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Date: 16th May 2018

The Secretary
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra-East
Mumbai - 400 051

The Secretary
BSE Limited (DCS- CRD)
PhirozeJeejeebhoy Towers
Dalal Street
Mumbai - 400 001

Security Symbol: KSK

Scrip Code: 532997

Dear Sir,

Sub: Intimation under SEBI (LODR) Regulations 2015

Pursuant to the provisions of regulation 30 read with Para A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, considering the ongoing developments across the Indian power sector in general and the specific developments affecting the Company and its various power plants, we hereby submit below the following major updates on the Group power plants:

1. The Lenders Consortium at KSK Mahanadi Power Company Limited (KSK Mahanadi) along with Lenders consortium at the Water and Railway infrastructure SPVs have issued notices of defaults with respect to credit facilities availed under the respective Facility agreements and also informing of the various actions required to address the same including the invocation of Equity shares of the companies pledged in favour of such Lenders consortium respectively. The Company has represented to the project lenders in this regard. However, consequent to the invocation of pledge at KSK Mahanadi, it ceased to be subsidiary of the Company and will substantially impact the Group's business moving forward.

The importance of KSK Mahanadi to the economic viability of the Company need not be overstated as it constitutes over 80% of the total capacity pursued by the Group in the last 10 years (3600 MW of the 4472 MWs being operated/ developed under the company) and the Lenders process of inviting interest / bids from various potential strategic and financial investors for such majority stake at KSK Mahanadi Power Company Limited, would have adverse impact on the KSK Energy Ventures and its various stakeholders i.e. financing banks,

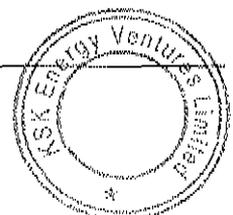


shareholders, employees, service providers, suppliers etc. The aggregate equity investment in KSK Mahanadi is upward of Rs 3,600 Crores, with 82.8% held by the Company and its subsidiaries and balance 17.2 % held by KSK Energy Company. These shareholding in KSK Mahanadi have been pledged with Lenders at KSK Mahanadi as well as lenders at the holding companies and lenders' action in this regard would seriously jeopardize its value

2. Similarly, at Sai wardha, while the lenders Consortium had earlier, during April 2017, approved an Outside SDR process under earlier regulations for necessary resolution, post the new resolution framework notified by RBI in February 2018, similar notices of defaults with respect to credit facilities availed under the respective Facility agreements are underway by the Lenders consortium at Sai Wardha.

On a positive note, recently i.e. on 10th May 2018, the Supreme Court has dismissed the appeal of Rattan India Nasik Power in the case of long term Power procurement of 1090 MW thereby opening back the potential for completion of long term PPA with Maharashtra Discoms. However, the hearing on the Coal India appeal is awaited with the scheduled hearing of 8th May 2018 adjourned by the Supreme Court in light of new constitutional bench to hear certain other urgent matters. The matter may now get posted for final hearing and disposal post the summer recess, resulting in continued period of uncertainty on the fuel side and extended period required to address requisite resolution plan at Sai Wardha.

3. As regards, VS Lignite, discussions with Rajasthan Government indicate lack of any immediate demand for power resulting in delay in execution of the required long term PPA. However, even the interim sale to other Discoms has been temporarily halted pending certain guidance being sought by the Rajasthan Government from Government of India. It is anticipated that only upon such clearance power generation at the plant can recommence and extended period would be required at VS Lignite as well to address requisite resolution plan.
4. As regards Sai Lilagar, the company continues to anticipate FSA execution and commencement of coal supplies under the SHAKTI Auction to undertake power supplies. Notices of defaults with respect to credit facilities availed based on



security of this power station have also been received and effort underway to address the same in the best possible manner.

5. With the current external environment in the wider power sector across India currently, the stress is having a contagion effect wherein other power plant assets of the company also have started experiencing difficulties requiring appropriate resolution plans.
6. The company continues to undertake efforts, in active coordination with the project lenders, to propose and effect a restructuring plan, in the interest of all the stakeholders i.e. Borrower, project lenders, existing equity shareholders, suppliers, contractors employees etc with a bonafide hope that any resolution achieve would enable KSK Energy Ventures and other holding companies of the group to address their obligations to the various external stakeholders

Please take on record the above information.

Thanking you.

Yours faithfully,

For KSK Energy Ventures Limited

Company Secretary

