

A B Renewable Energy Private Limited

Registered Office: A 502, Kanakia Zillion, BKC Annexe CST Road, LBS Marg, Kurla West, Mumbai- 400070. Email id:- dalal_faizaan@gmail.com; Telephone no:- 022-26542118
CIN No: U40300MH2011PTC225392

CIN: U40300MH2011PTC225392

CERTIFIED TRUE COPY OF THE EXPLANATORY STATEMENT TO THE NOTICE OF THE EXTRA ORDINARY GENERAL MEETING OF THE MEMBERS OF A B RENEWABLE ENERGY PRIVATE LIMITED HELD ON, FRIDAY, 3RD MARCH, 2017 AT 4.00 P.M. IST AND CONCLUDED AT 4.30 P.M. IST AT THE REGISTERED OFFICE OF THE COMPANY AT A/502, KANAKIA ZILLION, BKC ANNEXE, LBS MARG, CST ROAD, KURLA WEST, MUMBAI - 400 070.

ITEM 1 & 2:

To meet the business requirements in general and for business expansion; the Company in process of fund raising including by way of issue of equity shares, and is therefore proposing to raise further capital. However, since the Authorized Share capital of the Company is not in line with our current requirement, the board of directors of the Company (Board), vide its resolution dated March 3, 2017 has proposed to increase the Authorized share capital of the Company. Pursuant to Sections 61(1)(a) and 64(1)(a) of the Companies Act, 2013, the shareholders of the Company must accord their consent to the proposed increase in the Authorized share capital.

TO AMEND THE MEMORANDUM OF ASSOCIATION: In order to reflect the increase Authorized share capital of the Company, and in order to confirm the requirements of the Companies Act, 2013, Clause V of the Memorandum of Association of the Company must be amended. A draft of the amended Memorandum of Association with the Clause V was tabled and initialed for discussion. As Per section 13 of Companies Act, 2013, the alteration of the memorandum of association of the Company requires the approval of shareholders.

The resolution as set out in Item No. 1 & 2 of the Notice will be placed before the meeting for the approval of the members.

Your Directors recommend the approval of proposed resolution by the members by way of a Ordinary Resolution.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested financially or otherwise in the proposed resolution.

ITEM 3:

Pursuant to execution of Subscription cum Shareholders' Agreement ("SSHA"), the Company would be required to amend the Articles of Association to reflect the terms of that Agreement and also to stream line with the provisions of the Companies Act, 2013. Therefore, it is required to availed consent of the members as per the provisions of the Companies Act, 2013 and rules made there under to adopt the new set of Articles of Association in place of existing Articles of Association of the Company.

The Draft of the proposed Articles of Association to be amended available for inspection at the registered office of the Company before the start of the proceedings.

The resolution as set out in Item No. 3 of the Notice will be placed before the meeting for the approval of the members.

Your Directors recommend the approval of proposed resolution by the members by way of a Special Resolution.



Mr. Faizaan Dalal, Ms. Nafisa Dalal and Mr. Shahzaad Dalal may be concerned or interested, in the proposed resolution.

ITEM 4 & 5:

As per Section 42, 62, 71 and other applicable provisions of the Companies Act, 2013, read with the rules framed there under and amended from time to time, a company offering or making an invitation to subscribe to 9,600 Equity Shares and 44,33,334 0.01% Compulsorily Convertible Debentures ('CCDs') is required to obtain the prior approval of the Shareholders by way of a Special Resolution.

In order to meet the requirements of funds for expansion of business and for general corporate use, the Board of Directors is planning to issue Equity Shares and CCDs to raise the funds for aforesaid purpose. Given below is a statement of disclosures as required under Rule 13(2) of the Companies (Share Capital and Debentures) Rules, 2014 and the terms of issue of the Equity Shares and CCDs:

Sr. No.	Particulars	Equity Shares	Compulsorily Convertible Debentures (CCDs)
1.	Object of the Issue	The objects of the issue for expansion of business and for general corporate use.	
2.	Number of Equity shares/CCDs to be issued	9,600 Equity Shares of Rs. 10/- each	44,33,334 CCDs of Rs. 30/- each
3.	Price/Price band at/within which the allotment is proposed	Rs. 30/- per Equity share	Rs. 30/- per CCD
4.	Basis on which the price has arrived along with valuation Report	The Valuation report has been obtained from Mr. Jignesh Goradia & Associates, Chartered Accountants.	
5.	Relevant Date	In the present case, the relevant date is 3rd March, 2017 (the date on which Board recommends for issue of Equity shares and CCDs).	
6.	Class or classes of persons to whom the allotment is proposed to be made	Mr. Faizaan Dalal, Director Mrs. Nafisa Dalal, Director	
7.	Intention of Promoters / Directors / Key Management Personnel to subscribe to the offer	Mr. Faizaan Dalal and Ms. Nafisa Dalal, Directors of the Company intended to subscribe to the proposed Offer for Equity shares and CCDs. Mr. Shahzaad Dalal has not expressed his intention to subscribe to this offer.	
8.	Proposed time within which the allotment shall be completed	30 days	
9.	Names of proposed allottees and the percentage of post preferential offer capital held by them:	As per "Schedule A"	
10.	Consequential changes, if any, in the Management Control of the Company	The proposed allotment of Equity Shares shall not result in any change in Management Control of the	The proposed allotment of CCDs shall not result in any change in Management Control of the Company,

		Company.	however, upon conversion of all the CCDs into Equity shares of the company, the management control may be change.
11.	The number of persons to whom allotment have already been made during the year, in terms of number of securities as well as price	Not applicable	
12.	Justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.	N.A.	Part of the CCDs being issued against conversion of existing outstanding loans of Proposed allottees and the same has been issued at par with the allotment to be made in cash. The Valuation report of already mentioned above at Sr. No. 4 of this table.
13.	The pre issue and post issue shareholding pattern of the company	As per "Schedule B"	

• **Schedule A:**

Sl. No.	Name of Proposed Allottee	Category	Post Issue*	
			Total Equity Shares	%
1	Mr. Faizaan Dalal	Director	22,21,467	49.887%
2	Ms. Nafisa Dalal	Director	22,21,467	49.887%
TOTAL			44,42,934	99.774%

*including assumption of conversion of 44,33,334 CCDs into Equity Shares of the Company.

• **Schedule B:**

	Category	Pre Issue		Post Issue*	
		Total Equity Shares	%	Total Equity Shares	%
A	Promoters' holding				
1	Indian				
	Individual	NIL	NIL	NIL	NIL
	Bodies Corporate	10,000	100.00	10,000	0.23
	Sub Total	10,000	100.00	10,000	0.23
2	Foreign Promoters	NIL	0.00	NIL	0.00
	Sub Total (A)	10,000	100.00	10,000	0.23
B	Non - Promoters' holding				
1	Institutional Investors	NIL	0.00	NIL	0.00
2	Non-Institution :				
	Private Corporate Bodies	NIL	0.00	NIL	0.00
	Indian Public	NIL	0.00	44,42,934	99.77
	Other (Including NRIs)	NIL	0.00	NIL	0.00
	Sub Total (B)	NIL	0.00	44,42,934	99.77
	GRAND TOTAL	10,000	100.00	44,52,934	100.00

*including assumption of conversion of 44,33,334 CCDs into Equity Shares of the Company.

THE FOLLOWING ARE THE TERMS & CONDITIONS OF 0.01% COMPULSORILY CONVERTIBLE DEBENTURES (CCDs):

1. The tenure of CCDs are 36 months.
2. The CCDs are unsecured.
3. The CCDs shall not be marketable security.
4. The CCDs shall be convertible by the Company within 30 days from the completion of 12 months of commencement of company supplying power to Uttarakhand Power Corporation Ltd. (UPCL).
5. The CCDs shall carry interest at the rate of 0.01% p.a. subject to deduction of tax at source as may be applicable.

6. Upon conversion of CCDs into Equity Shares, the Company shall deliver the original Share Certificates to the CCD holders and the CCD certificates will be get cancelled automatically without any further action.
7. The face value of 44,33,334 CCDs is Rs. 30/- (Rupees Thirty Only) each and shall be converted by the Company within 30 days from the completion of 12 months of commencement of company supplying power to Uttarakhand Power Corporation Ltd. (UPCL). Each CCD shall be converted in to 1 Equity share fully paid-up against 1 CCD fully paid-up.
8. If any bonus or right issue or any other change in the capital structure of the Company like spilt in the face value of shares, consolidation in the face value of shares etc. is made by the Company during the tenure of CCDs, the entitlement of the holder for conversion in to Equity shares shall increase or decrease as the case may be, on pro-rata basis, subject to payment of price for right issue by the investors proportionately but only at the time of election of conversion of the CCDs into Equity shares.
9. CCDs shall not be sold/ transferred to a person unless a specific prior approval of the Company is obtained for such transfer; the transfer so approved shall be effected on submission of the duly executed transfer deed along with the relevant CCD certificate to the Company. The decision of the Board shall be final as to accepting / rejecting the application seeking approval for such sale/transfer.
10. The aforesaid Terms & Conditions of the CCDs can be changed with the prior approval of CCDs holder and after completing the necessary formalities.

The approval of the Members is being sought by way of a Special Resolution under Sections 42, 62, 71 and other applicable provisions of the Companies Act, 2013 read with the rules made there under and as amended from time to time, to enable the Company to offer or invite subscriptions for Equity Shares and CCDs, during the period of 1 (One) year from the date of passing of the resolution at Item No. 4 & 5.

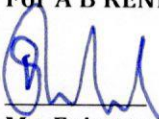
The resolution as set out in Item No. 4 & 5 of the Notice will be placed before the meeting for the approval of the members.

Your Directors recommend the approval of proposed resolution by the members by way of a Special Resolution.

Mr. Faizaan Dalal, Ms. Nafisa Dalal and Mr. Shahzaad Dalal, Directors of the Company are concerned or interested, financially or otherwise, in the proposed resolution.

//Certified to be True//

For A B RENEWABLE ENERGY PRIVATE LIMITED,



**Mr. Faizaan Dalal
(Director)**

DIN: 02687406

Date: 03.03.2017

Place: Mumbai