

Form No. MR-3**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020****[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,

The Members,

Suzlon Energy Limited**(CIN: L40100GJ1995PLC025447)****Regd. Office:** "Suzlon" 5, Shrimali Society,
Near Shri Krishna Complex, Navrangpura,
Ahmedabad 380009.

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

Based on our verification of the company's relevant books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided to us by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representation made by the Management and considering the relaxation granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of COVID-19 Pandemic, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2020, generally complied with the provisions of Acts, Rules, Regulations, Guidelines, Standards listed hereunder subject to the reporting made hereinafter:-

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

- iv. The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; - **Not Applicable for the period under review;**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable for the period under review;**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **Not Applicable for the period under review;**
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- **Not Applicable for the period under review;**
 - i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013- **Not Applicable for the period under review**
 - j) The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015; and
 - k) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- vi. As informed to us, there are no other Sector specific laws which are specifically applicable to the Company

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

- Secretarial Standards as issued and notified by The Institute of Company Secretaries of India relating to Board Meetings and General Meetings.
- The Listing agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited and Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

Sr. No.	Relevant Provision for Compliance Requirement	Observation
1.	Regulation 17 read with Regulation 25 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Section 149(3) of the Companies Act, 2013 read with The Companies (Appointment and Qualification of directors) Rules, 2014	The Composition of the Board of Directors was not in compliance with the regulations from 27.12.2019 till 15.03.2020. The Company has rectified the Non- Compliance w.e.f. 16.03.2020.
2.	Regulation 18 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015	The Composition of the Audit Committee was not in pursuance to the Regulations and the same has been rectified on 15.10.2019
3.	Regulation 21 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015	The Risk Management Committee of the company comprised of 50% of the members who were board of directors of the company which was not in pursuance to the Regulations however the same had been rectified on 01.10.2019.
4.	Section 203 of The Companies Act, 2013 read with The Companies (Appointment and Remuneration) Rules, 2014	The Company had Group Chief Financial Officer, however did not have Chief Financial Officer (CFO) of the company till 31.05.2019. The Appointment of Chief Financial Officer (CFO) was made w.e.f. 01.06.2019.

Based on the information received and records maintained, we further report that;

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as on 31.03.2020. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act except the instances provided above in the Observations.
2. As per the Information provided by the management, adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. All the decisions in the board meetings were carried through by majority while there were no dissenting member's views and hence not captured and recorded as part of the minutes.

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

We further report that during the audit period there have been enlisted major actions or events undertaken by the Company which may have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, guidelines, standards etc:-

1. The Board of Directors at its meeting held on 27.02.2020 have interalia approved following, subject however to the approval of Shareholders in the General meeting:
 - a) issuance of equity shares, optionally convertible debentures and convertible warrants on preferential basis to the Lenders in part conversion of their existing debt under the Debt Resolution Plan of the Company & its certain identified subsidiaries formulated under Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 issued by RBI vide its circular dated 07.06.2019;
 - b) issuance of equity shares and compulsorily convertible debentures to certain persons / entities (including Promoters) under Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - c) in-principle approval for conversion of loan in to equity;

- d) issuance of equity shares / equity linked instruments for restructuring of outstanding FCCBs.
2. The extra ordinary general meeting of the shareholders of the Company which was scheduled to be held on 24.03.2020, could not be held in view of the pandemic situation of COVID-19 and was postponed twice and eventually cancelled on 15.04.2020. Post the audit period, the Company initiated postal ballot process for obtaining approval of the shareholders for all the aforesaid items.

We hereby further report that during the period under report, there have been instances of defaults done by the company in repayment of loans and interest thereon and the company has also defaulted in making payments to trade creditors due to which the company has been served with notices under Indian Bankruptcy code, however the company has taken suitable steps to mitigate these defaults as the company is in process of restructuring the debt structure of the company as on 31.03.2020.

For KPRC & Associates
Company Secretaries



CS Kuldeep D. Ruchandani
Partner
M. No. F-7971
CP. No. 8563

Date: 07.08.2020

Place: Pune

UDIN: F007971B000561513

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

Annexure A

To,

The Members,

Suzlon Energy Limited

(CIN: L40100GJ1995PLC025447)

Regd. Office: "Suzlon" 5, Shrimali Society,

Near Shri Krishna Complex, Navrangpura,

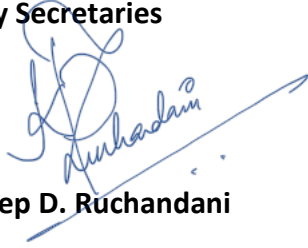
Ahmedabad 380009

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

1. The compliance of provisions of all laws, rules, regulations, standards applicable to Suzlon Energy Limited (the 'Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on test check basis to ensure that correct facts are reflected in secretarial and other records. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.

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

For KPRC & Associates
Company Secretaries



CS Kuldeep D. Ruchandani
Partner
M. No. F-7971
CP. No. 8563

Date: 07.08.2020

Place: Pune

UDIN: F007971B000561513