



# KSK ENERGY VENTURES LIMITED

Regd. Office: # 8-2-293/82/A/431/A, Road No.22, Jubilee Hills, Hyderabad - 500 033, India.

Tel: +91-40-23559922-25; Fax: +91-40-23559930; Website : www.ksk.co.in

CIN: L45204AP2001PLC057199

## NOTICE

Notice is hereby given that the extra-ordinary general meeting of the members of KSK Energy Ventures Limited (the “**Company**”) will be held on Saturday the 24<sup>th</sup> day of May, 2014 at 1100 hours at Plot No.694, Road No.33, Jubilee Hills, Hyderabad - 500 033, India, to transact the following special business :

### **Special Business :**

#### **1. To consider and if thought fit to pass, with or without modification(s), the following resolution for further issue of share capital to investors as a Special Resolution**

“**RESOLVED** that pursuant to Section 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and the applicable rules thereunder (the “Act”) and any applicable subsisting sections of the Companies Act, 1956, as amended, and the enabling provisions of the Memorandum of Association and Articles of Association of the Company, and subject to and in accordance with any other applicable law or regulation, in India or outside India, including without limitation, the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the “SEBI ICDR Regulations”) (including any statutory modification or re-enactment thereof, for the time being in force) the Listing Agreements entered into with the respective stock exchanges where the shares of the Company are listed, the provisions of the Foreign Exchange Management Act, 1999, as amended, including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended, and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by the Government of India (“GOI”), the Reserve Bank of India (“RBI”), the Securities and Exchange Board of India (“SEBI”), the Registrar of Companies (the “RoC”), the stock exchanges where the shares of the Company are listed (the “Stock Exchanges”), and/ or any other competent authorities, and subject to any required approvals, consents, permissions and / or sanctions of the Ministry of Finance (Department of Economic Affairs), the Ministry of Commerce & Industry (Foreign Investment Promotion Board / Secretariat for Industrial Assistance), the SEBI, the RoC, the RBI and any other appropriate statutory, regulatory or other authority and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions and / or sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter called the “Board” which term shall be deemed to include any committee which the Board has constituted or may hereinafter constitute to exercise its powers including the power conferred by this Resolution), the consent, authority and approval of the Company be and is hereby accorded to the Board to, create, issue, offer and allot (including with provisions for reservation on firm and / or competitive basis, of such part of issue and for such categories of persons including employees of the Company, as may be permitted), either in India or in the course of inter-national offering(s) in one or more foreign markets, equity shares of the Company with a face value of ₹10/- (Rupees Ten Only) each (the “Equity Shares”), global depository receipts, foreign currency convertible bonds and/ or other financial instruments convertible into or exercisable for Equity Shares (including warrants, or otherwise, in registered or bearer form), fully convertible debentures, partly convertible debentures, non-convertible debentures with warrants and / or any security convertible into Equity Shares with or without voting / special rights and/ or securities linked to Equity Shares and / or securities with or without detachable warrants with right exercisable by the warrant holder to convert or subscribe to Equity Shares pursuant to a green shoe option, if any (all of which are hereinafter collectively referred to as the “Securities”) or any combination of Securities, in one or more tranches, whether rupee denominated or denominated in foreign currency, through public and / or private offerings and / or on preferential allotment basis or any combination thereof or by issue of prospectus and / or placement document and/ or other permissible / requisite offer document to any eligible person(s), including but not limited to qualified institutional buyers in accordance with Chapter VIII of the SEBI ICDR Regulations, or otherwise, foreign / resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternative investment funds, foreign institutional investors, foreign portfolio investors, Indian and / or bilateral and / or multilateral financial institutions, non-resident Indians, stabilizing agents, state industrial development corporations, insurance companies, provident funds, pension funds, and / or any other categories of investors whether or not such Investors are members of the Company (collectively called the “Investors”), as may be decided by the Board at its discretion and permitted under applicable laws and regulations for an aggregate amount not exceeding ₹ 10,00,00,00,000 (Rupees One Thousand Crores Only) or equivalent thereof inclusive of such premium as may be fixed on such Securities at such a time or times, in such a manner and on such terms and conditions including security, rate of interest, discount (as permitted under applicable law) etc., as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and / or underwriter(s) and / or other advisor(s) for such issue.

**RESOLVED FURTHER** that if any issue of Securities is made by way of a Qualified Institutions Placement in terms of Chapter VIII of the SEBI ICDR Regulations (hereinafter referred to as “Eligible Securities” within the meaning of the SEBI ICDR Regulations), the allotment of the Eligible Securities, or any combination of Eligible Securities as may be decided by the Board shall be completed within twelve months from the date of this Resolution or such other time as may be allowed under the SEBI ICDR Regulations from time to time at such a price being not less than the price determined in accordance with the pricing formula provided under Chapter VIII of the SEBI ICDR Regulations. The Company may, in accordance with applicable law, also offer a discount of not more than 5% or such percentage as permitted under applicable law on the price calculated in accordance with the pricing formula provided under the SEBI ICDR Regulations.

**RESOLVED FURTHER** that in the event that Equity Shares are issued to qualified institutional buyers under Chapter VIII of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decides to open the proposed issue of Equity Shares and in the event that convertible securities (as defined under the SEBI ICDR Regulations) are issued to qualified institutional buyers under Chapter VIII of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of such securities, shall be the date of the meeting in which the Board decides to open the issue of such convertible securities.

**RESOLVED FURTHER** that the relevant date for the determination of applicable price for the issue of any other Securities shall be as per the regulations / guidelines prescribed by the SEBI, the Ministry of Finance, the RBI, the GOI through their various departments, or any other regulator and the pricing of any Equity Shares issued upon the conversion of the Securities shall be made subject to and in compliance with the applicable rules and regulations.

**RESOLVED FURTHER** that in pursuance of the aforesaid Resolutions :

- a) the Securities to be so offered, issued and allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company; and
- b) the Equity Shares that may be issued by the Company shall rank *pari passu* with the existing Equity Shares of the Company in all respects.

**RESOLVED FURTHER** that without prejudice to the generality of the above, subject to applicable laws, regulations and guidelines and subject to approvals, consents and permissions, if any, of any governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approvals or permissions by such governmental authority or regulatory institution, the aforesaid Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transfer-ability thereof in accordance with the prevailing practices in the capital markets including but not limited to the terms and conditions for issue of additional Securities and the Board be and is hereby authorized in its absolute discretion in such manner as it may deem fit, to dispose of such Securities that are not subscribed.

**RESOLVED FURTHER** that the Board be and is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of any Securities or as may be necessary in accordance with the terms of the offering, all such Equity Shares ranking *pari passu* with the existing Equity Shares in all respects.

**RESOLVED FURTHER** that for the purpose of giving effect to the Resolutions described above, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things including but not limited to finalization and approval of the preliminary as well as final offer document(s), determining the form and manner of the issue, including the class of investors to whom the Securities are to be issued and allotted, number of Securities to be allotted, issue price, face value, discounts permitted under applicable law (now or hereafter), premium amount on issue / conversion of the Securities, if any, rate of interest, execution of various agreements, deeds, instruments and other documents, including the private placement offer letter, creation of mortgage/ charge in accordance with the provisions of the Act in respect of any Securities as may be required either on *pari passu* basis or otherwise, as it may in its absolute discretion deem fit, necessary, proper or desirable, and to give instructions or directions and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and utilization of the issue proceeds and to accept and to give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions as may be required by the SEBI, the RoC, the lead managers, or other authorities or agencies involved in or concerned with the issue of Securities and as the Board may in its absolute discretion deem fit and proper in the best interest of the Company without being required to seek any further consent or approval of the members or otherwise, and that all or any of the powers conferred on the Company and the Board vide this Resolution may be exercised by the Board or such committee thereof as the Board has constituted or may constitute in this behalf, to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this Resolution, and all actions taken by the Board or any committee constituted by the Board to exercise its powers, in connection with any matter(s) referred to or contemplated in any of the foregoing Resolutions be and are hereby approved, ratified and confirmed in all respects.

**RESOLVED FURTHER** that the Board be and is hereby authorized to engage / appoint the lead managers, underwriters, guarantors, depositories, custodians, registrars, stabilizing agent, trustees, bankers, advisors and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memoranda, documents etc. with such agencies and to seek the listing of such Securities on one or more national and/ or international stock exchange(s).

**RESOLVED FURTHER** that the Board be and is hereby authorized to delegate (to the extent permitted by law) all or any of the powers herein conferred to any committee of directors, or any whole-time director or directors or any other officer or officers of the Company to give effect to the aforesaid Resolutions.”

**2. To consider and if thought fit to pass, with or without modification(s), the following resolution for the preferential allotment of warrants as a Special Resolution**

“**RESOLVED** that pursuant to the provisions of Section 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and the applicable rules thereunder (the “**Act**”) and any applicable subsisting sections of the Companies Act, 1956, as amended, and the enabling provisions of the Memorandum of Association and Articles of Association of the Company and subject to and in accordance with any other applicable law or regulation in India or outside India including without limitation, the provisions of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “**SEBI ICDR Regulations**”), the Listing Agreements entered into with the respective stock exchanges where the shares of the Company are listed, the provisions of the Foreign Exchange Management Act, 1999, as amended, and rules and regulations framed there under as in force and in accordance with other applicable rules, regulations, circulars, notifications, clarifications and guidelines thereon issued from time to time by the Government of India, the Securities and Exchange Board of India (“**SEBI**”), the Reserve Bank of India (“**RBI**”), the Registrar of Companies (the “**RoC**”) and the stock exchanges where the shares of the Company are listed (“**Stock Exchanges**”) and subject to requisite approvals, consents, permissions and/or sanctions if any, of the GoI, the SEBI, the RoC, the Stock Exchanges and other appropriate statutory, regulatory or other authority (including RBI) and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting any such approvals, consents, permissions, and/ or sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “**Board**” which term shall be deemed to include any committee which the Board may have constituted or may hereinafter constitute to exercise one or more of its powers including the powers conferred hereunder), the Board be and is hereby authorized to, on behalf of the Company, create, offer, issue and allot up to 15,00,00,000 Warrants (“**Warrants**”) on a preferential allotment basis, to KSK Energy Limited, a promoter company incorporated in Mauritius either directly or through any of its affiliates or subsidiaries in India or outside India, which shall be exercisable into equity shares of the Company at the option of the Warrant holder at an issue/exercise price of ₹. 70 per Equity Share no later than 18 months from the date of their allotment in accordance with the SEBI ICDR Regulations or other provisions of the law as may be prevailing at the time of allotment of equity shares/ exercise of warrants.

**RESOLVED FURTHER** that the relevant date, as per the SEBI ICDR Regulations for the determination of issue price of the Warrants to be allotted pursuant to the preferential allotment is fixed as 24<sup>th</sup> April, 2014 i.e. 30 days prior to the date of shareholders meeting to approve the proposed preferential issue in terms of Section 62(1)(c) of the Act.

**RESOLVED FURTHER** that the Board be and is hereby authorised to issue and allot such number of equity shares of the Company as may be required to be issued and allotted upon exercise of the Warrants by the Warrant holder(s).

**RESOLVED FURTHER** that the equity shares to be allotted upon exercise of Warrants shall rank *pari passu* in all respects including as to dividend, with the existing fully paid up equity shares of face value of ₹ 10/- each of the Company, subject to the relevant provisions contained in the Memorandum of Association and Articles of Association of the Company.

**RESOLVED FURTHER** that for the purpose of giving effect to the Resolutions described above, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things and execute such agreements, deeds and other documents including without limitation the private placement offer letter, with regard to the issue or allotment of aforesaid Warrants and issue or allotment of equity shares pursuant to exercise of the Warrants and listing of the equity shares to be allotted pursuant to exercise of Warrants with the Stock Exchange(s) as it may, in its absolute discretion, deem fit and to give instructions or directions and to settle all questions, difficulties or doubts that may arise in relation to the proposed issue, offer and allotment of any of the said Warrants and the utilization of the issue proceeds and to accept and to give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions as may be required by the SEBI, the RoC, the lead managers, or other authorities or agencies involved in or concerned with the proposed issue and as the Board may in its absolute discretion deem fit and proper in the best interest of the Company, without being required to seek any further consent or approval of the members or otherwise, and that all or any of the powers conferred on the Company and the Board vide this Resolution may be exercised by the Board or such committee thereof as the Board may constitute or has constituted in this behalf, to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution, and all actions taken by the Board or any committee constituted by the Board to exercise its powers, in connection with any matter(s) referred to or contemplated in any of the foregoing Resolutions be and are hereby approved, ratified and confirmed in all respects.

**RESOLVED FURTHER** that the Board be and is hereby authorized to delegate (to the extent permitted by law) all or any of the powers herein conferred to any committee of directors, or any whole-time director or directors or any other officer or officers of the Company to give effect to the aforesaid Resolutions."

Regd. Office : # 8-2-293/82/A/431/A,  
Road No.22, Jubilee Hills, Hyderabad - 500 033.

Place : Hyderabad  
Date : 1<sup>st</sup> May, 2014

By order of the Board  
For **KSK Energy Ventures Limited**

Sd/-  
**M.S. Phani Sekhar**  
Company Secretary

## Notes :

1. The relevant Explanatory Statement and reasons in respect of proposed Special Resolutions pursuant to Section 102(1) of the Companies Act, 2013 are annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORMS SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.**
3. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company between 11:00 a.m. to 3:00 p.m. on any working day till the date of EOGM.
5. The voting rights for the shares are one vote per equity share, registered in the name of the shareholders / beneficial owners as on 25<sup>th</sup> April, 2014. Members holding shares either in physical form or dematerialized form may cast their vote electronically.
6. Members who attend the meeting are requested to complete the attendance slip and deliver same at the entrance of the meeting hall.
7. **e-voting :**

In compliance with Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules 2014, the Company is pleased to provide to the shareholders the facility to exercise their right to vote at the EOGM by electronic means and the business may be transacted through e-voting services provided by Karvy Computershare Private Limited. Members may exercise their vote at any general meeting by electronic means and the Company may adopt any resolution by way of the electronic voting system.

### Process for e-voting :

The Company has arrangements with Karvy Computershare Private Limited for facilitating e-voting to enable the Shareholders to cast their vote electronically.

A. Members who received the notice through e-mail from Karvy :

- i. Launch internet browser by typing the following URL: <http://evoting.karvy.com>.
- ii. Enter the login credentials (i.e., User ID and password mentioned in your email/EOGM Notice). Your Folio No./DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

User-id	For Members holding shares in Demat form : a. For NSDL : 8 character DP ID followed by 8 digit Client ID b. For CDSL : 16 digit Beneficiary ID/Client ID For Members holding shares in Physical form : Event No.(EVENT) followed by Folio No. registered with the Company.
Password	Your unique password is printed on the EOGM Notice/provided in the email forwarding the electronic notice.

- iii. After entering these details appropriately, Click on "LOGIN".
  - iv. You will now reach password Change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
  - v. You need to login again with the new credentials.
  - vi. On successful login, the system will prompt you to select the "EVENT" i.e. KSK Energy Ventures Limited.
  - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut Off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
  - viii. You may then cast your vote by selecting an appropriate option and click on "Submit", a confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any numbers of times till they have voted on the Resolution.
  - ix. Corporate/Institutional Members (i.e other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at E-mail ID: savitajyoti@yahoo.com, with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name\_EVENT NO."
- B. In case of Members receiving EOGM Notice by Post :
- i. User ID and initial password as provided in the EOGM Notice Form.
  - ii. Please follow all steps from Sr.No. i to ix as mentioned in (A) above, to cast your vote.
- C. The e-voting period commences on Saturday the 17<sup>th</sup> day of May, 2014 at 9.00 A.M. and ends on Monday the 19<sup>th</sup> day of May, 2014 at 3.00 PM. In case of any query pertaining to e-voting, please visit Help & FAQ's section of Karvy e-voting website.
8. Kindly note that the shareholders can opt for only one mode of voting i.e. either by e-voting or physical mode. If you are opting for e-voting, then do not vote physically and vice versa. However, in case shareholders cast their vote physically and through e-voting, then voting done through e-voting will prevail and voting done physically will be treated as invalid.
  9. The Board of Directors of the Company at their meeting held on 1<sup>st</sup> May, 2014 has appointed Ms. Savita Jyoti, a Practising Company Secretary, as Scrutinizer for conducting the e-voting process in accordance with law. The Scrutinizer's decision on the validity of e-voting shall be final.
  10. The Scrutinizer shall, within a period of three working days from the date of conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, and submit to the Chairman.
  11. The result of voting will be announced by the Chairman of the EOGM at the EOGM to be held on Saturday, 24<sup>th</sup> May, 2014. The result of the voting will be communicated to the stock exchanges and will also be hosted on the website of the Company [www.ksk.co.in](http://www.ksk.co.in).

## EXPLANATORY STATEMENT

(Pursuant to Section 102 (1) of the Companies Act, 2013)

### Resolution No. 1

The Company is in the business of development of multiple power projects. The business, by its nature, is dynamic and competitive, which may necessitate changes in the business plan to avail of new opportunities, augment existing planned capacity with additional power plant capacities, modify funding plans or to meet competitive threats, including those that we may not currently envisage. These changes, if any, in our business plan, shall be made keeping in mind the interests of the Company's investors.

The Company is presently pursuing business plans and strategies for power projects. The Company has invested in various power plant companies and envisages continuing doing the same. The Company is further participating in bids for new projects and exploring new opportunities for further investments. The Company requires funds on an on-going basis (i) to fund the Company, its subsidiaries', joint ventures' and affiliates' projects and their business expansions in new projects across India, (ii) to meet any additional capital expenditures, operational expenditure and working capital with respect to various projects, and (iii) for general corporate purposes. The Company continuously endeavors to strengthen its capital base.

While, such opportunities could potentially be addressed or bridged, either partially or fully, through internal accruals and interim corporate debt facilities, in view of the difficulties in the wider operating environment, significant foreign currency exchange rate fluctuation and resultant impact on project execution, substantial increase in the business pursuit that is envisaged, larger power plant capacities and associated capital deployment, issuance of new capital could be utilized to meet many of the purposes outlined above.



The Company plans to raise long term capital, *inter alia*, to meet funding requirements towards proposed capital expenditures with respect to the power projects being set up including those of its subsidiaries and associate companies and for general corporate purposes. With an explicit understanding that such funds could be potentially raised, based on various factors, through issue of Securities and in any combination of instruments thereof, the consent of the shareholders is being sought by a special resolution to enable the Board to issue such Securities as may be permitted under applicable laws to any eligible person(s) in accordance with the provisions of the SEBI ICDR Regulations and any other applicable laws, including with respect to the pricing of the Securities proposed to be issued.

The Special Resolution also seeks to empower the Board to undertake a QIP with qualified institutional buyers as defined under the SEBI ICDR Regulations. The Board may in its discretion adopt this mechanism, as prescribed under Chapter VIII of the SEBI ICDR Regulations in order to augment the resources of the Company and to ensure that its growth is not impeded on account of capital constraints without the need for fresh approval from the members of the Company.

**Basis or Justification of Price:** The pricing of the Securities to be issued to qualified institutional buyers pursuant to Chapter VIII of the SEBI ICDR Regulations shall be determined by the Board subject to such a price not being less than the price calculated in accordance with Regulation 85 of the SEBI ICDR Regulations.

The Special Resolution seeks to give the Board the powers to issue Securities in one or more tranche or tranches, at such time or times, at such a price or prices and to such person(s) including institutions, incorporated bodies and/ or individuals or otherwise as the Board, in its absolute discretion, deems fit. The detailed terms and conditions for the offer will be determined by the Board in consultation with the advisors, lead managers, underwriters and such other authority or authorities as may be required to be consulted by the Company considering the prevailing market conditions and in accordance with the applicable provisions of law, and other relevant factors.

The Equity Shares allotted or arising out of conversion of any Securities would be listed on the National Stock Exchange of India Limited and the BSE Limited. The issue / allotment / conversion would be subject to the receipt by the Company of regulatory approvals, if any. The conversion of Securities held by foreign investors, into Equity Shares would be subject to the applicable foreign investment cap.

As and when the Board does take a decision on matters on which it has the discretion, necessary disclosures will be made to the relevant stock exchanges on which the Equity Shares are listed under the provisions of the Listing Agreements.

In connection with the proposed issue of Securities, the Company is required, *inter alia*, to prepare various documentation and execute various agreements. Accordingly, it is proposed to authorize the Board and certain officers of the Company to negotiate, finalize and execute such documents and agreements as may be required and do all such acts, deeds and things in this regard for and on behalf of the Company.

The Resolution, if passed, will have the effect of allowing the Board to issue and allot Securities to the investors who may or may not be the existing members of the Company.

The Board recommends passing of the aforesaid Resolution as a Special Resolution. Neither the directors of the Company, nor the key managerial personnel of the Company nor their respective relatives are in any way concerned or interested, financially or otherwise in this Resolution.

## **Resolution No. 2**

Pursuant to provisions of Section 62 (1)(c) of Companies Act, 2013 (the “**Act**”) any preferential allotment of Securities needs to be approved by the shareholders by way of a Special Resolution. Further, in terms of Regulation 73 of SEBI ICDR Regulations, 2009, the following disclosures are needed to be made in the Explanatory Statement to the Notice of the General Meeting :

i. The objects of the preferential issue :

To meet funding requirements towards proposed capital expenditures, operational expenditure and working capital with respect to the power projects being set up by the Company, its subsidiaries and associate companies and for general corporate purposes.

ii. The proposal of the promoters, directors or key management personnel of the Company to subscribe to the offer :

KSK Energy Limited, a promoter company incorporated in Mauritius, either directly or through any of its subsidiaries or affiliates in India or outside India, intends to subscribe to the preferential issue.

No shares are being offered to Directors or Key Managerial Personnel or relatives of the Directors or Key Managerial Personnel of the Company.

iii. Relevant Date :

The Relevant date for the purpose of calculation of price of the specified Securities is 24<sup>th</sup> April, 2014, being 30 days prior to the date of the Meeting to approve the proposed preferential issue in accordance with the SEBI (ICDR) Regulations.

iv. Basis or Justification of Price :

The issue price will be determined in accordance with the provisions of Chapter VII of SEBI ICDR Regulations.

Since the Company is listed on both BSE Limited and National Stock Exchange of India Limited, the trading volume of Securities of the Company on both the stock exchanges has been considered to determine the higher trading volume for computation of issue price.

The proposed allotment of Warrants shall be made at the issue/exercise price of ₹ 70 (Rupees Seventy) per specified Security, which is not less than the higher of the (a) average of the weekly high and low of the closing prices of the equity shares quoted on the National Stock Exchange of India Limited (being the recognized stock exchange on which the higher trading volume in respect of equity shares of the Company has been recorded during the 26 weeks prior to the Relevant Date) during the 26 weeks preceding the Relevant Date and (b) average of the weekly high and low of the closing price of the equity shares quoted on the National Stock Exchange of India Limited during the two weeks preceding the Relevant Date.

v. If required, the Company shall re-compute the issue price mentioned above in accordance with the SEBI ICDR Regulations. Further, if the amount payable on account of the re-computation of issue price is not paid by the proposed allottee within the time stipulated under the SEBI ICDR Regulations, the specified securities allotted shall continue to be locked in till the time such amounts are paid.

vi. Terms of Warrants to be issued to the allottees

- a. At any time after the date of allotment of the Warrants but on or before the expiry of 18 months from the date of allotment of the Warrants, the proposed allottee(s) of the Warrants will be entitled, in one or more tranches, to apply for and obtain allotment of such number of equity shares of face value of ₹ 10 each of the Company for each Warrant, as would be calculated on the basis of an exercise price of ₹ 70 per equity share of face value of ₹ 10 of the Company.
- b. Upon receipt of the Warrants exercise notice, the Board (or a Committee authorized by the Board) shall allot such number of equity shares of face value of ₹ 10 each of the Company for each Warrant, as would be calculated on the basis of an exercise price of ₹ 70 per equity share of the Company by appropriating ₹ 10 towards equity share capital of the Company and the balance amount paid, towards securities premium.
- c. The equity shares issued pursuant to an exercise of the Warrants shall rank *pari passu* in all respects including with respect to dividend, with the then fully paid-up equity shares of the Company.
- vii. Identity of the proposed allottees :

Name of proposed allottees	Ultimate beneficial owners	No. of Warrants to be allotted	Issue Price of Warrants (₹)	Post-Issue shareholding after exercise of Warrants*
KSK Energy Limited or any of its subsidiaries or affiliates	KSK Power Ventur plc	Up to 15,00,00,000	70	Up to 82.13%

\* Assuming exercise by the relevant allottee(s) of all Warrants and subject to compliance with the minimum public shareholding requirements, as applicable, including under Rule 19A of the Securities Contracts (Regulation) Rules, 1957.

- viii. The shareholding pattern of the Company before and after the preferential issue :

Sl. No.	Category of Investor	Pre - Issue		Post - Issue (After exercise of Warrants)*	
		No. of Shares	% of shareholding	No. of Shares	% of shareholding
A.	PROMOTERS SHAREHOLDING				
	Promoters and Promoters Group	279232677	74.94	429232677	82.13
B.	PUBLIC SHAREHOLDING				
I.	INSTITUTIONAL INVESTORS				
	Mutual Funds	12335814	3.31	12335814	2.36
	Financial Institutions/ Banks	11957181	3.20	11957181	2.29
	Foreign Institutional Investors	18741924	5.03	18741924	3.59
II.	NON INSTITUTIONAL INVESTORS				
	Bodies Corporate	20199437	5.42	20199437	3.86
	Resident Individuals/ HUFs	3609010	0.97	3609010	0.69
	NRIs	129801	0.03	129801	0.02
	Others	26424610	7.10	26424610	5.06
	Total	372630454	100	522630454	100

\* Assuming exercise by the relevant allottee(s) of all Warrants and subject to compliance with the minimum public shareholding requirements, as applicable, including under Rule 19A of the Securities Contracts (Regulation) Rules, 1957.

- ix. The time within which the preferential issue shall be completed :

The allotment of the Warrants on preferential basis will be completed within a period of 15 days from the date of passing of the aforesaid special resolution. Provided that where any approval or permission by any regulatory authority or the Central Government for allotment is pending, the allotment of the Warrants shall be completed within 15 days from the date of such approval or permission.

- x. Change in control, if any, in the Company consequent to the preferential issue :

There shall be no change in control of the Company pursuant to the issue of Warrants.

- xi. Others : The certificate of the Statutory Auditors of the Company to the effect that the present preferential offer is being made in accordance with the requirements contained in Chapter VII of the SEBI ICDR Regulations shall be placed before the shareholders at the meeting.

As it is proposed to issue and allot the aforesaid Securities on preferential allotment basis, special resolution is required to be approved by members pursuant to the provisions of Section 62(1)(c) of the Act and Chapter VII of the SEBI ICDR Regulations.

The Board believes that the proposed offer, issue and allotment will be in the interest of the Company and its shareholders.

The Board recommends passing of the aforesaid Resolution as a Special Resolution. Neither the key managerial personnel of the Company nor their relatives are in any way concerned or interested, financially or otherwise in this Resolution. The Directors of the Company and/or their relatives may be deemed to be concerned or interested, financially or otherwise in the proposed Resolution to the extent of Securities issued/allotted to companies owned or controlled by them.

Regd. Office : # 8-2-293/82/A/431/A,  
Road No.22, Jubilee Hills, Hyderabad - 500 033.

Place : Hyderabad

Date : 1<sup>st</sup> May, 2014

By order of the Board  
For **KSK Energy Ventures Limited**

Sd/-  
**M.S. Phani Sekhar**  
Company Secretary