

## NOTICE

**NOTICE** is hereby given that the sixteenth Annual General Meeting of the Members of Pipavav Defence and Offshore Engineering Company Limited (“the Company”) will be held at the Registered Office of the Company at Pipavav Port, Post Ucchaiya, Via-Rajula, District Amreli - 365 560, Gujarat, India, on Wednesday, December 18, 2013 at 12.00 Noon to transact the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Statement of Profit and Loss for the year ended on March 31, 2013, Balance Sheet as on that date together with the Reports of the Auditors and Board of Directors thereon.
2. To appoint a Director in place of Mr. Samar Ballav Mohapatra, who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint M/s. Chaturvedi & Shah, Chartered Accountants, (Registration No. 101720W), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

### SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** in accordance with Section 31 and all other applicable provisions, if any, of the Companies Act, 1956 or the Companies Act, 2013 (including any amendment thereto), the existing set of Articles of Association of the Company be and is hereby replaced, altered, modified and revised as per the new set of Articles of Association, a copy of which is placed before the meeting and duly initialed by the Executive Vice-Chairman for the purposes of identification and the new set of Articles be and is hereby approved and adopted as the Articles of Association of the Company in place, in substitution and to the entire exclusion of the existing Articles of Association.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be

necessary, proper, expedient or incidental for the purpose of giving effect to this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of its powers herein conferred to any Committee of Directors or any Director or Directors or Corporate Counsel and Company Secretary or any other Officer or Officers of the Company with the power to further delegate any such powers as they may deem fit to give effect to the aforesaid resolution.”

5. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** Mr. Nils Peter Sandehed, who was appointed as an Additional Director by the Board of Directors w.e.f. May 27, 2013 pursuant to the provisions of Section 260 of the Companies Act, 1956 and who holds office upto the date of the ensuing Annual General Meeting and in respect of whom, the Company has received a notice in writing from a Member proposing his candidature for the office of Director under Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** in supersession of resolution passed at the 14<sup>th</sup> Annual General Meeting held on October 5, 2011 in this regard and pursuant to the provisions of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto), the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any duly authorized Committee thereof for the time being exercising the powers conferred on the Board by this resolution), be and is hereby authorized to borrow, from time to time, any sum or sums of monies (including External Commercial Borrowings) for the business of the Company from any banks/ financial institutions, foreign institutional investors, foreign companies or bodies corporate on such terms and conditions as may be deemed appropriate and at its absolute discretion, which monies together with the



monies already borrowed by the Company (apart from temporary loans obtained/ to be obtained from the Company's bankers in the ordinary course of business), may exceed aggregate of the paid-up share capital of the Company and its free reserves (i.e. reserves not set apart for any specific purpose) provided that the total amount so borrowed by the Board and outstanding at any time shall not exceed the limit of ₹ 7,500 Crore (Rupees Seven Thousand Five Hundred Crore only)."

7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 or the Companies Act, 2013 (including any amendments thereto) ("**Act**") and applicable provisions of the Foreign Exchange Management Act, 1999 ("**FEMA**") including Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 as amended ("**FCCB Scheme**"), Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**SEBI ICDR Regulations**") and in accordance with all other applicable laws, rules, regulations, guidelines, policies, notifications, circulars and clarifications issued/ to be issued thereon from time to time by the Reserve Bank of India ("**RBI**"), the Securities and Exchange Board of India ("**SEBI**"), Competition Commission of India ("**CCI**"), Secretariat for Industrial Assistance ("**SIA**"), Foreign Investment Promotion Board ("**FIPB**"), Cabinet Committee on Security ("**CCS**"), Cabinet Committee on Economic Affairs ("**CCEA**"), Ministry of Finance (Department of Economic Affairs) and/ or any other ministry/ department of the Government of India ("**GOI**") and/ or any other regulatory and statutory authorities (hereinafter singly or collectively referred to as the "**Appropriate Authorities**") and in accordance with enabling provisions of the Memorandum and Articles of Association of the Company, Listing Agreements entered into by the Company with the stock exchanges where the shares of the Company are listed and subject to required approvals, consents, permissions and/ or sanctions of the Appropriate Authorities and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors

of the Company (hereinafter referred to as the "**Board**"), which term shall deem to include any duly constituted and empowered committee thereof for the time being exercising the powers conferred on the Board by this resolution), consent of members of the Company be and is hereby accorded to create, offer, issue and allot such number of Foreign Currency Convertible Bonds ("**FCCBs**") convertible into equity shares of the Company ("**Equity Shares**") with/ without warrants, Equity Shares and/ or any other convertible securities other than warrants under Chapter VIII of SEBI ICDR Regulations dealing with Qualified Institutional Placement ("**QIP**") and/ or cumulative convertible preference shares and/ or bonds whether partly/ optionally/ fully convertible and/ or securities linked to Equity Shares and/ or any other instruments, partly/ fully convertible into or linked to Equity Shares with or without detachable warrants with a right to subscribe to the Equity Shares and/ or otherwise, in registered or bearer form, secured or unsecured or any combination thereof (hereinafter collectively referred to as "**Securities**") to raise an aggregate amount not exceeding **USD 200 Millions** (United States Dollar Two Hundred Million) or its equivalent in any other currency in one or more tranches whether denominated in any foreign currency or Indian rupees, in the course of international and/ or domestic offering(s) in one or more foreign markets/ domestic market, to any persons including foreign investors (whether financial institutions, corporate bodies, mutual funds, banks, insurance companies, pension funds, trusts, foreign institutional investors, venture capital funds) individuals, non-resident Indians whether such investors are members of the Company or not (collectively referred as the "**Investors**"), through a public issue and/ or on a private placement basis and/ or any other permitted nature of offering for cash, at such price at a discount or premium to the market price of the Equity Shares and in such form and manner and on such terms and conditions including security, rate of interest etc. through a prospectus or an offering memorandum/ circular, as per the terms and conditions that the Board may in its absolute discretion deem fit and appropriate at the time of such issue and where necessary, in consultation with lead managers and/ or other advisors or otherwise, including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors, wherever necessary ("**Issue/ Offering**")."

**RESOLVED FURTHER THAT** relevant date for determination of applicable price for the issue of Securities and the price determined by the Board shall be, in accordance with applicable laws and regulations.

**RESOLVED FURTHER THAT** in relation to the Issue, the Board be and is hereby authorized to issue and allot such number of Securities as may be required to be issued and allotted, including redemption or cancellation of any such Securities in accordance with the terms of the Issue/ Offering in respect of the Securities or any subsequent amendment to the terms of the offer as the Board may decide subsequent to the Issue and to exercise all powers relating to the Issue and all such equity shares shall rank pari passu with the then existing Equity Shares in all respects including dividend except as provided otherwise under the terms of Issue/ Offering and in the offer document/ offer letter/ offering circular and/ or listing particulars.

**RESOLVED FURTHER THAT** without prejudice to the generality of the above, the Securities may have such features and attributes or any terms or combination of terms to provide for the tradability on stock exchanges whether in India/ abroad and free transferability thereof as per the prevailing practices and regulations in the capital markets including but not limited to the terms and conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever including terms for issue of additional Equity Shares or variation of the conversion price of the Securities during the duration of the Securities and the Board be and is hereby authorized to dispose off such Securities that are not subscribed in such a manner, as it may deem fit and appropriate in its absolute discretion.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable including, but not limited to, finalization and approval of the preliminary and final offer documents, determining the form, manner and terms of the Issue/ Offering in accordance with applicable regulations and prevalent market practices, class of Investors to whom the Securities are to be allotted, number of Securities to be allotted in each tranche, issue price, face value, premium payable on issue/ conversion of Securities/

exercise of warrants/ redemption of Securities, rate of interest, redemption period, number of equity shares to be issued upon conversion/ redemption/ cancellation of the Securities, listings on one or more stock exchanges in India and / or abroad and any other terms and conditions of the issue including any alterations or modifications to the terms of the Securities and any agreement or document (including any alteration or modification, after issue of Securities) and to sign and execute all deeds, documents and writings and to settle any questions, difficulties or doubts that may arise in regard to the issue, offer and allotment of the Securities and utilization of the Issue proceeds, accept any modifications in the proposal as may be required by the Appropriate Authorities as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members of the Company or otherwise to the end and intent that the members shall be deemed to have given their approval thereto for all such acts, deeds, matters and things 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 one or more Directors or Chief Financial Officer or Corporate Counsel and Company Secretary, with power to delegate to any officer(s) of the Company.”

8. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Sections 269, 317 read with Schedule XIII or any other applicable schedule and all other applicable provisions, if any, of the Companies Act, 1956 or the Companies Act, 2013 (including any amendment thereto) (“the Act”), Mr. Bhavesh Gandhi be and is hereby re-appointed as the Whole-time Director designated as Executive Vice-Chairman of the Company, for a period of five financial years commencing from April 1, 2013 and expiring on March 31, 2018.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 198, 309, 310, 311 read with Schedule XIII or any other applicable schedule and all other applicable provisions, if any, of the Act and subject to approval of the Central Government, if required, Mr. Bhavesh Gandhi, Whole-time Director designated as Executive Vice-Chairman of the Company, be paid remuneration for a period of three years commencing from April 1, 2013 and expiring on March 31, 2016, as follows:



Sr. No.	Remuneration	Amount
1.	Basic salary	₹ 15,00,000 per month
2.	House Rent Allowance (HRA)	₹ 5,00,000 per month
3.	Special Pay	₹ 5,00,000 per month
4.	<b>Perquisites as follows:</b>	
i)	Provident fund contribution	Membership of the provident fund to which the Company will contribute 12% of the basic salary.
ii)	Gratuity	Calculated on the basis of 15 days' basic salary for each year of completed service subject to completion of minimum five years of continuous service with the Company. For purpose of calculation, average of the last three months' basic salary will be considered as basic salary.
iii)	Reimbursement of leave travel allowance for self and family members	One month's basic salary
iv)	Reimbursement of medical expenses	At actual
v)	Club fees	Membership & annual fees of clubs shall be incurred by the Company subject to maximum of 2 clubs.
vi)	Two cars for official and personal use.	At cost
vii)	Superannuation and/ or annuity fund	As per the Company's rules

**RESOLVED FURTHER THAT** subject to applicable approvals, Mr. Bhavesh Gandhi, Whole-time Director designated as Executive Vice-Chairman of the Company, shall be paid the aforesaid remuneration as minimum remuneration in the event of absence or inadequacy of profits.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 198, 309, 310, 311 read with Schedule XIII or any other applicable schedule and all other applicable provisions, if any, of the Act and subject to approval of the Central Government, if required, Mr. Bhavesh Gandhi, Whole-time Director designated as Executive Vice-Chairman of the Company, be paid performance incentive at such rate (as may be decided by the Board of Directors of the Company) not exceeding the rate permissible under the Act, of the net profits of the Company computed in accordance with the provisions of Sections 349 and 350 or any other applicable provisions of the Act less salary and other perquisites as stated above actually paid to Mr. Bhavesh Gandhi during the relevant financial years/ periods and the same shall be performance based.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby empowered to alter, vary and/ or modify the remuneration and perquisites payable to Mr. Bhavesh Gandhi, Whole-time Director designated as Executive Vice-Chairman, within and in accordance with the limits prescribed by the Act or in accordance with the changes that may be made by the Central Government, in that behalf from time to time.

**RESOLVED FURTHER THAT** Mr. Nikhil Gandhi, Chairman and Mr. Ajit Dabholkar, Corporate Counsel and Company Secretary be and are hereby severally authorized to file the required forms with the concerned Registrar of Companies, to give and/ or publish the required notices in terms of Section 640B or any other relevant provisions of the Act and to do all such acts, deeds, matters and things as may be considered necessary, proper, desirable or expedient to give effect to this resolution and/ or otherwise considered by them in the best interest of the Company."

## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL AT THE MEETING INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxies, in order to be effective, must be received by the Company not less than 48 hours before the commencement of the Meeting. The relevant proxy form is attached herewith.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Businesses set out in the Notice is annexed hereto.

3. As per Clause 49 of the Listing Agreement, particulars of the Directors seeking appointment/ re-appointment at the Meeting are also attached to this Notice.
4. Only registered members of the Company may attend and vote at the Meeting. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a duly certified copy of the Board Resolution and/ or duly notarized Power of Attorney, authorizing their representatives to attend and vote on their behalf at the Meeting.
6. Members desiring any information relating to financial statements of the Company are requested to write to the Company at least seven working days before the date of the Meeting to enable the Company to keep the information ready at the Meeting.
7. No gifts/ coupons will be distributed before or at the Meeting to the Members. Members may make their own travel arrangements at their costs for attending the Meeting.
8. Members are requested to bring their copy/ printout of Annual Report along with duly filled Attendance Slips, for attending the Meeting.
9. For security reasons, no gadgets, mobile phones, cameras, article/ baggage shall be allowed at the venue of the Meeting. If any such gadgets are brought by any Member, the same shall be deposited with the security personnel at the risk of such Member/ attendee.
10. The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, December 10, 2013 till Thursday, December 12, 2013, (both days inclusive). The Members of the Company whose names appear in the Register of Members as on December 9, 2013 shall be entitled to attend and vote at the Meeting.
11. Members holding shares in physical form are requested to notify any change in their addresses and/ or the Bank Mandate details to the Registrar and Transfer Agent, Karvy Computershare Pvt. Ltd. ("Karvy"). Members holding shares in demat form are requested to notify their respective Depository Participants (DPs) of any change in their addresses and/ or the Bank Mandate details.
12. Non-Resident Indian Members are requested to inform Karvy or the concerned DPs immediately of:
  - a) change in their residential status on return to India for permanent settlement.
  - b) particulars of their Bank Account maintained in India with complete name of the Bank, Branch, Account type, Account No. and address of the Bank with PIN Code, if not furnished earlier.

By Order of the Board of Directors

sd/-  
**Ajit Dabholkar**  
Corporate Counsel and Company Secretary

Place: Mumbai  
Date: September 27, 2013





## EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 and applicable provisions of the Companies Act, 1956 ('the Act') in respect of the Special Businesses.

### Item No. 4:

Pursuant to approval of the members of the Company at the Extraordinary General Meeting held on December 1, 2012, the Company has issued and allotted 24,507,881 fully paid-up equity shares of ₹ 10/- each to SAAB Aktiebolag ("SAAB") @ ₹ 82/- per equity share including premium of ₹ 72/- per equity share.

Pursuant to the Share Subscription cum Shareholders' Agreement (SSHA) executed with SAAB on November 1, 2012, the Company is required to amend the Articles of Association in order to incorporate the terms and conditions of the SSHA.

Since incorporation of these terms and conditions requires amendments to many Articles in the existing Articles of Association, it is felt prudent that the existing Articles of Association be instead replaced in its entirety by a new set of Articles of Association.

In addition to above, it is proposed to incorporate enabling provisions in the Articles of Association of the Company for adopting electronic modes like video conference facility in conducting Board/ Committee meetings and General meetings of the Company, for ensuring effective and larger participation of the Directors and Members at their respective meetings.

Pursuant to provisions of Section 31 of the Companies Act, 1956, amendment of Articles of Association requires approval of members by way of special resolution and hence, the Board commends the Special Resolution set out at Item No. 4 of this notice for approval by the members.

A copy of the existing as well as proposed new Articles of Association of the Company will be available for inspection for the Members at the Registered Office of the Company between **10.00 A. M. and 12.00 Noon on all working days** up to date of the Meeting.

None of the Directors is, in any way, interested or concerned in the resolution.

### Item No. 5:

Pursuant to the SSHA executed with SAAB on November 1, 2012, SAAB is entitled to nominate one Director on the Board of the Company. Accordingly, Mr. Nils Peter Sandehed, nominated by SAAB, was appointed as an additional Director by the Board of Directors of the Company with effect from May 27, 2013, till the conclusion of this Annual General Meeting.

The Company has received a notice in writing from a member pursuant to the provisions of Section 257 of the Companies Act, 1956, signifying intention to propose

Mr. Sandehed for the office of Director whose period of office is liable to retire by rotation.

Brief resume of Mr. Sandehed and other relevant details pursuant to Clause 49 of the Listing Agreement are provided in the Notice.

The Board commends the Ordinary Resolution set out at Item no. 5 of this notice for approval by the members.

None of the Directors of the Company except Mr. Nils Peter Sandehed is, in any way, concerned or interested in the resolution.

### Item No. 6:

The Members at the 14<sup>th</sup> Annual General Meeting of the Company held on October 5, 2011 authorized the Board of Directors of the Company to borrow monies from Banks, Financial Institutions and/ or bodies corporate upto ₹ 5,000 Crore.

Considering major growth plans of the Company and capital expenditure for construction of another dry dock & other infrastructure development for catering to huge requirements of Defence sector and Offshore Oil & Gas Exploration and Production projects, it is proposed to increase the said borrowing limit to ₹ 7,500 Crore.

Pursuant to Section 180(1)(c) of the Companies Act, 2013 borrowings (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) in excess of aggregate of paid-up share capital and free reserves not set apart for any specific purposes, require consent of the Members at a general meeting.

The Board commends the Special Resolution set out at Item no. 6 of this notice for approval by the members.

None of the Directors of the Company is, in any way, concerned or interested in the resolution.

### Item No. 7:

The Company has major growth plans for expanding its operations in the Defence Sector. With a view to garner long term resources for meeting the funds requirement of the Company for capital expenditure relating to expansion of existing infrastructure facilities and/ or setting up of new facilities and for other purposes as permitted under the prevailing guidelines in this regard, the Company proposes to issue Foreign Currency Convertible Bonds (FCCBs), Equity Shares, Qualified Institutional Placement (QIP), any other convertible securities, for raising an aggregate amount not exceeding USD 200 Millions.

Members of the Company at the Extraordinary General Meeting held on June 21, 2012 approved raising of funds upto USD 200 Millions by issue of Foreign Currency Convertible Bonds (FCCBs), Equity Shares, and/ or similar fully or partly convertible securities.

Due to uncertain global financial market conditions, the Company could not launch the issue of Securities. The same proposal is being put up for approval of the Members once again.

The Company for the purpose of this issue/ offering may have to seek approval from relevant regulatory authorities being; the Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI), Competition Commission of India (CCI), Foreign Investment Promotion Board (FIPB), Secretariat for Industrial Assistance (SIA), Cabinet Committee on Security (CCS), Cabinet Committee on Economic Affairs (CCEA), Ministry of Finance (Department of Economic Affairs) and/ or any other ministry/ department of the Government of India (GOI).

Pricing of the Securities/ Equity Shares to be issued upon exercise of the option of conversion of the Securities will be as per the pricing formula as prescribed under applicable laws including FCCB Scheme, SEBI ICDR Regulations and the terms of offering.

Conversion of Securities held by the foreign investors into equity shares of the Company shall be subject to applicable sectoral foreign investment cap, if any.

These Securities may be listed on stock exchanges abroad and/ or stock exchanges in India, where equity shares of the Company are listed. The equity shares issued and allotted upon exercise of the option of conversion of the Securities shall be listed on NSE and BSE where the Company's equity shares are listed.

Since issue of Securities representing underlying Equity Shares involves issue of Equity Shares to persons other than existing members, consent of the members is being sought pursuant to the provisions of Section 81(1A) of the Act and Listing Agreements executed with the stock exchanges where the Company's shares are listed.

The Board of Directors commends the Special Resolution set out at item no. 7 of this notice for approval of the members.

None of the Directors of the Company is, in any way, concerned or interested in the Resolution.

**Item No. 8:**

The Members at their Extraordinary General Meeting held on October 17, 2008, appointed Mr. Bhavesh Gandhi, Whole-Time Director designated as Executive Vice-Chairman of the Company, for a period commencing from January 1, 2009 to March 31, 2013.

Considering his valuable contributions in the growth of the Company and his vast experience, the Board of Directors at their meeting held on February 14, 2013, based on the recommendations of the Remuneration Committee, re-appointed Mr. Bhavesh Gandhi as Whole-Time Director of the Company for further period of 5 years commencing from April 1, 2013 to March 31, 2018 on the terms and conditions as mentioned herein below.

Brief profile of Mr. Bhavesh Gandhi in terms of Clause 49 of the Listing Agreement, is provided in this Notice.

It is proposed to pay following remuneration to Mr. Bhavesh Gandhi, for a period of three years commencing from April 1, 2013 and expiring on March 31, 2016:

**I. Remuneration**

(₹ per month)

Basic salary	House Rent Allowance (HRA)	Special Pay
₹ 15,00,000	₹ 5,00,000	₹ 5,00,000

**II. Perquisites**

In addition to above, Mr. Bhavesh Gandhi shall be entitled to perquisites like Medical Reimbursement, Leave Travel Allowance, Retirement benefits as per the laws applicable from time to time, Club Fees, Company maintained two cars etc., more specifically mentioned in the resolution.

**III. Performance Incentive**

Performance Incentive at such rate (as may be decided by the Board of Directors) not exceeding the rate permissible under the Act, of the net profits of the Company computed in accordance with the provisions of the Act less salary and other perquisites as stated above actually paid to Mr. Bhavesh Gandhi during the relevant financial year/ period.

**IV. Minimum Remuneration**

Notwithstanding anything hereinabove, where in any financial year during the currency of his tenure as the Whole-Time Director, the Company has no profits or its profits are inadequate, the Company will pay to him the aforesaid remuneration by way of salary, perquisites, performance incentive, as minimum remuneration.

The re-appointment of Mr. Bhavesh Gandhi as Whole-Time Director and payment of aforesaid remuneration to him requires approval of the Members of the Company and hence, the Board commends the Special Resolution set out at Item No. 8 of this notice for approval by the members.

Mr. Bhavesh Gandhi is related to Mr. Nikhil Gandhi as brother.

None of the Directors of the Company other than Mr. Nikhil Gandhi and Mr. Bhavesh Gandhi is concerned or interested in the resolution.

**By Order of the Board of Directors**

sd/-  
**Ajit Dabholkar**  
Corporate Counsel and Company Secretary

Place: Mumbai  
Date: September 27, 2013



**Details of the Directors seeking re-appointment at the forthcoming Annual General Meeting**

(In pursuance of Clause 49 of the Listing Agreement)

Name of the Director	Mr. Samar Ballav Mohapatra	Mr. Bhavesh Gandhi	Mr. Nils Peter Sandehed
Date of Birth	January 22, 1941	January 21, 1966	September 12, 1952
Date of Appointment	May 30, 2008	December 30, 2005	May 27, 2013
Expertise in specific functional areas	Joined the Indian Administrative Service and has held several key positions in the Government of India such as the Secretary, Ministry of Textiles; Special Secretary, Ministry of Home Affairs; Additional Secretary and Financial Advisor, Ministry of Commerce and Director General of Foreign Trade and Managing Director of Industrial Development Corporation, Orissa.	Mr. Bhavesh Gandhi has approximately 28 years of experience in various fields pertaining to infrastructure development projects. He led the development of Pipavav Railways, a railway project in India based on the PPP model through a joint venture with the Ministry of Railways. Mr. Gandhi was adjudged for the “Shipping, Marine and Ports (SMP), 2012 - Young Entrepreneur” award.	Mr. Nils Peter Sandehed, MBA by qualification, served as SAAB Group Head of Corporate Investments until February 2013. He is currently serving as Senior Advisor, Business Development, to SAAB’s Chief Executive Officer Mr. Håkan Buskhe. He has been part of SAAB management for 26 years and has a vast experience in the fields of finance and business development.
Directorships held in other Public companies as on March 31, 2013  (excluding foreign companies and Section 25 companies)	<ol style="list-style-type: none"> <li>Pearl Global Industries Ltd.</li> <li>Runeecha Textiles Ltd.</li> </ol>	<ol style="list-style-type: none"> <li>Donyi Polo Petrochemicals Ltd.</li> <li>Energy India Corporation Ltd.</li> <li>Horizon Infrastructure Ltd.</li> <li>Mumbai SEZ Ltd.</li> <li>Nayroh Lifestyle and Leisure Infrastructure Ltd.</li> <li>SKIL Infrastructure Ltd.</li> </ol>	NIL
Memberships / Chairmanships of Committees of other Public companies as on March 31, 2013 (includes only Audit & Shareholders’ / Investors’ Grievance Committee)		<p><b>Audit Committee</b></p> <ol style="list-style-type: none"> <li>Donyi Polo Petrochemicals Ltd.</li> </ol>	NIL
No. of shares held as on March 31, 2013	NIL	27,300  (including 25,000 shares held by Bhavesh Prataprai Gandhi HUF)	NIL