



भारत सरकार
रक्षा मंत्रालय
रक्षा उत्पादन विभाग
नई दिल्ली-110 011
Government of India
Ministry of Defence
Department of Defence Production
New Delhi-110 011

Date: September 07, 2020

To

The Managing Director
National Stock Exchange of India Limited
Exchange Plaza
Plot No. C/1, G Block
Bandra Kurla Complex
Bandra (East)
Mumbai 400 051
India

Dear Sir/ Madam,

Sub: Proposed offer for sale of Equity Shares of Bharat Dynamics Limited (the “Company”) by its Promoter, the President of India, acting through the Department of Defence Production, Ministry of Defence, Government of India, through the stock exchange mechanism in accordance with the circular number CIR/MRD/DP/18/2012 dated July 18, 2012 as amended by circular number CIR/MRD/DP/04/2013 dated January 25, 2013, circular number CIR/MRD/DP/17/2013 dated May 30, 2013, circular number CIR/MRD/DP/24/2014 dated August 8, 2014, circular number CIR/MRD/DP/32/2014 dated December 1, 2014, circular number CIR/MRD/DP/12/2015 dated June 26, 2015, circular number CIR/MRD/DP/36/2016 dated February 15, 2016, circular number CIR/MRD/DP/65/2017 dated June 27, 2017 and circular number SEBI/HO/MRD/DOPI/CIR/P/2018/159 dated December 28, 2018 issued by the Securities and Exchange Board of India (“SEBI”), read with Section 21 of Chapter 1 of the Master Circular for Stock Exchange and Clearing Corporation – circular no. SEBI/HO/MRD/DP/CIR/P/117 dated October 25, 2019 (together with SEBI OFS Circular, the “SEBI OFS Circulars”).

SEBI, vide circular number CIR/MRD/DP/18/2012 dated July 18, 2012 (“SEBI OFS Circular”) has issued comprehensive guidelines on offer for sale of shares by promoters through stock exchange mechanism, as amended by circular number CIR/MRD/DP/04/2013 dated January 25, 2013, circular number CIR/MRD/DP/17/2013 dated May 30, 2013, circular number CIR/MRD/DP/24/2014 dated August 8, 2014, circular number CIR/MRD/DP/32/2014 dated December 1, 2014, circular number CIR/MRD/DP/12/2015 dated June 26, 2015 and circular number CIR/MRD/DP/36/2016 dated February 15, 2016, circular number CIR/MRD/DP/65/2017 dated June 27, 2017 and circular number SEBI/HO/MRD/DOPI/CIR/P/2018/159 dated December 28, 2018 read with Section 21 of Chapter 1 of the Master Circular for Stock Exchange and Clearing Corporation – circular no. SEBI/HO/MRD/DP/CIR/P/117 dated October 25, 2019, (together with SEBI OFS Circular, the “SEBI OFS Circulars”), read with (a) “Revised Operational Guidelines for Offer for Sale (OFS) Segment” issued by BSE by way of its notice bearing no. 20200701-27 and dated July 01, 2020 and, to the extent applicable, the previous notices issued by BSE in this regard; and (b) “Offer for Sale- Introduction of Interoperability” issued by NSE by way of its circular bearing no. 51/2020 and dated June 30, 2020 and, to the extent applicable, the previous circulars issued by NSE in this regard in order to dilute/offload holding of shareholders in listed companies in a transparent manner with wider participation.

The President of India, acting through and represented by the Department of Defence Production, Ministry of Defence, Government of India, is the promoter of Bharat Dynamics Limited (the

“Promoter”). The Promoter (the **“Seller”**) proposes to sell up to 1,83,28,125 Equity Shares of the total issued and paid-up Equity Share capital of the Company having a face value of ₹10/- each (**“Base Offer Size”**), on September 08, 2020, (**“T day”**) (for non-Retail Investors only) and on September 09, 2020 (**“T+1 day”**) (for Retail Investors and for un-allotted non-Retail Investors who choose to carry forward their bids) with an option to additionally sell 91,64,063 Equity Shares (representing 5% of the total issued and paid up Equity Share capital of the Company) (the **“Oversubscription Option”** and in the event that the Oversubscription Option is exercised, the Equity Shares forming part of the Base Offer Size and the Oversubscription Option will represent 15% of outstanding Equity Shares of the Company, i.e. 2,74,92,188 Equity Shares, and will collectively, hereinafter be referred to as **“Offer Shares”** while in the event that such Oversubscription Option is not exercised, the Equity Shares forming part of the Base Offer Size will be referred to as **“Offer Shares”**) through a separate, designated window of the BSE Limited (the **“BSE”**) and the National Stock Exchange of India Limited (**“NSE”**, and together with the BSE, the **“Stock Exchanges”**), representing 10% of the total paid up equity share capital of the Company as on June 30, 2020 (held in dematerialized form in one or more demat accounts with the relevant depository participant), in accordance with the SEBI OFS Circulars and the notices and circulars issued by the BSE and NSE, from time to time, in this regard (such offer for sale hereinafter referred to as the **“Offer”**).

Such number of Equity Shares as would be equivalent to up to 5% of the Equity Shares sold pursuant to the Offer may be offered to eligible and willing employees of the Company subsequent to completion of the Offer, in accordance with the terms and conditions provided in SEBI circular CIR/MRD/DP/65/2017 dated June 27, 2017, subject to approval from the competent authority (the **“Employee Offer”**). The eligible employees may apply for Equity Shares up to ₹500,000. However, any bids by eligible employees will be considered for allocation, in the first instance, for an amount up to ₹200,000 only.

In this connection, we wish to avail the Offer for Sale facility provided by the NSE for offering shares based on the SEBI OFS Circulars. Accordingly, please find enclosed all the requisite documents and undertakings as required by NSE in connection with the Offer.

Enclosed:

1. Seller’s undertaking for usage of exchange’s OFS platform and OFS related information as per NSE Circular dated June 30, 2020 including Annexure 1,1(A) and 1(B)
2. Notice dated September 07 2020 to Stock Exchange pursuant to SEBI OFS Circulars.

Yours sincerely,

**On behalf of the President of India,
Department of Defence Production,
Ministry of Defence, Government of India**

Authorised Signatory
Name: Gaurav Sharma
Designation: Deputy Secretary (ES) & (Coord/DDP)



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The President of India, acting through and represented by the Department of Defence Production, Ministry of Defence, Government of India, is the promoter of Bharat Dynamics Limited (the “**Promoter**”). The Promoter (the “**Seller**”) proposes to sell up to 1,83,28,125 Equity Shares of the total issued and paid-up Equity Share capital of the Company having a face value of ₹10/- each (“**Base Offer Size**”), on September 08, 2020, (“**T day**”) (for non-Retail Investors only) and on September 09, 2020 (“**T+1 day**”) (for Retail Investors and for un-allotted non-Retail Investors who choose to carry forward their bids) with an option to additionally sell 91,64,063 Equity Shares (representing 5% of the total issued and paid up Equity Share capital of the Company) (the “**Oversubscription Option**” and in the event that the Oversubscription Option is exercised, the Equity Shares forming part of the Base Offer Size and the Oversubscription Option will represent 15% of outstanding Equity Shares of the Company, i.e. 2,74,92,188 Equity Shares, and will collectively, hereinafter be referred to as “**Offer Shares**” while in the event that such Oversubscription Option is not exercised, the Equity Shares forming part of the Base Offer Size will be referred to as “**Offer Shares**”) through a separate, designated window of the BSE Limited (the “**BSE**”) and the National Stock Exchange of India Limited (“**NSE**”, and together with the BSE, the “**Stock Exchanges**”), representing 10% of the total paid up equity share capital of the Company as on June 30, 2020 (held in dematerialized form in one or more demat accounts with the relevant depository participant), in accordance with the SEBI OFS Circulars and the notices and circulars issued by the BSE and NSE, from time to time, in this regard (such offer for sale hereinafter referred to as the “**Offer**”).

Such number of Equity Shares as would be equivalent to up to 5% of the Equity Shares sold pursuant to the Offer may be offered to eligible and willing employees of the Company subsequent to completion of the Offer, in accordance with the terms and conditions provided in SEBI circular CIR/MRD/DP/65/2017 dated June 27, 2017, subject to approval from the competent authority (the “**Employee Offer**”). The eligible employees may apply for Equity Shares up to ₹500,000. However, any bids by eligible employees will be considered for allocation, in the first instance, for an amount up to ₹200,000 only.

In this connection, I, the Seller, wish to avail the Offer for Sale facility provided by the NSE for offering shares based on the above SEBI OFS Circulars. I, therefore, request you to kindly allow us to use the NSE screen-based facilities and oblige. Please find attached details regarding Offer for Sale as enclosed in **Annexure 1**.

The Seller undertakes to comply with all terms and condition of the SEBI OFS Circulars and any other circular issued by the Stock Exchanges in this regard from time to time, as also any other requirement as may be specified from time to time by SEBI.

For providing the above-mentioned services, the selling brokers advising the Seller on the Offer, i.e., YES Securities (India) Limited, Elara Securities (India) Private Limited and IDBI Capital Markets & Securities Limited shall pay the applicable fees and taxes net of discounts if any.

The Seller shall execute, sign, and subscribe, to such documents, papers, agreements, covenants, bonds and/or undertakings as may be required by the NSE from time to time.

Yours sincerely

**On behalf of the President of India,
Department of Defence Production,
Ministry of Defence, Government of India**

Authorised Signatory

Name: Gaurav Sharma

Designation: Deputy Secretary (ES) & (Coord/DDP)

Annexure-1

Date: September 07, 2020

Information needed from the seller and/or the issuer for OFS.

Sr. No	Details required	Particulars of OFS
1	Name of the Seller (Promoter / Promoter Group)	The President of India, acting through and represented by the Department of Defence Production, Ministry of Defence, Government of India.
2	Name of the Company	Bharat Dynamics Limited (the “ Company ”)
3	Issue Size	Up to 1,83,28,125 Equity Shares of face value of ₹10/- each aggregating to 10% of the paid-up equity share capital of the Company as on June 30, 2020 (the “ Base Offer Size ”).
4	Maximum number of shares over and above the Issue Size	Up to 91,64,063 Equity Shares of the Company of face value of ₹10 each, representing 5% of the total paid up equity share capital of the Company as on June 30, 2020 (“ Oversubscription Option ”). The Seller shall intimate the Stock Exchanges of its intention to exercise the Oversubscription Option after the trading hours (i.e., on or before 5:00 P.M.) on T day.
5	A Letter from seller confirming criteria under which the seller is coming for OFS (market capitalisation of at least ₹1,000 crores or non-compliant u/c 40A of listing agreement).	Attached as Annexure 1(A)
6	Calculation regarding the number of shares to be offered along with the face value	Total Shares outstanding (as on June 30, 2020: Equity Shares 18,32,81,250 of face value of ₹10/- each. Total Divestment (%) (including oversubscription): 15% of paid up capital of the Company Total No. of shares offered: Up to 2,74,92,188 Equity Shares of face value of ₹10/- each.
7	Offer size v/s paid up capital	<u>Offer size</u> : To be determined after closure of the OFS <u>Paid up capital</u> : ₹18,32,81,250* * Based on face value of ₹10/- per share
8	Dates of Offer for sale	September 08, 2020 and September 09, 2020
9	Session Timings	The Offer shall take place on a separate window of the Stock

Sr. No	Details required	Particulars of OFS
		Exchanges on September 08, 2020 (“T” day) and September 09, 2020 (“T+1” day), from 9:15 a.m. to 3:30 p.m. (Indian Standard Time) on both days, as per details given below. For non-Retail Investors: (defined below) Only non-Retail Investors shall be allowed to place their bids on T day, i.e., September 08, 2020. The Offer shall take place during trading hours on a separate window of the Stock Exchanges on T day, i.e., September 08 2020, commencing at 9:15 a.m. and shall close on the same date at 3:30 p.m. Indian Standard Time. Those non-Retail Investors who have placed their bids on T day and have chosen to carry forward their bids to T+1 day, shall be allowed to carry forward and also revise their bids on T+1 day as per the SEBI OFS Circulars. For Retail Investors (defined below) and un-allotted non-Retail Investors who choose to carry forward their bids: The Offer shall continue during trading hours on a separate window of the Stock Exchanges on T+1 day, i.e., September 09, 2020 commencing at 9:15 a.m. and shall close on the same date at 3:30 p.m. Indian Standard Time. Only Retail Investors (defined below) shall be allowed to place their bids on T+1 day, i.e., September 09, 2020. Further, those non-Retail Investors who have placed their bids on T day and have chosen to carry forward their bids to T+1 day, shall be allowed to carry forward and also revise their bids on T+1 day as per the SEBI OFS Circulars. (T day and T+1 day, collectively referred to as “Offer Dates”)
10	ISIN	INE171Z01018
11	Floor price	The Seller shall declare the Floor Price for the Offer latest by 5:00 p.m., Indian Standard Time, on T-1 day (T-1 being September 07, 2020) to the Stock Exchanges and the Stock Exchanges shall inform the market immediately.

Sr. No	Details required	Particulars of OFS
12	Retail Discount	Retail Investors will be allocated Equity Shares pursuant to the Offer at a discount of ₹20 (Rupees twenty only) to their respective bid price (including Cut-Off Price) in accordance with the SEBI OFS Circulars (“Retail Discount”). The discounted price in respect of the Retail Investors shall be the price arrived at after deducting ₹20 (Rupees twenty only) from the respective price bids of such retail Investors, whether such bids are at Cut-Off Price or above (the “Discounted Price”). The Discounted Price shall be the final allocation price to such Retail Investors and may be below the Floor Price. The Discounted Price shall be the final allocation price to such Retail Investors and may be below the Floor Price. Prices determined after applying Retail Discount, which shall be the final allocation prices to the Retail Investors, in certain/all cases, may be below the Floor Price.
13	Bidding at cut-off for Retail	Retail investors may enter a price bid or opt for bidding at “Cut-off Price” (defined below).
14	Details of the authorised personnel for the purpose of OFS such as contact number, email id etc.	Authorised Signatory on behalf of the Department of Defence Production, Ministry of Defence, Government of India, the President of India Name: Gaurav Sharma Contact No.: 011- 2301 3705 Email address: gauravsharma-cwc@nic.in
15	Name of Appointed seller Broker(s) and broker code	YES Securities (India) Limited (BSE: 6538; NSE: 14914) Elara Securities (India) Private Limited (BSE: 3241 and NSE: 12898 and IDBI Capital Markets & Securities Limited (BSE: 084 and NSE: 07066) YES Securities (India) Limited (BSE: 6538; NSE: 14914) will be acting as the Settlement Broker on behalf of the Seller’s Brokers.
16	Name of Designated Stock Exchange	BSE Limited (“ BSE ”)
	Name of Designated Clearing Corporation	Indian Clearing Corporation Limited

Sr. No	Details required	Particulars of OFS
17	Name of the Exchange/s wherein the orders shall be placed.	BSE and the National Stock Exchange of India Limited (“ NSE ” and, together with BSE, the “ Stock Exchanges ”).
18	Allocation methodology - Fixed price / Multiple price – appendix Retail Allocation Methodology	The allocation shall be at or above the Floor Price (defined below) on a price priority basis in accordance with the SEBI OFS Circulars, except in case of Retail Investors for whom the final allocation price may be below the Floor Price (defined below) on account of Retail Discount (defined below). Indicative price for the non-retail category shall be displayed separately. There shall be no indicative price for the Retail Category. No single bidder other than mutual funds registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended (“Mutual Funds”) and insurance companies registered with the Insurance Regulatory and Development Authority under the Insurance Regulatory and Development Authority Act, 1999 as amended (“Insurance Companies”) shall be allocated more than 25% of the Offer Shares. Non-Retail Category Allocation Methodology The non-Retail Investors shall have an option to carry forward their un-allotted bids from T day to T+1 day provided such non-Retail Investors choosing to carry forward their un-allotted bids to T+1 day are required to indicate their willingness to carry forward their un-allotted bids. Further, such non-Retail Investors can also revise their bids on T+1 day in accordance with the SEBI OFS Circulars. The allocation to the non-Retail Investors shall be at a price equal to the Cut-off Price or higher as per the bids. A minimum of 25% of the Offer Shares shall be reserved for Mutual Funds and Insurance Companies, subject to receipt of valid bids at or above the Floor Price (defined below). In the event of any under subscription by Mutual Funds and Insurance Companies, the unsubscribed portion shall be available to other bidders in the non-Retail Category. In case of oversubscription in the non-Retail Category, the allocation for such bids will be done on a proportionate basis Seller may choose to exercise the Oversubscription Option, which will be intimated to the Stock Exchanges after trading hours (on or before 5:00 P.M.) on T day. Accordingly, allocation to Bidders in the non-Retail category shall be done from the offer

Sr. No	Details required	Particulars of OFS
		Shares forming part of the Base Offer Size and the Oversubscription Option. Further, in the event the Oversubscription Option is exercised, the equity shares forming part of the Base Offer Size and the Oversubscription Option will, collectively, hereinafter be referred to as “Offer Shares”. In case the Oversubscription Option is not exercised, the equity shares forming part of the Base Offer Size will hereinafter be referred to as “Offer Shares”. In case of oversubscription in the non-retail category on T+1 day, if the aggregate number of Offer Shares bid for at a particular clearing price is more than available quantity then the allocation for such bids will be done on a proportionate basis. Retail Category Allocation Methodology For the purpose of this Notice, Retail Investor shall mean an individual investor who places bids for Offer Shares of total value of not more than ₹2,00,000/- (Rupees Two Lakhs) aggregated across Stock Exchanges (“Retail Investor”). 15% of the Offer Shares shall be reserved for allocation to Retail Investors (“Retail Portion”). The Stock Exchanges will decide the quantity of Offer Shares eligible to be considered in the Retail Portion, based on the Floor Price (defined below) declared by the Seller. A Retail Investor may bid at any price above the Floor Price and/or bid at a “Cut-Off Price”. “Cut-Off Price” means the lowest price, as shall be determined, at which the Offer Shares are sold in the non-Retail Category, based on all valid bids received on T day. Retail Investors will be allocated Equity Shares pursuant to the Offer at a discount of ₹20 (Rupees twenty only) to their respective bid price (including Cut-Off Price) in accordance with the SEBI OFS Circulars (“Retail Discount”). The discounted price in respect of the Retail Investors shall be the price arrived at after deducting ₹20 (Rupees twenty only) from the respective price bids of such retail Investors, whether such bids are at Cut-Off Price or above (the “Discounted Price”). The Discounted Price shall be the final allocation price to such Retail Investors and may be below the Floor Price. The Retail Discount shall be applicable on the bids received from the Retail Investors on T+1 day.

Sr. No	Details required	Particulars of OFS
		In case of oversubscription in the Retail Category, if the aggregate number of Offer Shares bid for at a particular clearing price / Cut-Off Price, as the case may be, is more than the available number of Equity Shares, then the allocation for such bids will be done on a proportionate basis. If the Retail Category is fully subscribed, bids by Retail Investors below the Cut-Off price shall be rejected. If the Retail Category is not fully subscribed at cut-off price, price bids received in the Retail Category between the Cut-off Price and the Discounted Price will also be eligible for allocation, provided the relevant price bids are not less than the Floor Price. Allocation to all such bids shall be done at the Discounted Price. Any unsubscribed portion of the Retail Category shall, after allotment to Retail Investors, be eligible for allocation to non-Retail Investors who have not been allotted Offer Shares on T day and have chosen to carry forward their bids to T+1 day. Employee Category Such number of Equity Shares as would be equivalent to up to 5% of the Equity Shares sold pursuant to the Offer (over and above the Offer Shares) may be offered to eligible and willing employees of the Company at a discount of ₹20 (Rupees twenty only) to the Cut-Off Price in the Retail Category of the Offer subsequent to completion of the Offer, in terms of SEBI circular CIR/MRD/DP/65/2017 dated June 27, 2017, subject to approval from the competent authority. The eligible employees may apply for Equity Shares up to ₹500,000. However, any bids by eligible employees will be considered for allocation, in the first instance, for an amount up to ₹200,000 only. Provided that in the event of under-subscription in the employee portion, the unsubscribed portion may be allotted on a proportionate basis, for a value in excess of ₹200,000, subject to the total allotment to an employee not exceeding ₹500,000.
19	Conditions, if any, for withdrawal	Withdrawal: The Seller reserves the right to not proceed with the Offer at any time prior to the time of opening of the Offer on T day. In such a case, there shall be a cooling off period of 10 trading days from the date of withdrawal before another offer for sale through Stock Exchange mechanism is made. The Stock Exchanges shall suitably disseminate details of such withdrawal.

Sr. No	Details required	Particulars of OFS
20	Conditions for cancellation of the Offer	Cancellation: In the event (i) the aggregate number of orders received from non-Retail Investors in the Offer at or above the Floor Price on T day is not sufficient, the Seller reserves the right to cancel the Offer, post bidding, in full (both non-retail and retail categories) and not proceed with the Offer on T+1 day (for Retail Investors); or (ii) of a default in settlement obligations, the Seller reserves the right to either conclude the Offer to the extent of valid bids or cancel the Offer in full. The decision to accept or reject the Offer shall be at the sole discretion of the Seller.
21	Copy of advertisement	Copy of the Stock Exchange Notice as enclosed
22	Undertaking from seller for usage of Exchange's OFS platform	Enclosed
23	Confirmation from promoter / promoter group entities on non-purchase and / or sale of shares of the company in the 12 weeks' period prior to the offer and undertaking not to purchase and/or sale of shares of the company in the 12 weeks' period after the offer.	Attached as Annexure 1(B)
24	Details of the personnel(s) who shall be present while opening the sealed envelope containing the floor price.	Not Applicable
25	Settlement	Settlement shall take place on a trade for trade basis. For bids received from non-Retail Category on T day, being non-institutional investors and institutional investors who place orders with 100% of the order value deposited upfront, settlement shall take place on T+1 day, in accordance with the SEBI OFS Circulars. In the case of institutional investors who place bids without depositing 100% of the order value upfront, settlement shall be as per the existing rules for secondary market transactions (i.e., on T+2 day). For the bids received on T+1 day, from the Retail Category and from the un-allotted institutional Investors who choose to carry forward their bid on T+1 day without depositing 100% of the order value upfront, the settlement shall take place on T+3 day. In case of non-institutional investors and institutional investors bidding with 100% margin upfront who chose

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		to carry forward their un-allotted bids to T+1 day, the settlement shall take place on T+2 day.

Yours sincerely,

**On behalf of the President of India,
Department of Defence Production,
Ministry of Defence, Government of India**

Authorised Signatory
Name: Gaurav Sharma
Designation: Deputy Secretary (ES) & (Coord/DDP



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Annexure 1A

Date: September 07, 2020

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Dear Sir/ Madam,

Sub: Proposed offer for sale of Equity Shares of Bharat Dynamics Limited (the “Company”) by its Promoter, the President of India, acting through the Department of Defence Production, Ministry of Defence, Government of India, through the stock exchanges in accordance with the circular number CIR/MRD/DP/18/2012 dated July 18, 2012 as amended by circular number CIR/MRD/DP/04/2013 dated January 25, 2013, circular number CIR/MRD/DP/ 17 /2013 dated May 30, 2013, circular number CIR/MRD/DP/24/2014 dated August 8, 2014, circular number CIR/MRD/DP/32/2014 dated December 1, 2014, circular number CIR/MRD/DP/12/2015 dated June 26, 2015, circular number CIR/MRD/DP/36/2016 dated February 15, 2016, circular number CIR/MRD/DP/65/2017 dated June 27, 2017 and circular number SEBI/HO/MRD/DOPI/CIR/P/2018/159 dated December 28, 2018 issued by the Securities and Exchange Board of India (“SEBI”), read with Section 21 of Chapter 1 of the Master Circular for Stock Exchange and Clearing Corporation – circular no. SEBI/HO/MRD/DP/CIR/P/117 dated October 25, 2019, (together with SEBI OFS Circular, the “SEBI OFS Circulars”).

The President of India, acting through the Department of Defence Production, Ministry of Defence, Government of India (the “**Seller**”) intend to make an offer for Sale (“**OFS**”) of up to 1,83,28,125 Equity Shares of the total issued and paid-up Equity Share capital of Bharat Dynamics Limited (the “**Company**”) having a face value of ₹10/- each (“**Base Offer Size**”), on September 08, 2020 (“**T day**”) (for non-Retail Investors only) and on September 09, 2020 (“**T+1 day**”) (for Retail Investors and for unallotted non-Retail Investors who choose to carry forward their bids) with an option to additionally sell 91,64,063 Equity Shares (representing 5% of the total issued and paid up Equity Share capital of the Company) (the “**Oversubscription Option**” and in the event that the Oversubscription Option is exercised, the Equity Shares forming part of the Base Offer Size and the Oversubscription Option will, represent 15% of outstanding Equity Shares of the Company, i.e. 2,74,92,188 Equity Shares, and will collectively, hereinafter be referred to as “**Offer Shares**” while in the event that such Oversubscription Option is not exercised, the Equity Shares forming part of the Base Offer Size will be referred to as “**Offer Shares**”) through a separate, designated window of the BSE Limited (the “**BSE**”) and the National Stock Exchange of India Limited (“**NSE**”, and together with the BSE, the “**Stock Exchanges**”), representing 10% of the paid up equity share capital of the Company, by way of an offer for sale through the stock exchange mechanism in accordance with the circular number CIR/MRD/DP/18/2012 dated July 18, 2012 notified by SEBI (“**SEBI OFS Circular**”) pertaining to comprehensive guidelines on offer for sale of shares through the stock exchange mechanism as amended by circular number

CIR/MRD/DP/04/2013 dated January 25, 2013, circular number CIR/MRD/DP/ 17 /2013 dated May 30, 2013 and circular number CIR/MRD/DP/24/2014 dated August 8, 2014 circular number CIR/MRD/DP/32/2014 dated December 1, 2014, circular number CIR/MRD/DP/12/2015 dated June 26, 2015 and circular number CIR/MRD/DP/36/2016 dated February 15, 2016, circular number CIR/MRD/DP/65/2017 dated June 27, 2017 and circular number SEBI/HO/MRD/DOPI/CIR/P/2018/159 dated December 28, 2018 read with Section 21 of Chapter 1 of the Master Circular for Stock Exchange and Clearing Corporation – Trading (No. HO/MRD/DP/CIR/P/2016/135) dated December 16, 2016, issued by SEBI, (together with SEBI OFS Circular, the “**SEBI OFS Circulars**”), read with (a) “*Revised Operational Guidelines for Offer for Sale (OFS) Segment*” issued by BSE by way of its notice bearing no. 20200701-27 and dated July 01, 2020 and, to the extent applicable, the previous notices issued by BSE in this regard; and (b) “*Offer for Sale-Introduction of Interoperability*” issued by NSE by way of its circular bearing no. 51/2020 and dated June 30, 2020 and, to the extent applicable, the previous circulars issued by NSE in this regard.

The Company is required to increase public shareholding of the Company to meet the minimum public shareholding requirements in terms Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended and Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Hence, in terms of Para 1(b)(i) of SEBI’s circular bearing no. CIR/MRD/DP/18/2012 dated July 18, 2012, the Seller is eligible to sell Offer Shares by way of an offer for sale through the stock exchange mechanism.

Yours sincerely,

**On behalf of the President of India,
Department of Defence Production,
Ministry of Defence, Government of India**

Authorised Signatory

Name: Gaurav Sharma

Designation: Deputy Secretary (ES) & (Coord/DDP)



भारत सरकार
रक्षा मंत्रालय
रक्षा उत्पादन विभाग
नई दिल्ली-110 011
Government of India
Ministry of Defence
Department of Defence Production
New Delhi-110 011

Annexure 1(B)

Date: September 07, 2020

To

The National Stock Exchange of India Limited

Exchange Plaza
Plot No. C/1, G Block
Bandra Kurla Complex
Bandra (East)
Mumbai 400 051
India

Dear Sir/ Madam,

Sub: Proposed offer for sale of Equity Shares of Bharat Dynamics Limited (the “Company”) by its Promoter, the President of India, acting through the Department of Defence Production, Ministry of Defence, Government of India, through the stock exchange mechanism in accordance with the circular number CIR/MRD/DP/18/2012 dated July 18, 2012 as amended by circular number CIR/MRD/DP/04/2013 dated January 25, 2013, circular number CIR/MRD/DP/ 17 /2013 dated May 30, 2013, circular number CIR/MRD/DP/24/2014 dated August 8, 2014, circular number CIR/MRD/DP/32/2014 dated December 1, 2014, circular number CIR/MRD/DP/12/2015 dated June 26, 2015, circular number CIR/MRD/DP/36/2016 dated February 15, 2016, circular number CIR/MRD/DP/65/2017 dated June 27, 2017 and circular number SEBI/HO/MRD/DOPI/CIR/P/2018/159 dated December 28, 2018 issued by the Securities and Exchange Board of India (“SEBI”).

The President of India, acting through the Department of Defence Production, Ministry of Defence, Government of India (the “**Seller**”) intend to make an offer for Sale (“**OFS**”) of up to 1,83,28,125 Equity Shares of the total issued and paid-up Equity Share capital of Bharat Dynamics Limited (the “**Company**”) having a face value of ₹10/- each (“**Base Offer Size**”), on September 08, 2020 (“**T day**”) (for non-Retail Investors only) and on September 09, 2020 (“**T+1 day**”) (for Retail Investors and for unallotted non-Retail Investors who choose to carry forward their bids) with an option to additionally sell 91,64,063 Equity Shares (representing 5% of the total issued and paid up Equity Share capital of the Company) (the “**Oversubscription Option**” and in the event that the Oversubscription Option is exercised, the Equity Shares forming part of the Base Offer Size and the Oversubscription Option will, represent 15% of outstanding Equity Shares of the Company, i.e. 2,74,92,188 Equity Shares, and will collectively, hereinafter be referred to as “**Offer Shares**” while in the event that such Oversubscription Option is not exercised, the Equity Shares forming part of the Base Offer Size will be referred to as “**Offer Shares**”) through a separate, designated window of the BSE Limited (the “**BSE**”) and the National Stock Exchange of India Limited (“**NSE**”, and together with the BSE, the “**Stock Exchanges**”), representing 10% of the paid up equity share capital of the Company, by way of an offer for sale through the stock exchange mechanism in accordance with the circular number CIR/MRD/DP/18/2012 dated July 18, 2012 notified by SEBI (“**SEBI OFS Circular**”) pertaining to comprehensive guidelines on offer for sale of shares through the stock exchange mechanism as amended by circular number

CIR/MRD/DP/04/2013 dated January 25, 2013, circular number CIR/MRD/DP/ 17 /2013 dated May 30, 2013 and circular number CIR/MRD/DP/24/2014 dated August 8, 2014 circular number CIR/MRD/DP/32/2014 dated December 1, 2014, circular number CIR/MRD/DP/12/2015 dated June 26, 2015 and circular number CIR/MRD/DP/36/2016 dated February 15, 2016, circular number CIR/MRD/DP/65/2017 dated June 27, 2017 and circular number SEBI/HO/MRD/DOPI/CIR/P/2018/159 dated December 28, 2018 read with Section 21 of Chapter 1 of the Master Circular for Stock Exchange and Clearing Corporation – Trading (No. HO/MRD/DP/CIR/P/2016/135) dated December 16, 2016 ,issued by SEBI, (together with SEBI OFS Circular, the “**SEBI OFS Circulars**”), read with (a) “*Revised Operational Guidelines for Offer for Sale (OFS) Segment*” issued by BSE by way of its notice bearing no. 20200701-27 and dated July 01, 2020 and, to the extent applicable, the previous notices issued by BSE in this regard; and (b) “*Offer for Sale- Introduction of Interoperability*” issued by NSE by way of its circular bearing no. 51/2020 and dated June 30, 2020 and, to the extent applicable, the previous circulars issued by NSE in this regard..

The Seller hereby confirms that the Seller:

- a. has not purchased and/or sold any Equity Shares during the period of 12 weeks preceding the offer for sale; and
- b. shall not purchase and/or sell any Equity Shares during the period of 12 weeks subsequent to the offer for sale, except that the Seller shall be eligible to sell Equity Shares of the Company, through offer for sale in terms of the applicable SEBI circulars, with a gap of 2 weeks between successive offers or to the employees of the Company and its subsidiaries in terms of the SEBI Circular (CIR/MRD/DP/65/2017) dated June 27, 2017.

Yours sincerely,

**On behalf of the President of India,
Department of Defence Production,
Ministry of Defence, Government of India**

Authorised Signatory

Name: Gaurav Sharma

Designation: Deputy Secretary (ES) & (Coord/DDP)