



# PIPAVAV

## PIPAVAV DEFENCE AND OFFSHORE ENGINEERING COMPANY LIMITED

Registered Office: Pipavav Port, Post Ucchahiya, Via-Rajula,  
Dist. Amreli, Pin 365 560, Gujarat, India  
Phone: +91 2794 661000 Fax: +91 2794 661100  
Corporate Office: SKIL House, 209 Bank Street Cross Lane,  
Fort, Mumbai – 400 023, India  
CIN: L35110GJ1997PLC033193, Website: www.pipavavdoc.com,  
E Mail: company.secretary@pipavavdoc.com.

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the Eighteenth Annual General Meeting ('AGM') of the members of **PIPAVAV DEFENCE AND OFFSHORE ENGINEERING COMPANY LIMITED ('Company')** will be held at the Registered Office of the Company at Pipavav Port, Post Ucchahiya, Via-Rajula, District Amreli – 365 560, Gujarat, India, on Wednesday, September 30, 2015 at 12.00 Noon to transact the following businesses:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone Financial Statements and Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2015 and the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. Nikhil Gandhi (DIN: 00030560) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors and in this regard to consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, M/s. Pathak H. D. & Associates, Chartered Accountants, Mumbai (Firm Registration No. 107783W) as Statutory Auditors of the Company (**'Statutory Auditors'**), to hold office from the conclusion of the 18<sup>th</sup> Annual General Meeting (**'AGM'**) till the conclusion of the 23<sup>rd</sup> AGM to be held in or around September, 2020, subject to ratification of its appointment by the members at every AGM held during the said term after the conclusion of the 18<sup>th</sup> AGM.

**RESOLVED FURTHER THAT** payment of remuneration of ₹ 50,00,000/- (Rupees Fifty Lacs) plus applicable taxes be and is hereby approved to the Statutory Auditors for carrying out all duties of the statutory auditors during

the first year of its appointment commencing from the conclusion of the 18<sup>th</sup> Annual General Meeting and expiring at the conclusion of the 19<sup>th</sup> Annual General Meeting and that it be reimbursed out of pocket expenses at actuals.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to determine the remuneration payable to the Statutory Auditors for discharging their functions as Statutory Auditors of the Company during the remainder of the aforesaid term and to decide each and every matter concerning the appointment of and remuneration payable to the Statutory Auditors.”

### SPECIAL BUSINESS

4. **To Increase the Authorised Share Capital of the Company:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 13, 61 and all other applicable provisions, if any, of the Companies Act, 2013 and rules notified thereunder (including any statutory amendment or modification or re-enactment thereof for the time being in force), the Authorised Share Capital of the Company be and is hereby increased from ₹ 10,00,00,00,000/- (Rupees One Thousand Crore only) divided into 1,00,00,00,000 (One Hundred Crore) Equity Shares of ₹ 10/- (Rupees Ten only) each to ₹ 1,50,00,00,00,000/- (Rupees Fifteen Thousand Crore only) divided into 15,00,00,00,000 (Fifteen Hundred Crore) Equity Shares of ₹ 10/- (Rupees Ten only) each by creation of an additional 14,00,00,00,000 (Fourteen Hundred Crore) equity shares of ₹ 10/- (Rupees Ten only) each ranking pari passu in all respects with the existing Equity Shares of the Company.

**RESOLVED FURTHER THAT** pursuant to Section 13 and 61 and all other applicable provisions, if any, of the Companies

Act, 2013 and rules notified thereunder (including any statutory amendment or modification or re-enactment thereof for the time being in force), the existing Clause “V” of the Memorandum of Association of the Company relating to its share capital be and is altered by deleting the same and substituting in its place, the following new Clause “V” containing details of the increased authorised share capital:-

- V. The Authorised Share Capital of the Company is ₹ 1,50,00,00,00,000/- (Rupees Fifteen Thousand Crore only) divided into 15,00,00,00,000 (Fifteen Hundred Crore) Equity Shares of face value of ₹ 10/- (Rupees Ten only) each.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be expedient, necessary and proper to give effect to this resolution.”

5. **To Increase Foreign Investment Limit in the Company:**

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

**“RESOLVED THAT** pursuant to all applicable provisions of Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 and all other applicable rules, regulations, guidelines and laws (including any statutory modifications or re-enactment thereof, from time to time) and subject to all applicable approvals, consents, permissions, sanctions and intimations and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals, consents, permissions and sanctions, which may be agreed to by the Board of Directors of the Company, the consent and approval of the members of the Company be and is hereby accorded to permit Registered Foreign Portfolio Investors (**‘RFPI’**), Qualified Foreign Investors (**‘QFI’**), Foreign Institutional Investors (**‘FII’**), Foreign Venture Capital Investors (**‘FVCI’**), registered with the Securities and Exchange Board of India (**‘SEBI’**), on their own account or on behalf of their SEBI approved sub-account, and Non Resident Indians (**‘NRI’**) to acquire and hold equity shares in the Company upto 49% (forty nine percent), the present limit of sectoral cap for defence sector, of the total paid-up Equity Share capital of the Company, provided that the shareholding of each RFPI/QFI/FII/FVCI, on its own account and on behalf of each of the SEBI approved sub-accounts and NRI in the Company shall not exceed such limits as are or as may be prescribed, from time to time, under applicable laws, rules and regulations or as may be prescribed by the Board of Directors from time to time in accordance with the applicable laws, rules and regulations.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the **‘Board’** which expression shall deemed to include any committee(s), constituted/to be constituted by the Board and/or any Director(s) or Officer(s) of the Company, delegated with powers necessary for the purpose, to exercise its powers including the powers conferred by this resolution) be and is hereby authorized to do all such acts, deeds, matters, and things, including filing of intimations with the Reserve bank of India (**‘RBI’**), Securities and Exchange Board of India (**‘SEBI’**) Stock Exchanges and execute all documents or writings as may be expedient, necessary, proper and usual to implement this Resolution and for all matters connected therewith or incidental thereto.”

6. **To allocate foreign shareholding limit under PIS route in the Company:**

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

**“RESOLVED THAT** pursuant to all applicable provisions of Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 and all other applicable rules, regulations, guidelines and laws (including any statutory modifications or re-enactment thereof, from time to time) and subject to all applicable approvals, consents, permissions, sanctions and intimations and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals, consents, permissions and sanctions, which may be agreed to by the Board of Directors of the Company, the consent and approval of the members of the Company be and is hereby accorded to assign limits to the foreign shareholding under Portfolio Investment Scheme (**‘PIS’**) in Pipavav Defence and offshore Engineering Company Limited (**‘Company’**) within the composite limit of foreign shareholding as under:

Nature of Shareholder	Maximum % of shareholding allocated in the Company
Registered Foreign Portfolio Investors (including Qualified Foreign Investors and Foreign Institutional Investors)	12
Foreign Venture Capital Investor	10
Non Resident Indians	2
<b>Total percentage</b>	<b>24%</b>

**RESOLVED FURTHER THAT** the Board of Directors (hereinafter referred to as the '**Board**' which expression shall be deemed to include any committee(s), constituted/ to be constituted by the Board and/or any Director(s) or Officer(s) of the Company, delegated with powers necessary for the purpose, to exercise its powers including the powers conferred by this resolution) be and is hereby authorised to monitor, revise, amend, reassign or change the above stated limits as it deem fit in the absolute discretion in the best interest of the Company in line with any notifications issued by the Reserve Bank of India, Department of Industrial Policy and Promotion or any other statutory or regulatory authorities in India from time to time.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary to give effect to the above resolutions including but not limited to making any filings before any statutory or regulatory authorities in India."

#### 7. Issue of Equity Shares to CDR Lenders:

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

**"RESOLVED THAT** pursuant to the provisions of Section 62(3) and other applicable provisions, if any, of the Companies Act, 2013 ('**Companies Act**') and in accordance with other applicable laws, including Reserve Bank of India's Framework for Revitalising Distressed Assets in the Economy and the guidelines issued thereunder, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ('**SEBI ICDR Regulations**') and the Banking Regulation Act, 1949, (including any statutory modification(s) or re-enactment thereof for the time being in force), and any modifications thereto, and in respect of the unqualified right of the CDR Lenders (as defined below) who have provided the relevant restructured facilities and subject to the right of the Pipavav Defence and Offshore Engineering Limited ('**Company**') to prepay such restructured facilities and whether upon or irrespective of an event of default, the consent of the Company be and is hereby accorded to the Board of Directors of the Company, (hereinafter referred to as the '**Board**' which term shall be deemed to include any duly empowered committee thereof), to accept the option of conversion as may be exercised by the CDR Lenders to convert all or any portion of the outstanding amounts of their respective convertible loan, together with accumulated interest, into fully paid up Equity Shares of the Company of ₹ 10/- (Rupees Ten) each ('**Equity Shares**'), at any time during the currency of such restructured facilities, and to create, offer, issue and allot in one or more tranches, such number of Equity Shares to the CDR Lenders of the Company which shall not exceed

the amount of principal and interest outstanding as on the date of exercise of such option, on the terms and conditions contained in master restructuring agreement, dated March 30, 2015 ('**MRA**') executed by and among the Company, IDBI Bank Limited (as the Monitoring Institution) and the relevant lenders of the Company whose loans were restructured ('**CDR Lenders**') pursuant to the Framework for Revitalising Distressed Assets in the Economy and the guidelines issued thereunder, which was approved by the Corporate Debt Restructuring Empowered Group, at its meeting held on March 18, 2015 and communicated to the CDR Lenders by the Corporate Debt Restructuring Cell vide letter of approval, bearing no. CDR (PMJ) No. 960/2014-15, dated March 27, 2015 ('**CDR LOA**') and approved by respective lenders and communicated to the Company by letter of sanctions of respective CDR lenders, at a price to be determined as per the SEBI ICDR Regulations, as may be modified or re-enacted from time to time and on happening of an event of default at face value and as per the applicable provisions of the Companies Act, 2013 as amended from time to time, on the exercise by the CDR Lenders of the option to convert the whole or part of their debt, subject to the following conditions:

- (i) On receipt of notice of conversion ('**Notice of Conversion**'), the Company shall allot and issue the requisite number of Equity Shares of the Company to the CDR Lenders as from the date of conversion and the CDR Lenders shall accept the same in satisfaction of the part of the restructured facilities so converted.
- (ii) The part of the restructured facilities so converted shall cease to carry interest as from the date of conversion and the restructured facilities shall stand correspondingly reduced. Upon such conversion, the installments of the restructured facilities payable after the date of conversion as per the MRA shall stand reduced proportionately by the amounts of the restructured facilities so converted.
- (iii) The Equity Shares so allotted and issued to the CDR Lenders shall carry, from the date of conversion, the right to receive proportionately dividends and other distributions declared or to be declared in respect of the equity capital of the Company. Save as aforesaid, the said Equity Shares shall rank *pari passu* with the existing Equity Shares of the Company in all respects. The Company shall, at all times, maintain sufficient un-issued Equity Shares for the above purpose.
- (iv) In the event of the CDR Lenders exercising the conversion right as aforesaid, the Company shall at its cost get the Equity Shares, issued to the CDR Lenders as a result of the conversion, listed with the stock exchanges as also comply with all statutory requirements and applicable laws in connection with the issue of the Equity Shares as stated above.

**RESOLVED FURTHER THAT** without prejudice to the generality of the above, the aforesaid issue of the Equity Shares may have all or any terms or conditions or combination of terms in accordance with applicable regulations and prevalent market practices.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to accept such modifications and to accept such terms and conditions as may be imposed or required by the CDR Lenders arising from or incidental to the aforesaid terms providing for such option and to do all such acts, deeds, matters and things as may be necessary to give effect to the above resolution and all acts deeds, matters, and things done by the Board hereinbefore, towards the issue of Equity Shares to the CDR Lenders are hereby ratified and approved.

**RESOLVED FURTHER THAT** for giving effect to the above resolutions 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 for such purpose and with the power on behalf of the Company to settle any question, difficulty or doubt that may arise in regard to such conversion into Equity Shares of the Company and to execute all such contracts, deeds, agreements, instruments, documents and writings as may be necessary, desirable or expedient in connection therewith in its absolute discretion without being required to seek any further consent or approval of the members of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any issue or allotment of the Equity Shares, as described above, the Board be and is hereby authorised on behalf of the Company to seek listing of any or all of such Equity Shares on one or more stock exchanges in India or outside India.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any committee of the Board or any one or more Directors or the Company Secretary of the Company with power to delegate to any officers of the Company, including affixing the common seal of the Company on agreements / contracts / documents, arranging delivery and execution of contracts, deeds, agreements and instruments.”

8. **Remuneration to Mr. Bhavesh Gandhi (DIN: 00030623), Executive Vice-Chairman of the Company:**

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

**“RESOLVED THAT** pursuant to Section 196, read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and applicable rules notified there under (including any amendment thereto) (**‘Act’**), re-appointment of Mr. Bhavesh Gandhi (**DIN: 00030623**), 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 be and is hereby approved and ratified.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 197 read with Schedule V of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 or any other applicable provisions, if any, of the Act and subject to approval of the Central Government, if required, payment of remuneration to Mr. Bhavesh Gandhi, Whole-time Director designated as Executive Vice-Chairman of the Company, for a period of three years commencing from April 1, 2013 and expiring on March 31, 2016 as detailed below be and is hereby approved and ratified:

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



Sr. No.	Remuneration	Amount
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 Section 197, read with Schedule V of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 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 Section 198 and all 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 & 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 201 and all 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.”

By order of the Board  
For **Pipavav Defence and Offshore Engineering  
Company Limited**

**Ajit Dabholkar**  
Corporate Counsel & Company Secretary

Date: August 14, 2015

Place: Mumbai

**NOTES:-**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act') in respect of the special business set out in the notice is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AFORESAID ANNUAL GENERAL MEETING ('AGM') IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF, AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
3. The instrument appointing proxies in order to be effective, should be duly completed in all respect as prescribed in the Secretarial Standards on General Meeting ('SS-2') issued by the Institute of Company Secretaries of India and should be lodged with the Company at the Registered Office of the Company not less than 48 hours before the commencement of the AGM. A Proxy form is attached herewith. Every member shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the AGM and ending with conclusion of the AGM, to inspect at the Registered Office of the Company the proxies lodged, at any time during the business hours of the Company, provided not less than three days' notice in writing of the intention so to inspect is given to the Company.
4. 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 person or shareholder.
5. Members / Proxies are requested to bring copy / printout of Annual Report along with their duly filled in attendance slip, attached herewith, for attending the AGM.
6. Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges and SS-2, particulars of the Director seeking re-appointment at the AGM and Director whose remuneration is being approved are attached to this Notice.
7. All the documents referred to in the accompanying Notice and Explanatory Statement are open for inspection between 11.00 a.m. to 1.00 p.m. on all working days except Saturdays at the Registered and Corporate offices of the Company upto the date of the AGM.
8. The Notice and Annual Report are being sent to all the Members, whose names shall appear in the Register of Members or in case of shares held in electronic form, who were the beneficial owners as on close of working hours on August 26, 2015. However if such a person is not a member on September 23, 2015, such person is not eligible to vote via remote e-voting or at AGM and may treat this Notice for information purpose only. 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. The registered members, who have voted through the e-voting platform, may attend the Meeting. However, such members shall not be entitled to vote at the AGM.
9. In order to receive copies of Annual reports and other Communication through email members are requested to register their email addresses with their Depository Participant ('DP') / Karvy Computershare Pvt. Ltd. ('Karvy') by sending an email to evoting@karvy.com.
10. Corporate members intending to send their authorized representatives to attend the AGM 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 with attested specimen signature(s) of the duly authorized representative(s).
11. No gifts / coupons will be distributed before or at the AGM to the Members. Members may make their own travel arrangements at their costs for attending the AGM.
12. For security reasons, no gadgets, mobile phones, cameras, article / baggage shall be allowed at the venue of the AGM. 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.
13. 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 AGM to enable the Company to keep the information ready at the Meeting.
14. The Register of Members and Share Transfer Books of the Company shall remain closed from Thursday, August 27, 2015 till Friday, August 28, 2015.
15. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements maintained under Section 189 of the Act will be available for inspection by the members at the AGM.
16. 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. Members holding shares in demat form are requested to notify their respective DPs of any change in their addresses and / or the Bank Mandate details.

17. The Securities and Exchange Board of India ('SEBI') has mandated the submission of the Permanent Account Number ('PAN') by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN to the Company or Karvy.

18. The Route Map of the venue of the Annual General Meeting is provided in this notice.

#### 19. VOTING THROUGH ELECTRONIC MEANS

I. In compliance with the provisions of Sections 108 and other applicable provisions of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, SS-2, and the Listing Agreement entered into with the Stock Exchanges, the Company is pleased to offer e-voting facility as an option to all the members of the Company. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the general meeting ('remote E-voting') will be provided by Karvy Computershare Private Limited ('Karvy').

II. Members who will cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again. The facility for voting through ballot paper shall be made available at the AGM for the members attending the meeting and who have not cast their vote by remote e-voting. If a member casts vote by both modes then the voting done through remote e-voting shall prevail.

III. E-voting instructions and the procedure of e-voting is provided below. The user ID and password is provided in enclosed attendance slip / via email.

IV. The remote e-voting period will commence from Friday, September 25, 2015 at 9.00 a.m. and will end at 5.00 p.m. on Tuesday, September 29, 2015. The remote e-voting module will be disabled on Tuesday, September 29, 2015 at 5.00 p.m. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting as provided below. Once the vote on a resolution is cast, the member shall not be allowed to change it subsequently.

V. A person whose name is recorded in the register of member or in the Register of Beneficial owner maintained by the depositories as on cutoff date which is Wednesday, September 23, 2015, shall be entitled to avail the facility of remote e-voting or voting at the AGM. Any person who acquires

shares of the Company after dispatch of the Annual Report and holding shares as of the cutoff date i.e. Wednesday, September 23, 2015 may approach Karvy for the obtaining of User ID and password by sending an email at [evoting@karvy.com](mailto:evoting@karvy.com) to exercise their right to vote by electronic means.

#### Process / Instructions for voting through electronic means:

##### A. In case of Member receives an email from KARVY [For members whose e-mail address are registered with their Depository Participant(s)]

- (i) The said email will contain your User ID and password for remote e-voting. Please note that the password is an initial password
- (ii) Open the internet browser and navigate to URL: <https://evoting.karvy.com>
- (iii) Enter the login credentials (i.e. User ID and password as forwarded via email by Karvy through electronic notice).

User ID	<b>For Shareholder(s) / Beneficial Owner(s) Holding Shares In Demat Form:-</b> a) <b>For NSDL:-</b> 8 Characters DP ID Followed By 8 Digits Client ID b) <b>For CDSL:-</b> 16 Digits Beneficiary ID <b>For Members holding shares in Physical Form:-</b> Event no. followed by Folio Number registered with the Company.
Password	Your Unique password is printed on the AGM attendance Slip / sent via email forwarded through the electronic notice.
Captcha	Enter the verification code for security reasons i.e., please enter the alphabets and numbers in the exact way as they are displayed.

- (iv) However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
- (v) After entering these details appropriately, click on "LOGIN".
- (vi) You will now reach a password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one

numeric (0-9) and a special character (@, #, \$, \* etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on the first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.**

- (vii) You need to login again with the new credentials.
- (viii) On successful login, the system will prompt you to select the event. Please select the event of Pipavav Defence and Offshore Engineering Company Limited and click on submit.
- (ix) On the voting page, resolution descriptions will be displayed. Against, each resolution please enter the number of shares (which represents the number of votes) as on the cut-off date (as on September 23, 2015) under 'FOR / AGAINST' or alternatively, you may partially enter any number in 'FOR' and partially in 'AGAINST' but the total number in 'FOR / AGAINST' taken together should not exceed your total shareholding. You may also choose the option 'ABSTAIN' and the shares held by you will not be counted under either head.
- (x) Members holding multiple folios / demat accounts are advised to choose the voting process separately for each of the demat accounts / folios.
- (xi) You may then cast your vote by selecting an appropriate option and click on 'Submit'.
- (xii) A confirmation box will be displayed. If you wish to confirm your vote, click on 'OK', else to change your vote, click on 'CANCEL' and modify your vote.
- (xiii) Once you confirm, you will not be allowed to modify your vote. During the voting period, members may login any number of times till they have voted on the Resolution(s).
- (xiv) Corporate / Institutional members (i.e. other than Individuals, HUF, NRI, etc.) are required to send scanned certified true copy (in PDF Format) of the Board Resolution and/or duly notarized Power of Attorney, authorizing their representatives together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: sandhya.malhotra29@gmail.com with copy to.evoting@karvy.com. The file scanned image

of the Board Resolution should be in the naming format "Corporate Name\_ Event no."

- B. **In case a Member receives physical copy of the notice of AGM (for members whose email address are not registered with the Depository Participants)**
  - (i) Please refer the attendance slip for the User ID and initial password
  - (ii) Please follow all steps from Sl. No. (ii) to (xiv) above to caste vote
- VI. In case of any query pertaining to remote E-voting, please visit Help & FAQ's section available at Karvy's website <https://evoting.karvy.com>. Members may contact, Ms. Rajitha Cholleti, Sr. Manager, Karvy Computershare Pvt. Ltd., Karvy Selenium Tower B, Plot Number 31 & 32, Financial District, Gachibowli, Hyderabad 500 032, India, Phone No. +91 40 67162222 email id: evoting@karvy.com.
- VII. The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date being Wednesday, September 23, 2015.
- VIII. The Board of Directors have appointed Ms. Sandhya Malhotra, Company Secretary in Practice (Membership No. 6715) of SRM & Co., Practicing Company Secretaries, to act as the Scrutinizer, to scrutinize the voting process (remote E-voting and poll at the AGM) in a fair and transparent manner.
- IX. The Scrutinizer shall immediately after the conclusion of the voting at AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through the remote E-voting in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than three days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the meeting or a person authorized by him in writing, who shall counter sign the same. Provided that the Chairman or a person authorized by him in writing shall declare the results of the voting forthwith.
- X. The results declared along with the Scrutinizer's Report(s) will be available on the website of the Company ([www.pipavavdoc.com](http://www.pipavavdoc.com)) and on Karvy's website (<https://evoting.karvy.com>) immediately after the declaration of the result by the Chairman or a person authorized by him in writing. The said results of voting shall be displayed on the notice Board of the Company at its Registered Office and its Corporate Office. The results will be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.



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

### Item No 4. To Increase the Authorised Share Capital of the Company:

The Authorized Capital of the Company at present is ₹ 10,00,00,00,000/- (Rupees One Thousand Crore only) divided into Equity Shares of ₹ 10/- (Rupees ten each). The Company and its Bankers restructured debts of the Company under the Corporate Debt Restructuring ('CDR') Scheme in accordance with the guidelines stipulated by the Reserve Bank of India, in order to find a long term solution to the issues emanating from the inevitable long gestation period of the infrastructure developed by the Company.

CDR Cell on vide Letter of Approval dated March 27, 2015 ('CDR LOA') communicated approval of the restructuring proposal of your Company. CDR LOA states that, in the event of default of the Company, the CDR Lenders would have a right to convert their loan into equity shares of the Company at face value; for the same Company is required to keep the necessary Authorised Share Capital available to convert the loan into equity shares, if required. The Company may also raise money in future by issue of equity shares / convertible securities in the domestic / international markets.

For the aforesaid reasons it is proposed to increase the Authorised Share Capital of the Company from ₹ 10,00,00,00,000/- (One Thousand Crore only) to 1,50,00,00,00,000/- (Fifteen Thousand Crore only), with the consequential substitution of the Capital Clause (Clause V) of the Memorandum of Association of the Company.

As per the provisions of the Act the approval of the Members of the Company is required for increase in the Authorised Share Capital and for the alteration of Capital Clause of the Memorandum of Association of the Company.

The Board commends the Ordinary resolution as set out at Item No. 4 of this notice for the approval of the Members.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

### Item No. 5 To Increase Foreign Investment Limit in the Company:

In terms of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 and other applicable master circulars, the Registered Foreign Portfolio Investors ('RFPI'), Qualified Foreign Investors ('QFI'), Foreign Institutional Investors ('FII'), Foreign Venture Capital Investors ('FVCI'), registered with the Securities and Exchange Board of India ('SEBI'), on their own account or on behalf of their SEBI approved sub-account and Non Resident Indians ('NRI') can, in aggregate, hold upto 24% of

paid-up capital of the Company. As per the regulations, the limit of 24% may be increased upto the sectoral cap / statutory ceiling, as applicable, by the Company by passing a resolution by its Board of Directors followed by passing of a Special Resolution to that effect by the members.

To make adequate space for above mentioned category of investors to invest in the equity shares of the Company, it is proposed to increase the present aggregate limit of portfolio investors shareholding in the Company from 24% to an aggregate limit of 49% of paid up equity share capital of the Company, the present limit of sectoral cap for defence sector, subject to any other approvals as may be required from the statutory and regulatory authorities.

The Special Resolution set out at Item No. 5 of the Notice will also enable the portfolio investors to acquire shares of the Company within proposed aggregate limit of 49% of paid-up equity share capital under the Portfolio Investment Scheme of the Reserve Bank of India.

The Board recommends the Special resolution set out at Item No. 5 of this notice for the approval by the members.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 5.

### Item No. 6 To allocate foreign shareholding limit under PIS route in the Company:

The Reserve Bank of India has issued A.P. (DIR Series) Circular No. 46 dated December 8, 2014 ('Circular') which stipulates that listed companies engaged in the defence sector in accordance with guidance provided by the Press Note 7 (2014 Series) need to allocate limits for non-resident shareholders who invest under the Portfolio Investment Scheme ('PIS') viz. (i) Registered Foreign Portfolio Investors ('RFPI') which includes Qualified Foreign Investors ('QFI'), Foreign Institutional Investors ('FII'), (ii) Non Resident Indians ('NRI') and (iii) Foreign Venture Capital Investors ('FVCI') within the limit of 24% of the equity capital of the Company. The Portfolio Investment upto 24% of the total Equity of the Company shall be under automatic route. These allocated limits in Pipavav Defense and Offshore Engineering Company Limited ('PDOC') are for submitting it to the Reserve Bank of India ('RBI') for monitoring purposes.

The allocation of the aforesaid limits has been approved by the Board of Directors at their meeting held on August 14, 2015.

The Board recommends the Ordinary Resolution set out at Item No. 6 of this notice for the approval by the members.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item No. 6.

**Item No. 7 Issue of Equity Shares to CDR Lenders:**

In view of adverse market conditions and liquidity constraints, the Company made a reference to Corporate Debt Restructuring Cell for restructuring the Company’s debts through CDR mechanism. After considering the said proposal, the final restructuring package was approved *vide* CDR LOA.

The Company has entered into the MRA on March 30, 2015 with the following lenders whose loans have been restructured (**‘CDR Lenders’**) as stated below:

Sr. No.	Lenders	Head Office
1	IDBI Bank Limited	IDBI Tower, World Trade Centre Complex, Cuffe Parade, Mumbai 400 005
2	Bank of India	Star House, C-5, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051
3	Life Insurance Corporation of India	Life Insurance Corporation of India, “Yogakshema”, Jeevan Bima Marg, Mumbai – 400 021
4	Oriental Bank of Commerce	E-Block, Harsha Bhavan, Connaught Place, New Delhi – 110 001
5	Punjab National Bank	7, Bhikaji Cama Place, New Delhi
6	State Bank of Patiala	The Mall, Patiala (Punjab)
7	UCO Bank	10, B.T.M. Sarani, Kolkatta
8	Union Bank of India	239, Vidhan Bhavan Marg, Mumbai – 400 021
9	Export Import Bank of India	Centre One Building, 21 <sup>st</sup> Floor, World Trade Centre Complex, Cuffe Parade, Mumbai – 400005
10	United Bank of India	11 Hemanta Basu Sarani, Kolkata – 700 001, in the State of West Bengal
11	Karnataka Bank Limited	Mahaveera Circle, Kankanady, Mangalore – 575002
12	Karur Vysya Bank Limited	Erode Road, Karur – 639002, Tamil Nadu
13	Central Bank of India	Chander Mukhi, Nariman Point, Mumbai — 400 021
14	Jammu & Kashmir Bank Ltd.	Maulana Azad Road, Srinagar, Kashmir
15	Corporation Bank	Mangalore in the state of Karnataka
16	Bank of Maharashtra	“Lokmangal” 1501, Shivajinagar, Pune -411005
17	State Bank of India	State Bank Bhavan, Madame Cama Road, Nariman Point, Mumbai – 400 021
18	Dena Bank	Dena Corporate Centre, C-10, G’ Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
19	State Bank of Mysore	Kempegowda Road , Bengaluru – 560009, Karnataka
20	Vijaya Bank	Bangalore
21	State Bank of Hyderabad	Gunfoundry, Hyderabad – 500001
22	Punjab & Sind Bank	Punjab & Sind Bank, 21, Rajendra Place, New Delhi-110008
23	IFCI Limited	IFCI Tower ,61, Nehru Place, New Delhi-110019

The CDR LOA includes provision for conversion of restructured debt of the Company into equity shares by the CDR Lenders in case of exercise of such option, on the terms and conditions contained in the restructuring package formulated by and between the Company and the CDR Lenders and the MRA, pursuant to the Framework for Revitalising Distressed Assets in the Economy and the guidelines issued thereunder, at a price to be determined as per the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**‘SEBI ICDR Regulations’**), as and to the extent applicable on the exercise by the CDR Lenders of the option to convert the whole or part of their loans. On happening of an event of default by the Company, as per the MRA, the CDR Lenders have a right to convert its outstanding loan in to the Equity shares at face value, in accordance with the MRA.

In terms of provisions of Section 62(3) and other applicable provisions, if any, of the Companies Act, 2013 and in accordance with other applicable laws, consent of the members is required to pass this resolution as a Special Resolution.

The Board recommends the Special Resolution set out at Item No. 7 of this notice for the approval by the members.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 7.

**Item No. 8. Remuneration to Mr. Bhavesh Gandhi (DIN: 00030623), Executive Vice-Chairman of the Company:**

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 contribution 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 which are mentioned herein below.

The re-appointment of Mr. Bhavesh Gandhi as Whole-Time Director and payment of aforesaid remuneration had been approved by the members vide a special resolution passed at the 16<sup>th</sup> Annual General Meeting of the Company held on December 18, 2013. The said resolution referred to the provisions of the Companies Act, 1956, which was then prevalent. The Ministry of Corporate Affairs has directed the Company to comply with the provisions of the Companies Act 2013 and to pass a revised resolutions for the aforesaid approval of remuneration as per provisions of the Companies Act, 2013 and the relevant rules there under, since the most of the provisions Act came into force w.e.f April 1, 2014.

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 the same remuneration to Mr. Bhavesh Gandhi, for a period of three years commencing from April 1, 2013 and expiring on March 31, 2016, which was approved by the members of the Company vide a special resolution passed at the 16<sup>th</sup> Annual General Meeting of the Company held on December 18, 2013, which is reproduced below:

**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 and 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 Mr. Bhavesh Gandhi, the aforesaid remuneration by way of salary, perquisites as minimum remuneration.

The Board commends passing of 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 other than Mr. Nikhil Gandhi and Mr. Bhavesh Gandhi or any Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 8.

By order of the Board  
For **Pipavav Defence and Offshore Engineering  
Company Limited**

**Ajit Dabholkar**  
Corporate Counsel & Company Secretary

Date: August 14, 2015  
Place: Mumbai

ANNEXURE TO THE NOTICE DATED AUGUST 14, 2015

Details of the Directors relating to re-appointment / fixation of Remuneration at the forthcoming Annual General Meeting

(In pursuance of Clause 49 of the Listing Agreement and Secretarial Standard on General Meeting)

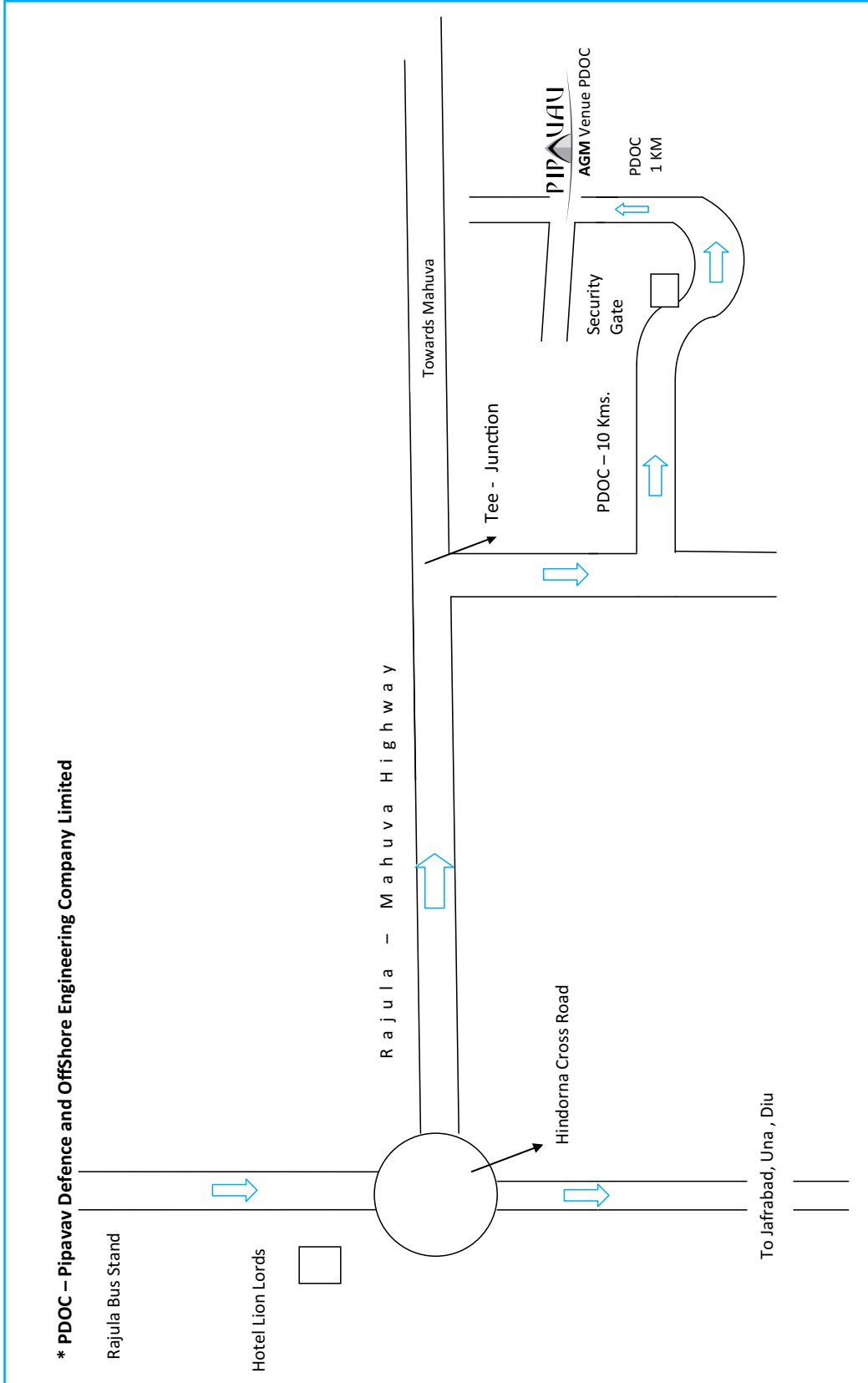
Name of the Director (DIN)	Mr. Nikhil Gandhi (00030560)	Mr. Bhavesh Gandhi (00030623)
Date of Birth	April 25, 1959	January 21, 1966
Age	56 years	49 years
Date of the First Appointment on the Board	October 17, 1997	December 30, 2005
Expertise in specific functional area Qualifications & Expertise	Mr. Nikhil Gandhi is the first generation entrepreneur with business interest in marine engineering and infrastructure. Mr. Gandhi has approximately 32 years of experience as an entrepreneur of various infrastructure development projects. Some of the marquee projects conceived and developed during their infrastructure development stages by Mr. Nikhil Gandhi include Pipavav Port in Gujarat, Navi Mumbai Special Economic Zone and Maha Mumbai Special Economic Zone.	Mr. Bhavesh Gandhi has approximately 30 years of experience in various fields pertaining to infrastructure development projects. Mr. Bhavesh Gandhi led 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. Bhavesh Gandhi with his dedicated zeal developed world class infrastructure of the Company having technological ability to build largest vessels on the ocean including modern aircraft carriers, LNG carriers etc.
Number of Board Meetings attended in the F.Y. 2014-15	Five Board Meetings	Five Board Meetings
Remuneration	Mr. Nikhil Gandhi is the non-executive Chairman of the Company. No remuneration is paid to Mr. Gandhi. Sitting Fees for attending each Meeting of the Board of Directors and Committee thereof is paid @ ₹ 100,000/- per meeting.	As stated in the Special Resolution at Item No. 8 to the Notice.
Directorships held in other Public Companies including Private Companies which are subsidiaries of public companies as on March 31, 2015 (Excluding foreign Companies and Section 8 Companies)	<ol style="list-style-type: none"> <li>1. SKIL Infrastructure Limited</li> <li>2. SKIL-Himachal Infrastructure and Tourism Limited</li> <li>3. KLG Capital Services Limited</li> <li>4. JPT Securities Limited</li> <li>5. Nayroh Lifestyle and Leisure Infrastructure Limited</li> <li>6. Pipavav Electronic Warfare Systems Private Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Donyi Polo Petrochemicals Limited</li> <li>2. Energy India Corporation Limited</li> <li>3. Nayroh Lifestyle and Leisure Infrastructure Limited</li> <li>4. SKIL Infrastructure Limited</li> <li>5. SKIL Shipyard Holdings Private Limited</li> <li>6. E Complex Private Limited</li> </ol>



Name of the Director (DIN)	Mr. Nikhil Gandhi (00030560)	Mr. Bhavesh Gandhi (00030623)
Memberships/ Chairmanships of Committees of other Public Companies as on March 31, 2015 (Includes only Audit & Shareholders' / Investors' Grievance Committee)	<b>Audit Committee:</b> SKIL – Himachal Infrastructure and Tourism Limited  <b>Shareholders' / Investors' Grievance Committee:</b> 1. KLG Capital Services Limited 2. SKIL Infrastructure Limited (Erstwhile Horizon Infrastructure Limited)	<b>Audit Committee:</b> 1. Donyi Polo Petrochemicals Limited 2. E Complex Private Limited
Number of Shares held as on March 31, 2015	NIL	68,300  (Including 66,000 shares held by Bhavesh Prataprai Gandhi HUF)
Relationship with Directors, Key Managerial Personnel	Mr. Nikhil Gandhi and Mr. Bhavesh Gandhi, Directors are related to each other as brothers.	Mr. Bhavesh Gandhi and Mr. Nikhil Gandhi, Directors are related to each other as brothers.

**Note:** Pursuant to clause 49 of the Listing Agreement, details of Memberships / Chairmanships of only two Committees viz. Audit Committee and Shareholders' / Investors' Grievance Committee have been provided above.

## Route Map for Venue of the Annual General Meeting











## Pipavav Defence and Offshore Engineering Company Limited

**Registered Office:** Pipavav Port, Post Ucchaya, Via-Rajula, Dist. Amreli, Pin 365 560, Gujarat, India

**Phone:** +91 2794 661000 **Fax:** +91 2794 661100

**Corporate Office:** SKIL House, 209 Bank Street Cross Lane, Fort, Mumbai – 400 023, India

**CIN:** L35110GJ1997PLC033193, **Website:** www.pipavavdoc.com, **E Mail:** company.secretary@pipavavdoc.com

### ATTENDANCE SLIP

Folio/ DP ID & Client ID

Name and Address of the Shareholder(s)

Joint Holder 1

Joint Holder 2

No. of Shares held

a) I hereby record my presence at the 18<sup>th</sup> Annual General Meeting of the Company at the Registered Office of the Company at Pipavav Port, Post Ucchaya, Via-Rajula, District Amreli – 365 560, Gujarat, on **Wednesday, September 30, 2015 at 12.00 Noon.**

b) Signature of the Shareholder/ Proxy Present

c) Shareholder/ Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover the same at the entrance duly signed.

d) Shareholder/ Proxy holder desiring to attend the meeting may bring his/her copy of the Annual Report for the reference at the meeting.

---

### ELECTRONIC VOTING PARTICULARS

E Voting Event Number (EVEN)	User ID	Password

**Note:** Please read the instructions provided in Notice dated August 14, 2015 of the 18<sup>th</sup> Annual General Meeting. The Voting period will start from 9.00 a.m. on Friday, September 25, 2015 and will end at 5.00 p.m. on Tuesday September 29, 2015. The voting module shall be disabled for voting immediately thereafter.