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Power from knowledge

KSK Energy Limited

St. James Court, Suite 308
St. Denis Street, Port-Louis
Republic of Mauritius,
Tel: (230) 211 6242
Fax: (230) 211 7489

25th February 2010

The General Manager,
Corporate Finance Department
Division of Corporate restructuring,
M/s. Securities and Exchange Board of India,
SEBI Bhavan, Plot No. C4-A,
"G" Block, Bandra Kurla Complex,
Bandra (E), Mumbai- 400 051.

Kind Attn: Ms. Neelam Bharadwaj / Ms. Shameen Ahmed

Dear Sirs,

Sub: Submission with respect to application seeking "Interpretive Letter" under the SEBI (Informal Guidance) Scheme, 2003

This is further to the ongoing submissions of request and various clarifications. We wish to submit that

1. This is not a hypothetical situation as both the parties are keenly looking forward to the proposed transaction for execution. Please refer to Paragraph 19 of our first submission letter dated 2nd December 2009, wherein we have confirmed also the line of the further steps that shall be initiated by the parties once the opinion of SEBI is received by us.

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2. Also we would like to submit that this is not a general query but a specific factual position submitted in great detail, whose summary is extracted below for your quick reference:

2.1 KSK Power Ventur plc (a London Stock Exchange listed entity) through its Mauritian subsidiary KSK Energy Limited owns majority shares of the Target Company and has an existing Right of First Offer on Shares with Lehman Brothers (executed prior to IPO)

2.2 KSK Power Ventur plc now proposes to enter into a Supplementary development Agreement with a Holding company of Lehman Brothers in Mauritius.

2.3 Amongst others, the Agreement upon execution provides for a Right of First refusal ("ROFR") with respect to equity shares of a Mauritius Holding company at a fixed price and to secure such Right would pay an initial deposit

2.4 Such Mauritian Holding company enjoys ownership of Target Company Shares and associated voting rights and hence the current request for opinion

2.5 KSK Power Ventur would have a 15 month period to exercise the right and pay balance consideration upon exercise

2.6 In case of non exercise of Right by KSK, Lehman Brothers is free to to dispose of the shares to third party and KSK to compensate for any damages

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3. The Central point of our Query in the above transaction is:

Whether compliance, if any of the Takeover Code would arise only when the Applicant seeks to exercise the Rights under the Supplementary Development Agreement (as in description 2.4 above) or arises at the time of execution of the Supplementary Development Agreement (as in description 2.2 above)

Thanking you,
Yours sincerely,
For KSK Energy Limited,

Director
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Kind Attn: Ms. Neelam Bharadwaj / Ms. Shameen Ahmed

Dear Sirs,

Sub: Clarification with respect to application seeking "Interpretive Letter" under the SEBI (Informal Guidance) Scheme, 2003

We are hereby submitting the clarification on the two specific queries outlined

1. **Who will be acquiring 6.5% shares of TC, KSK energy Limited or KSK power venture Plc?**

   The proposed agreement vests the right to acquire with KSK power Ventur plc and <u>hence KSK Power Ventur plc would acquire such interest</u>.

   Also under the proposed agreement would provide the plc a legal right to nominate an affiliate (including KSK Energy Limited, Mauritius its 100% subsidiary) or unconnected nominee (This we would assume is a procedural aspect)

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2. **Further clarify the transaction whether the transaction will be done by KSK power plc (holding company) overseas to acquire 100% of Mauritius company or whether the transaction will be done by KSK Energy limited by acquiring 6.75% from the Mauritius Company, in India.**

In the event the Right is exercised, the transaction **will be done by acquiring 100% of the Mauritius company outside of India**

Thanking you,

Yours sincerely,

For KSK Energy Limited,

Director

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