POST OFFER REPORT PURSUANT TO AND IN ACCORDANCE WITH REGULATION 27(7) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011

IN RESPECT OF OPEN OFFER MADE BY RELIANCE DEFENCE SYSTEMS PRIVATE LIMITED ("ACQUIRER") TOGETHER WITH RELIANCE INFRASTRUCTURE LIMITED, AS THE PERSON ACTING IN CONCERT WITH THE ACQUIRER ("PAC") TO ACQUIRE SHARES OF PIPAVAV DEFENCE AND OFFSHORE ENGINEERING COMPANY LIMITED ("PIPAVAV DEFENCE" / "TARGET COMPANY").

Capitalized terms used herein but not specifically defined shall have the same meaning ascribed to such terms in the Letter of Offer dated November 16, 2015 ("**LoF**").

A. Names of the parties involved

1.	Target Company (TC)	Pipavav Defence and Offshore Engineering Company Limited
2.	Acquirer(s)	Reliance Defence Systems Private Limited
3.	Persons acting in concert with Acquirers (PAC(s))	Reliance Infrastructure Limited
4.	Manager to the Open Offer	J M Financial Institutional Securities Limited
5.	Registrar to the Open Offer	Karvy Computershare Private Limited

B. Details of the offer

- Whether conditional offer : No
- Whether voluntary offer : No
- Whether competing offer : No

C. Activity Schedule

Sr. No	Activity	Due dates as specified in the SAST Regulations	Actual Dates
1.	Date of the public announcement ("**PA**")	March 4, 2015	March 4, 2015
2.	Date of publication of the Detailed Public Statement ("**DPS**")	March 11, 2015	March 11, 2015
3.	Date of filing of draft letter of offer with SEBI	March 18, 2015	March 18, 2015

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Sr. No	Activity	Due dates as specified in the SAST Regulations	Actual Dates
4.	Date of sending a copy of the draft LOF to the TC and the concerned stock exchanges (SE)	March 18, 2015	March 18, 2015
5.	Date of receipt of SEBI Comments	April 10, 2015*	April 29, 2015
6.	Date of dispatch of LOF to the shareholders / custodian in case of Depositary Receipts	November 24, 2015	November 20, 2015
7.	Dates of price revisions / offer revisions (if any)	November 26, 2015	Not Applicable
8.	Date of publication of recommendation by the independent	November 27, 2015	November 27 , 2015
9.	Date of issuing the offer opening advertisement	December 1, 2015	December 1, 2015
10.	Date of commencement of the tendering period	December 2, 2015	December 2, 2015
11.	Date of expiry of the tendering period	December 15, 2015	December 15, 2015
12.	Date of making payments to shareholders / return of rejected shares	December 31, 2015	December 30, 2015

*Based on the original schedule as disclosed in the LoF.

D. Details of the payment consideration in the open offer

Sr. No	Item	Details
1.	**Offer Price** for fully paid shares of TC (Rs. per share)	Rs. 66.00(1)(2)
2.	**Offer Price** for partly paid shares of TC, if any	NA
3.	**Offer Size** (no. of shares x offer price per share)	Rs. 12,63,32,99,580.00(3)
4.	**Mode of payment of consideration** (cash or shares or secured listed debt instruments or convertible debt securities or combination)	Cash
5.	**If mode of payment is other than cash, i.e. through shares / debt or convertibles: NA**	

(1) Does not include interest @ 10% per annum per Offer Share payable by the Acquirer and/ or the PAC for any delay in payment for the period commencing from the Scheduled Payment Date, being June 15, 2015, till the actual date of payment of consideration under the Offer.

(2) Interest of Rs. 3.59 per Offer Share, payable from June 15, 2015 (Scheduled Payment Date) to December 30, 2015 (date of payment). The interest has been rounded off upto 2 decimals and Computed as (Offer Price of Rs. 66 x 10% x No. of days of delay beyond the Scheduled Payment Date)/365.

(3) Offer size excludes consideration payable on account of interest

E. Details of market price of the shares of TC

1. The Equity Shares of the Target Company are listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**"). The Equity Shares of the Target Company were most frequently traded on NSE during twelve months preceding the calendar month in which the PA was made.

2. The trading data on NSE during the twelve months preceding the calendar month in which the PA was made is as follows :

Stock Exchange	Total traded volumes during the 12 calendar months preceding the calendar month in which the PA was made	Total number of outstanding Equity Shares	Traded volumes as a %age of the total outstanding Equity Shares
NSE	66,52,84,946	73,62,06,269	90.37%

(Source: CA Certificate dated March 4, 2015 issued by M.S. Sethi & Associates, Chartered Accountants, registration number 109407W)

3. Details of market price of the equity shares of the Target Company on NSE:

Sr. No	Particulars	Date	Rs. per share*
1.	1 trading day prior to the PA date	March 3, 2015	73.25
2.	On the date of PA	March 4, 2015	76.45
3.	On the date of commencement of the tendering period.	December 2, 2015	66.5
4.	On the date of expiry of the tendering period	December 15, 2015	65.15
5.	10 working days after the last date of the tendering period.	December 31, 2015	89.00
6.	Average market price during the tendering period (*viz. Average of the volume weighted market prices for all the days)*	December 2, 2015 to December 15, 2015	66.26

(Source: NSE Website)
**Refers to the closing market price of the equity share of the Target Company on NSE on the respective date*

F. Details of escrow arrangements

1. Details of creation of Escrow account, as under

	Date(s) of Creation	Amount (Rs)	Form of escrow account
Pledged Securities	March 05, 2015, May 13,2015	2,91,97,95,000.00(1)	Pledged Securities (Equity Shares of Reliance Power Limited) (2)
Bank Guarantee	June 23, 2015, January 5, 2016	60,00,00,000	Bank Guarantee(2)

(1) *Derived as sum total of the following: (a) 4,50,00,000 shares multiplied by Rs. 60.95 per share (being the closing price per share as per BSE on March 5, 2015) (b) 33,00,000 shares multiplied by Rs. 53.65 per share (being the closing price per share as per BSE on May 13, 2015*

(2) *In addition, the Acquirer/PAC has deposited cash of Rs. 12,63,35,000 being in excess of 1% of the Offer Size in the Escrow Account opened with ICICI Bank Limited at its branch situated at ICICI Bank Limited, Capital Markets Division, 1st Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai - 400020*

2. For such part of escrow account, which is in the form of cash, give following details:
   i. Name of the Scheduled Commercial Bank where cash is deposited: ICICI Bank Limited, Capital Markets Division, 1st Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai - 400020
   ii. Purpose for which the amount deposited in escrow account was released is, as under:

Release of escrow account		
Purpose	**Date**	**Amount (Rs Lakhs)**
Transfer to Special Escrow Account, if Any	Not released and hence not applicable	Not released and hence not applicable
Amount released to Acquirer • Upon withdrawal of Offer • Any other purpose (to be clearly specified) • Other entities on forfeiture	Not released and hence not applicable	Not released and hence not applicable

3. For such part of Escrow which consists of Bank Guarantee (BG) / Deposit of Securities, provide the following details

- For Bank Guarantee

Name of Bank	**Amount of Bank Guarantee (Rs.)**	**Date of creation/ revalidation of guarantee**	**Validity period of Bank Guarantee**	**Date of Release if applicable**	**Purpose of release**
Yes Bank Limited	60,00,00,000	June 23 2015/ January 5, 2016	Valid up to January 30, 2016	Not yet released	Not Applicable

- For Securities

Name of Company whose security is deposited	**Type Security**	**Value of securities as on date of creation of escrow account**	**Margin considered while depositing the securities**	**Date of Release if applicable**	**Purpose of release**
Reliance Power Limited	Equity Shares	2,91,97,95,000.00 (1)	20%	Not yet released	Not Applicable

[(1)] *Derived as sum total of the following: (a) 4,50,00,000 shares multiplied by Rs. 60.95 per share (being the closing price per share as per BSE on March 5, 2015) (b) 33,00,000 shares multiplied by Rs. 53.65 per share (being the closing price per share as per BSE on May 13, 2015*

G. Details of response to the open offer

Shares proposed to be acquired		Shares tendered[(1)]		Response level (no of times)	Shares accepted		Shares rejected	
No.	% to total diluted share capital of TC	No.	% w.r.t (A)	(C) / (A)	No.	% w.r.t (C)	No = (C) - (E)	Reasons
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
19,14,13,630	26.00	13,87,12,427	72.47	0.72 times	13,87,12,427	100.00	0	NA

[(1)] *Actual number of shares tendered does not include 2,88,652 Equity Shares that were rejected in the Offer on account of the form of acceptance being received but equity shares not credited in the Escrow Demat Account, as per certificate dated December 18, 2015 from Karvy Computershare Private Limited, Registrar to the Offer.*

H. Payment of Consideration

Due date for paying consideration to shareholders whose shares have been accepted	Actual date of payment of consideration	Reasons for delay beyond the due date
December 31, 2015	December 30, 2015	Not Applicable

Details of special escrow account which has been created for the purpose of payment to shareholders.

- Name of the concerned Bank – ICICI Bank Limited
- Details of the manner in which consideration (where consideration has been paid in cash), has been paid to shareholders whose shares have been accepted:

Mode of paying the Consideration	No. of Shareholders	Amount of Consideration (Rs)*
Physical Mode (Demand Draft)[(1)]	1	1,38,462.00
Electronic Mode (NEFT, RTGS, Wire Transfer, Direct [(1)]	418	9,60,50,30,572.93
TOTAL	**419**	**9,60,51,69,034.93**

**Inclusive of interest and net of withholding taxes*

[(1)]For certain payments made originally through electronic mode and which were unsuccessful, demand drafts/revised electronic instructions were subsequently issued to the relevant public shareholders.

I. Pre and post offer Shareholding of the Acquirer / PAC in TC

Sr. No	Shareholding of acquirer and PACs	No of shares	% of total share capital of TC as on closure of tendering period
1.	Shareholding before PA	NIL	NIL
2.	Shares acquired by way of an agreement, if Applicable	13,00,00,000*	17.66
3.	Shares acquired after the PA but before 3 working days prior to commencement of tendering period. • Through market purchases • Through negotiated deals/ off market deals	NIL	NIL
4.	Shares acquired in the open offer	13,87,12,427	18.84
5.	Shares acquired during exempted 21-day period after offer (if applicable)	NIL	NIL
6.	Post - offer shareholding	26,87,12,427	36.50

** As disclosed in the LoF, 13,00,00,000 shares will be acquired by the Acquirer/ PAC in terms of the Purchase Agreement dated March 4, 2015 on the satisfaction or waiver of Conditions Precedent within the Long Stop Date.*

J. Give further details, as under, regarding the acquisitions mentioned at points 3, 4 & 5 of the above table -

1	Name(s) of the entity who acquired the shares	Reliance Defence Systems Private Limited
2	Whether disclosure about the above entity(s) was given in the LOF as either Acquirer or PAC.	Yes
3	No of shares acquired per entity	13,87,12,427
4	Purchase price per share	Rs. 66.00[(1)]
5	Mode of acquisition	Open Offer
6	Date of acquisition	The shares acquired through the Open Offer have been transferred to the Acquirer on December 31, 2015
7	Name of the Seller in case identifiable	Public Shareholders of the Target Company

(1) Does not include interest computed @ 10% per annum of Rs 3.59 per Offer Share paid by the Acquirer and/ or the PAC for the period commencing from the Scheduled Payment Date, being June 15, 2015, till the actual date of payment of consideration under the Offer.

K. Pre and post offer Shareholding Pattern of the Target Company

	Class of entities	Shareholding in a TC			
		Pre- offer[1]		Post offer (actuals)	
		No.	%	No.	%
1.	Acquirer/ PAC[2]	NIL	NIL	26,87,12,427	36.50
2.	Erstwhile Promoters (persons who cease to be Promoters pursuant to the Offer)[2]	31,09,13,828	42.23	18,09,13,828[3]	24.57[3]
3.	Continuing Promoters	NA	NA	NA	NA
4.	Sellers if not in 1 and 2	NA	NA	NA	NA
5.	Other Public Shareholders	42,52,92,441	57.77	28,65,80,014[4]	38.93[4]
TOTAL		**73,62,06,269**	**100.00**	**73,62,06,269**	**100.00**

(1) *The pre Offer shareholding of the Target Company is as on November 13, 2015 as disclosed in the LoF.*
(2) *On completion of purchase of Sale Shares by the Acquirer and /or the PAC, the Acquirer and/or the PAC shall be categorized as "Promoters" of the Target Company and the Founder Promoters shall cease to be categorized as "Promoters" of the Target Company.*
(3) *The post offer shareholding of Erstwhile Promoters has been computed as pre offer shareholding as on November 13, 2015 minus 13,00,00,000 shares acquired/ to be acquired by Acquirer under the Purchase Agreement.*
(4) *The post offer shareholding of other public shareholders has been computed as pre offer shareholding as on November 13, 2015 minus shares tendered and accepted under the Open Offer.*

L. Details of Public Shareholding in TC

Sr. No	Particulars	No of Equity Shares	% of Voting Share Capital
1	Indicate the minimum public shareholding the TC is required to maintain for continuous listing	18,40,51,568 [1]	25.00
2	Indicate the actual public shareholding and if it has fallen below the minimum public shareholding limit, delineate the steps which will taken in accordance with the disclosures given in the LOF	28,65,80,014[2]	38.93

(1) *Minimum public shareholding and percentages have been calculated on the total share capital as on November 13, 2015 as disclosed in the LoF*
(2) *The public shareholding of the Target Company has been computed as pre offer shareholding as on November 13, 2015 minus shares tendered and accepted under the Open Offer.*

The Target Company shall be in compliance with the minimum public shareholding requirement specified under Regulation 38 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

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M. Other relevant information, if any - NA

For JM Financial Institutional Securities Limited

VKothari

JM Financial Institutional Securities Limited Mumbai

Auhtorized Signatory

Name: Vikas Kothari

Designation: VP

Contact Number: 66303567

E-mail: vikas.kothari@jmfl.com

Date: January 6, 2016
Place: Mumbai

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