

**RELIANCE**

Defence and Engineering

**Reliance Defence and Engineering Limited**

(Formerly known as Pipavav Defence and Offshore Engineering Company Limited)

CIN: L35110GJ1997PLC033193

**Registered Office:** Pipavav Port, Post Ucchaiya, Via Rajula, District Amreli, Gujarat – 365 560;

**Telephone:** +91 2794 305000; **Facsimile:** +91 2794 305100;

**Corporate Office:** H Block, 1<sup>st</sup> Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai – 400 710

**E-mail:** rdel.investors@relianceada.com, **Website:** www.reliancedefence.co

Notice is hereby given that an Extraordinary General Meeting of the Members of Reliance Defence and Engineering Limited will be held on **Monday, March 20, 2017** at **4.00 p.m.** at Pipavav Port, Post Ucchaiya, Via-Rajula, Dist. Amreli, Pin 365 560, Gujarat, India, to transact the following special business:

**Item No. 1: Re-classification of the Authorized Share Capital of the Company, with consequential amendments in the Memorandum of Association**

To consider and if thought fit, to pass the following Resolution as a **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 13, 61 and other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**") read with the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and applicable provisions of other laws, rules, regulations and guidelines and the Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded for reclassification of the Authorised Share Capital of the Company from Rs. 1,50,00,00,00,000 (Rupees Fifteen Thousand Crore Only) divided into 15,00,00,00,000 (Fifteen Hundred Crore) Equity Shares of Rs. 10 each to Rs.1,50,00,00,00,000 (Rupees Fifteen Thousand Crore Only) divided into 11,00,00,00,000 (Eleven Hundred Crore) Equity Shares of Rs. 10 each and 4,00,00,00,000 (Four Hundred Crore) Preference Shares of Rs. 10 each;

**RESOLVED FURTHER THAT** the existing Clause V of the Memorandum of Association of the Company be substituted by the following:

"V. The Authorised Share Capital of the Company is Rs. 15000,00,00,000 (Rupees Fifteen Thousand Crore only) divided into 1100,00,00,000 (Eleven Hundred Crore) Equity Shares of face value of Rs. 10 (Rupees Ten only) each and 400,00,00,000 (Four Hundred Crore) Preference Shares of face value of Rs. 10 (Rupees Ten only) each."

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the "**Board**" which term shall include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution) be and is hereby authorized to undertake all such acts, deeds, matters and things as may be deemed necessary, proper, desirable and expedient in its absolute discretion, for the purpose of giving effect to this resolution, and to settle any question, difficulty or doubt that may arise in this regard without requiring the Board to seek any further consent or approval of the Members or otherwise to the end and intent and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company or to any of the Directors, Key Managerial Personnel or any other officer or employee or authorised representative of the Company as it may consider appropriate."

**Item No. 2: Issue of Equity Shares aggregating upto Rs. 595 crore to CDR Lenders**

To consider and if thought fit, to pass the following Resolution as a **Special Resolution:**

**"RESOLVED THAT** the consent and approval of the Members of the Company be and is hereby accorded to undertake all such actions as may be required to convert the outstanding amounts under the refinanced facilities at any point of time into fully paid-up equity shares of Rs. 10 (Rupees Ten) each ("**Equity Share**" or "**Equity Shares**"), by appropriation of part of their existing loans aggregating upto Rs. 595 crore, in one or more tranches, whether upon

or irrespective of any event of default, to offer, issue and allot Equity Shares at a premium of Rs. 49.35 (Rupees Forty nine and paisa thirty five only) per Equity Share ("**the Issue**"), the price determined as per Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (hereinafter referred as "**ICDR Regulations**"), pursuant to the terms agreed and/or being agreed by the CDR Lenders in relation to exit by the Company from the CDR Scheme and refinancing of the facilities as per the refinancing scheme ("**the Scheme**") and the terms and conditions of the sanction letters issued from time to time by the CDR Lenders in this regard (including any amendments/modifications to such sanction letters from time to time) and financing documents entered into/to be entered into/acceded to (as may be amended from time to time), and also pursuant to Section 42, 62 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), applicable provisions of Chapter VII and other provisions, if any, of the ICDR Regulations, and applicable provisions of other laws, rules, regulations and guidelines, and provisions of the Articles of Association of the Company, subject to necessary approvals, permissions, sanctions and consents as may be required from any regulatory, other appropriate authorities, BSE Limited and National Stock Exchange of India Limited, and subject to the terms and conditions imposed by any such authorities while granting such approvals, consents and permissions which may be agreed to by the Board of Directors (hereinafter referred to as the "**Board**" which term shall include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution);

**RESOLVED FURTHER THAT** the Equity Shares to be issued pursuant to this resolution shall rank pari passu with the existing Equity Shares of the Company in all respects;

**RESOLVED FURTHER THAT** the 'relevant date' for determining the price for the equity shares to be allotted be February 17, 2017 ("**Relevant Date**"), being the date 30 (thirty) days prior to the date of the General Meeting;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to undertake all such acts, deeds, matters and things as may be deemed necessary, proper, desirable and expedient in its absolute discretion, for the purpose of giving effect to this resolution, and to settle any question, difficulty or doubt that may arise in this regard without requiring the Board to seek any further consent or approval of the Members or otherwise to the end and intent and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution; and

**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company or to any of the Directors, Key Managerial Personnel or any other officer or employee or authorised representative of the Company as it may consider appropriate."

### **Item No. 3: Issue of Equity Shares aggregating upto Rs. 60 crore to Non-CDR Lenders**

To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**") read with rules made thereunder, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), provisions of Chapter VII and other provisions, if any, of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (hereinafter referred to as "**ICDR Regulations**"), applicable provisions of other laws, rules, regulations and guidelines, and the Articles of Association of the Company and subject to necessary approvals, permissions, sanctions and consents as may be required from any regulatory, other appropriate authorities including BSE Limited and National Stock Exchange of India Limited, and subject to the terms and conditions imposed by any such authorities while granting such approvals, consents and permissions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "**Board**" which term shall include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution), consent of the Members of the Company be and is hereby accorded to offer, issue and allot to the Non-CDR Lenders of the Company, in one or more tranches, such number of fully paid-up equity shares of Rs.10 (Rupees Ten) each ("**Equity Shares**"), by appropriation of part of their existing loans aggregating upto Rs. 60 crore (Rupees Sixty crore only), at a premium of Rs. 49.35 (Rupees Forty nine and paisa thirty five only) per Equity Share ("**the Issue**");

**RESOLVED FURTHER THAT** the Equity Shares to be issued pursuant to this resolution shall rank pari passu with the existing Equity Shares of the Company in all respects;

**RESOLVED FURTHER THAT** the 'relevant date' for determining the price for the equity shares to be allotted be February 17, 2017 ("**Relevant Date**"), being the date 30 (thirty) days prior to the date of the General Meeting;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to undertake all such acts, deeds, matters and things as may be deemed necessary, proper, desirable and expedient in its absolute discretion, for the purpose of giving effect to this resolution, and to settle any question, difficulty or doubt that may arise in this regard without requiring the Board to seek any further consent or approval of the Members or otherwise to the end and intent, and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution; and

**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company or to any of the Directors, Key Managerial Personnel or any other officer or employee or authorised representative of the Company as it may consider appropriate."

**Item No. 4 Issue of 0.10% Compulsorily Redeemable Preference Shares ('CRPS') aggregating upto Rs. 2,300 crore**

To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 42, 55, 62 and all other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**") read with the Rules made thereunder, applicable provisions of other laws, rules, regulations and guidelines, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and the Articles of Association of the Company, and other necessary approvals, permissions, sanctions and consents as may be required from any regulatory, other appropriate authorities, and subject to the terms and conditions imposed by any such authorities while granting such approvals, consents and permissions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "**Board**" which term shall include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution), approval of the Members of the Company be and is hereby accorded to offer, issue and allot, for cash, at par, upto 230,00,00,000 (Two hundred and thirty crore) fully paid-up 0.10% Compulsorily Redeemable Preference Shares ("**CRPS**") of Rs.10 each, by appropriation of part of their existing loans aggregating up to Rs. 2,300 crore, ("**the Issue**") on private placement basis, to Lenders of the Company;

**RESOLVED FURTHER THAT** CRPS will have priority above equity shares in the Company towards payment of dividend, repayment of capital and participation in surplus fund;

**RESOLVED FURTHER THAT** CRPS will not be eligible to participate in surplus asset and profits, on winding-up which may remain after the entire capital has been repaid;

**RESOLVED FURTHER THAT** CRPS will not have any voting rights;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to undertake all such acts, deeds, matters and things as may be deemed necessary, proper, desirable and expedient in its absolute discretion, for the purpose of giving effect to this resolution, and to settle any question, difficulty or doubt that may arise in this regard without requiring the Board to seek any further consent or approval of the Members or otherwise to the end and intent and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution; and

**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company or to any of the Directors, Key Managerial Personnel or any other officer or employee or authorised representative of the Company as it may consider appropriate."

**Item No. 5 Issue of Secured Non Convertible Debentures aggregating up to Rs. 250 crore**

To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**") read with the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), applicable provisions of other laws, rules, regulations and guidelines and the provisions of the Articles of Association of the Company, consent and approval of the Members of the Company be and is hereby accorded to offer, issue and allot Secured Non-Convertible Debentures of face value of Rs. 100 (Rupees one hundred) each, carrying coupon rate linked to IDBI Bank's base interest rate ("**NCDs**"), on a private placement basis, in one or more tranches to the Lenders of the Company, who participated in the Corporate Debt Restructuring Scheme, upto an aggregate amount not exceeding Rs. 250,00,00,000 (Rupees Two Hundred Fifty crore) ("**the Issue**"), within the overall borrowing limits of the Company subject to approval of the Corporate Debt Restructuring Empowered Group ("**CDR EG**"), for consideration other than cash i.e. for compensating the CDR Lenders as per Right of Recompense granted by the Company to them pursuant to Master Restructuring Agreement dated March 30, 2015;

**RESOLVED FURTHER THAT** the NCDs be secured by first pari-passu charge, hypothecation, mortgage of movable/immovable properties of the Company both present and future and such security as may be stipulated in the refinancing scheme and/or sanction letters issued by the lenders from time to time;

**RESOLVED FURTHER THAT** the NCDs be redeemed in 49 structured quarterly installments commencing from March 31, 2019 and ending on March 31, 2031 or in such other manner as may be approved by the Lenders;

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the "**Board**" which term shall include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution) be and is hereby authorized to undertake all such acts, deeds, matters and things as may be deemed necessary, proper, desirable and expedient in its absolute discretion, for the purpose of giving effect to this resolution including settlement of a trust for the benefit of the NCD holders, appointment of Security Trustees and to settle any question, difficulty or doubt that may arise in this regard without requiring the Board to seek any further consent or approval of the Members or otherwise to the end and intent, and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any of the Directors, Key Managerial Personnel or any other officer or employee or authorised representative of the Company as it may consider appropriate."

**Item No. 6: Alteration of Articles of Association of the Company**

To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provision of Section 14 and all other applicable provisions of the Companies Act, 2013 ("**the Act**") read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and applicable provisions of other laws, rules, regulations and guidelines and the Articles of Association of the Company, consent and approval of the Members of the Company be and is hereby accorded for addition of following clause after clause no. 137 in the Articles of Association of the Company;

**"138. Right of First Refusal:**

1. If any of the Lender(s) desire to sell or Transfer any of the Equity Shares issued to Lenders as per refinancing scheme for CDR exit ("**ROFR Securities**") and held by it, then the New Promoters shall have the right but not the obligation to make an offer to purchase all of the ROFR Securities or part thereof in the manner set out below (the "**Right of First Refusal**").
2. The Lenders shall issue a written notice ("**ROFR Sale Notice**") to the New Promoters notifying the New Promoters of the Lender(s) intention of selling certain ROFR Securities held by it and stating the number of the ROFR Securities it wishes to sell.
3. If the New Promoters are desirous of exercising its Right of First Refusal by purchasing all or any part of the ROFR Securities, it shall within 7 (seven) Business Days of receiving the ROFR Sale Notice or such Extended Period (where "**the Extended Period**" shall mean such extended period as may be mutually agreed between the New Promoters and the Lenders), notify the Lenders in writing that it wishes to exercise its Right of First Refusal ("**ROFR Exercise Notice**"). The ROFR Exercise Notice shall contain (a) a binding offer, which remains open for 7 (seven) Business Days or the Extended Period, to purchase all or part of the ROFR Securities and (b) the ROFR Sale Price at which the New Promoters are desirous of purchasing all or part of the ROFR Securities. For the purposes of this Article, "**ROFR Sale Price**" shall be the price at which the New Promoters are desirous of purchasing the ROFR Securities, which price shall be stipulated by the New Promoters in the ROFR Exercise Notice. The ROFR Sale Price shall be payable in cash, all such cash consideration to be payable simultaneously on the Transfer of the ROFR Securities.
4. For a period of 7 (seven) Business Days from the date of receipt of the ROFR Exercise Notice or the Extended Period (the "**ROFR Offer Period**"), the Lender(s) shall have the right, by notifying the New Promoters in writing, to accept the New Promoters offer to purchase the ROFR Securities at the ROFR Sale Price ("**ROFR Acceptance Notice**"). If the Lenders deliver a ROFR Acceptance Notice to the New Promoters, then the Lenders and the New Promoters shall complete the Transfer of the ROFR Securities at the ROFR Sale Price in accordance with

the terms of this Article within the Completion Period of two weeks or the Extended Period as may be mutually agreed beginning on the date of the ROFR Acceptance Notice (the "**ROFR Completion Period**"). The Transfer of the ROFR Securities shall be completed at the option of the Lenders, to the extent permitted under applicable laws either (i) on the floor of the Stock Exchanges, including as a block deal (as understood in general market parlance) on the floor of the Stock Exchanges subject to compliance with Applicable Law, if feasible, or (ii) as an off-market transaction;

5. At anytime during the ROFR Offer Period or if the Lenders notify the New Promoters that they do not accept the ROFR Sale Price or if the Lenders do not deliver a ROFR Acceptance Notice within the ROFR Offer Period, then, the Lenders shall have the right (but not the obligation), at their sole discretion, to sell all or part of the ROFR Securities to any third party(ies) provided however that, the Lenders shall complete such Transfer within 60 (sixty) days from the end of the ROFR Offer Period or the Extended Period provided further that in the event such a Transfer triggers a Public Offer obligation under the Takeover Regulations, then such period shall be extended to such period within which the sale of the ROFR Securities can be completed in accordance with Applicable Law (the "**Floor Price Sale Period**"), and provided further that such Transfer shall be genuinely at a price not less than the ROFR Sale Price (both prices having been calculated net of all applicable Taxes).
6. If (a) the New Promoters does not exercise its Right of First Refusal within the ROFR Exercise Period or (b) if the New Promoters informs the Lenders that it does not wish to purchase all or part of the ROFR Securities, the Lenders shall have the right (but not the obligation), at their discretion, to sell all but not less than all the ROFR Securities to a third party(ies) at any price (and on terms acceptable to the Lenders) provided however that, the Lenders shall complete such Transfer within 60 (sixty) days from the end of the ROFR Exercise Period or the Extended Period provided further that in the event such a Transfer triggers a Public Offer obligation under the Takeover Regulations, then such period shall be revised to such period within which the sale of the ROFR Securities can be completed in accordance with Applicable Law ("**Open Sale Period**").
7. Upon the expiration of the Floor Price Sale Period or the Open Sale Period, no Transfer of the ROFR Securities shall be made by the Lenders without again offering such ROFR Securities in accordance with this Article to the New Promoters".

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the "**Board**" which term shall include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution) be and is hereby authorized to undertake all such acts, deeds, matters and things as may be deemed necessary, proper, desirable and expedient in its absolute discretion, for the purpose of giving effect to this resolution, and to settle any question, difficulty or doubt that may arise in this regard without requiring the Board to seek any further consent or approval of the Members or otherwise to the end and intent and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution; and

**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any of the Directors, Key Managerial Personnel or any other officer or employee or authorised representative of the Company as it may consider appropriate."

**Item No. 7: Approval for availing loan with an option to convert into Equity Shares of the Company**

To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to Section 62(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and applicable provisions of other laws, rules, regulations and guidelines, and provisions of the Articles of Association of the Company, approval of the Members of the Company be and is hereby accorded to avail financial assistances ("**Facility**") in terms of Refinancing Scheme ("**the Scheme**") aggregating to Rs.10,700 crore (Rupees Ten Thousand Seven Hundred Crore) from lenders of the Company with an option to convert any part thereof including accrued interest, penal interest in fully paid up Equity Shares of the Company in accordance with applicable directives of the Reserve Bank of India, from time to time and for conferring a right on banks and financial institutions ('Lenders') from whom the Company has availed / will avail Facility, as may be required by the Lenders in accordance with the terms of the Facility;

**RESOLVED FURTHER THAT** the Equity Shares to be issued pursuant to this resolution shall rank pari passu with the existing Equity Shares of the Company in all respects;

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the "**Board**" which term shall include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution) be and is hereby authorized to undertake all such acts, deeds, matters and things as may be deemed necessary, proper, desirable and expedient in its absolute discretion, for the purpose of giving effect to this resolution, and to settle any question, difficulty or doubt that may arise in this regard without requiring the Board to seek any further consent or approval of the Members or otherwise to the end and intent and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution; and

**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company or to any of the Directors, Key Managerial Personnel or any other officer or employee or authorised representative of the Company as it may consider appropriate."

By Order of the Board of Directors  
For Reliance Defence and Engineering Limited

Ajit Dabholkar  
Corporate Counsel & Company Secretary

**Date:** February 18, 2017

**Place:** Mumbai

**Registered Office:**

Pipavav Port, Post Ucchaiya,  
Via Rajula, District Amreli,  
Gujarat – 365 560

**Notes:**

1. Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts relating to the Special Business to be transacted at the Extraordinary General Meeting ("EGM") is annexed hereto.
2. **A member entitled to attend and vote at the EGM is entitled to appoint a proxy to attend and vote on a poll, instead of herself / himself and the proxy need not be a member of the Company. The instrument appointing the Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before commencement of the EGM. A Proxy form is sent herewith.**
3. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. However, a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other shareholder.
4. Corporate members intending to send their authorized representatives to attend the EGM are requested to send to the Company a certified true copy of their board resolution authorising their representative(s) to attend and vote on their behalf at the EGM.
5. Members / Proxies are requested to bring their duly filled attendance slip, sent herewith at the EGM.
6. Members who hold shares in electronic form are requested to write their DP ID and Client ID and those who hold shares in physical form are requested to write their Regd. Folio number in the Attendance Slip for attending the EGM to facilitate identification of membership at the EGM.
7. 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.
8. Members who hold shares in electronic form are requested to write their DP ID and Client ID numbers and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting to facilitate identification of membership at the meeting.

9. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office and Corporate Office of the Company on all working days except Saturdays between 11:00 A.M. and 1:00 P.M. up to the date of the EGM.
10. For security reasons, no gadgets, mobile phones, cameras, articles / baggage shall be allowed at the venue of the EGM. 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.
11. EGM notice is being sent to all Members, whose names appear on the Register of Members/ List of beneficial owners as received from depositories as on February 17, 2017.
12. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rules made thereunder and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is offering e-voting facility to all Members of the Company through Notice dated February 18, 2017 (remote e-voting). A person, whose name is recorded in the register of members or in the register of beneficial owner (in case of electronic shareholding) maintained by the depositories as on the cutoff date i.e. March 10, 2017 only shall be entitled to avail the facility of remote e-voting/voting. Karvy Computershare Private Limited, our Registrar and Transfer Agent will be facilitating remote e-voting to enable the Members to cast their votes electronically. The Members can cast their vote online from March 17, 2017 to March 19, 2017. The Members shall refer to the detailed procedure on remote e-voting given in the e-voting instruction slip.

The facility for voting shall also be available at the meeting. The Members who have cast their votes by remote e-voting prior to the meeting may also attend the meeting, but shall not be entitled to cast their votes again at the meeting.

The Board of Directors have appointed M/s. Umesh Bhatt & Associates, Practising Company Secretaries, as Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner. The Scrutinizer will submit his report to the Chairman / Whole-Time Director after completion of the scrutiny and the results of voting will be announced after the meeting of the Company. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting. The result of the voting will be submitted to the Stock Exchanges, where the shares of the Company are listed and posted on the website of the Company at [www.reliance defence.co](http://www.reliance defence.co) and posted on the website of Karvy Computershare Private Limited.

13. Physical copies of Notice of the EGM along with Attendance Slip, Proxy Form and a letter giving the process, instructions and the manner of conducting E-voting are being sent through the permitted mode.
14. Shareholders holding Equity Shares shall have one vote per share as shown against their holding. The shareholders can vote for their entire voting rights as per their discretion.
15. Members are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. The Company or its Registrar and Transfer Agent cannot change bank particulars or bank mandates for shares held in electronic form.
16. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically.

#### **Statement pursuant to Section 102 of the Companies Act, 2013:**

##### **Item No. 1: Re-classification of the Authorized Share Capital of the Company, with consequential amendments in the Memorandum of Association.**

The Company has proposed a refinancing scheme ("**the Scheme**") to its Lenders with the objective to refinance the loans of the Company and to exit from the CDR Scheme. As part of the Scheme, it is proposed to issue equity shares of the Company aggregating upto Rs. 655 crore, 0.10% Compulsorily Redeemable Preference Shares aggregating to Rs. 2,300 crore toward part re-financing of Term Loans for DD-1 project, DD-2 project, Working Capital Term Loan ("**WCTL**"), Funded Interest Term Loan ("**FITL**") and Fund based Working Capital ("**FBWC**").

At present, the entire Authorised Share Capital of the Company consists of Equity Shares only. To enable the Company to issue Preference Shares, it is necessary to re-classify the Authorised Share Capital of the Company and to carry out consequential amendment to the Capital Clause of the Memorandum of Association ('MOA') of the Company.

It is proposed that the present Authorised Share Capital of Rs. 1,50,00,00,00,000 (Rupees Fifteen Thousand Crore Only) divided into 15,00,00,00,000 (Fifteen Hundred Crore) Equity Shares of Rs. 10 each be re-classified into 11,00,00,00,000 (Eleven Hundred Crore) Equity Shares of face value of Rs. 10 (Rupees Ten Only) each and 400,00,00,000 (Four Hundred Crore) Preference Shares of face value of Rs. 10 (Rupees Ten Only) each.

Consequent upon the said re-classification, the Capital Clause V of the Memorandum of Association of the Company is required to be altered. A copy of the proposed altered MOA is being uploaded on the Company's website for perusal by the Members and would also be available for inspection for the Members at the Registered and Corporate Office.

Consent of the Members is being sought by way of Special Resolution in terms of Section 13 and 61 of the Companies Act, 2013.

The Board commends the Resolution as set out at item no. 1 of this notice for the approval of the Members as a Special Resolution.

None of the Directors, Key Managerial Personnel and their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 1, except to the extent of his/her shareholding in the Company, if any.

**Item No. 2: Issue of Equity Shares aggregating upto Rs. 595 crore to CDR Lenders; and**

**Item No. 3: Issue of Equity Shares aggregating upto Rs. 60 crore to Non-CDR Lenders**

In order to find a long term solution to the liquidity issues encountered by the Company during the financial year 2014-15, the erstwhile promoters and the management of the Company requested the Lenders of the Company ("**Lenders**") to refinance the outstanding debts of the Company under the Corporate Debt Restructuring Scheme ("**CDR Scheme**") in accordance with the guidelines stipulated by the Reserve Bank of India ("**RBI**").

The Corporate Debt Restructuring Cell vide Letter dated March 27, 2015 ("**CDR LOA**") has approved the restructuring proposal under CDR Scheme. Out of the total 28 Lenders of the Company, 23 Lenders ("**CDR Lenders**") participated in the CDR Scheme.

The management of the Company has proposed a refinancing scheme ("**the Scheme**") to its Lenders with the objective to refinance the loans of the Company and to exit from the CDR Scheme. As part of the Scheme, it is proposed to issue equity shares in the Company aggregating upto Rs. 595 crore to the CDR Lenders of the Company and Equity Shares aggregating upto Rs. 60 crore to the Non-CDR Lenders of the Company.

The Members of the Company vide Special Resolution passed at the 18th Annual General Meeting held on September 30, 2015 had approved restructuring of Loans availed from the CDR Lenders with an option to convert the said loan into Equity, and now the CDR Lenders pursuant to the Scheme are in the process of modifying the terms of conversion of debt to equity vide their respective sanction letters (as may be amended/ replaced/ modified/ supplemented). The approval of the shareholders of the Company is being sought in relation to such modified terms of conversion of debt to equity.

Section 62 of the Act read with the Companies (Share Capital and Debentures) Rules, 2014, inter alia, provides that whenever it is proposed to increase the subscribed capital of a 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, if so authorized by way of a Special Resolution.

Equity Shares will be issued at a premium of Rs. 49.35 (Rupees Forty nine and paise thirty five only) per Equity Share, the price determined as per provisions of Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 taken into consideration February 17, 2017 as the Relevant Date.

Other terms relating to issue of Equity Shares:

1. In terms of the Refinancing Scheme, Loans extended to the Company, by the Lenders who are proposed allottees shall be appropriated towards the share application money for the aforesaid issue and allotment of Equity Shares.
2. The disclosures required pursuant to Chapter VII of the ICDR Regulations are as follows:
  - (a) Objects of the Preferential Issue: To allot Equity Shares of the Company to the Lenders as envisaged in the Refinancing Scheme.



- (b) Proposal of the Promoters, Directors or Key Managerial Personnel of the Company to subscribe to the offer: None of the Promoters, Directors or Key Managerial Personnel intends to subscribe to the proposed preferential offer.
- (c) Shareholding Pattern before and after the preferential issue:

The shareholding pattern of the Company before and after the preferential issue is provided below:

Sr No	Category of Shareholder	Pre-allotment (Shareholding as on February 17, 2017)		Post-allotment	
		No. of Shares	% to the Paid-up Capital	No. of Shares	% to the Paid-up Capital
1	Promoters	220,103,025	29.90	220,103,025	26.00
2	Banks/FI/NBFC	14,579,502	1.98	122,753,562	14.50
3	Insurance Company	58,465,899	7.94	60,654,097	7.16
4	Foreign Investors	69,033,005	9.38	69,033,005	8.15
5	Bodies Corporate/Others	374,024,838	50.80	374,024,838	44.18
	<b>Total</b>	<b>736,206,269</b>	<b>100.00</b>	<b>846, 568,527</b>	<b>100.00</b>

- (d) Time within which the preferential issue of equity shares to the Non-CDR Lenders upon conversion of loans aggregating upto Rs. 60 crore pursuant to Section 62(1)(c) of the Companies Act, 2013 shall be completed: The Company will issue and allot securities to the lenders of the Company (details as described in the scheme) pursuant to the provisions of SEBI ICDR Regulations within 15 (fifteen) days from the date of passing the Special Resolution.
- (e) Identity of the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the Company, consequent to the preferential issue:

CDR Lenders of the Company are 1. Bank of India, 2. Bank of Maharashtra, 3. Central Bank of India, 4. Corporation Bank, 5. Dena Bank, 6. Export-Import Bank of India, 7. IDBI Bank, 8. IFCI Limited, 9. The Jammu & Kashmir Bank Ltd. 10. Karnataka Bank Ltd, 11. Karur Vysya Bank Limited, 12. Life Insurance Corporation of India, 13. Oriental Bank of Commerce, 14. Punjab & Sind Bank, 15. Punjab National Bank, 16. State Bank of India, 17. State Bank of Mysore, 18. State Bank of Patiala, 19. UCO Bank, 20. Union Bank of India, 21. United Bank of India, 22. Vijaya Bank, 23. State Bank of Hyderabad

Non-CDR Lenders of the Company are 1. Housing Development Finance Corporation Limited ("**HDFC Limited**"), 2. Housing & Urban Development Corporation Ltd. ("**HUDCO**"), 3. India Infrastructure Finance Company (UK) Ltd, 4. IL&FS Financial Services Limited, 5. Yes Bank Limited.

Sr No	Name of proposed Allottees	Pre-allotment as on		Post-allotment as on		Natural Persons who are the ultimate beneficial owners
		No. of Equity Shares	% to Paid-up Capital	No. of Equity Shares	% to Paid-up Capital	
1	Housing Development Finance Corporation Limited	NIL	-	17,87,566	0.21	N.A.
2	Housing & Urban Development Corporation Ltd.	NIL	-	8,89,539	0.11	N.A
3	India Infrastructure Finance Company (UK) Ltd	NIL	-	23,88,514	0.28	N.A
4	IL&FS Financial Services Limited	2,05,26,560	2.79	2,06,57,275	2.44	N.A
5	Yes Bank Limited	NIL	-	47,85,516	0.57	N.A

There will be no change in control of the Company consequent to the preferential issue.

- (f) Undertaking to re-computed the issue price of Equity Shares price: Not applicable.
- (g) Undertaking to put under lock-in till the re-computed price is paid: Not applicable.
- (h) Relevant Date: The 'Relevant Date' for issue of Equity Shares contemplated under Item No. 2 and 3 pursuant to the Scheme is February 17, 2017, as per ICDR Regulations.
- (i) Lock-in Period: Equity Shares to be allotted to the Lenders and the entire pre-preferential allotment shareholding of the Lenders, if any, shall be freely transferable from the date of allotment, subject to applicable lock-in requirements, if any, as prescribed by the SEBI Regulations;

None of the Directors, Key Managerial Personnel and their relatives is, in any way, concerned or interested financially or otherwise in the resolutions, except to the extent of his/her shareholding, if any, in the Company.

The Board commends the Resolutions as set out at item no. 2 and 3 of this notice for the approval of the members as Special Resolutions.

**Item No. 4: Issue of 0.10% Compulsorily Redeemable Preference Shares ('CRPS') aggregating upto Rs. 2300 crore**

As per the Refinancing Scheme ("**the Scheme**") proposed to the lenders of the Company, it is necessary to approve the offer, issue and allotment of 0.10% Compulsorily Redeemable Preference Shares ("**CRPS**") of Rs.10 each aggregating to an amount not exceeding Rs.2,300 crore, for cash at par, by appropriation of part of their existing loans to the CDR and Non-CDR Lenders of the Company.

Section 62 of the Act read with the Companies (Share Capital and Debentures) Rules, 2014, inter alia, provides that whenever it is proposed to increase the subscribed capital of a 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, if so authorized by way of a Special Resolution.

Further Section 42 of the Act read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, provides that a company offering or making an invitation to subscribe to securities, including CRPS on a private placement basis, is required to obtain prior approval of the Members by way of a Special Resolution, for the offer and invitation for securities.

Section 55 of the Act read with the Companies (Share Capital and Debentures) Rules, 2014, contains provisions relating to Issue and redemption of preference shares.

The approval of the Members is accordingly being sought by way of Special Resolution under Sections 42, 55 and 62 of the Act read with the Rules made thereunder, for the issue and allotment of CRPS of an amount not exceeding Rs. 2,300 crore (Rupees Two Thousand Three Hundred crore only), on a private placement basis.

Given below are the terms of issue of the CRPS and a Statement of disclosures as required under Rule 9(3) of the Companies (Share Capital and Debentures) Rules, 2014:

- (i) The CRPS shall be cumulative, non-participating and non-convertible.
- (ii) The objects of the issue:  
The issue of CRPS is pursuant to the Refinancing Scheme proposed by the Company to its Lenders by appropriation of part of outstanding loans.
- (iii) The CRPS will be issued and offered on a private placement basis in accordance with the provisions of Section 42 of the Act and the Companies (Prospectus and Allotment of Securities) Rules, 2014.
- (iv) Other terms over and above those mentioned in the Resolution:

Issue size	Not exceeding Rs. 2,300 crore consisting of 230,00,00,000 CRPS
Issue Price	The CRPS will be issued at par i.e. Rs. 10 per CRPS.
Basis on which price has been arrived	Not Applicable since the issue is at par.
Offer Period	Not exceeding 12 months from the date of approval by the Members of the Company

Rate of Dividend	Annual Dividend at 0.10%
Listing	The CRPS will not be listed.
Manner and Mode of Redemption	65 structured quarterly instalments commencing from March 31, 2019 and ending on March 31, 2035
Terms of Redemption	19 years (April 1, 2016 to March 31, 2035)
Early Redemption	Any surplus amount above 125% of the projected EBITDA as per the base case financial model shall be utilised for early redemption of CRPS in reverse order of maturity.
Expected Dilution in Equity Capital upon conversion of Preference Shares	Nil, since the CRPS are non-convertible.

- (v) The issue of CRPS is in accordance with the provisions of the Articles of Association of the Company. There are no outstanding preference shares issued by the Company as such there is no subsisting default in the redemption of preference shares issued by the Company or in payment of dividend due on any preference shares issued by the Company.

None of the Directors, Key Managerial Personnel and their relatives is, in any way, concerned or interested financially or otherwise in the resolution as set out at item no. 4, except to the extent of his/her shareholding in the Company, if any.

The Board accordingly recommends the resolution set forth at Item No. 4 for the approval of the Members.

**Item No. 5 Issue of Secured Non Convertible Debentures aggregating upto Rs. 250 crore**

The Management of the Company has proposed Refinancing Scheme ("**the Scheme**") to its Lenders with the objective of refinancing the Loans of the Company. As part of the Scheme, It is proposed to issue, offer and allot Secured Non-convertible Debentures ("**NCDs**") of face value of Rs. 100 each aggregating upto Rs. 250 crore to the CDR Lenders of the Company.

As per Master Restructuring Agreement entered into by and between the Company and the CDR Lenders dated March 30, 2015. ('MRA'), the CDR Lenders have a Right of Recompense ('RoR') for an amount equivalent to financial concessions granted by CDR Lenders to the Company as per CDR Scheme.

As per the Scheme, the Company will issue NCDs equivalent to 75% of the amount of RoR to the CDR Lenders and CDR Lenders will forgo balance 25% of RoR subject to approval of the Corporate Debt Restructuring Empowered Group.

As per the provisions of Section 42 of the Companies Act, 2013 ("**the Act**") and its rules thereunder, a Company offering or making an invitation to subscribe to NCDs on a private placement basis is required to obtain the prior approval of the Members by way of a Special Resolution.

It is proposed to offer, issue and allot NCDs to the CDR Lenders of the Company for consideration other than cash, on private placement basis, in one or more tranches, within the overall borrowing limits of the Company,

None of the Directors, Key Managerial Personnel and their relatives, in any way, is concerned or interested, financially or otherwise, in the resolution, set out at item No. 5, except to the extent of his/her shareholding in the Company, if any.

The Board accordingly recommends the Special Resolution set out at Item No. 5 for the approval of the Members.

**Item No. 6: Alteration of Articles of Association of the Company**

Pursuant to the Refinancing Scheme, the present Promoters have a Right of First Refusal for all the Equity Shares as and when the Lenders choose to sell or transfer Equity Shares issued to them as per Refinancing Scheme. The same may be incorporated in the Articles of Association ("**AOA**") of Company.

At the Meeting of the Board of Directors of the Company ("**Board**") held on February 11, 2017, the Board had approved the Refinancing Scheme.

Pursuant to Section 14 of the Act, the consent of the Members by way of Special Resolution is required for alteration of AOA of the Company.

A copy of the proposed altered AOA is being uploaded on the Company's website for perusal by the Members and would also be available for inspection for the Members at the Registered and Corporate Office.

None of the Directors, Key Managerial Personnel and their relatives is, in any way, concerned or interested, financially or otherwise in the resolution, set out at item No. 6, except to the extent of his/her shareholding in the Company, if any.

Consent of the Members is being sought by way of Special Resolution in terms of the provisions of the Companies Act, 2013. The Board accordingly recommends the Resolutions set forth in Item No. 6 for the approval of the Members.

**Item no. 7: Approval for availing loan with an option to convert into Equity Shares of the Company**

In line with directives issued by Reserve Bank of India ("RBI") vide Circular no. DBR.BP.BC.No.101/21.04.132/2014-15 dated June 8, 2015, one of the terms of Refinancing Scheme is that the Company shall pass all the requisite authorisations including shareholders approval enabling Strategic Debt Restructuring. Accordingly, the Company has to pass Shareholders Resolution under Section 62(3) of the Companies Act, 2013 for availing financial facilities with a right to convert the same in equity shares in the Company.

The members resolution referred to above would enable the Lenders, in terms of the lending arrangements, entered/being entered into, at their option, to convert whole or part of their respective outstanding financial facility including accrued interest, penal interest thereon into equity shares of the Company.

The Board recommends the resolution to enable the Lenders, in terms of the lending arrangements, and as may be specified by the Financial Institutions/Banks under the financing documents in respect of the financial assistances availed/being availed, at their option, to convert the whole or part of their respective outstanding financial assistance into equity shares of the Company, upon such terms and conditions as may be deemed appropriate by the Board and at a price to be determined in accordance with the financing documents.

Since decisions for raising the financial assistances or agreeing to terms and conditions for raising the financial assistance (including option to convert loan into equity) are required to be taken on an urgent basis, especially keeping in view the interests of the Company, enabling authority of the members is sought as it may not be feasible for the Company to seek shareholders' consent each and every time the Lenders exercise their option to convert their loans either in full or in part into equity shares .

None of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution as set out at item no. 7, except to the extent of his/her shareholding in the Company, if any.

Consent of the Members is being sought by way of Special Resolution in terms of Section 62(3) of the Companies Act, 2013. The Board accordingly recommends the resolution set forth at Item No. 7 for the approval of the Members.

By Order of the Board of Directors  
For Reliance Defence and Engineering Limited

Ajit Dabholkar  
Corporate Counsel and Company Secretary

**Date:** February 18, 2017

**Place:** Mumbai

**Registered Office:**

Pipavav Port, Post Ucchaiya,  
Via Rajula, District Amreli,  
Gujarat – 365 560

**RELIANCE**

Defence and Engineering

**Reliance Defence and Engineering Limited**

**(Formerly known as Pipavav Defence and Offshore Engineering Company Limited)**

**CIN:** L35110GJ1997PLC033193

**Registered Office:** Pipavav Port, Post Ucchaiya, Via - Rajula, District Amreli, Gujarat - 365 560; India

**Telephone:** +91 2794 305000; **Facsimile:** +91 2794 305100;

**Corporate Office:** H Block, 1<sup>st</sup> Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai - 400 710

**E-mail:** rdel.investors@relianceada.com, **Website:** www.reliancedefence.co

**PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL**

**ATTENDANCE SLIP**

*DP Id.		Name & Address of the registered Shareholder
Regd. Folio No. / *Client Id.		
No. of Share(s) held		

(\* Applicable for Members holding shares in electronic form)

I hereby record my presence at the **EXTRA ORDINARY GENERAL MEETING** of the Members of Reliance Defence and Engineering Limited held on Monday, March 20, 2017 at 4.00 pm. at the Registered Office of the Company at Pipavav Port, Post Ucchaiya, Via-Rajula, District Amreli - 365 560, Gujarat.

Member's / Proxy's Signature

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Defence and Engineering

**Reliance Defence and Engineering Limited**  
(Formerly known as Pipavav Defence and Offshore Engineering Company Limited)

CIN: L35110GJ1997PLC033193

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

**Telephone:** +91 2794 305000; **Facsimile:** +91 2794 305100;

**Corporate Office:** H Block, 1<sup>st</sup> Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai – 400 710

**E-mail:** rdel.investors@relianceada.com, **Website:** www.reliancedefence.co

**FORM NO. MGT-11**

**[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

Name of the Member(s):	
Registered Address:	
E-mail Id:	
Folio No. / *Client Id.	
*DP ID.	

(\*Applicable for Members holding Shares in electronic form)

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint:

(1) Name: \_\_\_\_\_ Address: \_\_\_\_\_

E-mail id: \_\_\_\_\_ Signature \_\_\_\_\_ or failing him / her;

(2) Name: \_\_\_\_\_ Address: \_\_\_\_\_

E-mail id: \_\_\_\_\_ Signature \_\_\_\_\_ or failing him / her;

(3) Name: \_\_\_\_\_ Address: \_\_\_\_\_

E-mail id: \_\_\_\_\_ Signature \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Extra Ordinary General Meeting of the Company, to be held on the Monday, March 20, 2017 at 4.00 pm. at the Registered Office of the Company at Pipavav Port, Post Ucchahiya, Via-Rajula, District Amreli – 365 560, Gujarat, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Matter of Resolution	For	Against
1.	Re-classification of the Authorized Share Capital of the Company, with consequential amendments in the Memorandum of Association		
2.	Issue of Equity Shares aggregating upto Rs. 595 crore to CDR Lenders		
3.	Issue of Equity Shares aggregating upto Rs. 60 crore to Non-CDR Lenders		
4.	Issue of 0.10% Compulsorily Redeemable Preference Shares ('CRPS') aggregating upto Rs. 2300 crore		
5.	Issue of Secured Non Convertible Debentures aggregating upto Rs. 250 crore		
6.	Alteration of Articles of Association of the Company		
7.	Approval for availing loan with an option to convert into Equity Shares of the Company		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017.

Signature of Shareholder(s) : \_\_\_\_\_

Signature of Proxy holder(s) : \_\_\_\_\_

Affix Revenue Stamp
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**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.**

**\* RDEL –Reliance Defence and Engineering Limited**

