



GARDEN REACH SHIPBUILDERS & ENGINEERS LIMITED

Our Company was incorporated at Calcutta under the Companies Act, 1913 with the Registrar of Companies, Calcutta, as "Garden Reach Workshops Limited" on February 26, 1934. Our Company changed its name to "Garden Reach Workshops Private Limited" on November 5, 1957 after the promulgation of the Companies Act, 1956. Thereafter, our Company changed its name to "Garden Reach Workshops Limited" on November 30, 1961 pursuant to the acquisition of our Company by the Government of India and the status of our Company was changed from 'private limited company' to 'deemed public limited company' under the provision of Section 43(1A) of the Companies Act, 1956 with effect from January 8, 1976. The name of our Company was again changed from 'Garden Reach Workshop Limited' to 'Garden Reach Shipbuilders & Engineers Limited' on December 31, 1976 by the Registrar of Companies, West Bengal. Our Company became a public company pursuant to a special resolution of the shareholders at an Annual General Meeting held on August 25, 2017. For further details, including change in Registered Office of our Company, see "History and Certain Corporate Matters" on page 164 of the Red Herring Prospectus dated September 7, 2018 (the "RHP").

Registered Office: 43/46 Garden Reach Road, Kolkata – 700 024, West Bengal, India

Contact Person: Sandeep Mahapatra, Company Secretary and Compliance Officer

Tel: 033-2469 8545; **Fax:** 033-2469 8150; **Email:** co.sec@grse.co.in; **Website:** www.grse.in; **Corporate Identity Number:** U35111WB1934GOI007891

OUR PROMOTER: THE PRESIDENT OF INDIA, ACTING THROUGH THE MINISTRY OF DEFENCE, GOVERNMENT OF INDIA

INITIAL PUBLIC OFFERING OF 29,210,760 EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF GARDEN REACH SHIPBUILDERS & ENGINEERS LIMITED ("OUR COMPANY" OR THE "ISSUER") THROUGH AN OFFER FOR SALE BY OUR PROMOTER, THE PRESIDENT OF INDIA, ACTING THROUGH THE MINISTRY OF DEFENCE, GOVERNMENT OF INDIA (THE "SELLING SHAREHOLDER"), FOR CASH AT A PRICE OF ₹[•]* PER EQUITY SHARE (THE "OFFER PRICE"), AGGREGATING TO ₹[•] MILLION (THE "OFFER"). THE OFFER INCLUDES A RESERVATION OF UP TO 572,760 EQUITY SHARES AGGREGATING TO ₹[•] MILLION FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (AS DEFINED HEREIN) ("EMPLOYEE RESERVATION PORTION"). THE OFFER LESS EMPLOYEE RESERVATION PORTION IS REFERRED TO AS THE NET OFFER. THE OFFER AND THE NET OFFER CONSTITUTE 25.50% AND 25.00% RESPECTIVELY, OF THE POST OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

* A discount of ₹5 per Equity Share to the Offer Price may be offered to the Retail Individual Bidders ("Retail Discount") and a discount of ₹5 per Equity Share to the Offer Price may be offered to the Eligible Employees Bidding in the Employee Reservation Portion ("Employee Discount").

Price Band: ₹115 to ₹118 per Equity Share of face value of ₹ 10 each.

The Floor Price is 11.50 times the face value and the Cap Price is 11.80 times the face value.

Bids can be made for a minimum of 120 Equity Shares and in multiples of 120 Equity Shares thereafter

Risks to Investors

- The two Book Running Lead Managers associated with the Offer have handled 15 public issues in the past three years out of which 4 issues closed below the issue price on listing date.
- There are no comparable listed companies in India engaged in the same line of business as our Company, hence comparison with industry peers are not applicable.
- The Price/Earnings ratio based on diluted earnings per share ("Diluted EPS") as per our Restated Financial Statements for the Financial Year 2018, at the upper end of the Price Band, is as high as 16.53.
- The average cost of acquisition per Equity Share for our Promoter is ₹4.00* per Equity Share. The Offer Price at the upper end of the Price Band is ₹118.
- As a result of national security related concerns, certain material information in relation to the business and operations has been classified as 'confidential' by the Ministry of Defence, Government of India and our Company. As a result, our Company have not (i) disclosed such information in the RHP; or (ii) provided such information to the BRLMs, the legal counsels and other intermediaries involved in this Offer. Our Company cannot assure you that the RHP contains all such material information necessary for investors to make an informed investment decision. Further, investors should take note of risk factor number 3 on page 24 of the RHP titled "We have been granted certain relaxation by SEBI from the strict enforcement of certain requirements and disclosure of certain information under SEBI ICDR Regulations and SEBI Listing Regulations"

* Our Company has been unable to ascertain the acquisition price and the nature of consideration for an initial transfer of 70,000 equity shares of our Company due to non-availability of the share transfer deeds and thus our Company has not considered the price for initial acquisition while computing average cost of acquisition of equity shares by the promoter of our Company.

CORRIGENDUM: NOTICE TO THE INVESTORS

In relation to the captioned Offer and the RHP, investors should note the following:

The amount of 'Total Dividend per Equity Share (in ₹)' for Fiscal 2018 as appearing under 'Dividend Policy' on page 198 of the RHP and as appearing under 'Financial Statements – Annexure X' on page 292 of the RHP shall be read as "4.44" instead of "44.36".

The above notice is required to be read in conjunction with the RHP, as amended to the extent stated herein above. Accordingly, the changes will be reflected in the Prospectus to be filed with the Registrar of Companies, West Bengal at Kolkata.

All capitalized terms not specifically defined herein will have the same meanings as attributed to such terms in the RHP.

For Garden Reach Shipbuilders & Engineers Limited

On behalf of the Board of Directors

Sd/-

Company Secretary and Compliance Officer

Date: September 21, 2018
Place: Kolkata, West Bengal

ASBA*

Simple, Safe, Smart way of
Application - Make use of it!!!!

Mandatory in public issue from
January 1, 2016. No cheque will be accepted.

*Applications supported by blocked amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account. For further details, check section on ASBA below.

Applications Supported by Blocked Amount (ASBA): Investors have to apply through the ASBA process. ASBA has to be availed by all the investors except Anchor Investors. For details on the ASBA process, please refer to the details given in ASBA Form and Abridged Prospectus and also please refer to the section "Offer Procedure" on page 436 of the RHP. ASBA Forms can also be downloaded from the websites of BSE and NSE. ASBA Form can be obtained from the list of banks that is available on the website of SEBI at www.sebi.gov.in.

Garden Reach Shipbuilders & Engineers Limited is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its Equity Shares through Offer for Sale and has filed the RHP with SEBI. The RHP is available on the websites of SEBI, BSE and NSE at www.sebi.gov.in, www.bseindia.com and www.nseindia.com, respectively, and at the websites of the BRLMs at www.idbicapital.com and www.yesinvest.in. Potential investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, see the section titled "Risk Factors" on page 22 of the RHP. Potential investors should not rely on the DRHP filed with SEBI for making any investment decision.

The offer and sale of the Equity Shares offered in the Offer has not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws in the United States, and unless such offer and sale is so registered, the Equity Shares may not be offered or sold within the United States. Accordingly, such Equity Shares are being offered and sold outside of the United States in offshore transactions in reliance on Regulation S promulgated under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares are and may not be offered or sold, and bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.