



JSW Energy Limited

Regd. Office: JSW Centre,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051,
CIN: L74999MH1994PLC077041
Phone: 022-4286 1000
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SEC/ JSWEL
3rd May 2016

The Secretary, Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	The Secretary, National Stock Exchange of India Limited “Exchange Plaza”, Bandra – Kurla Complex, Bandra (East), Mumbai – 400 051
Scrip Code: 533148	Scrip Code: JSWENERGY- EQ
Fax No.: 022 - 2272 2037 / 39	Fax No.: 022 - 2659 8237 / 38

Sub: JSW Energy Limited agrees to acquire the 1,000 MW (4X250 MW) thermal power plant located at Village Tamnar, District Raigarh in the State of Chhattisgarh from Jindal Steel & Power Limited

Re: Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’)

We wish to inform you that the Company has agreed to acquire the 1,000 MW (4X250 MW) thermal power plant located at Village Tamnar, District Raigarh in the State of Chhattisgarh from Jindal Steel & Power Limited, subject to receipt of necessary statutory and shareholder consents.

The Annexure containing the additional information required in terms of the Listing Regulations is attached herewith.

The press release issued on the aforesaid transaction is also attached for information.

We request you to kindly take note of the aforesaid and acknowledge receipt.

Thanking you,

Yours faithfully,
For **JSW Energy Limited**

S. Madhavan
Company Secretary & Compliance Officer



Enclosures: as above

Annexure

Details which a listed entity needs to disclose for the events that are deemed to be material as specified in Para A of Part A of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The additional information submitted pursuant to circular dated September 09, 2015 issued by the Securities and Exchange Board of India, in relation to regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been provided under the Annexure below.

a) Name of the target entity, details in brief such as size, turnover etc.;

Everbest Steel and Mining Holdings Limited (the Target SPV) is a special purpose acquisition entity. Total income for FY2014-15 was Rs NIL. Pursuant to a proposed Scheme of Arrangement, business undertaking of 1,000 MW power plant (presently forming part of Jindal Power Ltd. (JPL)) will be transferred to the Target SPV.

b) Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arms length”;

The acquisition would fall within the provisions of related party transaction. JSW Energy Ltd. (JSW Energy), JPL and Jindal Steel & Power Ltd. (JSPL) are related parties, under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Sajjan Jindal, Promoter & Chairman and Managing Director of JSW Energy and Mr. Naveen Jindal, Promoter & Chairman of JSPL being relatives, the respective promoters of JSW Energy and JSPL have an interest in the entity being acquired. The acquisition price is supported by an Independent Valuation and hence, is at arms-length.

c) Industry to which the entity being acquired belongs;

Coal based thermal power generation.



d) Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);

By agreeing to acquire 100% of the securities of the Target SPV, JSW Energy is moving a step forward towards its strategic vision of becoming a leading private sector power company in India. Post acquisition, the aggregate installed and operational power generation capacity of JSW Energy will enhance to 5,531 MW. This will diversify JSW Energy's presence towards the Eastern Region of the country and in the State of Chhattisgarh which is rich in coal reserves. The transaction is structured to be value accretive to the shareholders of the company immediately upon consummation.

e) Brief details of any governmental or regulatory approvals required for the acquisition;

The material governmental and regulatory approvals required for the proposed transaction include approval of the Competition Commission of India.

f) Indicative time period for completion of the acquisition;

The transaction is to be completed on or before June 30, 2018.

g) Nature of consideration - whether cash consideration or share swap and details of the same;

The consideration is in the form of Cash. An interest bearing advance of Rs. 500 crore is to be paid pursuant to approval of shareholders of JSW Energy & JSPL and Competition Commission of India.

h) Cost of acquisition or the price at which the shares are acquired;

Subject to compliance with the terms and conditions and adjustment provisions contained in the definitive documents, cost of acquisition is linked to an enterprise value of Rs. 4,000 crore plus net current assets and which will be increased to Rs. 6,500 crore plus net current assets, if certain pre-agreed conditions regarding fuel security and power offtake are satisfied.

i) Percentage of shareholding / control acquired and / or number of shares acquired;

100% of the securities of the Target SPV is proposed to be acquired.



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j) Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);

Currently, the Target SPV is a special purpose acquisition entity (incorporated on January 04, 2013). Details of the 1000 MW plant, which is proposed to be transferred to the Target SPV, are as follows:

Item	Details
Line of business	Coal based thermal power generation
Date of commencement of the project	The 4 units were commissioned between Dec 2007 & September 2008
Revenue for the last three years	FY2012-13 : Rs 2,422.9 crore FY2013-14 : Rs 2,444.7 crore FY2014-15 : Rs. 2,467.4 crore
Country of presence	India

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Media Release – May 3, 2016

JSW Energy agrees to acquire the 1,000 MW (4X250 MW) thermal power project located at Village Tamnar, District Raigarh in the State of Chhattisgarh from Jindal Steel & Power Limited

JSW Energy Limited (JSW Energy) (BSE Scrip Code: 533148, NSE Scrip Code: JSWENERGY), has executed documents to acquire from Jindal Steel & Power Limited (JSPL) and other shareholders, 100% stake in Everbest Steel and Mining Holdings Limited (“Target SPV”).

The board of directors of Jindal Steel & Power Limited and Jindal Power Limited have approved the transfer of the 1000 MW (4x250 MW) thermal power project located at Village Tamnar, District Raigarh in the State of Chhattisgarh into the Target SPV as a going concern through a scheme of arrangement under Sections 391 - 394 of the Companies Act, 1956. Target SPV is currently 99% owned by JSPL.

Subsequent to the receipt of shareholders and other statutory approvals (including approval from the Competition Commission of India (CCI)), the scheme of arrangement being made effective and subject to other terms and conditions agreed between JSW Energy and JSPL, JSW Energy proposes to acquire 100% (one hundred percent) of the securities of the Target SPV held by JSPL and other shareholders. The closing is subject to fulfillment of conditions precedent by the parties within the long stop date of June 30, 2018.

Subject to compliance with the terms and conditions and adjustment provisions contained in the definitive documents, the consideration payable by JSW Energy is linked to an enterprise value of Rs. 4,000 crore plus net current assets, which would be increased to Rs. 6,500 crore if the 1,000 MW power plant is completely secured for fuel and enters into a long term PPA providing certain minimum return threshold.

The transaction also contemplates payment of an interest bearing advance of Rs. 500 crore pursuant to the receipt of approvals from the shareholders of the JSW Energy & JSPL and the CCI.



Part of O.P. Jindal Group



By agreeing to acquire 100% of the securities of the Target SPV, JSW Energy is moving a step forward towards its strategic vision of becoming a leading private sector power company in India. Post acquisition, the aggregate installed and operational power generation capacity of JSW Energy will enhance to 5,531 MW. This will diversify JSW Energy's presence towards the Eastern Region of the country and in the State of Chhattisgarh which is rich in coal reserves. The transaction is structured to be value accretive to the shareholders of the company immediately upon consummation.

The adverse operating environment within the power sector in the country is driving distress sales in the sector, and JSW Energy's robust financial health coupled with a strong balance sheet is providing the Company an opportunity to acquire quality power assets at a reasonable valuation and realise its growth ambitions.

With the government's efforts to revive the investment cycle, faster implementation of reforms, and an easy monetary policy environment, the outlook for Indian economic growth is looking up and power demand is already showing signs of recovery. This acquisition, therefore, fits in very well with JSW Energy's bullish outlook on the Energy Business in India.

Rationale for the acquisition:

- **Operational Capacity of 5,531 MW (no project execution risk)**
 - Enhancement by 1,000MW quality operational asset
- **Diversified Geographical Footprint**
 - Avoids concentration of generating assets in a particular region
- **Diversified Fuel Source**
 - Marks entry into domestic coal based generation
- **Attractive Valuation**
 - Good asset with proven track record at fair valuation
- **No significant liquidity or gearing impact**
 - Long lead time for transaction closure

Commenting on the acquisition, Mr. Sanjay Sagar, Joint Managing Director & CEO of JSW Energy, said: "This acquisition demonstrates JSW Energy's strategy to augment its existing portfolio with superior assets having potential for long term value creation for its stakeholders."



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Cyril Amarchand Mangaldas were the legal advisors to the Company, and Pricewaterhouse Coopers carried out financial, accounting & tax due diligence.

About JSW Energy Limited

JSW Energy Limited, part of the JSW Group, is a growing energy company. The Group has diversified interests in carbon steel, power, mining, industrial gases, port facilities, cement and information technology. JSW Energy is working on power solutions in the states of Karnataka, Maharashtra, Rajasthan, Himachal Pradesh and Chhattisgarh. The Company has an operational capacity of 4,531 MW. The Company is an early entrant in the Power Trading and Power Transmission business and plans to enter into power distribution business generation through non-conventional energy sources and tie-ups with well-known equipment manufacturers and suppliers. It is working towards building a full service integrated energy business.

About JSW Group

A US \$11 billion conglomerate, the JSW Group is a part of the O.P. Jindal Group. JSW has set up business facilities in various core sectors of India. With verticals that are exploring innovative and sustainable avenues in steel, energy, infrastructure and cement, the Group is paving the way for India's development as a global superpower.



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