA	15.00	15.00	-	
6	2011-12	NA	15.00	15.00	-	
7	2012-13	NA	15.00	15.00	-	
8	2013-14	NA	15.00	15.00	-	
9	2014-15	NA	15.00	15.00	-	
10	2015-16	NA	15.00	15.00	-	
11	2016-17	NA	15.00	15.00	-	
12	2017-18	NA	15.00	15.00	-	
13	2018-19	NA	15.00	15.00	-	
14	2019-20	NA	15.00	15.00	-	
15	2020-21	NA	15.00	15.00	-	
16	2021-22	NA	15.00	15.00	-	
17	2022-23	NA	15.00	15.00	-	
18	2023-24	NA	15.00	15.00	-	
19	HY24-25	NA	15.00	15.00	-	



Details of Capital Contribution Reserve

Amount in Rs. Crores

Sr. No.	FY	Particulars	Opening Balance	Closing Balance	Change during year	Remarks
1	2020-21	Addition	-	5,466.90	5,466.90	The Company has completed the debt resolution plan with the lenders for restructuring of the debt during the financial year ended 31 March 2021. The Company entered into Framework Restructuring Agreement (FRA) to give effect to the resolution plan wherein erstwhile debt was settled and the resultant net gain had been included in the 'Other Equity' as Capital Contribution. During the quarter ended 30 June 2022, the Company obtained new loan / borrowing from REC Limited ('REC) and Indian Renewable Energy Development Agency Limited (IREDA") (the "New Lenders") and repaid the old loans/ borrowings/ financial liabilities. Accordingly, the entire debt under the resolution plan were discharged /
2	2021-22	NA	5,466.90	5,466.90	-	
3	2022-23	Addition	5,466.90	5,698.74	231.84	Transfer of balance lying in the share warrants account, on surrender and lapse of share warrants.
4	2023-24	NA	5,698.74	5,698.74	-	
5	HY24-25	NA	5,698.74	5,698.74	-	

*[Handwritten Signature]*



Details of Retained Earnings

Amount in Rs. Crores

Sr. No.	FY	Particulars	Amount (Rs. in crore)	Remarks
1	1995-96	Opening balance	-	
		Profit for the year	0.68	
		Closing balance	<b>0.68</b>	
2	1996-97	Opening balance	0.68	
		Profit for the year after appropriations	1.23	
		Closing balance	<b>1.91</b>	
3	1997-98	Opening balance	1.91	
		Profit for the year after appropriations	3.82	
		Closing balance	<b>5.74</b>	
4	1998-99	Opening balance	5.74	
		Profit for the year after appropriations	19.04	
		Closing balance	<b>24.77</b>	
5	1999-00	Opening balance	24.77	
		Profit for the year after appropriations	19.01	
		Closing balance	<b>43.79</b>	
6	2000-01	Opening balance	43.79	
		Profit for the year after appropriations	68.83	
		Closing balance	<b>112.61</b>	
7	2001-02	Opening balance	112.61	
		Profit for the year after appropriations	77.55	
		Closing balance	<b>190.16</b>	
8	2002-03	Opening balance	190.16	
		Profit for the year after appropriations	48.18	
		Closing balance	<b>238.34</b>	
9	2003-04	Opening balance	238.34	
		Profit for the year after appropriations	68.29	
		Closing balance	<b>306.63</b>	
10	2004-05	Opening balance	306.63	
		Profit for the year after appropriations	220.32	
		Closing balance	<b>526.95</b>	
11	2005-06	Opening balance	526.95	
		Profit for the year after appropriations	355.54	
		Closing balance	<b>882.49</b>	
12	2006-07	Opening balance	882.49	
		Profit for the year after appropriations	595.37	
		Closing balance	<b>1,477.86</b>	
13	2007-08	Opening balance	1,477.86	
		Profit for the year after appropriations	790.58	
		Closing balance	<b>2,268.44</b>	
14	2008-09	Opening balance	2,268.44	
		Loss for the year	-469.27	
		Appropriations	0.92	
		Closing balance	<b>1,800.09</b>	

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15	2009-10	Opening balance	1,800.09	
		Loss for the year	-1,414.09	
		Closing balance	<b>386.00</b>	
16	2010-11	Opening balance	386.00	
		Loss for the year	-185.66	
		Closing balance	<b>200.34</b>	
17	2011-12	Opening balance	200.34	
		Loss for the year	-505.38	
		Addition on a/c of merger	191.00	
		Closing balance	<b>-114.04</b>	
18	2012-13	Opening balance	-114.04	
		Loss for the year	-2,989.80	
		Closing balance	<b>-3,103.84</b>	
19	2013-14	Opening balance	-3,103.84	
		Loss for the year	-924.47	
		Closing balance	<b>-4,028.31</b>	
20	2014-15	Opening balance	-4,028.31	
		Loss for the year	-6,032.34	
		Closing balance	<b>-10,060.65</b>	
21	2015-16	Opening balance	-10,060.65	
		Profit for the year	46.75	
		Closing balance	<b>-10,013.90</b>	
22	2016-17	Restatement of opening balance	-10,079.42	Restatement of PY on account of Ind-AS
		Profit for the year	355.70	
		Comprehensive income	-9.94	
		Closing balance	<b>-9,733.66</b>	
23	2017-18	Opening balance	-9,733.66	
		Loss for the year	-1,148.97	
		Closing balance	<b>-10,882.63</b>	
24	2018-19	Opening balance	-10,882.63	
		Loss for the year	-7,412.79	
		Change in a/c policy	10.24	
		Closing balance	<b>-18,285.18</b>	
25	2019-20	Opening balance	-18,285.18	
		Loss for the year	-3,276.63	
		Comprehensive income	5.11	
		Closing balance	<b>-21,556.70</b>	
26	2020-21	Opening balance	-21,556.70	
		Loss for the year	-398.40	
		Comprehensive income	-0.11	
		Conversion of July 2019 FCCB	-38.84	
		Closing balance	<b>-21,994.05</b>	
27	2021-22	Opening balance	-21,994.05	
		Loss for the year	-912.66	
		Comprehensive income	1.67	
		Reversal of impairment loss	899.00	
		Closing balance	<b>-22,006.04</b>	
28	2022-23	Opening balance	-22,006.04	
		Profit for the year	2,157.05	
		Reversal of impairment loss	1,500.79	
		Closing balance	<b>-18,348.20</b>	
29	2023-24	Opening balance	-18,348.20	
		Profit for the year	93.11	
		Reversal of impairment loss	-	
		Closing balance	<b>-18,255.09</b>	
30	HY24-25	Opening balance	-18,255.09	
		Profit for the half year	205.07	
		Reversal of impairment loss	-	
		Closing balance	<b>-18,050.02</b>	

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Details of General Reserve

Amount in Rs. Crores

Sr. No.	FY	Particulars	Amount (rs. In crores)	Remarks
1	1996-97	Opening balance	-	
		Amount transferred from Profit and Loss A/c	0.14	
		Closing balance	0.14	
2	1997-98	Opening balance	0.14	
		Amount transferred from Profit and Loss A/c	0.46	
		Closing balance	0.60	
3	1998-99	Opening balance	0.60	
		Amount transferred from Profit and Loss A/c	2.30	
		Closing balance	2.90	
4	1999-00	Opening balance	2.90	
		Amount transferred from Profit and Loss A/c	2.90	
		Less: Capitalisation as bonus share	-1.80	
		Closing balance	4.00	
5	2000-01	Opening balance	4.00	
		Amount transferred from Profit and Loss A/c	9.00	
		Closing balance	13.00	
6	2001-02	Opening balance	13.00	
		Amount transferred from Profit and Loss A/c	15.00	
		Less: Capitalisation as bonus share	-6.09	
		Closing balance	21.91	
7	2002-03	Opening balance	21.91	
		Amount transferred from Profit and Loss A/c	10.00	
		Add: Net cumulative DTA as at 1 April 2002	1.11	
		Closing balance	33.02	
8	2003-04	Opening balance	33.02	
		Amount transferred from Profit and Loss A/c	50.00	
		Less: Transfer to CRR	-1.03	
		Less: Capitalisation as bonus share	-11.15	
9	2004-05	Opening balance	70.85	
		Amount transferred from Profit and Loss A/c	100.00	
		Closing balance	170.85	
10	2005-06	Opening balance	170.85	
		Amount transferred from Profit and Loss A/c	300.00	
		Less: Capitalisation as bonus share	-155.00	
		Closing balance	315.85	
11	2006-07	Opening balance	315.85	
		Amount transferred from Profit and Loss A/c	300.00	
		Less: Adjustment for employee benefit provision	-2.58	
		Less: Transfer to CRR	-15.00	
12	2007-08	Opening balance	598.27	
		Amount transferred from Profit and Loss A/c	300.00	
		Less: Adjustment for employee benefit provision	-0.28	
13	2008-09	Opening balance	897.99	
		Less: Adjustment for foreign currency monetary item	-0.84	
		Closing balance	897.15	
14	2009-10	Closing balance	897.15	No Change
15	2010-11	Closing balance	897.15	No Change
16	2011-12	Opening balance	897.15	
		Add: Transfer from ESOP o/s	1.73	
		Less: Deduction pursuant to merger/demerger	-51.34	
17	2012-13	Opening balance	847.54	
		Add: Transfer from ESOP o/s	5.62	
		Closing balance	853.16	
18	2013-14	Closing balance	853.16	No Change
		Opening balance	853.16	
19	2014-15	Add: Transfer from ESOP o/s	7.64	
		Less: Reduction during the year	-8.03	
		Closing balance	852.77	
20	2015-16	Opening balance	852.77	
		Transfer from ESOP o/s	0.22	
21	2016-17	Opening balance	852.99	
		Options cancelled during the year	0.51	
22	2017-18	Opening balance	853.50	
		Options cancelled during the year	9.46	
23	2018-19	Opening balance	862.96	
		Options cancelled during the year	45.60	
24	2019-20	Closing balance	908.56	No Change
25	2020-21	Closing balance	908.56	No Change
26	2021-22	Closing balance	908.56	No Change
27	2022-23	Closing balance	908.56	No Change
28	2023-24	Closing balance	908.56	No Change
29	HY24-25	Closing balance	908.56	No Change

*[Handwritten Signature]*



## Details of Securities Premium

Amount in Rs. Crores

Sr. No.	FY	Particulars	Amount (rs. In crores)	Remarks
1	2004-05	Addition during the year	95.37	
		Less: Capitalisation by issue of bonus shares	-57.95	
		Less: share issue expenses	-7.57	
		Closing balance	29.85	
2	2005-06	Opening balance	29.85	
		Addition during the year	1,338.13	
		Less: Capitalisation by issue of bonus shares	-18.85	
		Less: share issue expenses (net of tax benefit)	-38.11	
3	2006-07	Closing balance	1,311.02	
		Opening balance	1,311.02	
		Addition during the year	11.67	
		Closing balance	1,322.69	
4	2007-08	Opening balance	1,322.69	
		Additions during the year	2,183.12	
		Less: Expenses on issue of equity share to QIB	-26.27	
		Less: Expenses on issue of ZCCB	-22.92	
5	2008-09	Closing balance	3,456.62	
		Opening balance	3,456.62	
		Additions	13.61	
		Expense on issue of debentures	-5.06	
6	2009-10	Closing balance	3,465.17	
		Opening balance	3,465.17	
		Additions during the year	530.29	
		Less: expenses on issue of GDR	-11.07	
7	2010-11	Less: expenses on issue of FCCB	-5.30	
		Closing balance	3,979.09	
		Opening balance	3,979.09	
		Additions during the year	1,336.30	
8	2011-12	Less: expenses on issue of debentures	-9.30	
		Closing balance	5,306.09	
		Opening balance	5,306.09	
		Add: Addition on a/c of merger	115.17	
9	2012-13	Less: Premium payable on redemption of FCCB	-930.57	
		Less: Expense on issue of FCCB/Right shares	-13.09	
		Closing balance	4,477.60	
		Opening balance	4,477.60	
10	2013-14	Less: Premium payable on redemption of FCCB	-208.13	
		Closing balance	4,269.47	
		Opening balance	4,269.47	
		Additions during the year	1,034.59	
11	2014-15	Less: Premium payable on redemption of FCCB	-110.95	
		Closing balance	5,193.11	
		Opening balance	5,193.11	
		Additions during the year		
12	2015-16	-CDR Lenders	355.61	
		-Vendors	57.55	
		-Promoters entity	76.44	
		-Conversion of bonds	1,141.99	
13	2016-17	-Additions on ESOP exercised	6.15	
		-Outstanding ESOP transferred	1.77	
		Closing balance	6,832.62	
		Opening balance	6,832.62	
14	2017-18	Add: Conversion of bonds	421.02	
		Add: Pref allotment	1,600.00	
		Less: Share issue expense	-17.37	
		Closing balance	8,836.27	
15	2018-19	Opening balance	8,836.27	
		Conversion of FCCBs	5.24	
		De-recognition of securities Premium on FCCB	-8.17	
		Closing balance	8,833.34	
16	2019-20	Restatement of opening balance	8,841.52	
		Conversion of FCCBs	397.58	
		Closing balance	9,239.10	
		Opening balance	9,239.10	No change
17	2020-21	Closing balance	9,239.10	No change
		Opening balance	9,239.10	
		Addition on issue of shares	62.85	
		Conversion of July 2019 FCCBs	261.45	
18	2021-22	Closing balance	9,563.40	
		Opening balance	9,563.40	
		Conversion of July 2019 FCCBs	8.62	
		Conversion of August 2032 FCCBs	29.73	
19	2022-23	Conversion of CCD	9.18	
		Closing balance	9,610.93	
		Opening balance	9,610.93	
		Conversion of August 2032 FCCBs	13.93	
20	2023-24	Premium on conversion of OCD	402.86	
		Premium on issue of right shares	659.66	
		Share issue expenses	-19.79	
		Closing balance	10,667.59	
21	HY24-25	Opening balance	10,667.59	
		Premium on Issuance of QIP	1,772.08	
		Premium on Issuance of Rights issue	59.10	
		Share issue expenses on QIP	-33.29	
		Closing balance	12,465.48	
		Opening balance	12,465.48	
		Premium on Issuance of ESOPs	32.09	
		Transfer of Share forfeiture share premium to equity share capital	-1.23	
		Closing balance	12,496.34	



**Suzlon Energy Limited****Standalone balance sheet as at September 30, 2024**

All amounts in ₹ Crore, unless otherwise stated

<b>Particulars</b>	<b>Amount</b>
<b>Assets</b>	
<b>Non-current assets</b>	
Property, plant and equipment	591.88
Right-of-use assets	36.44
Capital work-in-progress	14.27
Investment properties	26.30
Other intangible assets	63.30
Intangible assets under development	7.42
Financial assets	
Investments	770.67
Trade receivables	-
Loans	108.57
Other financial assets	774.61
Other non-current assets	58.68
	<b>2,452.14</b>
<b>Current assets</b>	
Inventories	2,812.54
Financial assets	
Investments	-
Trade receivables	1,969.70
Cash and cash equivalents	584.44
Bank balance other than above	94.65
Loans	0.21
Other financial assets	160.41
Other current assets	495.95
	<b>6,117.90</b>
<b>Assets classified as held for sale</b>	-
<b>Total assets</b>	<b>8,570.04</b>
<b>Equity and liabilities</b>	
<b>Equity</b>	
Equity share capital	2,731.09
Other equity	1,114.27
	<b>3,845.36</b>
<b>Liabilities</b>	
<b>Non-current liabilities</b>	
Financial liabilities	
Borrowings	-
Lease liabilities	19.57
Other financial liabilities	364.52
Provisions	155.59
Other non-current liabilities	0.48
	<b>540.16</b>
<b>Current liabilities</b>	
Financial liabilities	
Borrowings	-
Lease liabilities	19.25
Trade payables	2,920.91
Other financial liabilities	190.34
Contract liabilities	459.81
Provisions	528.73
Other current liabilities	65.48
	<b>4,184.52</b>
<b>Liabilities directly associated with assets classified as held for sale</b>	-
<b>Total liabilities</b>	<b>4,724.68</b>
<b>Total equity and liabilities</b>	<b>8,570.04</b>

21<sup>st</sup> February 2025.

**National Stock Exchange of India Limited,**  
“Exchange Plaza”,  
Bandra-Kurla Complex, Bandra (East),  
Mumbai-400051.

**BSE Limited,**  
P.J. Towers,  
Dalal Street,  
Mumbai-400001.

Dear Sirs

**Sub.: Report on Complaint in terms of Part I(A)(6) of the SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 (hereinafter referred to as ‘SEBI Circular’) as amended from time to time.**

**Ref: Draft Scheme of Arrangement by and among Suzlon Energy Limited and its shareholders and creditors under Sections 230 and 231 read with Section 52 and Section 66 or other applicable provisions of the Companies Act, 2013 as may be applicable and rules framed thereunder (‘the Scheme’).**

This is with reference to the Scheme filed by the Company under Regulation 37 of the (Listing Obligations and Disclosure Requirements), Regulations, 2015 (‘SEBI Listing Regulations’) with BSE Limited (‘BSE’) and National Stock Exchange of India Limited (‘NSE’) on 19<sup>th</sup> November 2024.

In this regard, we wish to inform that the period of 21 (twenty-one) days from the date of filing of draft Scheme with Stock Exchanges and hosting the draft Scheme along with documents specified under para (2) above on the websites of Stock Exchanges and the listed entity has expired on 19<sup>th</sup> February 2025. The Company has not received any complaints relating to the Scheme during the period from 29<sup>th</sup> January 2025 to 19<sup>th</sup> February 2025. The ‘Report on Complaints’, as required under Part I(A)(6) of the SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20<sup>th</sup> June 2023 is enclosed herewith for your reference.

The Report on Complaints is also being uploaded on the website of the Company, i.e. <https://www.suzlon.com/> as per requirement of the aforementioned said SEBI Circulars.

We request you to take the above on record.

**For Suzlon Energy Limited**

Geetanjali  
Santosh Vaidya

Digitally signed by  
Geetanjali Santosh Vaidya  
Date: 2025.02.21 12:33:13  
+05'30'

**Geetanjali S.Vaidya,**  
**Company Secretary.**

**Complaint Report**Period of Complaints Report: 29<sup>th</sup> January 2025 to 19<sup>th</sup> February 2025**PART A**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Number</b>
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchange	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	N.A.
5.	Number of complaints pending	Nil

**PART B**

<b>Sr. No.</b>	<b>Name of complainant</b>	<b>Date of Complaint</b>	<b>Status</b>
1.	N.A.	N.A.,	N.A.

**For Suzlon Energy Limited**

Geetanjali Digitally signed  
by Geetanjali  
Santosh Santosh Vaidya  
Vaidya Date: 2025.02.21  
12:33:32 +05'30'

**Geetanjali S.Vaidya,**  
**Company Secretary.**

## Walker Chandiook &amp; Co LLP

To,  
The Board of Directors  
**Suzlon Energy Limited**  
5, Shrimali Society,  
Near Shree Krishna Complex,  
Navrangpura, Ahmedabad,  
Gujarat – 380 009

Annexure XIV

Walker Chandiook & Co LLP  
3rd floor, Unit No. 310 to 312,  
West Wing, Nyati Unitree  
Nagar Road, Yerwada,  
Pune - 411 006  
Maharashtra, India

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**Independent auditor's certificate on non-applicability of Paragraph (A) 10 b) of Part - I of the Master Circular on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957' issued by the Securities and Exchange Board of India ('SEBI') vide ref. no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 ('SEBI Circular')**

- 1) This certificate is issued in accordance with the terms of our engagement letter dated 24 May 2024 with Suzlon Energy Limited (the 'Company').
- 2) The Management of the Company has prepared the accompanying undertaking approved by the Board of Directors of the Company at its meeting held on 28 October 2024 (the 'Undertaking') pursuant to Paragraph A (10) a) read with Paragraph A (10) b) of Part I of the 'Master Circular on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957' issued by the Securities and Exchange Board of India ("SEBI") vide ref. no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 (the 'SEBI Circular') stating the reasons for non-applicability of requirements prescribed under Paragraph A (10) b) of Part I of the SEBI Circular in connection with the draft Scheme of Arrangement by the Company and their respective shareholders and creditors (the 'Draft Scheme') in terms of the provisions of sections 230 and 231 read with section 66 and section 52 and other applicable provisions of the Companies Act, 2013 (the 'Act') and rules framed thereunder. We have initialled the Undertaking for identification purposes only.

#### Management's Responsibility for the Undertaking

- 3) The preparation of the Undertaking is the responsibility of the management of the Company including preparation and maintenance of all accounting and other relevant supporting records and documents in relation to the Draft Scheme. This responsibility includes design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Undertaking and applying appropriate basis of preparation and making estimates that are reasonable in the circumstances.
- 4) The management is also responsible for ensuring that the Company complies with all the requirements of SEBI Circular and the Act in relation to the Draft Scheme and for providing all relevant information to the National Company Law Tribunal (NCLT), Securities and Exchange Board of India (SEBI), BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) (collectively referred to as 'Authorities').

#### Auditor's Responsibility

- 5) Pursuant to the requirements of SEBI Circular, it is our responsibility to express a reasonable assurance, in the form of an opinion, based on our examination of the Draft Scheme as to whether the requirements of Paragraph A (10) a) and A (10) b) of Part I of the SEBI Circular are applicable to the Draft Scheme.



Chartered Accountants

Offices in Ahmedabad, Bengaluru, Chandigarh, Chennai, Dehradun, Goa, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2085 and has its registered office at L-41, Connaught Circus, Outer Circle, New Delhi, 110001, India

## Walker Chandniok & Co LLP

- 6) We conducted our examination of the Undertaking in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ('the Guidance Note') issued by the Institute of Chartered Accountants of India (the ICAI). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
- 7) We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by ICAI.

### Opinion

- 8) Based on our examination of the Draft Scheme and according to the information and explanations provided to us, along with the representations provided to us by the management, in our opinion, the requirements of Paragraph A (10) b) of Part I SEBI Circular are not applicable to the Draft Scheme for the reasons stated in the Undertaking.

### Restriction on Use

- 9) Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the requirements of the provisions of the SEBI Circular. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have as statutory auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Company.
- 10) The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of enabling them to comply with the requirements of the SEBI Circular which require them to submit the certificate by the statutory auditors along with the accompanying Undertaking, duly approved by the Board of Directors of the Company, for onward submission to the relevant authorities and should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For Walker Chandniok & Co LLP  
Chartered Accountants  
Firm Registration No.: 001076N/N500013



**Shashi Tadwalkar**  
Partner  
Membership No. 101797

**UDIN: 24101797BKCPHI1140**

Place: Pune  
Date: 28 October 2024

Undertaking stating the reasons for non-applicability of the requirements stated in paragraph A(10(a) read with paragraph A(10)(b) of Part I of the 'Master Circular on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957' issued by the Securities and Exchange Board of India ("SEBI") vide ref. no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20<sup>th</sup> June 2023 ('SEBI Circular')

Pursuant to paragraph (A)(10)(a) read with (A)(10)(b) of Part I of SEBI Circular, Suzlon Energy Limited (the 'Company') hereby confirms that the conditions prescribed in Paragraph (A)(10)(a) read with (A)(10)(b) of Part I of SEBI Circular, i.e. approval only by public shareholders, is not applicable to the proposed Scheme of Arrangement involving reduction and reorganization of reserve of the Company and reclassification and transfer of General Reserves of the Company into Retained Earnings pursuant to the provisions of Sections 230 and 231 read with Section 52 and section 66 and other applicable provisions of the Companies Act, 2013, by and among the Company, its respective shareholders and creditors ('Scheme' or 'the Scheme' or 'this Scheme'), as the Scheme does not include the cases specified in Paragraph (A)(10)(b) of Part I of the SEBI Circular, as per the details given below :

- 1. Para (A)(10)(b)(i) of Part I: Where additional shares have been allotted to Promoter, Promoter Group, Related Parties of Promoter or Promoter Group, Associates of Promoter or Promoter Group, Subsidiary/(ies) of Promoter or Promoter Group of the listed entity

**Reason for non-applicability**

Pursuant to the Scheme, no shares or any other consideration will be issued or paid by the Company. Thus, this para is not applicable.

- 2. Para (A)(10)(b)(ii) of Part I: Where the Scheme of Arrangement involves the listed entity and any other entity involving Promoter, Promoter Group, Related Parties of Promoter or Promoter Group, Associates of Promoter or Promoter Group, Subsidiary/(ies) of Promoter or Promoter Group.

**Reason for non-applicability**

The Scheme does not involve any other entity involving the Promoter, Promoter Group, Related Parties of Promoter or Promoter Group, Associates of Promoter or Promoter Group, Subsidiary/(ies) of Promoter or Promoter Group of the Company.

- 3. Para (A)(10)(b)(iii) of Part I: Where the parent listed entity has acquired, either directly or indirectly, the equity shares of the subsidiary from any of the shareholders of the subsidiary who may be Promoter, Promoter Group, Related Parties of Promoter or Promoter Group, Associates of Promoter or Promoter Group, Subsidiary/(ies) of Promoter or Promoter Group of the parent listed entity, and if that subsidiary is being merged with the parent listed entity under the Scheme

**Reason for non-applicability**

The proposed Scheme does not involve any acquisition by the Company, either directly or indirectly, the equity shares of the subsidiary from any of the shareholders of the subsidiary who may be Promoter, Promoter Group, Related Parties of Promoter or Promoter Group, Associates of Promoter or Promoter Group, Subsidiary/(ies) of Promoter or Promoter Group. Further, the Scheme does not involve any merger of an unlisted entity, thus, this para is not applicable.





Suzlon Energy Limited  
One Earth, Hadapsar, Pune - 411 028, India

**SUZLON**  
POWERING A GREENER TOMORROW

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URL : www.suzlon.com

- 4. Para (A)(10)(b)(iv) of Part I: Where the scheme involving merger of an unlisted entity results in reduction in the voting share of pre-scheme public shareholders of listed entity in the transferee / resulting company by more than 5% of the total capital of the merged entity

**Reason for non-applicability**

The Scheme does not involve any merger of an unlisted entity and it does not involve any change in shareholding of the Company therefore the question of any reduction in the voting rights of the pre-scheme public shareholders of the Company does not arise. Thus, this para is not applicable.

- 5. Para (A)(10)(b)(v) of Part I: where the scheme involves transfer of whole or substantially the whole of the undertaking of the listed entity and the consideration for such transfer is not in the form of listed equity shares. For the purpose of this clause, the expression "substantially the whole of the undertaking" in any financial year shall mean twenty per cent or more of value of the company in terms of consolidated net worth or consolidated total income during previous financial year as specified in Section 180(1)(a)(ii) of the Companies Act, 2013. For the purpose of this clause, the term 'public' shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957.

**Reason for non-applicability**

The Scheme does not involve transfer of whole or substantially the whole of the undertaking of the listed entity. Thus, this para is not applicable.

In view of the aforesaid, the requirement stated at Paragraph (A)(10)(a) of Part I read with Paragraph (A)(10)(b) of the SEBI Circular is not applicable to the proposed Scheme.

For Suzlon Energy Limited

*G. S. Vaidya*

Geetanjali S. Vaidya,  
Company Secretary.

Place: Pune

Date: 28<sup>th</sup> October 2024



To  
The Board of Directors  
**Suzlon Energy Limited**  
5, Shrimali Society  
Near Shri Krishna Complex  
Navrangpura,  
Ahmedabad – 380 009

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**Walker Chandiook & Co LLP**

3rd floor, Unit No. 310 to 312,  
West Wing, Nyati Unitree  
Nagar Road, Yerwada,  
Pune - 411 006  
Maharashtra, India

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F +91 20 6744 8899

## **Independent Auditor's Certificate on the Statement of Computation of Net Worth as on 30 September 2024**

1. This certificate is issued in accordance with the terms of our engagement letter dated 06 November 2025 with Suzlon Energy Limited (hereinafter 'the Company').
2. The accompanying statement of computation of net worth of the Company (a) Pre - implementation of Scheme of Arrangement by and among Suzlon Energy Limited and Its Shareholders and Creditors under sections 230 and 231 read with sections 52 and 66 and other applicable provision of the Companies Act, 2013 as may be applicable and rules framed thereunder (hereinafter referred to as "Scheme") and (b) Post - implementation of the Scheme as at 30 September 2024 (hereinafter computation of net worth under (a) and (b) collectively referred to as "Statement"), has been prepared by the Company's management in accordance with the requirements of section 2(57) of the Companies Act, 2013 and clause 5 and 7 of Part II of the Scheme, respectively on the basis of unaudited standalone financial information maintained by the Company, to be submitted to (a) Equity Shareholders (b) Unsecured Creditors (c) Reserve Bank of India, Ahmedabad (d) The Central Government through the office of Regional Director, North Western Region (e) Registrar of Companies, Gujarat - Ahmedabad (f) Income Tax Authority (g) Bombay Stock Exchange and National Stock Exchange (h) Securities and Exchange Board of India (i) National Company Law Tribunal, pursuant to the Order pronounced on 30 October 2025 by the National Company Law Tribunal, Ahmedabad, Court II (hereinafter referred to as "Order"). We have initialed the Statement for identification purposes only.

### **Management's Responsibility for the Statement**

3. The preparation of the Statement, including the preparation and maintenance of all accounting and other relevant supporting records and documents, is solely the responsibility of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Management is also responsible for ensuring that the Company complies with the requirements of the Companies Act, 2013, Scheme, Order and provides all relevant information to (a) Equity Shareholders (b) Unsecured Creditors (c) Reserve Bank of India, Ahmedabad (d) The Central Government through the office of Regional Director, North Western Region (e) Registrar of Companies, Gujarat - Ahmedabad (f) Income Tax Authority (g) Bombay Stock Exchange and National Stock Exchange (h) Securities and Exchange Board of India (i) National Company Law Tribunal.



## Auditor's Responsibility

5. Pursuant to the requirements of the Order, our responsibility is to express limited assurance that nothing has come to our attention that cause us to believe that the amounts in the Statement have not been accurately extracted from the unaudited standalone financial information, underlying books of accounts and other records and documents maintained by the Company as at and for the period ended 30 September 2024, which has been prepared and certified by the Management and which have not been subjected to audit or review and the computation thereof is arithmetically inaccurate.
6. We conducted our examination, of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ('Guidance Note'), issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by ICAI.
8. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. The procedures selected depend on the auditor's judgment, including the assessment of areas where a material misstatement of the subject matter information is likely to arise. We have performed the following procedures in relation to the Statement.
  - a) Obtained the unaudited standalone financial information of the Company as of and for the period ended 30 September 2024.
  - b) Traced the figures provided in the Statement to the above mentioned financial information.
  - c) Ascertained whether the computation of net worth as at 30 September 2024, pre-implementation of the Scheme is in compliance with section 2(57) of the Companies Act, 2013 and that the computation of net worth as at 30 September 2024, post-implementation of the Scheme is in accordance with the clause 5 of Part II of the Scheme.
  - d) Checked the arithmetical accuracy of the computation of net worth as provided in the Statement.
  - e) Obtained necessary representations from the Management of the Company.

## Conclusion

Based on our examination as above, evidences obtained, and the information and explanations, along with the representations provided by the Management, nothing has come to our attention that cause us to believe that the amounts that form part of the net worth computation as at 30 September 2024, as set out in the Statement, have not been accurately extracted from the unaudited standalone financial information maintained by the Company as of and for the period ended 30 September 2024, which has been prepared and certified by the Management and which has not been subjected to audit or review and that the computation thereof is arithmetically inaccurate.

## Restriction on distribution or use

9. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Scheme and Order. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have or may have had as statutory auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of



# Walker Chandiok & Co LLP

this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Company.

10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of enabling it to comply with the requirements of Scheme and Order which requires it to submit the certificate with the accompanying Statement to (a) Equity Shareholders (b) Unsecured Creditors (c) Reserve Bank of India, Ahmedabad (d) The Central Government through the office of Regional Director, North Western Region (e) Registrar of Companies, Gujarat - Ahmedabad (f) Income Tax Authority (g) Bombay Stock Exchange and National Stock Exchange (h) Securities and Exchange Board of India (i) National Company Law Tribunal, and should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other party to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm Registration No: 001076N/N500013

**Rohit Arora** Digitally signed by Rohit  
Arora  
Date: 2025.11.06 16:10:30  
+05'30'

**Rohit Arora**  
Partner  
Membership No.: 504774

**UDIN: 25504774BMIDUY6604**

**Place:** Delhi  
**Date:** 06 November 2025

## Statement as referred to in paragraph 2 of the certificate

## A. Statement of computation of net worth of the Company as at 30 September 2024, Pre - implementation of Scheme on the basis of unaudited standalone financial information as of and for the period ended 30 September 2024

(In crores)		
Particulars	Ref.	Amount
Equity Share Capital (Paid up capital)	(I)	2,731.09
<b>Other Equity</b>		
- Share Premium		12,496.34
- General Reserve		912.05
- Retained Earnings		(18,418.44)
- Capital Contribution		5,830.54
- Share Option Outstanding Account		60.33
- Share Application Money Pending Allotment		0.64
- Capital Reserve		217.81
- Capital Redemption Reserve		15.00
Subtotal of Other Equity	(II)	1,114.27
Total Equity	(III) = (I+II)	3,845.36
<b>Less: Components not to be considered for computation of net worth as per section 2(57) of the Companies Act, 2013</b>		
Capital Reserve	(IV)	217.81
Share Option Outstanding Account	(V)	60.33
Share Application Money Pending Allotment	(VI)	0.64
<b>Net worth</b>	(VII) = (III-IV- V-VI)	<b>3,566.68</b>

## B. Statement of computation of net worth of the Company as at 30 September 2024, Post - implementation of Scheme on the basis of unaudited standalone financial as of and for the period ended 30 September 2024

(In crores)				
Particulars	Total equity as at 30 September 2024 on the basis of unaudited standalone financial information of the Company	Set-off of debit balance in Retained Earning against Reserves as specified in clause 7.2 of the Scheme	Transfer of General Reserve to Retained Earnings as specified in clause 7.2 of the Scheme	Net worth post - implementation of the Scheme
	(I)	(II)	(III)	(IV) = (I + II + III)
Equity Share Capital (Paid up capital) (A)	2,731.09	-	-	2,731.09
<b>Other Equity</b>				
Capital Reserve	217.81	(217.81)	-	-
Capital Contribution	5,830.54	(5,830.54)	-	-
Capital Redemption Reserve	15.00	(15.00)	-	-
Share Premium	12,496.34	(12,355.09)	-	141.25

Particulars	Total equity as at 30 September 2024 on the basis of unaudited standalone financial information of the Company (I)	Set-off of debit balance in Retained Earning against Reserves as specified in clause 7.2 of the Scheme (II)	Transfer of General Reserve to Retained Earnings as specified in clause 7.2 of the Scheme (III)	Net worth post - implementation of the Scheme (IV) = (I + II + III)
General Reserve	912.05	-	(912.05)	-
Share Option Outstanding Account	60.33	-	-	60.33
Share Application Money Pending Allotment	0.64	-	-	0.64
Retained Earnings	(18,418.44)	18,418.44	912.05	912.05
<b>Total (B)</b>	<b>1,114.27</b>	<b>-</b>	<b>-</b>	<b>1,114.27</b>
<b>Total Equity C = (A + B)</b>				<b>3,845.36</b>
<b>Less: Components not to be considered for computation of net worth as per section 2(57) of the Companies Act, 2013</b>				
Share Option Outstanding Account (D)				60.33
Share Application Money Pending Allotment (E)				0.64
<b>Net worth F = (C - D - E)</b>				<b>3,784.39</b>

**Notes:**

1. Net worth as per section 2(57) of the Companies Act, 2013 means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
2. For details on nature of reserves, kindly refer the audited annual financial statements of the Company as of and for the year ended 31 March 2025.

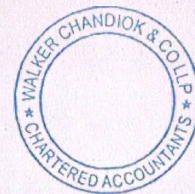
For **Suzlon Energy Limited**

*Neelima*

**Authorised Signatory**

**Place:** Pune

**Date:** 06 November 2025



**SIGNED FOR  
IDENTIFICATION  
PURPOSES ONLY**