

RattanIndia

February 4, 2019

Scrip Code – 533122
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001

RTNPOWER
National Stock Exchange of India Limited
“Exchange Plaza”, Bandra Kurla Complex
Bandra (East)
Mumbai 400 051

Dear Sir / Madam

Sub: Outcome of the Meeting of the Board of Directors of RattanIndia Power Limited (the “Company”) held on 4 February 2019

We would like to inform you that a meeting of the Board of Directors of the Company (the “**Board**”) was held today i.e. on Monday, 4 February 2019 to consider the letter of intent (the “**LOI**”) received from the fund based lenders of the Company who had funded its 1350 MW thermal power plant project in Amravati, Maharashtra (the “**Lenders**”) with respect to the one time settlement proposal submitted by, inter alia, the Company on December 6, 2018 (“**Binding Settlement Proposal**”). In terms of the Binding Settlement Proposal: (i) a portion of the debt of the Lenders will be converted to redeemable preference shares (RPS); (ii) part of the debt will be repaid based on funds infused by the Promoter Group entities; and (iii) the balance amount of debt will be taken over by a trust set up by Aditya Birla ARC Limited (“**Investor**”).

While deliberating on the LOI, the Board took a holistic view of the same and noted the following:

1. The existing fund based bank debt (including accrued interest) of the Company as on December 31, 2018 is Rs 80,745,445,000 (Rupees Eight thousand seventy four crores fifty four lakhs forty five thousand only) comprising of Rs. 78,743,546,000 (Rupees Seven thousand eight hundred seventy four crores thirty five lakhs forty six thousand only) due to Phase 1 lenders, Rs. 1,797,610,000 (Rupees One hundred seventy nine crores seventy six lakhs ten thousand only) due to IDBI Bank as the Phase 2 lender, and Rs. 204,289,000 (Rupees Twenty Crores forty two lakhs eighty nine thousand only) due to ICICI Bank.
2. In addition to the above, the Promoters and Promoter Group entities have infused Inter Corporate Deposits aggregating to Rs. 667,00,00,000 (Rupees Six Hundred and Sixty Seven Crore) in the Company.
3. In the past, the Company has worked extensively with the Lenders to implement restructuring of its debt under the various schemes and guidelines issued by the Reserve Bank of India (RBI) to address its burgeoning debt and the financial stress faced by the Company, including under RBI’s Scheme for Sustainable Structuring of Stressed Assets (S4A). However, with the issuance of RBI’s circular on “Resolution of Stressed Assets – Revised Framework” dated February 12 2018 (“**February 12 Circular**”), the S4A scheme was withdrawn. Subsequently, the Company engaged with the Lenders to work out a Resolution Plan in line with the February 12 Circular

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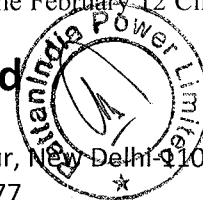
(Formerly Indiabulls Power Limited.)

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which could not be implemented as the Company was not able to get the required RP4 rating. Thereafter, Power Finance Corporation Limited (PFC), as a financial creditor to the Company initiated insolvency proceedings against the Company before [NCLT, Delhi] which is currently pending for admission.

4. In this background and with an aim to resolve the severe financial stress faced by the Company, the Promoters along with the Company offered the Binding Settlement Proposal to the Lenders.
5. As a composite scheme of restructuring, the objectives of the Binding Settlement Proposal includes: (i) restructuring the outstanding debt owed to the Lenders which is being acquired by the Investor into sustainable and unsustainable portion; (ii) convert a portion of the unsustainable debt into nominal coupon bearing long term instrument; (iii) increase the net-worth of the Company; (iv) providing for part of the working capital requirements and settlement of identified liabilities of the Company through funding support from the Promoter Group entities. This would help the Company to keep the debt at sustainable level which can be funded out of its operations and funding support from Promoter Group entities, in order to prevent the Company from going into insolvency under the Insolvency and Bankruptcy Code, 2016, and thereby protect the equity value of the shareholders.
6. The Binding Settlement Proposal contemplates payment of Rs. 4050,00,00,000 (Rupees Four Thousand and Fifty Crore) to the Lenders towards settlement of Phase 1 debt of Rs. 78,743,546,000 (Rupees Seven thousand eight hundred seventy four crores thirty five lakhs forty six thousand only) in the following manner: a) total cash consideration of Rs. 3,800,00,00,000 (Rupees Three Thousand and Eight Hundred Crore) as under: (i) by the Investor (backed by global investors) an amount of Rs. 3600,00,00,000 (Rupees Three Thousand Six Hundred Crores); and (ii) infusion by the Promoters of an amount of Rs. 200,00,00,000 (Rupees Two Hundred Crore); and b) deferred consideration in the form of Redeemable Preference Shares of Rs. 250,00,00,000 (Rupees Two Hundred Fifty Crore).
7. In addition to infusion of Rs. 200,00,00,000 (Rupees Two Hundred Crore) as stated above, the Promoter Group entities will also arrange funds to settle the Phase 2 debt owed by the Company to IDBI Bank and ICICI Bank.
8. As part of the restructuring exercise, the Promoters will be making a fresh infusion of funds aggregating upto Rs. 700,00,00,000 (Rupees Seven Hundred Crores) of which upto Rs. 400,00,00,000 (Rupees Four Hundred Crore) shall be infused immediate for settlement of Phase 1 lenders and other liabilities of the Company.
9. In case the above referred composite scheme is not implemented in its entirety, the Company will continue to face serious threats of initiation of insolvency in the near future. The successful implementation of the Binding Settlement Proposal and the ensuing restructuring is expected to significantly improve the financial position of the Company and create long term viability for the Company.

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In view of the above and in accordance with the terms of the Binding Settlement Proposal, the Board in this meeting approved the following with respect to the composite debt restructuring proposal:

1. Reclassification of the extant authorised share capital structure of the Company of Rs 5,000,00,00,000 (Rupees Five Thousand Crore) divided into 500,00,00,000 (Rupees Five Hundred Crore) Equity Shares having face value of Rs. 10 each to the extent of Rs. 250,00,00,000 (Rupees Two Hundred and Fifty Crore) such that post such reclassification the Authorised Capital of the Company will comprise of Rs. 4,750,00,00,000 (Four Thousand Seven Hundred Fifty Crore) divided into 475,00,00,000 (Four Hundred Seventy Five Crore) Equity Shares of face value Rs. 10 each and Rs. 250,00,00,000 (Rupees Two Hundred and Fifty Crore) divided into 25,00,00,000 (Twenty Five Crore) Preference Shares of face value of Rs.10 each and alteration of the Memorandum of Association of the Company to this extent;
2. Issuance of up to 25,00,00,000 (Twenty Five Crore) Cumulative Redeemable Preference Shares at face value of Rs 10 each fully paid-up aggregating up to Rs 250,00,00,000 (Rupees Two Hundred and Fifty Crore) to the PFC led consortium of lenders in relation to the 1350 MW thermal power project at Amravati, Maharashtra for conversion of a portion of loan facilities availed by the Company from the Lenders;
3. Issuance of such number of non-convertible debentures to the Investor as the Board may think fit in its absolute discretion on private placement basis, during a period of one year from the date of receipt of approval from shareholders, in one or more series / tranches for an aggregate value of up to Rs. 7200,00,00,000 (Seventy Two Hundred crore) comprising of different classes of non-convertible debentures including the nominal coupon bearing long term instrument towards a portion of the unsustainable portion of Phase 1 outstanding debt;
4. Issuance of up to 63,27,71,500 Equity Shares at an issue price of Rs 10 each (which is 2.75 times more than the floor price of Rs. 3.64 per share, for the issuance of the said shares, as worked out on the basis of and in compliance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") on a preferential basis to the trust set up by the Investor, upon conversion of a portion of the unsustainable debt [and interest accrued thereon] in accordance with SEBI ICDR Regulations and the Companies Act, 2013; and
5. Issuance of up to (i) 34,00,00,000 (Thirty Four Crore) Equity Shares at an issue price of Rs. 10 each (which is 2.75 times more than the floor price of Rs. 3.64 per share, for the issuance of the said shares, as worked out on the basis of and in compliance with the SEBI ICDR Regulations) and (ii) 29,27,71,500 Compulsorily Convertible Debentures at face value of Rs [10] each ("CCDs") (which is 2.75 times more than the floor price of 3.64 per CCD, for the issuance of the said CCDs, as worked out on the basis of and in compliance with SEBI ICDR Regulations) for an amount not exceeding Rs 292,77,15,000/- (Rupees Two Hundred Ninety Two Crore Seventy Seven lac Fifteen Thousand) to certain Promoters/ Promoter Group entities, (the

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“Promoters”) upon conversion of certain existing inter-corporate deposits including interest accrued up to the date of allotment of the Equity Shares and CCDs.

The aforesaid issue of securities shall be subject to the receipt of approval of the shareholders in terms of the relevant provisions of the Companies Act, 2013 read with the rules framed thereunder.

For the above purpose, the Board also decided to convene an extraordinary general meeting of the shareholders of the Company on Friday, the 1st day of March, 2019 at New Delhi and approved the draft notice setting forth the terms and conditions of the composite debt restructuring proposal packages mentioned above as placed before the Board.

The notice of the meeting shall be dispatched to the shareholders of the Company in electronic and permissible physical modes. A copy of the notice shall also be sent to the Exchanges within the time stipulated under the SEBI LODR Regulations.

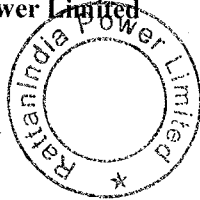
The board meeting started at 06:30 P.M. and concluded at 11:55 P.M.

We would request you to take this intimation on record.

Thanking You,

Yours Faithfully
For **RattanIndia Power Limited**

Gaurav Toshkhani
Company Secretary



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