

# JAIPRAKASH

POWER VENTURES LIMITED

Regd. Office: JUIT Complex, Wagnaghat, P.O. Dumchar Bani, Kandaghat-173215, District, Solan, H.P.  
Head Office : 'JA Annexe', 54, Basant Lok, Vasant Vihar, New Delhi - 110 057  
Corporate Office: Sector - 128, Noida - 201304 (UP)



## NOTICE

To  
The Members,

Notice is hereby given that the following Resolutions are circulated herewith for approval of the Members of the Company to be accorded by Postal Ballot in accordance with the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001:

To consider and if thought fit, to give assent/dissent to the following Resolutions:

### AS SPECIAL RESOLUTIONS :

#### 1. RAISING OF FUNDS THROUGH QIP/FCCBs /GDRs/ADRs/ FPO ETC. PURSUANT TO SECTION 81 OF THE COMPANIES ACT, 1956

"RESOLVED THAT in accordance with and subject to the provisions of Section 81, and all other applicable provisions, if any, of the Companies Act, 1956 and/or Foreign Exchange Management Act, 1999 (including any statutory modification(s) or re-enactment thereof), and the applicable Rules, Regulations, Notifications and Circulars, if any, of the Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI) and other concerned and relevant authorities, and other applicable laws, if any, and relevant provisions of the Memorandum and Articles of Association of the Company and subject to such approval(s), consent(s), permission(s) and/or sanction(s) of the Government of India, RBI, SEBI and any other appropriate authority (ies), institution(s) or body(ies), as may be necessary and subject to such conditions as may be prescribed by any of them in granting any such approval, consent, permission or sanction, which the Board of Directors (hereafter referred to as the "Board", term shall be deemed to include any duly constituted Committee thereof), be and is hereby authorized to accept, the Board be and is hereby authorized on behalf of the Company to issue, offer and allot in one or more tranches in the domestic or international markets, by way of Public Offer and/or on a private placement basis and/or by way of a Qualified Institutions Placement (QIP) in terms of the Chapter VIII (Issue of Capital and Disclosure Requirements) Regulations, 2009, equity shares with voting rights or with differential rights as to voting, dividend or otherwise in the company, in accordance with such rules and subject to such conditions as are stipulated therein and/or equity shares in the form of Global Depository Receipts (GDRs) and/or American Depository Receipts (ADRs), and/ or Foreign Currency Convertible Bonds (FCCBs), or any other security convertible into equity shares in the Company with voting rights or with differential rights as to voting, dividend or otherwise in accordance with such rules and subject to such conditions as may be prescribed or any other instrument (hereinafter referred to as the "Securities"), to be subscribed to, in foreign currency(ies) by international and/or Indian banks, institutions, Institutional Investors, mutual funds, companies, other corporate bodies, resident/non-resident Indians, foreign nationals and other eligible Investors, as may be decided by the Board, (hereinafter referred to as "Investors"), whether or not such Investors are members of the Company or not, at such price as may be determined by the Board, upto an aggregate of

Rs. 2500 Crores (Rupees Two Thousand Five Hundred Crores) in Indian Rupees or equivalent in any foreign currency (inclusive of such premium as may be determined) and such issue and allotment be made at such time or times, in such tranche or tranches, in such currency or currencies, in such manner and on such terms and conditions (including in relation to security on convertible debt instruments) as may be decided and deemed appropriate by the Board in its sole discretion at the time of issue / allotment."

"RESOLVED FURTHER THAT in case of Qualified Institutions Placement(s) pursuant to Chapter VIII (Issue of Capital and Disclosure Requirements) Regulations, 2009, the allotment of Securities shall only be made to Qualified Institutional Buyers within the meaning of Chapter VIII (Issue of Capital and Disclosure Requirements) Regulations, 2009 and such Securities shall be fully paid-up and the allotment of such Securities shall be completed within 12 months from the date of this Resolution."

"RESOLVED FURTHER THAT the Company and/or any agency or body authorized by the Company, may issue receipts/ certificates representing the underlying Securities issued by the Company with such features and attributes as are prevalent in international capital markets for instruments of this nature and provide for the tradability or free transferability thereof as per the domestic/ international practices, norms and regulations, and under the norms and practices prevalent in the International Markets."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot, from time to time, such number of equity shares at such premium as may be decided by the Board in its absolute discretion, as may be required to be issued and allotted upon conversion of such Securities or as may be necessary in accordance with the terms of the offering, including additional equity shares, and all such shares shall rank pari-passu with the then existing equity shares of the Company in all respects including dividend."

"RESOLVED FURTHER THAT for the purpose of giving effect to any issue and/or allotment of equity shares in the Company or Securities or instruments or Securities representing or convertible into equity shares in the Company, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may at its discretion, deem necessary, appropriate or desirable for such purpose, including, without limitation, determining the form and manner of the issue, the class of investors to whom the securities are to be issued and allotted, number of Securities to be allotted in each tranche, issue price, face value, premium amount on issue/conversion of securities/exercise of warrants/redemption of Securities, rate of interest, redemption period, appointment of Lead Managers, Merchant Bankers, Global Business Co-ordinators, Book Runners, Underwriters, Guarantors, Financial and/or Legal Advisors, Depositories, Custodians, Registrars, Trustee, Bankers and all other agencies, entering into or execution of all such agreements/ arrangements/MoUs/ documents with any such agencies, listing of the Securities and the equity shares to be issued on conversion of the said Securities on any Indian and/or Foreign Stock Exchange(s), as

it may in its absolute discretion deem fit."

"RESOLVED FURTHER THAT the Board be and is hereby authorized 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 as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise, with the intent that the members shall be deemed to have given their approval thereto expressly by the authority of this Resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or Whole-time Director(s) or any Director(s) or any other Officer(s) of the Company to give effect to the aforesaid Resolution."

**2. ALTERATION OF MAIN OBJECT CLAUSE OF MEMORANDUM OF ASSOCIATION PURSUANT TO SECTION 17 OF THE COMPANIES ACT, 1956**

"RESOLVED THAT in terms of the provisions of Section 17 and other applicable provisions of the Companies Act, 1956, the "Object Clause" be altered by adding new Clauses 4 and 5 after the existing Clause 3 of the Main Objects of Memorandum of Association of the Company as under:-

"4. To set-up establish, operate and maintain power generating stations, transmission projects, distribution system and carrying out Power Trading, Design, and/or Consultancy business either through itself or through subsidiaries, joint ventures, associates or other entities or acquiring interest in power generation, transmission, distribution, Power trading, Consultancy and/or Consulting companies/exchanges, load despatch centres related to Power industry, Power Generation Projects including hydro, thermal, gas, nuclear, wind, solar, combined cycle or any other form/type/system of conventional or renewable Power generation Projects and/or captive power plants and Transmission Projects including any H.V./EHV/extra EHV transmission lines and substations for inter-state, regional & inter-regional transmission of electricity from generating stations/substations and/or from substation to substation, Power distribution business including Urban/rural power distribution and Rural Electrification Works involving setting up medium and low voltage distribution lines, laying or modification or alterations of existing distribution network lines/cables/wires, substations etc. for supply of electricity to urban cities, villages, streets, roads, docks, markets, residential/non residential complexes, commercial buildings, industrial/sports complexes, railways and any other private/public consumers/utilities; Power trading to include purchase and re-sale of bulk power from generating companies/utilities at any recognised power exchange including acquiring business interest in running of a power exchange.

5. To manufacture or acquire the right to use Turbines and generating plant equipments/parts and/or other power control, transmission distribution and other equipment whether used in a Hydro-electric, Thermal, Gas, Solar, Wind or other form/type/system of power projects including captive power stations, transmission and distribution, and all apparatus now known, or that might be developed or invented in future, in connection with the generation, transformation, transmission, propagation, radiation, distribution, supply, and employment or application of electricity or other sources of power/energy and to construct, maintain, carry out works, buy, sell, let on hire and deal in works, plants, machinery, conveniences and things of all kinds capable of being used in connection with such purposes, including cables, wires,

lines, stations, exchanges, batteries, switching, regulating, controlling and signaling apparatus, lamps, meters and engines."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take up all or any of the aforesaid businesses."

**AS ORDINARY RESOLUTIONS:**

**3. APPOINTMENT / DESIGNATION OF SHRI SUNIL KUMAR SHARMA AS VICE CHAIRMAN & CHIEF EXECUTIVE OFFICER OF THE COMPANY**

"RESOLVED THAT in accordance with the provisions of Sections 269 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, or any statutory amendment or re-enactment thereof, and subject to such other approvals, as may be necessary, approval of the Company be and is hereby accorded to the appointment of Shri Sunil Kumar Sharma, as Vice Chairman & Chief Executive Officer of the Company, with substantial powers of management, for a period of five years commencing from 12<sup>th</sup> January, 2010 without any remuneration, for the time being."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to alter or vary the terms of appointment of Shri Sunil Kumar Sharma, including relating to remuneration, as it may, at its discretion, deem fit, from time to time, provided however that the remuneration when fixed, shall not exceed the limits specified in Schedule XIII to the Companies Act 1956, or any statutory amendment or re-enactment thereof."

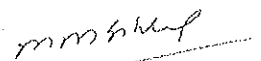
**4. APPOINTMENT/DESIGNATION OF SHRI SUREN JAIN AS MANAGING DIRECTOR & CHIEF FINANCIAL OFFICER OF THE COMPANY**

"RESOLVED THAT in accordance with the provisions of Sections 269, 198 & 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, or any Statutory amendment or re-enactment thereof, and subject to such other approvals, as may be necessary, approval of the Company be and is hereby accorded to the appointment/designation of Shri Suren Jain as Managing Director & Chief Financial Officer of the Company for a period of five years commencing from 12<sup>th</sup> January, 2010 on such remuneration, as set out in the annexed Explanatory Statement."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to alter or vary the terms of appointment of Shri Suren Jain, including relating to remuneration, as it may, at its discretion, deem fit, from time to time, provided however that the remuneration after the alteration/variation shall not exceed the limits specified in Schedule XIII to the Companies Act 1956, or any statutory amendment or re-enactment thereof."

"RESOLVED FURTHER THAT pursuant to all applicable provisions of the Companies Act, 1956, the remuneration, as set out in the annexed Explanatory Statement, be paid as minimum remuneration to Shri Suren Jain, in the event of absence or inadequacy of profits in any financial year during the tenure of his appointment."

By Order of the Board  
For JAIPRAKASH POWER VENTURES LIMITED



(M.M. SIBBAL)  
General Manager &  
Company Secretary

Place : New Delhi  
Dated : 25<sup>th</sup> January, 2010

**NOTES:**

1. Explanatory Statement and reasons for the above proposed business pursuant to Section 173(2) read with Section 192A(2) of the Companies Act, 1956 are given hereunder.
2. The Company has appointed Shri V.P. Kapoor, FCS, AICWA, L.L.B., Practising Company Secretary as Scrutinizer and Shri Shiv Kumar Gupta, M.Com., L.L.B., FCS, Practising Company Secretary as Alternate Scrutinizer for the purpose of Postal Ballot exercise.
3. The Notice is being sent under certificate of posting to all the members whose names would appear in the Register of Members as on Friday, the 22<sup>nd</sup> January, 2010.
4. A member desiring to exercise vote by Postal Ballot may complete the enclosed Postal Ballot Form and send it to the Scrutinizer in the enclosed self-addressed Business Reply Envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballots, if sent by courier or by Registered Post at the expense of the registered Member will also be accepted. The envelopes may also be deposited personally at the address given thereon. However the envelopes containing the Postal Ballot should reach the Company not later than the close of working hours on Wednesday, the 10<sup>th</sup> March, 2010. If the ballots are received thereafter they shall be deemed to be not received.
5. The result of the postal ballot shall be declared by the Chairman, or in his absence by any other person, authorized by the Chairman on Thursday, the 11<sup>th</sup> March, 2010 at 4.00 P.M. at the Registered Office of the Company at Waknaghat, P.O. Dumehar Bani, Kandaghat-173215, District Solan, H.P. and the resolutions will be taken as passed effectively on the date of such declaration of the result by the Chairman or by a person authorized by the Chairman, if the result of the Postal Ballot indicates that the requisite majority of the members had assented to the Resolutions. Members who wish to be present at the time of declaration of the result may do so at the venue. The result of the Postal Ballot shall also be announced through a newspaper advertisement and also displayed at the website of the Company, [www.jppowerventures.com](http://www.jppowerventures.com).
6. All documents referred to in this notice and the accompanying Explanatory Statement are open for inspection at the Registered Office of the Company on all working days, except holidays, between 11.00 A.M. and 1.00 P.M. up to the date of declaration of the results of Postal Ballot.
7. Members are requested to carefully read the instructions printed on the backside of the Postal Ballot Form before exercising their vote.

**EXPLANATORY STATEMENT AND REASONS FOR THE PROPOSED RESOLUTIONS ACCOMPANYING THE NOTICE DATED 25<sup>TH</sup> JANUARY, 2010, PURSUANT TO SECTION 173(2) READ WITH SECTION 192A(2) OF THE COMPANIES ACT, 1956:**

**Item 1.**

The Company at its Annual General Meeting held on 18<sup>th</sup> August, 2009 had approved the raising of funds by way of QIP and/or FCCBs and/or ADRs and/or GDRs and/or Follow-on Public Offer (FPO) upto an aggregate of Rs. 1500 crore in Indian Rupees or equivalent in any foreign currency, inter-alia, for the projects to be implemented by the merged entity after amalgamation of erstwhile Jaiprakash Power Ventures Limited (JPVL) with the Company. The Company has since launched the process issue of FCCBs for the said amount.

As the shareholders are aware, the amalgamation of erstwhile JPVL with the Company as sanctioned by the Hon'ble High Court of Himachal Pradesh has been implemented. Pursuant to the said Scheme of Amalgamation, the projects which were being implemented by the erstwhile JPVL are now being implemented by your Company, directly (1320 MW Jaypee Nigrie Super Thermal

Power Project) or through its subsidiary/ associate companies, namely, Bina Power Supply Company Ltd. (1250 MW Thermal Power Project with 500 MW in Phase -I), Jaypee Arunachal Power Ltd. (2700 MW Lower Siang Hydro Electric Project & 500 MW Hironong Hydro Electric Project), Sangam Power Generation Company Ltd. (1320 MW Thermal Power Project in Phase - I), Prayagraj Power Generation Company Ltd. (1980 MW Thermal Power Project in Phase - I), Jaypee Powergrid Ltd. (Transmission System associated with Jaypee Karcham Hydro Electric Project) (subsidiaries) and Jaypee Karcham Hydro Corporation Ltd. (1000 MW Hydro Electric Project) (associate company).

In order to meet the capital expenditure for the projects of the Company and for the projects being implemented through its subsidiaries / associate companies, the Board of Directors in its meeting held on 25<sup>th</sup> January, 2010 had authorised, subject to the approval of the members raising of funds to the tune of Rs.2500 Crores in Indian Rupees or equivalent in any Foreign Currency, in one or more tranches in International / Domestic Markets through QIP / FCCBs / ADRs / GDRs/Follow-on Public Offer (FPO) etc., as per the guidelines of Government of India/ Reserve Bank of India/SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

The said Resolution is an enabling resolution conferring authority on the Board to do all acts and deeds, which may be required to issue/offer Securities of appropriate nature at opportune time, including the size, structure, price and timing of the issue(s) / offer(s) at the appropriate time(s). The detailed terms and conditions for the international offering will be determined in consultation with the Lead Managers, Merchant Bankers, Global Business Co-ordinators, Book Runners, Guarantors, Consultants, Advisors, Underwriters and/or such other intermediaries as may be appointed for the issue/offer. Wherever necessary and applicable, the pricing of the issue/offer will be finalized in accordance with applicable guidelines in force.

Section 81 of the Companies Act, 1956, *inter-alia*, provides that whenever it is proposed to increase the subscribed capital of the Company by further issue/offer and allotment of shares, such shares shall be offered to the existing Shareholders of the Company in the manner laid down in Section 81 unless the shareholders decide otherwise by a Special Resolution.

Accordingly, the consent of the shareholders is being sought pursuant to the provisions of the Section 81(1A) and all other applicable provisions of the Companies Act, 1956 and in terms of the provisions of the listing agreements executed by the Company with the Stock Exchanges, authorizing the Board to issue Securities, as stated in the resolution, which may result in issuance of further Securities of the Company to persons other than the existing members of the Company in accordance with the terms and nature of the Securities.

None of the Directors of the Company is, in any way, concerned or interested in the said resolution, except in their capacity as shareholders of the Company.

The Board commends the Resolution for approval of the Members as a Special Resolution.

**Item 2.**

As the members are aware, erstwhile Jaiprakash Power Ventures Limited was merged with your Company. As such, your Company has become a major Power Vehicle with existing generating capacity of 700 MW besides various Hydro and Thermal Power Projects being set up either through itself or through its subsidiary/ associate companies.

Though the present business of the Company is covered under the existing Main Objects Clause of its Memorandum of

Association, yet with a view to cover the business of other forms of power generation, transmission, distribution, trading of power providing consultancy and manufacture of related Power Plants' equipments etc., it is proposed to alter the Main Objects Clause of the Memorandum of Association widening the scope by adding two more Clauses as mentioned in the resolution. The proposed businesses can be conveniently and advantageously combined with the existing business of the Company.

Since such an alteration of the Objects Clause of the Memorandum of Association requires approval of the Shareholders by way of a Special Resolution, the same is proposed for approval by the Members, with authority to the Board to commence any of such businesses at appropriate time.

None of the Directors of the Company is, in any way, concerned or interested in the said Resolution except to the extent of their individual shareholding.

The Board commends the Resolution for approval of the Members as a Special Resolution.

#### Item No. 3. & 4.

As the members are aware, before the amalgamation of erstwhile Jaiprakash Power Ventures Ltd. (JPVL) with the Company, there were three Whole-time Directors (WTDs) namely; Shri J.N. Gaur, WTD & CEO, Shri Suresh Chandra, WTD and Shri R.K. Narang, WTD & CFO.

However, keeping in view the increased post amalgamation size of the business of the Company, the Board of Directors of your Company in their meeting held on 12th January, 2010 reviewed and decided to restructure the management for conducting the day to day affairs of the Company including overseeing the performance of the projects of its subsidiary / associate companies.

Accordingly, the Board appointed Shri Sunil Kumar Sharma, Vice Chairman as Chief Executive Officer (CEO) with substantial powers of management. Further, the Board co-opted Shri Suren Jain, who was the Managing Director of erstwhile JPVL, as Additional Director of the Company and also designated him as Managing Director & Chief Financial Officer (CFO) to assist the VC & CEO of the Company with the help of other three Whole-time Directors namely, S/Shri J.N. Gaur, Suresh Chandra and R.K. Narang.

Shri Sunil Kumar Sharma aged about 50 years is B.Sc. and has around 30 years' experience in various areas of planning, procurement, execution and management of large sized projects. Besides, being Executive Vice Chairman of Jaiprakash Associates Ltd., he is on the Board of various other companies including Jaypee Karcham Hydro Corporation Ltd., Sangam Power Generation Company Ltd., Prayagraj Power Generation Company Ltd., Jaypee Infratech Ltd., Jaypee Ganga Infrastructure Corporation Ltd., Jaypee Arunachal Power Ltd., Jaypee Spa Infocom Ltd., Jaypee Hotels Ltd., Madhya Pradesh Jaypee Minerals Ltd., Jaypee Powergrid Ltd., Himalyan Expressway Ltd., JPSK Sports Pvt. Ltd., Jaypee Petroleum Pvt. Ltd., Jaypee Hydro-Carbons Pvt. Ltd., Jaypee Ventures Pvt. Ltd. and Suneha Estates Pvt. Ltd.

Since Shri Sunil Kumar Sharma draws his remuneration from the holding company - Jaiprakash Associates Ltd., as its Executive Vice Chairman, he has offered not to draw any remuneration from the Company for the time being.

The appointment of Shri Sunil Kumar Sharma as VC & CEO, as aforesaid, requires approval of the shareholders.

Shri Suren Jain, aged around 39 years, is B.E. (Production) and has 17 years' experience to his credit in the fields of Corporate Planning, Finance and Management. He is on the Board of various companies including Jaypee Karcham Hydro Corporation Ltd., Bina Power Supply Company Ltd., Jaypee Powergrid Ltd., Sangam Power Generation Company Ltd., Prayagraj Power Generation Company Ltd., Jaypee Petroleum Pvt. Ltd., Jaypee Hydro-Carbons

Pvt. Ltd., Jaypee Ventures Pvt. Ltd. and Hicon Packagings Pvt. Ltd.

He was the Managing Director of erstwhile JPVL and has been designated as Managing Director & CFO of your Company by the Board of Directors, on his existing terms as mentioned herein below, which were duly approved by the Remuneration Committee in its meeting held on 12th January, 2010:-

#### I. Salary

Rs.3,57,500/- (Rupees Three Lacs Fifty Seven Thousand Five Hundred only) per month in the pay scale of Rs.2,75,000-27,500-4,12,500-41,250-6,18,750.

(Next date of increment shall be 1<sup>st</sup> October, 2010; increment shall be admissible on every 1<sup>st</sup> October of the year thereafter).

#### II. Perquisites and other benefits

Besides the above salary, Shri Suren Jain shall be entitled to the perquisites which may include accommodation / HRA, reimbursement of expenses for gas, electricity, water and furnishings, medical reimbursement, LTC, insurance premium, contribution to Provident Fund, superannuation fund or annuity fund, and gratuity payable at a rate not exceeding half a month's salary for each completed year of service and leave encashment at the end of the tenure etc.

Perquisites, save and except the following, would be restricted to an amount equal to the annual salary:-

- (i) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- (ii) Gratuity at the end of the tenure at a rate not exceeding half a month's salary for each completed year of service payable.
- (iii) Encashment of leave at the end of the tenure as per rules/policy of the Company.

Shri Suren Jain, Managing Director & CFO shall also be entitled to use of car, telephone at residence and mobile phone for Company's business at Company's expense.

The Chairman is authorized to fix the inter-se limits of the aforesaid perquisites.

The above remuneration shall be paid as minimum remuneration in the event of absence or inadequacy of profits in any year during the tenure of Shri Suren Jain.

His appointment, terms and remuneration are placed before the shareholders for approval.

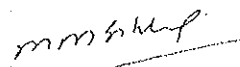
The Board of Directors considers the appointment / designation of Shri Sunil Kumar Sharma as Vice Chairman & CEO and that of Shri Suren Jain, as Managing Director & CFO, to be in the best interest of the Company.

None of the Directors, except the appointees themselves, is interested in the Resolutions.

The above may also be treated as an abstract of the terms and conditions of the appointments of Shri Sunil Kumar Sharma & Shri Suren Jain, pursuant to Section 302 of the Companies Act, 1956.

The Board commends the Resolutions for approval of the Members.

By Order of the Board  
For JAIPRAKASH POWER VENTURES LIMITED



(M.M. SIBBAL)

General Manager &  
Company Secretary

Place : New Delhi

Dated : 25<sup>th</sup> January, 2010