LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as Shareholders/beneficial owners of Pipavav Shipyard Limited **("PSL"/ "Target Company")**. If you require any clarifications about the action to be taken; you should consult your stock-broker or investment consultant or the Manager to the Offer / Registrar to the Offer. In case you have recently sold your Equity Shares in the Target Company, please hand over this Letter of Offer and the accompanying Form of Acceptance, Form of Withdrawal and Transfer Deed to the member of the Stock Exchange through whom the said sale was effected.

CASH OFFER OF Rs. 61.50 (Rupees Sixty one and fifty paise only) PER FULLY PAID UP EQUITY SHARE OF Rs. 10 EACH (the **"Offer Price"**)

Pursuant to Regulation 11(1) and Regulation 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto

TO ACQUIRE
Up to 133,159,678 fully paid up Equity Shares of face value Rs. 10/- each, representing 20% of the Voting Capital **("Offer")**

OF
Pipavav Shipyard Limited
having its registered office at
Pipavav Port, Post Ucchaya, Via Rajula, Rajula – 365 560, Gujarat, India: . Tel: +91 2794 286200, Fax: +91 2794 286373

BY
SKIL Infrastructure Limited and SKIL Shipyard Holdings Private Limited
having their registered office at
SKIL House, 209 Bank Street Cross Lane, Fort, Mumbai – 400 023, Maharashtra, India, Tel.: +91 022 6619 9000, Fax: +91 22 2269 6023

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
JM Financial Consultants Private Limited 141, Maker Chamber III Nariman Point Mumbai 400 021 Tel: +91 22 6630 3030 Fax: +91 22 2204 7185 Website: www.jmfinancial.in Email: lakshmi.lakshmanan@jmfinancial.in **Contact Person: Lakshmi Lakshmanan** SEBI Registration Number: INM000010361	**Karvy Computershare Private Limited** Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad 500 081. Tel: +91 40 2342 0818-23, Fax: +91 40 2343 1551, Website: www.karvy.com Email: murali@karvy.com, **Contact Person: Murali Krishna** SEBI Registration Number: INR000000221
OFFER OPENS ON : MONDAY, JUNE 7, 2010	**OFFER CLOSES ON : SATURDAY, JUNE 26, 2010**

1 ATTENTION:

i. The Offer is made in accordance with Regulation 11(1) Regulation 12 of the SEBI (SAST) Regulations.

ii. This is not a competitive bid.

iii. This Offer is not subject to any minimum level of acceptance by the Shareholders.

iv. Shareholders who have accepted the Offer by tendering the requisite documents, in accordance with the terms of the Public Announcement and the Letter of Offer, shall have the option to withdraw acceptance tendered by them up to three (3) working days prior to the date of closing of the Offer, in terms of regulation 22(5A) of the SEBI (SAST) Regulations i.e. by June 21, 2010.

v. In terms of Regulation 25(6) of the SEBI (SAST) Regulations, the Acquirers can revise the Offer Price upwards up to seven (7) working days prior to the closing of the Offer (i.e. by June 26, 2010). If there is any upward revision in the Offer Price by the Acquirers until the last date of revision i.e., by June 17, 2010, the same will be informed by way of a public announcement in the same newspapers in which the Public Announcement has appeared. The Acquirers would pay such revised price for all the Equity Shares validly tendered any time during the Offer and accepted under the Offer.

vi. The Offer is subject to the receipt of approval from the Reserve Bank of India (**"RBI"**) for acquiring Shares from non-resident Indians who validly tender their Shares under this Offer (**"RBI Approval"**). The Acquirers will make the necessary applications to and filings with the various authorities post Offer closure to obtain the statutory approval described above.

vii. To the best of the Acquirers' knowledge, as of the date of the Public Announcement and this Letter of Offer, there are no other statutory approvals required to implement the Offer other than that specified above. If any other statutory approvals become applicable prior to the completion of the Offer, the Offer would also be subject to such other statutory approvals. Acquirers will have the right not to proceed with the Offer in terms of Regulation 27(1)(b) of the SEBI (SAST) Regulations in the event any of the statutory approvals that are required are refused.

viii. Without prejudice to the above, the Acquirers will have the right to make payment to resident Shareholders and non resident Shareholders in respect of whom no RBI Approval is required and not accept Equity Shares from non resident Shareholders in respect of whom prior RBI Approval is required in the event that the aforesaid RBI Approval is refused.

ix. In case of delay in the RBI Approval, the Acquirers has the option to make payment to the resident Shareholders and non resident Shareholders in respect of whom no RBI Approval is required and who have validly tendered their Equity Shares in the Offer as per the basis of acceptance, if any. Also, in the event the Offer is oversubscribed, the Registrar to the Offer will hold in trust the Equity Shares or Equity Share Certificates held in credit of the special depository account for the resident Shareholders and non resident Shareholders in respect of whom no RBI Approval is required and for acquiring Equity Shares from non-resident Shareholders in respect of whom prior RBI Approval is required until the said approval is received.

x. After the receipt of RBI Approval, the payment shall be made to the non-resident Shareholders in respect of whom prior RBI Approval is required in accordance with the provisions of the SEBI (SAST) Regulations. However, in the event that the RBI Approval is refused for one or more Shareholders and if the Offer is oversubscribed, the basis of acceptance will be revised and additional Equity Shares will be accepted by the Acquirers from resident Shareholders and such other non resident Shareholders, in respect of whom no prior RBI Approval is required and such non resident Shareholders in respect of whom RBI Approval is received and further consideration shall be paid for such accepted shares.

xi. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant an extension of time to the Acquirers for payment of consideration to the Shareholders, subject to the Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of regulation 22(12) of the SEBI (SAST) Regulations. However, if the Acquirers fail to obtain statutory approvals in time on account of the willful default or neglect or inaction or non-action by the Acquirers in obtaining the requisite approval(s), the amount held in the escrow account shall be subject to forfeiture and be dealt with in the manner provided in the SEBI (SAST) Regulations.

xii. To the best of its knowledge, the Acquirers does not require any approvals from financial institutions or banks for the Open Offer.

xiii. If there is a competitive bid:

a) The offers to the public shareholders of the Target Company under all of the subsisting bids shall close on the same date.

b) As the Offer Price can be revised until the period beginning seven (7) working days prior to the closing date of the offers/bids, it would, therefore, be in the interest of the Shareholders to wait until the commencement of that period to know the final offer price of each offer/bid and tender their acceptance accordingly.

xiv. There has been no competitive bid as of the date of this Letter of Offer.

xv. Form of Acceptance and Form of Withdrawal are also enclosed with this Letter of Offer.

xvi. The Public Announcement and this Letter of Offer, Form of Acceptance and Form of Withdrawal would also be available on SEBI's website (www.sebi.gov.in).

xvii. A schedule of the activities pertaining to the Offer is given below:-

Activity	**Day & Date**
Public Announcement	Monday - March 29, 2010
Specified Date*	Friday - April 9, 2010
Last date for a competitive bid	Monday - April 19, 2010
Date by which Letter of Offer to be dispatched to Shareholders	Thursday – June 3, 2010
Date of opening of the Offer	Monday - June 7, 2010
Last date for upward revision of the Offer Price / number of Shares	Thursday – June 17, 2010
Last date for withdrawing acceptance of the Offer	Monday – June 21, 2010
Date of closing of the Offer	Saturday – June 26, 2010
Last date of communicating rejection/acceptance and payment of consideration for accepted tenders and/or the unaccepted Equity Shares/share certificates will be dispatched/credited	Saturday – July 10, 2010

* *Specified date is only for the purpose of determining the names of the Shareholders as on such date to whom the Letter of Offer would be sent. All owners (registered or unregistered) of the Shares (except Acquirers and Seller) are eligible to participate in the Offer any time before the closing of the Offer.*

2 RISK FACTORS

Risks relating to the Offer

- The Acquirers will have the right to make payment to the resident Shareholders and non resident Shareholders in respect of whom no RBI Approval is required and not accept Equity Shares from such non resident Shareholders in respect of whom prior RBI Approval is required in the event of the aforesaid RBI Approval being refused. Further, in case of non receipt of RBI approval and if the Offer is oversubscribed, the Acquirers will have the right to reject acceptance of the Shares tendered by the non resident Shareholders in respect of whom prior RBI Approval is required and acquire additional Shares from the resident Shareholders and the non resident Shareholders with respect to whom no prior RBI Approval is required. To facilitate this, the Registrar to the Offer will hold in trust the Equity Shares or Equity Share Certificates held in credit of the special depository account for the resident Shareholders and non resident Shareholders in respect of whom no RBI Approval is required and for acquiring Shares from non-resident Shareholders in respect of whom prior RBI Approval is required until the said approval is received. In case of delay in receiving the RBI approval or non-receipt of RBI approval, the settlement process of payment consideration and delivery of unaccepted equity shares to shareholders may be delayed.

- In the event of litigation leading to a stay on the Offer, or delay in receipt of litigation process or SEBI instructing that the Offer should not proceed, the Offer process may be delayed beyond the schedule indicated in this Letter of Offer. Consequently, the payment of consideration to the Shareholders whose Shares have been accepted in the Offer as well as the return of the Shares not accepted by the Acquirers may be delayed.

- The Shares tendered in the Offer will be held in trust by the Registrar to the Offer till the completion of the Offer formalities, and the Shareholders will not be able to trade such Shares. During such period there may be fluctuations in the market price of the Shares. Accordingly, the Acquirers makes no assurance with respect to the market price of the Shares both during the Offer period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by any Shareholder on whether to participate or not to participate in the Offer.

- In the event of oversubscription to the Offer, the acceptance of the Shares tendered will be on a proportionate basis and will be contingent upon the level of subscription. The unaccepted Shares will be returned to the Shareholders in accordance with the Schedule of Activities for the Offer. However, in the event that the RBI Approval is refused for one or more Shareholders in respect of whom prior RBI Approval is required, the basis of acceptance will be revised and additional Equity Shares will be accepted by the Acquirer from resident Shareholders and such non resident Shareholders in respect of whom no prior RBI Approval is required or non resident Shareholders in respect of whom RBI Approval is received and further consideration shall be paid for such accepted shares.

Risks relating to the Acquirers

- The Acquirers' objective of consolidating their holding in the Target Company with a view, amongst other, including to enhance its ability to implement its growth plans, pursue strategic initiatives and thereby extend its market position including in the business of building of marine assets, complex and heavy fabrication and such other shipping related business, may or may not be realized. The extent to which the Acquirers are able to achieve their goals with respect to these items may have a positive or negative effect on the future price of the Shares, which should be considered by Shareholders as they evaluate the Offer Price and the Offer. The Acquirers make no assurance with respect to the future financial performance of the Target Company.

Others

- The Acquirers and the Manager to the Offer accept no responsibility for the statements made otherwise than in this Letter of Offer /PA and anyone placing reliance on any other source of information (not released by the Acquirers or the Manager to the Offer) would be doing so at his/her/their own risk.

  The risk factors set forth above are not intended to cover a complete analysis of all risks as perceived in relation to the Offer or in association with the Acquirers, but are only indicative. They do not relate to the present or future business or operations of the Target Company or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in the participation by a Shareholder in the Offer. The Shareholders are advised to consult their stockbroker, investment consultant or tax advisor, if any, for further risks with respect to their participation in the Offer.

1 DEFINITIONS

Unless the context otherwise indicates or requires in Letter of Offer, the following terms have the meanings given below.

Acquirers	SKIL Infrastructure Limited and SKIL Shipyard Holdings Private Limited
Act	The Companies Act, 1956 as amended from time to time
BSE	Bombay Stock Exchange Limited
CCUD	10% Fully, Compulsorily and Mandatorily Convertible unsecured debenture
CDSL	Central Depository Services Limited
DP	Depository Participant
Equity Share (s)/ Share (s)	Outstanding equity shares of face value Rs. 10 each of Pipavav Shipyard Limited
Existing Holding	121,650,501 Equity Shares (excluding First Sale Shares and Second Sale Shares held by Escrow Agent) of the Target Company held by the Acquirer constituting 18.27% of the Voting Capital as on date of the Public Announcement and this Letter of Offer
Fiscal	Financial Year ended March 31
Form of Acceptance	Form of Acceptance cum Acknowledgement
Grevek	Grevek Investments and Finance Private Limited
INR or Rs	Indian Rupees
Manager to the Offer/JM Financial / Manager	JM Financial Consultants Private Limited
NSE	National Stock Exchange of India Limited
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Body
Offer/ Open Offer	Open Offer to acquire 133,159,678 Equity Shares being 20% of the Voting Capital of the Target Company pursuant to Regulation 11(1) of the SEBI (SAST) Regulations, at a price of Rs. 61.50 per fully paid up Equity Share
Offer Price	Rs. 61.50 per fully paid up Equity Share of face value Rs 10 each
Person(s) eligible to participate in the Offer	All shareholders (registered and unregistered) of Equity Shares (including locked in equity shares) of Pipavav Shipyard Limited (other than Acquirers, Seller and Promoter and Promoter Group of Target Company) anytime before the closure of the Offer
Public Announcement/ "PA"	Public announcement of the Offer made by the Acquirer on March 29, 2010
RBI	Reserve Bank of India
Registrar to the Offer	Karvy Computershare Private Limited
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992 and subsequent amendments thereto
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers), 1997 and subsequent amendments thereto
Seller / PLL	Punj Lloyd Limited
Shareholders	All owners (registered and unregistered) of Equity Shares of the Target Company
SKIL	SKIL Infrastructure Limited
Specified Date	April 9, 2010
Special Depository Account	Depository account with Edelweiss Securities Private Limited as Depository Participant, called "PSL Open Offer KCPL Escrow Account"
SPA	Share Purchase Agreement dated March 27, 2010 entered into by the Acquirers with the Seller for purchase of 129,360,538 Equity Shares of the Target Company
SSHL	SKIL Shipyard Holdings Private Limited
PSL / Target Company / Company	Pipavav Shipyard Limited
Voting Capital	665,798,388 Equity Shares of the Target Company of a face value of Rs. 10 each as on July 15, 2010 i.e. 15 days post closure of the Offer

All the information including financial unless otherwise specifically stated in this Letter of Offer are up to and as of 31st December 2009. Any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off.

2 DISCLAIMER

AS REQUIRED, A COPY OF THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (SAST) REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF PIPAVAV SHIPYARD LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE COMPANY WHOSE SHARES/CONTROL ARE PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT LETTER OF OFFER. THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITIES ADEQUATELY IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER JM FINANCIAL CONSULTANTS PRIVATE LIMITED HAS SUBMITTED A DUE-DILIGENCE CERTIFICATE DATED APRIL 9, 2010 TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3 DETAILS OF THE OFFER

3.1 Background to the Offer

3.1.1 Pipavav Shipyard Limited is promoted by SKIL Infrastructure Limited, Punj Lloyd Limited and Grevek Investments and Finance Private Limited. SKIL, PLL and Grevek are together referred to as “Promoters” of the Target Company. The shareholding of Promoters and promoter group as on March 26, 2010 is as follows :

Shareholder	Number of Equity Shares	Percentage of total equity share capital
Promoters		
SKIL	121,650,500	18.27
Grevek	12,349,494	1.85
PLL*	129,361,538	19.43
Total of Promoter holding	**263,361,532**	**39.56**
Promoter Group		
SSHL	1	Negligible
Total holding of Promoter and promoter group	**263,361,533**	**39.56**

**Pursuant to SPA dated March 27, 2010, PLL had sold all its shareholding in the Target Company except for 1000 equity shares to Acquirers. Escrow Agent holds such Sale Shares for the benefit of Acquirer until completion of open offer formalities. Please refer clause 3.1.7 of the Letter of Offer for same).*

3.1.2 The Acquirers have their registered office located at SKIL House, 209 Bank Street Cross Lane, Fort, Mumbai – 400 023, India. The Acquirers are making a mandatory offer to the public shareholders of the Target Company to acquire up to 133,159,678 fully paid-up Equity Shares of the Target Company (the “Offer Size”), constituting 20% of the Voting Capital of the Target Company at a price of Rs.61.50 per Equity Share pursuant to the Share Purchase Agreement (“SPA”) entered into between the Acquirers and the Seller dated

March 27, 2010.

3.1.3 Acquirers and the Seller have entered into a SPA dated March 27, 2010, pursuant to which the Seller has undertaken to sell to the Acquirers an aggregate of 129,360,538 Equity Shares (the “Sale Shares”), in two tranches, constituting 19.43% of the total issued and paid up capital of the Target Company for a total consideration of Rs.6,564,644,312 (rupees six hundred and fifty six crore forty six lakh forty four thousand three hundred and twelve only) at a price of Rs.50.75 per Equity Share.

3.1.4 The details of SKIL, SSHL and Seller being the parties to SPA are as follows :

Name of Party	Nature	Address
SKIL	Purchaser	SKIL House, 209 Bank Street Cross Lane, Fort, Mumbai – 400 023, Maharashtra, India, Tel.: +91 022 6619 9000, Fax: +91 22 2269 6023
SSHL	Purchaser	SKIL House, 209 Bank Street Cross Lane, Fort, Mumbai – 400 023, Maharashtra, India, Tel.: +91 022 6619 9000, Fax: +91 22 2269 6023
PLL	Seller	Punj Lloyd House, 17-18 Nehru Place, New Delhi 110019, Tel.: +91 0124 2620123, Fax: +91 0124 – 262 0111

3.1.5 The Acquirers, Manager to the Offer have entered into an escrow agreement (“Escrow Agreement”) dated March 26, 2010 with IL&FS Trust Company Limited (“Escrow Agent”) pursuant to which the Sale Shares will be held in an escrow account (“Sale Share Escrow Account”), and the Sales Shares shall continue to remain in the escrow account until the completion of all of the Open Offer formalities. The terms of SPA provides that the Acquirers shall comply with the obligations relating to open offer in accordance with SEBI (SAST) Regulation.

3.1.6 The Seller had transferred a total of 79,361,538 Equity Shares (the “First Sale Shares”) on March 27, 2010 to the Sale Share Escrow Account. Of the First Sale Shares 49,401,538 Equity Shares relate to the sale of Equity Shares to SKIL and the balance 29,960,000 Equity Shares relate to the sale of Equity Shares to SSHL. The Seller had also transferred 49,999,000 Equity Shares (“Second Sale Shares”) on May 26, 2010 to the Sale Share Escrow Account. Such Second Sale Shares relate to the sale of Equity Shares to SKIL. The aforesaid equity shares shall continue to remain in the Sale Share Escrow Account until the completion of all of the Open Offer formalities.

3.1.7 The Escrow Agent shall hold the Sale Shares in trust for the benefit of the Acquirers until the completion of all of the Open Offer formalities. In terms of the Escrow Agreement, the Escrow Agent shall solely rely on the instructions received from the Manager to Offer for operation of Sale Share Escrow Account.

3.1.8 The SPA contains a provision that the parties to the SPA undertake to reverse the sale and purchase of the Sale Shares in the event the Acquirers do not fulfill their obligations under the SEBI (SAST) Regulations.

3.1.9 The Sale Shares are subject to lock-in in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009 (“SEBI ICDR Regulations”). The Acquirers have undertaken that they shall comply with the requirements of lock-in in relation to the Sale Shares in accordance with the SEBI ICDR Regulations.

3.1.10 Following the transfer of the First Sale Shares, Mr. Atul Punj and Mr. Luv Chhabra, have resigned as directors on the board of directors of the Target Company as of the date of the transfer of the First Sale Shares. Further, the shareholder agreement entered into between

SKIL, the Target Company, PLL, Mr. Nikhil Gandhi and Mr. Bhavesh Gandhi dated September 15, 2007 has also been terminated as of the date of the transfer of the First Sale Shares save and except certain clauses of the shareholders agreement as specified in the SPA.

3.1.11 Acquirers acknowledge that till the successful closing of Open Offer, they will not be entitled to exercise any voting rights attached to the Sale Shares and all rights attached to the Sale Shares shall be exercised by the Escrow Agent solely based upon the instructions of Manager to the Offer in accordance with the Escrow Agreement.

3.1.12 Additionally, the Escrow Agent shall not have any right, title or interest in the Sale Shares (save and except rights to hold and deal with the Sale Shares as an Escrow Agent). The Escrow Agent shall not, at any time, claim, have, be entitled to or exercise any voting rights or control (other than a nondiscretionary obligation to hold the Sale Shares in, and transfer the Sale Shares strictly in accordance with the provisions of the Escrow Agreement) with respect to such Sale Shares.

3.1.13 The Acquirers currently hold 121,650,501 Equity Shares (excluding Sale Shares held by Escrow Agent) of the Target Company constituting 18.27% of the issued and paid up Equity Share capital of the Target Company.

3.1.14 Pursuant to the completion of all of the Open Offer formalities and assuming full acceptance in the Open Offer and the transfer of First Sale Shares and Second Sale Shares (in accordance with the terms and conditions of the SPA) the Acquirers will hold 384,170,717 Equity Shares constituting 57.70% of the issued and paid up Equity Shares of the Target Company

3.1.15 There are no "persons acting in concert" ("PACs") with the Acquirers for the purpose of this Offer within the meaning of Regulation 2(1) (e) of the SEBI (SAST) Regulations.

3.1.16 Neither the Acquirers nor the Target Company has been prohibited by SEBI from dealing in securities, in terms of direction issued under section 11B or any other regulations made under the Securities and Exchange Board of India Act, 1992 and subsequent amendments thereto.

3.1.17 No action has been taken by SEBI against the Acquirers, its promoters, its existing directors or the Target Company, its promoters and its existing directors under the SEBI Act or any regulations framed thereunder.

3.1.18 As of date of the Public Announcement and this Letter of Offer, the Manager to the Offer held nil shares in the Target Company.

3.1.19 The Manager to the Offer shall not deal in the shares of the Target Company during the period commencing from the date of its appointment in terms of Regulation 13 of the SEBI (SAST) Regulations till the expiry of the fifteen days period from the date of Closure of the Offer.

3.1.20 In the Prospectus dated September 27, 2009 filed with Registrar of Companies, SKIL, PLL and Grevek are disclosed as promoters of Target Company. Clause 3(1)(e)(i) of SEBI (SAST) Regulations exempt inter-se transfer of shares amongst qualifying promoters provided transferor and transferee are holding shares in target company for a period of atleast 3 years prior to proposed acquisition. PLL acquired equity shares in the Company on September 17, 2007 and hence, have been holding shares for less than 3 years at the time of acquisition. Accordingly, we understand that exemption under aforementioned clause from SEBI (SAST) Regulation may not be available to the Acquirers.

3.2 Details of the proposed Offer

3.2.1 The Public Announcement was made on March 29, 2010 in the following newspapers, in accordance with Regulation 15 of the SEBI (SAST) Regulations.

Publications	Editions	Type
The Financial Express	All editions	English
Jansatta	All editions	Hindi
Jai Hind	Rajkot edition	Gujarati
Navshakti	Mumbai edition	Marathi

(The Public Announcement is also available at the SEBI website: www.sebi.gov.in)

3.2.2 As of the date of the Public Announcement and this Letter of Offer, the voting capital of the Target Company was Rs. 6,657,983,880 divided into 665,798,388 outstanding Equity Shares of a face value of Rs. 10 each. Pursuant to special resolution passed in extra ordinary general meeting of shareholders held on May 05, 2010, Target Company had issued and allotted 2,54,00,000 CCUDs to Valiant Mauritius Partners FDI Limited on May 19, 2010. Other than this there are no outstanding partly paid up shares or any other instruments convertible into Equity Shares of the Target Company at a future date.

3.2.3 The Acquirers currently hold 121,650,501 Equity Shares (excluding Sale Shares comprising of First Sale Shares and Second Sale Shares held by Escrow Agent) of the Target Company constituting 18.27% of the issued and paid up Equity Share capital of the Target Company. Pursuant to the completion of all of the Open Offer formalities and assuming full acceptance in the Open Offer and the transfer of First Sale Shares and Second Sale Shares (in accordance with the terms and conditions of the SPA) the Acquirers will hold 384,170,717 Equity Shares constituting 57.70% of the issued and paid up Equity Shares of the Target Company.

3.2.4 The Acquirers will acquire all Equity Shares tendered in valid form in terms of this Offer up to a maximum of 133,159,678 Equity Shares (representing 20% of the Voting Capital).

3.2.5 The Acquirers can revise the Offer Price and/or Offer Size upwards up to seven (7) working days prior to the closing of the Offer (i.e., June 26, 2010). If there is any upward revision in the Offer Price and/or Offer Size by Acquirers until the last date of revision i.e., June 17, 2010, the same will be informed by way of a public announcement in the same newspapers in which the Public Announcement was made. The Acquirers would pay such revised price for all the Equity Shares validly tendered any time during the Offer and accepted under the Offer.

3.2.6 The Offer is not conditional on any minimum level of acceptance by the Shareholders.

3.2.7 Other than as stated in this Letter of Offer, the Acquirers have neither acquired nor have been allotted any equity shares of the Target Company in the last 12 months from the date of Public Announcement.

3.2.8 Equity Shares that are subject to any charge, lien or encumbrance, any court order/any other attachment/dispute are liable to be rejected in the Offer. Applications in respect of Equity Shares of the Target Company that are subject matter of litigation wherein the public Shareholders of the Target Company may be prohibited from transferring the Equity Shares during the pendency of the said litigation are liable to be rejected if the directions / orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Offer. The Acquirers will acquire the Equity Shares together with all rights attached thereto, including the rights to all dividends, bonus and rights subsequently declared. The tender by any Shareholder of any Equity Shares in the Offer must be absolute, unconditional and unqualified. Locked in shares acquired in Open Offer will be subject to the continuation of lock-in remaining in the hands of Acquirers, in accordance with applicable SEBI regulations and guidelines.

3.2.9 The purchases in the Offer will be made by both SKIL and SSHL in the proportion to be agreed between SKIL and SSHL.

3.3 Objects of the acquisition/Offer and future plans

3.3.1 The Acquirer, as one of the Promoter / Promoter group of PSL held 18.27 % (excluding Sale Shares held by Escrow Agent) of the voting capital of PSL as on the date of the Public Announcement and this Letter of Offer. Pursuant to the execution of the SPA between the Acquirers and the Sellers, the Acquirers are making this mandatory Open Offer to public shareholders of Target Company in accordance with Regulation 11(1) and Regulation 12 of the SEBI (SAST) Regulations. The acquisition from PLL and the consequent Open Offer will help the Acquirers consolidate their holding in Target Company. The Acquirers' objective of consolidating their holding in the Target Company with a view, amongst other, including to enhance its ability to implement its growth plans, pursue strategic initiatives and thereby extend its market position including in the business of building of marine assets, complex and heavy fabrication and such other shipping related business..

3.3.2 The Acquirers do not have any plans to make any major change to the existing lines of business of PSL or its subsidiaries or to dispose of or otherwise encumber any assets of PSL in the next 24 months, except in the ordinary course of business and to the extent if deemed necessary for the purpose of restructuring and/or streamlining and/or rationalization of business, assets, investments, liabilities or otherwise for commercial reasons, operational efficiencies or otherwise, including the activity referred to in this section. It will be for the Board of Directors of PSL to take appropriate decisions in these matters as per the requirements of the business. Such steps relating to sale or encumbrance, if any, of the substantial asset or restructuring as aforesaid will be governed by the applicable provisions of regulations, the Act, and/or other applicable laws at the relevant time.

3.3.3 Other than as aforesaid, the Acquirers undertakes that they shall not sell, dispose of or otherwise encumber any substantial asset of PSL without the prior approval of the shareholders of PSL to the extent such approval is required by regulations, the Act, and/or other applicable laws.

4 BACKGROUND OF THE ACQUIRERS

4.1 SKIL INFRASTRUCTURE LIMITED (ACQUIRER NO.1)

4.1.1 SKIL was incorporated as a limited company on February 20, 1990 as Sea King Engineers Limited under the Act. With effect from January 14, 1999, its name was changed to Sea King Infrastructure Limited. Its name was subsequently changed to SKIL Infrastructure Limited with effect from March 25, 2004 was issued a fresh certificate of incorporation dated March 25, 2004. It commenced business on April 17, 1990. SKIL's registered office is located at SKIL House, 209 Bank Street Cross Lane, Fort, Mumbai – 400 023, Maharashtra, India, Tel. No. 022 6619 9000, Fax No. 022 2269 6023.

4.1.2 The promoters of SKIL are Mr. Nikhil P. Gandhi and Mr. Bhavesh P. Gandhi.

4.1.3 SKIL is in the business of development of infrastructure projects in India. SKIL has been instrumental in the development of the Pipavav Port, the Pipavav Railway and the Pipavav Link Road. The Pipavav Port was developed by Gujarat Pipavav Port Limited, an entity originally promoted by SKIL (now divested), as the first private sector port in India. SKIL's interests in each of Pipavav Railway and the Pipavav Link Road were also divested in 2005. SKIL also initially led the development of the Mumbai Special Economic Zone as well as the Navi Mumbai Special Economic Zone.

4.1.4 SKIL has pioneered several infrastructure projects in the country. Each of the projects in key strategic areas such as port, shipyard, railways, roads, special economic zones, etc. are unique in their respective categories not only due to the first-time involvement of private sector initiative, capital and management therein but also on account of the concept and policy changes underlying each of these projects of national importance.

4.1.5 As of the date of the Public Announcement and this Letter of Offer, the paid up capital of SKIL is Rs.4,549.12 million consisting of equity share capital of Rs.2,549.12 million and compulsorily convertible preference share capital of Rs.2,000.00 million. The shareholding pattern of SKIL as on May 28, 2010 is as follows :

Name of the Equity Shareholder	Number of equity shares	% of issued capital
Nikhil Gandhi, Bhavesh Gandhi Joint Holders*	151,217,247	59
Montana Infrastructure Limited	91,187,635	36
Ashwini Infrastructure Private Limited	9,510,500	4
Prataprai Gandhi	433,433	0
Nikhil Gandhi	4,763	0
Rupali B. Gandhi	9,526	0
Bhavesh Gandhi	4,763	0
Neha Gandhi	4,763	0
Abhay Kumar Pandey	15,500	0
M2N2 Partners Limited	2,523,880	1
Total	**254,912,010**	**100**
Name of the Preference Shareholder	**Number of preference shares**	**% shareholding**
Ashoka Investment Holdings Limited	15,385	77
Ambadevi Mauritius Holding Limited	4,615	23
Total	**20,000**	**100**

Nikhil Gandhi and Bhavesh Gandhi are partners in Metropolitan Industries, a partnership firm which holds the shares of SKIL
Source: *Management certificate dated May 28, 2010*

4.1.6 SKIL being a holding company for various projects as stated above derives income mainly from project development fees by developing its various projects, dividend and capital gain as & when such project is divested. Hence SKIL does not have regular sources of income. The financial highlights of SKIL for the years ended March 31, 2007, March 31, 2008 and, March 31, 2009 and the nine month period ended December 2009 as certified by Bharat Shah & Associates vide its certificate dated April 6, 2010 are as given below:

(Amount in Rs. million unless otherwise specified, except per share data)

Profit & Loss Statement	9 month ended December 31, 2009 (Reviewed)	Year ended March 31, 2009 (Audited)	Year ended March 31, 2008 (Audited)	Year ended March 31, 2007 (Audited)
Income from Project Development	Nil	47.30	216.66	100.75
Other Operating Income	27.32	5.19	84.21	75.96
Total Revenues	27.32	52.49	300.87	176.71
Total Operating Expenses	13.45	21.17	77.06	86.86
Profit Before Depreciation Interest and Tax	13.87	31.32	223.81	89.85
Depreciation & Amortization	8.63	13.62	11.76	12.81
Interest Result	1.54	2.20	137.04	29.36
Profit Before Tax & Minority Interests	3.70	15.50	75.01	47.68
Provision for Taxation	-	2.50	10.20	12.00
Profit After Tax	**3.70**	**13.00**	**64.81**	**35.68**

Balance Sheet Statement	9 month ended December 31, 2009 (Reviewed)	Year ended March 31, 2009 (Audited)	Year ended March 31, 2008 (Audited)	Year ended March 31, 2007 (Audited)
Paid in share capital	2549.12	2549.12	2523.88	2523.88
Preference Share Capital	2000.00	2000.00	Nil	Nil
Reserves and Surplus	2408.07	2404.66	2263.25	2253.23
Total Stockholders' Equity (Networth)	**6957.19**	**6953.78**	**4787.13**	**4777.11**
Secured loans	2308.27	1141.68	530.74	602.25
Unsecured Loans	137.00	Nil	229.30	229.30
Deferred tax Liability	-	-	-	-
Total stockholders' equity and liabilities	**9402.46**	**8095.46**	**5547.17**	**5608.66**
Uses of funds				
Net fixed assets	42.21	50.65	46.16	48.80
Investments accounted for using the equity method	4880.12	4743.63	3093.40	1406.44

Balance Sheet Statement	9 month ended December 31, 2009 (Reviewed)	Year ended March 31, 2009 (Audited)	Year ended March 31, 2008 (Audited)	Year ended March 31, 2007 (Audited)
Net Current assets assets	4480.13	3301.18	2407.61	4153.42
Total assets	**9402.46**	**8095.46**	**5547.17**	**5608.66**

Other Financial Data	9 month ended December 31, 2009(Reviewed)	Year ended March 31, 2009	Year ended March 31, 2008	Year ended March 31, 2007
Dividend (%)	Nil	Nil	Nil	Nil
Earning Per Share*	0.01	0.05	0.26	0.14
Return on Networth **(%)	0.05	0.19	1.35	0.75
Book Value Per Share***	19.45	19.43	18.97	18.93

** Earning Per Share = Profit After Tax/ No. of Equity Shares*
*** Return on Networth = Profit After Tax/ Networth X 100*
**** Book Value Per Share = (Networth – Preference Capital)/No of Equity Shares*

Note 1:- *Networth = Share capital + Reserve and Surplus, (where Reserve and Surplus =Reserve and Surplus – Miscellaneous Expenditure)*

Primary reasons for the increase in total revenues and net profit of SKIL are as under:

<u>Year Ended March 2009 compared to Year Ended March 2008</u>

a) Income from Operations

SKIL's primary revenue/gains are mainly out of its investments in various infrastructure projects being developed by it and subsequent strategic/other divestments of these projects from time to time. Its total revenues has had reduced to Rs.52.49 million in fiscal year ended March 2009 as compared to Rs.300.87 million attained during March 2008. The reduction in gross revenues are primarily attributed to the decline in project development income from Rs. 216.66 million in March 2008 to Rs. 47.30 million in March 2009 due to completion of projects under development.

b) Profit After Tax

SKIL's profit after tax has reduced to Rs. 13.00 million during the fiscal year ended March 2009 as against Rs. 64.81 million achieved during March 2008. This reduction in profit is on account of lower project development revenue received as the projects undertaken were completed.

<u>Year Ended March 2008 compared to Year Ended March 2007</u>

a) Income from Operations

The gross earnings of the SKIL grew to Rs. 300.87 million during the year ended March 2008 as compared to Rs. 176.71 million made during March 2007 on account of sustained growth in project development activities which increased from Rs.100.75 million in fiscal year ended March 2007 to Rs.216.66 million in fiscal year ended March 2008.

b) Profit After Tax

The profit after tax of the SKIL for the fiscal year ended March 2008, stood at Rs.64.81 million as compared to Rs.35.68 million made during the fiscal year ended March 2007 due to sustained growth in project development revenue leading to improvement in the performance during the fiscal year 2008.

4.1.7 **Significant Accounting Policies:**

(a) Basis of preparation of financial statements

The Financial Statements are prepared under the historical cost convention, on an accrual basis of accounting.

(b) Fixed assets and Depreciation

Fixed Assets are stated at cost of acquisition including expenses incidental to their acquisition.

Depreciation on fixed assets is provided on the written-down value method at the rates prescribed in Schedule XIV to the Companies Act, 1956.

(c) Investments

Long-term investments are stated at cost of acquisition including expenses incidental to their acquisition. Diminution in value of long-term investments is recognised if the diminution is considered permanent. Interest relating to direct acquisition of investments is capitalised and treated as cost of acquisition of the investment.

(d) Stock-in-trade

Stock-in-trade is valued at the year-end at the lower of cost and fair market value.

(e) Revenue recognition

Revenue from service transactions is recognised as and when the service is rendered.

(f) Retirement benefits

Company's contribution to the Regional Provident Fund is provided for in the year in which contribution is due.

(g) Miscellaneous expenditure

Preliminary expenses are amortised over a period of 10 years.

(h) Taxation

<u>Current tax</u>
Current tax provision is made annually based on the tax liability computed after considering tax allowances and exemption using current tax rates in accordance with the provisions of the Income Tax Act, 1961.

<u>Deferred tax</u>
The Company provides for deferred tax in accordance with the Accounting Standard-22 "Accounting for Taxes on Income," issued by The Institute of Chartered Accountants of India. Deferred tax assets arising on account of unabsorbed depreciation or carry forward losses are recognized only when there is a virtual certainty supported by convincing evidence that such assets will be realized.

4.1.8 As on December 31 2009, the contingent liabilities and other financial obligations of the Acquirer are as under:

	As on Dec 31, 2009 (Rs. million)
(a) Corporate guarantees given on behalf Of Associated concerns	37,103.0
(b) Claims for Income Tax not Acknowledged by the company	11.9

4.1.9 Find below the names, addresses, experience and qualifications of the Board of Directors of the SKIL. As on the date hereof, none of the Director is on the Board of Directors of the Target Company other than Mr. Nikhil Gandhi and Mr. Bhavesh Gandhi

Name of the Director	Designation & Appointment Date	Director Identification Number (DIN)	Qualification	Residential Address
Mr. Nikhil P. Gandhi	Executive Chairman 08/10/1990	00030560	Bachelor of Commerce	21,Sagar Villa, 38, Bhulabhai Desai Road, Mumbai 400026
Mr. Bhavesh P. Gandhi	Vice Chairman 17/04/1999	00030623	Bachelor of Commerce	New Breach Candy Co-Op Soc Ltd, D/4 4th Floor, 70C Bhulabhai Desai Road, Mumbai 400026
Mr. P Krishnamurthy	Director 22/01/2005	00013565	Chartered Accountant	1401/1402, Vinayak Angan, Old Prabhdevi Road, Worli, Mumbai 400025
Mr. B P Misra	Director 05/03/2009	01822448	I.A.S. (Retd)	57, Unit-III, Poorvi Marg, Vasant Vihar, New Delhi, 110057 Delhi
Cmde V G Honnavar	Director 08/10/1990	00032105	Graduate from the National Defence Academy	14, Shantivan, 1st Floor Ram Krishna Mission Road, Khar (West), Mumbai 400052
Mr. A Prasad	Director 22/01/2005	00274125	Graduate in Economics & I.R.A.S. (Retd.),	704/705, Sahara Apartments, Sector-6, Plot No.11, Dwarka, New Delhi 110075
Mr. K Roy Paul	Director 01/01/2010	002863821	Graduate in Engineering	C - II / 69, Moti Bagh - I, New Delhi 110021
Mr. Santosh Senapati	Nominee Director 21/04/2008	00076219	Bachelor's Degree in Mining Machinery & MBA	Flat No.34. NCPA Apartments, Dorabji Tata Road, Nariman Point, Mumbai 400021

Details of experience of Directors of the Executive Board

1. **Mr. Nikhil Gandhi** serves as Group Chairman and Executive Chairman of the Company. He is an acclaimed visionary in the field of integrated infrastructure. He is a first generation entrepreneur with business interest in marine equipments, marine engineering and infrastructure. Mr. Gandhi has approximately 27 years of experience as

an entrepreneur of various infrastructure development projects. Under his leadership, the first private port in India was set up through Gujarat Pipavav Port Limited. He was nominated as a trustee of the Mumbai Port Trust on two occasions. In 1990, he received the “Best Young Entrepreneurs” award from the Ministry of Chemicals and Petrochemicals, Government of India and in 2001, he was conferred the “Great Son of Soil” award by the All India Conference of Intellectuals.

2. **Mr. Bhavesh Gandhi** serves as Vice Chairman of the Company. His expertise on each domain that the Company enters, and his attention to detail are the qualities that ensure that each project that the Company undertakes is implemented smoothly and professionally. He has approximately 26 years of experience as an entrepreneur and expertise in infrastructure development projects.

3. **Mr. P. Krishnamurthy,** prior to joining SKIL group had served as Vice-Chairman, JM Morgan Stanley. A Chartered Accountant from Kolkata, Mr. Krishnamurthy has an experience of nearly 34 years in corporate management and strategy, restructuring, mergers & acquisitions, international business and joint ventures, financial management & banking. His expertise includes managing and supervising business units in India and abroad at the highest levels. He is an integral part of the SKIL Group management and contributes significantly to policy development and financing.

4. **Mr. B. P. Misra** belongs to the Union Territories Cadre of the IAS. In his prior assignment, he has represented India as Executive Director in the International Monetary Fund (IMF) at Washington DC. Besides India, he has also represented Bangladesh, Bhutan and Sri Lanka at the IMF Board. Prior to his assignment with IMF, he did a stint in the Union Ministry of Finance initially as Additional Secretary and then as Special Secretary. He was nominated to the LIC Board by the Finance Minister. In various capacities he was a Director in the Board of Delhi Metro.

5. **Commodore V. G. Honnavar** is highly accomplished and experienced, with 33 years of Naval Service and about 27 years in the private sector. Cmde. Honnavar was awarded the “Ati Vishisht Seva Medal” for rendering meritorious and distinguished service to the Indian Navy. With his experience in training and logistics, he has been a key figure in the SKIL Group since 1980, and his contributions have been immense.

6. **Mr. A. Prasad**, I.R.A.S. (Retd.), completed his post graduation in Economics from the Delhi School of Economics and then joined the Indian Railway Accounts Service in 1963. He has been closely associated with the country’s industrial sector. In his capacity as Member (Finance) and ex-officio Secretary to the Government in the Dept. of Telecommunications (Ministry of Communications), Mr. Prasad has played a proactive role in restructuring / liberalization exercises in the telecom sector. He was also actively involved in raising resources for Public Sector Companies in the telecom sector in the international capital markets. He plays a keen role in guiding and shaping the growth policies of the SKIL Group.

7. **Mr. K. Roy Paul** joined the Indian Administrative Service in 1967 and served the State Government of Bihar and the Government of India in various capacities. In his long government service spanning 37 years he held various senior positions including Secretary to Government of India in the Ministry of Civil Aviation and Chairman, Air India, Special Secretary and Additional Secretary in the Ministry of Environment & Forests, Joint Secretary in the Department of Information Technology, Director and Deputy Secretary in the Ministry of Commerce and Principal Secretary to the State Government of Bihar in the Departments of Industries and Urban development. He was also the first Chairman of the National Coastal Zone Management Authority. After his retirement from the Indian Administrative Service in 2004, he was appointed Member of the Union Public Service Commission, a constitutional authority equated with the Election Commission of India and the Supreme Court of India.

8. **Mr. Santosh Senapati** serves on the Board of Directors as Nominee Director of AIG. He is Managing Director of AIG and leading a team of professionals in AIG's private

equity business franchise in India Prior to joining AIG, he was with Jardine Fleming India Securities Ltd. and ABN Amro Bank He has a Bachelor's Degree in Mining Machinery from the Indian School of Mines, Dhanbad, and an MBA Degree from the Indian Institute of Management, Ahmedabad.

4.1.10 The details of the companies promoted by SKIL are as follows :

1. **Gujarat Positra Port Company Limited ("GPPCL") :**

Gujarat Positra Port Company Limited was incorporated on July 22, 1998. It received its Certificate of Commencement of Business on August 7, 1998. The company was established for the purpose of construction and development of ports. It has yet to commence business. Its registered office is located at 905, 906, Sakar II, Ellis Bridge Corner, Ellis Bridge, Ahmedabad – 380 006, Gujarat

Financial Performance

The audited financial results of Gujarat Positra Port Company Limited for the last three years are summarized below:

(Rs. in million, unless otherwise stated)

	For the period ended March 31,		
	2007	**2008**	**2009**
Income/Sales	NA	NA	NA
Profit (Loss) after Tax	NA	NA	NA
Equity share capital	0.50	737.42	831.61
Reserves and surplus (excluding revaluation reserves)(1)	0.41	0.41	141.69
Earnings per share (Rs.) (2)	NA	NA	NA
Net asset value or book value per share (Rs.)(2)	18.23	10.01	11.70

(1) Net of miscellaneous expenditure not written off.
(2) Face value of each equity share is Rs.10.

GPPCL has not become a sick company within the meaning of SICA nor is it subject to a winding-up order or petition.

2. **SKIL Himachal Infrastructure and Tourism Limited ("SHITL");**

SKIL Himachal Infrastructure and Tourism Limited was incorporated on December 16, 2005 and it commenced business on October 27, 2006. SKIL Himachal Infrastructure and Tourism Limited was established to carry on the business of infrastructure and tourism related activities. Its registered office is located at C-11 Qutub Institutional Area, New Delhi – 110 016.

Financial Performance

The audited financial results of SKIL Himachal Infrastructure and Tourism Limited for the last three years are summarized below:

(Rs. in million, unless otherwise stated)

	For the year/period ended		
	January 1-March 31, 2007	**April 1, 2007 - March 31, 2008**	**April 1, 2008 - March 31, 2009**
Income/Sales	NA	NA	NA
Profit (Loss) after Tax	NA	NA	NA
Equity share capital	0.50	0.50	470.50
Reserves and surplus (excluding revaluation reserves)[1]	-	-	-
Earnings per share (Rs.) [2]	NA	NA	NA
Net asset value or book value per share (Rs.) [2]	9.22	(57.81)	9.93

(1) Net of miscellaneous expenditure not written off.
(2) Face value of each equity share is Rs.10.

SHITL has not become a sick company within the meaning of SICA nor is it subject to a winding-up order or petition.

3. **Poseidon Infrastructure Limited ("PIL") ;**

Poseidon Infrastructure Limited was incorporated on January 20, 1998 as Pipavav LNG and Power Limited. With effect from July 9, 1998 the name of the company was changed to Gujarat Pipavav LNG Company Limited and subsequently to Poseidon Infrastructure Limited on February 25, 2002. The company was initially engaged in the business of setting up of Liquefied Natural Gas (LNG) import and regasification terminals. Subsequently, the company relinquished its development rights in favour of British Gas. Subsequent to 2002, the company changed the nature of its business and is currently engaged in the business of infrastructure development and related activities. Its registered office is located at 905, 906, Sakar II, Ellis Bridge Corner, Ellis Bridge, Ahmedabad – 380 006, Gujarat

Financial Performance

The audited financial results of Poseidon Infrastructure Limited for the last three years are summarized below:

(Rs. in million, unless otherwise stated)

	For the period ended March 31,		
	2007	**2008**	**2009**
Income/Sales	NA	NA	NA
Profit (Loss) after Tax	NA	NA	NA
Equity share capital	0.50	0.50	0.50
Reserves and surplus (excluding revaluation reserves)[1]	Nil	Nil	NIL
Earnings per share	NA	NA	NA

	For the period ended March 31,		
	2007	2008	2009
(Rs.) (2)			
Net asset value or book value per share (Rs.) (2)	6.91	6.56	6.40

(1) Net of miscellaneous expenditure not written off.
(2) Face value of each equity share is Rs.10

PIL has not become a sick company within the meaning of SICA nor is it subject to a winding-up order or petition

4. **Urban Infrastructure Holdings Private Limited ("UIHPL")**

Urban Infrastructure Holdings Private Limited was incorporated on June 28, 2005 as SKIL SEZ Infrastructure Holdings Private Limited. With effect from March 22, 2006, the name of the company was changed to Urban Infrastructure Holdings Private Limited. The company was established to carry on the business of infrastructure facilities and services including cities, towns, roads, ports, airports, airways, railways, tramways, mass rapid transport systems, cargo movement and management systems, industrial estates, residential houses, green parks, relating port infrastructure environmental protection and pollution control, transport, public utilities, municipal services, clearing house agency and stevedoring services and creation of infrastructure facilities and services including telecommunication, cell services, satellite communication and networking. The registered office of the company is located at Jai Centre, 1st Floor, 34 P. D'Mello Road, Opposite Red Gate, Mumbai – 400 009.

Financial Performance

The audited financial results of Urban Infrastructure Holdings Private Limited for the last three years are summarized below:

(Rs. in million, unless otherwise stated)

	For the period ended March 31,		
	2007	2008	2009
Income/Sales	128.18	125.23	101.99
Profit (Loss) after Tax	(13.39)	34.42	(152.82)
Equity share capital	621.55	1,000.10	3547.43
Reserves and surplus (excluding revaluation reserves)(1)	40.10	71.29	(81.52)
Earnings per share (Rs.) (2)	(0.22)	0.42	(0.49)
Net asset value or book value per share (Rs.) (2)	10.64	10.71	9.77

(1) Net of miscellaneous expenditure not written off.
(2) Face value of each equity share is Rs.10.

UIHPL has not become a sick company within the meaning of SICA nor is it subject to a winding-up order or petition

5. **Horizon Country Wide Logistics Limited ("HCWL")**

Horizon Country Wide Logistics Limited was incorporated on June 7, 2007 as Nhava Seva Distriparks Limited. With effect from October 17, 2007, its name was changed to Horizon Country Wide Logistics Limited. It received its Certificate for Commencement of Business on July 27, 2007. The company was established for the purpose of carrying on all type of infrastructure projects, facilities or works for logistics project and related infrastructure. It has yet to commence business. Its registered office is located at 13/14, Khetan Bhavan, 198, Jamshedji Tata Road, Churchgate, Mumbai – 400 020.

Financial Performance

The audited financial results of Horizon Country Wide Logistics Limited for the last three years are summarized below:

(Rs. in million, unless otherwise stated)

	For the period ended March 31,		
	2007	**2008**	**2009**
Income/Sales	N.A.	7.93	276.80
Profit (Loss) after Tax	N.A.	1.02	6.39
Equity share capital	N.A.	703.45	1364.10
Reserves and surplus (excluding revaluation reserves)(1)	N.A.	1.02	603.41
Earnings per share (Rs.)(2)	N.A.	0.04	0.06
Net asset value or book value per share (Rs.)(2)	N.A.	10.01	14.42

(1) Net of miscellaneous expenditure not written off.
(2) Face value of each equity share is Rs.10.

HCWL has not become a sick company within the meaning of SICA nor is it subject to a winding-up order or petition.

4.1.11 Changes in the name of the SKIL since inception: SKIL was incorporated as a limited company on February 20, 1990 as Sea King Engineers Limited under the Companies Act 1956. With effect from January 14, 1999, its name was changed to Sea King Infrastructure Limited. Its name was subsequently changed to SKIL Infrastructure Limited with effect from March 25, 2004 and a fresh certificate of incorporation dated March 25, 2004 was issued.

4.1.12 The equity shares of SKIL are not listed on any stock exchanges.

4.1.13 SKIL has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act, 1992 as amended or under any other regulation made under the SEBI Act.

4.1.14 SKIL has complied with the applicable provisions of Chapter II of the SEBI (SAST) Regulations in relation to the acquisition of shares under SPA. The datewise compliance schedule is as follows :

Sl. No.	Regulation/ Sub-regulation	Due date for compliance as mentioned in the regulations	Actual date of compliance	Delay, if any (in no. of days) Col4-Col.3	Remarks
1	**2**	**3**	**4**	**5**	**6**
1	6(2)	20.05.1997			)Not))) Applicable) as))) the) Company))) was not))) Listed
2	6(4)	20.05.1997			
3	8(3)	30.04.1998			
4	8(3)	30.04.1999			
5	8(3)	30.04.2000			
6	8(3)	30.04.2001			
7	8(3)	30.04.2002			
8	8(3)	30.04.2003			
9	8(3)	30.04.2004			
10	8(3)	30.04.2005			
11	8(3)	30.04.2006			
12	8(3)	30.04.2007			
13	8(3)	30.04.2008			
14	8(3)	30.04.2009			
15	8(3)	30.04.2010			
16	7(3)	N.A	N.A	N.A	Not Applicable
17	7(1A)	29.03.2010	29.03.2010	No	NIL
18	7(1A)	28.05.2010	27.05.2010	No	NIL
19	8(2)	21.04.2010	21.04.2010	No	NIL
20	8A(2)	10.11.2009	09.11.2009	No	-
21	8A(3)	N.A	N.A	N.A	N.A
22	7(2)	N.A	N.A	N.A	N.A

4.1.15 Compliance Officer:

Ms. Sweta Shah, SKIL House, 209, Bank Street Cross Lane, Fort, Mumbai 400 023, Tel. No. 022 6619 9000, Fax No. 022 2269 6023.

4.2 **SKIL SHIPYARD HOLDINGS PRIVATE LIMITED (ACQUIRER NO.2)**

4.2.1 SKIL Shipyard Holdings Private Limited (SSHL) was incorporated as private limited company on August 16, 2005 under the Act. The Company was established for the purpose of carrying on the business of promoting, developing, building, creating, operating, owning infrastructure facilities including roads, ports, mass rapid transport systems, cargo movements and shipyard management system, cargo handling equipments, water supply relating to port infrastructure, environmental protection and pollution control and various other infrastructural services. Its registered office is located at SKIL House, 209 Bank Street Cross Lane, Fort, Mumbai – 400 023, Maharashtra, India, Tel. No. 022 6619 9000, Fax No. 022 2269 6023.

4.2.2 SSHL has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act, 1992 as amended or under any other regulation made under the SEBI Act. The shares of SSHL are not listed on any exchange.

4.2.3 As on date of Public Announcement and this Letter of Offer, share capital of SSHL consist of the paid up and subscribed equity capital of Rs. 0.01 million consisting of 10,000 fully paid-up equity shares each of a face value of Rs.10. The shareholding pattern of SSHL as on May 28, 2010 is follows :

Name of the Shareholder	**Number of equity shares**	**% of issued capital**
SKIL Infrastructure Limited	9,998	100
Mr. Nikhil P. Gandhi	1	0
Mr. Bhavesh P. Gandhi	1	0
Total	**10,000**	**100**

Source: Management certificate dated May 28. 2010

4.2.4 Mr. Nikhil P. Gandhi and Mr. Bhavesh P. Gandhi are the directors on the board of directors of SSHL.

4.2.5 SSHL is a wholly owned subsidiary of SKIL Infrastructure Ltd, which is also one of the Acquirers for the purpose of Open Offer.

4.2.6 The financial highlights of SSHL as certified by Bharat Shah & Associates, the Auditor of SSHL, vide its certificate dated April 6, 2010 is as follows:

(Amount in Rs. million unless otherwise specified, except per share data)

Profit & Loss Statement	**9 month ended December 31, 2009 (Reviewed)**	**Year ended March 31, 2009 (Audited)**	**Year ended March 31, 2008 (Audited)**	**Year ended March 31, 2007 (Audited)**
Sales	N.A.	N.A.	N.A.	N.A.
Other Operating Income	N.A.	N.A.	N.A.	N.A.
Total Revenues	N.A.	N.A.	N.A.	N.A.
Total Operating Expenses	N.A.	N.A.	N.A.	N.A.
Profit Before Depreciation Interest and Tax	N.A.	N.A.	N.A.	N.A.
Depreciation & Amortization	N.A.	N.A.	N.A.	N.A.
Interest Result	N.A.	N.A.	N.A.	N.A.
Profit Before Tax & Minority Interests	N.A.	N.A.	N.A.	N.A.
Income Tax	N.A.	N.A.	N.A.	N.A.
Profit After Tax	**N.A.**	**N.A.**	**N.A.**	**N.A.**

Balance Sheet Statement	9 month ended December 31, 2009 (Reviewed)	Year ended March 31, 2009 (Audited)	Year ended March 31, 2008(Audited)	Year ended March 31, 2007 (Audited)
Paid in share capital	0.10	0.10	0.10	0.10
Reserves and Surplus	Nil	Nil	Nil	Nil
Net worth (Note 1)	0.05	0.05	0.07	0.08
Total Stockholders' Equity	**0.05**	**0.05**	**0.07**	**0.08**
Secured loans	Nil	Nil	Nil	Nil
Unsecured loans	Nil	Nil	Nil	Nil
Deferred Tax Liability	Nil	Nil	Nil	Nil
Total stockholders' equity and liabilities	**0.05**	**0.05**	**0.07**	**0.08**
Uses of funds				
Net fixed assets	Nil	Nil	Nil	Nil
Investments	Nil	Nil	Nil	Nil
Net current assets	0.05	0.05	0.07	0.08
Total assets	**0.05**	**0.05**	**0.07**	**0.08**

Other Financial Data	9 month ended December 31, 2009 (Reviewed)	Year ended March 31, 2009(Audited)	Year ended March 31, 2008(Audited)	Year ended March 31, 2007(Audited)
Dividend (%)	Nil	Nil	Nil	Nil
Earning Per Share*	Nil	Nil	Nil	Nil
Return on Equity after Taxes ** (%)	N.A.	N.A.	N.A.	N.A.
Book Value Per Share***	5.10	5.30	6.60	7.70

**Earning Per Share = Profit After Tax / No. Of Equity shares.*
***Return on Networth = Profit After Tax / Networth X 100*
**** Book Value Per Share = (Net Worth – Preference Share Capital) / No. Of Equity Share*
Note: - 1 *- Networth is arrived after deducting miscellaneous Expenditure from Paid Up Share Capital*

The Company does not have any operating history and financial track record and hence no comparison of fiscal ended March 2009 with fiscal ended 2008 and comparision of fiscal ended 2008 with fiscal ended 2007 is drawn.

4.2.7 **Significant Accounting Policies:**

(a) Basis of preparation of financial statements

1. The Financial Statements have been prepared under historical cost convention in accordance with the generally accepted accounting principles and the convention of Companies Act, 1956.

2. The Company generally follows mercantile system of accounting and recognizes significant item of expenditure on accrual basis.

(b) Preliminary Expenses

Preliminary expenses are not amortised as per section 35-D of the Income Tax Act, 1961 as assessee has not commenced the business in the following financial year.

4.2.8 As on December 31 2009, the SSHL does not have any contingent liabilities.

4.2.9 The names, addresses, experience and qualifications of the Board of Directors of the Acquirer are as below.

Name of the Director	Designation & Appointment Date	Director Identification Number (DIN)	Qualification	Residential Address
Mr. Nikhil P. Gandhi	Director 16/08/2005	00030560	Bachelor of Commerce	21,Sagar Villa, 38, Bhulabhai Desai Road, Mumbai 400026
Mr. Bhavesh P. Gandhi	Director 16/08/2005	00030623	Bachelor of Commerce	New Breach Candy Co-Op Soc Ltd, D/4 4th Floor, 70C Bhulabhai Desai Road, Mumbai 400026

Mr. Nikhil Gandhi and Mr. Bhavesh Gandhi are also on the board of Target Company.

Details of experience of Directors of the Executive Board

1. **Mr. Nikhil Gandhi** serves as Group Chairman and Director of the SSHL. He is an acclaimed visionary in the field of integrated infrastructure. He is a first generation entrepreneur with business interest in marine equipments, marine engineering and infrastructure. Mr. Gandhi has approximately 27 years of experience as an entrepreneur of various infrastructure development projects. Under his leadership, the first private port in India was set up through Gujarat Pipavav Port Limited. He was nominated as a trustee of the Mumbai Port Trust on two occasions. In 1990, he received the “Best Young Entrepreneurs” award from the Ministry of Chemicals and Petrochemicals, Government of India and in 2001, he was conferred the “Great Son of Soil” award by the All India Conference of Intellectuals.

2. **Mr. Bhavesh Gandhi** serves as Director of the SSHL. His expertise on each domain that the SKIL enters, and his attention to detail are the qualities that ensure that each project that the SKIL undertakes is implemented smoothly and professionally. He has approximately 26 years of experience as an entrepreneur and expertise in infrastructure development projects

4.2.10 Change in the name of the SSHL since inception: SSHL was incorporated as SKIL Shipyard Holdings Private Limited on August 16, 2005 and there have been no change in the name since inception

4.2.11 SSHL has complied with all the applicable provisions of Chapter II of the SEBI (SAST) Regulations in relation to the acquisition of shares under SPA. The date wise compliance schedule is as follows :

Sl. No.	Regulation/ Sub-regulation	Due date for compliance as mentioned in the regulations	Actual date of compliance	Delay, if any (in no. of days) Col4-Col.3	Remarks
1	**2**	**3**	**4**	**5**	**6**
1	6(2)	20.05.1997			)Not))) Applicable) as))) the) Company))) was not))) Listed
2	6(4)	20.05.1997			
3	8(3)	30.04.1998			
4	8(3)	30.04.1999			
5	8(3)	30.04.2000			
6	8(3)	30.04.2001			
7	8(3)	30.04.2002			
8	8(3)	30.04.2003			
9	8(3)	30.04.2004			
10	8(3)	30.04.2005			
11	8(3)	30.04.2006			
12	8(3)	30.04.2007			
13	8(3)	30.04.2008			
14	8(3)	30.04.2009			
15	8(3)	30.04.2010		No	
16	7(3)	N.A	N.A		Not Applicable
17	7(1A)	29.03.2010	29.03.2010	No	NIL
18	8(2)	21.04.2010	21.04.2010	No	NIL

4.2.12 Compliance Officer: Mr. Bibhuti B. Jha, SKIL House, 209, Bank Street Cross Lane, Fort, Mumbai 400 023, Tel. No. 022 6619 9000, Fax No. 022 2269 6023.

4.2.13 Promoters and persons in control had confirmed the compliance with Chapter II of the SEBI (SAST) Regulations with respect to Target Company.

4.3 **Persons Acting in Concert (PACs) –** There are no "persons acting in concert" ("PACs") with the Acquirer for the purpose of this Offer within the meaning of Regulation 2(1) (e) of the SEBI (SAST) Regulations.

5 DISCLOSURE IN TERMS OF REGULATION 21(2)

As per the Listing Agreements with the BSE and NSE and in terms of clause 40A of the Listing Agreement (as amended), the Target Company is required to maintain at least 10% public shareholding for listing on a continuous basis.

Pursuant to successful closure of the Offer and even assuming full acceptances, the public shareholding of the Target Company shall not fall to less than 10% of the Voting Capital of the Target Company.

6 BACKGROUND OF THE TARGET COMPANY

6.1 Pipavav Shipyard Limited is a public limited company having its registered office located at Pipavav Port, Post Ucchaya, Via Rajula, Rajula – 365 560, Gujarat, India. Tel: +91 2794 286200; Fax: +91 2794 286373.

6.2 PSL was incorporated as Pipavav Ship Dismantling and Engineering Limited on October 17, 1997 under the Act. Subsequently, in April 2005, the main business of the Target Company was changed from ship dismantling to shipbuilding and ship repair. Pursuant to a special resolution adopted by the shareholders of the Target Company at an extraordinary general meeting held on April 19, 2005, the name of the Target Company was changed to Pipavav Shipyard Limited to reflect the change in the primary business focus of the Target Company. The fresh certificate of incorporation to reflect the new name was issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli ('RoC') on April 29, 2005. The Target Company received its certificate of commencement of business under the Act on December 2, 1997 from the RoC.

6.3 The issued and paid up share capital of PSL as on the date of Public Announcement was Rs. 6,657,983,880 comprising of 665,798,388 Equity Shares of the face value of Rs. 10 each ("Voting Capital"). Pursuant to special resolution passed in extra ordinary general meeting of shareholders held on May 05, 2010, Target Company had issued and allotted 2,54,00,000 CCUDs to Valiant Mauritius Partners FDI Limited on May 19, 2010. Other than this, there are no outstanding partly paid up shares or any other instruments convertible into Equity Shares of the Target Company at a future date. Pursuant to Regulation 37(b) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2009, 413,588,483 equity shares are locked-in as applicable. The Acquirers have undertaken that they shall comply with the requirements of lock-in in relation to the Sale Shares under and in accordance with the provisions of the ICDR Regulations.

6.4 PSL is currently completing the construction of the Pipavav Shipyard, located on the west coast of India adjacent to major sea lanes between the Persian Gulf and Asia. Upon completion of construction, the Pipavav Shipyard will be capable of ship construction and repairs for a range of vessels of different sizes and types, including naval vessels and coast guard vessels, as well as the fabrication and construction of products such as offshore platforms, rigs, jackets and vessels for oil and gas companies. Commercial operations at the Pipavav Shipyard commenced on April 1, 2009. PSL is currently constructing vessels while simultaneously completing construction of the offshore yard and installation of two Goliath cranes at the Pipavav Shipyard. PSL had commenced construction of four vessels, the first of which is expected to be delivered during the second half of calendar year 2010, with subsequent deliveries expected to occur at intervals ranging from one to three months thereafter. PSL has India's one of the largest shipyard facility.

6.5 PSL, through its subsidiary E Complex Private Limited, is involved in the development of a sector-specific Special Economic Zone ("SEZ"). PSL has established a unit in the SEZ developed by E Complex Private Limited ("SEZ Unit"). This SEZ Unit was approved on January 8, 2008 and was established to carry out our fabrication and block assembly activities within the SEZ with a view to support and augment the production facilities for shipbuilding activities.

6.6 PSL is at present constructing a number of Panamax bulk carriers of 74,500 DWT each, for renowned international ship owners. These are amongst the largest ships being built in India today. PSL has also entered into a contract for construction of 12 off-shore supply vessels.

6.7 PSL has put in place one of the India's largest and technologically advanced shipbuilding infrastructure including huge dry dock measuring 662m x 65m, large workshop and several assembly & sub-assembly construction skids. (***Source :*** *Based on information on other shipyards' websites as to their actual capacity and their capacity under construction and assuming no further increases in such capacity*).

6.8 Target Company has expansion plans including expansion through inorganic growth and plans to raise long-term resources to meet its expansion plans. To meet its objective it has proposed to raise Rs. 1778 million on preferential basis subject to the approval of shareholders. For details, refer clause 6.13 of this Letter of Offer.

6.9 Paid up Share capital structure of the Target Company as on the date of the Public Announcement and this Letter of Offer is as follows:

Paid Up Equity Shares of the Target Company	**No of Shares**		**Voting Rights**	
	No of Shares	**%**	**Voting Rights**	**%**
Fully Paid Up Equity Shares	665,798,388	100%	665,798,388	100%
Total Equity Shares	**665,798,388**	**100%**	**665,798,388**	**100%**

6.10 Find below the build up of the current capital structure of the Target Company since inception and till the date of the Public Announcement and this Letter of Offer.

Date of Allotment	**Number of Equity Shares**	**Cumulative Share Capital (Rs.)**	**Percentage of Shares**	**Cumulative paid up Share capital**	**Face Value #**	**Mode of Allotment**	**Identity of Allottees (promoters/ex-promoters/others)**	**Status of Compliance***
October 17, 1997	100	1,000	0.00%	0.00%	10	Cash	Mr. Nikhil P. Gandhi	NA
October 17, 1997	100	2,000	0.00%	0.00%	10	Cash	Mr. Bhavesh P. Gandhi	NA
October 17, 1997	100	3,000	0.00%	0.00%	10	Cash	Mr. Mahendra Vora	NA
October 17, 1997	100	4,000	0.00%	0.00%	10	Cash	Mr. Avinash Mishra	NA
October 17, 1997	100	5,000	0.00%	0.00%	10	Cash	Mr. Paresh S. Dave	NA
October 17, 1997	100	6,000	0.00%	0.00%	10	Cash	Mr. Kiran A. Patel	NA
October 17, 1997	100	7,000	0.00%	0.00%	10	Cash	Mr. Dilip C. Mehta	NA
October 26, 1999	13,925,000	139,257,000	2.09%	2.09%	10	Cash	SKIL (formerly known as Sea King Infrastructure Limited)	NA
October 26, 1999	4,500,000	184,257,000	0.68%	2.77%	10	Cash	Montana Infrastructure Limited (formerly known as Montana Valves and Compressors Limited)	NA
October 26, 1999	11,730,500	301,562,000	1.76%	4.53%	10	Cash	Grevek Investments	NA
August 30, 2000	1,393,800	315,500,000	0.21%	4.74%	10	Cash	Grevek Investments	NA
August 30, 2000	6,000,000	375,500,000	0.90%	5.64%	10	Cash	SKIL (formerly known as Sea King Infrastructure Limited)	NA
July 31, 2003	28,000,000	655,500,000	4.21%	9.85%	10	Cash	SKIL (formerly known as Sea King Infrastructure Limited)	NA

Date of Allotment	Number of Equity Shares	Cumulative Share Capital (Rs.)	Percentage of Shares	Cumulative paid up Share capital	Face Value #	Mode of Allotment	Identity of Allottees (promoters/ex-promoters/others)	Status of Compliance*
July 31, 2003	2,200,000	677,500,000	0.33%	10.18%	10	Cash	Grevek Investments	NA
September 5, 2003	10,000,000	777,500,000	1.50%	11.68%	10	Cash	Grevek Investments	NA
March 15, 2005	122,250,000	2,000,000,000	18.36%	30.04%	10	Cash	SKIL	NA
September 14, 2006	17,210,000	2,172,100,000	2.58%	32.62%	10	Cash	EXIM Bank	NA
March 8, 2007	45,900,000	2,631,100,000	6.89%	39.52%	10	Cash	Trinity	NA
March 29, 2007	26,610,000	2,897,200,000	4.00%	43.51%	10	Cash	New York Life	NA
May 28, 2007	4,520,000	2,942,400,000	0.68%	44.19%	10	Cash	UTI-ULIP	NA
June 25, 2007	25,000,000	3,192,400,000	3.75%	47.95%	10	Cash	Sneha Metals	NA
September 17, 2007	129,361,538	4,486,015,380	19.43%	67.38%	10	Cash	Punj Lloyd	NA
September 27, 2007	23,000,000	4,716,015,380	3.45%	70.83%	10	Cash	CEFL	NA
October 15, 2007	40,000,000	5,116,015,380	6.01%	76.84%	10	Cash	2i Capital PCC	NA
November 7, 2007	17,500,000	5,291,015,380	2.63%	79.47%	10	Cash	IDBI	NA
November 7, 2007	17,500,000	5,466,015,380	2.63%	82.10%	10	Cash	SembCorp	NA
November 7, 2007	11,500,000	5,581,015,380	1.73%	83.82%	10	Cash	IL&FS Trust Company Limited (Trustee of SCB Asian Infrastructure Fund)	NA
November 30, 2007	4,700,000	5,628,015,380	0.71%	84.53%	10	Cash	The India Fund Inc.	NA
December 6, 2007	300,000	5,631,015,380	0.05%	84.58%	10	Cash	The Asia Opportunities Offshore Market Fund Limited	NA
December 24, 2007	4,000,000	5,671,015,380	0.60%	85.18%	10	Cash	Merrill Lynch International	NA
December 24, 2007	50,000	5,671,515,380	0.01%	85.18%	10	Cash	J.M. Infocom & Property Investment Private Limited	NA
December 24, 2007	75,000	5,672,265,380	0.01%	85.19%	10	Cash	Ms. Ashita Kantilal Sheth	NA
December 24, 2007	25,000	5,672,515,380	0.00%	85.20%	10	Cash	Mr. Ratnesh Chand Jain	
January 10, 2008	2,000,000	5,692,515,380	0.30%	85.50%	10	Cash	Galleon Special Opportunities Master Fund, SPC Limited – Galleon Asian Crossover Segregated Portfolio	NA
January 10, 2008	1,000,000	5,702,515,380	0.15%	85.65%	10	Cash	Manz Retail Private Limited	NA
January 10, 2008	2,000,000	5,722,515,380	0.30%	85.95%	10	Cash	Deutsche Bank AG	NA

Date of Allotment	Number of Equity Shares	Cumulative Share Capital (Rs.)	Percentage of Shares	Cumulative paid up Share capital	Face Value #	Mode of Allotment	Identity of Allottees (promoters/ex-promoters/others)	Status of Compliance*
January 10, 2008	6,696,850	5,789,483,880	1.01%	86.96%	10	Cash	Mr. R.K. Vijayan and Mr. Yogendra Shah (Trustees of Pipavav Shipyard Limited Employees Welfare Trust)*	NA
January 31, 2008	250,000	5,791,983,880	0.04%	86.99%	10	Cash	JM Financial Mutual Fund - JM Agri & Infra Fund	NA
January 31, 2008	250,000	5,794,483,880	0.04%	87.03%	10	Cash	JM Financial Products Private Limited	NA
March 24, 2008	50,000	5,794,983,880	0.01%	87.04%	10	Cash	Mrs. Smita Vinod Bengali jointly with Mr. Vinod M. Bengali	NA
March 24, 2008	62,500	5,795,608,880	0.01%	87.05%	10	Cash	Mr. Sujay N. Kantawala	NA
March 24, 2008	100,000	5,796,608,880	0.02%	87.06%	10	Cash	Mr. Vishal Mahendra Bhammer jointly with Mr. Mahendra T. Bhammer	NA
March 24, 2008	12,500	5,796,733,880	0.00%	87.06%	10	Cash	Mr. Prakash Gurbaxani	NA
March 24, 2008	20,000	5,796,933,880	0.00%	87.07%	10	Cash	Ms. Miti K. Shah jointly with Ms. Khyati Milind Shah	NA
April 17, 2008	62,500	5,797,558,880	0.01%	87.08%	10	Cash	Cadell Weaving Mill Company Private Limited	NA
April 17, 2008	50,000	5,798,058,880	0.01%	87.08%	10	Cash	Mr. Sanjay Agarwal	NA
April 17, 2008	5,000	5,798,108,880	0.00%	87.09%	10	Cash	Dhiren M. Patel (HUF)	NA
April 17, 2008	30,900	5,798,417,880	0.00%	87.09%	10	Cash	Mr. Ketan P. Shah	NA
April 17, 2008	5,000	5,798,467,880	0.00%	87.09%	10	Cash	Ms. Gita Jitendra Tamboli	NA
April 17, 2008	100,000	5,799,467,880	0.02%	87.11%	10	Cash	Mr. Jasraj Baguji Jain	NA
May 19, 2008	9,375	5,799,561,630	0.00%	87.11%	10	Cash	Ms. Jarna Jayantilal Patel	NA
May 19, 2008	50,000	5,800,061,630	0.01%	87.11%	10	Cash	Mr. Jasraj B. Jain	NA
May 19, 2008	1,000	5,800,071,630	0.00%	87.11%	10	Cash	Mr. Shashikant C. Vyas jointly with Ms. Jyoti S. Vyas	NA
August 5, 2008	62,500	5,800,696,630	0.01%	87.12%	10	Cash	Ms. Gauri A. Bhosale	NA
August 5, 2008	65,000	5,801,346,630	0.01%	87.13%	10	Cash	Mr. Vinod Bengali jointly with Mrs. Smita Bengali	NA
August 5, 2008	81,000	5,802,156,630	0.01%	87.15%	10	Cash	Mr. Shailesh Nyalchand Tolia jointly with Ms. Shefali S. Tolia	NA
August 5, 2008	50,000	5,802,656,630	0.01%	87.15%	10	Cash	Udaykumar Kantilal Sheth – HUF	NA
August 5,	50,000	5,803,156,630	0.01%	87.16%	10	Cash	Mr. Anil V. Choksi	NA

Date of Allotment	Number of Equity Shares	Cumulative Share Capital (Rs.)	Percentage of Shares	Cumulative paid up Share capital	Face Value #	Mode of Allotment	Identity of Allottees (promoters/ex-promoters/others)	Status of Compliance*
2008							jointly with Ms. Bharti Anil Choksi and Mr. Sunil Anil Choksi	
August 5, 2008	7,500	5,803,231,630	0.00%	87.16%	10	Cash	Mr. Tamanlal Manilal Desai jointly with Mr. Jogen T. Desai	NA
August 5, 2008	18,750	5,803,419,130	0.00%	87.16%	10	Cash	Mr. Nilesh C. Parekh jointly with Ms. Rita N. Parekh	NA
August 5, 2008	6,250	5,803,481,630	0.00%	87.17%	10	Cash	Ms. Pushpa G. Patel	NA
October 1, 2009	85,450,225	6,657,983,880	12.83%	100.00%	10	Cash	Initial Public Offer	NA
Total	**665,798,388**	**6,657,983,880**	100.00%	100.00%				NA

** Target Company was unlisted company till allotment in public issue, hence SEBI regulations were not applicable. However, it has complied with provisions of Companies Act, 1956 in allotment of shares as disclosed in table.*

6.11 As on the date of the Public Announcement and this Letter of Offer, there have been no instances of non-listing of some and/or all Shares of the Target Company at any stock exchange(s) as applicable.

6.12 Pursuant to special resolution passed in extra ordinary general meeting of shareholders on May 05, 2010, Target Company had issued and allotted 2,54,00,000 CCUDs to Valiant Mauritius Partners FDI Limited on May 19, 2010. Valiant Mauritius Partners FDI Limited is not related with the promoters of Target Company. Each CCUD will be convertible into 1 fully paid up equity shares of Rs. 10 each on the expiry of 1 year from date of allotment of CCUD (or earlier at the option of the holder of CCUDs, provided that such earlier conversion option would not be exercised prior to the completion of Open Offer).

6.13 Target Company marketable lot is 1 equity shares.

6.14 The Target Company has duly complied with the various requirements of Clause 49 relating to corporate governance under the Listing Agreements with the BSE and NSE from time to time. No penal actions have been initiated by the BSE and NSE against the Target Company till date.

Composition of the Board of Directors:

The Target Company board has 7 Directors and the Chairman of the Board is a non-executive non-independent Director. In compliance with the requirements of Clause 49 of the listing agreements, the Company has (i) not less than 50% of the Board comprising non-executive Directors and (ii) at least one third of the Board comprising independent Directors.

Audit Committee

The Audit Committee was originally constituted by the Board of Directors at a meeting held on June 12, 2001 and reconstituted at the Board meeting held on October 15, 2007. The purpose of the Audit Committee is to ensure the objectivity, credibility and correctness of the Company's financial reporting and disclosure processes, internal controls, risk management policies and processes, tax policies, compliance and legal requirements and associated matters.

The constitution of the Audit Committee as of date is as follows:

Name of the Director	Title
Mr. R.M. Premkumar	Chairman, Independent Director

Mr. Bhavesh Gandhi	Member, Executive Director
Mr. R.M.V. Raman	Member, Nominee Director - EXIM Bank, Independent Director
Mr. S. Venkiteswaran	Member, Independent Director
Mr. Samar Ballav Mohapatra	Member, Independent Director

Shareholders' Grievance Committee

The Shareholders/Investors Grievance Committee was constituted by the Board of Directors at a meeting held on October 15, 2007. The Shareholders/Investors Grievance Committee is responsible for the redressal of investor grievances.

The constitution of the Shareholders/Investors Grievance Committee as of date is as follows:

Name of the Director	Title
Mr. Nikhil Gandhi	Chairman
Mr. Bhavesh Gandhi	Member, Executive Director
Mr. S. Venkiteswaran	Member, Independent Director

The terms of reference of the Shareholders/Investors Grievance Committee are to consider shareholders' and investors' complaints including transfer of shares, non-receipt of balance sheet, non-receipt of dividend warrants, etc. and to redress genuine grievances of shareholders and investors.

Remuneration (Compensation) Committee

The Remuneration Committee was originally constituted by the Board of Directors at a meeting held on September 4, 2003 and reconstituted at the Board meeting held on October 15, 2007.

The constitution of the Remuneration Committee as of date is as follows:

Name of the Director	Title
Mr. S. Venkiteswaran	Chairman, Independent Director
Mr. Nikhil Gandhi	Member
Mr. R.M. Premkumar	Member, Independent Director
Mr. Samar Ballav Mohapatra	Member, Independent Director

The terms of reference of the Remuneration Committee are as follows:

- To consider and approve payment of remuneration including pension rights and compensation payment, if any, other than sitting fees payable to the Directors and re-imbursement of expenses incurred by Directors for attending meetings of the Board or committee thereof, payable to the Executive and non-Executive Directors of the Company including Managing Director(s)/ Whole-time Director(s) or Managers, if the remuneration payable is within the limits prescribed by Part II of Schedule XIII to the Companies Act, 1956.

- To determine the employees stock option policy for the Company.

- To determine employees of the Company and SKIL Infrastructure Limited, promoters of the Company, eligible to participate in various employee stock option plans of the Company and to determine number of options/shares to be granted to each eligible employee.

- To consider and approve any other matter, relating to remuneration of Directors and employees stock options.

- To look into any other matter, as may be required, as per the provisions of the Companies Act or the SEBI Act and rules framed under these statutes

6.15 As on the date of the Public Announcement, the Board of Directors of the Target Company comprises of 7 directors.

6.16 Find below the details relating to the Board of Directors of the Target Company as on the date of the Public Announcement:

Name of the Director	Appointment Date	Director Identification Number (DIN)	Experience	Qualifications	Residential Address
Mr. Nikhil P. Gandhi	October 17, 1997	00030560	27 years	Bachelor of Commerce	21,Sagar Villa, 38, Bhulabhai Desai Road, Mumbai 400026
Mr. Bhavesh P. Gandhi	December 30, 2005	00030623	26 years	Bachelor of Commerce	New Breach Candy Co-Op Soc Ltd, D/4 4th Floor, 70C Bhulabhai Desai Road, Mumbai 400026
Mr. R.M.V. Raman	December 19, 2003.	01459620	35 years	Master of Financial Management degree from the Jamnalal Bajaj Institute, the University of Mumbai, a Master of Science degree in Physics and a Master of Arts degree in English Literature from Madurai College, Madurai Kamaraj University, Tamil Nadu	B 1801-02, Lake Lucerme, III, Lake Homes, Off Adi Shankaracharya Marg, Near Gopal Sharma School, Powai, Mumbai – 400 076 Maharashtra, India
Mr. S. Venkiteswaran	September 18, 2007	00006111	48 years	LL.B. degree from the Bombay University	A/7-1&2, Lloyds Garden 7th Floor Appasaheb Marathe Marg Prabhadevi, Worli Mumbai – 400 025 Maharashtra, India
Mr. R.M. Premkumar	October 15, 2007	00328942	39 years	Master's degree in Arts (History) and a Bachelor's degree in Law from the Madras University	101, Praneet Dr. Jayant Palkar Marg Opposite Poddar Hospital, Worli Mumbai – 400 030 Maharashtra, India
Mr. Ajai Vikram Singh	May 30, 2008	02184840	38 years	Bachelor Degree in Arts from the Rajasthan University	Baghsuri House Jaipur Road Ajmer – 305 001 Rajasthan, India
Mr. Samar Ballav Mohapatra	May 30, 2008	00327410	37 years	Bachelor of Arts degree and a Master of Arts degree from the Delhi University	Flat No. C-15 DGS Housing Society Sector 22, Plot No. 6 Dwarka New Delhi – 110 075 India

Brief details of the background and experience of the Directors of the Target Company is as follows:

1. **Mr. Nikhil Gandhi** serves as is the Non-Executive Chairman of the Target Company. He is a first generation entrepreneur with business interest in marine equipments, marine engineering and infrastructure. Mr. Gandhi has approximately 27 years of experience as an entrepreneur of various infrastructure development projects. Under his leadership, the first private port in India was set up through Gujarat Pipavav Port Limited. He was nominated as a trustee of the Mumbai Port Trust on two occasions. In 1990, he received the "Best Young Entrepreneurs" award from the Ministry of Chemicals and Petrochemicals, Government of India and in 2001, he was conferred the "Great Son of Soil" award by the All India Conference of Intellectuals.

2. **Mr. Bhavesh Gandhi** serves as Executive Vice Chairman of the Target Company. His expertise on each domain that the SKIL enters, and his attention to detail are the qualities that ensure that each project that the SKIL undertakes is implemented smoothly and professionally. He has approximately 26 years of experience as an entrepreneur and expertise in infrastructure development projects

3. **Mr. R.M.V. Raman**, has been appointed as a nominee Director of EXIM Bank and as such qualified as an Independent Director of the Company. He has been a Director since December 19, 2003. He holds a Master of Financial Management degree from the Jamnalal Bajaj Institute, the University of Mumbai, a Master of Science degree in Physics and a Master of Arts degree in English Literature from Madurai College, Madurai Kamaraj University, Tamil Nadu. Mr. Raman has approximately 35 years of experience in international trade financing, development banking and central banking. He has undertaken project feasibility studies and monitoring assignments in many countries and has also negotiated and concluded many export lines of credit. Prior to joining EXIM Bank in 1982, he had worked in the Reserve Bank of India for two years and in Industrial Development Bank of India for eight years.

4. **Mr. S. Venkiteswaran**, a Senior Advocate, is a non-executive Independent Director of the Target Company. He was appointed as a Director on September 18, 2007. He has approximately 48 years of experience as a lawyer. He completed his LL.B. degree from the Bombay University. He enrolled to practise in the Bombay High Court in 1962. After practising before the trial courts for a few years, Mr. Venkiteswaran specialized in maritime and aviation related commercial disputes. He was designated as a Senior Advocate and has appeared before State High Courts and the Supreme Court of India. He has also been involved in arbitration in relation to shipping and has appeared as an expert witness on Indian law in foreign arbitration and litigation proceedings. In addition, Mr. Venkiteswaran has been a member of the "Perspective Planning Ports at the Turn of the Century" constituted by the Planning Commission of India and a member of the group constituted for updating admiralty laws.

5. **Mr. R.M. Premkumar**, is a non executive Independent Director of the Target Company. He was appointed as a Director on October 15, 2007. Mr. Premkumar has a Master's degree in Arts (History) and a Bachelor's degree in Law from the Madras University. He joined the Indian Administrative Service in 1968 and has approximately 39 years of experience in the Indian Administrative Service. Mr. Premkumar has handled many important assignments with Government of India and Government of Maharashtra. His prior work experience includes serving as the Additional Secretary to the Government of India for the Department of Atomic Energy, Chief Secretary to the Government of Maharashtra, Chairman of the Food Corporation of India, Managing Director of the Maharashtra State Financial Corporation, Development Commissioner of SEEPZ, Managing Director of Maharashtra State Cooperative Bank Limited and as Chief Executive Officer of Maharashtra Industrial Development Corporation. Mr. Premkumar is currently the Chairman and Director of the State Industrial & Investment Corporation of Maharashtra Limited ("SICOM"), Multi-Commodity Exchange of India Limited and Maharashtra State Electricity Transmission Company Limited ("MSETCL").

6. **Mr. Ajai Vikram Singh**, is a non executive Independent Director of the Target Company. He was appointed as a Director on May 30, 2008. He joined the Indian Administrative Service in

1967 and has held various appointments in the State and the Central Governments. He has a Bachelor of Arts degree from the Rajasthan University. He has been a District Magistrate, Commissioner, Secretary Small Industries, Secretary Heavy Industries, Industrial Development Commissioner & Principal Secretary in the Government of Uttar Pradesh. He was the first Chief Secretary of Uttaranchal (now Uttarakhand). In the Government of India, he has held various posts, including that of Additional Secretary and Financial Advisor to the Ministry of Industry, Secretary Revenue, Secretary, Ministry of Non Conventional Energy Resources, Secretary, Ministry of Road Transport and Highways and Defence Secretary. He has also been the Chairman of, *inter alia*, Indo-Gulf Fertilisers, India Polyfibres and Pashupati Acrylone. He also has been a director on the boards of a number of companies including IFCI, Maruti Udyog limited, BHEL, HMT, Hindustan Aeronautics, Mazagon Docks, Goa Shipyard and Andrew Yule Limited.

7. **Mr. Samar Ballav Mohapatra**, is a non executive Independent Director of the Target Company. He was appointed as a Director on May 30, 2008. He has a Bachelor of Arts degree and a Master of Arts degree from the Delhi University. In 1967, Mr. Mohapatra joined the Indian Administrative Service and retired in 2004. Mr. Mohapatra held several key positions in the Government of India including Secretary, Ministry of Textiles; Special Secretary, Ministry of Home Affairs; Additional Secretary and Financial Advisor, Ministry of Commerce and Director General of Foreign Trade and Managing Director of Industrial Development Corporation, Orissa.

6.17 Target Company has not undergone any restructuring, merger/de-merger spin off of business during last 3 years involving the Target Company.

6.18 The financial highlights for the financial year ending March 31, 2009, March 31, 2008 and March 31, 2007 as certified by Chaturvedi and Shah vide its certificate dated March 27, 2010 and year ending March 31, 2010 as certified by Chaturvedi and Shah vide its certificate dated May 31, 2010 are as follows:

(Amounts Rs. in million, except per share data)

Profit & Loss Statement	**Year Ending March 31, 2010 (Audited)**	**Year Ending March 31, 2009 (Audited)**	**Year Ending March 31, 2008 (Audited)**	**Year Ending March 31, 2007 (Audited)**
Income from operations	6293.83	-	-	-
Other Income	675.06	617.78	277.49	-
Total Income	6968.89	617.78	277.49	-
Total Operating Expenditure	6360.05	390.74	158.83	-
Profit Before Depreciation Interest and Tax	608.84	227.04	118.66	-
Depreciation	365.47	1.52	1.77	-
Interest and other financial charge	729.99	129.58	0.77	-
Profit Before Tax	(486.62)	95.94	116.12	-
Provision for Tax	1.58	46.70	67.53	-
Profit After Tax	(488.20)	49.24	48.59	-

Balance Sheet Statement	**Year Ending March 31, 2010 (Audited)**	**As on March 31, 2009 (Audited)**	**As on March 31, 2008 (Audited)**	**As on March 31, 2007 (Audited)**
Sources of funds				
Paid up share capital				

Balance Sheet Statement	Year Ending March 31, 2010 (Audited)	As on March 31, 2009 (Audited)	As on March 31, 2008 (Audited)	As on March 31, 2007 (Audited)
Equity Shares	6657.98	5,803.48	5,796.93	2,897.20
Preference Shares	-	-	-	45.20
Share Warrant Application Money	-	-	-	250.00
Reserves and Surplus (excluding revaluation reserves)	10365.00	6,747.28	6,707.49	1,087.65
Net worth	17022.98	12,550.76	12,504.42	4,280.05
Secured loans	11310.76	7,745.90	2,943.07	3,365.90
Unsecured loans	1988.40	3,790.15	297.45	1,297.44
Total	**30322.14**	**24,086.81**	**15,746.94**	**8,943.39**
Uses of funds				
Net fixed assets	24366.64	21,980.08	11,200.13	7,644.24
Investments	267.57	665.51	1,940.57	510.77
Deferred tax assets	-	-	-	-
Net current assets	5181.47	1,441.22	2568.53	788.35
Total miscellaneous expenditure not written off	-	-	37.71	0.02
Profit and Loss	506.46	-	-	-
Total	**30322.14**	**24,086.81**	**15,746.94**	**8,943.39**

Other Financial Data	Year Ending March 31, 2010 (Audited)	As on or for the Year Ending March 31, 2009 (Audited)	As on or for the Year Ending March 31, 2008 (Audited)	As on or for the Year Ending March 31, 2007 (Audited)
Dividend (%)	-	-	-	-
Earning Per Share	(0.82)	0.08	(0.10)	-
Return on Net worth (%)	(2.96)	0.35	(0.33)	0.00
Book Value Per Share (Rs.)	24.81	21.63	21.51	13.75

6.19 Significant accounting policies of Target company is as follows :

1 Basis of Preparation of Financial Statements:

The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

2 Use of Estimates:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

3 Fixed Assets:

i. Fixed Assets are stated at cost net of cenvat / value added tax less accumulated depreciation and impairment loss, if any. All costs, including financing costs till commencement of commercial production attributable to the fixed assets are capitalised.

ii. Expenses incurred relating to project, net of income earned during project development stage prior to commencement of commercial operation, are considered as project development expenditure and disclosed under Capital Work-in-Progress.

4 Intangible Assets:

Intangible Assets are stated at cost of acquisition less accumulated amortization. Software, which is not an integral part of the related hardware, is classified as an intangible asset and is amortized over the useful life of five years. Amortization is done on straight line basis.

5 Depreciation:

Depreciation on Fixed Assets is provided on the Straight Line Method, at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. In respect of additions/extensions forming an integral part of existing assets depreciation has been provided over residual life of the respective fixed assets. The Buildings constructed on the leasehold land is depreciated during the lease period of the land.

6 Investments:

Current investments are carried at the lower of cost or quoted / fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

7 Borrowing Costs:

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalised as a part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

8 Inventory:

The inventories i.e. Raw Materials, Stores and Spares, Finished Goods etc. have been valued at lower of cost or net realisable value. Cost of Inventories comprise of all costs of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. The cost of Raw Materials and Stores & Spares is determined at Weighted Average

Method. The cost of Work-in-progress and Finished Stock is determined on absorption costing method. Scrap is valued at net realisable value.

9 Revenue Recognition:

i. Revenue for shipbuilding contracts are recognized using the percentage of completion method as under:

a. In respect of commercial vessels, including bulk carriers, tankers, container vessels, etc. revenue is recognized on the basis of percentage of actual cost incurred thereon as against the total estimated cost of the shipbuilding contract under execution.
b. In respect of other vessels, including offshore support vessels, revenue is recognized in proportion to the stage of completion. The stage of completion is measured by reference to the percentage of proportion of the contract work completed as determined by technical experts. As soon as the outcome of the construction contract can be estimated reliably, contract revenue and expenses are recognized in the profit and loss account in proportion to the degree of completion of the contract.

The estimates of cost are revised periodically by the management. The effect of such changes to estimates is recognized in the period in which such changes are determined. The estimated cost of each contract is determined based on the management's estimate of the cost to be incurred till the final completion of the vessel and includes cost of materials, services, finance cost and other related overheads. Any projected losses on contracts under execution are recognized in full when identified. Recognition of revenue relating to agreements entered in to with the buyers, which are subject to fulfillment of obligations/conditions imposed by statutory authorities is postponed till such obligations are discharged.

ii. Interest income is recognised on a time proportion basis. Dividend is considered when the right to receive is established.

10 Government Subsidy:

Government subsidy related to shipbuilding contracts are recognized on compliance with the relevant conditions and such grants are recognized in the Profit and Loss Account and presented under Income from Operations.

11 Foreign Currency Transactions:

i. Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing on the date of the transaction.

ii. Monetary items denominated in foreign currencies at the year end are restated at the year end rates. In case of monetary items, which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts has been recognised over the life of the contract.

iii. Non monetary foreign currency items are carried at cost.

iv. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss Account.

12 Financial Derivates:

In respect of Derivative Contracts, premium paid provision for losses on restatement and gains on settlement are recognised in the Profit and Loss Account.

13 Employee Benefits:

i. Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account/project development expenditure of the year in which the related service is rendered.

ii. Post employment and other long term employee benefits are recognized as an expense in the Profit and Loss account/project development expenditure for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Profit and Loss account/project development expenditure.

14 Provision for Current and Deferred Tax:

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

15 Impairment of Assets:

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

16 Provision, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

17 Preliminary and Issue Expenses:

Preliminary and Expenses related to issue of equity and equity related instruments are adjusted against the security premium account

6.20 The details of contingent liabilities of Target Company is as follows :

(Amount Rs. In million)

Particulars	**Year Ending March 31, 2010 (Audited)**	**As on March 31, 2009 (Audited)**	**As on March 31, 2008 (Audited)**	**As on March 31, 2007 (Audited)**
Refund and Other Bank Guarantees	5599.82	5,167.78	9,876.87	NIL
Demands not acknowledged as Debts	13.45	129.27	-	NIL
Letters of Credit in favour of Suppliers	189.17	932.10	1,720.65	NIL

6.21 The reasons for fall/rise in total income and Profit after Tax for the relevant years are as follows:

<u>Year ended March 2010 compared with year ended March 2009</u>

Total Income

Total income increased to Rs.6968.89 million in fiscal year ended 2010 compared to Rs. 617.78 million in fiscal year ended 2009 as the commercial production commenced during the year and started recognizing income from operations for same.

Profit After Tax

There has been loss after tax of Rs. 488.20 million in 2010 compared to profit after tax of Rs. 49.24 million in 2009 on account of delay in commissioning of certain equipments / facilities resulting in lower production, revision in sale price and provisions on contracts due to global slow down, the first year of operation, amongst other.

<u>Year ended March 2009 compared with year ended March 2008</u>

Total Income

Total income increased to Rs 617.78 million in fiscal year ended 2009 compared to Rs. 277.49 million in fiscal year ended 2008 due to Interest income on Fixed deposits against refund bank guarantees etc mainly on account of advance received from customers were deployed throughout the year.

Profit After Tax

There is no significant change in the Profit after tax in 2009 compared to 2008

<u>Year ended March 2008 compared with year ended March 2007</u>

Target Company started preparing Profit & Loss account first time from fiscal year ended 2008 hence there is no comparison possible with fiscal year ended 2007.

6.22 Pre and Post Offer shareholding pattern of the Target Company as per the following table as on May 26, 2010:

Shareholder's Category	**Shareholding & voting rights prior to the agreement/ acquisition and offer**		**Shares/ voting rights agreed to be acquired which triggered off the Regulations[(1)]**		**Shares/ voting rights to be acquired in open offer (Assuming full acceptances)**		**Shareholding/ voting rights after the acquisition and offer**	
	(A)		**(B)**		**(C)**		**(D) = (A) + (B) + (C)**	
	No.	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**
(1) <u>Promoter group</u>								
a. Parties to agreement, if any								
SKIL	121,650,500	18.27	994,400,538	14.93	133,159,678	20.00	384,170,717	57.70
SSHL	1	Negligible	29,960,000	4.50				
PLL [(3)]	129,361,538	19.43	(129,360,538)	(19.43)			1,000	Negligible
b. Promoters other than (a) above	12,349,494	1.85			NIL	NA	12,349,494	1.85
<u>Total 1 (a+b)</u>	**263,361,533**	**39.56**			**133,159,678**	**20.00**	**396,521,211**	**59.55**
(2) <u>Acquirers</u>								

Shareholder's Category	Shareholding & voting rights prior to the agreement/ acquisition and offer		Shares/ voting rights agreed to be acquired which triggered off the Regulations(1)		Shares/ voting rights to be acquired in open offer (Assuming full acceptances)		Shareholding/ voting rights after the acquisition and offer	
	(A)		(B)		(C)		(D) = (A) + (B) + (C)	
	No.	%	No.	%	No.	%	No.	%
Acquirer	NA(2)							
PAC	NA							
(3) <u>Parties to agreement other than (1)(a) & (2)</u>	NA	NA	NA	NA	NA	NA	NA	NA
(4) <u>Public</u>								
a. FIs/ MFs/ Banks/ SFIs/FII`s	119,597,325	17.96			(133,159,678)	(20.00)	269,277,177	40.45
b. Others (including FVCI, NRI, Foreign companies)	282,839,530	42.48						
<u>Total (4) (a+b)</u>	**402,436,855**	**60.44**			**(133,159,678)**	**(20.00)**	**269,277,177**	**40.45**
<u>GRAND TOTAL</u> (1+2+3+4)	**665,798,388**	**100.00**					**665,797,388**	**100.00**

Notes :

(1) Assuming transfer of First Sale Shares and Second Sale Shares to the Acquirer, pursuant to certain agreed conditions in the SPA and completion of the Open Offer formalities.

(2) SKIL and SSHL are Acquirers for the purpose of the Open Offer and their shareholding is disclosed under heading (1) Promoter Group in the table.

(3) Pursuant to SPA dated March 27, 2010, PLL had sold all its shareholding in the Target Company except for 1000 equity shares to Acquirers. Escrow Agent holds such Sale Shares for the benefit of Acquirer until completion of open offer formalities. Please refer clause 3.1.7 of the Letter of Offer for same.

Further details of the Shareholders in the Public category are as under:

FIs, MFs, Banks, SFIs	No. of shareholders	Total No. of shares	% of holding
Mutual Funds	11	25,389,473	3.81
Financial Institutions/Banks	4	34,742,030	5.22
Central Government/State Government(s)	-	-	-
Insurance Companies	1	10,172,300	1.53
Foreign Institutional Investors	22	49,293,522	7.40
Sub Total	**38**	**119,597,325**	**17.96**

6.23 The details of litigation matters of Target Company are as below :

S. No.	Suit No./ Case No./ Appeal No.	Dated	Plaintiff/ Petitioners/ Complainant/ Applicant	Defendant/ Respondent	Name & Address of the Court/ Arbitration Panel	Amount under Consideration*	Brief Description of Case	Status
1.	Special Civil Application No. 14289 of 2008	December 3, 2008	Pipavav Shipyard Limited and Ajit Dabholkar	Union of India and Others	High Court of Gujarat	Rs. 135 million	The Department of Revenue Intelligence ("DRI") carried out search and seizure proceedings against the Company on August 27, 2008, September 23, 2008 and October 14, 2008 for alleged non-payment of excise duties and customs duties in respect of steel used by the Company for the construction of the dry dock at the Pipavav Shipyard. The DRI believed that the Company's plant could not be termed as capital goods since it was a civil construction and hence, the Company was wrongly availing the exemption of excise duties and customs duties. The Company filed a petition challenging the action of the DRI in relation to the seizure of the Company's plant (i.e., the dry dock, raw materials like steel in stock) and for obstructing the procurement and utilization of various raw materials like steel and capital goods required for construction of the dry dock by imposing certain conditions for issuance of CT-3 Certificates / Procurement Certificates necessary for	The Company has executed a bond for a sum of Rs. 135 million, as directed. The Company has not yet responded to the show cause notice issued by the DRI as the DRI has not released certain documents it had seized earlier. Pursuant to a letter dated May 11, 2009, the Company has requested the DRI to release the seized documents. The matter is currently pending.

S. No.	Suit No./ Case No./ Appeal No.	Dated	Plaintiff/ Petitioners/ Complainant/ Applicant	Defendant/ Respondent	Name & Address of the Court/ Arbitration Panel	Amount under Consideration*	Brief Description of Case	Status
							duty free procurement of indigenous and imported goods. By its order dated December 11, 2008, the Gujarat High Court, subject to certain conditions, stayed the order of seizure of DRI dated October 14, 2008 pursuant to which the dry dock was seized and directed the respondents to issue CT-3/procurement certificates within 2 days of submission of application for such certificate by the Company. The DRI filed a Special Leave Petition before the Supreme Court of India challenging the order dated December 11, 2008 of the Gujarat High Court. Pursuant to its order dated May 15, 2009, the Supreme Court of India disposed of the petition, with the following observations (i) a show cause notice dated March 20, 2009 had been issued to the Company by the DRI to which the Company's response was awaited; and (ii) the directions issued to the Company in relation to furnishing a bond of Rs.135 million and depositing a sum of Rs. 35 million pursuant to the order dated January 7, 2009	

S. No.	Suit No./ Case No./ Appeal No.	Dated	Plaintiff/ Petitioners/ Complainant/ Applicant	Defendant/ Respondent	Name & Address of the Court/ Arbitration Panel	Amount under Consideration*	Brief Description of Case	Status
							(as modified by order dated February 9, 2009) of the Supreme Court of India were complied with by the Company.	
2.	Revision Petition No. PSL/T/Geo & Min/08	December 24, 2008	Pipavav Shipyard Limited	The District Geologist	Additional Director (Appeals and Flying Squad), Geology and Mining Department	Rs. 9,755,002	Pursuant to an order dated March 1, 2008, the District Geologist instructed the Company to pay an aggregate sum of Rs. 9,755,002 for violation of certain provisions of the Gujarat Mineral (Prevention of Illegal Mining Transportation and Storage) Rules, 2005 and Mines and Minerals (Development and Regulation) Act, 1957 in connection with the transfer of soil from E Complex land to certain portions of the land owned by the Company. The Company filed appeal proceedings before the Additional Director (Appeals and Flying Squad), Geology and Mining Department which on December 20, 2008 upheld the order of the District Geologist. The Company has filed a revision petition challenging the December 20, 2008 order.	The Company has deposited an amount of Rs. 9,755,002. The last hearing was on June 16, 2009. The matter is reserved for final order.
3.	SIAC Arbitration No. 068 of 2009	April 2009	Pipavav Shipyard Limited	STX Corporation	Singapore International Arbitration Centre (SIAC)	US$6,260,136.10 (Rs. 278,075,245.56)	The Company served an arbitration notice dated April 28, 2009 on one of its steel plate supplier, STX	SIAC has appointed Mr. Ron Solter as the sole arbitrator pursuant to

S. No.	Suit No./ Case No./ Appeal No.	Dated	Plaintiff/ Petitioners/ Complainant/ Applicant	Defendant/ Respondent	Name & Address of the Court/ Arbitration Panel	Amount under Consideration*	Brief Description of Case	Status
							Corporation, for non-compliance with the provisions of Contract No. STX-PV080502 dated May 2, 2008 by STX Corporation, such as supplying steel plates which were below the standard agreed to by the parties and providing fake certificates.	its letter of appointment dated July 2, 2009. STX has offered to commercially settle part of the Claim and negotiations are in progress. Proceedings are pending.
4.	SIAC Arbitration of 2009	November, 2009	Golden Ocean Group Limited, Golden Ocean Brilliant Inc and Golden Ocean Emerald Inc	Pipavav Shipyard Limited	Singapore International Arbitration Centre (SIAC)	US$ 213.78 million (Rs. 9496.11 million)	Correspondences were exchanged between the parties for alteration of sequence schedule and delivery dates under the Shipbuilding Contract Golden Ocean Group Limited and Golden Ocean Brilliant Inc and Golden Ocean Emerald Inc have filed the claim for declaration that Shipbuilding Contracts, Delivery Dates and their rights under the Shipbuilding Contracts have not been varied by the correspondence exchanged between the parties on May 28, 2009, June 10, 2009 and July 2, 2009.	The Company has filed its Defence and stated that parties to the contract have agreed to alter sequence schedule and delivery dates under the Contracts. On March 25, 2010 a Settlement Agreement and Amendments to the respective Shipbuilding Contracts have been executed whereby it was agreed between the parties that Arbitration shall be discontinued after the said amendments becoming effective. Parties have reached amicable settlement of dispute referred to the arbitration.

6.24 Till date, the trading of Equity Shares of the Target Company has not been suspended either on the BSE or NSE. The Target Company has not been prohibited by the SEBI from dealing in securities, in terms of direction issued under Section 11B or any other regulations made under the Securities and

Exchange Board of India Act, 1992 and subsequent amendments thereto.

6.25 The provision wise compliance of Chapter II regulations of SEBI (SAST) Regulations of Target Company are as follows :

Sl.No.	**Regulation/Sub-regulation**	**Due date for compliance as mentioned in the regulations**	**Actual date of compliance**	**Delay, if any (in no. of days) Col4-Col.3**	**Remarks**
1	**2**	**3**	**4**	**5**	**6**
1	6(2)	20.05.1997			)Not))) Applicable as))) the) Company))) was not))) Listed
2	6(4)	20.05.1997			
3	8(3)	30.04.1998			
4	8(3)	30.04.1999			
5	8(3)	30.04.2000			
6	8(3)	30.04.2001			
7	8(3)	30.04.2002			
8	8(3)	30.04.2003			
9	8(3)	30.04.2004			
10	8(3)	30.04.2005			
11	8(3)	30.04.2006			
12	8(3)	30.04.2007			
13	8(3)	30.04.2008			
14	8(3)	30.04.2009			
15	8(3)	30.04.2010	28.04.2010	No	
16	7(3)	05.04.2010	31.03.2010	No	NIL
17	7(3)	03.06.2010	31.05.2010	No	NIL
18	8A	19.11.2009	16.11.2009	No	NIL
19	7(3)	04.06.2010	31.05.2010	No	NIL

6.26 Mr. Ajit Dabholkar is the Company Secretary and Compliance Officer for the Target Company.

7 OFFER PRICE AND FINANCIAL ARRANGMENTS

7.1 Justification of Offer Price

7.1.1 The Shares of the Target Company are listed on the BSE and NSE. Based on the information available, the Shares of the Target Company are frequently traded on the NSE and the BSE (within the meaning of explanation (i) to Regulation 20(5) of the SEBI (SAST) Regulations and most frequently traded on the NSE).

7.1.2 The annualized trading turnover during the preceding 6 calendar months prior to the month in which the Public Announcement is made in terms of number and percentage of total listed Equity Shares in each stock exchange.

Stock Exchange	Total No. of equity shares traded during the period between October 9, 2009 and February 28, 2010	Total No. of Listed Equity Shares	Annualised Trading Turnover (as % of Total equity shares Listed)[1]
BSE	177,409,886	665,798,388	70.12%*
NSE	243,820,269	665,798,388	96.37%*

(Source: www.bseindia.com, www.nseindia.com)
Note 1: Assumed 250 trading days in a year.
**As per the CA certificate dated March 27, 2010 provided by Mr. Bharat Shah (Proprietor: Bharat Shah & Associates, Chartered Accountant, Membership no. 32281)*

7.1.3 The Offer Price of Rs 61.50 per share is justified, as in terms of Regulation 20(4) of the SEBI (SAST) Regulations, the minimum Offer Price should be the highest of the following:

(a)	The negotiated price under the SPA	Rs.50.75 per share
(b)	Highest price paid by the Acquirer for acquisitions including by way of allotment in a public issue or rights issue or preferential issue during the 26 weeks prior to the date of this Public Announcement i.e. March 29, 2010	Not applicable
(c)	The average of the weekly high and low of closing prices of the Equity Shares of the Target Company, on NSE where it was most frequently traded for the 26 week preceding the date of this Public Announcement i.e. March 29, 2010*	Rs. 55.88 per share
(d)	The average of the daily high and low prices of the Equity Shares of the Target Company, on the NSE where it was most frequently traded for the two week preceding the date of this Public Announcement i.e. March 29, 2010*	Rs. 61.49 per share

7.1.4 The 26 weeks average of weekly high and low of NSE closing prices prior to date of the Public Announcement:

Week No	Week ending	Low (Rs)	High (Rs)	Average (Rs)	Volume
1	October 9, 2009	56.70	56.70	57.52	81235962
2	October 17, 2009	54.50	57.05	57.04	809810
3	October 23, 2009	55.30	56.90	56.04	1067782

Week No	Week ending	Low (Rs)	High (Rs)	Average (Rs)	Volume
4	October 30, 2009	52.60	55.05	53.66	629699
5	November 6, 2009	50.90	53.55	53.86	488037
6	November 13, 2009	56.40	57.10	57.01	941415
7	November 20, 2009	56.80	58.05	58.04	2366370
8	November 27, 2009	54.95	57.95	55.05	1009172
9	December 4, 2009	55.45	58.05	57.77	885162
10	December 11, 2009	55.50	58.95	56.75	1435534
11	December 18, 2009	53.05	54.95	53.38	1841244
12	December 24, 2009	52.90	53.30	53.24	820532
13	December 31, 2009	53.55	54.80	54.79	576679
14	January 8, 2010	54.90	57.00	56.27	1490076
15	January 15, 2010	54.00	56.65	56.73	13221368
16	January 22, 2010	54.85	56.45	54.63	1065727
17	January 29, 2010	53.15	54.75	53.52	605298
18	February 6, 2010	52.50	54.95	52.83	366945
19	February 11, 2010	52.80	53.40	53.41	383609
20	February 19, 2010	53.55	55.65	54.27	348984
21	February 26, 2010	54.05	54.70	54.67	590977
22	March 5, 2010	54.75	61.35	60.69	14508946
23	March 12, 2010	57.65	60.30	59.77	1378596
24	March 19, 2010	58.95	59.85	59.79	614687
25	March 26, 2010	62.40	64.45	63.92	18531059

Source: (www.nseindia.com)

The 2 weeks average of daily high and low of NSE daily prices prior to the date of the Public Announcement:

Day	Date	Low (Rs)	High (Rs)	Average (Rs)	Volume
1	15 March 2010	58.00	59.75	59.05	1276133
2	16 March 2010	58.05	60.00	59.50	595827
3	17 March 2010	59.30	60.75	59.69	973879
4	18 March 2010	59.50	61.60	60.48	1665633
5	19 March 2010	58.10	60.45	59.79	614687
6	22 March 2010	59.00	65.40	63.34	10333798
7	23 March 2010	62.85	65.70	64.58	6971591
8	25 March 2010	63.70	66.10	65.13	3516822
9	26 March 2010	63.10	65.50	63.92	18531059

Source: (www.nseindia.com)

7.1.5 The Shares of the Target Company are not infrequently traded on any exchange in terms of Regulation 20(5) of the SEBI (SAST) Regulations.

On the basis of the above, i.e. paragraphs 7.1.1, 7.1.2, 7.1.3, 7.1.4 and 7.1.5, Offer Price of Rs 61.50 per Share is justified in terms of Regulation 20 of the SEBI (SAST) Regulations.

7.1.6 The Offer Price is in full compliance and is justified in terms of Regulation 20 of the SEBI (SAST) Regulations.

7.1.7 There is no non-compete agreement entered into by the Acquirers with the Seller.

7.1.8 As per the SEBI (SAST) Regulations, the Acquirer can revise the Offer Price / Offer Size up to 7 (seven) working days prior to the closure of this Offer, and the revision, if any, would be announced in the same newspapers where the Public Announcement has appeared and the revised price will be paid for all Shares acquired pursuant to this Offer.

7.2 **Financial Arrangements**

7.2.1 The total funding requirement for the Offer (assuming full acceptances) i.e. for the acquisition of up to 133,159,678 Equity Shares held by public shareholders in the Target Company at Rs. 61.50 per Equity Share is Rs. 8,189,320,197 (Rupees Eight hundred and eighteen crore ninety three lakh twenty thousand one hundred and ninety seven only) (the **"Maximum Consideration"**).

7.2.2 The Acquirers, JM Financial and HDFC Bank ("Cash Escrow Agent"), a banking corporation incorporated under the laws of India and having one of its branch offices at Manekji Wadia Building, Nanek Motwane Marg, Fort, Mumbai 400 001 have entered into an escrow agreement for the purpose of the Open Offer (the **"Cash Escrow Agreement"**) dated March 27, 2010 in accordance with Regulation 28 of the SEBI (SAST) Regulations. Pursuant to the Escrow Agreement, Acquirers had established a cash deposit for an amount of Rs. 970.00 million, which is in excess of the minimum escrow amount required as per the SEBI (SAST) Regulations being the sum of 25% of the value of the total consideration up to Rs. 1,000.00 million and 10% of the value of the total consideration beyond Rs. 1,000.00 million payable under the Open Offer (assuming full acceptances). Acquirers had empowered JM Financial to instruct Escrow Agent to make appropriation and / or payment from Funds in the Escrow Account and Special Account in accordance with SEBI (SAST) Regulations.

7.2.3 The Acquirers have made firm financial arrangements for financing the acquisition of the Equity Shares under the Open Offer, in terms of regulation 16(xiv) of the SEBI (SAST) Regulations. The Acquirers have tied up debt facilities to the extent of Rs.7,300.00 million, from various Non-Banking Finance Companies ("NBFCs").

7.2.4 Mr. Bharat Shah (Proprietor: Bharat Shah & Associates, Chartered Accountants, Membership no. 32281) have vide their letter dated March 27, 2010 certified on the basis of the funds available with the Acquirers and committed credit lines, that Acquirers has sufficient means and financial capability for the purpose of acquiring in cash up to 133,159,678 fully paid up Equity Shares (being 20 % of the issued share capital of the Target Company) at an Offer Price of Rs. 61.50 per Equity Share for a total consideration of approximately Rs. 8,189,320,197 (Rupees Eight hundred and eighteen crore ninety three lakh twenty thousand one hundred and ninety seven only).

7.2.5 Based on the above funding of escrow account to the extent of Maximum Consideration, i.e. the sum of 25% of the value of the total consideration up to Rs. 1,000.00 million and 10% of the value of the total consideration beyond Rs. 1,000.00 million payable under the Open Offer (assuming full acceptances) and further to the certificate provided by the chartered accountants, the Manager to the Offer confirms that adequate funds are available and the Acquirers will be able to fulfill their obligations under the Open Offer.

8 TERMS AND CONDITIONS OF THE OFFER

8.1 Statutory Approvals required for the Offer

8.1.1 The Open Offer may be subject to approval from the Reserve Bank of India ("RBI") as may be required under the Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder.

8.1.2 The Acquirers shall within 15 days from the date of the closure of the Open Offer complete all the procedures relating to the Open Offer including payment of consideration to the shareholders who have accepted the Open Offer.

8.1.3 To the best of the Acquirers knowledge as of the date of the Public Announcement, there are no statutory approvals required to implement the Open Offer other than the one specified above. If any other statutory approvals become applicable prior to completion of the Open Offer, the Open Offer would also be subject to such other statutory approvals. Acquirers will have the right not to proceed with the Open Offer in the event any of the statutory approvals that are required are refused in terms of Regulation 27 of the SEBI (SAST) Regulations.

8.1.4 In case of delay in receipt of any statutory approval(s), SEBI has the power to grant an extension of time to Acquirers for payment of consideration to public shareholders of the Target Company, subject to Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. However, if the Acquirers fail to obtain statutory approvals in time on account of the willful default or neglect or inaction or non-action by Acquirers in obtaining the requisite approval(s), the amount held in the escrow account shall be subject to forfeiture and be dealt with in the manner provided in the SEBI (SAST) Regulations.

8.1.5 To the best of its knowledge, the Acquirers do not require any approvals from financial institutions or banks for the Open Offer.

8.2 The Letter of Offer relating to the Offer (the **"Letter of Offer")** together with the Form of Acceptance cum Acknowledgement will be mailed to the Shareholders of the Target Company whose names appear on the Register of Members of the Target Company and to the beneficial owners of the Shares of the Target Company in dematerialized form whose names appear on the beneficial records of the respective Depositories, in either case, at the close of the business on April 9, 2010 (the **"Specified Date").**

8.3 The acceptance of the Offer is entirely at the discretion of the Shareholders of the Target Company. The Acquirer will not be responsible in any manner for any loss of Equity Share certificate(s) and offer acceptance documents during transit and the Shareholders of the Target Company are advised to adequately safeguard their interest in this regard.

8.4 Shares that are subject to any charge, lien or encumbrance are liable to be rejected. Applications in respect of Shares of the Target Company that are subject matter of litigation wherein the Shareholders of the Target Company may be prohibited from transferring the Shares during the pendency of the said litigation are liable to be rejected if the directions / orders regarding these Shares are not received together with the Shares tendered under the Offer. The Letter of Offer in some of these cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.

A schedule of the activities pertaining to the Offer is given below:-

Activity	**Date & Day**
Public Announcement	Monday - March 29, 2010
Specified Date*	Friday - April 9, 2010
Last date for a competitive bid	Monday - April 19, 2010
Date by which Letter of Offer to be dispatched to shareholders	Thursday – June 3, 2010
Date of opening of the Offer	Monday - June 7, 2010
Last date for upward revision of the Offer Price / number of Shares	Thursday – June 17, 2010
Last Date for withdrawing acceptance of the Offer	Monday – June 21, 2010
Date of closing of the Offer	Saturday – June 26, 2010
Last date of communicating rejection/acceptance and payment of consideration for accepted tenders and/or the un accepted Equity Shares/share certificates will be dispatched/credited	Saturday – July 10, 2010

* *Specified date is only for the purpose of determining the names of the Shareholders as on such date to whom the Letter of Offer would be sent and all owners (registered or unregistered) of the Shares of the Target Company (except Acquirer) are eligible to participate in the Offer anytime before the closing of the Offer.*

9 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

9.1 Procedure for accepting the Offer by eligible persons, unregistered Shareholders, owners of Shares who have sent them for transfer or those who did not receive the Letter of Offer

9.1.1 Shareholders of the Target Company, who wish to accept this Offer are free to offer their shareholding in whole or in part and should forward the under mentioned documents to the Registrar to the Offer at their office at Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad 500 081, Tel No: 040 2342 0818-23, Fax No: 040 2343 1551, either by hand delivery on weekdays (except on Saturday falling on June 26, 2010 being the Offer closure date) or by Registered Post, on or before the closure of the Offer, i.e., no later than June 26, 2010 or at the Collection Centres, so as to reach the Registrar to the Offer / Collection Centres on or before the close of business hours, i.e., no later than 4:00 pm on June 26, 2010 in accordance with the instructions specified in this Letter of Offer and in the Form of Acceptance. Shareholders are advised to ensure that the Form of Acceptance and other documents are complete in all respect, otherwise the same is liable to be rejected. In the case of dematerialized shares, the shareholders are advised to ensure that their shares are credited in favour of the Special Depository Account (as described in para 9.1.3 herein below) before the closure of the Offer. The Form of Acceptance of such dematerialized shares, not credited in favour of the Special Depository Account before the closure of the Offer, will be rejected.

9.1.2 **For Shares held in physical form:**

a. Shareholders of the Target Company who are holding Shares in physical form and who wish to tender their Shares will be required to send the Form of Acceptance cum Acknowledgement, original Share Certificate(s) and transfer deed(s) duly signed to the Registrar to the Offer Karvy Computershare Private Limited ("Registrar to the Offer"/ "Karvy"), either by hand delivery on weekdays (except on Saturday falling on June 26, 2010 being the Offer closure date) or by Registered Post, so as to reach on or before the close of the Open Offer, i.e., no later than June 26, 2010, (by 4:00 pm) in accordance with the instructions specified in this Letter of Offer and in the Form of Acceptance cum Acknowledgement.

b. Unregistered owners can send their application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, number of shares tendered, distinctive numbers, folio number, together with the original share certificate(s), valid transfer deeds and the original contract notes issued by the broker through whom they acquired their Shares and valid share transfer forms as received from the market No indemnity is required from the unregistered owners. Unregistered owners should not sign the transfer deed and the transfer deed should be valid for transfer.

9.1.3 **For Shares held in dematerialized form**

a. The Registrar to the Offer has opened a Special Depository Account with Central Depository Securities Limited ("CDSL") as Depository, Edelweiss Securities Private Limited as Depository Participant, called "PSL Open Offer KCPL Escrow Account". The DP ID is 12032300 and Client ID is 00320491. Shareholders of the Target Company having their beneficiary account in National Services Depository Limited ("NSDL") shall use the inter-depository delivery instruction slip for the purpose of crediting their Shares in favor of the special depository account with CDSL.

b. Beneficial owners (holders of shares in dematerialized form) who wish to tender their shares of the Target Company will be required to send their FOA along with the photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by the Depository Participant ("DP"), in favour of the Special Depository Account to the Registrar to the Offer at Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad 500 081. Telephone

No: 040 2342 0818-23, Fax No: 040 2343 1551, Email: murali@karvy.com, either by hand delivery on weekdays (except on Saturday falling on June 26, 2010 being the Offer closure date) or by Registered Post acknowledgement due, so as to reach on or before the close of the Open Offer, i.e., no later than June 26, 2010, in accordance with the instructions to be specified in the Letter of Offer and in the FOA. The credit for the delivered shares should be received in the Special Depository Account on or before the close of the Open Offer, i.e., no later than June 26, 2010.

9.1.4 In addition to the above-mentioned address, the shareholders of the Target Company who wish to tender their equity shares in the Open Offer can also deliver the FOA along with all of the relevant documents at any of the collection centers below in accordance with the procedure as set out in the Letter of Offer. All of the centers of mentioned herein below will be open as follows:
(Monday to Friday: 10 a.m. to 4 p.m. except Public Holidays and on Saturday falling on June 26, 2010 being the Offer closure date)

Collection Centre	Address of Collection Centres	Contact Person	Phone No.	Fax	Mode of delivery
Mumbai	Karvy Computershare. Pvt Ltd. 24, Maharashtra Chamber. of Commerce. Lane, Opp. MSC Bank, Fort Mumbai – 400 023	Ms.Nutan Shirke	022-66381747 & 22842666	022-66331135	Hand Delivery
New Delhi	Karvy Computershare. Pvt Ltd. 105-108, Arunachal Bldg., 19, Barakhamba Road, Connaught Place, New Delhi -110 001	Mr. Rakesh Kr Jamwal / Vinod Singh Negi	011-43509200	011-41036370	Hand Delivery
Ahmedabad	Karvy Computershare. Pvt Ltd. 201-203,Shail,Opp: Madhusudhan House Behind Girish Cold Drinks Off C G Road Ahmedabad ~ 380 006	Mr.Aditya Gupta/ Robert Joeboy	079-26400527 / 66614772	079-26565551	Hand Delivery
Chennai	Karvy Computershare. Pvt Ltd. No. 33/1, Venkatraman Street, T.Nagar, Chennai - 600017	Mr. Gunashekhar	044 – 28151793 / 28151794	044-28153181	Hand Delivery
Hyderabad	Karvy Computershare. Pvt Ltd. Plot No 17-24, Vithalrao Nagar, Madhapur, Hyderabad 500 081	Ms. Rinki Sareen	040-44655000 /23420818-23	040-23431551	Hand Delivery/ Regd Post
Kolkata	Karvy Computershare. Pvt Ltd. 49, Jatin Das Road, Nr.Deshpriya Park, Kolkatta 700 029	Mr. Sujit Kundu/ Mr. Debnath	033-24644866	033-24644866	Hand Delivery
Bengaluru	Karvy Computershare. Pvt Ltd. No.59, Skanda, Putana Road, Basavanagudi Bengaluru 560 004	Mr. Kumaraswamy / Ms.V Sudha	080-26621192	080-26621169	Hand Delivery

9.1.5 All owners (registered or unregistered) of Equity Shares of the Target Company except the Acquirers and parties to the SPA are eligible to participate in the Open Offer anytime before the closing of the Open Offer. Unregistered owners can send their application in writing to the Registrar to the Open Offer, on a plain paper stating the name, address, number of shares held, number of shares tendered, distinctive numbers, folio number, together with the original share certificate(s), valid transfer deeds and the original contract notes issued by the broker through whom they acquired their shares and valid share transfer forms as received from the market.

9.1.6 In case of non-receipt of the Letter of Offer, the eligible persons may (i) download the same from the SEBI website, (http://www.sebi.gov.in) (ii) obtain a copy of the same by writing to the Registrar to the Offer, or (iii) make an application to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, distinctive numbers, folio number, number of shares offered along with documents as mentioned above so as to reach the Registrar to the Offer on or before the close of the Open Offer, i.e., no later than June 26, 2010, or in case of beneficial owners, send the application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, number of shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favour of the special depository account, so as to reach the Registrar to the Offer, on or before the close of the Open Offer, i.e., no later than June 26, 2010.

9.1.7 Applications in respect of Equity Shares of the Target Company that are subject matter of litigation wherein the shareholders of the Target Company may be prohibited from transferring the Equity Shares during the pendency of the said litigation are liable to be rejected if the directions / orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Open Offer. Applications where there exists restraint order of the Court for transfer / disposal of equity shares or where loss of share certificates has been notified to Target Company are liable to be rejected. The Letter of Offer in some of these cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.

9.1.8 Duly executed FOA along with the share certificate(s) and share transfer form(s) should be sent only to the Registrar to the Offer and not to the Manager to the Offer or the Acquirers.

9.1.9 Pursuant to Regulation 22(5A) of the SEBI (SAST) Regulations, equity shareholders of the Target Company desirous of withdrawing the acceptance tendered by them in the Open Offer may do so up to three (3) working days prior to the closing date of the Open Offer. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer at any of the collection centers mentioned above as per the mode of delivery indicated therein on or before June 21, 2010.

(i) The withdrawal option can be exercised by submitting the Form of Withdrawal, which is enclosed with the Letter of Offer.

(ii) In case of non-receipt of the Form of Withdrawal, the withdrawal option can be exercised by making a plain paper application to the Registrar to the Offer, along with the following details:

- In case of physical shares: name, address, distinctive numbers, folio number, number of shares tendered; and

- In case of dematerialised shares: name, address, number of shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favor of the special depository account.

- The withdrawal of Equity Shares will be available only for the Share certificates/

Shares that have been received by the Registrar to the Offer or credited to the Special Depository Escrow Account.

- In case of partial withdrawal of Equity Shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of split share certificates from PSL. The facility of partial withdrawal is available only to Registered Shareholders.

9.1.10 The Registrar to the Offer will hold in trust the shares/share certificates, shares held in credit of the Special Depository Account, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the shareholders of the Target Company who have accepted the Open Offer, until the cheques/drafts for the consideration or the unaccepted shares/share certificates are dispatched/returned.

9.1.11 If the aggregate of the valid responses to the Offer exceeds the Offer size of 133,159,678 fully paid-up Equity Shares of the Target Company (representing 20% of the Voting Capital), then Acquirers shall accept the valid applications received on a proportionate basis in accordance with Regulation 21(6) of the SEBI (SAST) Regulations.

9.1.12 Shares held in Demat form to the extent not accepted will be returned to the Beneficial Owner to the credit of Beneficial Owner's Depository Account with the respective Depository Participant as per details furnished by the Beneficial Owner in the Form of Acceptance cum Acknowledgement. Where Form of Acceptance cum Acknowledgement complete in all respect is not received along with a copy of the delivery instruction duly acknowledged by the DP for off market trade before the closure of Offer (i.e. June 26, 2010), but credit of the equity shares is received into the abovementioned depository account or where no credit of the shares tendered is received in the Special Depository Account before the closure of Offer (i.e. June 26, 2010), even if Form of Acceptance cum Acknowledgement has been received by the company, then in such cases the shares tendered shall be treated as invalid and shares / Form of Acceptance cum Acknowledgement, as the case may be, shall not be considered for acceptance in the Open Offer. Unaccepted share certificates, transfer forms and other documents, if any, will be returned by Registered Post/Speed Post at the shareholders'/unregistered owners' sole risk to the sole/first shareholder.

9.1.13 Shareholders who have sent their shares for dematerialization need to ensure that the process of getting their shares dematerialized is completed in time for the credit in the Special Depository Account to be received on or before the closing date of the Open Offer, i.e., no later than June 26, 2010, or else their application will be rejected.

9.1.14 Payment of consideration will be made by crossed account payee cheques/ demand drafts and sent by registered post and / or speed post to those Shareholders / unregistered owners whose share certificates and other documents are found in order and accepted by the Acquirers, at the sole risk of Shareholders. All cheques / demand drafts will be drawn in the name of the first holder, in case of joint registered holders. It is desirable that shareholders provide bank details in the Form of Acceptance cum Acknowledgment, so that same can be incorporated in the cheque / demand draft.

9.1.15 Shares that are subject to any charge, lien or encumbrance are liable to be rejected

9.1.16 In case of shareholders tendering the locked-in shares in Open Offer, following should be noted in addition to above :

(i) Shareholders holding their shares in electronic form with a depository participant of CDSL shall prepare a Delivery Instruction Slip or Form (as specified by Depository) for the quantum of shares proposed to be tendered duly signed and get the signature thereon verified by their depository participant.

(ii) Shareholders holding their shares in electronic form with a depository participant of NSDL shall prepare an Inter-Depository Delivery Instruction Slip or Form (as specified by Depository) for the quantum of shares proposed to be tendered duly signed and get the signature thereon verified by their depository participant.

(iii) The form of acceptance along with the original of the delivery instruction slip or form (as specified by Depository) with the signature thereon duly verified by their DP shall be lodged with the Registrars to the Offer on or before June 26, 2010.

(iv) After the closure of the offer the Target Company shall initiate the process of transferring locked-in equity shares into the Special Depository Account through an appropriate corporate action and only those shares that get transferred in this process shall be considered for acceptance in the Open Offer.

(v) Target Company initiate corporate action to transfer back unaccepted shares in the Open Offer to the shareholder concerned and such shares will be locked in for the remaining period through an appropriate corporate action.

9.2 **Tax to be deducted at source**

i. As per the provisions of section 195(1) of the Income Tax Act, any person responsible for paying to a non-resident any sum chargeable to tax is required to deduct tax at source (including surcharge and education cess as applicable). Since the consideration payable under the Offer would be chargeable to capital gains under section 45 of the Income Tax Act or as business profits as the case may be, Acquirers will need to deduct tax at source (including surcharge and education cess) at the applicable tax rate on the consideration payable to the following categories of shareholders, which are Non-resident Indians, Overseas Corporate Bodies/non-Domestic companies and other persons who are not resident in India.

ii. As per the provisions of section 196D(2) there shall be no tax deduction at source on income of Foreign Institutional Investors by way of capital gains from the transfer of securities.

iii. For the purpose of determining as to whether the capital gains are short-term or long-term in nature, the Acquirers shall take action based on the information submitted by the aforementioned category of shareholders. In the case of any ambiguity, incomplete or conflicting information or the information not being provided to the Acquirers, the capital gain shall be assumed to be short-term in nature.

iv. The aforementioned categories of shareholders should certify in the Form of Acceptance cum Acknowledgement whether the Equity Shares are held by them on investment/capital account or on trade account.

v. As per the provisions of Section 206AA which come into effect from 1st April 2010, any person receiving a payment on which tax is deductible should obtain and provide a Permanent Account Number to the party making the payment. In absence of a PAN, the tax deducted at source shall be at the rate specified in the relevant provisions of the Income Tax Act 1962 or the rates in force or 20%, whichever is higher.

vi. In the event the aforementioned categories of shareholders require the Acquirers not to deduct tax or to deduct tax at a lower rate or on a lower amount, they would need to obtain a certificate from the Income Tax authorities either under section 195(3) or under section 197 of the Income Tax Act, and submit the same to Acquirers while submitting the Form of Acceptance cum Acknowledgement. In the absence of any such certificate from the Income Tax authorities, the Acquirers will deduct tax as aforesaid, and a certificate in the prescribed form shall be issued to that effect.

vii. No tax will be deducted at source for any other category of shareholders who are residents in India.

viii. While tendering the shares under the Offer, NRIs/ OCBs/ foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have been required to submit to acquire the shares of the Target Company. In case the previous RBI approvals are not submitted, Acquirers reserves the right to reject such shares tendered.

ix. The securities transaction tax will not be applicable to the shares accepted in the Offer.

10 DOCUMENTS FOR INSPECTION

10.1 **Material Documents for inspection by the public will be available at registered office of Acquirers at SKIL House, 209 Bank Street Cross Lane, Fort, Mumbai – 400 023, Maharashtra, India, between 2:00 pm to 4:00 pm on any day except Saturdays, Sundays and the Public Holidays till the closure of the Offer.**

10.1.1 Certificate of incorporation, memorandum and articles of association of the Acquirers (or their equivalent documents)

10.1.2 A copy of the Fund Sufficiency Certificate certifying the adequacy of financial resources of the Acquirers, issued by Bharat Shah & Associates to fulfill its obligation under the Open Offer

10.1.3 Audited annual reports of the Target Company and Acquirers for the last three years

10.1.4 A letter from HDFC Bank Limited, Fort Branch, Mumbai confirming the amount kept in the Escrow Account

10.1.5 A published copy of the Public Announcement dated March 29, 2010

10.1.6 A copy of the letter from SEBI in terms of proviso to Regulation 18(2)

10.1.7 A copy of the Escrow Agreement dated March 27, 2010 entered into by the Acquirer with HDFC Bank and the Manager to the Offer

10.1.8 A copy of the Agreement entered into with Depository participant for opening a special depository account for the purpose of the Offer

10.1.9 SPA dated March 27, 2010 entered into between SKIL, SSHL and Seller

10.1.10 Observation letter dated May 21 issued by SEBI in terms of proviso 18(2) of the SEBI (SAST) Regulations.

11 DECLARATION BY THE ACQUIRERS

11.1 The Acquirers and its Directors accept full responsibility for the information contained in the Letter of Offer, including the Form of Acceptance and Form of Withdrawal and also for the obligations of the Acquirers as laid down in terms of the SEBI (SAST) Regulations.

11.2 The Acquirers shall be responsible for fulfilling its obligations under the SEBI (SAST) Regulations.

11.3 I/We are authorized on behalf of the Acquirers to sign this Letter of Offer.

Signed for and on behalf of Board Of Directors of SKIL INFRASTRUCTURE LIMITED,

Sd/-
Authorized Officer

Signed for and on behalf of Board Of Directors of SKIL SHIPYARD HOLDINGS PRIVATE LIMITED

Sd/-
Authorised Officer

Date: May 31, 2010

Place: Mumbai

Enclosed :

1. FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

2. FORM OF WITHDRAWAL

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THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION
(Please send this Form with enclosures to the Registrars to the Offer at their address given overleaf)

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

(All terms and expressions used herein shall have the same meaning as ascribed thereto in the Letter of Offer dated May 31, 2010)

(*To be filled in by the Shareholder)*

Folio No./ DP ID / Client ID	Sr. No.	No. of Shares held

OFFER SCHEDULE		
OPENS ON	:	**Monday, June 7, 2010**
CLOSES ON	:	**Saturday, June 26, 2010**

From :

Name :

Address :

Status: Resident / Non-Resident

Tel. No. Fax No. E-mail :

To,
Pipavav Shipyard Limited
C/o. Karvy Computershare Private Limited
Plot No. 17 – 24, Vittal Rao Nagar, Madhapur,
Hyderabad – 500 081

Dear Sir / Madam,

Sub.: Cash Open Offer to acquire upto 133,159,678 fully paid up Equity Shares of Rs. 10/- each representing 20.00% of the Voting Capital of Pipavav Shipyard Limited ("PSL") ("The Offer") at a price of Rs. 61.50/- per Share ("Offer Price") in accordance with the above referred Letter of Offer.

I/We refer to the Letter of Offer for acquiring the Equity Shares held by me/us in **PSL.**
I/We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.

SHARES HELD IN PHYSICAL FORM

I/We hold the following shares in physical form and accept the offer and enclose the original share certificate(s) and duly signed transfer deed(s) in respect of my / our shares as detailed below:

Ledger Folio No: ___________ No. of share certificates: ___________ No. of shares: ___________

Sr. No.	Certificate No	Distinctive Nos.		No. of Equity Shares
		From	To	
1.				
2.				
3.				
Total number of Equity Shares				

(In case of insufficient space, please use an additional sheet and authenticate the same)

SHARES HELD IN DEMAT FORM

I/We hold the following shares in Demat Form and accept the Offer and enclose a photocopy of the Depository Delivery Instruction(s) duly acknowledged by DP in respect of my/our Equity Shares as detailed below:

DP Name	DP ID	Client ID	Name of Beneficiary	Total No. of Shares

……………………………………………………………………………….**Tear along this line**……………………………………………………………………………………………

Acknowledgement Slip

Pipavav Shipyard Limited – Open Offer
KARVY COMPUTERSHARE PRIVATE LIMITED
Plot No. 17 – 24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081. Contact person: Mr. Murali Krishna

FOLIO NO. / DPID **Client ID** **Sr. No.**

Received from Mr. /Ms. ____

Form of Acceptance along with (Please put tick mark in the box, whichever is applicable)	Signature of official and Date of Receipt	Stamp of Collection Centre
☐ Physical Form: ____ number of Certificate for ________ number of Shares along with Transfer Deed. ☐ Demat Form (including locked-in shares) : Copy of DP Delivery Instruction Slip / Inter-Depository Delivery Instruction Slip / Form for transfer of locked-in shares with signature verified by DP (as applicable) ________ number of Shares		

	Full Name(s) of the Holders	PAN No.	Signature(s)
First / Sole Holder			
Joint Holder 1			
Joint Holder 2			

Note: In case of Joint holdings, all holders must sign. In case of Bodies Corporate a stamp of the Company should be affixed and necessary Board Resolution should be attached.

*** Enclosures:**

☐ Power of Attorney ☐ No Objection Certificate and Tax exemption Certificate under Income-Tax Act,1961, for NRIs/ OCBs/Foreign Shareholders as applicable.
☐ Death Certificate / Succession Certificate ☐ Corporate authorization in case of Companies / FIIs along with Board Resolution and Specimen Signatures of Authorised Signatories ☐ Attested copies of PAN Card of all shareholders ☐ RBI approval
☐ Others (please specify) : __________________________

Payment for accepted shares / the unaccepted shares, if any, will be dispatched / credited by July 15, 2010.

I/We have done an off-market transaction for crediting the shares to the Special Depository Account with Edelweiss Securities Private Limited, opened with CDSL, as "PSL Open Offer KCPL Escrow Account" whose particulars are:

DP Name – Edelweiss Securities Private Limited	**DP ID : 12032300**	**Client ID : 00320491**

Shareholders having their Beneficiary account with NSDL have to use **INTER-DEPOSITORY INSTRUCTION SLIP** for the purpose of crediting their shares in favour of Special Depository Account with CDSL.

LOCKED-IN SHARES HELD IN DEMAT FORM

I/We hold the following locked-in shares in Demat Form and accept the Offer and enclose a photocopy of the Depository Delivery Instruction(s) Slip / Form (as specified by depository) duly acknowledged by DP for signature verification in respect of my/our Equity Shares as detailed below:

DP Name	DP ID	Client ID	Name of Beneficiary	Total No. of Shares

I/We hereby authorize you to initiate corporate action process for transfer of locked in shares to Special Depository Account

Documents enclosed with the Form of Acceptance are stated below

For NRIs/OCBs/FIIs/Foreign Shareholders:

I/We have enclosed the following documents:

☐ No Objection Certificate / Tax Clearance Certificate from Income Tax Authorities.

☐ Previous RBI approvals for holding the shares of PSL hereby tendered in the Offer.

☐ Copy of Permanent Account Number (PAN) Letter / PAN Card

For FII Shareholders : I/We confirm that the Equity Shares of PSL are held by me/us on ☐ Investment/Capital Account OR ☐ Trade Account.
(☐ whichever is applicable in your case)

In case the shares are held on trade account, kindly enclose a certificate stating that you are a tax resident of your country of residence/ Incorporation and that you do not have a "permanent establishment" in India in terms of the Double Taxation Avoidance Agreement (DTAA) entered into between India and your country of residence.

In order to avail the benefit of lower rate of tax deduction under the DTAA, if any, kindly enclose a certificate stating that you are a tax resident of your country of incorporation in terms of the DTAA entered into between India and your country of residence.

For NRIs/OCBs Shareholders:

1. I/We confirm that the equity shares of PSL are held by me/us on ☐ Investment/Capital Account OR ☐ Trade Account.
   ([☐])whichever is applicable in your case)
2. I/We confirm that the equity shares of PSL are held by me/us as ☐ Long Term Capital Asset OR ☐ Short Term Capital Asset.
   ([☐])(whichever is applicable in your case)

In case the shares are held on trade account, kindly enclose a certificate stating that you are a tax resident of your country of residence/ Incorporation and that you do not have a "permanent establishment" in India in terms of the Double Taxation Avoidance Agreement (DTAA) entered into between India and your country of residence.

In order to avail the benefit of lower rate of tax deduction under the DTAA, if any, kindly enclose a certificate stating that you are a tax resident of your country of incorporation in terms of the DTAA entered into between India and your country of residence.

- I/We confirm that the Equity Shares of PSL which are being tendered herewith by me/us under this Offer, are free from liens, charges and encumbrances of any kind whatsoever.
- I/We note and understand that the original share certificate(s) and the valid share transfer deed(s) will be held in trust for me/us by the Registrar to the Offer until the Acquirers makes payment of the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirers will pay the consideration only after verification of the documents.
- I/We note and understand that the Shares would lie in the said A/c. i.e. "**PSL Open Offer KCPL Escrow Account**" until the Acquirers makes payment of the purchase consideration as mentioned in the Letter of Offer.
- I/We authorize the Acquirers to accept the shares so offered, which they may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer;
- I/We confirm that in case of non-receipt of the aforesaid documents, but receipt of the Shares in the Special Depository Escrow Account, the Acquirers may deem the Offer to have been accepted by me/us; and

-- TEAR ALONG THIS LINE --

Note: All future correspondence, if any, in connection with this Offer, should be addressed to Registrar to the Offer :

All queries in this regard to be addressed to the Registrar to the Offer
at the following address quoting your Reference Folio No. / DPID / Client Id

Karvy Computershare Private Limited,
Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad 500 081
Tel No. 040 2342 0818-23, Fax No 040 2343 1551, murali@karvy.com

- I/We further authorize the Acquirers to return to me/us, the Equity Share Certificate(s) in respect of which the offer is not found valid / not accepted, specifying the reasons thereof and in the case of dematerialized shares, to the extent not accepted will be released to my Depository Account at my sole risk.
- I/We authorize the Acquirers or the Manager to the Offer or the Registrar to the Offer to send by Registered Post / UCP / Speed Post, the draft/cheque, in settlement of the amount to the sole/firstholder at the address mentioned above.

Yours faithfully,

Signed and Delivered Place: Date:

	Full Name(s) of the Holders	PAN No.	Signature(s)
First / Sole Holder			
Joint Holder 1			
Joint Holder 2			

Note: In case of Joint holdings, all holders much sign. In case of Bodies Corporate a stamp of the Company should be affixed and necessary Board Resolution should be attached.

So as to avoid fraudulent encashment in transit, the shareholder(s) holding shares in physical form may provide details of bank account of the first / sole shareholder and the consideration payment will be drawn accordingly. For shares that are tendered in electronic form, the bank particulars as recorded with the Depository Participant and stated below will be printed on the cheque, demand draft. Shareholders are advised to update their Bank Account details including Account Number, MICR code and other demographic details with their depository participant to ensure the payment is credited correctly to their Bank Account. Please indicate the preferred mode of receiving the payment consideration. (Please tick)

1) Electronic Mode: ________________________ 2) Physical Mode: ________________________

In case of any change in Bank Details, please indicate below:

Particulars Required	Details
Name of the Bank	
Branch	
A/c. No. and Type	
9 Digit MICR Code	
IFSC Code (for RTGS / NEFT transfers)	

*** Enclosures:**

☐ Power of Attorney ☐ No Objection Certificate and Tax exemption Certificate under Income-Tax Act,1961, for NRIs/ OCBs/Foreign Shareholders as applicable.

☐ Death Certificate / Succession Certificate ☐ Corporate authorization in case of Companies / FIIs along with Board Resolution and Specimen Signatures of Authorised Signatories

☐ Attested copies of PAN Card of all shareholders ☐ RBI approval ☐ Others (please specify) : __________________________

INSTRUCTIONS

1. In the case of dematerialized shares, the shareholders are advised to ensure that their shares are credited into the special depository account, before the closure of the Offer. The Form of Acceptance cum Acknowledgement of such demat shares not credited into the special depository account, before the closure of the Offer will be rejected.
2. Shareholders should enclose the following :

   I. All shareholders, besides providing their PAN No. in the Form of Acceptance, should also enclose a self attested copy of their PAN Cards in their applications.

   II. For Equity Shares held in demat form :

   Free shares -

   ☐ Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein.

   ☐ Photocopy of the delivery instruction in "Off-Market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP.

   a. Photocopy of the interdepository delivery instruction slip if the beneficiary holders having an account with Central Depository Services (India) Ltd

   ☐ For each Delivery instruction, the beneficial owner should submit separate Form of Acceptance

   Locked-in shares -

   ☐ Delivery Instruction Slip or Form (as specified by Depository) for the lock-in shares proposed to be tendered with the signature thereon verified by their depository participant.

   - After the closure of the offer the Target Company shall initiate the process of transferring locked-in equity shares into the Special Depository Account through an appropriate corporate action and only those shares that get transferred in this process shall be considered for acceptance in the Open Offer.

   In case of non-receipt of the aforesaid documents but receipt of the shares in the special depository account, or non-receipt of the shares in special depository account but receipt of the aforementioned documents, the shares tendered shall be treated as invalid and the form of acceptance shall not be considered for acceptance in Open Offer.

III. **For Equity Shares held in physical form :-**

a) **Registered Shareholders should enclose** :

- ☐ **Form of Acceptance-cum-Acknowledgement** duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the share certificate(s).
- ☐ **Original Share Certificate(s).**
- ☐ **Valid Share Transfer Form(s)** duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with PSL and duly witnessed at the appropriate place. A blank Share Transfer form is enclosed along with the Letter of Offer.
- ☐ Attestation, where required (thumb impressions, signature difference, etc.) should be done by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a Public Office and authorized to use the seal of his office or a member of a recognized stock exchange under their seal of office and membership number or manager of the transferor's bank.

In case of registered shareholder, non-receipt of the aforesaid documents, but receipt of the share certificates along with the duly completed transfer form, the Offer shall be deemed to be accepted.

b) **Unregistered owners should enclose** :

- ☐ **Form of Acceptance-cum-Acknowledgement** duly completed and signed in accordance with the instructions contained therein.
- ☐ **Original Share Certificate(s).**
- ☐ **Original broker contract note.**
- ☐ **Valid Share Transfer form(s)** as received from the market, duly stamped and executed as the proposed transferee(s) along with blank transfer form duly signed as transferor(s) by the said proposed transferee(s) and witnessed at the appropriate place. The details should be left blank. The details of the Acquirer as transferee will be filled by the Acquirer upon verification of the Form of Acceptance and the same being found valid. All other requirements for valid transfer will be precondition for acceptance.

3. The share certificate(s) share transfer form(s) and the Form of Acceptance-cum-Acknowledgement should be sent only to the Registrar to the Offer and not to the Manager to the Offer or the Acquirers or PSL.
4. Shareholders having their beneficiary account in NSDL have to use "INTER DEPOSITORY DELIVERY INSTRUCTION SLIP" for the purpose of crediting their shares in the favour of the special depository account with CDSL.
5. Non-Resident shareholders should enclose a copy of the permission received from RBI for the Equity Shares held by them in PSL. If, the shares are held under General Permission of RBI, the non-resident shareholder should furnish a copy of the relevant notification / circular pursuant to which the shares are held and state whether the shares are held on repatriable or non-repatriable basis.
6. NRIs, OCBs and foreign shareholders are required to furnish Bankers Certificates certifying inward remittance of funds for acquisition of shares of PSL.
7. Non-resident shareholders should enclose No Objection Certificate / Exemption Certificate from the Income Tax Authorities under Income Tax Act, 1961, indicating the tax to be deducted, if any, by the Acquirer before remittance of consideration. Otherwise tax will be deducted, at maximum marginal rate as may be applicable to the category and status of the shareholder, on the full consideration payable by the Acquirer.
8. FIIs are requested to enclose the SEBI Registration Letter; OCBs are requested to enclose Form OAC of the current year.

(In case OCBs tender shares a specific RBI approval needs to be obtained)

	Collection Centre	Address of Collection Centres	Contact Person	Phone No.	Fax	Mode of delivery
1	Mumbai	Karvy Computershare. Pvt Ltd. 24, Maharashtra Chamber. of Commerce. Lane, Opp. MSC Bank, Fort Mumbai – 400 023	Ms.Nutan Shirke	022-66381747 & 22842666	022-66331135	Hand Delivery
2	New Delhi	Karvy Computershare. Pvt Ltd. 105-108, Arunachal Bldg., 19, Barakhamba Road, Connaught Place, New Delhi -110 001	Mr. Rakesh Kr Jamwal / Vinod Singh Negi	011-43509200	011-41036370	Hand Delivery
3	Ahmedabad	Karvy Computershare. Pvt Ltd. 201-203,Shail,Opp: Madhusudhan House Behind Girish Cold Drinks Off C G Road Ahmedabad ~ 380 006	Mr.Aditya Gupta/ Robert Joeboy	079-26400527/ 66614772	079-26565551	Hand Delivery
4	Chennai	Karvy Computershare. Pvt Ltd. No. 33/1, Venkatraman Street, T.Nagar, Chennai - 600017	Mr. Gunashekhar	044 – 28151793/ 28151794	044-28153181	Hand Delivery
5	Hyderabad	Karvy Computershare. Pvt Ltd. Plot No 17-24, Vithalrao Nagar, Madhapur, Hyderabad 500 081	Ms. Rinki Sareen	040-44655000-23420818-23	040-23431551	Hand Delivery/ Regd Post
6	Kolkatta	Karvy Computershare. Pvt Ltd. 49, Jatin Das Road, Nr.Deshpriya Park, Kolkatta 700 029	Mr. Sujit Kundu/ Mr. Debnath	033-033-24644866	033-24644866	Hand Delivery
7	Bengaluru	Karvy Computershare. Pvt Ltd. No.59, Skanda, Putana Road, Basavanagudi Bengaluru 560 004	Mr. Kumaraswamy/ Ms.V Sudha	080- 26621192	080-26621169	Hand Delivery

Collection timings for all the locations mentioned above will be 10 am to 4pm Monday to Friday (except Public Holidays and on Saturday falling on June 26, 2010 being the Offer closure date).

Applicants who cannot hand deliver their documents, at the Collection Centres, may send their documents only by Registered Post, at their own risk, to the Registrars at **Karvy Computershare Private Limited,** Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad 500 081, Tel No. 040 2342 0818-23, Fax No 040 2343 1551., murali@karvy.com, Contact Person: Murali Krishna, so as to reach the Registrars on or before the closure of the Offer.

Checklist of Documents to be submitted by the Shareholders
(to be read along with Letter of Offer)

I. <u>Physical Form</u>

- ☐ Registered Shareholders Form of Acceptance duly completed and signed
- ☐ Original Share Certificate(s)
- ☐ Valid Share Transfer Deed(s) duly signed as transferors by all shareholder(s) and duly witnessed.
- ☐ Self attested copy of PAN Card of the accountholders

II. <u>Dematerialised Form</u>

Free shares -

- ☐ Form of Acceptance duly completed and signed
- ☐ Photocopy of the Delivery Instructions or counterfoil of the Delivery Instructions in “Off-Market” mode, duly acknowledged by the DP.
- ☐ Photocopy of the Interdepository Delivery Instruction Slip (for beneficiary owners maintaining an account with NSDL)
- ☐ Self attested copy of the PAN card of the accountholders

Locked-in shares -

- ☐ Delivery Instruction Slip or Form (as specified by Depository) with signature duly verified by the depository participant
- ☐ Self attested copy of the PAN card of the accountholders

<u>Unregistered Shareholders</u>

- ☐ Form of Acceptance duly completed and signed and
- ☐ Valid Share Transfer form(s) as received from the market duly stamped and executed in their favour as proposed transferee along with another valid transfer form duly signed as transferor(s) by the said purposed transferee and witnessed.
- ☐ Original Share Certificate(s)
- ☐ Original broker contract note, if any
- ☐ Photocopy of the acknowledgement of lodgement or receipt by the Registrars.

<u>Self attested copy of the PAN card of the proposed transferees</u>

III. <u>Non-Resident Shareholders</u>

- ☐ RBI approval
- ☐ Bankers Certificate Certifying Inward Remittance
- ☐ No objection certificate / Tax exemption certificate from ITO
- ☐ For FIIs, SEBI Registration Letter
- ☐ For OCBs, Form OAC of the latest year.
- Self attested copy of the PAN card of the accountholders

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THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form with enclosures to the Registrar to the Offer at their address given overleaf)

FORM OF WITHDRAWAL

(*To be filled in by the Shareholder)*

PSL – OPEN OFFER	
OPENS ON	Monday, June 7, 2010
LAST DATE OF WITHDRAWAL	Monday, June 21, 2010
CLOSES ON	Saturday, June 26, 2010

From :

Name :

Address :

Tel : **Fax** :

Email :

THIS FORM SHOULD BE USED BY THE SHAREHOLDERS ONLY FOR EXERCISING THE WITHDRAWAL OPTION AS PROIVDED IN THE LETTER OF OFFER.

To,
Pipavav Shipyard Limited
C/o. Karvy Computershare Private Limited
Plot No. 17-24, Vittal Rao Nagar, Madhapur,
Hyderabad 500 081

Dear Sir,

Sub.: Cash Open Offer to acquires upto 133,159,678 fully paid up Equity Shares of Rs. 10/- each representing 20.00% of the Voting Capital of Pipavav Shipyard Limited ("PSL") ("The Offer") at a price of Rs. 61.50/- per Share ("Offer Price") in accordance with the above referred Letter of Offer -

Withdrawal of the shares tendered in the Offer

I/We refer to the Letter of Offer dated May 31, 2010, for acquiring the Shares held by me/us in **PSL.**

I/We, the undersigned have read the Letter of Offer, understood its contents and unconditionally accept the terms and conditions and procedure as mentioned therein.

I/We, the undersigned, have read the procedure for withdrawal of equity shares tendered by me/us in the offer as mentioned in the Letter of Offer and unconditionally agree to the terms and conditions mentioned therein.

I/We hereby consent unconditionally and irrevocably to withdraw my/our Shares from the Offer and I/We further authorise the Acquirers to return to me/us, the tendered equity share certificate(s)/ share(s) at my/our sole risk.

I/We note that upon withdrawal of my/our Shares from the Offer, no claim or liability shall lie against the Acquirers/Manager to the Offer/Registrar to the Offer.

I/We note that this Form of Withdrawal should reach the Registrar to the Offer at any of the collection centers mentioned in the Letter of Offer or below as per the mode of delivery indicated therein on or before the last date of withdrawal i.e., no later than 1600 hours on June 21, 2010.

…………………………..………………………………….Tear along this line…………..…………………………………………………….........

Pipavav Shipyard Limited – Open Offer **Acknowledgement Slip**

KARVY COMPUTERSHARE PRIVATE LIMITED

Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad 500 081 Contact Person: Murali Krishna

FOLIO NO./DP ID / Client ID **Sr. No.** ____________________

	Signature of official and Date of Receipt	Stamp of Collection Centre
Received from Mr. /Ms.____________________ Form of Withdrawal alongwith Acknowledgement / Delivery Instructions / Copy of Form of Acceptance ________________________		
For Physical Form – **Physical Shares** - No. of Shares tendered__________________ / Withdrawal request for ____________ shares Fresh Transfer Form for _______________shares (in case of partial withdrawal)		
Demat Form – **Demat Shares** No. of Shares tendered__________________ / Withdrawal request for ____________ shares		

Note: All future correspondence, if any, in connection with this Offer, should be addressed to Registrar to the Offer : Karvy Computershare Private Limited, Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad 500 081, Tel No. 040 2342 0818-23, Fax No 040 2343 1551., murali@karvy.com, Contact Person: Murali Krishna

I/We note that the Acquirers/Manager to the Offer/Registrar to the Offer shall not be liable for any postal delay/loss in transit of the Shares held in physical form and also for the delay in non-receipt of Shares held in the dematerialised form in the Depository account due to inaccurate/ incomplete particulars/instructions.

I/We also note and understand that the Acquirers will return the original share certificate(s), share transfer deed(s) and Shares only on completion of verification of the documents, signatures and beneficiary position as available from the Depository from time to time.

The particulars of the tendered Share(s) that I/We wish to withdraw are detailed below:

Ledger Folio No: _______________ No. of share certificates: _______________ No. of shares: _______________

Sr. No.	Certificate No.	Distinctive Nos.		No. of Equity Shares
		From	To	
	TENDERED			
1.				
2.				
3.				
	WITHDRAWN			
1.				
2.				
3.				

(In case of insufficient space, please use an additional sheet and authenticate the same).

I/We hold the following Shares in dematerialised Form and have tendered the shares in the Offer and had done an off-market transaction for crediting the Shares to the special depository account **"PSL Open Offer KCPL Escrow Account"** as per the following particulars:

DP Name –Edelweiss Securities Private Limited	**DP ID : 12032300**	**Client ID : 00320491**

Please find enclosed a photocopy of the Depository Delivery Instruction(s) duly acknowledged by the Depository Participant.

I/We hold the following locked-in shares in dematerialised Form and have filled the Depository Delivery Instruction(s) Slip / Form (as specified by depository) duly acknowledged by DP for signature verification for crediting the locked-in Shares to the special depository account **"PSL Open Offer KCPL Escrow Account"** as per the following particulars:

DP Name –Edelweiss Securities Private Limited	**DP ID : 12032300**	**Client ID : 00320491**

Please find enclosed a photocopy of the Depository Delivery Instruction(s) / Form (as specified by depository) duly acknowledged by DP for signature verification.

The particulars of the account from which my/our Shares have been tendered (including locked-in shares) that I/We wish to withdraw, are as detailed below:

DP Name	**DP ID**	**Client ID**	**No of Shares Tendered**
Name of the Beneficiary		**No of Shares to be withdrawn***	

……………………..……………………………………Tear along this line…………..……………………………………………………….........

All queries in this regard to be addressed to the Registrar to the Offer

Karvy Computershare Private Limited,
Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad 500 081
Tel No. 040 2342 0818-23, Fax No 040 2343 1551, murali@karvy.com
Contact Person: Murali Krishna

I/We note that the Shares will be credited back only to that Depository Account, from which the Shares have been tendered and necessary standing instructions have been issued in this regard.

I/We confirm that the particulars given above are true and correct.

In case of dematerialised Shares (including locked-in shares), I/We confirm that the signatures have been verified by the DP as per their records and the same have been duly attested.

*In case of dematerialised Shares being locked-in shares, we request you not to initiate corporate action for transfer of shares to Special Depository Account.

Yours faithfully,

Signed and delivered

	FULL NAME(S) OF THE HOLDERS	SIGNATURE(S)	VERIFIED AND ATTESTED BY US. PLEASE AFFIX THE STAMP OF DP (IN CASE OF DEMAT SHARES) / BANK (IN CASE OF PHYSICAL SHARES)
First / Sole Holder			
Joint Holder 1			
Joint Holder 2			

Note: In case of joint holdings, all holders must sign. A Corporation must affix its rubber s tamp and necessary Board Resolution should be attached.

Place :

Date :

INSTRUCTIONS

1. **Shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at any of the Collection Centers mentioned in the Letter of Offer as per the mode of delivery indicated therein on or before the last date of withdrawal i.e. no later than 1600 hours on June 21, 2010. Any receipt of Form of Withdrawal post June 21, 2010, would not be accepted / considered for withdrawal from the Offer.**
2. Shareholders should enclose the following:-
   i. For Equity Shares held in demat form (including locked-in shares):
      - ☐ Duly signed and completed Form of Withdrawal.
      - ☐ Acknowledgement slip in original/ Copy of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.
      - ☐ Photocopy of the delivery instruction in “Off-market” mode or counterfoil of the delivery instruction in “Off-market” mode, duly acknowledged by the DP.
      - ☐ For locked in shares - Delivery Instruction Slip or Form (as specified by Depository) with signature duly verified by the depository participant

   ii. For Equity Shares held in physical form:
      - ☐ Duly signed and completed Form of Withdrawal.
      - ☐ Acknowledgement slip in original/ Copy of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.
      - ☐ In case of partial withdrawal, Valid Share Transfer form(s) for the remaining equity shares (i.e. shares not withdrawn) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with **PSL** and duly witnessed at the appropriate place.

   iii. Unregistered owners should enclose:
      - ☐ Duly signed and completed Form of Withdrawal.
      - ☐ Acknowledgement slip in original/ Copy of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.
3. The withdrawal of Shares will be available only for the Share certificates/the Shares that have been received by the Registrar to the Offer/ Special Depository Escrow Account.
4. The intimation of returned Shares to the Shareholders will be at the address as per the records of the Target Company/ Depository as the case may be.
5. The Form of Withdrawal should be sent only to the Registrar to the Offer.

6. Request for withdrawal from unregistered shareholders can be considered to the extent the shares tendered an received are found to be valid
7. Separate request for withdrawal should be submitted for each Folio / DP Id Client Id
8. In case of partial withdrawal of Shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from the Target Company. The facility of partial withdrawal is available only to registered shareholders.
9. Shareholders holding Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.
10. The Form of Withdrawal and other related documents should be submitted at any of the Collection Centers of **Karvy Computershare Private Limited as stated below**.
11. Applicants who cannot hand deliver their documents at the Collection Centers, may send their documents only by Registered Post, at their own risk, to the Registrar to the Offer at **Karvy Computershare Private Limited, Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad 500 081, Tel No. 040 2342 0818 - 23, Fax No 040 2343 1551, Email : murali@karvy.com, Contact Person: Murali Krishna,** so as to reach the Registrars on or before the last date of withdrawal i.e. **no later than 1600 hours on June 21, 2010.**
12. **Table featuring details of collection centers is given below .**

	Collection Centre	Address of Collection Centres	Contact Person	Phone No.	Fax	Mode of delivery
1.	Mumbai	Karvy Computershare. Pvt Ltd. 24, Maharashtra Chamber of Commerce. Lane, Opp. MSC Bank, Fort Mumbai – 400 023	Ms.Nutan Shirke	022-66381747 & 22842666	022-66331135	Hand Delivery
2.	New Delhi	Karvy Computershare. Pvt Ltd. 105-108, Arunachal Bldg., 19, Barakhamba Road, New Delhi -110 001	Mr. Rakesh Kr Jamwal / Vinod Singh Negi	011-43509200	011-41036370	Hand Delivery
3.	Ahmedabad	Karvy Computershare. Pvt Ltd. 201-203,Shail,Opp: Madhusudhan House Behind Girish Cold Drinks Off C G Road Ahmedabad ~ 380 006	Mr.Aditya Gupta/ Robert Joeboy	079-26400528/ 66614772	079-26565551	Hand Delivery
4.	Chennai	Karvy Computershare. Pvt Ltd. No. 33/1, Venkatraman Street, T.Nagar, Chennai - 600017	Mr. Gunashekhar	044 – 28151793/ 28151794	044-28153181	Hand Delivery
5.	Hyderabad	Karvy Computershare. Pvt Ltd. Plot No 17-24, Vithalrao Nagar, Madhapur, Hyderabad 500 081	Ms. Rinki Sareen	040-23420818-23	040-23431551	Hand Delivery/ Regd Post
6.	Kolkata	Karvy Computershare. Pvt Ltd. 49, Jatin Das Road, Nr.Deshpriya Park, Kolkatta 700 029	Mr. Sujit Kundu/ Mr. Debnath	033-24644891	033-24644866	Hand Delivery
7.	Bengaluru	Karvy Computershare. Pvt Ltd. No.59, Skanda, Putana Road, Basavanagudi Bengaluru 560 004	Mr. Kumaraswamy/ Ms.V Sudha	080- 26621192	080-26621169	Hand Delivery

Collection timings for all the locations mentioned above will be 10 am to 4 pm on Monday to Friday (except Public Holidays and on Saturday falling on June 26, 2010 being the Offer closure date).

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