

27<sup>th</sup> April 2016.

**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.: Inter Group merger / demerger.**

**Ref.: Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

This is to inform that the Board of Directors (the "Board") of Suzlon Energy Limited (the "Company" or "SEL"), at its meeting held on 27<sup>th</sup> April 2016, has, inter alia, approved the following:

Composite scheme of merger and demerger for:

- a) Merger of SE Blades Limited (SEBL), SE Electricals Limited (SEEL) and Suzlon Wind International Limited (SWIL), 100% owned subsidiaries of the Company, into the Company; and
- b) De-merger of the tubular tower manufacturing division of Suzlon Structures Limited (SSL), 100% owned subsidiary of the Company, into the Company.

The said composite scheme of merger and demerger would be subject to the approval of the lenders / CDR EG.

Such consolidation of the above referred manufacturing companies will result in achieving business and administrative synergies for the Group like:

- Increased competitive strength;
- Improved productivity and efficiency resulting in cost reduction;
- Optimisation of working capital;
- Pooling of managerial and technical resources.

Additionally, the Board of Directors of SSL and Suzlon Global Services Limited (SGSL), a wholly owned subsidiary of SSL and a step down wholly owned subsidiary of the Company, at their respective meetings held on even date, have, subject to the approval of the lenders, approved the merger of SGSL with SSL.

The operation, maintenance and services (OMS) business was separated from SEL to achieve a strategic and operational focus on the business and development of a qualitative enterprise and a sector leader for OMS operations. The business has gathered required critical mass and has good and sustainable operating margins, since separation from SEL. Thus with a view to rationalise the OMS business to optimise future fund raising, this merger has been proposed. The proposed consolidation will also result in achieving business and administrative synergies for the OMS operations of the Suzlon Group.

**Suzlon Energy Ltd.**

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**SUZLON**  
POWERING A GREENER TOMORROW

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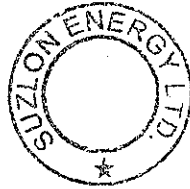
The information regarding aforesaid decisions as required to be disclosed in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been provided in the Annexure enclosed herewith.

This is for your information as also for the information of your members and the public at large.

Thanking you,

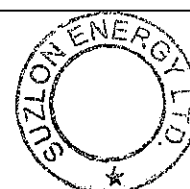
Yours faithfully,  
**For Suzlon Energy Limited**

*H.A. Kanuga*  
**Hemal A. Kanuga,**  
**Company Secretary.**  
**M. No. F4126.**



Encl.: As above.

1. Amalgamation / Merger / De-merger	
a. Name of the entity(ies) forming part of the amalgamation / merger / de-merger	<p>1. Suzlon Energy Limited ('SEL') (Transferee Company / Resulting Entity)</p> <p>2. SE Blades Limited ('SEBL') (Transferor Company)</p> <p>3. SE Electricals Limited ('SEEL') (Transferor Company)</p> <p>4. Suzlon Wind International Limited ('SWIL') (Transferor Company)</p> <p>5. Suzlon Structures Limited ('SSL') (Demerged / Transferor Company)</p> <p>(SEBL, SEEL, SWIL and SSL are wholly owned subsidiaries of SEL) The Composite scheme involves merger of SEBL, SEEL and SWIL (Transferor Companies) with SEL and de-merger of tubular tower division of SSL (Demerged Company) into SEL.</p>
b. Details such as size, turnover etc. of the entities forming part of amalgamation / merger / de-merger (as per last audited financials)	<p><u>Turnover for financial year 2014-15</u></p> <p>1. SEL – INR 2,261.49 Crores</p> <p>2. SEBL – INR 130.24 Crores</p> <p>3. SEEL – INR 173.64 Crores</p> <p>4. SWIL – INR 279.54 Crores</p> <p>5. SSL – INR 152.45 Crores</p> <p><u>Net profit / (loss) for the financial year 2014-15</u></p> <p>1. SEL – INR (6,032.34) Crores</p> <p>2. SEBL – INR (135.55) Crores</p> <p>3. SEEL – INR (19.47) Crores</p> <p>4. SWIL – INR (280.18) Crores</p> <p>5. SSL – INR (1.38) Crores</p>
c. Whether the transaction falls within related party transaction? If yes, whether the same is done at 'arm's length'	The Transferor Companies and Demerged Company are wholly owned subsidiaries of SEL. Therefore, the transaction is between related parties. However, MCA Circular No.30/2014 dated 17 <sup>th</sup> July 2014 has clarified that the transactions arising out of compromises, arrangements and amalgamations dealt with under provisions of the Companies Act 1956 / 2013 would not attract the requirements of Section 188 of the Companies Act, 2013
d. Area of the business of the entity(ies)	SEL is engaged in the business of design, development, manufacturing and supply of Wind Turbine Generators (WTGs) and related components of various capacities. The Transferor Companies and Demerged Company are engaged in manufacture of various components of WTGs.
e. Rationale of the merger and de-merger	The consolidation will result in achieving business and administrative synergies for the Group. Considering the business prospects in future, this consolidation of operations would help in reducing administrative costs and avoiding duplication of efforts. The consolidation will result in financial, managerial, and technical resources being pooled in together with SEL, and will lead to increased competitive strength, cost reduction and efficiencies, productivity gains and logistic advantages to the business operations. Furthermore, the consolidation would result in optimising the working capital usage which is very critical for the operations of the Group considering circumstances for availing the working capital credit.
f. In case of cash consideration, amount or otherwise share exchange ratio	The proposed transaction does not involve cash consideration. Further, pursuant to the composite scheme of arrangement, no shares shall be issued by SEL, the Transferee Company, under operation of the provisions of Companies Act, 1956 / 2013.



g.	Brief details of change in shareholding pattern (if any) of listed entity	Pursuant to the proposed composite Scheme of amalgamation and arrangement, no shares shall be issued to the Transferor Companies / Demerged Company and hence there will be no change in the shareholding pattern of SEL.
h.	Turnover of the demerged division and as percentage to the total turnover of the listed entity in the immediately preceding financial year / based on financials of the last financial year	Not applicable, as no division of SEL is sought to be demerged.
i.	Whether listing would be sought for the resulting entity	Not applicable, since SEL itself is the resulting entity
<b>2. Amalgamation / Merger of subsidiaries</b>		
a.	Name of the entity(ies) forming part of the amalgamation / merger / de-merger	1. Suzlon Structures Limited ('SSL') – Transferee Company 2. Suzlon Global Services Limited ('SGSL') – Transferor Company. The scheme involves merger of SGSL with SSL. The Scheme involves amalgamation of two subsidiaries of SEL and does not involve SEL as a party to the Scheme of amalgamation. This Scheme therefore has no impact on SEL.
b.	Details such as size, turnover etc. of the entities forming part of amalgamation / merger / de-merger (as per last audited financials)	<u>Turnover for financial year 2014-15</u> 1. SSL – INR 152.45 Crores 2. SGSL – INR 838.04 Crores  <u>Net profit / (loss) for the financial year 2014-15</u> 1. SSL – INR (1.38) Crores 2. SGSL – INR (240.10) Crores
c.	Whether the transaction falls within related party transaction? If yes, the same is done at 'arm's length'	The Transferor Company is a wholly owned subsidiary of SSL. Therefore, the transaction is between related parties. However, MCA Circular No.30/2014 dated 17 <sup>th</sup> July 2014 has clarified that the transactions arising out of compromises, arrangements and amalgamations dealt with under provisions of the Companies Act 1956 / 2013 would not attract the requirements of Section 188 of the Companies Act, 2013
d.	Area of the business of the entity(ies)	SGSL and SSL are both engaged in the business of providing operation and maintenance services to WTGs. Additionally, SSL is also engaged in the manufacture of tubular towers for WTGs.
e.	Rationale of the merger	The operation, maintenance and services (OMS) business was separated from SEL to achieve a strategic and operational focus on the business and development of a qualitative enterprise and a sector leader for OMS operations. The business has gathered required critical mass and has good and sustainable operating margins, since separation from SEL. Thus with a view to rationalise the OMS business to optimise future fund raise or capital raise activities, this merger has been proposed. The proposed consolidation will also result in achieving business and administrative synergies for the OMS operations of the Suzlon Group.
f.	In case of cash consideration, amount or otherwise share exchange ratio	The proposed transaction does not involve cash consideration. Further, pursuant to the scheme of amalgamation, no shares shall be issued by SSL, the Transferee Company, under operation of the provisions of Companies Act, 1956 / 2013.
g.	Brief details of change in shareholding pattern (if any) of listed entity	Pursuant to the proposed Scheme of amalgamation, no shares shall be issued to the Transferor Company and hence there will be no change in the shareholding pattern of SSL.

