

NOTICE

NOTICE is hereby given that the 5<sup>th</sup> Annual General Meeting of the Shareholders of Kannur International Airport Limited will be held on Tuesday, the 30<sup>th</sup> September 2014 at 10.30 am in the Banquet Hall of Hotel Hycinth, Manorama Road, Thampanoor, Thiruvananthapuram- 695001 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Annual Accounts of the Company for the year ended 31 March 2014 together with Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Shri.K.M. Mani, Director who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri S.Ramnath, Director who retires by rotation and being eligible, offers himself for re-appointment.
4. To authorize the Board of Directors of the Company to fix the remuneration of Statutory Auditors for the financial year 2014-15.

SPECIAL BUSINESS:

5. Appointment of Shri. E.K Bharat Bhushan, IAS, as Director

To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

“RESOLVED THAT Shri E.K Bharat Bhushan, IAS, Chief Secretary to Government of Kerala who was appointed as an Additional Director of the Company with effect from 9 October 2013 pursuant to the provisions of Section 161 of the Companies Act, 2013 be and is hereby appointed as a Director of the Company liable to retire by rotation.”

6. Appointment of Shri. V.J Kurian, IAS, as Director

To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

“RESOLVED THAT Shri V.J Kurian, IAS, Additional Chief Secretary ( Water Resources & Aviation), Government of Kerala, who was appointed as an Additional Director of the Company with effect from 5 November 2013 pursuant to the provisions of Section 161 of the Companies Act, 2013 be and is hereby appointed as a Director of the Company liable to retire by rotation.”

7. Appointment of Shri. Rajesh Kumar Sinha, IAS, as Director

To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

“RESOLVED THAT Shri Rajesh Kumar Sinha, IAS, Secretary (Expenditure) Finance Department, Government of Kerala who was appointed as an Additional Director of the Company with effect from 31 December 2013 pursuant to the provisions of Section 161 of the Companies Act, 2013 be and is hereby appointed as a Director of the Company liable to retire by rotation.”

8. Appointment of Dr. M.K Muneer as Director

To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

“RESOLVED THAT, Dr.M.K. Muneer, Minister for Panchayats and Social Justice, Government of Kerala who was appointed as an Additional Director of the Company with effect from 23 April 2014 pursuant to the provisions of Section 161 of the Companies Act, 2013 be and is hereby appointed as a Director of the Company liable to retire by rotation.”

9. **Issue and offer of equity shares on private placement basis.**

To consider and, if thought fit, to pass with or without modification, the following resolution as special resolution:

**RESOLVED THAT** in accordance with the provisions of Sections 42, 62 and other applicable provisions, if any of the Companies Act, 2013 (“Act”) read with the Rules framed thereunder, as may be amended from time to time and the Articles of Association of the Company and the regulations/ guidelines, if any, prescribed by any relevant authorities from time to time, to the extent applicable and subject to such approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications, as may be considered necessary by the Board of Directors ( hereinafter referred to as the “Board” which terms shall be deemed to include any committee thereof for the time being exercising the powers conferred on the Board by this resolution) or as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board, the consent of the Company be and is hereby accorded to the Board to offer or invite to subscribe, issue and allot from time to time in one or more tranches 5,89,85,000 equity shares aggregating value Rs 589,85,00,000 on private placement basis to the persons detailed below:

Sl No	Name of the proposed applicant	No of shares proposed to be offered	Offer price per share (in Rs)	Address
1	Government of Kerala	2,19,99,000	100/-	Government Secretariat Thiruvananthapuram
2	Airports Authority of India	26000000	100/-	Rajiv Gandhi Bhawan, Sufdarjung Airport, New Delhi - 110003
3	Bharat Petroleum Corporation Ltd	46,80,000	100/-	Bharat Bhawan, Ballard Estate Mumbai- 400001
4	State Bank of Travancore	10,00,000	100/-	Head Office Poojappura, Thiruvananthapuram- 695012
5	Canara Bank	15,00,000	100/-	T.S No. 81-1 of 15 <sup>th</sup> Wardlight House Hill, Mangalore
6	Kerala State Beverage ( Manufacturing and Marketing) Corporation Ltd	3,06,000	100/-	Sreesasthakripa Office Complex, Sasthamangalam, Thiruvananthapuram- 695010
7	Shri M.A Yusuffali	25,00,000	100/-	EMKE Mansion, No.1, Nattika P.O, Thrissur- 680 566
8	Kannur International Airport Promotion Society	10,00,000	100/-	T.C 36/1, First Floor Chacka, NH Bypass, Thiruvananthapuram- 695024
	<b>TOTAL</b>	<b>5,89,85,000</b>		

“RESOLVED FURTHER THAT the equity shares offered/ allotted/ issued in terms of this resolution shall rank *paripassu* in all respects with the existing equity shares of the Company”.

“RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board of Directors be and is hereby authorized on behalf of the Company to take all actions and do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue or allotment of aforesaid equity shares”.

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to issue private placement offer letters in Form PAS-4, to send application forms to the persons to whom this offer is made and to maintain a complete record of the said offer in Form PAS-5,”

By order of the Board of Directors  
For Kannur International Airport Limited

Sd/-

Anish Kurian  
Company Secretary

Date: 26 August 2014  
Thiruvananthapuram.

Notes:

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND, ON A POLL TO VOTE ON HIS BEHALF, A PROXY NEED NOT BE A MEMBER. A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the company. In case proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company, then such proxy shall not act as a proxy for any other person or shareholder.
- (b) Proxy form in order to be valid and effective must be deposited at the registered office of the Company not less than 48 hours before the time of holding the aforesaid meeting.
- (c) The explanatory statement pursuant to Section 102 of the Companies Act 2013, in respect of the special business is enclosed.
- (d) The Notice is being sent to all the Members whose name appeared in the Register of Members as on 26th August 2014. The notice of the meeting is also posted on the website of the company [www.kannurairport.in](http://www.kannurairport.in)

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF  
THE COMPANIES ACT, 2013

Items No 5 to 8

The Board of Directors of the Company had appointed Shri E.K Bharat Bhushan, IAS, Chief Secretary to Government of Kerala as Additional Director of the Company on 9 October 2013. Shri V.J Kurian, IAS, Additional Chief Secretary ( Water Resources & Aviation), Govt. of Kerala, as Additional Director on 5 November 2013, Shri Rajesh Kumar Sinha, IAS, Secretary (Expenditure) Finance Department, Govt. of Kerala as Additional Director on 31 December 2013 and Dr.M.K. Muneer, Hon ble Minister for Panchayats and Social Justice, Govt. of Kerala as Additional Director on 23 April 2014.

As such, these Directors will hold office up to the date of the ensuing Annual General Meeting and hence need to be re-appointed. Your Directors recommend resolutions Nos 5 to 8 set forth in the notice for your approval.

Except the concerned Directors, none of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in resolutions.

Item No. 9

The Company proposes to increase its capital base by mobilizing additional equity capital to meet the cost for implementing the project, by private placement of shares pursuant to the provisions of section 42 of the Companies Act, 2013, by offering 5,89,85,000 equity shares of Rs 100 each aggregating to Rs 589,85,00,000.

Section 62 of the Act read with the Companies(Share Capital & Debentures) Rules, 2014 provides *inter alia*, that wherever it is proposed to increase the subscribed capital of the Company by issue of further shares, such shares may be offered to any persons, whether or not those persons are holders of the equity shares of the Company or employees of the Company, if authorized by way of a special resolution.

Furthermore, as per section 42 of the Act, read with the rules framed thereunder, a company offering or making an invitation to subscribe to securities on a private placement basis is required to obtain the prior approval of the shareholders by way of a special resolution for each of the offers and invitations.

The approval of the members is accordingly being sought by way of a special resolution under sections 42 and 62 of the Act read with the Rules made thereunder for the issue of 5,89,85,000 equity shares of Rs 100 each aggregating Rs 589,85,00,000.

The Company submits the following information for taking appropriate decision for approval of the proposed resolution as set out in the Item No.9 of the notice of the meeting by way of special resolution:

- (a) The object of the issue: To raise the funds for long term financial needs of the Company from the selected group of entities, Companies, Govt of Kerala, Commercial Banks and Individual on private placement basis.
- (b) The total numbers of shares to be issued: 5,89,85,000 equity shares of Rs 100 each.
- (c) The price band at which allotment is proposed: The issue will be made at a price of Rs. 100/- per share.

- (d) The basis on which the price has been arrived at: Based on the certificate received from M/s Sunod Kumar and Associates, Chartered Accountants, Thiruvananthapuram. As per the valuation done, the price of the equity shares is Rs 100/- and hence the offer of equity share will be made at that price. The certificate and shareholding pattern of the promoters and others have been kept at the Registered Office of the Company for inspection.
- (e) The relevant date on the basis of which price has been arrived at: The date of the certificate is 12 June 2014.
- (f) The Class or classes of persons to whom the allotment is proposed to be made: To Government of Kerala, Public Sector Enterprise, Public Sector Undertakings, Commercial Banks, Individual, Society.
- (g) The Intention of promoters/directors/key managerial persons to subscribe to the offer: The promoters, being Government of Kerala, intend to participate in the proposed allotment of shares.
- (h) Proposed time within which the allotment shall be completed: The Company expects to complete the allotment of securities within 12 months from passing of special resolution.
- (i) The change in control, if any, in the Company that would occur consequent to the offer: The Directors do not envisage any change in the control of the management by the proposed allotment of shares.
- (j) The number of persons to whom allotment on preferential basis have already been made during the year, in terms of No. of shares and price:  
No of persons- 2, price- Rs 100 per shares, Total No of shares- 27,13,100
- (k) The Justification for the allotment proposed to be made for consideration other than cash together with valuation report of the Registered valuer: Out of the 3,50,00,000 total number of shares issued / proposed to be issued to Government of Kerala, 3,15,94,000 nos of equity shares will be issued for consideration other than cash towards the value of land transferred to the Company as per the valuation of land made by the District Collector and District Level Purchase Committee of Govt. of Kerala and the balance shares will be issued against cash.
- (l) The Pre and post issue Shareholding pattern of the Company is as under:

Sl. No.	Category	Pre-Issue		Post - Issue	
		No. of Shares Held	% of Share holding	No. of Shares Held	% of Share holding
A.	<b>Promoters Holding:</b>				
1.	<b>Indian:</b>				
	Government of Kerala	1,30,01,000	32.91	3,50,00,000	35.54
	<b>Sub Total</b>	<b>1,30,01,000</b>	<b>32.91</b>	<b>3,50,00,000</b>	<b>35.54</b>
2.	Foreign Promoters	NIL		NIL	
	<b>Sub Total (A)</b>	<b>1,30,01,000</b>	<b>32.91</b>	<b>3,50,00,000</b>	<b>35.54</b>
B	<b>Non - Promoters Holding:</b>				
1.	<b>Institutional Investors:</b>				
	Kerala PSUs	10,14,000	2.57	13,20,000	1.34
	Bharat Petroleum Corporation Limited	1,70,00,000	43.03	2,16,80,000	22.01
	Airports Authority of India	NIL		2,60,00,000	26.40
	Commercial Banks	30,00,000	7.59	55,00,000	5.58
	Kannur International Airport Promotion Society	NIL		10,00,000	1.02
	Other Institutions in Private Sector	8,32,900	2.11	8,32,900	0.85
2.	<b>Non - Institution:</b>				
	Directors and Relatives	NIL	NIL	NIL	NIL
	Individuals (Including NRIs)	46,57,904	11.79	71,57,904	7.27
	<b>Sub Total (B)</b>	<b>2,65,04,804</b>	<b>67.09</b>	<b>6,26,57,904</b>	<b>64.46</b>
	<b>GRAND TOTAL</b>	<b>3,95,05,804</b>	<b>100</b>	<b>9,84,90,804</b>	<b>100</b>

The proposed issue of equity shares as above may be made in one or more tranches.

In order to authorise to the Board for taking further action, it is necessary to pass the said special resolution for private placement of shares as set out in the Item No 9 of the notice.

Your Directors recommend resolutions No.9 set forth in the notice for your approval.

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

By order of the Board of Directors  
For Kannur International Airport Limited

Sd/-  
Anish Kurian  
Company Secretary

Date: 26 August 2014  
Thiruvananthapuram.