

RattanIndia

May 22, 2017

Scrip Code- 533122
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI – 400 001

RTNPOWER/EQ
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (East),
MUMBAI-400 051

Sub.: Outcome of the Board meeting of RattanIndia Power Limited (the “Company” or “RPL”).

The Board of Directors of the Company (Board) at its meeting held today i.e. on 22nd May 2017 (which commenced at 8:30 P.M. and concluded at 10:40 P.M.) inter alia considered the various options for restructuring the core business of generation supply and distribution of thermal power, being :

- (a) the 1350 MW Phase-I Amravati Thermal Power Plant (“**Amravati Plant**”), which is fully operational and currently supplying power to Maharashtra State Electricity Development Company Limited (MSEDCL), in term of the Company’s power purchase agreement with MSEDCL.
- (b) the 1350 MW Phase-I Nasik Thermal Power Plant at Nasik developed by RattanIndia Nasik Power Limited (“**RNPL**”) executed through a special purpose vehicle, RattanIndia Nasik Power Ltd (RNPL) which is a wholly owned subsidiary of the Company.

Due to circumstances beyond the control of Company, the risk-rewards of both power plants have turned out to be very different and distinct from each other. Amravati plant is completely operational and running with long term Power Purchase Agreement (PPA) with MSEDCL but faced lower PLF inspite of 100% availability in FY 2017 whereas Nashik plant has location advantage of being near to load center but has not commenced supplies under a PPA.

Although, the Amravati plant has been under full operations since financial year 2014-15, inspite of repeated efforts to reduce the project term loan interest, it continues to be around 13.25%. Further, during the financial year 2016-17, inspite of 100% availability of the plant, MSEDCL did not offtake the entire capacity of the plant affecting revenue from Amravati plant although the capacity charge in line with the provisions of the PPA is paid by MSEDCL. However, towards the end of the FY 2016-17, the power demand again picked up and MSEDCL started giving 100% power schedule from the last week of March 2017 and since then the Plant has been running its units at maximum capacity commensurate with the coal supplies from Coal India Limited.

The 1st unit of Nashik power plant was commissioned in FY 2013-14. Currently, 4 units have

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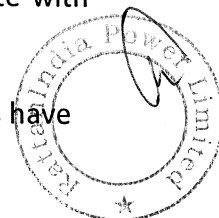
(Formerly Indiabulls Power Ltd.)

Registered Office: 5th Floor, Tower-B, Worldmark 1, Aerocity, New Delhi -110037

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Website: www.rattanindia.com

CIN:L40102DL2007PLC169082



already commissioned and 5th unit is getting commissioned by end of May 2017. The power procurement of 950 MW (650 MW by MSEDCL and 300 MW by BEST) from Nashik power plant was approved by Govt of Maharashtra, subject to approval from MERC. The approval for 650 MW to be procured by MSEDCL was obtained from MERC and 300 MW to be procured by BEST was to follow MSEDCL's contractual documents and procedure of approvals. However, the approval given by MERC for 650 MW to be procured by MSEDCL was put on hold due to litigation instigated by third party before Appellate Tribunal for Electricity (APTEL). The Company has challenged order of APTEL before Hon'ble SC and currently the matter is pending before Hon'ble SC. This litigation has led to PPA signing getting delayed and therefore plant is not generating as of now inspite of having commissioned 1080 MW and 5th unit getting commissioned by end of May 2017.

Accordingly, the Board has constituted a committee (**Refinancing and Restructuring Committee**) to:

- (a) evaluate various refinancing/restructuring schemes (including S4A) under guidelines issued by RBI from time to time for Amravati power plant under RPL.
- (b) consider, examine and evaluate the ways and means of bringing about the restructuring through a proposed demerger of Nashik plant from RPL, in a mode and manner which is in the best interests of the two companies and their shareholders.

The Refinancing and Restructuring Committee would take all the necessary steps in this direction and prepare and present detailed draft schemes and proposals, to be placed before the Board for its approval at a later date.

It is clarified that no scheme of arrangement or other proposal is currently pending before Board and the Board will make its decision on above after a thorough and considered evaluation and examination of the draft scheme and proposal as received from the Restructuring and Refinancing Committee.

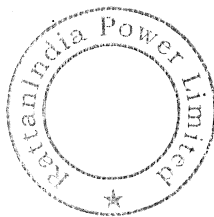
Please take the above information on record.

Thanking you,

Yours faithfully,

For **RattanIndia Power Limited**


Gaurav Toshkhani
Company Secretary



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