



12th August 2020
BJ/SH-L2/

BSE Limited
Corporate Relationship Department
1st Floor, New Trading Ring,
Rotunda Bldg., P. J. Towers,
Dalal Street, Fort,
Mumbai 400 001.
Scrip Code: 500400

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra-Kurla Complex,
Bandra (East),
Mumbai 400 051.
Symbol: TATAPOWER EQ

Dear Sirs,

SUB: Intimation of the outcome of the meeting of the Board of Directors of The Tata Power Company Limited (“Company”) held on 12th August 2020 and disclosures under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended (“Listing Regulations”)

REF: Draft Composite Scheme of Arrangement amongst Coastal Gujarat Power Limited (“CGPL”) and Tata Power Solar Systems Limited (“TPSSL”) and the Company and their respective shareholders under Sections 230 to 232 read with Section 52 and other applicable provisions of the Companies Act, 2013 (“Scheme 1”)

And

Draft Scheme of Amalgamation of Af-Taab Investment Company Limited (“Af-Taab”) with the Company and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“Scheme 2”)

In compliance with Regulation 30 read with Schedule III of the Listing Regulations, we wish to inform the stock exchanges that the Board of Directors of the Company (“**Board**”) at its meeting held today have, *inter alia*, approved the Scheme 1 and the Scheme 2. Both, Scheme 1 and Scheme 2 are subject to requisite statutory/ regulatory approvals including the approval of the jurisdictional National Company Law Tribunal (“**Tribunal**”).

The Scheme 1 provides for:

- amalgamation of CGPL and TPSSL, wholly owned subsidiaries of the Company, with the Company; and
- capital reorganization of the Company.

CGPL and TPSSL shall hereinafter be referred to as the “**Transferor Companies**”.

The Scheme 2 provides for amalgamation of Af-Taab, a wholly owned subsidiary of the Company, with the Company.

In terms of the Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9 September 2015, we are furnishing herewith the details for (a) Scheme 1 in **Annexures I and II**; and (b) Scheme 2 in **Annexure III**.

Yours faithfully,
For The Tata Power Company Limited

Company Secretary

Enclosure as above.

TATA POWER

The Tata Power Company Limited

Registered Office Bombay House 24 Homi Mody Street Mumbai 400 001

Tel 91 22 6665 8282 Fax 91 22 6665 8801

Website : www.tatapower.com Email : tatapower@tatapower.com CIN : L28920MH1919PLC000567



Annexure I – Amalgamation of the Transferor Companies with the Company

a)	Name of the entity(ies) forming part of the amalgamation/merger, details in brief such as size, turnover etc.	<p>1. The Company Total assets – INR 40,309.59 crore as on 30th June 2020 Net worth – INR 13,531.94 crore as on 30th June 2020 Turnover – INR 1,468.57 crore during the quarter ended 30th June 2020</p> <p>2. CGPL Total assets – INR 18,403.21 crore as on 30th June 2020 Net worth – INR (3,158.79) crore as on 30th June 2020 Turnover – INR 1,742.28 crore during the quarter ended 30th June 2020</p> <p>3. TPSSL Total assets – INR 2,933.56 crore as on 30th June 2020 Net worth – INR 624.77crore as on 30th June 2020 Turnover – INR 406.78 crore during the quarter ended 30th June 2020</p>
b)	Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arms’ length”	<p>In terms of General Circular No 30/2014 dated 17th July 2014 issued by Ministry of Corporate Affairs (“MCA Circular”), the transactions arising out of compromises, arrangements and amalgamations under the Companies Act, 2013 (“Act”), are exempted from the requirements of Section 188 of the Act. Further, in terms of Regulation 23(5)(b) of the Listing Regulations, any transaction entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval, is exempted from the provisions of Regulation 23(2),(3) & (4) of Listing Regulations.</p> <p>As the Transferor Companies, being wholly owned subsidiaries of the Company, are proposed to be amalgamated with the Company through Scheme of Arrangement, requirement of arm’s length criteria is not applicable.</p>
c)	Area of business of the entity(ies)	<p>a. The Company <i>inter alia</i> is engaged in the business of generation, transmission and distribution of electricity.</p> <p>b. CGPL <i>inter alia</i> is engaged in the business of generating electricity at its UMPP (4150 MW installed capacity).</p> <p>c. TPSSL <i>inter alia</i> is engaged in the business of a manufacturer of solar photo-voltaic cells and modules as well as in the Engineering, Procurement and Construction (EPC) in the solar energy market, wherein the manufactured cells/modules are utilized.</p>
d)	Rationale for amalgamation/merger	<p>The Scheme will result in the following benefits:</p> <p>a. Streamlining of the corporate structure and consolidation of assets and liabilities of the Transferor Companies within the Company;</p>

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		<p>b. Availing easier financial support for the businesses of the Transferor Companies;</p> <p>c. More efficient utilization of capital for enhanced development and growth of the consolidated business in one entity;</p> <p>d. Enabling opportunities for employees of the Transferor companies and the Company to grow by bringing them in a common pool;</p> <p>e. Easier implementation of corporate actions through simplified compliance structure;</p> <p>f. Improve management oversight and bring in operational efficiencies;</p> <p>g. Cost savings through legal entity rationalisation and consolidation of support functions, business processes, elimination of duplicate expenses, etc.; and</p> <p>h. Reduction of administrative responsibilities, multiplicity of records and legal & regulatory compliances.</p> <p>The Scheme is in the interest of the shareholders, creditors and all other stakeholders of the parties and is not prejudicial to the interests of the concerned shareholders, creditors of the parties or the public at large.</p>
e)	In case of cash consideration – amount or otherwise share exchange ratio	No consideration in form of cash or shares to be issued as consideration for the amalgamation of the Transferor Companies with the Company.
f)	Brief details of change in shareholding pattern (if any) of listed entity	Not applicable as there will be no change in the shareholding pattern of the Company due to Scheme 1.

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Annexure II – Capital reorganization of the Company

<p>a) Details and reasons for restructuring, including quantitative and/ or qualitative effect of restructuring and details of benefit, if any, to the promoter/promoter group/group companies from such proposed restructuring</p>	<p><u>Details of Capital reorganization of the Company:</u></p> <p>a. The debit balance in the retained earnings of the Company (after giving the effect of amalgamation as set out in Scheme 1 in the books of account of the Company of this Scheme), would be offset against securities premium (to the extent available) and then against general reserves of the Company.</p> <p>b. The entire balance amount standing to the credit of general reserve (post adjustments as stated in above) shall be reclassified and credited to retained earnings of the Company.</p> <p><u>Rationale for Capital reorganization of the Company:</u></p> <p>The Scheme will result in the following benefits:</p> <p>a. The Company is one of the largest power generation, distribution and transmission companies in India, having a legacy spanning over 100 (hundred) years. The Company has been quite instrumental in serving the power consumption needs of the Indian population;</p> <p>b. The Company has built up significant reserves from its retained profits over the years by transferring the same to its general reserves. With robust business practices in place, the Company expects that it will continue its growth trajectory and its business operations will keep generating incremental cash flow over the coming years; and</p> <p>c. The Company is of the view that the funds represented by the general reserves are in excess of the Company's current anticipated operational and business needs for a foreseeable future, thus, these excess funds can be used as an opportunity instead to reward its shareholders on the occasion of completing more than 100 (One hundred) years in the business, to enable, inter alia, distribution of such funds to its shareholders in such manner and to such extent, as the Board in its sole discretion, may decide, from time to time and in accordance with the provisions of the Companies Act, 2013 and other applicable laws.</p> <p>The Scheme is in the interest of the shareholders, creditors and all other stakeholders of the parties and is not prejudicial to the interests of the concerned shareholders, creditors of the parties or the public at large.</p>
<p>b) Brief details of change in shareholding pattern (if any) of the Company</p>	<p>Not applicable as there will be no change in the shareholding pattern of the Company due to Scheme 1.</p>

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Annexure III – Amalgamation of Af-Taab with the Company

<p>a) Name of the entity(ies) forming part of the amalgamation/merger, details in brief such as size, turnover etc.</p>	<p>1. The Company Total assets – INR 40,309.59 crore as on 30th June 2020 Net worth – INR 13,531.94 crore as on 30th June 2020 Turnover – INR 1,468.57 crore during the quarter ended 30th June 2020</p> <p>2. Af-Taab Total assets – INR 280.19 crore as on 30th June 2020 Net worth – INR 277.16 crore as on 30th June 2020 Turnover – INR 2.00 crore during the quarter ended 30th June 2020</p>
<p>b) Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arms’ length”</p>	<p>In terms of MCA Circular, the transactions arising out of compromises, arrangements and amalgamations under the, are exempted from the requirements of Section 188 of the Act. Further, in terms of Regulation 23(5)(b) of the Listing Regulations, any transaction entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval, is exempted from the provisions of Regulation 23(2),(3) & (4) of Listing Regulations.</p> <p>As Af-Taab, a wholly owned subsidiary of the Company, is proposed to be amalgamated with the Company through Scheme of Amalgamation, requirement of arm’s length criteria is not applicable.</p>
<p>c) Area of business of the entity(ies)</p>	<p>a. The Company <i>inter alia</i> is engaged in the business of generation, transmission and distribution of electricity.</p> <p>b. Af-Taab is registered with the Reserve Bank of India under Section 45-IA of the Reserve Bank of India Act, 1934, as a non-banking financial company, not accepting public deposits. Af-Taab <i>inter alia</i> is engaged in the business of issue houses, underwriters and dealers and traders in shares, securities, bonds, debentures and other investments.</p>
<p>d) Rationale for amalgamation/merger</p>	<p>The Scheme will result in the following benefits:</p> <ul style="list-style-type: none"> a. Streamlining of the corporate structure and consolidation of assets and liabilities of Af-Taab within the Transferee Company; b. Availing easier financial support for the business of Af-Taab; c. More efficient utilization of capital for enhanced development and growth of the consolidated business in one entity; d. Enabling opportunities for employees of the Company and Af-Taab to grow by bringing them in a common pool; e. Easier implementation of corporate actions through simplified compliance structure;

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		<p>f. Improve management oversight and bring in operational efficiencies;</p> <p>g. Cost savings through legal entity rationalisation and consolidation of support functions, business processes, elimination of duplicate expenses, etc.; and</p> <p>h. Reduction of administrative responsibilities, multiplicity of records and legal & regulatory compliances.</p> <p>The aforesaid amalgamation is in the interest of the shareholders, creditors and all other stakeholders of the parties and is not prejudicial to the interests of the concerned shareholders, creditors of the parties or the public at large.</p>
e)	In case of cash consideration – amount or otherwise share exchange ratio	No consideration in form of cash or shares to be issued as consideration for the amalgamation of Af-Taab with the Company.
f)	Brief details of change in shareholding pattern (if any) of listed entity	Not applicable as there will be no change in the shareholding pattern of the Company due to Scheme 2.

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