

Regulatory Announcement

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Company KSK Power Ventur PLC
TIDM KSK
Headline Operational update
Released 07:00 29-Apr-09

RNS Number : 3216R
KSK Power Ventur PLC
29 April 2009

Immediate release

29 April 2009

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KSK Power Ventur plc
("KSK" or "the Company" or "the Group")

Operational update and £32.5 million raised through placing

KSK Power Ventur plc (KSK.L), the power project development company with interests in multiple power plants across India, announces the following update on its operations and equity placing.

Operational update

VS Lignite (135MW)

While the necessary equipment has arrived and construction at the site has been progressing as per expectation, the overall project has experienced minor delays in commissioning due to the processing of visa work permits for various Chinese engineers responsible for the commissioning works. In addition to expediting these applications, the Company is also moving forward with local support in the area and is confident that the power plant should commence generation in August 2009.

Wardha Power (540MW)

Implementation at this site is proceeding in line with the anticipated schedule and is expected to progress to commissioning in line with earlier expectations, with all 4 units fully operational by March 2010.

Equity placing

The Company has raised £32.5 million (before expenses) by way of a placing (the "Placing") by Arden Partners plc ("Arden Partners") of 10,655,738 new ordinary shares of 0.1p each in the capital of the Company (the "Placing Shares") with institutional investors at a price of 305 pence per share (the "Placing Price"). The Placing is being underwritten by Arden Partners. The Placing Price is at a discount of 9 per cent. to the middle market price of the ordinary shares of the Company as derived from the daily Official List of the London Stock Exchange on 28 April 2009, the latest date prior to the announcement.

The Placing is conditional on admission of the Placing Shares to trading on the AIM market of the London Stock Exchange ("Admission"). It is expected that Admission will occur, and dealings in the Placing Shares will begin, at 8:00 a.m. on 5 May 2009.

The Placing Shares will represent approximately 7.64 per cent. of the then enlarged share capital of KSK. The Placing Shares will, when issued, rank pari passu in all respects with the existing issued shares of KSK, including the right to receive any dividends and other distributions declared following Admission.

Following Admission, the total number of ordinary shares with voting rights in the Company will be 139,534,243. This figure may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, their shareholding in the Company.

Use of Placing proceeds

The Company proposes to make available the funds raised in the Placing towards securing fuel supplies through mineral interests and new growth initiatives in the area of renewables, as well as augmenting capital expenditure in power generation assets.

Moving to Official List

In line with the Company's development and continued support from shareholders, the KSK Board anticipates that the Company will move the listing of its shares to the Official List of the UK Listing Authority later this year.

Commenting on the operational update and placing, Mr. T.L.Sankar, Chairman, said:

"We have been delighted with the strong support from our existing and new shareholders for this placing. With exciting growth opportunities, as well as the increasing requirement for new power generation in India, we have every confidence in our prospects for the future."

economies to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding KSK's present and future business strategies and the environment in which KSK will operate in the future and such assumptions may or may not prove to be correct. Forward-looking statements speak only as at the date they are made. Neither KSK nor Arden nor any other person undertakes any obligation (other than, in the case of KSK, pursuant to the AIM Rules for Companies) to update publicly any of the information contained in this announcement, including any forward-looking statements, in the light of new information, change in circumstances or future events.

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