

Ref: JPVL:SEC:2011

14th February, 2011

The Manager

Listing Department

National Stock Exchange of India Ltd

Fax No.: 022-26598237/38

"Exchange Plaza", C-1, Block G,

022-26598347/48

Bandra-Kurla Complex,

Bandra (E),

Mumbai -400 051

Bombay Stock Exchange Limited

25th Floor, New Trading Ring,

Rotunda Building,

P J Towers, Dalal Street, Fort,

Fax No.: 022-22723121/2037

Mumbai - 400 001

2039/2041

Re : Proposed Amalgamation

Dear Sirs,

In continuation to our letter dated 7th February, 2011, this is to inform you that, accepting the recommendation of its Committee of Directors, subject to the requisite approvals and sanction of the Scheme by the Hon'ble High Court of Himachal Pradesh at Shimla, the Board of Directors of the Company in their meeting held today, have, inter-alia, approved the amalgamation of Jaypee Karcham Hydro Corporation Limited (JKHCL) (an un-listed Transferor Company No. 1) and Bina Power Supply Company Limited (BPSCL) (an un-listed Transferor Company No. 2) with Jaiprakash Power Ventures Limited (JPVL) (Transferee Company), with effect from 1st April, 2010, being the Appointed Date.

Both JKHCL and BPSCL are subsidiaries of JPVL, BPSCL being wholly owned subsidiary company.

In terms of the proposed Scheme of Amalgamation, the shareholders of the Transferor Companies as on the Record Date to be fixed by the Board of Directors of the Transferee Company, shall be allotted shares in the Transferee Company in the following Exchange Ratio:-

1 (One) Equity Share of Rs.10/- credited as fully paid-up in Jaiprakash Power Ventures Limited, the Transferee Company, for every 5 (Five) Equity Shares of Rs.10/- each fully paid-up held in Jaypee Karcham Hydro Corporation Limited, the Transferor Company No. 1.

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2 (Two) Equity Shares of Rs.10/- each, credited as fully paid-up in Jaiprakash Power Ventures Limited, the Transferee Company, for every 13 (Thirteen) Equity Shares of Rs.10/- each fully paid-up held in Bina Power Supply Company Limited, the Transferor Company No. 2.

A copy of the proposed Scheme of Amalgamation, as approved by the Board is being sent to you separately for your requisite approval in terms of Clause 24(f) of the Listing Agreement.

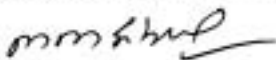
Further, the Board has also authorized, subject to approval of the Shareholders by passing of the Resolution by way of Postal Ballot, raising of funds/resources to the tune of Rs.3500 crores through QIP/ FCCBs/ ADRs/GDRs/FPO/CCPS/OCPS etc, pursuant to Section 81 of the Companies Act, 1956, inter-alia, for the Company's ongoing projects and/or the projects of its joint ventures and subsidiary companies.

It may be noted that the approval of the Shareholders obtained on 11th March, 2010 by passing of the Resolution by way of Postal Ballot for raising of funds/resources to the tune of Rs.2500 crores through QIP/ FCCBs/ ADRs/GDRs/FPO etc. was valid upto 10th March, 2011 as per SEBI Regulations for Qualified Institution Placement.

As a consequence of the above, the Board has also authorized, subject to approval of the Shareholders by passing of the Resolution by way of Postal Ballot, increasing its authorized share capital from the existing Rs.3900 crores to Rs.6900 crores by altering Clause V of Memorandum of Association of the Company by including an additional class of Share Capital, namely, 30 crore Preference Shares of Rs.100/- each (whether convertible - optionally or compulsorily or non convertible, cumulative or non cumulative).

Thanking you,

Yours faithfully,
For JAIPRAKASH POWER VENTURES LIMITED



(M.M. SIBBAL)
Sr. General Manager &
Company Secretary

Encl: As above