

Ref: JPVL:SEC:2016

18<sup>th</sup> July, 2016

The Manager,  
Listing Department,  
**National Stock Exchange of India Ltd.,**  
"Exchange Plaza", C-1, Block G,  
Bandra-Kurla Complex,  
Bandra (E),  
Mumbai -400 051

**BSE Limited,**  
25<sup>th</sup> Floor, New Trading Ring,  
Rotunda Building,  
P J Towers, Dalal Street, Fort,  
Mumbai - 400 001

**Scrip Code: 532627**

**Scrip Code: JPPOWER**

**Sub: Out-come of Board Meeting held on 18<sup>th</sup> July, 2016**

Dear Sirs,

The Board in its meeting held today i.e. 18<sup>th</sup> July, 2016, inter-alia: -

- I. Considered and accepted the recommendations of the Committee of Directors as well as the Audit Committee, for hive off and transfer of 500 MW Bina Thermal Power Plant as a going concern basis to its subsidiary Bina Power Supply Limited ("**BPSL**") through the Scheme of Arrangement ("Scheme") approved by the Board subject to all requisite regulatory & other approvals and sanction of the same by the Hon'ble High Court/National Company Law Tribunal (NCLT).

The Bina Thermal Power Plant alongwith the assets, liabilities, contracts, deeds etc. shall be transferred and vested with BPSL pursuant to the Scheme becoming effective on a slump exchange basis i.e. in exchange for equity shares and non-convertible Debentures to be issued by BPSL to the Company.

- II. Approved the Securities Purchase Agreement with JSW Energy Limited ("**JSW**") regarding the sale of entire securities (equity and non-convertible debentures) of BPSL (held/ to be held by the Company) to JSW subject to satisfaction of conditions precedent including the Scheme of Arrangement becoming effective and all such regulatory and other approvals as may be required:

- (i) The consideration to be received from JSW is linked to a base enterprise value as on 1<sup>st</sup> September, 2015 of Rs.2,700 crore for sale of 100% securities of BPSL subject to mutually agreed adjustments.



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Website : www.jppowerventures.com

CIN: L40101HP1994PLC015483

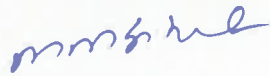
- (ii) The requisite shareholders' approval for the sale of securities shall be obtained.

The details in respect of disclosure as specified in Para A of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as per Annexure-I of Securities & Exchange Board of India circular dated 9<sup>th</sup> September, 2015 are attached as **Annexure - A (Relating to Demerger) and Annexure - B (Relating to Sale or disposal of unit or division or subsidiary of the listed entity)**.

Thanking you,

Yours faithfully,

For **JAIPRAKASH POWER VENTURES LIMITED**



**(M. M. Sibbal)**

**Vice President & Company Secretary**

Encl: As above

**Annexure – A (Relating to Demerger)**

- a) Brief details of the division to be demerged;

The Company is proposing to hive off and the transfer 500 MW Bina Thermal Power Plant (commissioned in April, 2013) to its subsidiary i.e. Bina Power Supply Limited (BPSL) located in Bina in the State of Madhya Pradesh, subject to all requisite regulatory & other approvals and sanction of the same by the Hon'ble High Court/National Company Law Tribunal (NCLT).

- b) 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;

<b>Turnover (Rs. in crore)</b>	<b>%age to the total turnover</b>
895.50	22.55%

(figures as per the financial statement as at 31<sup>st</sup> March, 2016)

- c) Rationale for demerger;

- (i) In case of the Transferor Company: **(JPVL)**

- helping the Transferor Company in deleveraging its balance sheet, including reduction of debt and interest outgo as well as help in taking further steps for enhancing shareholders values of the Transferor Company.

- (ii) In case of the Transferee Company: **(BPSL)**

- (a) The acquisition will enable the Transferee Company to carry on the business for which it has been incorporated and enable independent evaluation of the Transferred Undertaking; and
- (b) The business of the Transferred Undertaking can be carried out more conveniently with greater focus and attention.

- d) Brief details of change in shareholding pattern (if any) of all entities;

There will be no change in shareholding pattern of JPVL, the Transferor Company.

Currently the Company holds 99% of total share capital of BPSL. Post effectiveness of the Scheme of Arrangement the Company will hold 99.999% of total share capital of BPSL.



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**Website** : www.jppowerventures.com **CIN: L40101HP1994PLC015483**

- e) In case of cash consideration – amount or otherwise share exchange ratio;  
and

No cash consideration is payable. The Bina Thermal Power Plant alongwith its assets, liabilities, contracts, deeds etc. shall be transferred & vested with BPSL as a going concern on slump exchange basis i.e., in exchange for 25 crore equity shares of Rs. 10/- each and 5 crore 12.5% non-convertible debentures of Rs. 100/- each redeemable after a period of 10 years from the date of issue, to be issued by BPSL to the Company.

- f) Whether listing would be sought for the resulting entity.

No



**Annexure-B (Relating to Sale or disposal of unit or division or subsidiary of the listed entity).**

- a) The amount and percentage of the turnover or revenue or income and networth contributed by such unit or division of the listed entity during the last financial year;

The transaction contemplates the sale of entire securities held/ to be held by the Company in BPSL post the effectiveness of the Scheme, hence not applicable.

- b) Date on which the agreement for sale has been entered into;

Proposed Securities Purchase Agreement between M/s. JSW Energy Limited and the Company & minority shareholders has been approved subject to the satisfaction of conditions precedent including the Scheme of Arrangement becoming effective and all such regulatory and other approvals as may be required. The said agreement has been signed on 18<sup>th</sup> July, 2016.

- c) The expected date of completion of sale/disposal;

The completion of transaction is subject to various regulatory and other approvals, but is expected to be completed say by May, 2017, subject to any mutually agreed extension.

- d) Consideration received from such sale/disposal;

The consideration for sale of entire securities of BPSL (held/ to be held by the Company) to be received from JSW Energy Limited is linked to a base enterprise value as on 1<sup>st</sup> September, 2015 of Rs.2,700 crore, subject to mutually agreed adjustments.

- e) Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof;

The buyer of entire Securities held/ to be held by the Company in BPSL shall be JSW Energy Limited and/or its affiliates, which are not promoters or belong to the promoter group or group companies of the Company.

- f) Whether the transaction would fall within related party transaction? If yes, whether the same is done at arm's length; and

Not applicable.

- g) Additionally, in case of a slump sale, indicate disclosures provided for amalgamation/merger, shall be disclosed by the listed entity with respect to such slump sale;

Not applicable.