



एसजेवीएन लिमिटेड

SJVN Limited

(A Joint Venture of GOI & GOHP)

A Mini Ratna & Schedule "A" Company

SJVN/CS/93/2018

Dated: 08-02-2018

NSE Symbol: SJVN-EQ

BOLT SCRIP ID: SJVN,
SCRIP CODE: 533206

National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex,
Bandra East, Mumbai-400051, India.

The Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001, India

Dear Sir/Madam

Sub: Letter of Offer for the ongoing Buy Back

In compliance with the Corporate Disclosure Requirements under Regulation 30 of the SEBI Listing Obligations and Disclosure Requirements, Regulations 2015, please find attached the Letter of Offer for the ongoing Buy Back.

Request you to kindly take the same on record and oblige please.

Thanking You,

Yours Faithfully,

Arun Kumar Sharma
Asst. Manager (CS)

Encl: As above.

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is being sent to you, being an Eligible Shareholder(s) (*as defined hereinafter*) of SJVN Limited (the “**Company**”) as on the Record Date (*as defined hereinafter*) in accordance with the provisions of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended (the “**Buyback Regulations**”). If you require any clarifications about the action to be taken, you may consult your stockbroker or your investment consultant or the Manager to the Buyback i.e. SBI Capital Markets Limited or to the Registrar to the Buyback i.e. Alankit Assignments Limited. Please refer to the section on ‘Definition of Key Terms’ for the definition of the capitalized terms used herein.



SJVN LIMITED

(A Joint Venture of Government of India and Government of Himachal Pradesh)

Registered & Corporate Office: SJVN Corporate Office Complex, Shanan, Shimla- 171006, Himachal Pradesh, India

Corporate Identification Number (CIN): L40101HP1988GOI008409

Contact Person: Mr. Arun Kumar Sharma, Assistant Manager, Company Secretary and Compliance Officer

Tel: +91 (177) 2660075, **Fax:** +91 (177) 2660071; **E-mail:** investor.relations@sjvn.nic.in

Website: www.sjvn.nic.in

CASH OFFER FOR BUYBACK OF NOT EXCEEDING 20,68,31,325 (TWENTY CRORE SIXTY EIGHT LAKH THIRTY ONE THOUSAND THREE HUNDRED TWENTY FIVE ONLY) FULLY PAID-UP EQUITY SHARES OF FACE VALUE ₹ 10 EACH, REPRESENTING 5% OF THE TOTAL PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY AS ON MARCH 31, 2017, FROM ALL THE ELIGIBLE SHAREHOLDERS/ BENEFICIAL OWNERS OF EQUITY SHARES OF THE COMPANY AS ON THE RECORD DATE i.e. THURSDAY, JANUARY 18, 2018, ON A PROPORTIONATE BASIS, THROUGH THE “TENDER OFFER” PROCESS AT A PRICE OF ₹ 38.75 (RUPEES THIRTY EIGHT AND PAISA SEVENTY FIVE ONLY) PER EQUITY SHARE FOR AN AGGREGATE CONSIDERATION NOT EXCEEDING ₹ 801,47,13,843.75 (RUPEES EIGHT HUNDRED ONE CRORE FORTY SEVEN LAKH THIRTEEN THOUSAND EIGHT HUNDRED FORTY THREE AND PAISA SEVENTY FIVE ONLY)

- 1) The Buyback is in accordance with the provisions contained in Article 8J of the Articles of Association of the Company, Sections 68, 69, 70 and all other applicable provisions if any, of the Companies Act, 2013, as amended, and all applicable Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“**SEBI Listing Regulations**”), the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended from time to time (“**Buyback Regulations**”) and subject to such other approvals, permissions and sanctions as may be required, from time to time from statutory, regulatory or governmental authorities under applicable laws including but not limited to SEBI, the Stock Exchanges and Reserve Bank of India.
- 2) The Buyback Offer Size represents 6.98% of the aggregate of the fully paid-up share capital and free reserves, as per the audited standalone and consolidated financial statements of the Company, for the financial year ended March 31, 2017 (the last audited financial statements available as on the date of Board Meeting recommending the proposal of the Buyback) and is within the statutory limits of 10% of the aggregate of the fully paid up share capital and free reserves as per the latest audited standalone balance sheet and the latest audited consolidated balance sheet of the Company for the financial year ended March 31, 2017. The Equity Shares proposed to be bought back represents 5% of the total number of equity shares in the paid-up share capital of the Company.
- 3) The Letter of Offer will be sent to the Eligible Shareholder(s) as on the Record Date i.e. Thursday, January 18, 2018.
- 4) The procedure for tender offer and settlement is set out in paragraph 20 (*Procedure for Tender Offer and Settlement*) on page 32 of this Letter of Offer. The Tender Form is enclosed together with this Letter of Offer.
- 5) For mode of payment of consideration to the Eligible Shareholders, please refer to paragraph 20.28 (*Method of Settlement*) on page 38 of this Letter of Offer.
- 6) A copy of the Public Announcement, the Draft Letter of Offer and this Letter of Offer (including Tender Form) shall be available on the website of Securities and Exchange Board of India i.e. www.sebi.gov.in.
- 7) Eligible Shareholders are advised to refer to paragraph 17 (*Details of Statutory Approvals*) on page 27 of this Letter of Offer and paragraph 21 (*Note on Taxation*) on page 39 of this Letter of Offer, before tendering their Equity Shares in the Buyback.

BUYBACK OPENS ON: WEDNESDAY, FEBRUARY 14, 2018

BUYBACK CLOSES ON: WEDNESDAY, FEBRUARY 28, 2018

(LAST DATE/ TIME OF RECEIPT OF COMPLETED APPLICATIONS, FORMS AND OTHER SPECIFIED DOCUMENTS INCLUDING PHYSICAL SHARE CERTIFICATES BY THE REGISTRAR): MONDAY, MARCH 05, 2018 by 5.00 PM

All future correspondence in relation to the Buyback, if any, should be addressed to Manager to the Buyback or Registrar to the Buyback at the respective addresses mentioned below:

MANAGER TO THE BUYBACK	REGISTRAR TO THE BUYBACK
 SBI CAPITAL MARKETS LIMITED 202, Maker Tower E, Cuffe Parade, Mumbai 400 005 Contact person: Mr. Aditya Deshpande/ Mr. Ronak Shah Tel: + 91 (22) 2217 8300 Fax: +91 (22) 2218 8322 Email: sjvn.buyback@sbicaps.com Website: www.sbicaps.com SEBI Registration Number: INM000003531 Validity Period: Permanent CIN: U99999MH1986PLC040298	 ALANKIT ASSIGNMENTS LIMITED 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi 110 055 Contact Person: Mr. Ravi Garg/Mr. Ramesh Khatua Tel: +91 (11) 4254 1234, 2354 1234 Fax: +91 (11) 41543474 E-mail: sjvn_buyback@alankit.com; Website: www.alankit.com; SEBI Registration Number: INR000002532 Validity Period: Permanent CIN: U74210DL1991PLC042569

TABLE OF CONTENTS

S. No.	Content	Page No.
1	Schedule of the Activities of the Buyback Offer	3
2	Definition of Key Terms	4
3	Disclaimer Clause	6
4	Text of the Resolution passed at the Board Meeting	8
5	Details of Public Announcement	12
6	Details of the Buyback	12
7	Authority for the Buyback	14
8	Necessity of the Buyback	14
9	Management Discussion and Analysis of the likely impact of Buyback on the Company	14
10	Basis of Calculating Buyback Price	17
11	Sources of Funds for the Buyback	17
12	Details of the Escrow Account and the Amount to be deposited therein	18
13	Capital Structure and Shareholding Pattern	18
14	Brief Information of the Company	19
15	Financial Information of the Company	23
16	Stock Market Data	26
17	Details of Statutory Approvals	27
18	Details of Registrar to the Buyback	28
19	Process and Methodology for the Buyback	28
20	Procedure for Tender Offer and Settlement	32
21	Note on Taxation	39
22	Declaration by the Board of Directors	43
23	Auditor's Certificate	44
24	Documents for Inspection	46
25	Details of the Compliance Officer	46
26	Details of the remedies available to the Equity Shareholders/ Beneficial Owners	47
27	Details of Investor Service Centre	47
28	Details of the Manager to the Buyback	47
29	Declaration by the Directors regarding authenticity of the information in the Letter of Offer	48

1. SCHEDULE OF THE ACTIVITIES OF THE BUYBACK OFFER

Activity	Date	Day
Date of Board Meeting approving the proposal of the Buyback	January 08, 2018	Monday
Date of Public Announcement for Buyback	January 09, 2018	Tuesday
Date of publication of the Public Announcement for the Buyback	January 10, 2018	Wednesday
Record Date for determining the Buyback Entitlement and the names of Eligible Shareholders	January 18, 2018	Thursday
Date of Opening of the Buyback Offer	February 14, 2018	Wednesday
Date of Closing of the Buyback Offer	February 28, 2018	Wednesday
Last date of receipt of the completed Tender Forms and other specified documents including physical Share certificates by the Registrar	March 05, 2018	Monday
Last date of verification of Tender Forms by the Registrar to the Buyback	March 09, 2018	Friday
Last date of intimation to the Stock Exchange regarding acceptance / non- acceptance of tendered Equity Shares by the Registrar to the Buyback	March 09, 2018	Friday
Last date of settlement of bids on the Stock Exchanges	March 12, 2018	Monday
Last date of payment to shareholders/ dispatch of unaccepted share certificate(s) by the Registrar/ return of unaccepted demat shares by Stock Exchanges to Shareholder Broker/ Eligible Shareholders	March 12, 2018	Monday
Last date of extinguishment of Equity Shares bought back	March 19, 2018	Monday

Note: Where last dates are mentioned for certain activities, such activities may happen on or before the respective last dates

2 DEFINITION OF KEY TERMS

This Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or specified otherwise, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines, policies, circular, notification or clarification shall be to such legislation, act, regulation, rules, guidelines, policies, circular, notification or clarification as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Letter of Offer, but not defined herein shall have the meaning ascribed to such terms under the Buyback Regulations, the Companies Act, the Depositories Act, and the rules and regulations made thereunder.

Term	Description
Acceptance	Acceptance of Equity Shares, tendered by Eligible Shareholders in the Buyback Offer.
Acquisition Window	The facility for acquisition of Equity Shares through mechanism provided by the Designated Stock Exchange i.e. BSE in the form of a separate window in accordance with the SEBI Circulars.
Additional Shares / Additional Equity Shares	Additional Equity Shares tendered by an Eligible Shareholder over and above the Buyback Entitlement of such Equity Shareholder upto the extent of Equity Shares held by the Eligible Shareholder on the Record Date.
Articles/ AOA	Articles of Association of the Company.
Board/ Board of Directors/ Director(s)	Board of directors of the Company (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorized 'Committee' thereof).
Board Meeting	Meeting of the Board of Directors held on Monday, January 08, 2018 approving the proposal for the Buyback Offer.
BSE	BSE Limited
BSE Notice	Notice issued by BSE bearing number 20170202-34 dated February 2, 2017.
Buyback/ Buyback Offer / Offer	Buyback of 20,68,31,325 (Twenty Crore Sixty Eight Lakh Thirty One Thousand Three Hundred Twenty Five Only) fully paid-up Equity Shares at a price of ₹ 38.75 (Rupees Thirty Eight and Paisa Seventy Five only) per Equity Share for an aggregate consideration not exceeding ₹ 801,47,13,843.75 (Rupees Eight Hundred One Crore Forty Seven Lakh Thirteen Thousand Eight Hundred Forty Three and Paisa Seventy Five Only), on a proportionate basis, from the Eligible Shareholders by way of a tender offer through the stock exchange mechanism in terms of the Buyback Regulations read with SEBI Circulars and BSE Notice.
Buyback Offer Size	₹ 801,47,13,843.75 (Rupees Eight Hundred One Crore Forty Seven Lakh Thirteen Thousand Eight Hundred Forty Three and Paisa Seventy Five Only). The Buyback Offer size does not include any Transaction Costs.
Buyback Committee/ Committee	The Buyback Committee of the Board, constituted and authorized for the purposes of the Buyback by way of a resolution of the Board dated Monday, January 08, 2018.
Buyback Entitlement/Entitlement	The number of Equity Shares that an Eligible Shareholder is entitled to tender in the Buyback Offer, based on the number of Equity Shares held by such Eligible Shareholder on the Record Date and the ratio/ percentage of Buyback applicable in the category, to which such Eligible Shareholder belongs.
Buyback Closing Date	Wednesday, February 28, 2018
Buyback Opening Date	Wednesday, February 14, 2018
Buyback Price / Buyback Offer Price	Price at which Equity Shares will be bought back from the Eligible Shareholders i.e. ₹38.75 (Rupees thirty eight and Paisa Seventy Five only) per fully paid-up Equity Share, payable in cash.
Buyback Regulations	Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended from time to time.
CDSL	Central Depository Services (India) Limited.

Term	Description
Clearing Corporation / ICCL	Indian Clearing Corporation Limited.
Company/SJVN/ “we”/ “Our”	SJVN Limited, unless the context states otherwise.
Companies Act	The Companies Act, 1956 to the extent applicable and the Companies Act, 2013 to the extent notified.
Companies Act, 1956	The Companies Act, 1956, as amended (to the extent applicable).
Companies Act, 2013	The Companies Act, 2013, as amended (to the extent notified).
Company’s Broker	SBICAP Securities Limited.
CPSE	Central Public Sector Enterprise.
Depositories	Collectively, NSDL and CDSL.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Designated Stock Exchange	The designated stock exchange for the Buyback, being, BSE Limited.
DIN	Director Identification Number.
Draft Letter of Offer/ Offer Document/ DLOF	The draft letter of offer dated January 15, 2018 filed with SEBI.
DP	Depository Participant.
DTAA	Double Taxation Avoidance Agreement
Equity Shares/ Shares	Fully paid-up equity shares of face value ₹ 10 each of the Company.
Equity Shareholders/ Shareholders	Holders of the Equity Shares of the Company and includes beneficial owner(s) thereof.
Eligible Shareholder(s)	Equity Shareholders eligible to participate in the Buyback/Offer and would mean all Equity Shareholders as on the Record Date i.e. Thursday, January 18, 2018, but does not include such shareholders/beneficial owners of the Equity Shares who are not permitted under applicable laws to tender shares in the Buy-back.
Escrow Account	The escrow account titled “SJVN Limited - Buyback Escrow Account 2018” opened with the Escrow Agent in terms of the Escrow Agreement.
Escrow Agent	IndusInd Bank Limited.
Escrow Agreement	The escrow agreement dated January 12, 2018 entered amongst the Company, Manager to the Buyback and the Escrow Agent.
FEMA	Foreign Exchange Management Act, 1999, as amended
FII(s)	Foreign Institutional Investor(s).
FPI(s)	Foreign Portfolio Investor(s).
Form / Tender Form	Form of Acceptance-cum-Acknowledgement to be filled in by the Eligible Shareholders to participate in the Buyback.
Financial Year/Fiscal/FY	Period of 12 months ended March 31 of that particular year.
GOI	Government of India
GoHP	Governor of Himachal Pradesh
HUF	Hindu Undivided Family.
Income Tax Act	Income-tax Act, 1961, as amended.
KYC	Know Your Customer.
Letter of Offer	This Letter of Offer dated February 01, 2018 containing disclosures in relation to the Buyback as specified in the Buyback Regulations, including comments received from SEBI on the Draft Letter of Offer.
LTCCG	Long-term Capital Gains.
Ltd.	Limited
Manager / Manager to the Buyback/ SBICAP	SBI Capital Markets Limited.
Non-Resident Shareholders	Includes Non-Resident persons and bodies corporate, Non-Resident Indians (NRI), FII(s), FPI(s) and erstwhile OCBs.
NRI	Non Resident Indian.
NSE	National Stock Exchange of India Limited.
NSDL	National Securities Depository Limited.
OCB	Overseas Corporate Bodies.
Offer Period / Tendering Period	Period of 10 working days from the date of opening of the Buyback Offer till the closing of the Buyback Offer (both days inclusive).
PAN	Permanent Account Number.
Promoters	(a) The President of India, acting through and represented by the Ministry of Power, Government of India; and (b) Governor of Himachal Pradesh

Term	Description
Public Announcement / PA	The public announcement dated January 09, 2018, published on January 10, 2018 in accordance with the Buyback Regulations in all editions of the Financial Express (English National daily), Jansatta (Hindi National daily) and Naya India (Regional Language daily), each with wide circulation.
Ratio of Buyback	The ratio of the Buyback: (i) For reserved category of Small Shareholders, 27 Equity Shares for every 61 Equity Shares held by such Small Shareholder on the Record Date; and (ii) for General Category of Eligible Shareholders other than Small Shareholders, 23 Equity Shares for every 532 Equity Shares held by such Eligible Shareholder on the Record Date.
RBI	Reserve Bank of India.
Record Date	The date for the purpose of determining the entitlement and the names of the Equity Shareholders, to whom the Letter of Offer and Tender Form will be sent and who are eligible to participate in the Buyback Offer in accordance with Buyback Regulations. This date shall be Thursday, January 18, 2018.
Registrar to the Buyback / Registrar	Alankit Assignments Limited
SEBI	Securities and Exchange Board of India.
SEBI Circulars	Tendering of Equity Shares by Shareholders and settlement of the same, through the stock exchange mechanism as specified by SEBI in the circular bearing number CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, as may be amended from time to time.
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
Shareholder Broker	A stock broker (who is a member of the BSE) of an Eligible Shareholder, through whom the Eligible Shareholder wants to participate in the Buyback.
Small Shareholder	An Eligible Shareholder, who holds Equity Shares of market value not more than ₹ 2,00,000 (Rupees two lakh), on the basis of closing price on the recognized stock exchange registering the highest trading volume (being NSE), on the Record Date i.e. Thursday, January 18, 2018.
STCG	Short-term Capital Gains.
Stock Exchanges	BSE and NSE, being the stock exchanges where the Equity Shares of the Company are listed.
Tender Offer	Method of Buyback as defined in Regulation 2(1)(o) of the Buyback Regulations.
TRS	Transaction Registration Slip.
Transaction Costs	The filing fees payable to the SEBI, Stock Exchanges fees, advisors fees, turnover charges, public announcement publication expenses, printing and dispatch expenses, transaction cost viz. brokerage, applicable taxes such as securities transaction tax, stamp duty, and any other incidental and related expenses.
Working Day	Working day shall have the meaning ascribed to it under the Buyback Regulations.

3 DISCLAIMER CLAUSE

As required, a copy of the Letter of Offer has been submitted to Securities and Exchange Board of India (SEBI). It is to be distinctly understood that submission of the Letter of Offer to SEBI should not, in any way be deemed or construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of the Company to meet the Buyback commitments or for the correctness of the statements made or opinions expressed in this Letter of Offer. The Manager to the Buyback, SBI Capital Markets Limited, has certified that the disclosures made in the Letter of Offer are generally adequate and are in conformity with the provisions of the Companies Act, 2013 and Buyback Regulations. This requirement is to facilitate Eligible Shareholders to take an informed decision for tendering their Equity Shares in the Buyback.

It should also be clearly understood that while the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in the Draft Letter of Offer and this Letter of Offer, the Manager to the Buyback is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and towards this purpose, the Manager to the Buyback, SBI Capital Markets Limited has furnished to SEBI a due diligence certificate dated January 15, 2018 in accordance with Buyback Regulations which reads as follows:

“We have examined various documents and materials contained in the annexure to the Letter of Offer, as part of the due-diligence carried out by us in connection with the finalization of the Public Announcement and the Letter of Offer. On the basis of such examination and the discussions with the Company, we hereby state that:

- *The Public Announcement and the Letter of Offer are in conformity with the documents, materials and papers relevant to the Buyback Offer.*
- *All the legal requirements connected with the said Buyback Offer including SEBI (Buy Back of Securities) Regulations, 1998, have been duly complied with.*
- *The disclosures in the Public Announcement and the Letter of Offer are, to the best of our knowledge, true, fair and adequate in all material respects for the Eligible Shareholders of the Company to make a well informed decision in respect of the captioned Buyback Offer.*
- *Funds used for Buyback shall be as per the provisions of the Companies Act, 2013, as amended.”*

The filing of the Letter of Offer with SEBI does not, however, absolve the Company from any liabilities under the provisions of the Companies Act, 2013 or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed Buyback.

The Promoters/ Board of Directors declare and confirm that no information/ material likely to have a bearing on the decision of the Eligible Shareholders has been suppressed/ withheld and/ or incorporated in the manner that would amount to mis-statement/ misrepresentation and in the event of it transpiring at any point of time that any information/ material has been suppressed/ withheld and/ or amounts to a mis-statement/ mis-representation, the Promoters/ Board of Directors and the Company shall be liable for penalty in terms of the provisions of the Companies Act, 2013, Buyback Regulations and other applicable laws and regulations.

The Promoters/ Board of Directors also declare and confirm that funds borrowed from the banks and financial institutions will not be used for the Buyback.

Disclaimer for U.S. Persons:

The information contained in this Letter of Offer is exclusively intended for persons who are not U.S. Persons as such term is defined in Regulations of the U.S. Securities Act of 1933, as amended, and who are not physically present in the United States of America. This Letter of Offer does not in any way constitute an offer to sell, or an invitation to sell, or buy any securities in the United States of America or in any other jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this Letter of Offer are requested to inform themselves about and to observe any such restrictions.

Disclaimer for Persons in other foreign countries:

This Letter of Offer together with the Public Announcement that was published in connection with this Buyback, has been prepared for the purposes of compliance with the Buyback Regulations. Accordingly the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. The Company and the Manager to the Buyback are under no obligation to update the information contained herein at any time after the date of this Letter of Offer. This Letter of Offer does not in any way constitute an offer to sell or an invitation in any form to subscribe/purchase/ sell, any securities in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this Letter of Offer are requested to inform themselves about and to observe any such restrictions.

No action has been or will be taken to permit the Buyback in any jurisdiction where action would be required for that purpose. The Letter of Offer will be dispatched to all Equity Shareholders whose names appear on the register of members of the Company, as of the Record Date. However, receipt of the Letter of Offer by any Equity Shareholder in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of the Letter of Offer under any local securities laws), shall not be treated by such Equity Shareholder as an offer being made to them and shall be construed by them as being sent for information purposes only.

Persons in possession of the Letter of Offer are required to inform themselves of any relevant restrictions in their respective jurisdictions. Any Equity Shareholder who tenders his, her or its Equity Shares in the Buyback shall be deemed to have declared, represented, warranted and agreed that he, she or it is authorized under the provisions of any applicable local laws, rules, regulations and statutes to participate in the Buy-back.

Forward Looking Statement:

This Letter of Offer contains certain forward-looking statements. These forward-looking statements generally can be identified by words or phrases such as ‘aim’, ‘anticipate’, ‘believe’, ‘expect’, ‘estimate’, ‘intend’, ‘objective’, ‘plan’, ‘project’, ‘will’, ‘will continue’, ‘will pursue’ or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to, inter alia, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

4 TEXT OF THE RESOLUTION PASSED AT THE BOARD MEETING

The Buyback through Tender Offer was considered and approved by the Board of Directors of the Company at their meeting held on January 8, 2018. The extract of the board resolution is as follows:

APPROVAL FOR BUYBACK OF EQUITY SHARES NOT EXCEEDING 5% OF THE TOTAL NUMBER OF EQUITY SHARES IN THE PAID UP SHARE CAPITAL OF THE COMPANY

“RESOLVED THAT pursuant to the provisions of Article 8J of the Articles of Association of the Company, as amended, and the provisions of Sections 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013 as amended (the “Companies Act”), and in accordance with the Companies (Share Capital and Debentures) Rules, 2014 (the “Share Capital Rules”) to the extent applicable, and in compliance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended (the “Buyback Regulations”), and any statutory modification(s) or re-enactment thereof, for the time being in force and, subject to such other approvals, permissions and sanctions of Securities and Exchange Board of India (“SEBI”), Registrar of Companies, Himachal Pradesh (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 face value of ₹ 10/- each not exceeding 20,68,31,325 (Twenty Crore Sixty Eight Lakh Thirty One Thousand Three Hundred Twenty Five only) equity shares (representing 5% (Five percent)) of the total number of equity shares in the paid-up share capital of the Company) at a price of ₹ 38.75/- (Rupees Thirty Eight and Paise Seventy Five only) per equity share (the “Buy Back Offer Price”) payable in cash for an aggregate consideration not exceeding ₹ 801,47,13,843.75/- (Rupees Eight Hundred One Crore Forty Seven Lakh Thirteen Thousand Eight Hundred Forty Three and Paise Seventy Five Only) (the “Buyback Offer Size”) excluding Transaction Costs, being 6.98%, which is not exceeding 10% of the aggregate of the fully paid-up equity share capital and free reserves as per the standalone audited accounts of the Company for the financial year ended March 31, 2017 from the equity shareholders of the Company, as on the record date, on a proportionate basis, through the Tender Offer route as prescribed under the Buyback Regulations (hereinafter referred to as the “Buyback”).

“RESOLVED FURTHER THAT the Buyback Size does not include any expenses incurred or to be incurred for the Buyback like filing fees payable to the Securities and Exchange Board of India, advisors fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses.”

“RESOLVED FURTHER THAT the Company, to the extent legally permissible, implement the Buyback using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular

CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, and notice issued by BSE bearing number 20170202-34 dated February 2, 2017, as may be amended from time to time.”

“RESOLVED FURTHER THAT such Buyback may be made out of the Company’s free reserves and / or such other sources as may be permitted by law through “Tender Offer” route and as required by the Buyback Regulations and the Companies Act, the Company may buyback equity shares from all the existing members holding equity shares of the Company on a proportionate basis, provided 15% (fifteen percent) 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 as on the record date, whichever is higher, shall be reserved for the small shareholders, as prescribed under proviso to Regulation 6 of the Buyback Regulations.”

“RESOLVED FURTHER THAT the Company has complied with and shall continue to comply with Section 70 of the Companies Act 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.
- b) There are no defaults subsisting in the repayment of deposits, interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company, in the last three years.
- c) The Company is in compliance with the provisions of Sections 92, 123, 127 and 129 of the Companies Act.

“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 not undertaken a buyback of any of its securities during the period of one year immediately preceding the date of this Board meeting;
- c) the Company shall not issue and allot any equity shares or other specified securities including by way of bonus, till the date of closure of this Buyback;
- d) 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.
- e) the Company shall not buy back its equity 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;
- f) that the aggregate consideration for Buyback not exceeding ₹ 801,47,13,843.75/- (Rupees Eight Hundred One Crore Forty Seven Lakh Thirteen Thousand Eight Hundred Forty Three and Paise Seventy Five Only), does not exceed 10% of the aggregate of the fully paid-up equity share capital and free reserves as per the standalone audited accounts of the Company for the financial year ended March 31, 2017 (the last audited financial statements available as on the date of the Board meeting);
- g) that the maximum number of equity shares proposed to be purchased under the Buyback i.e. 20,68,31,325 (Twenty Crore Sixty Eight Lakh Thirty One Thousand Three Hundred Twenty Five Only) equity shares, does not exceed 25% of the total number of equity shares in the paid-up share capital of the Company;
- h) the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up capital and free reserves after the Buyback as prescribed under the Companies Act and rules made thereunder;
- i) there is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, as on date.

“RESOLVED FURTHER THAT in terms of Clause (x) of Part A of Schedule II under Regulation 5(1) of the Buyback Regulations, the Board hereby confirms that the Board of Directors have 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, 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 the date of this Board meeting; and
- c) In forming an opinion as aforesaid, the Board has taken into account the liabilities including prospective and contingent liabilities, as if the Company was 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.”

“RESOLVED FURTHER THAT the proposed Buyback be implemented from the existing shareholders including the Promoter of the Company as have been disclosed under the shareholding pattern filings made by the Company from time to time under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 2011 (“SEBI Takeover Regulations”) as the Board may consider appropriate, from 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 the Company shall not use borrowed funds, directly or indirectly, whether secured or unsecured, of any form and nature, from Banks and/ or 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 in terms of Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 (“**Listing Regulations**”) the Company shall comply with the minimum public shareholding requirements specified in Rule 19(2) and Rule 19A of the Securities Contracts (Regulation) Rules, 1957 in the manner as specified by Securities and Exchange Board of India”

“RESOLVED FURTHER THAT the draft of the Declaration of Solvency prepared in the prescribed form and supporting affidavit, placed before the meeting be and is hereby approved and Shri Nand Lal Sharma, Chairman & Managing Director and Shri Amarjit Singh Bindra, Director (Finance) be and are hereby authorized to finalise and sign the same, for and on behalf of the Board, and Shri Soumendra Das, Company Secretary and/or Shri Arun Kumar Sharma, Assistant Manager (CS) be and are hereby authorised severally to file the same with the ROC and the SEBI.”

“RESOLVED FURTHER THAT as per the provisions of Section 68(8) of the Companies Act, the Company will not issue same kind of shares including allotment of new shares under clause (a) of subsection (1) of Section 62 of the Companies Act or other specified securities within a period of 6 months after the completion of the Buyback except by way of bonus issue or 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 no information/ material likely to have a bearing on the decision of the investors has been suppressed/ withheld and/ or incorporated in the manner that would amount to mis-statement/ misrepresentation and the event of it transpiring at any point of time that any information/ material has been suppressed/ withheld and/ or amounts to mis-statement/ misrepresentation, the Board and the Company shall be liable for penalty in terms of the provisions of the Companies Act, 2013 and Buyback Regulations.”

“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 the consent of the Board is hereby accorded for fixing January 18, 2018 as the record date for the purpose of determining the entitlement and the names of the shareholders, who are eligible to participate in the Buyback.”

“RESOLVED FURTHER THAT the approval of Board be and is hereby accorded for appointment of following intermediaries for the Buyback offer:-

- a. SBI Capital Markets Limited as the Managers for the Offer at such fee and other terms & conditions as contained in engagement letter dated 30.11.2017 placed at *Annexure-A* of Agenda.

- b. Dhir & Dhir Associates as the Legal Advisors for the Offer at such fee and other terms & conditions as contained in engagement letter dated 30.11.2017 placed at *Annexure-B* of Agenda.
- c. Alankit Assignment Limited as the Registrar & Share Transfer Agent, Printers and Escrow Demat Account Services, provider for the Offer at such fee and other terms & conditions as contained in engagement letter dated 30.11.2017 placed at *Annexure-C* of Agenda.
- d. M/s A.P.R.A. & Associates LLP who are the Statutory Auditor of the Company to carry out the Audit / Certification work at such fee and other terms & conditions as contained in engagement letter placed at *Annexure-D* of Agenda.”

“RESOLVED FURTHER THAT a committee be constituted (“Buyback Committee”) comprising of Chairman & Managing Director, Director (Finance) and Director (Civil) and that Company Secretary or in his absence Assistant Manager (CS) shall act as the Secretary to the Buyback Committee. Further, the Buyback Committee is hereby authorized, to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient, usual or proper, as the Buyback Committee may consider to be in the best interests of the shareholders, including but not limited to:

- a. finalizing the terms of buyback like entitlement ratio, the schedule of activities for Buyback including finalizing the date of opening and closing of Buyback, the timeframe for completion of the buyback;
- b. enter into escrow arrangements as may be required in terms of the 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 dematerialized shares and physical destruction of share certificates and filing of certificate of extinguishment required to be filed in connection with the Buyback on behalf of the Company and/ or the Board, as required under applicable law;
- g. 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.
- h. 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.
- i. obtaining all necessary certificates and reports from statutory auditor and other third parties as required under applicable law.
- j. dealing with stock exchanges (including their clearing corporations), where the equity shares of the Company are listed, and to sign, execute, and deliver such documents as may be necessary or desirable in connection with implementing the Buyback using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, as may be amended from time to time
- k. sub-delegate all or any of the authorities conferred on them to any Director(s)/ Officer(s)/ Authorized Signatory(ies)/ Representative(ies) of the Company.
- l. 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.
- m. settle and resolve any queries or difficulties raised by SEBI, stock exchanges, ROC and any other authorities whatsoever in connection to any matter incidental to and ancillary to the Buyback.
- n. approve designated stock exchange for the implementation of the Buyback.
- o. 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. and
- p. do, authorize such other acts, activities as may be required to expedite buyback process.”

“RESOLVED FURTHER THAT the quorum for any meeting of the Buyback Committee for implementing the Buyback shall be any two members.”

“RESOLVED FURTHER THAT in terms of Regulation 19(3) of the Buyback Regulations, Shri Arun Kumar Sharma, Assistant Manager (CS) be and is hereby appointed as the Compliance Officer for the Buyback.”

“RESOLVED FURTHER THAT Director (Finance)/ General Manager (Finance), Shimla be are hereby authorized jointly and/ or severally to sign, execute and submit such applications, undertakings, agreements and other requisite documents, writings and deeds as may deem necessary for buyback offer.”

“RESOLVED FURTHER THAT the said Registrar to the proposed Buyback be and are hereby authorized to authenticate endorsements in any of the documents on behalf of the Company in respect of the proposed Buyback of Equity Shares.”

“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 Buyback Committee to buyback any shares and / or impair any power of the Company or the Board or the Buyback Committee to terminate any process in relation to such buyback, if so permissible by Law.”

“RESOLVED FURTHER THAT the Company do 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 and in his absence Assistant Manager (CS) be and is hereby authorised to authenticate the entries made in the said register.”

“RESOLVED FURTHER THAT any of the Directors of the Company and /or the Company Secretary/ Compliance Officer of Buyback for the time being, be and are hereby authorized severally to file necessary e-forms/ forms with the Registrar of Companies, Himachal Pradesh and to do all such acts, deeds and things as may be necessary to give effect to the above resolutions.”

“RESOLVED FURTHER THAT for the purpose of coordinating with the Securities and Exchange Board of India (“SEBI”) in terms of the circular bearing number CIR/ CFD/POLICYCELL/1/2015 dated April 13, 2015 read with circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, as may be amended from time to time issued by SEBI, approval of the Board be and is hereby accorded to appoint BSE as the Designated Stock Exchange for the proposed Buyback of Equity Shares.”

“RESOLVED FURTHER THAT Shri Soumendra Das, Company Secretary and/or Shri Arun Kumar Sharma, Assistant Manager (CS) be and are hereby severally authorised to intimate Stock Exchanges and to comply with all formalities in this regard.”

5 DETAILS OF PUBLIC ANNOUNCEMENT

In accordance with the provisions of Regulation 8(1) of the Buyback Regulations, the Company has made a Public Announcement dated January 09, 2018 in relation to the Buyback of Equity Shares which was published on January 10, 2018 in the following newspapers:

Publication	Language	Editions
Financial Express	English	All editions
Jansatta	Hindi	All editions
Naya India	Regional	Shimla edition

The Public Announcement was issued within two working days from the date of the Board Meeting at which the Buyback was approved.

The Public Announcement is available on the SEBI website at www.sebi.gov.in.

6 DETAILS OF THE BUYBACK

The Board of Directors of the Company at their meeting held on January 08, 2018 (“**Board Meeting**”), pursuant to the provisions contained in the Article 8J of the Articles of Association of the Company, Sections 68, 69, 70 and all other applicable provisions if any, of the Companies Act, 2013 as amended, and all applicable Rules made thereunder, SEBI Listing Regulations, the Buyback Regulations, have approved the Buyback of 20,68,31,325 (Twenty Crore Sixty Eight Lakh Thirty One Thousand Three Hundred Twenty Five Only) fully paid-up equity shares of face value ₹ 10 each representing 5% of the total paid-up Equity Share capital of the Company at a price of ₹ 38.75 (Rupees Thirty Eight and Paise Seventy Five only) per Equity Share payable in cash for an aggregate amount of not exceeding ₹ 801,47,13,843.75 (Rupees Eight Hundred One Crore Forty Seven Lakh Thirteen Thousand Eight

Hundred Forty Three and Paise Seventy Five Only) excluding Transaction Costs, which is 6.98% on a standalone and consolidated basis, of the fully paid-up Equity Share capital and free reserves as per the latest audited balance sheet of the Company for the financial year ended March 31, 2017 (as approved by the Board), on a proportionate basis through the Tender Offer route as prescribed under the Buyback Regulations, from all the Eligible Shareholders of the Company as on the record date (i.e. Thursday, January 18, 2018).

The Buyback is subject to such other approvals as may be necessary, from time to time from statutory authorities including but not limited to SEBI and the Stock Exchanges.

The aggregate paid-up share capital and free reserves of the Company as on March 31, 2017 was ₹11,48,383 Lakh. The funds deployed for Buyback shall not exceed 10% of the paid-up capital and free reserves of the Company under Board approval route, as provided for under the first proviso to Section 68(2) of the Companies Act, 2013. Accordingly, the maximum amount that can be utilized in the present Buyback is ₹1,14,838 Lakh. The Company has proposed to utilise an aggregate amount of not exceeding ₹801,47,13,843.75 excluding Transaction Costs, for the Buyback which is within the maximum amount as aforesaid.

The maximum amount required by the Company for the Buyback Offer Size will be met 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 is within permissible limits. The Company shall transfer from its free reserves a sum equal to the nominal value of the Equity Shares bought back through the Buyback to the capital redemption reserve account and the details of such transfer shall be disclosed in its subsequent audited balance sheet. The Company confirms that as required under Section 68(2) (d) of the Companies Act, the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the fully paid-up share capital and free reserves after the Buyback.

The Buyback Offer Price of ₹ 38.75 (Rupees Thirty Eight and Paise Seventy Five Only) per Equity Share has been arrived at after considering various factors such as the volume weighted average price of the Equity Shares on the Stock Exchanges, the net-worth of the Company and the impact of the Buyback on the key financial ratios of the Company. The Buyback Offer Price represents (i) a premium of 16.42% and 16.48% over the volume weighted average prices of the Equity Shares on BSE and NSE, respectively, during the six months period prior to January 03, 2018 (i.e. the date of intimation to the Stock Exchanges regarding the Board Meeting); and (ii) a premium of 15.57% and 15.92% over the volume weighted average prices of the Equity Shares on the BSE and NSE, respectively, for two weeks prior to January 03, 2018 (i.e. the date of intimation to the Stock Exchanges regarding the convening of the Board Meeting). The closing price of the equity shares on January 08, 2018, being the date of meeting of the Board of Directors approving the Buyback, was ₹ 37.80 and ₹ 37.90 on BSE and NSE, respectively.

The Buyback shall be on a proportionate basis from all the Eligible Shareholders of the Company as on the Record Date i.e. Thursday, January 18, 2018 through the “**Tender Offer**” process, as prescribed under Regulation 4(1)(a) of the Buyback Regulations. Additionally, the Buyback shall be, subject to applicable laws, facilitated by tendering of Equity Shares by such Eligible Shareholders and settlement of the same, through the stock exchange mechanism as specified by SEBI Circulars and BSE Notice.

The Buyback Offer Size does not include any other expenses incurred or to be incurred for the Buyback like Transaction Costs.

The aggregate shareholding of the Promoters as on the Record Date (i.e. January 18, 2018) is as follows:

S. No	Name of the Promoter	Number of Equity Shares held	Number of Equity Shares held in dematerialized form	Percentage of issued Equity Share capital
1.	The President of India, acting through and represented by the Ministry of Power, Government of India	2,65,66,01,079	2,65,66,01,079	64.22%
2.	Governor of Himachal Pradesh	1,05,50,14,800	1,05,50,14,800	25.50%
	Total	3,71,16,15,879	3,71,16,15,879	89.73%

In terms of the Buyback Regulations, under the Tender Offer process, the Promoters of the Company have the option to participate in the Buyback. In this regard, one of the Promoters i.e. President of India

acting through and represented by the Ministry of Power, Government of India has expressed its intention, vide its letter dated January 8, 2018, to participate in the Buyback and tender 20,68,31,325 Equity Shares of the Company. Further, one of the Promoters i.e Governor of Himachal Pradesh has informed vide its letter dated January 8, 2018 regarding its intention for non-participation in the Buyback.

Pursuant to the proposed Buyback and depending on the response to the Buyback, the voting rights of the Promoters in the Company may increase or decrease from the existing 89.73% holding in the total paid-up equity share capital and voting rights of the Company. The Promoters of the Company are already in control over the Company and therefore such increase/decrease in voting rights of the Promoters will not result in any change in control over the Company.

Post Buyback, the non-promoter shareholding of the Company may increase or decrease from the existing 10.27% of the post Buyback equity share capital of the Company.

In terms of Regulation 38 of the SEBI Listing Regulations, the Company shall comply with the minimum public shareholding requirements as specified in Rule 19(2) and Rule 19A of the Securities Contracts (Regulation) Rules, 1957, as amended from time to time.

Further, in order to achieve the minimum level of public shareholding, the Company shall adopt the method(s) as prescribed under SEBI circular reference no. CIR/CFD/CMD/14/2015 dated November 30, 2015, as amended from time to time and in accordance with the rules, guidelines, procedure as may be prescribed by Ministry of Power and Department of Investment and Public Asset Management, Ministry of Finance, Government of India and subject to such other approvals, permissions and sanctions as may be required, from time to time from statutory, regulatory or governmental authorities under applicable laws including but not limited to SEBI, the Stock Exchanges and Reserve Bank of India.

7 AUTHORITY FOR THE BUYBACK

The Buyback is in accordance with the provisions of Article 8J of the Articles of Association of the Company, Sections 68, 69, 70 and all other applicable provisions, of the Companies Act, 2013, as amended and all applicable Rules made thereunder, SEBI Listing Regulations, the Buyback Regulations and subject to such other approvals, permissions and sanctions as may be necessary, from time to time from statutory authorities including but not limited to SEBI and the Stock Exchanges.

The Board of Directors at their meeting held on January 08, 2018 passed a resolution approving buyback of Equity Shares of the Company.

8 NECESSITY OF THE BUYBACK

A share buyback is the acquisition by a company of its own shares. The objective is to return surplus cash to the members holding equity shares of the company. The buyback through the tender offer process gives an option to all the shareholders, including the promoter, to receive the surplus cash by participating in the buyback.

The Board of Directors of the Company is of the view that the proposed Buyback will help the Company to achieve the following long term benefits:

- (a) optimizes the capital structure; and
- (b) results in improved ratio.

This may lead to reduction in outstanding shares, improvement in EPS and enhanced return on invested capital. The Buyback will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for business operations.

After considering the abovementioned factors and benefits to the eligible shareholders, the Board of Directors decided to recommend the Buyback.

9 MANAGEMENT DISCUSSION AND ANALYSIS OF THE LIKELY IMPACT OF BUYBACK ON THE COMPANY

- 9.1 The Buyback is not likely to cause any material impact on the profitability/ earnings of the Company except a reduction in the amount available for investment, which the Company could have otherwise deployed towards generating investment income. Assuming there is full response to the Buyback (100% acceptance), the funds deployed by the Company towards the Buyback would be ₹ 801,47,13,843.75 (Rupees Eight Hundred One Crore Forty Seven Lakh Thirteen Thousand Eight Hundred Forty Three and Paise Seventy Five Only) excluding Transaction Costs.

- 9.2 The Buyback will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for business operations. The Buyback is expected to contribute to the overall enhancement of shareholder value and result in an increase in the return on equity of the Company.
- 9.3 In terms of the Buyback Regulations, under the Tender Offer process, the Promoters of the Company have the option to participate in the Buyback. In this regard, one of the Promoters i.e. President of India acting through and represented by the Ministry of Power, Government of India has expressed its intention, vide its letter dated January 8, 2018, to participate in the Buyback and tender 20,68,31,325 Equity Shares of the Company. Further, one of the Promoters i.e Governor of Himachal Pradesh has informed vide its letter dated January 8, 2018 regarding its intention for non-participation in the Buyback.
- 9.4 Details of the acquisition/sale of the Equity Shares of the participating Promoter i.e. the President of India acting through and represented by the Ministry of Power, Government of India has acquired/sold till date is set-out below:

S. No.	Date of Transaction *	No. of Equity Shares acquired/sold	Issue /Acquisition/sale Consideration (₹)	Nature of Transaction/ Consideration
1.	May 24, 1988	8	8,000	Subscription to Memorandum **
2.	June 27, 1990	11,12,092	111,20,92,000	Further Allotment of shares
3.	May 15, 1991	4,00,000	40,00,00,000	Further Allotment of shares
4.	November 23, 1992	2,00,000	20,00,00,000	Further Allotment of shares
5.	December 19, 1992	1,00,000	10,00,00,000	Further Allotment of shares
6.	May 14, 1993	4,00,000	40,00,00,000	Further Allotment of shares
7.	April 19, 1994	6,00,000	60,00,00,000	Further Allotment of shares
8.	August 4, 1994	3,00,000	30,00,00,000	Further Allotment of shares
9.	September 10, 1994	3,00,000	30,00,00,000	Further Allotment of shares
10.	January 12, 1995	2,50,000	25,00,00,000	Further Allotment of shares
11.	May 31, 1995	5,20,500	52,05,00,000	Further Allotment of shares
12.	September 25, 1995	5,12,700	51,27,00,000	Further Allotment of shares
13.	January 31, 1996	3,56,000	35,60,00,000	Further Allotment of shares
14.	November 12, 1996	11,31,300	113,13,00,000	Further Allotment of shares
15.	June 6, 1997	23,70,000	237,00,00,000	Further Allotment of shares
16.	November 4, 1997	21,13,992	211,39,92,000	Further Allotment of shares
17.	June 10, 1998	10,86,008	108,60,08,000	Further Allotment of shares
18.	March 30, 1999	40,10,000	401,00,00,000	Further Allotment of shares
19.	April 29, 1999	25,000	25,00,00,00	Further Allotment of shares
20.	June 14, 1999	6,75,000	675,00,00,00	Further Allotment of shares
21.	July 22, 1999	3,00,000	300,00,00,00	Further Allotment of shares
22.	September 20, 1999	7,94,169	794,16,90,00	Further Allotment of shares
23.	November 25, 1999	2,27,651	227,65,10,00	Further Allotment of shares
24.	March 22, 2000	20,98,180	209,81,80,000	Further Allotment of shares
25.	September 29, 2000	11,00,000	110,00,00,000	Further Allotment of shares
26.	April 27, 2001	32,50,000	325,00,00,000	Further Allotment of shares
27.	September 28, 2001	14,61,649	146,16,49,000	Further Allotment of shares
28.	May 6, 2002	51,21,868	512,18,68,000	Further Allotment of shares
29.	September 10, 2009	Sub division of the nominal value of the equity shares of our Company from ₹ 1,000 per equity shares to ₹ 10 per Equity Share with effect from September 10, 2009.		
30.	May 20, 2010	(41,50,00,000)	1062,51,00,000 ***	Divested through offer for Sale via Initial Public Offer
31.	November 14, 2017- November 17, 2017	(1,00,10,621)	33,80,15,625.4997	Sale/Divested via Bharat 22 ETF
Total Current Holding		2,65,66,01,079		

* All the equity shares held by the Promoter were fully paid up at the time of their allotment

** Initial allotment of two equity shares of face value ₹ 1,000 each in favour of Mr. M.M. Kohli and Mr. V.K. Khanna and one equity share of face value ₹ 1,000 each in favour of Mr. J.C. Gupta, Mr. U.V. Bhat, Mr. Kailash Chand Mahajan and Mr. M.C. Tiwari, was made, each such individual shareholder being the nominee of the President of India. Further, one equity share each of face value ₹ 1, 000 was allotted in favour of the nominees of GoHP i.e. Mr. Kailash Chand Mahajan and Mr. M.C. Tiwari. However, these equity shares were held on behalf of GoI

*** Obtained from the Prospectus dated April 16, 2010

- 9.5 Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Equity Shareholders upto their Buyback Entitlement, the aggregate shareholding of the Promoters, post Buyback may change from the existing 89.73% to 90.36% and the aggregate shareholding of the public in the Company shall change from the existing 10.27% to 9.64% of the post Buyback equity share capital of the Company.
- 9.6 The Buyback shall not result in a change in control or otherwise affect the existing management structure of the Company.
- 9.7 Consequent to the Buyback and based on the number of Equity Shares bought back from the Non-Resident Shareholders, FIIs, FPIs, Indian financial institutions, banks, mutual funds and the public including other bodies corporate, the shareholding pattern of the Company would undergo a change. The FIIs/ FPIs are advised to ensure that their investment in the Company continue to be within the limit prescribed under applicable laws, post completion of the Buyback.
- 9.8 The debt-equity ratio post Buyback will be compliant with the permissible limit of 2:1 prescribed under Section 68 of the Companies Act, 2013, even if the response to the Buyback is to the extent of 100% (full acceptance) of the Buyback Offer Size.
- 9.9 In compliance with regulation 19 (1) (b) of the Buyback Regulations, the Company shall not issue any equity shares or other securities (including by way of bonus) till the date of closure of the Buyback.
- 9.10 The Company shall not raise further capital for a period of one year from the closure of Buyback Offer except in discharge of its subsisting obligations.
- 9.11 Salient financial parameters consequent to the Buyback based on the latest audited balance sheet as on March 31, 2017 of the Company are as under:

Parameters	Standalone		Consolidated	
	Pre-Buyback	Post- Buyback*	Pre-Buyback	Post- Buyback*
Net worth (₹ in Lakh) ¹	11,48,383	10,68,236	11,48,855	10,68,708
Return on Networth (%) ²	13.45	14.46	13.47	4.48
Earnings Per Share (Basic) (of ₹ 10 each) (not annualized)	3.73	3.93	3.74	3.94
Book Value per Share (₹)	27.76	27.18	27.77	27.19
Price/Earning as per the latest audited financial results	9.02	8.56	9.00	8.55
Total Debt/ Equity Ratio	0.21	0.23	0.21	0.23

*Assuming full acceptance of Equity Shares in the Buyback Offer in the Ratio of Buyback

Note:

1. Net worth = Equity Share Capital + Reserves & Surplus – Miscellaneous Expenditure to the extent not written off.
2. Total Debt = Long Term Borrowings + Short Term Borrowings + Current Maturities of Long Term Borrowings.

The key ratios have been computed as below:

Key Ratios basis:

Earnings per Share- Basic (₹)	Net Profit attributable to the equity shareholders / Average number of Shares outstanding during the year
Book Value per Share (₹)	(Paid up Share Capital + Reserves and Surplus) / No. of Equity Shares outstanding at the end of the period
Return on Net worth excluding revaluation reserves (%)	Net Profit After Tax/ Net Worth excluding revaluation reserves
Debt- Equity Ratio	(Long Term Borrowing + Short Term Borrowings + Current Maturities of Long Term Borrowings) / Net Worth
P/E as per latest audited financial results	Market Value per Share / Earnings per Share Market value has been taken as ₹ 33.65 on NSE as of March 31, 2017 for both pre and post buyback P/E ratio.

- 9.12 The Promoters of the Company shall not deal in the Equity Shares of the Company on Stock Exchanges or off market, including by way of inter-se transfer(s) of Equity Shares among the Promoters during the period from the date of passing the Board resolution till the closing of the Buyback Offer.
- 9.13 The Company shall not issue new shares or other specified securities including by way of bonus issue or convert any outstanding instruments into Equity Shares, till the date of closure of the Buy-back offer in accordance with the Companies Act and the SEBI Buyback Regulations.

10 BASIS OF CALCULATING BUYBACK PRICE

- 10.1 The Buyback price of ₹ 38.75 (Rupees Thirty Eight and Paisa Seventy Five only) per Equity Share has been arrived at after considering various factors such as the average price of the Equity Shares on the Stock Exchanges where the equity shares of the Company are listed, the net worth of the Company and the impact of the Buyback on the key financial ratios of the Company.
- 10.2 The Buyback price of ₹ 38.75 (Rupees Thirty Eight and Paisa Seventy Five only) represents (i) a premium of 16.42% and 16.48% over the volume weighted average prices of the Equity Shares on BSE and NSE, respectively, during the six months period prior to January 03, 2018 (i.e. the date of intimation to the Stock Exchanges regarding the Board Meeting); and (ii) a premium of 15.57% and 15.92% over the volume weighted average prices of the Equity Shares on the BSE and NSE, respectively, for two weeks prior to January 03, 2018 (i.e. the date of intimation to the Stock Exchanges regarding the convening of the Board Meeting). The closing price of the equity shares on January 08, 2018, being the date of meeting of the Board of Directors approving the buy-back, was ₹ 37.80 and ₹ 37.90 on BSE and NSE, respectively.
- 10.3 For trends in the market price of the Equity Shares of the Company, please refer to paragraph 16 (*Stock Market Data*) of this Letter of Offer.
- 10.4 The closing market price of the Equity Shares as on the date of intimation to the Stock Exchanges for the Board Meeting for considering the Buyback i.e. January 3, 2018, was ₹ 34.50 and ₹ 34.45 on BSE and NSE, respectively.
- 10.5 Certain financial ratios as at March 31, 2017 (“**Pre-Buyback**”) as derived from the standalone audited financial statements and the corresponding ratios assuming full Acceptance of Equity Shares in the Buyback (“**Post-Buyback**”) are set forth below:

Parameters	Standalone		Consolidated	
	Pre-Buyback	Post- Buyback*	Pre-Buyback	Post- Buyback*
Return on Networth (%)	13.45	14.46	13.47	14.48
Earnings Per Share (Basic) (of ₹10 each) (not annualized)	3.73	3.93 [#]	3.74	3.94 [#]
Book Value per Share (₹)	27.76	27.18	27.77	27.19

* Assuming full acceptance of Equity Shares in the Buyback Offer in the Ratio of Buyback Entitlement

[#] Assuming extinguishment of shares acquired under proposed Buyback

11 SOURCES OF FUNDS FOR THE BUYBACK

- 11.1 Assuming full acceptance, the funds that would be employed by the Company for the purpose of the Buyback of 20,68,31,325 (Twenty Crore Sixty Eight Lakh Thirty One Thousand Three Hundred Twenty Five Only) Equity Shares at a price of ₹ 38.75 (Rupees Thirty Eight and Paisa Seventy Five only) per Equity Share would be ₹ 801,47,13,843.75 (Rupees Eight Hundred One Crore Forty Seven Lakh Thirteen Thousand Eight Hundred Forty Three and Paisa Seventy Five Only) (excluding Transaction Costs).
- 11.2 The Buyback shall be made out of the free reserves of the Company as at March 31, 2017 (the last audited financial statements available as on the date of Board Meeting recommending the proposal of the Buyback). The Company shall transfer from its free reserves a sum equal to the nominal value of the Equity Shares bought back through the Buyback to the capital redemption reserve account and the details of such transfer shall be disclosed in its subsequent audited balance sheet and annual report(s).
- 11.3 The funds for the Buyback will be met out of fixed deposits lying with Banks. The Company does not intend to raise additional debt for the explicit purposes of the Buyback. Accordingly, borrowed funds will not be used for the Buyback. However, if required, the Company may borrow funds in the ordinary course of its business.
- 11.4 The Buyback Offer is not likely to cause any material impact on the earnings of the Company, except for the cost of financing the Buyback, being a reduction in the treasury income that the Company could have otherwise earned on the funds deployed.

12 DETAILS OF THE ESCROW ACCOUNT AND THE AMOUNT TO BE DEPOSITED THEREIN

- 12.1 In accordance with Regulation 10 of the Buyback Regulations, the Company has appointed IndusInd Bank having its registered office at 2401 Gen. Thimmayya Road, Pune- 411 001, India, as the Escrow Agent for the aforementioned Buyback. An Escrow Agreement dated January 12, 2018 has been entered into amongst the Company, SBI Capital Markets Limited and Escrow Agent having its branch at 1st Floor, Dr. Gopal Das Bhawan, 28, Barakhamba Road, New Delhi- 110 001.
- 12.2 In accordance with the Buyback Regulations and the Escrow Agreement, the Company has opened an Escrow Account in the name and style “ SJVN Limited - Buyback Escrow Account 2018” bearing account number 251002169874 with the Escrow Agent. In compliance with the provision of the Regulation 10(2) of the Buyback Regulations, the Company has deposited cash of ₹ 95,14,71,385/- (Rupees Ninety Five Crore Fourteen Lakh Seventy One Thousand Three Hundred and Eighty Five only) being equivalent to 25% upto ₹ 100 crores and 10% thereafter of the total consideration payable by the Company under the Buyback Offer, in the Escrow Account assuming full acceptance. SBI Capital Markets Limited has been empowered to operate the Escrow Account in accordance with the Buyback Regulations.
- 12.3 M/s A P R A & Associates LLP, Chartered Accountants (Firm Registration number 011078N/N500064), located at 379, Aggarwal Millenium Tower-2, Netaji Subash Place, Pitam Pura, Delhi-34, Tel. No.: +91 (011) 47292280, Fax: +91 (011) 47292281; Contact Person: CA. Arun Kumar Gupta (Membership No. (089657) has certified, vide their certificate dated January 8, 2018 that the Company has adequate financial resources for fulfilling all obligations under the Buyback Offer.
- 12.4 Based on the above certificate, the Manager to the Buyback has satisfied itself about the ability of the Company to implement the Buyback Offer in accordance with the Buyback Regulations.

13 CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

- 13.1 The capital structure of the Company, as on the Record Date and Post Buyback, is as follows:

Particulars	Aggregate value at face value (₹ in lakh)
Authorised share capital	
700,00,00,000 Equity Shares of ₹ 10 each	7,00,000
Issued, subscribed and paid up share capital	
413,66,26,500 Equity Shares of ₹ 10 each, fully paid up	4,13,663
Issued, subscribed and paid up share capital after the Buyback	
392,97,95,175 Equity Shares of ₹ 10 each, fully paid up	3,92,980*

* Assuming full acceptance of Equity Shares in the Buyback Offer in the Ratio of Buyback Entitlement

- 13.2 During the 3 years preceding the date of the Public Announcement (i.e. January 09, 2018), the Company has not bought back any Equity Shares under any Buyback programme.
- 13.3 As on the date of the Public Announcement (i.e. January 09, 2018), there are no outstanding preference shares, partly paid-up Equity Shares or outstanding convertible instruments or calls in arrears.
- 13.4 The shareholding pattern of the Company pre-Buyback, as on the Record Date (i.e. January 18, 2018), as well as the post Buyback (assuming full acceptance of the Buyback) shareholding, is as shown below:

Particulars	Pre Buyback		Post Buyback*	
	No. of Equity Shares	% of the existing equity share capital	No. of Equity Shares	% of the post Buyback equity share capital
Promoters	371,16,15,879	89.73	3,55,11,51,283	90.36
Foreign Investors (including Non Resident Indians, FIIs, FPIs and Foreign Mutual Funds)	14,37,57,973	3.47	37,86,43,892	9.64
Financial Institutions/ Banks/ Mutual Funds promoted by Banks/ Institutions	11,01,06,965	2.66		
Other (public, public bodies corporate etc.)	17,11,45,683	4.14		

Particulars	Pre Buyback		Post Buyback*	
	No. of Equity Shares	% of the existing equity share capital	No. of Equity Shares	% of the post Buyback equity share capital
Total	413,66,26,500	100.00	392,97,95,175	100.00

* Assuming full acceptance of Equity Shares in the Buyback Offer in the Ratio of Buyback Entitlement and ignoring fractional entitlement..

- 13.5 Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Eligible Shareholders upto their Buyback Entitlement, the aggregate shareholding of the Promoters post Buyback may increase from the existing 89.73% to 90.36% of the post Buyback Equity Share capital of the Company.
- 13.6 The aggregate shareholding of the Directors and Key Managerial Personnel of the Company as on the Record Date (i.e. January 18, 2018):

S. No.	Name of shareholder	Category (Director/ KMP)	No. of Equity Shares held	No. of Equity Shares held in dematerialized form	Percentage of issued Equity Share capital
1.	Shri Nand Lal Sharma Chairman & Managing Director	Director	2,457	2,457	Negligible
2.	Shri Rakesh Kumar Bansal Director (Electrical)	Director	1,000	1,000	Negligible
3.	Shri Kanwar Singh Director (Civil)	Director	1,750	1,750	Negligible

- 13.7 No Equity Shares or other specified securities of the Company were either purchased/ sold/ transferred by the Promoters during the period of six months preceding the date of the Board Meeting at which the Buyback was approved and twelve months preceding the date of the Public Announcement (i.e. January 9, 2018) except the following:

Details of the Promoter(s)	Date of Transaction	Nature of transaction	Transaction Price (₹)	No. of Equity Shares	Total Consideration (₹)
President of India, acting through and represented by Ministry of Power, Government of India	November 14, 2017- November 17, 2017	Sold/ Divested via Bharat 22 ETF	33.7657	1,00,10,621	33,80,15,625.4997

Subsequent to the date of Board Meeting at which the Buyback was approved i.e. January 8, 2018, the Promoters of the Company have not entered into any transaction in relation to the Equity Shares of the Company.

- 13.8 There is no pending scheme of amalgamation or compromise or arrangement pursuant to any provisions of the Companies Act, 2013.
- 13.9 The Company shall not issue any Equity Shares including by way of bonus, from the date of the Public Announcement till the date of closure of this Buyback.

14 BRIEF INFORMATION ABOUT THE COMPANY

- 14.1 SJVN Limited is a Mini Ratna: Category-I and Schedule –‘A’ CPSE under administrative control of Ministry of Power, Govt. of India. It was incorporated on May 24, 1988 as a joint venture of the Government of India and the Government of Himachal Pradesh.
- 14.2 Beginning with a single Project and single State operation (i.e. India’s largest 1500 MW Nathpa Jhakri Hydro Power Station in Himachal Pradesh) the Company is presently implementing Power Projects in Himachal Pradesh, Uttarakhand, Gujarat and Maharashtra in India besides neighbouring countries viz. Nepal and Bhutan.

14.3 SJVN has expanded its horizons and envisions developing itself into a fully diversified transnational Power Sector Company in all types of conventional & non-conventional forms of energy and in Power Transmission. The Company, at present, is implementing (under various stages of development) Hydro Power Projects, Thermal Power Projects and Wind Power Projects.

14.4 The Equity Shares of the Company were listed on NSE and BSE in the Fiscal Year 2010.

14.5 Details of the changes in share capital of the Company since incorporation are as follows:

Date of Issue/ Allotment	No. of Equity Shares	Face Value (₹)	Issue price (₹)	Consideration in Cash/ other than cash	Cumulative No. of Equity Shares	Equity Share Capital (₹)	Cumulative Equity Share Capital (In ₹)
May 24, 1988	8	1,000	1,000	Cash	8	8,000	8,000
June 27, 1990	11,12,092	1,000	1,000	Cash	11,12,100	111,20,92,000	1,112,100,000
May 15, 1991	5,00,000	1,000	1,000	Cash	16,12,100	50,00,00,000	1,612,100,000
November 23, 1992	2,50,000	1,000	1,000	Cash	18,62,100	25,00,00,000	1,862,100,000
December 19, 1992	1,13,800	1,000	1,000	Cash	19,75,900	11,38,00,000	1,975,900,000
May 14, 1993	4,00,000	1,000	1,000	Cash	23,75,900	40,00,00,000	2,375,900,000
April 19, 1994	9,50,000	1,000	1,000	Cash	33,25,900	95,00,00,000	3,325,900,000
August 4, 1994	3,25,000	1,000	1,000	Cash	36,50,900	32,50,00,000	3,650,900,000
September 10, 1994	3,00,000	1,000	1,000	Cash	39,50,900	30,00,00,000	3,950,900,000
January 12, 1995	3,50,000	1,000	1,000	Cash	43,00,900	35,00,00,000	4,300,900,000
May 31, 1995	5,20,500	1,000	1,000	Cash	48,21,400	52,05,00,000	4,821,400,000
September 25, 1995	5,12,700	1,000	1,000	Cash	53,34,100	51,27,00,000	5,334,100,000
January 31, 1996	3,56,000	1,000	1,000	Cash	56,90,100	35,60,00,000	5,690,100,000
November 12, 1996	11,31,300	1,000	1,000	Cash	68,21,400	113,13,00,000	6,821,400,000
December 30, 1996	7,58,300	1,000	1,000	Cash	75,79,700	75,83,00,000	7,579,700,000
June 6, 1997	28,90,000	1,000	1,000	Cash	1,04,69,700	289,00,00,000	10,469,700,000
November 4, 1997	26,83,992	1,000	1,000	Cash	1,31,53,692	268,39,92,000	13,153,692,000
June 10, 1998	20,79,208	1,000	1,000	Cash	1,52,32,900	207,92,08,000	15,232,900,000
June 10, 1998	1,46,900	1,000	1,000	Other than cash	1,53,79,800	14,69,00,000	15,379,800,000
March 30, 1999	41,10,000	1,000	1,000	Cash	1,94,89,800	411,00,00,000	19,489,800,000
April 28, 1999	50,000	1,000	1,000	Cash	1,95,39,800	5,00,00,000	19,539,800,000
April 29, 1999	25,000	1,000	1,000	Cash	1,95,64,800	2,50,00,000	19,564,800,000
June 14, 1999	7,17,500	1,000	1,000	Cash	2,02,82,300	71,75,00,000	20,282,300,000
July 22, 1999	3,50,000	1,000	1,000	Cash	2,06,32,300	35,00,00,000	20,632,300,000

Date of Issue/ Allotment	No. of Equity Shares	Face Value (₹)	Issue price (₹)	Consideration in Cash/ other than cash	Cumulative No. of Equity Shares	Equity Share Capital (₹)	Cumulative Equity Share Capital (In ₹)
July 22, 1999	23	1,000	1,000	Other than Cash	2,06,32,323	23,000	20,632,323,000
September 20, 1999	8,94,169	1,000	1,000	Cash	2,15,26,492	89,41,69,000	2152,64,92,000
November 25, 1999	3,27,651	1,000	1,000	Cash	2,18,54,143	32,76,51,000	2185,41,43,000
March 22, 2000	27,68,180	1,000	1,000	Cash	2,46,22,323	276,81,80,000	2462,23,23,000
September 29, 2000	16,39,300	1,000	1,000	Cash	2,62,61,623	163,93,00,000	2626,16,23,000
April 27, 2001	32,50,000	1,000	1,000	Cash	2,95,11,623	325,00,00,000	2951,16,23,000
September 28, 2001	14,61,649	1,000	1,000	Cash	3,09,73,272	146,16,49,000	3097,32,72,000
May 6, 2002	58,11,868	1,000	1,000	Cash	3,67,85,140	581,18,68,000	3678,51,40,000
January 10, 2003	14,70,000	1,000	1,000	Cash	3,82,55,140	147,00,00,000	3825,51,40,000
July 25, 2003	3,50,000	1,000	1,000	Cash	3,86,05,140	35,00,00,000	3860,51,40,000
September 26, 2003	12,00,000	1,000	1,000	Cash	3,98,05,140	120,00,00,000	3980,51,40,000
February 17, 2004	4,50,000	1,000	1,000	Cash	4,02,55,140	45,00,00,000	4025,51,40,000
July 6, 2004	3,50,000	1,000	1,000	Cash	4,06,05,140	35,00,00,000	4060,51,40,000
December 2, 2004	4,00,000	1,000	1,000	Cash	4,10,05,140	40,00,00,000	4100,51,40,000
March 1, 2005	83,000	1,000	1,000	Cash	4,10,88,140	8,30,00,000	4108,81,40,000
September 10, 2009	Sub division of nominal value of Equity Shares of our Company from ₹ 1,000 per equity shares to ₹ 10 per Equity Shares with effect from September 10, 2009. Cumulative number of equity shares increased from 41,088,140 equity shares of ₹ 1,000 each to 4,108,814,000 Equity Shares of ₹ 10 each.						
April 13, 2010**	2,78,12,500	10	14.72	Cash	413,66,26,500	4136,62,65,000	4136,62,65,000
Total						4136,62,65,000	

Notes:

* Initial allotment of two equity shares of face value ₹1,000 each in favour of Mr. M.M. Kohli and Mr. V.K. Khanna and one equity share of face value ₹1,000 each in favour of Mr. J.C. Gupta, Mr. U.V. Bhat, Mr. Kailash Chand Mahajan and Mr. M.C. Tiwari, each such individual shareholder being the nominee of President of India. Further, one equity share each of face value Rs. 1,000 was allotted in favour of the nominees of GoHP i.e. Mr. Kailash Chand Mahajan and Mr. M.C. Tiwari. However, these equity shares were held on behalf of GoI.

** Pursuant to the GoI approval dated April 13, 2010, our Company has allotted 27,812,500 Equity Shares to the GoHP on April 13, 2010 at a price of ₹14.72 per equity share aggregating to ₹409.40 million

14.6 The Board of Directors of the Company as on the date of the Public Announcement (i.e. January 09, 2018) was as under:

S. No.	Name, Qualification, Occupation, Age and DIN	Designation	Date of Joining/ Appointment	Other Directorships
1.	Shri Nand Lal Sharma Qualification: M.Sc (Agricultural Economics) and Masters in Business Administration Occupation: Service Age: 53 years DIN: 03495554	Chairman & Managing Director	March 22, 2011	- SJVN Thermal Private Limited - SJVN Arun-III Power Development Company Private Limited

S. No.	Name, Qualification, Occupation, Age and DIN	Designation	Date of Joining/ Appointment	Other Directorships
2.	Shri Amarjit Singh Bindra Qualification: B.Com (Hons) and Chartered Accountant Occupation: Service Age: 58 years DIN: 03358160	Director (Finance)	December 9, 2010	• SJVN Thermal Private Limited • SJVN Arun-III Power Development Company Private Limited
3.	Shri Rakesh Kumar Bansal Qualification: B.E. Mechanical and MBA Occupation: Service Age: 57 years DIN: 06395552	Director (Electrical)	October 30, 2012	• Cross Border Power Transmission Company Limited • SJVN Thermal Private Limited • Bengal Birbhum Coalfields Limited • SJVN Arun-III Power Development Company Private Limited
4.	Shri Kanwar Singh Qualification: B.E.(Civil) Hons Occupation: Service Age: 58 years DIN: 05351047	Director (Civil)	November 17, 2015	• Cross Border Power Transmission Company Limited • SJVN Thermal Private Limited • SJVN Arun-III Power Development Company Private Limited • Kholongchhu Hydro Energy Limited
5.	Smt. Archana Agrawal Qualification: BA, MA and MBA Occupation: IAS Age: 51 years DIN: 02105906	Nominee Director	February 29, 2016	• NHPC Limited • Mangdechhu Hydroelectric Project • Punatsangchhu-I Hydroelectric Project • Kholongchu Hydro-electric Project • Chamkharchu JV Company
6.	Shri Ganesh Dutt Qualification: BA and PGDJ & MC Occupation: Journalist Age: 63 years DIN: 07352765	Independent Director	November 27, 2015	NIL
7.	Shri Pravinbhai Patel Qualification: B.E. (Electrical) Occupation: Retired government servant Age: 67 years DIN: 07355838	Independent Director	December 1, 2015	NIL
8.	Shri Shamsher Singh Uppal Qualification: B.E. (Mechanical) Occupation: Retired IAS Age: 69 years DIN: 07358375	Independent Director	December 3, 2015	NIL
9.	Dr. Rajni Sarin Qualification: MBBS, DGO, FICMCH Occupation: Doctor Age: 68 years DIN: 07358450	Independent Director	December 3, 2015	NIL

- 14.7 The details of changes in the Board of Directors during the last 3 years preceding the date of the Public Announcement (i.e. January 9, 2018) are as under:

S. No.	Name, Designation and DIN	Date of Joining/ Appointment	Date of Cessation	Reason
1.	Shri Ramesh Narain Misra Designation: Chairman & Managing Director DIN: 03109225	May 21, 2010	November 30, 2017	Retirement
2.	Smt. Archana Agrawal Designation: Nominee Director DIN: 02105906	February 29, 2016	Continuing	-
3.	Shri Kanwar Singh Designation: Director (Civil) DIN: 05351047	November 17, 2015	Continuing	-
4.	Shri Ganesh Dutt Designation: Independent Director DIN: 07352765	November 27, 2015	Continuing	-
5.	Shri Pravinbhai Patel Designation: Independent Director DIN: 07355838	December 1, 2015	Continuing	-
6.	Shri Shamsher Singh Uppal Designation: Independent Director DIN: 07358375	December 3, 2015	Continuing	-
7.	Dr. Rajni Sarin Designation: Independent Director DIN: 07358450	December 03, 2015	Continuing	-
8.	Shri Tarun Shridhar Designation: Nominee Director DIN: 02749561	November 6, 2015	01.01.2018	Retirement on account of Nomination withdrawn the appointing authority
9.	Shri Aniruddha Kumar Designation: Nominee Director DIN: 07325440	October 27, 2015	February 29, 2016	Nomination withdrawn by appointing authority

- 14.8 The Buyback will not result in any benefit to any Directors of the Company/ Promoter / person in control of the Company/ group companies except to the extent of their intention to participate in the Buyback and actual participation in the Buyback and the change in their shareholding as per the response received in the Buyback, as a result of the extinguishment of Equity Shares which will lead to a reduction in the Equity Share Capital of the Company, post Buyback.

15 FINANCIAL INFORMATION OF THE COMPANY

- 15.1 The salient financial information of the Company, as extracted from the standalone audited financial statements for the last three financial years viz. Fiscal 2017, 2016 and 2015 and unaudited limited reviewed financial results for the six months ended September 30, 2017 is detailed below:

(₹ in lakh)				
Key Financials	For the six months ended September 30, 2017 (Limited Review)	For the year ended March 31, 2017 (Audited)	For the year ended March 31, 2016 (Audited)	For the year ended March 31, 2015 (Audited)
Revenue from Operations	1,42,904	2,46,866	2,49,396	2,81,753
Other Income	19,301	65,124	40,986	43,839
Total Income	1,62,205	3,11,990	2,90,382	3,25,592
Employee Benefits Expenses	14,151	25,339	21,538	19,957
Other Expenses	12,437	23,568	22,572	18,413
Interest	5,454	4,570	20,896	5,508
Depreciation	18,646	67,998	67,716	64,100
Regulated (Expense) / Income	3,637	(3,122)	12,761	339
Exceptional Items: Expense/(Income)	-	-	-	(13,228)

Key Financials	For the six months ended September 30, 2017 (Limited Review)	For the year ended March 31, 2017 (Audited)	For the year ended March 31, 2016 (Audited)	For the year ended March 31, 2015 (Audited)
Profit Before Tax	1,15,154	1,87,393	1,70,421	2,04,725
Provisions for Tax (including Deferred Tax)	26,528	32,979	29,687	37,050
Profit/ (Loss) After Tax	88,626	1,54,414	1,40,734	1,67,675
Other Comprehensive Income (net off tax)	(105)	(396)	(87)	-
Total Comprehensive Income	88,521	1,54,018	1,40,647	1,67,675
Paid-up Equity Share Capital	4,13,663	4,13,663	4,13,663	4,13,663
Reserve & Surplus, excluding revaluation reserves & Misc. expenditures to the extent not written off	7,98,350	7,34,720	7,16,124	6,06,641
Net worth, excluding revaluation reserves & Misc. expenditures to the extent not written off	12,12,013	11,48,383	11,29,787	10,20,304
Total Debt, excluding working capital loans (including current maturities of debt)	2,33,962	2,41,642	2,64,614	2,62,069

Note: Figures for FY 2014-15 are based on previous GAAP and Figures for FY 2015-16, 2016-17 and 30.09.2017 are as per Ind-AS.

- 15.2 Financial Ratios on standalone basis for the last three financial years viz. Fiscal 2017, 2016 and 2015 and for the six months period ended September 30, 2017 are as under:

Particulars	For the six months ended September 30, 2017 (Limited Review)	For the year ended March 31, 2017 (Audited)	For the year ended March 31, 2016 (Audited)	For the year ended March 31, 2015 (Audited)
Earnings per Share (₹)	2.14*	3.73	3.40	4.05
Debt/ Equity Ratio	0.19	0.21	0.23	0.26
Book Value (₹ per Share)	29.30	27.76	27.31	24.67
Return on Net worth (%)	7.31	13.45	12.46	16.43
Total Debt/ Net worth (%)	19.30	21.04	23.42	25.69

*Not Annualized

Notes:

1. Net worth = Equity Capital + Reserves & Surplus – Miscellaneous Expenditure to the extent not written off
2. Total Debt = Long Term Borrowings + Short Term Borrowings + Current Maturities of Long Term Borrowings

Key Ratios basis:

Earnings per Share- Basic (₹)	Net profit attributable to the equity shareholders / Average number of Shares outstanding during the year
Book Value per Share (₹)	(Paid up Equity Share Capital + Reserves and Surplus) / No. of Equity Shares outstanding during the year
Return on Networth excluding revaluation reserves (%)	Net Profit After Tax/ Net Worth excluding revaluation reserves
Debt- Equity Ratio	(Long Term Borrowings + Short Term Borrowings + Current Maturities of Long Term Borrowings) / Net Worth

- 15.3 The salient financial information of the Company, as extracted from the consolidated audited financial statements for the last three financial years viz. Fiscal 2017, 2016 and 2015 is detailed below:

(₹ in lakh)

Key Financials	For the year ended March 31, 2017 (Audited)	For the year ended March 31, 2016 (Audited)	For the year ended March 31, 2015 (Audited)
Revenue from Operations	2,46,866	2,49,396	2,81,744
Other Income	65,131	41,001	43,841
Total Income	3,11,997	2,90,397	3,25,585
Employee Benefits Expenses	25,356	21,553	19,957
Other Expenses	23,596	22,598	18,415
Interest	4,570	20,896	5,508
Depreciation	67,998	67,716	64,100
Regulated (Expense)/Income	(3,122)	12,761	339
Share in profit of JV/Associate	459	467	-
Exceptional Items: Expense / (Income)	-	-	(13,228)
Profit Before Tax	1,87,814	1,70,862	2,04,716
Provisions for Tax (including Deferred Tax)	33,096	29,783	37,051
Profit/ (Loss) After Tax	1,54,718	1,41,079	1,67,665
Other Comprehensive Income (net off tax)	(396)	(87)	-
Total Comprehensive Income	1,54,322	1,40,992	1,67,665
Paid-up Equity Share Capital	4,13,663	4,13,663	4,13,663
Reserve & Surplus, excluding revaluation reserves & Misc. expenditures to the extent not written off	7,35,192	7,16,582	6,06,615
Net worth, excluding revaluation reserves & Misc. expenditures to the extent not written off	11,48,855	11,30,245	10,20,278
Total Debt, excluding working capital loans (including current maturities of debt)	2,41,642	2,64,614	2,64,825

Note: Figures for FY 2014-15 are based on previous GAAP and Figures for FY 2015-16 and 2016-17 are as per Ind-AS.

- 15.4 Financial Ratios on consolidated basis for the last three financial years viz. Fiscal 2017, 2016 and 2015 are as under:

Particulars	For the year ended March 31, 2017 (Audited)	For the year ended March 31, 2016 (Audited)	For the year ended March 31, 2015 (Audited)
Earnings per Share (₹)	3.74	3.41	4.05
Debt/ Equity Ratio	0.21	0.23	0.26
Book Value (₹ per Share)	27.77	27.32	24.66
Return on Net worth (%)	13.47	12.48	16.43
Total Debt/ Net worth (%)	21.03	23.41	25.96

Notes:

1. Net worth = Equity Capital + Reserves & Surplus – Miscellaneous Expenditure to the extent not written off
2. Total Debt = Long Term Borrowings + Short Term Borrowings + Current Maturities of Long Term Borrowings

Key Ratios basis:

Earnings per Share- Basic (₹)	Net profit attributable to the equity shareholders / Average number of Shares outstanding during the year
Book Value per Share (₹)	(Paid up Equity Share Capital + Reserves and Surplus) / No. of Equity Shares outstanding during the year

Return on Networth excluding revaluation reserves (%)	Net Profit After Tax/ Net Worth excluding revaluation reserves
Debt- Equity Ratio	(Long Term Borrowings + Short Term Borrowings + Current Maturities of Long Term Borrowings) / Net Worth

- 15.5 The Company shall comply with the SEBI Takeover Regulations as may be applicable. The Company hereby declares that it has complied with Sections 68, 69 and 70 of the Companies Act, 2013 and the rules made thereunder. The Company further declares that it will comply with Regulation 23 of the Buyback Regulations.

16 STOCK MARKET DATA

- 16.1 The Company's Equity Shares are listed on the BSE and NSE.

- 16.2 The high, low and average market prices in preceding three financial years (April to March period) and the monthly high, low and average market prices for the six months preceding the date of Public Announcement (i.e. January 9, 2018) from July, 2017 to December, 2017 and the corresponding volumes on the BSE and NSE is as follows:

For BSE:

Period	High* (₹)	Date of High	Number of Shares traded on that date	Low* (₹)	Date of Low	Number of shares traded on that date	Average Price* (₹)	Total volume of traded in the period (Shares)
Preceding 3 financial years								
April 01, 2016 - March 31, 2017	36.55	February 21, 2017	2,81,396	26.00	November 09, 2016	1,44,570	29.95	282,24,612
April 01, 2015 - March 31, 2016	34.45	January 07, 2016	17,57,743	22.10	August 25, 2015	1,24,861	26.52	529,81,095
April 01, 2014 - March 31, 2015	27.65	May 23, 2014	12,01,739	20.90	April 03, 2014	56,320	24.04	784,44,587
Preceding 6 months								
July 2017	34.05	July 18, 2017	103,484	32.00	July 05, 2017	50,913	32.78	21,31,675
August 2017	33.35	August 01, 2017	39,131	30.00	August 22, 2017	42,089	31.70	13,67,950
September 2017	34.90	September 13, 2017	92,121	31.10	September 26, 2017	18,36,344	32.40	31,42,532
October 2017	36.60	October 30, 2017	204,332	31.90	October 10, 2017	128,558	34.04	40,51,124
November 2017	38.20	November 07, 2017	439,502	33.20	November 30, 2017	112,244	35.15	22,94,061
December 2017	34.60	December 27, 2017	145,800	32.05	December 19, 2017	74,857	33.18	19,25,335

Source: BSE

* High and Low price for the period are based on intra day prices and Average Price is based on average of daily closing price.

For NSE:

Period	High * (₹)	Date of High	Number of Shares traded on that date	Low* (₹)	Date of Low	Number of shares traded on that date	Average Price * (₹)	Total volume of traded in the period (Shares)
Preceding 3 financial years								
April 01, 2016 - March 31, 2017	36.60	February 21, 2017	19,73,734	25.95	November 09, 2016	6,42,804	29.95	18,06,81,523
April 01, 2015 - March 31, 2016	34.40	January 07, 2016	76,85,951	22.55	August 24, 2015	7,89,152	26.55	18,96,05,858
April 01, 2014 - March 31, 2015	27.55	May 22, 2014	88,82,050	20.50	April 03, 2014	3,73,705	24.04	25,03,11,118
Preceding 6 months								
July 2017	34.00	July 18, 2017	7,09,466	32.00	July 25, 2017	20,26,603	32.76	214,30,311
August 2017	33.40	August 01, 2017	642,119	29.75	August 21, 2017	10,40,895	31.67	114,97,367
September 2017	34.95	September 13, 2017	9,19,114	30.90	September 26, 2017	13,58,130	32.42	158,05,447
October 2017	36.55	October 30, 2017	13,39,771	32.05	October 03, 2017	19,53,858	34.05	262,45,967
November 2017	38.10	November 07, 2017	25,04,006	33.05	November 30, 2017	15,24,841	35.12	185,68,674
December 2017	34.70	December 27, 2017	12,45,412	32.00	December 18, 2017	12,63,431	33.09	169,66,527

Source: NSE

* High and Low price for the period are based on intra-day prices and Average Price is based on average of daily closing price.

16.3 The closing market price of the Equity Shares of the Company:

- As on January 05, 2018 i.e. the trading day before January 8, 2018 being the date of Board Meeting approving the Buyback was ₹ 38.15 per Equity Share on BSE and ₹ 38.15 per Equity Share on NSE.
- As on January 8, 2018 i.e. the date of Board Meeting approving the Buyback was ₹ 37.80 per Equity share on BSE and ₹ 37.90 per Equity share on NSE.
- As on January 9, 2018 i.e. the day immediately after January 8, 2018 being the date of Board Meeting approving the Buyback was ₹ 37.20 per Equity Share on BSE and ₹ 37.20 per Equity Share on NSE.
- As on January 10, 2018 i.e. the date of the publication of Public Announcement, was ₹ 37.25 per Equity Share on BSE and ₹ 37.25 per Equity Share on NSE.

17 DETAILS OF STATUTORY APPROVALS

- The Buyback Offer is subject to approval, if any required, under the provisions of the Companies Act, 2013, the Buyback Regulations and/or such other applicable rules and regulations in force for the time being.
- Non-Resident Shareholders (excluding OCBs) permitted under the automatic process prescribed under applicable FEMA and the rules and regulations framed thereunder read with the consolidated Foreign Direct Investment policy issued by the Government of India, are not required to obtain approvals from RBI.
- By agreeing to participate in the Buyback the Non-Resident Shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reporting, if required and undertake to provide assistance to the Company for such regulatory reporting.
- Erstwhile OCB are required to obtain specific prior approval from RBI for tendering Equity Shares in the Buyback Offer. The Company shall not accept Equity Shares from OCB Shareholders in respect of whom such RBI approval is required and copies of such approvals are not submitted.

- 17.5 As on date, there are no other statutory or regulatory approvals required to implement the Buyback Offer, other than that indicated above. If any statutory or regulatory approval becomes applicable subsequently, the Buyback Offer will be subject to such statutory or regulatory approval(s). In the event of any delay in receipt of any statutory / regulatory approvals, changes to the proposed timetable of the Buyback Offer, if any, shall be intimated to the Stock Exchanges.

18. DETAILS OF REGISTRAR TO THE BUYBACK

Eligible Shareholders holding Shares in dematerialized form and Shareholder Brokers (who have submitted bids on behalf of Eligible Shareholders holding shares in physical form) are required to send the Tender Form, TRS, physical share certificate (for physical Shareholders only) and other documents by superscribing the envelope as “**SJVN Buyback Offer 2018**” to the Registrar to the Buyback either by registered post/courier or hand deliver at their below office, so that the same are received within 2 (two) working days from the Buyback Closing Date i.e. Monday, March 05, 2018 (by 05:00 p.m.):



ALANKIT ASSIGNMENTS LIMITED

205 – 208, Anarkali Complex

Jhandewalan Extension

New Delhi 110 055

Contact Person: Mr. Ravi Garg/Mr. Ramesh Khatua

Tel: +91 (11) 4254 1234, 2354 1234

Fax: +91 (11) 41543474

E-mail: sjvn_buyback@alankit.com;

Website: www.alankit.com;

SEBI Registration Number: INR000002532

Validity Period: Permanent

CIN: U74210DL1991PLC042569

TENDER FORM, TRS AND OTHER RELEVANT DOCUMENTS SHOULD NOT BE SENT TO THE COMPANY OR TO THE MANAGER TO THE BUYBACK.

ELIGIBLE SHAREHOLDERS ARE ADVISED TO ENSURE THAT THE TENDER FORM, TRS AND OTHER RELEVANT DOCUMENTS ARE COMPLETE IN ALL RESPECTS; OTHERWISE THE SAME ARE LIABLE TO BE REJECTED.

19. PROCESS AND METHODOLOGY FOR THE BUYBACK

- 19.1 The Company has proposed to Buyback not exceeding 20,68,31,325 (Twenty Crore Sixty Eight Lakh Thirty One Thousand Three Hundred Twenty Five Only) fully paid-up Equity Shares representing up to 5% of issued, subscribed, and paid-up Equity Share capital of the Company from the Eligible Shareholders of the Company, on a proportionate basis, through the Tender Offer process at a price of ₹ 38.75 (Rupees Thirty Eight and Paise Seventy Five Only) per Equity Share, payable in cash for an aggregate consideration not exceeding ₹ 801,47,13,843.75 (Rupees Eight Hundred One Crore Forty Seven Lakh Thirteen Thousand Eight Hundred Forty Three and Paise Seventy Five Only) excluding Transaction Costs. The maximum number of Equity Shares proposed to be bought back represents 5% of the total number of Equity Shares in the paid-up share capital of the Company as on March 31, 2017. The Buyback is in accordance with the provisions of Article 8J of the Articles of Association of the Company, Section 68, 69, 70 and all other applicable provisions, of the Companies Act, 2013, and rules made thereunder, the Buyback Regulations and subject to such other approvals, permissions and sanctions as may be necessary, from time to time from statutory authorities including but not limited to SEBI, Stock Exchanges, RBI etc. The Buyback Offer Size is 6.98% of the aggregate of the fully paid-up share capital and free reserves as per the standalone and consolidated audited accounts of the Company for the financial year ended March 31, 2017 (the last audited financial statements available as on the date of Board Meeting recommending the proposal of the Buyback) and is within the statutory limits of 10% of the aggregate of fully paid up share capital and free reserves as per the audited accounts of the Company for the Financial Year ended March 31, 2017.

The Company expresses no opinion as to whether Eligible Shareholders should participate in the Buyback and, accordingly, Eligible Shareholders are advised to consult their own advisors to consider participation in the Buyback.

19.2 The aggregate shareholding of the Promoters as on the Record Date (i.e. January 18, 2018) is 371,16,15,879 (Three Hundred Seventy One Crore Sixteen Lakh Fifteen Thousand Eight Hundred and Seventy Nine) Equity Shares, which represents 89.73% of the existing Equity Share capital of the Company. In terms of the Buyback Regulations, under the Tender Offer process, the Promoters of the Company have the option to participate in the Buyback. In this regard, one of the Promoters i.e. President of India acting through and represented by the Ministry of Power, Government of India has expressed its intention, vide its letter dated January 8, 2018, to participate in the Buyback and tender 20,68,31,325 Equity Shares of the Company. Further, one of the Promoters i.e Governor of Himachal Pradesh has informed vide its letter dated January 8, 2018 regarding its intention for non-participation in the Buyback.

19.3 Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Eligible Shareholders upto their Buyback Entitlement, the aggregate shareholding of the Promoters post Buyback may increase from the existing 89.73% to 90.36% of the post Buyback Equity Share capital of the Company.

19.4 Record Date, Ratio of Buyback and entitlement of each Shareholder

- a) The Board of Directors at their meeting held on January 08, 2018 announced Thursday, January 18, 2018 as the Record Date for the purpose of determining the Buyback Entitlement and the names of the Shareholders, who are eligible to participate in the Buyback Offer.
- b) The Equity Shares proposed to be bought back by the Company shall be divided in two categories:
 - Reserved category for Small Shareholders (“**Reserved Category**”); and
 - General category for all Eligible Shareholders other than Small Shareholders (“**General Category**”)
- c) As defined in the Buyback Regulations, a “**Small Shareholder**” is a shareholder who holds Equity Shares having market value, on the basis of closing price on the Stock Exchanges in which the highest trading volume as on Record Date, of not more than ₹ 2,00,000 (Rupees Two Lakh). As on Record Date, the volume of Shares traded on NSE was 11,52,749 Shares and on BSE was 1,71,262 Shares. Accordingly, NSE being the stock exchange with highest turnover, the closing price was ₹ 35.40 and hence all Shareholders holding not more than 5,649 Equity Shares as on the Record Date are classified as ‘Small Shareholders’ for the purpose of the Buyback Offer.
- d) Based on the above definition, there are 98,053 Small Shareholders with aggregate shareholding of 7,01,35,581 Shares, as on Record Date, which constitutes 1.70% of the outstanding number of Equity Shares of the Company and 33.91% of 20,68,31,325 Equity Shares which are proposed to be bought back as part of this Buyback Offer.
- e) In compliance with Regulation 6 of the Buyback Regulations, the reservation for the Small Shareholders, will be 3,10,24,699 Equity Shares which is higher of:
 - i. Fifteen percent of the number of Equity Shares which the Company proposes to Buyback i.e. 15% of 20,68,31,325 Equity Shares which works out to 3,10,24,699 Equity Shares; or
 - ii. The number of Equity Shares entitled as per their shareholding as on Record Date [i.e. January 18, 2018] which works out to 35,06,780 Equity Shares.

All the outstanding Equity Shares have been used for computing the entitlement of Small Shareholders since one the Promoters also intend to offer Equity Shares held by them in the Buyback.

- f) Based on the above and in accordance with Regulation 6 of the Buyback Regulations, 3,10,24,699 Equity Shares will be reserved for Small Shareholders. Accordingly, General Category shall consist of 17,58,06,626 Equity Shares.
- g) Clubbing of Entitlements

In order to ensure that the same Eligible Shareholders with multiple demat accounts/ folios do not receive a higher entitlement under the Small Shareholder category, the Equity Shares held by such Eligible Shareholder with a common Permanent Account Number (“**PAN**”) shall be clubbed together for determining the category (Small Shareholder or General) and entitlement under the Buyback. In case of joint shareholding, the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical shall be clubbed together. In case of Eligible Shareholders holding physical shares, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Registrar will check the sequence of the

names of the joint holders and club together the Equity Shares held in such cases where the sequence of the PANs and name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, insurance companies, foreign institutional investors/ foreign portfolio investors etc. with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are held for different schemes/ subaccounts and have a different demat account nomenclature based on information prepared by the Registrar as per the shareholder records received from the depositories. Further, the Equity Shares held under the category of “clearing members” or “corporate body margin account” or “corporate body – broker” as per the beneficial position data as on Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients.

- h) Based on the above entitlements, the Ratio of Buyback for both categories is decided as below:

Category	Indicative Ratio of Buyback
Reserved Category	27 Equity Shares out of every 61 fully paid-up Equity Shares held on the Record Date
General Category	23 Equity Shares out of every 532 fully paid-up Equity Shares held on the Record Date

19.5 Fractional Entitlements

If the Buyback Entitlement, after applying the abovementioned ratios to the Equity Shares held on Record Date, is not a round number (i.e. not in the multiple of 1 (one) Equity Share) then the fractional entitlement shall be ignored for computation of Buyback Entitlement to tender Equity Shares in the Buyback Offer, for both categories of Eligible Shareholders.

On account of ignoring the fractional entitlement, those Small Shareholders who hold 02 or less Equity Shares as on Record Date will be dispatched a Tender Form with zero entitlement. Such Small Shareholders are entitled to tender Additional Equity Shares as part of the Buyback Offer and will be given preference in the Acceptance of one Equity Share, if such Small Shareholders have tendered for Additional Equity Shares. The Company shall make best efforts subject to Buyback Regulations in accepting Equity Shares tendered by such Shareholders to the extent possible and permissible.

19.6 Basis of Acceptance of Equity Shares validly tendered in the Reserved Category

Subject to the provisions contained in this Letter of Offer and Tender Form, the Company will accept the Shares tendered in the Buyback Offer by the Small Shareholders in the Reserved Category in the following order of priority:

- a) Full acceptance (i.e. 100%) of Shares from Small Shareholders in the Reserved Category who have validly tendered their Shares, to the extent of their Buyback Entitlement, or the number of Shares tendered by them, whichever is less.
- b) Post the acceptance as described in (a) above, in case, there are any Shares left to be bought back from Small Shareholders in the Reserved Category, the Small Shareholders who were entitled to tender zero Shares (on account of ignoring the fractional entitlement), and have tendered Additional Shares, shall be given preference and 1 (one) Equity Share each from the Additional Shares tendered by these Small Shareholders shall be bought back in the Reserved Category.
- c) Post the acceptance as described in (a) and (b) above, in case, there are any validly tendered unaccepted Shares in the Reserved Category (**“Reserved Category Additional Shares”**) and Shares left to be bought back in Reserved Category, the Reserved Category Additional Shares shall be accepted in a proportionate manner and the acceptances shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per Shareholder shall be equal to the Reserved Category Additional Shares tendered by the Shareholder divided by the total Reserved Category Additional Shares and multiplied by the total number of Shares remaining to be bought back in Reserved Category. For the purpose of this calculation, the Reserved Category Additional Shares taken into account for such Small Shareholders, from whom 1 (one) Equity Share has been accepted in accordance with (b) above, shall be reduced by one.
- d) Adjustment for fractional results in case of proportionate acceptance, as described in (c) above, will be made as follows:
 - For any Small Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater

than or equal to 0.50, then the fraction would be rounded off to the next higher integer.

- For any Small Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

19.7 Basis of Acceptance of Equity Shares validly tendered in the General Category

Subject to the provisions contained in this Letter of Offer, the Company will accept the Shares tendered in the Buyback Offer by Eligible Shareholders (other than Small Shareholders) in the General Category in the following order of priority:

- a) Full Acceptance (i.e. 100%) of Shares from Eligible Shareholders in the General Category who have validly tendered their Shares, to the extent of their Buyback Entitlement, or the number of Shares tendered by them, whichever is less.
- b) Post the acceptance as described in paragraph 19.7 (a) above, in case, there are any validly tendered unaccepted Shares in the General Category (**“General Category Additional Shares”**) and Shares left to be bought back in General Category, the General Category Additional Shares shall be accepted in a proportionate manner and the acceptances shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per Eligible Shareholder shall be equal to the General Category Additional Shares validly tendered by the Eligible Shareholders divided by the total General Category Additional Shares and multiplied by the total number of Shares remaining to be bought back in General Category.
- c) Adjustment for fractional results in case of proportionate acceptance, as described in paragraph 19.7 (b) above, will be made as follows:
 - For any Eligible Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - For any Eligible Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

19.8 Basis of Acceptance of Shares between Categories

- a) After acceptances of tenders, as mentioned in 19.6 and 19.7 above, in case, there are any Shares left to be bought back in one category (**‘Partially filled Category’**), and there are additional unaccepted validly tendered Shares (**‘Further Additional Shares’**) in the second Category (**‘Over Tendered Category’**), then the Further Additional Shares in the Over Tendered Category shall be accepted in a proportionate manner i.e. valid Acceptances per Shareholder shall be equal to the Further Additional Shares validly tendered by an Eligible Shareholder in the Over Tendered Category divided by the total Further Additional Shares in the Over Tendered Category and multiplied by the total Shares left to be bought back in the Partially filled Category.
- b) If the Partially Filled Category is the General Category and the Over Tendered Category is the Reserved Category, then any Small Shareholder who has tendered Additional Shares shall be eligible for priority acceptance of one Equity Share before acceptance in paragraph 19.8(a) above out of the Shares left to be bought back in the Partially Filled Category, provided no acceptance could take place from such Shareholder in accordance with paragraph 19.6(b).
- c) Adjustment for fraction results in case of proportionate acceptance, as defined in paragraph 19.8(a) above:
 - For any Eligible Shareholder, if the number of Further Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - For any Eligible Shareholder, if the number of Further Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

19.9 For avoidance of doubt, it is clarified that the Shares accepted under the Buyback Offer from each Eligible Shareholder, in accordance with above clauses, shall be lower of the following:

- the number of Shares tendered by the respective Shareholder, and
- the number of Shares held by the respective Shareholder, as on the Record Date.

- 19.10 For the avoidance of doubt, it is clarified that the Equity Shares tendered by any Eligible Shareholder over and above the number of Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance in accordance with above clauses.

20 PROCEDURE FOR TENDER OFFER AND SETTLEMENT

- 20.1 The Buyback is open to all Eligible Shareholder(s) holding Shares either in physical and /or dematerialized form on the Record Date.
- 20.2 The Company proposes to effect the Buyback through Tender Offer process, on a proportionate basis. This Letter of Offer and Tender Form, outlining the terms of the Buyback Offer as well as the detailed disclosures as specified in the Buyback Regulations, will be mailed to Eligible Shareholders whose names appear on the register of members of the Company, or who are beneficial owners of Equity Shares as per the records of Depositories, on the Record Date and who have their email IDs registered with the Company and for all remaining Eligible Shareholders who do not have their email IDs registered with the Company, the Letter of Offer alongwith Tender Form will be sent physically. However, on receipt of a request by the Registrar to the Buyback to receive a copy of Letter of Offer in physical format from such Eligible Shareholder to whom Letter of Offer and Tender Form were emailed, the same shall be sent physically.
- 20.3 The Company will not accept any Equity Shares offered for Buyback where there exists any restraint order of a Court / any other competent authority for transfer / disposal/ sale or where loss of share certificates has been notified to the Company or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists.
- 20.4 The Company shall comply with Regulation 19(5) of the Buyback Regulations which states that the Company shall not buyback the locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferrable.
- 20.5 Eligible Shareholders' participation in Buyback will be voluntary. Shareholders can choose to participate, in part or in full, and get cash in lieu of the Shares accepted under the Buyback or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post Buyback, without additional investment. Shareholders may also tender a part of their Buyback Entitlement. Shareholders also have the option of tendering Additional Shares (over and above their Buyback Entitlement) and participate in the shortfall created due to non-participation of some other Shareholders, if any. Acceptance of any Shares tendered in excess of the Buyback Entitlement by the Shareholder, shall be in terms of procedure outlined in paragraph 19 (*Process and Methodology for the Buyback*) of this Letter of Offer.
- 20.6 The Company shall accept all the Equity Shares validly tendered for the Buyback by Eligible Shareholders, on the basis of their Buyback Entitlement as on the Record Date.
- 20.7 Eligible Shareholders will have to transfer the demat Equity Shares from the same demat account in which they were holding the Equity Shares as on the Record Date and in case of multiple demat accounts, Eligible Shareholders are required to tender the applications separately from each demat account. In case of any changes in the demat account in which the Equity Shares were held as on Record Date, such Eligible Shareholders should provide sufficient proof of the same to the Registrar, and the such tendered shares may be accepted subject to appropriate verification and validation by the Registrar.
- 20.8 As elaborated under paragraph 19.4 (b) above, the Equity Shares proposed to be bought as a part of the Buyback is divided into two categories; (a) Reserved Category for Small Shareholders and (b) the General Category for other Eligible Shareholders, and the Buyback Entitlement of an Eligible Shareholder in each category shall be calculated accordingly.
- 20.9 After accepting the Equity Shares tendered on the basis of Buyback Entitlement, Equity Shares left to be bought as a part of the Buyback, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered, over and above their Buyback Entitlement, by Eligible Shareholders in that category, and thereafter, from Eligible Shareholders who have tendered over and above their Buyback Entitlement, in other category.
- 20.10 The Buyback shall be implemented by the Company using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 ("**SEBI Circulars**") as may be amended from time to time and following the procedure prescribed in BSE Notice, Companies Act, 2013 and the Buyback Regulations and as may be determined by the Board and on such terms and conditions as may be permitted by law from time to time.

- 20.11 The maximum tender under the Buyback by any Eligible Shareholder cannot exceed the number of Equity Shares held by the Eligible Shareholder as on the Record Date.
- 20.12 For implementation of the Buyback, the Company has appointed SBICAP Securities Limited as the registered broker to the Company (the “**Company's Broker**”) through whom the purchases and settlements on account of the Buyback would be made by the Company. The contact details of the Company’s Broker are as follows:

SBICAP Securities Limited

Marathon Futurex, A & B-Wing,

12th Floor, N M Joshi Marg,

Lower Parel, Mumbai – 400 013

CIN: U65999MH2005PLC155485

Contact Person: Mr. Muralidharan Nair

Tel: +91 (22) 4227 3347;

Fax: +91 (22) 4366 3500;

E-mail: Muralidharan.Nair@sbicapsec.com;

Website: www.sbismart.com

SEBI Registration Number: Stock Broker: BSE: INB011053031 and NSE: INB231052938

- 20.13 The Company will request BSE to provide a separate Acquisition Window to facilitate placing of sell orders by the Eligible Shareholders who wish to tender Equity Shares in the Buyback. BSE would be the Designated Stock Exchange for this Buyback Offer. All Eligible Shareholders may place orders in the Acquisition Window, through their respective stock brokers (“**Shareholder Broker**”).

In the event Shareholder Broker(s) of Eligible Shareholder is not registered with BSE then that Eligible Shareholder can approach any BSE registered stock broker and can make a bid by using quick unique client code (UCC) facility through that BSE registered stock broker after submitting the details as may be required by that stock broker to be in compliance with the SEBI regulations. In case Eligible Shareholder is not able to bid using quick UCC facility through any other BSE registered stock broker then the Eligible Shareholder may approach Company’s Broker to bid by using quick UCC facility.

- 20.13.1 The Eligible Shareholder approaching BSE registered stock broker (with whom he does not have an account) may have to submit following details:

(a) **In case of Eligible Shareholder being an Individual or HUF**

(i) *If Eligible Shareholder is registered with KYC Registration Agency (“KRA”):*

A. Forms required:

- Central Know Your Client (CKYC) form
- Know Your Client (KYC) form

B. Documents required (all documents self-attested):

- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)

(ii) *If Eligible Shareholder is not registered with KRA:*

A. Forms required:

- CKYC form
- KRA form
- KYC form

B. Documents required (all documents self-attested):

- PAN card copy
- Address proof
- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)

It may be noted that other than submission of above forms and documents in person verification may be required.

(b) In case of Eligible Shareholder other than Individual and HUF:

(i) If Eligible Shareholder is KRA registered:

- A. Form required:
- KYC form
- B. Documents required (all documents certified true copy):
- Bank details (cancelled cheque)
 - Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)
 - Latest list of directors/authorised signatories/partners/trustees
 - Latest shareholding pattern
 - Board resolution
 - Details of ultimate beneficial owner along with PAN card and address proof
 - Last 2 years financial statements

(ii) If Eligible Shareholder is not KRA registered:

- A. Forms required:
- KRA form
 - KYC form
- B. Documents required (all documents certified true copy):
- PAN card copy of company/ firm/trust
 - Address proof of company/ firm/trust
 - Bank details (cancelled cheque)
 - Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)
 - Latest list of directors/authorised signatories /partners/trustees
 - PAN card copies & address proof of directors/authorised signatories/partners/trustees
 - Latest shareholding pattern
 - Board resolution/partnership declaration
 - Details of ultimate beneficial owner along with PAN card and address proof
 - Last 2 years financial statements
 - MOA/Partnership deed /trust deed

Additionally, registered Equity Shareholders holding Equity Shares in Physical form must also provide the documents mentioned in paragraph 20.20.

It may be noted that above mentioned list of documents is an indicative list. The requirement of documents and procedures may vary from broker to broker.

20.14 At the beginning of the tendering period, the order for buying Equity Shares shall be placed by the Company through the Company's Broker. During the Tendering Period, the order for selling the Shares will be placed in the Acquisition Window by Eligible Shareholders through their respective Shareholder Broker during normal trading hours of the secondary market. In the tendering process, the Company's Broker may also process the orders received from the Shareholders.

20.15 Shareholder Broker can enter orders for demat Shares as well as physical Shares.

20.16 Modification / cancellation of orders and multiple bids from a single Eligible Shareholder will be allowed during the Tendering Period of the Buyback offer. Multiple bids made by single Eligible Shareholder for selling the Shares shall be clubbed and considered as 'one' bid for the purposes of Acceptance.

20.17 The cumulative quantity tendered shall be made available on BSE website- www.bseindia.com throughout the trading session and will be updated at specific intervals during the Tendering Period.

20.18 All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.

20.19 Procedure to be followed by Eligible Shareholders holding Equity Shares in the dematerialised form

Eligible Shareholders who desire to tender their Equity Shares in the electronic/dematerialized form under the Buyback would have to do so through their respective Shareholder Broker by giving the details of

Equity Shares they intend to tender under the Buyback. The Shareholder Broker would be required to place an order/bid on behalf of the Eligible Shareholders who wish to tender their Shares in the Buyback using Acquisition Window of BSE.

Before placing the bid, the Eligible Shareholder is required to transfer the Equity Shares to the special account of the Indian Clearing Corporation Limited (“**Clearing Corporation**”), by using the early pay in mechanism prescribed by the BSE or the Clearing Corporation prior to placing the bid by the Shareholder Broker. This shall be validated by the Shareholder Broker at the time of order/bid entry. The details of the settlement number for the Buyback will be provided in a separate circular which shall be issued at the time of issue opening by Clearing Corporation. Modification/cancellation of orders will be allowed during the Tendering Period. The details of the special account of the Clearing Corporation shall be informed in the issue opening circular that will be issued by the BSE and/or the Clearing Corporation.

For custodian participant orders for demat Equity Shares, early pay-in is mandatory prior to confirmation of order/bid by custodians. The custodian shall either confirm or reject the orders not later than closing of trading hours on the last day of the Tendering Period (Buyback Closing Date). Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, any order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.

Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip (“**TRS**”) generated by the exchange bidding system to the Eligible Shareholder on whose behalf the bid has been placed. TRS will contain details of order submitted like Bid ID No., Application No., DP ID, Client ID, Number of Equity Shares tendered etc.

Eligible Shareholders who have tendered their Equity Shares in the Buyback may deliver the Tender Form duly signed (by all Shareholders in case shares are in joint names) in the same order in which they hold the shares, along with the TRS generated by the exchange bidding system either by registered post or courier or hand delivery to the Registrar to the Buyback at the address mentioned on the cover page of this Letter of Offer) not later than 2 (two) working days from the Buyback Closing Date i.e. Monday, March 05, 2018 (by 5 p.m.). The envelope should be superscribed as “**SJVN Buyback Offer 2018**”. In case of non-receipt of the completed Tender Form and other documents, but receipt of Shares in the special account of the Clearing Corporation and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted, for demat Shareholders.

The Eligible Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or partial acceptance.

Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Eligible Shareholders would be returned to them by Clearing Corporation. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Shareholder Broker’s depository pool account for onward transfer to the Eligible Shareholder. In case of custodian participant orders, excess demat Shares or unaccepted demat Shares, if any, will be returned to the respective custodian depository pool account.

Eligible Shareholders shall also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of the Tender Form to be sent. Such documents may include (but not be limited to):

- i. Duly attested power of attorney, if any person other than the Eligible Shareholder has signed the Tender Form;
- ii. Duly attested death certificate and succession certificate/ legal heirship certificate, in case any Eligible Shareholder has expired; and
- iii. In case of companies, the necessary certified corporate authorizations (including board and/ or general meeting resolutions).

20.20 Procedure to be followed by registered Eligible Shareholders holding Equity Shares in the Physical form

Eligible Shareholders who are holding physical Equity Shares and intend to participate in the Buyback will be required to approach their respective Shareholder Broker along with the complete set of documents for verification procedures to be carried out before placement of the bid. Such documents will include:

- a) The Tender Form duly signed (by all Shareholders in case shares are in joint names) in the same order in which they hold the shares.
- b) Original share certificates
- c) Valid share transfer form(s) i.e Form SH-4 duly filled and signed by the transferors (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favor of the Company.
- d) Self-attested copy of the PAN Card(s) of all Shareholders.
- e) Any other relevant documents such as (but not limited to):
 - i. Duly attested Power of Attorney if any person other than the Eligible Shareholder has signed the relevant Tender Form
 - ii. Notarized copy of death certificate and legal heirship certificate / succession certificate or probated will, if the original Shareholder has deceased
 - iii. Necessary corporate authorisations, such as Board Resolutions etc., in case of companies
- f) In addition to the above, if the address of the Shareholder has undergone a change from the address registered in the Register of Members of the Company, the Shareholder would be required to submit a self-attested copy of address proof *inter alia* consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.

Based on these documents, the concerned Shareholder Broker shall place a bid on behalf of the Shareholders holding Equity Shares in physical form and who wish to tender Equity Shares in the Buyback, using the acquisition window of BSE. Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip ('TRS') generated by the Exchange Bidding System to the Shareholder. TRS will contain the details of order submitted like Folio No., Certificate No., Distinctive No., No. of Equity Shares tendered etc.

Eligible Shareholder/ Shareholder Broker who places a bid for physical Equity Shares, is required to deliver Tender Form, TRS, original share certificate(s), valid share transfer form(s) & other documents (as mentioned in paragraph hereinabove) either by registered post or courier or hand delivery to the Registrar to the Buyback at the address mentioned on the cover page of this Letter of Offer not later than 2 (two) working days from the Closing Date i.e. Monday, March 05, 2018 (by 5 p.m.). The envelope should be superscribed as "**SJVN Buyback Offer 2018**". One copy of the TRS will be retained by Registrar to the Buyback and it will provide acknowledgement of the same to the Eligible Shareholder/Shareholder Broker.

Eligible Shareholders holding physical shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for Buyback by the Company shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard.

Registrar to the Buyback will verify such bids based on the documents submitted on a daily basis and till such verification, the Stock Exchanges shall display such bids as 'unconfirmed physical bids'. Once Registrar to the Buyback confirms the bids, they will be treated as 'Confirmed Bids'.

20.21 Additional requirements in respect of tenders by Non-resident shareholders

- a) While tendering their Equity Shares under the Buyback Offer, all Eligible Shareholders being Non-resident Shareholders should provide relevant confirmations/ declarations vide the duly filled-in and signed (by all shareholders in case the Equity Shares are held in joint names) Tender Forms (including a copy of the permission received from RBI wherever applicable). In the event relevant confirmations / declarations are not provided in the Tender Forms or there is ambiguity in the information provided, the Company reserves the right to reject such Tender Forms.
- b) FII/FPI shareholders should also enclose a copy of their SEBI registration certificate.
- c) In case the Equity Shares are held on repatriation basis, the Non-Resident Shareholders should enclose documents in support of the same. Such documents should include:
 - a copy of the permission received by them from RBI at the time of the original acquisition of Shares
 - a letter from the Shareholder's authorized dealer/bank confirming that at the time of acquiring the said Equity Shares, payment for the same was made by the Non-Resident shareholder from the appropriate account as specified by RBI in its approval.

- Any other document which evidences repatriability of sale proceeds in respect of the tendered Shares.

In case the Non-Resident shareholder is not in a position to produce supporting documents towards enabling repatriation, the Shares would be deemed to have been acquired on non-repatriation basis and in that case the Non-Resident Shareholder shall submit a consent letter addressed to the Company, allowing the Company to make the payment on a non-repatriation basis in respect of the valid Shares accepted under the Offer.

- d) If any of the above stated documents, as applicable, are not enclosed along with the Tender Form, the Equity Shares tendered under the Buyback Offer are liable to be rejected.
- 20.22 In case any person has submitted Equity Shares in physical form for dematerialisation, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Buyback Offer before Buyback Closing Date.
- 20.23 Non-receipt of the Letter of Offer by, or accidental omission to dispatch the Letter of Offer to any Eligible Shareholder, shall not invalidate the Buyback Offer in any way. Shareholders not receiving the Letter of Offer, if they so desire, may also apply on the Tender Form downloaded from SEBI website (www.sebi.gov.in) or obtain a duplicate copy of the same by writing to the Registrar to the Buyback. Please note that the Company shall accept Equity Shares validly tendered for the Buyback Offer on the basis of their holding and entitlement as appearing in the records of the Company as on the Record Date.
- 20.24 The acceptance of the Buyback Offer made by the Company is entirely at the discretion of the Eligible Shareholders of the Company. The Company does not accept any responsibility for the decision of any Eligible Shareholder to either participate or to not participate in the Buyback Offer. The Company will not be responsible in any manner for any loss of Share certificate(s) and other documents during transit and the Eligible Shareholders are advised to adequately safeguard their interest in this regard.
- 20.25 The instructions and authorizations contained in the Tender Form constitute an integral part of the terms of this Buyback Offer.
- 20.26 In case of non-receipt of the Letter of Offer / Tender Form:
- a) **In case the Equity Shares are in dematerialised form:** An Eligible Shareholder may participate in the Offer by downloading the Tender Form from the website of the Company i.e. www.sjvn.nic.in or send an application to the Shareholder Broker in writing on plain paper signed by all Eligible Shareholders (in case of joint holding) stating name and address of Shareholder(s) to the Shareholder Broker, number of Equity Shares held as on the Record Date, Client ID number, DP Name/ID, beneficiary account number, number of Equity Shares tendered for the Buyback.
- b) **In case the Equity Shares are in physical form:** An Eligible Shareholder may participate in the Buyback Offer by providing an application in writing on a plain paper signed by all Eligible Shareholders (in case of joint holding) stating name, address, folio number, number of Equity Shares held, share certificate number, number of Equity Shares tendered for the Buyback Offer and the distinctive numbers thereof, enclosing the original share certificate(s), copy of Eligible Shareholders' PAN card(s), executed share transfer form in favour of the Company and other necessary documents. The transfer form SH-4 can be downloaded from the Company's website i.e. www.sjvn.nic.in. Shareholders/Shareholder Broker must ensure that the Tender Form, along with TRA and the requisite documents, reach the Registrar to the Buyback no later than 2 (two) working days from the Buyback Closing Date i.e. Monday, March 05, 2018 (by 05:00 p.m). If the signature(s) of the Eligible Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar of the Company or are not in the same order (although attested), such applications are liable to be rejected under this Buyback Offer.

Eligible Shareholder(s) who intend to participate in the Buyback using the 'plain paper' option as mentioned in this paragraph are advised to confirm their entitlement from the Registrar to the Buyback, before participating in the Buyback.

Please note that Eligible Shareholder(s) who intend to participate in the Buyback will be required to approach their respective Shareholder Broker (along with the complete set of documents for verification procedures) and have to ensure that their bid is entered by their respective Shareholder Broker or broker in the electronic platform to be made available by the Stock Exchanges before the Buyback Closing Date, otherwise the same are liable to be rejected.

20.27 Acceptance of orders

The Registrar shall provide details of order Acceptance to Clearing Corporation within specified timelines.

20.28 Method of Settlement

Upon finalization of the basis of acceptance as per Buyback Regulations:

- (i) The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market and as intimated by the Clearing Corporation from time to time.
- (ii) The Company will transfer the funds pertaining to the Buyback to the Clearing Corporation's bank account as per the prescribed schedule.
- (iii) For Equity Shares accepted under the Buyback, the Eligible Shareholder will receive funds payout in their settlement bank account from the Clearing Corporation. If Equity Shareholders' bank account details are not available or if the fund transfer instruction is rejected by RBI or bank, due to any reasons, then the amount payable to Equity Shareholders will be transferred to the Shareholder Broker for onward transfer to the Equity Shareholder.
- (iv) In case of certain client types viz. NRI, Foreign Clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Shareholder Broker's settlement accounts for releasing the same to their respective Shareholder's account onward. For this purpose, the client type details would be collected from the Registrar to the Buyback.
- (v) In case of bids confirmed by custodian settlement will be released to custodians' settlement account.
- (vi) The Equity Shares accepted in the buyback in the demat form would be transferred directly to the demat escrow account of the Company (the "**Demat Escrow Account**") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Demat Escrow Account on receipt of the Equity Shares from the clearing corporation of the BSE.
- (vii) The Eligible Shareholders holding demat Equity Shares will have to ensure that they keep the depository participant account active and unblocked to receive credit in case of return of demat Equity Shares, due to rejection or due to non-acceptance in the Buyback.
- (viii) Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Eligible Shareholders would be returned to them by Clearing Corporation as part of the exchange payout process, not later than Monday, March 12, 2018. In case of custodian participant orders, excess demat Shares or unaccepted demat Shares, if any, will be returned to the respective custodian depository pool account.
- (ix) Equity Shares in Physical form, to the extent tendered but not accepted, will be returned back to the concerned Shareholders directly by Registrar to the Buyback. The Company is authorized to split the share certificate and issue new consolidated share certificate for unaccepted Equity Shares, in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buyback by Eligible Shareholders holding Equity Shares in physical form. The Company will issue a new single share certificate for all the unaccepted and excess physical shares and return the same to the sole/first Shareholder (in case of joint Shareholders). Share certificates in respect of unaccepted and excess/ rejected Shares and other documents, if any, will be sent by Registered Post / Speed Post at the Shareholders' sole risk to the sole/first Shareholder (in case of joint Shareholders), at the address recorded with the Company, not later than Monday, March 12, 2018.
- (x) Clearing Corporation would settle the trades by making direct funds pay-out to the Equity Shareholders and the Shareholder Broker would issue contract note to the Eligible Shareholders tendering Equity Shares in the Buyback. Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.
- (xi) Shareholders who intend to participate in the Buyback should consult their respective Shareholder Broker for payment to them of any cost, applicable taxes, charges and expenses (including

brokerage) that may be levied by the Shareholder Broker upon the selling Eligible Shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Shareholders.

- (xii) The Equity Shares lying to the credit of the Demat Escrow Account and the Equity Shares bought back and accepted in physical form will be extinguished in the manner and following the procedure prescribed in the Buyback Regulations and Companies Act, 2013.

20.29 Settlement of Funds/Payment Consideration

The settlements of fund obligation for dematerialised and physical Equity Shares shall be effected as per the SEBI Circulars and as prescribed by the Stock Exchanges and Clearing Corporation from time to time. For Equity Shares accepted under the Buyback, the Eligible Shareholders holding Equity Shares in dematerialised form will receive funds payout in the Shareholder's bank account as provided by the Depository system from Clearing Corporation and in case of physical shares the Clearing Corporation will release the funds to the Shareholder Broker(s) as per secondary market pay out mechanism. If Eligible Shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any issue then such funds will be transferred to the concerned Shareholder Brokers' settlement bank account for onward transfer to their respective Eligible Shareholders.

20.30 Special Account opened with the Clearing Corporation

The details of transfer of the dematerialised Equity Shares to the special account by trading member or custodians shall be informed in the issue opening circular that will be issued by the Stock Exchanges or Clearing Corporation.

20.31 Rejection Criteria

The Equity Shares tendered by Eligible Shareholders would be liable to be rejected on the following grounds:

For Eligible Shareholders holding shares in the dematerialized form if:

- a. the Shareholder is not an Eligible Shareholder of the Company as on the Record Date; or
- b. if there is a name mismatch in the dematerialised account of the Shareholder.

For Eligible Shareholders holding Equity Shares in the physical form if:

- a. The documents mentioned in the Tender Form for Eligible Shareholders holding Equity Shares in physical form are not received by the Registrar on or before the close of business hours of Monday, March 05, 2018 by 05:00 p.m.;
- b. If the share certificate of the Company is not enclosed with the Tender Form;
- c. If the transfer/ transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders;
- d. If the Eligible Shareholders bid the Equity Shares but the Registrar does not receive the physical Equity Share certificate; or
- e. In the event the signature in the Tender Form and Form SH-4 do not match as per the specimen signature recorded with Company or Registrar.

21 NOTE ON TAXATION

Disclosures in this paragraph are based on expert opinion sought by the Company.

SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE ASSESSING OFFICERS IN THEIR CASE, AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE COMPANY DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE.

THE SUMMARY OF THE TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE TAX LAWS OF INDIA AND THE REGULATIONS THEREUNDER, THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, WHICH ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT TAX IMPLICATIONS.

IN VIEW OF THE PARTICULARISED NATURE OF TAX CONSEQUENCES, SHAREHOLDERS ARE REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE

APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE TAX OFFICERS IN THEIR CASE, AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE.

THE COMPANY DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE. THEREFORE, SHAREHOLDERS CANNOT RELY ON THIS ADVICE AND THE SUMMARY TAX IMPLICATIONS RELATING TO THE TREATMENT OF INCOME TAX IN THE CASE OF BUY BACK OF LISTED EQUITY SHARES ON THE STOCK EXCHANGE SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

1. GENERAL

The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to taxation in India on his worldwide income, subject to certain tax exemptions, which are provided under the Income Tax Act, 1961 (“the **Income Tax Act**”).

A person who is treated as non-resident for Indian income-tax purposes is generally subject to tax in India only on such person’s India sourced income or income received by such person in India. In case of shares of a Company, the source of income from shares would depend on the “situs” of such shares. As per judicial precedents, generally the “situs” of the shares is where company is “incorporated” and where its shares can be transferred. Accordingly, since SJVN Limited is incorporated in India, the shares of SJVN Limited would be “situated” in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the Income Tax Act. Further, the non-resident can avail the beneficial provisions of the Double Taxation Avoidance Agreement (‘DTAA’) between India and the respective jurisdiction of the shareholder subject to meeting relevant conditions and providing and maintaining necessary information and documents as prescribed under the Income Tax Act.

The Income Tax Act also provides for different tax regimes/ rates applicable to the gains arising on buyback of shares, based on the period of holding, residential status and category of the shareholder, nature of the income earned, etc. The summary tax implications on buyback of listed equity shares on the stock exchange is set out below. All references to equity shares in this note refer to listed equity shares unless stated otherwise.

2. CLASSIFICATION OF SHAREHOLDERS

Shareholders can be classified under the following categories:

a) Resident Shareholders being:

- Individuals, Hindu Undivided Family (HUF), Association of Persons (AOP) and Body of Individuals (BOI)
- Others

b) Non Resident Shareholders being:

- Non Resident Indians (NRIs)
- Foreign Institutional Investors (FIIs)
- Others:
 - Company
 - Other than Company

3. CLASSIFICATION OF INCOME

Shares can be classified under the following two categories:

a) Shares held as investment (Income from transfer taxable under the head “Capital Gains”)

b) Shares held as stock-in-trade (Income from transfer taxable under the head “Profits and Gains from Business or Profession”)

Gains arising from the transfer of shares may be treated either as “capital gains” or as “business income” for tax purposes, depending upon whether such shares were held as a capital asset or trading asset (i.e. stock-in-trade). Traditionally, the issue of characterization of income arising from sale of shares has been a subject matter of litigation with the tax authorities. There have been various judicial pronouncements on whether gains from transactions in securities should be taxed as “business profits” or as “capital gains”. However, these pronouncements, while laying down certain guiding principles have largely been driven by the facts and circumstances of each case. The apex body of Income-tax has issued Circular no. 6 of 2016, as per which, if the taxpayer opts to consider the shares

as stock-in-trade, the income arising from the transfer of such shares would be treated as its business income. Also, if such shares are held for a period of more than 12 months, if the taxpayer desires to treat the income arising from the transfer thereof as “capital gains”, the same shall not be put to dispute by the Tax Officer. However, the choice on characterization, once taken by the taxpayer should be consistent, and shall apply for subsequent years as well.

Further, investments by FII in any securities in accordance with the regulations made under the Securities Exchange Board of India Act, 1992 would be treated as capital asset under the provisions of the Income Tax Act.

3.1 SHARES HELD AS INVESTMENT

As per the provisions of the Income Tax Act, where the shares are held as investments, income arising from the transfer of such shares is taxable under the head “Capital Gains”. Capital gains on buyback of shares are governed by the provisions of section 46A of the Income Tax Act and would attract capital gains in the hands of shareholders as per provisions of section 48 of the Income Tax Act. The provisions of buy back tax under section 115QA in Chapter XII-DA of the Income Tax Act do not apply for shares listed on the stock exchange.

3.1.1 Period of holding

Depending on the period for which the shares are held, the gains would be taxable as ‘short term capital gain’ or ‘long term capital gain’:

- In respect of equity shares held for a period less than or equal to 12 months prior to the date of transfer, the same shall be treated as a ‘short-term capital asset’, and the gains arising therefrom shall be taxable as ‘short term capital gains’ (“STCG”).
- Similarly, where equity shares are held for a period more than 12 months prior to the date of transfer, the same shall be treated as a ‘long-term capital asset’, and the gains arising therefrom shall be taxable as ‘long-term capital gains’ (“LTCG”).

3.1.2 Buyback of shares through a recognized stock exchange

Where transaction for transfer of such equity shares (i.e. buyback) is transacted through a recognized stock exchange on which securities transaction tax (“STT”) has been paid, then the taxability will be as under (for all categories of shareholders):

- LTCG arising from such transaction would be exempt under section 10(38) of the Income Tax Act, provided the shareholder had paid securities transaction tax on acquisition of the shares.

However, the Finance Act, 2017 has amended section 10(38) of the Income Tax Act to deny exemption on LTCG arising from the transfer of equity shares, if such shares were acquired, other than notified by the Central Government, on or after October 1, 2004 and such transaction has not been charged to STT. In this regard, the Central Government has issued a Notification No. SO 1789(E) dated June 5, 2017 exempting all transactions of acquisition except limited identified transactions that are not eligible for exemption. Accordingly, acquisitions undertaken by a non-resident under the Foreign Direct Investment guidelines, specified preferential allotments as defined under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, issue of bonus shares, stock options, gift of shares, etc, are all protected and continue to be eligible for exemption.

- STCG arising from such transaction would be subject to tax @ 15% under section 111A of the Income Tax Act, without any restriction on the mode of acquisition.

Further, resident corporate shareholders would also be subject to Minimum Alternate Tax under section 115JB of the Income Tax Act at the rate of 18.50%. This would however be available for offset against taxes payable by such corporate shareholders under normal tax provisions (subject to conditions). In addition to the Tax, Surcharge, Education Cess, and Secondary and Higher Education Cess are leviable (*Please refer to Note 5 for rate of surcharge and cess*).

In case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is considered while computing the tax on such STCG taxable under section 111A of the Income Tax Act. In addition to the above STCG tax, Surcharge, Education Cess and Secondary and Higher Education Cess are leviable (Please refer to Note 5 for rate of surcharge and cess).

Non-resident shareholders can avail beneficial provisions of the applicable double taxation avoidance agreement ('DTAA') entered into by India with relevant country in which the shareholder is resident but subject to fulfilling relevant conditions and submitting/ maintaining necessary documents prescribed under the Income Tax Act.

As an overall point, since the buyback is undertaken on the stock exchange, such transaction is chargeable to Securities Transaction Tax ("STT"). STT is a tax payable in India on the value of securities on every purchase or sale of securities that are listed on the Indian Stock Exchange. Currently, the STT rate applicable on the purchase or sale of shares on the stock exchange is 0.1% of the transaction value separately in the hands of the Seller and the Company.

3.2 SHARES HELD AS STOCK-IN-TRADE

If the shares are held as stock-in-trade by any of the shareholders of the Company, then the gains would be characterized as business income and taxable under the head "Profits and Gains from Business or Profession". In such a case, the provisions of section 46A of the Income Tax Act will not apply.

3.2.1 Resident Shareholders

- a) For individuals, HUF, AOP, BOI, profits would be taxable at slab rates.
- b) Domestic Company having turnover or gross receipts not exceeding INR 50 crore of the previous year 2015-16 would be taxable @ 25%.
- c) For persons other than stated in (a) & (b) above, profits would be taxable @ 30%.

In addition to the above, Surcharge, Education Cess and Secondary and Higher Education Cess are leviable (Please refer to Note 5 for rate of surcharge and cess).

No benefit of indexation by virtue of period of holding would be available in any case.

3.2.2 Non Resident Shareholders

- a) Non-resident shareholders can avail beneficial provisions of the applicable double taxation avoidance agreement ('DTAA') entered into by India with relevant shareholder country but subject to fulfilling relevant conditions and submitting/ maintaining necessary documents prescribed under the Income Tax Act.
- b) Where DTAA provisions are not applicable:
 - For non-resident individuals, HUF, AOP, BOI, profits would be taxable at slab rates
 - For foreign companies, profits would be taxed in India @ 40%
 - For other non-resident shareholders, such as foreign firms, profits would be taxed in India @ 30%.

In addition to the above, Surcharge, Education Cess and Secondary and Higher Education Cess are leviable (Please refer to Note 5 for rate of surcharge and cess).

4. TAX DEDUCTION AT SOURCE

4.1 In case of Resident Shareholders

In the absence of any specific provision under the Income Tax Act, the Company is not required to deduct tax on the consideration payable to resident shareholders pursuant to the said Buyback.

4.2 In case of Non-resident Shareholders

Under the tax laws, any gains paid to a non-resident is subject to deduction of tax at source, unless capital gains are realized by the FIIs or such gains are exempt from tax (like long- term capital gains exempt under section 10(38) as discussed above). However, since the buyback is through the stock exchange, the Company will not be able to withhold any taxes, and thus, the Company believes that the responsibility of withholding/ discharge of the taxes due on such gains (if any) is solely on the custodians/ authorized dealers/ non-resident shareholder – with no recourse to the Company.

It is therefore important that the non-resident shareholder consult their custodians/ authorized dealers/ tax advisors appropriately and immediately pay taxes in India (either through deduction at source or otherwise). In the event the Company is held liable for the tax liability of the Shareholder, the same shall be to the account of the Shareholder and to that extent the Company is entitled to be indemnified.

5. RATE OF SURCHARGE AND CESS

In addition to the basic tax rate, Surcharge, Education Cess and Secondary and Higher Education Cess are leviable as under:

5.1 Surcharge

- In case of domestic companies: Surcharge @ 12% is leviable where the total income exceeds ₹ 10 crores and @ 7% where the total income exceeds ₹ 1 crore.
- In case of companies other than domestic companies: Surcharge @ 5% is leviable where the total income exceeds ₹ 10 crores and @ 2% where the total income exceeds ₹ 1 crore.
- In case of Individuals, Hindu Undivided family, Association of Persons, and Body of Individuals: Surcharge @15% is leviable where the total income exceeds ₹ 1 crore and @ 10% where the total income exceeds ₹ 50 Lakh.
- In case of Firms, Co-operative Societies, or Local Authorities: Surcharge @ 12% is leviable where the total income exceeds ₹ 1 crore.

5.2 Cess

Education Cess @ 2% and Secondary and Higher Education Cess @ 1% is leviable in all cases.

The above note on taxation sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the disposal of equity shares. This note is neither binding on any regulators nor can there be any assurance that they will not take a position contrary to the comments mentioned herein. Hence, you should consult with your own tax advisors for the tax provisions applicable to your particular circumstances.

THE TAX RATE AND OTHER PROVISIONS MAY UNDERGO CHANGES.

22 DECLARATION BY THE BOARD OF DIRECTORS

Declaration as required under clause (ix) and clause (x) of Part A of Schedule II to the Buyback Regulations:

The Board of Directors made the below mentioned declaration as on the date of passing the board resolution approving the Buyback i.e. January 08, 2018. Subsequently, pursuant to the authority granted to the Buyback Committee by the Board of Directors of the Company, in terms of resolution dated February 01, 2018, the Buyback Committee has confirmed on behalf of Board of Directors that:

- i. no defaults have been made or subsisting in the repayment of deposits, accepted either before or after the commencement of the Companies Act, 2013, interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend to any shareholder, or repayment of term loans or interest payable thereon to any financial institutions or banks.

- ii. it has made a full enquiry into the affairs and prospects of the Company and has formed an opinion that:
 - a. immediately following the date of the Board Meeting held on Monday, January 08, 2018 and the date of this Letter of Offer, there will be no grounds on which the Company can be found unable to pay its debts;
 - b. as regards the Company's prospects for the year immediately following the date of the Board Meeting and the date of this Letter of Offer, having regard to the Board's intentions with respect to the management of the Company's business during the said year and to the amount and character of the financial resources which will in the Board's view be available to the Company during the said 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 the date of the Board Meeting approving the Buyback and within a period of one year from the date of this Letter of Offer, as the case may be.
 - 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.

This declaration is made and issued by the Buyback Committee (under the authority of the Board of Directors) in terms of the resolution passed at its meeting held on February 01, 2018.

For and on behalf of the Board of Directors of Company

Sd/-

Sd/-

Sd/-

Shri Nand Lal Sharma
Chairman & Managing Director
 (DIN:03495554)

Shri Amarjit Singh Bindra
Director (Finance)
 (DIN: 03358160)

Shri Arun Kumar Sharma
Assistant Manager, CS

23 AUDITOR'S CERTIFICATE

Report addressed to the Board of Directors by the Company's Auditor on the permissible capital payment and the opinion formed by directors regarding insolvency:

The text of the report dated January 9, 2018 received from the Statutory Auditor of the Company viz. M/s A P R A & Associates LLP, Chartered Accountants, addressed to the Board of Directors of the Company is reproduced below:

Quote:

Auditor's Report as prescribed in the Clause (xi) of Part A of Schedule II of the SEBI Buyback Regulations

To,
The Board of Directors
 SJVN Limited
 SJVN Corporate Office Complex,
 Shanan, Shimla,
 Himachal Pradesh -171006

Dear Sirs,

Sub: Proposed buyback of Equity Shares of not exceeding 10% of the aggregate of the fully paid-up equity share capital and free reserves as per the standalone audited accounts of the Company for the financial year ended March 31, 2017, on a proportionate basis (the "Buyback"), from the Eligible Shareholders by way of a tender offer through the stock exchange mechanism by SJVN Limited (the "Company").

We, M/s A P R A & ASSOCIATES LLP, Chartered Accountants, the Statutory Auditor of the Company, have been informed that the Board of Directors of the Company in their meeting held on January 8, 2018 have decided to buy back Company's fully paid up equity shares in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 at a price of ₹ 38.75 per equity share. In terms of the requirements of Clause (xi) of Schedule II, Part A of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 (hereinafter "**Buyback Regulations**"), we confirm as under:

- (i) We have inquired into the state of affairs of the Company in relation to its last standalone audited accounts for the year ended March 31, 2017, as approved by the Board of Directors in the meeting held on May 29, 2017, and standalone unaudited limited review results for the six months ended on September 30, 2017 as approved by the Board of Directors in their meeting held on November 13, 2017;
- (ii) The amount of permissible capital payment towards buy back of equity shares (including premium) as ascertained below in our view has been properly determined in accordance with Section 68 (2) (c) of the Companies Act, 2013:

Particulars	Amount (₹ Lakh)
Paid up equity share capital and free reserves as at March 31, 2017 based on audited standalone financial statements of the Company as at the year ended March 31, 2017	
Issued, subscribed and fully paid up equity shares:	
413,66,26,500 Equity Shares of ₹ 10 each, fully paid up	4,13,663
Total- A	4,13,663
Free Reserves	
Surplus in the statement of profit and loss (Retained Earnings)	7,33,407
Securities premium account	1,313
Total- B	7,34,720
Total C= A+B	11,48,383
Maximum amount permissible for the Buy-back i.e. 10% of the aggregate fully paid-up equity share capital and free reserves	1,14,838

- (iii) Based on the representations made by the Company and other information and explanations given to us, which to the best of our knowledge and belief were necessary for this purpose, we report that we are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration as approved by the Board of Directors in their meeting held on January 8, 2018, is unreasonable in any of the circumstances in the present context.
- (iv) The Board of Directors in their meeting held on January 8, 2018, have formed the opinion in terms of Clause (xi) of Part A of the Schedule II of the Buyback Regulations, on reasonable grounds that the Company, having regard to its state of affairs, shall not be rendered insolvent within a period of one year from that date.

The compliance with the provisions of the Companies Act, 2013 and Buyback Regulations is the responsibility of the Company's management. Our responsibility is to report on the amount of permissible capital for the buyback and report that the audited accounts on the basis of which calculation with reference to buyback is done and read the resolution of the Board of Directors for the meeting held on January 8, 2018 referred to in paragraph (i) and (iv) above.

This report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Buyback Regulations solely to enable the Board of Directors of the Company to include it in Public Announcement and Draft Letter of Offer/ Letter of Offer to be dispatched to the shareholders and filed with various regulatory agencies and providing to parties including the Manager to the offer, in connection with buyback of not exceeding 20,68,31,325 (Twenty Crore Sixty Eight Lakh Thirty One Thousand Three Hundred Twenty Five) equity shares, in pursuance of provisions of section 68, 69 and 70 of the Companies Act, 2013, Buyback Regulations and should not be used for any other purpose or by any other person.

For M/s A P R A & ASSOCIATES LLP
Chartered Accountants
Firm Registration Number: 011078N/N500064

Sd/-
CA. Arun Kumar Gupta
Partner
Membership No 089657
Place: New Delhi
Date: January 8, 2018

Unquote:

24 DOCUMENTS FOR INSPECTION

The following material documents are available for inspection by the shareholders of SJVN Limited at the Registered Office: SJVN Corporate Office Complex, Shanan, Shimla, Himachal Pradesh, India from 10.00 a.m. to 5.00 p.m. on any day, except Saturdays, Sundays and public holidays, upto the date of closure of the Buyback.

- i. Copy of the Certificate of Incorporation;
- ii. Memorandum and Articles of Association of SJVN Limited;
- iii. Copy of the annual reports of SJVN Limited for the financial years ended March 31, 2017, March 31, 2016 and March 31, 2015 and limited reviewed financials for the six months ended September 30, 2017;
- iv. Copy of the resolution passed by the Board of Directors at the meeting held on January 8, 2018 approving proposal for Buyback;
- v. Copy of Report dated January 8, 2018 received from M/s A P R A & Associates LLP, Chartered Accountants, the Statutory Auditor of the Company, in terms of clause (xi) of Part A to Schedule II of the Buyback Regulations;
- vi. Copy of Declaration of solvency and an affidavit verifying the same in Form SH-9, as prescribed under Section 68(6) of the Companies Act;
- vii. SEBI Comments vide letter no. CFD/DCR2/OW/P/2018/3341/1 dated January 31, 2018;
- viii. Copy of Escrow Agreement dated January 12, 2018 amongst SJVN Limited, Escrow Agent and SBI Capital Markets Limited;
- ix. Copy of the certificate from M/s A P R A & Associates LLP, Chartered Accountants, the Statutory Auditor of the Company, dated January 8, 2018 certifying that the Company has adequate funds for the purposes of Buyback;
- x. Copy of Public Announcement dated January 9, 2018 published in the newspapers on January 10, 2018 regarding Buyback of Equity Shares; and
- xi. Opinion dated January 8, 2018 obtained by the Company on taxation.

25 DETAILS OF THE COMPLIANCE OFFICER

Mr. Arun Kumar Sharma, Assistant Manager (CS)
SJVN Corporate Office Complex,
Shanan, Shimla,
Himachal Pradesh-171006, India
Tel: +91 (177) 2660075
Fax: +91 (177) 2660071
E-mail: investor.relations@sjvn.nic.in

Investor may contact the Compliance Officer for any clarification or to address their grievances, if any, during office hours i.e. 10:00 a.m. and 5:00 p.m. on all working days except Saturday, Sunday and Public holidays

26 DETAILS OF THE REMEDIES AVAILABLE TO THE SHAREHOLDERS/ BENEFICIAL OWNERS

In case of any grievances relating to the Buyback (i.e. non-receipt of the Buyback consideration, Share certificate, demat credit, etc.) the investor can approach the Compliance Officer and/or Manager to the Buyback and/or Registrar to the Buyback for redressal.

If the Company makes any default in complying with the provisions of Section 68, 69, 70 of the Companies Act, 2013 or rules made thereunder, the Company or any officer of the Company who is in default shall be punishable with imprisonment for a term and its limit, or with a fine and its limit or with both in terms of the Companies Act, 2013.

The address of the concerned office of the Registrar of Companies is as follows:

The Registrar of Companies, Himachal Pradesh
Corporate Bhawan, 1st Floor
Plot No.4 B,
Sector 27 B, Madhya Marg,
Chandigarh – 160019

27 DETAILS OF INVESTOR SERVICE CENTRE

In case of any query, the shareholders may contact the Registrar & Transfer Agent on any day except Saturday, Sunday and Public holidays between 10:00 a.m. and 5:00 p.m. at the following address:



ALANKIT ASSIGNMENTS LIMITED

205 – 208, Anarkali Complex

Jhandewalan Extension

New Delhi 110 055

Contact Person: Mr. Ravi Garg/Mr. Ramesh Khatua

Tel: +91 (11) 4254 1234, 23541234

Fax: +91 (11) 41543474

E-mail: sjvn_buyback@alankit.com;

Website: www.alankit.com;

SEBI Registration Number: INR000002532

Validity Period: Permanent

CIN: U74210DL1991PLC042569

28 DETAILS OF THE MANAGER TO THE BUYBACK



SBI CAPITAL MARKETS LIMITED

202, Maker Tower E, Cuffe Parade

Mumbai 400 005

Contact person: Mr. Aditya Deshpande/ Mr. Ronak Shah

Tel: + 91 (22) 2217 8300

Fax: +91 (22) 2218 8322

Email: sjvn.buyback@sbicaps.com

Website: www.sbicaps.com

SEBI Registration Number: INM000003531

Validity Period: Permanent

CIN: U99999MH1986PLC040298

29 DECLARATION BY THE DIRECTORS REGARDING AUTHENTICITY OF THE INFORMATION IN THE LETTER OF OFFER

As per Regulation 19(1)(a) of the Buyback Regulations, the Board of Directors of the Company accept full responsibility for the information contained in this Letter of Offer and confirm that the information in this Letter of Offer contain true, factual and material information and does not contain any misleading information. This Letter of Offer is issued under the authority of the Board of Directors by the Buyback Committee through Resolution passed by the Buyback Committee at its meeting held on February 01, 2018.

For and on behalf of the Board of Directors of
SJVN Limited

Sd/-

Sd/-

Sd/-

Shri Nand Lal Sharma
Chairman & Managing Director
(DIN:03495554)

Shri Amarjit Singh Bindra
Director (Finance)
(DIN: 03358160)

Shri Arun Kumar Sharma
Assistant Manager, CS

Date: February 01, 2018

Place: Shimla