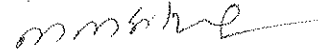


June 17, 2016

**Board of Directors**  
**Jaiprakash Power Ventures Limited**  
Juit Complex, Wagnaghat  
P.O. Dumehar Bani, Kandaghat  
Solan-173215  
Himachal Pradesh

CERTIFIED TRUE COPY  
FOR JAIPRAKASH POWER, VENTURES LTD.



(M. M. SIBAL)  
Vice President & Company Secretary

Dear Sirs,

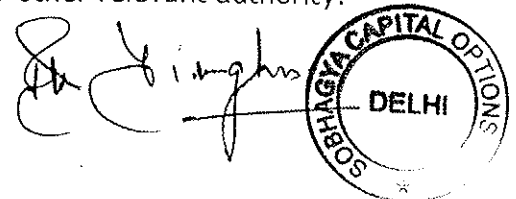
**Subject: Fairness Opinion on Valuation Report for the purpose of proposed Slump transfer of the Bina Thermal Power Project ('Bina Project') of Jaiprakash Power Ventures Limited to its wholly owned subsidiary Bina Power Supply Limited ('WOS/ BPSL').**

We, M/s Sobhagya Capital Options Limited, a SEBI registered Merchant Banker, having registration no. INM000008571 have been appointed by Jaiprakash Power Ventures Limited having its registered office at Juit Complex, Wagnaghat, P.O. Dumehar Bani, Kandaghat, Solan-173215, Himachal Pradesh (**hereinafter referred to as the "Transferor Company" or "JPVL"**) to provide a fairness opinion on the valuation done by M/s Bansi S. Mehta & Co., Chartered Accountants, having their office at Merchant Chamber, 3<sup>rd</sup> Floor, 41 New Marine Lines, Mumbai- 400 020 (**hereinafter referred to as the "Valuer"**), who were the appointed Valuer for the carrying out a fair valuation of the Bina Thermal Power Project for the purpose of proposed slump transfer of the Bina Thermal Power Project ("Bina Project") referred to as the Undertaking, as a going concern, to Bina Supply Power Limited ("Transferee Company") under a scheme of arrangement under section 391 to 394 of the Companies Act, 1956 (**hereinafter referred to as the "the Scheme"**).

**Scope and Purpose of the Opinion**

Pursuant to SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015, a fairness opinion has to be obtained from an independent merchant banker on the valuation of assets/shares done by the Valuer for the listed as well as unlisted companies.

The purpose of the opinion is to safeguard the interest of the shareholders of JPVL and this opinion shall be made available to the Board of Directors/Shareholders/Stakeholders of JPVL to facilitate their approval to the proposed slump sale and to any other relevant authority.



**THIS OPINION IS RESTRICTED TO MEET THE REQUIREMENT OF SEBI CIRCULAR NO. CIR/CFD/CMD/16/2015 DATED NOVEMBER 30, 2015 AND MAY NOT BE USED FOR ANY OTHER PURPOSE WHATSOEVER OR TO MEET THE REQUIREMENT OF ANY OTHER LAWS, RULES, REGULATIONS AND STATUTES.**

**Sources of the Information**

We have received the following information from the management of JPVL for the purpose of our opinion:

1. There is a proposal before the Boards of Directors of Jaiprakash Power Ventures Limited ("JPVL") to consider the slump transfer of JPVL's Bina Thermal Power Project ("Bina Project") referred to as the Undertaking, as a going concern, to Bina Power Supply Limited ("Transferee Company") under a scheme of arrangement under section 391 to 394 of the Companies Act, 1956 ("the Scheme")
2. Final Valuation Report (along with supporting working papers) issued by M/s. Bansi S. Mehta & Co., Chartered Accountants.
3. Final Valuation Report dated June 16, 2016, issued by M/s. Bansi S. Mehta & Co., Chartered Accountants.

**Approach followed by the Valuer for valuation**

The business valuation of the Bina Thermal Power Project has been done by the Valuer M/s. Bansi S. Mehta & Co., Chartered Accountants by using the Discounted Cash Flow (DCF) Method of valuation.

**Fairness Opinion**

We, in the capacity of SEBI registered Merchant Bankers do hereby certify that the computation of the Business Value of the Bina Thermal Power Project for its transfer and consequent vesting into the WOS, based on the DCF Method, aggregating to Rs. 2,669.00 Crores (Rupees Two Thousand Six Hundred and Sixty Nine Crores Only), as done by the Valuer, is fair and reasonable.

**Disclaimer:**

Our scope of work did not include the following:-

- An audit of the financial statements of JPVL.
- Carrying out a market survey / financial feasibility for the Business of JPVL.
- Financial and Legal due diligence of JPVL.



It may be noted that in carrying out our work we have relied on the integrity of the information provided to us for the purpose, and other than reviewing the consistency of such information, we have not sought to carry out an independent verification, thereof.

We assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by the management of JPVL.

We have not carried out any independent verification of the accuracy and completeness of all information as stated above. We have not reviewed any other documents other than those stated above.

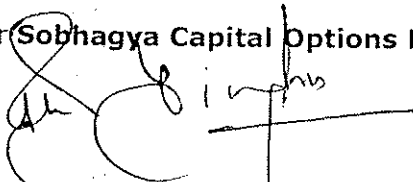
We understand that the management of JPVL during our discussions with them would have drawn our attention to all such information and matters, which may have impact on our opinion. In this opinion we have included all such information and matters as was received by us from management of JPVL.

This opinion is not meant for meeting any other regulatory or disclosure requirements, save and except as specified as above, under any Indian or Foreign Law, Statute, Act, Guidelines or similar instructions. We would not be responsible for any litigation or other actual or threatened claims.

Notwithstanding anything contained in this report, SCOL, its Directors and employees will not be liable to any party for any direct, indirect, incidental, consequential, special or exemplary damages (even if such party has been advised of the possibility of such damages) arising from any provision of this engagement.

Thanking You

For **Sobhagya Capital Options Limited**



**(RAVINDRA KUMAR SINGHVI)**

**Director**

Place: New Delhi



