



एन एच पी सी लिमिटेड

(भारत सरकार का उद्यम)

NHPC Limited

(A Government of India Enterprise)

संदर्भ सं./Ref. No. NH/CS/199-NSE/

फोन/Phone: _____

दिनांक/Date, 24th October, 2013

M/s National Stock Exchange of India Limited,
Exchange Plaza,
Bandra Kurla Complex,
Bandra
East Mumbai- 400051

**Sub: Extracts of resolution(s) of Board Meeting held today in connection with
Buy Back of Equity Shares of NHPC Limited**
Ref.: ISIN NO. INE848E01016

Sirs,

This has reference to our earlier letter no. NH/CS/199-BSE/2304 dated 21st October, 2013 and letter no. NH/CS/199-BSE of even dated. Please find attached herewith extracts of Board Resolution(s) in respect of Buy Back of equity Shares of NHPC Limited in compliance to Regulation 5A of SEBI (Buy Back of Securities) Regulations, 1998 as amended from time to time.

Thanking you,

Yours faithfully,


(Vijay Gupta)
Company Secretary



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NHPC Limited

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संदर्भ सं./Ref. No. NH/CS/Buy-Back

फोन/Phone :

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EXTRACTS OF RESOLUTIONS PASSED AT 366TH MEETING OF THE BOARD OF DIRECTORS OF NHPC LIMITED HELD ON 24TH OCTOBER 2013

The Board of Directors is its 366th meeting held today has approved the buy-back of NHPC Shares and passed the following resolutions:

“RESOLVED THAT pursuant to the provisions of Article 16A of the Articles of Association of the Company, as amended and the provisions of Section 77A, 77AA and all other applicable provisions, if any, of the Companies Act, 1956 and Section 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013 and in compliance with the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, as amended (the **“SEBI Buyback Regulations”**), and any statutory modification(s) or re-enactment thereof, as also such other approvals, permissions and sanctions of Securities and Exchange Board of India (**“SEBI”**), Registrar of Companies, National Capital Territory of Delhi and Haryana (the **“ROC”**) and/ or other authorities, institutions or bodies (the **“Appropriate Authorities”**), as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (the **“Board”** which expression shall include any committee constituted by the Board to exercise its powers, including the powers conferred by this resolution)), the Board hereby approves the buy back by the Company of its fully paid-up equity shares of Rs 10/- each not exceeding 1,23,00,74,277 (One hundred twenty three crore seventy four thousand two hundred seventy seven) equity shares (representing 10% of the total number of equity shares in the paid-up share capital of the Company) at a price of Rs. 19.25 (Nineteen rupees twenty five paise only) per equity share (the **“Buy Back Offer Price”**) payable in cash for an aggregate amount of Rs. 23,67,89,29,832/- (Rupees Two Thousand Three Hundred Sixty Seven Crore Eighty Nine Lacs Twenty Nine Thousand Eight Hundred Thirty Two only) (the **“Buyback Offer Size”**) being which is within 10% of the fully paid-up equity share capital and free reserves as per the audited accounts of the Company for the quarter ended June 30, 2013 from the shareholders of the Company on a proportionate basis, through the **Tender Offer** route as prescribed under the SEBI Buyback Regulations (hereinafter referred to as the **“Buyback”**).

RESOLVED FURTHER THAT the Company may implement the Buyback of up to 10% of its paid-up Equity Capital and free reserves of the Company as per the approval granted by way of this resolution under proviso to section 77A (2)(b) of the Companies Act, 1956, and in accordance with the SEBI Buyback Regulations.



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पंजीकृत कार्यालय : एन एच पी सी ऑफिस कॉम्प्लेक्स, सेक्टर-33, फरीदाबाद, हरियाणा-121 003 (भारत)

Regd. Office : NHPC Office Complex, Sector-33, Faridabad, Haryana-121 003 (India)

Website : www.nhpcindia.com; E-mail : webmaster@nhpc.nic.in; Fax : 0129-2277941; EPABX No. : 0129-2278421

RESOLVED FURTHER THAT as required by Regulation 6 of the SEBI Buyback Regulations, the Company may buy back equity Shares from the existing shareholders on a proportionate basis, provided 15% of the number of equity shares which the Company proposes to buyback or number of equity shares entitled as per the shareholding of small shareholders, whichever is higher, shall be reserved for the small shareholders, as defined in the SEBI Buyback Regulations.

RESOLVED FURTHER THAT Company has complied and shall continue to comply with Section 70 of the Companies Act, 2013 wherein:

- a) It shall not directly or indirectly purchase its own shares:
 - i. through any subsidiary company including its own subsidiary companies; or
 - ii. through any investment company or group of investment companies; or
- b) if a default, is made by the Company in the repayment of deposits accepted either before or after the commencement of the Companies Act, 2013, interest payment thereof, redemption of debentures or preference shares or payment of dividend to any shareholder, or repayment of any term loan or interest payable to thereon to any financial institution or banking company:

Provided that the buy-back is not prohibited, if the default is remedied and a period of three years has lapsed after such default ceased to subsist.

RESOLVED FURTHER THAT confirmation is hereby made by the Board of Directors that:

- a) all equity shares of the Company are fully paid up;
- b) the Company has noted that the Company shall not issue and allot any equity shares including by way of bonus or convert any outstanding ESOPs/ outstanding instruments into equity shares, till the date of closure of this Buyback;
- c) the Company shall not buy back its shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;
- d) that the aggregate amount of the Buyback i.e. Rs. 23,67,89,29,832/- (Rupees Two Thousand Three Hundred Sixty Seven Crore Eighty Nine Lacs Twenty Nine Thousand Eight Hundred Thirty Two only) does not exceed 10% of the total paid-up capital and free reserves as per the audited balance sheet as on June 30, 2013;
- e) that the maximum number of equity shares proposed to be purchased under the Buyback i.e. 1,23,00,74,277 (One hundred twenty three crore seventy four thousand two hundred seventy seven) equity shares, does not exceed 25% of



- the total number of shares in the paid-up equity capital as per the audited balance sheet as on June 30, 2013;
- f) no default, has been made by the Company in the repayment of deposits accepted either before or after the commencement of the Companies Act, 2013, interest payment thereof, redemption of debentures or preference shares or payment of dividend to any shareholder, or repayment of any term loan or interest payable to thereon to any financial institution or banking company, in the last three years;
 - g) the debt equity ratio of the Company after the Buyback will be well within the limit of 2:1 as prescribed under the Companies Act, 1956 (to the extent applicable) and Companies Act, 2013 (to the extent notified), as the case may be.

RESOLVED FURTHER THAT as required by Clause (x) of Part A of Schedule II under Regulation 5(1) of the SEBI Buyback Regulations, the Board hereby confirms the Board of Directors has made a full enquiry into the affairs and prospects of the Company and that based on such full inquiry conducted into the affairs and prospects of the Company, and taking into account all the liabilities including prospective and contingent liabilities payable as if the Company were being wound up under the Act, the Board of Directors has formed an opinion that:

- a) Immediately following the date of this Board meeting, there will be no grounds on which the Company could be found unable to pay its debts;
- b) As regards the Company's prospects for the year immediately following the date of this Board meeting, and having regard to the Board's intention with respect to the management of Company's business during that year and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from that date of this Board meeting; and
- c) In forming an opinion as aforesaid, the Board has taken into account the liabilities, as if the Company were being wound up under the provisions of the Companies Act, 1956 (to the extent applicable) and Companies Act, 2013 (to the extent notified), as the case may be, including prospective and contingent liabilities.
- d) CMD, Dir (Fin) & Dir (Pers.) be and is hereby authorized to issue declaration of solvency on behalf of Board of directors.

RESOLVED FURTHER THAT the proposed Buyback be implemented from the existing shareholders including the Promoters, Promoters Group and Persons Acting in concert (such shareholders herein after collectively as "**Persons in Control**") that Persons in Control will be such persons as have been disclosed under the filings made by the Company from time to time under Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 2011 ("**SEBI Takeover Regulations**") as the Board may consider appropriate, from out of its free reserves



and/or share premium account and/or surplus and/or cash balances and/ or internal accruals of the Company and/or such other sources or by such mechanisms as may be permitted by Law, and on such terms and conditions as the Board may decide from time to time, and in the absolute discretion of the Board, as it may deem fit.

RESOLVED FURTHER THAT Company shall not use borrowed funds, directly or indirectly, whether secured or unsecured, of any form and nature, from Banks and Financial Institutions for paying the consideration to the equity shareholders who have tendered their equity shares in the Buyback.

RESOLVED FURTHER THAT the Company shall not Buyback the locked-in equity shares or other specified securities, if any and non-transferable equity shares or other specified securities, if any, till the pendency of the lock-in or till the equity shares or other specified securities become transferable;

RESOLVED FURTHER THAT Buyback from shareholders who are persons resident outside India including the Foreign Institutional Investors, Overseas Corporate Bodies, if any, shall be subject to such approvals, if, and to the extent necessary or required including approvals from Reserve Bank of India under Foreign Exchange Management Act, 1999 and the Rules and Regulations framed there under, if any.

RESOLVED FURTHER THAT as per the provisions of Section 77A (8) of the Companies Act, 1956, the Company will not issue same kind of shares or other specified securities shares within a period of 6 months after the completion of the Buyback except by way of bonus shares or equity shares issued in the discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity shares.

RESOLVED FURTHER THAT as per the provisions of regulation 19(f) of SEBI Buyback Regulations, the Company shall not raise further capital for a period of one year from the closure of the Buyback offer, except in discharge of its subsisting obligations.

RESOLVED FURTHER THAT the buyback is being proposed in keeping with the Company's desire to enhance overall shareholders value and the buyback would lead to reduction in total number of equity shares.

RESOLVED FURTHER THAT Chairman and Managing Director, Director (finance) and Director (Personnel), (hereinafter "**Functional Authority**"), and Company Secretary shall act as the Secretary to the Functional Authority, be and are hereby authorized, severally or jointly, to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, usual or proper, including but not limited to:



- a) finalizing the terms of buyback like the mechanism for the buyback, record date, entitlement ratio, the timeframe for completion of the buyback;
- b) to enter into escrow arrangements as may be required in terms of the SEBI Buyback Regulations;
- c) opening, operation and closure of all necessary accounts, including bank accounts, depository accounts (including escrow account) for the purpose of payment and authorizing persons to operate the said accounts;
- d) preparation, signing and filing of public announcement, the draft letter of offer/ letter of offer, declaration of solvency with the SEBI, RoC, the stock exchanges and other Appropriate Authority;
- e) making all applications to the Appropriate Authority for their requisite approvals including approvals as may be required from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the Rules and Regulations framed there under, if any;
- f) Extinguishment of shares certificate and filing of certificate of extinguishment required to be filed in connection with the Buyback on behalf of the Company and/ or Board;
- g) appoint any intermediaries / agencies / persons as may be required for the purposes of the Buyback and decide and settle the remuneration for all such intermediaries/ agencies/ persons, including by the payment of commission, brokerage, fee, charges etc and enter into agreements/ letters in respect thereof;
- h) to affix the Common Seal of the Company on relevant documents required to be executed for the buyback of Shares in accordance with the provisions of the Articles of Association of the Company.
- i) sign, execute and deliver such other documents, deeds and writings and to do all such acts, matters and things as it may, in its absolute discretion deem necessary, expedient or proper, to be in the best interest of the shareholders for the implementation of the Buyback, and to initiate all necessary actions for preparation and issue of various documents and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to the SEBI, RBI, RoC, stock exchanges, depositories and/or other Appropriate Authorities.
- j) to delegate all or any of the authorities conferred on them to any Director(s)/ Officer(s)/ Authorized Signatory(ies)/ Representative(ies) of the Company.
- k) to give such directions as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise in relation to the Buyback.

RESOLVED FURTHER THAT Company Secretary be and is hereby authorized to file declaration of solvency with Registrar of Companies and to sign, execute and deliver such other documents and writings and to do all such acts, matters and things as it may, in its absolute discretion deem necessary, expedient or proper as may be required for the purpose of buy back.”



RESOLVED FURTHER THAT Company Secretary be and is hereby appointed as the Compliance Officer for the Buyback.

RESOLVED FURTHER THAT the buyback is subject to:

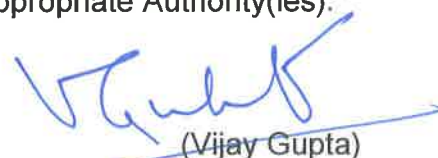
- a) the buyback not causing the Company to be in violation of the conditions for continuous listing prescribed in terms of Clause-40A of the Listing Agreement between the Company and the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE and together with BSE, the "**Stock Exchanges**") i.e. maintaining the minimum public shareholding at 10%;
- b) The equity shares that may be bought back do not exceed the maximum number of Shares permissible;
- c) The aggregate consideration payable pursuant to the buyback not exceeding the Buyback Offer Size; and
- d) Complying with the statutory and regulatory timelines in respect of the buyback, on the terms and conditions as may be decided by the Board and in such manner as prescribed under the Act and / or the Regulations and any other applicable Laws.

RESOLVED FURTHER THAT nothing contained herein shall confer any right on any shareholder to offer and/ or any obligation on the Company or the Board or the functional authority to buyback any Shares and / or impair any power of the Company or the Board or the Buy Back Committee to terminate any process in relation to such buyback, if so permissible by Law.

RESOLVED FURTHER THAT the Company does maintain a register of securities bought back wherein details of equity shares bought back, consideration paid for the equity shares bought back, date of cancellation of equity shares and date of extinguishing and physically destroying of equity shares and such other particulars as may be prescribed, shall be entered and that the Company Secretary of the Company be and is hereby authorized to authenticate the entries made in the said register.

RESOLVED FURTHER THAT any of the Directors of the Company and /or the Company Secretary for the time being, be and are hereby severally authorized to furnish a copy of this Resolution certified as true to the Appropriate Authority(ies)."

CERTIFIED TRUE COPY


(Vijay Gupta)
Company Secretary

विजय गुप्ता
Vijay Gupta
कंपनी सचिव
Company Secretary
एन एच पी सी लिमिटेड
NHPC Limited