



PIPAVAV DEFENCE AND OFFSHORE ENGINEERING COMPANY LIMITED

Registered Office: Pipavav Port, Post Ucchahiya, Via-Rajula, District Amreli – 365 560, Gujarat, India

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

NOTICE is hereby given that an Extraordinary General Meeting of the members of Pipavav Defence and Offshore Engineering Company Limited (“the Company”) will be held on Saturday, December 1, 2012 at 2.30 P.M. at the Registered Office of the Company at Pipavav Port, Post Ucchahiya, Via-Rajula, District Amreli – 365 560, Gujarat, India, to transact the following business:

SPECIAL BUSINESS

1. **Issue of Equity Shares to Foreign Strategic Investor on preferential basis:**

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 (including any amendments thereto, statutory modifications or re-enactment thereof) (“**Act**”) and the applicable provisions of the Foreign Exchange Management Act, 1999 (“**FEMA**”) including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (“**SEBI 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**”), Secretariat for Industrial Assistance (“**SIA**”), Foreign Investment Promotion Board (“**FIPB**”), Ministry of Finance (Department of Economic Affairs) and/ or any other ministry/ department of the Government of India (“**Govt**”), the Stock Exchanges where the shares of the Company are listed (“**Stock Exchanges**”), the Registrar of Companies, Gujarat (“**ROC**”) and/ or any other regulatory and statutory authorities, institutions or bodies (hereinafter singly or collectively referred to as the “**Appropriate Authorities**”) and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges 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 committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred on the Board by this resolution), consent of the Members of the Company be and is hereby accorded to the Board to create, offer, issue and allot for cash upto an aggregate of 24,507,881 fully paid-up equity shares of face value of Rs. 10/- (Rupees Ten only) each in the Company (“**Equity Shares**”) at a premium of Rs. 72/- per Equity Share to the investor named below (“**Investor**”) on preferential allotment basis, in one or more tranche at such time or times and on such terms and conditions and in such manner as may be decided by the Board in this connection:

Name of the Investor	No. of Equity Shares
SAAB AB (Publ.)	24,507,881

RESOLVED FURTHER THAT the ‘Relevant Date’ in relation to the issue of Equity Shares in accordance with the SEBI Regulations is November 1, 2012, being the date 30 (thirty) days prior to the date of this meeting for passing of this Special Resolution.

RESOLVED FURTHER THAT the said Equity Shares shall be listed on the Stock Exchanges on which the existing equity shares of the Company are listed.

RESOLVED FURTHER THAT the said Equity Shares to be allotted to the Investor shall be freely transferable from the date of allotment, subject to applicable lock-in requirements as prescribed by the SEBI Regulations, consolidated foreign direct investment policy issued by the Department of Industrial Policy and Promotion and other applicable laws, as applicable from time to time.

RESOLVED FURTHER THAT Equity Shares shall be issued and allotted by the Company to the above-mentioned Investor within a period of 15 (fifteen) days from the date of passing of this Special Resolution, provided that where any application for any approval or permission by any Appropriate Authority is pending, the period of fifteen days shall be counted from the date of such approval or permission, as the case may be or such other extended period as may be permitted under SEBI Regulations.

RESOLVED FURTHER THAT the Board be and is hereby entitled to vary, modify or alter any of the foregoing terms and conditions to conform to those as may be prescribed by the Appropriate Authorities or in such manner or otherwise as the Board may, in its absolute discretion, deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted to the Investor and that the said Equity Shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank in all respects *pari passu* with then existing equity shares of the Company including dividend and other corporate benefits.

RESOLVED FURTHER THAT 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, proper, desirable or expedient for such purpose, including finalizing the form of application, entering into arrangements for listing, trading, depository services and such other arrangements and agreements, as may be required, and also to seek listing of the said Equity Shares on the Stock Exchanges with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of the said Equity Shares and in complying with any regulations, as it may in its absolute discretion deem fit and for matters connected therewith or incidental thereto, without being required to seek any further consent or approval of the Members and the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution and any such documents so executed and delivered or acts and things done or caused to be done shall be conclusive evidence of the authority of the Company in so doing and any such document so executed and delivered or acts and things done or caused to be done prior to the date hereof are hereby ratified, confirmed and approved as the acts and deeds of the Company, as the case may be.

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 with power to delegate to any officer(s) of the Company.”

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE EXTRAORDINARY 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 valid must be received by the Company not later than 48 hours before the commencement of the Meeting. The relevant proxy form is attached herewith.

2. The explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of resolution set out hereinabove is annexed hereto and forms part of this Notice.
3. 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 order of the names will be entitled to vote.
4. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a duly certified copy of Board Resolution and / or duly notarized Power of Attorney, authorizing their representatives to attend and vote on their behalf at the Meeting.
5. 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.
6. Members are requested to bring their copy of Notice along with duly filled and signed attendance slips to the Meeting.
7. For security reasons, no gadgets, mobile phones, cameras, article / baggage will 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.

By Order of the Board of Directors

sd/-

Ajit Dabholkar
Company Secretary

Place : Mumbai

Date : November 2, 2012

Explanatory Statement as required under Section 173(2) of the Companies Act, 1956

Item No. 1

Your Company is actively pursuing opportunities created by the opening of the country's defence space. To support its growth plans, the Company proposes to increase its capital base by way of equity infusion. The Company has received proposal from a foreign strategic investor namely SAAB AB (Publ.) or its affiliates ("Investor") to subscribe to equity shares of face value of Rs. 10/- each in the Company ("Equity Shares"). It is proposed to issue upto 24,507,881 Equity Shares at a premium of Rs. 72/- per equity share, on preferential allotment basis.

The proposed issue of Equity Shares would result in an increase in the issued, subscribed and paid-up equity share capital of the Company.

The proposed issue of Equity Shares would not result in any change of control / management of the Company.

The issue price of Equity Shares is in conformity with the provisions of the SEBI Regulations.

A copy of the certificate of the Statutory Auditors as required in terms of the SEBI Regulations, will be placed before the Members at the Meeting and will also be available for inspection by the Members at the Registered Office of the Company between 10:00 A. M. to 12:00 noon on any working day up to date of the ensuing Meeting of the Company.

The Board of Directors commends the Special Resolution set out at item no. 1 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.

Certain additional information pursuant to SEBI Regulations is given below.

Additional Disclosure pursuant to Chapter VII of the SEBI Regulations.

Objects of the Issue:

To raise funds for purpose of furthering opportunities in the Defence Sector and for general corporate purposes.

Proposal of the Promoters, directors or key managerial personnel of the Company to subscribe:

The Promoters, directors or key managerial personnel of the Company do not propose to subscribe to the Equity Shares proposed to be allotted pursuant to this Special Resolution.

Shareholding Pattern – pre and post preferential issue:

The shareholding pattern before and after issue of Equity Shares will be as under:

Category	Pre- Issue*		Post-Issue**	
	No. of Equity Shares held	% of Holding	No. of Equity Shares held	% of Holding***
Promoter(s)/ Promoter Group	315,776,180	45.03%	315,776,180	42.89%
NRIs/ OCBs/ FIIs/ Foreign Nationals/ Foreign Bodies Corporate ***	81,493,388	11.62%	106,001,269	14.40%
Indian Financial Investors / Mutual Funds/ Banks	101,634,247	14.49%	101,634,247	13.81%
Bodies Corporate	163,046,806	23.25%	163,046,806	22.15%
General Public **	39,247,767	5.60%	49,747,767	6.76%
Total	701,198,388	100.00%	736,206,269	100.00%

* as on October 25, 2012

** Assuming conversion of 1,05,00,000 convertible warrants allotted pursuant to the special resolution passed on October 5, 2011.

*** Assuming full allotment of 24,507,881 Equity Shares to the Investor on preferential allotment basis.

Time frame:

Allotment of Equity Shares pursuant to the Special Resolution shall be completed within a period of fifteen days from the date of passing of the resolution. Provided that where an application for any approval or permission by any statutory or regulatory authority is pending, the period of fifteen days shall be counted from the date of approval or permission, as the case may be.

Identity of the proposed allottees:

The identity of the proposed allottees, pre and post issue shareholding is as follows:

Identity of Proposed Allottees	Pre- Issue		Post-Issue**	
	No. of Equity Shares held	% of Holding	No. of Equity Shares held	% of Holding***
SAAB AB (Publ.) or its affiliates***	NIL	N. A.	24,507,881	3.33%

** Assuming conversion of 1,05,00,000 convertible warrants allotted pursuant to the special resolution passed on October 5, 2011.

*** Assuming full allotment of 24,507,881 Equity Shares to the Investor on preferential allotment basis.

Undertaking:

The Company undertakes, to re-compute, if required, the issue price of Equity Shares as per the provisions of the SEBI Regulations. Further, the Company undertakes that if the amount payable on account of re-computation of price as aforesaid is not paid within the time stipulated as per the SEBI Regulations, the said Equity Shares shall continue to be locked-in till the time such amount is paid by the allottees.

By Order of the Board of Directors

sd/-

Ajit Dabholkar
Company Secretary

Place : Mumbai

Date : November 2, 2012



Pipavav Defence and Offshore Engineering Company Limited
Registered Office: Pipavav Port, Post Ucchaiya, Via-Rajula, District Amreli – 365 560, Gujarat, India

ATTENDANCE SLIP

I hereby record my presence at the Extrordinary General Meeting of the Company on Saturday, December 1, 2012 at 2.30 P.M. at the Registered Office of the Company at Pipavav Port, Post Ucchaiya, Via-Rajula, District Amreli – 365 560, Gujarat, India.

Client ID No.		Folio No.	
DP ID No.		No. of Shares	

Name of the Member in BLOCK letters _____

Member's Signature: _____

Name of the Proxy in BLOCK letters: _____

Proxy's Signature: _____

Note: Please fill this attendance slip and hand it over at the entrance of the Meeting Hall.

----- Tear Here -----



Pipavav Defence and Offshore Engineering Company Limited
Registered Office: Pipavav Port, Post Ucchaiya, Via-Rajula, District Amreli – 365 560, Gujarat, India

FORM OF PROXY

Client ID No.		Folio No.	
DP ID No.		No. of Shares	

I/We _____

of _____ in the district of _____

being a Member / Members of Pipavav Defence and Offshore Engineering Company Limited hereby appoint

_____ of _____

in the district of _____ or failing him

_____ of _____

in the district of _____ as my/our proxy to vote for me/us on my/

our behalf at the Extrordinary General Meeting of the Company at the Registered Office of the Company to be held on

Saturday, December 1, 2012 at 2.30 P.M. at the Registered Office of the Company at Pipavav Port, Post Ucchaiya,

Via-Rajula, District Amreli – 365 560, Gujarat, India and at any adjournment thereof.

Affix
15 paise
Revenue
Stamp

Signed this _____ day of _____, 2012.

Signature

