



एनएचपीसी लिमिटेड
(भारत सरकार का उद्यम)

NHPC Limited
(A Government of India Enterprise)

संदर्भ सं./Ref. No. **NH/CS/199**

फोन/Phone : _____
दिनांक/Date : **08.12.2021**

<p>Manager The Listing Department, M/s BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 मैनेजर, लिस्टिंग विभाग, बीएसई लिमिटेड पि.जे .टावर्स,दलाल स्ट्रीट, मुंबई- 400 001 Scrip Code: 533098</p>	<p>General Manager The Listing Department M/s National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra(E), Mumbai- 400051 महा प्रबंधक, लिस्टिंग विभाग, नेशनल स्टॉक एक्सचेंज ऑफ इंडिया लिमिटेड एक्सचेंज प्लाजा, बांद्रा कुर्ला कॉम्प्लेक्स, बांद्रा (ई), मुंबई - 400 051 Scrip Code: NHPC</p>
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ISIN No. INE848E01016

Sub: Merger/Amalgamation of Lanco Teesta Hydro Power Limited with NHPC Limited

विषय: लैंको टीस्ता हाइड्रो पावर लिमिटेड का एनएचपीसी लिमिटेड के साथ विलय/समामेलन के संदर्भ में

Sirs/ महोदय,

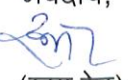
In continuation to our earlier letters of even no. dated 20.10.2020 & 23.10.2020 and in compliance to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is to inform that the Board of Directors of NHPC Limited (**Company or Transferee Company**) in its meeting held on Tuesday, December 7, 2021 has *inter-alia* accorded its approval for the merger/amalgamation of Lanco Teesta Hydro Power Limited (**Transferor Company**), which is a wholly owned subsidiary of the Company, with the Company under Section 230-232 of the Companies Act, 2013 and other statutory provisions as per the terms and conditions mentioned in the Scheme of Amalgamation (**Scheme**).

The Scheme will be filed with the relevant regulatory authorities including Ministry of Corporate Affairs or any other appropriate authority for their approval and sanction. The copy of scheme will be forwarded in due course.

The details of disclosure as required under SEBI Circular No. CIR/CFD/CMD/4/2015 dated 09.09.2015, with respect to the above, is enclosed at **Annexure-A**.

This is for your information and record.
यह आपकी जानकारी और रिकॉर्ड के लिए है।

धन्यवाद,

भवदीय,

(रूपा देब)

कंपनी सचिव

पंजीकृत कार्यालय : एन एच पी सी ऑफिस कॉम्प्लेक्स, सैक्टर-33, फरीदाबाद - 121 003, हरियाणा

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

CIN : L40101HR1975GOI032564; Website : www.nhpcindia.com

E-mail : webmaster@nhpc.nic.in; EPABX No. : 0129-2588110/2588500

विजली से संबंधित शिकायतों के लिए 1912 डायल करें। Dial 1912 for Complaints on Electricity

Annexure-A

Particulars	Information		
Name of Parties:	<p>Lanco Teesta Hydro Power Limited, (LTHPL) as Transferor Company Address: 1-7-37/1, NMDC Quarters, Quarters No. Type IV-1, Opp. Ramanthapur Church, Street No.8, Ramanthapur Hyderabad- 500013, India.</p> <p style="text-align: center;">AND</p> <p>NHPC Limited (NHPC) as Transferee Company Address: NHPC OFFICE COMPLEX, SECTOR- 33, FARIDABAD HARYANA- 121003, India.</p>		
Financial Details (As on 31.03.2021)	Particulars	Net Worth (Rs. in Crore)	Total Revenue (Rs. in crore)-from operation
	LTHPL	1036.16	Nil
	NHPC	31647.31	8506.58
Whether the transaction would fall within Related Party Transactions? If Yes, whether the same is done at "Arm's Length"	<p>Transferor Company is a Wholly Owned Subsidiary Company of Transferee Company and are related parties. However, as per General Circular 30/2014 of July, 2014, compromises, arrangements and amalgamations dealt with under specific provisions of the Companies Act, 1956/Companies Act, 2013 will not attract the requirements of Section 188 of the Companies Act, 2013.</p> <p>Further, as per Regulation 23 (5) (a) & (b) of SEBI LODR, 2015, the related party transaction provisions are not applicable to the proposed scheme.</p>		
Area of Business of the Entity(ies)	<p><u>NHPC Limited:- (Transferee Company)</u> To plan, promote and organize an integrated and efficient development of power in all its aspects through Conventional and Non-Conventional Sources in India and Abroad, including planning, investigation, research, design and preparation of preliminary, feasibility and definite project reports, construction, generation, operation and maintenance of power stations and projects, transmission, distribution, trading and sale of power generated at Stations in accordance with the national economic policy and objectives laid down by the Central Government from time to time and release of water and other needs to the State Govt. as per the agreed parameters.</p> <p><u>LTHPL:- (Transferor Company)</u> Power Generation</p>		

<p>Rationale for Amalgamation/ Merger</p>	<ol style="list-style-type: none"> i. Merger of LTHPL with NHPC will enable access to debt funding at NHPC's credit rating whereas LTHPL, on its own, will incur debt financing at a higher rate. Higher interest cost, would adversely impact the tariff of the Teesta-VI HE project being developed by LTHPL. ii. LTHPL requires a number of support functions such as Contracts & Procurement, IT&C, Cost Engineering, Design & Engineering, Corporate Finance, Planning, and Commercial and so on for its operations. Presently, LTHPL has only nominal staff strength due to which support functions have been entrusted to NHPC as a consultancy assignment on payment basis. iii. The Transfer Pricing regulations and computation u/s 92C of the Income Tax Act would not apply to the proposed transaction of merger i.e. Merger/Amalgamation between the holding and its wholly owned subsidiary company, as the value of consideration is NIL, therefore, it can be claimed that no stamp duty is payable in States where it is levied with reference to the value of consideration. iv. As per amendment in Finance Act, 2020, NHPC will be liable to pay tax under Normal provision of Income Tax in respect of dividend income received from LTHPL subject to deduction available under Section 57 and Section 80M of the Act. v. Efficient utilization of capital and create a consolidated base for future growth for NHPC. vi. It will help enhance NHPC's standalone financial parameters. vii. To facilitate focused management and efficient utilization of assets and resources. viii. Avoid duplication of administrative functions and eliminate multiple records keeping.
<p>Cash consideration – amount or otherwise share exchange ratio</p>	<p>Since the merger is between Wholly Owned Subsidiary Company and Holding Company, No Cash or issue of New Shares by Transferee Company shall be undertaken.</p>
<p>Brief details of change in shareholding pattern (if any) of listed entity.</p>	<p>No Change in Shareholding Pattern post-merger.</p>