

2.11.2021

To

BSE Limited

Floor 25, P J Towers, Dalal Street

Mumbai – 400001

BSE Symbol: **KLKELEC**

Scrip Code: **517170**

Dear Sir/Madam,

Sub.: Outcome of the meeting of the Board of Directors of KLK Electrical Limited (“Company”), held on 02nd November,2021 in terms of Regulation 30(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

Further to our Intimation dated 16th October,2021 and pursuant to Regulation 30(2) of Listing Regulations read with Schedule III, we wish to inform you that a meeting of the Board of Directors of the Company was held today i.e., 02nd November 2021, wherein the following resolutions was considered and approved:

- (i) The Board approved in compliance with the provisions of Section 13, 61, 64 and all other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) read with Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), in accordance with the provisions in the Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions as may be considered necessary from appropriate Authorities and subject to such terms and conditions, increase the Authorised Share Capital of the Company from Rs. 5,00,00,000/- divided into 50,00,000 Number of equity shares of Rs. 10/- each to Rs. 10,00,00,000/- divided into 100,00,000 Number of Equity Shares of Face Value Rs. 10/- each ranking pari-passu with the existing shares in all respects subject to approval of shareholders in Extra Ordinary General Meeting.
- (ii) The Board approved an investment limit not exceeding Rs.100 crores which the Company can

KLK Electrical Limited

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West Shenoy Nagar , Chennai, 600030

admin@klk.co.in
CIN: L72300TN1980PLC008230

make in Indian entities and/or overseas entities subject to approval of the members at the ensuing Extra Ordinary General Meeting of the Company. Since this limit exceeds the stipulated limits as per section 186 of the Companies Act, 2013 i.e. exceeding 60% (Sixty Percent) of its paid up share capital, free reserves and securities premium account or 100% (One Hundred Percent) of its free reserves and securities premium, so this resolution was passed by the Board by way of unanimous resolution.

- (iii) The Board by passing a unanimous resolution approved the Purchase of 60,00,000 Common Stock of Edvenswa Tech INC @ Rs.25 per stock by the Company from Mr. Sreenivasa Sreekanth Uppuluri (based on the valuation report of Registered Valuer A.N Gawade)and in lieu of the same the Company (KLK Electrical Limited) shall issue its 60,00,000 Equity Shares @ Rs.25 per equity share on Preferential Basis as consideration in accordance with Section 62 of the Act read with relevant rules framed thereunder and Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“**SEBI ICDR Regulations**”) to allottees as mentioned in Annexure A. Based on the valuation report of the Registered Valuer A.N Gawade the value per share of KLK Electrical Limited as per SEBI ICDR Regulations is arrived at Rs. 22.87/- which is the minimum value. So the Board has approved the price of Rs.25/- per share for KLK Electrical Limited for such issuance. This will result in Edvenswa Tech INC becoming the wholly owned subsidiary of the Company. The said resolution is subject to approval by the shareholders in Extra Ordinary General Meeting to be passed by way of Special Resolution.
- (iv) The Board approved the issuance of 12,00,000 Equity Share Warrants to Mr. Yerradoddi Ramesh Reddy (“**Proposed Warrant Holder**”) at a Price of Rs. 25/- per Equity Share Warrant with the right to warrant holder to apply for and be allotted 1 (One) Equity Share of the face value of Rs. 10/- each of the Company at a premium of Rs. 15/- per Equity Share warrant within a period of 18 (Eighteen) months from the date of allotment of the warrants, aggregating up to Rs. 3,00,00,000/- (Rupees Three Crores Only) on Preferential basis in accordance with Section 62 of the Act read with relevant rules framed thereunder and Chapter V of SEBI ICDR Regulations to allottees as mentioned in Annexure A.

Pursuant to Regulation 30(2) of the Listing Regulations read with circular CIR/CFD/CMD/4/2015 dated September 09, 2015 issued by Securities and Exchange Board of India (“SEBI”) relevant details pertaining to item nos. (iii) and (iv) have been enclosed herewith as an **Annexure A**.

An Extraordinary General Meeting of the Shareholders of the Company will be held on 02nd December,2021 for seeking their approval for the Increase in Authorized Share Capital, Investment limit beyond that stipulated in Section 186 of Companies Act,2013 in Indian entities and /or Overseas entities, Preferential Issue of Equity Shares &Equity Share Warrants.

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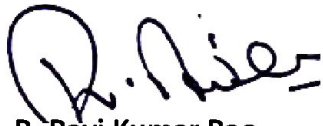
The Board has approved 05th November,2021 as Cut-off date for ascertaining the list of shareholders to whom the notice of EGM will be sent and also for reckoning voting rights. Also, approved the appointment of Lakshmmi Subramanian (Membership No. ACS- FCS3534& CP No.-1087), of M/s Lakshmmi Subramanian & Associates Practicing Company Secretaries as scrutinizer to conduct the EGM in true and fair manner.

The Board Meeting commenced at 4:30 PM and concluded at 6 PM.

You are requested to take this on record.

Yours faithfully,

For KLK Electrical Limited



R. Ravi Kumar Rao

Director

Din: 06432101

Encl.: As above

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Annexure A

Details regarding the preferential issue which a listed entity needs to disclose as per the SEBI Circular dated September 09, 2015.

Particulars	Information					
Type of securities proposed to be issued	Equity Shares and Equity Share Warrants.					
Type of issuance	Preferential Issue in accordance with Chapter V of the SEBI (ICDR) Regulations and other applicable laws.					
Total number of securities proposed to be issued or the total amount for which the securities will be issued (approximately)	(i) Issuance of 60,00,000 Equity Shares of face value of Rs. 10 each (“Equity Shares”) at a price 25/- per Equity Share to Sreenivasa Sreekanth Uppuluri in lieu of Purchase of 60,00,000 Common Stock Valued at Rs.25/- of Edvenswa Tech INC held by him, and (ii) Issuance of 12,00,000 Equity Share Warrants to Yerradoddi Ramesh Reddy at a Price of Rs. 25/- per Equity Share Warrants with the right to warrant holder to apply for and be allotted 1 (One) Equity Share of the face value of Rs. 10/- at a premium of Rs.15/- per Equity Share Warrant of the Company within a period of 18 (Eighteen) months from the date of allotment of the warrants, aggregating up to Rs. 3,00,00,000/-.					
Name of Investor	Sreenivasa Sreekanth Uppuluri & Yerradoddi Ramesh Reddy					
Post-allotment of securities: Outcome of subscription	Pre-Preferential Issue of Equity Shares & Equity Share Warrants Issue As on 05.10.2021		Post-Allotment of Equity Shares pursuant to the Preferential Issue		Post-Conversion of Equity Share Warrants to Equity Shares pursuant to the Preferential Issue	
	No. of Equity Shares held	% held	No. of Equity Share held	% Held	No. of Equity Shares held	% held
Mr. Sreenivasa Sreekanth Uppuluri	Nil	-	60,00,000	60.91	-	-
Mr. Yerradoddi Ramesh Reddy	Nil	-	-	-	12,00,000	12.18

Issue Price	₹ 25/- per Equity Share and Rs.25/- per Equity Share Warrant. The price at which the Equity Shares shall be issued is not lower than the floor price calculated in accordance with Regulation 164 of the SEBI ICDR Regulations.
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