



Dare to Commit

WIL/SEC/2014

February 10, 2014

To

Bombay Stock Exchange Limited Department of Corporate Services, SP. J. Towers, Dalal Street, Mumbai – 400 001 (Scrip Code-514162)	National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 (Symbol : WELSPUNIND)
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Dear Sir,

Sub: Notice of Postal Ballot

This is to inform you that pursuant to the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, Company has sought approval of shareholders on various matters by way of postal ballot.

The Company has appointed Ms. Mansi Damania, Practicing Company Secretaries, as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner. The results of the Postal Ballot will be declared on Thursday, March 13, 2014. The Company has, on February 10, 2014, completed the dispatch of the Postal Ballot notice to the member(s)/beneficial owner(s) whose names appear in the Register of members.

We are enclosing herewith six copies of Postal Ballot Notice and Form.

Thanking you,

Yours faithfully,
For Welspun India Limited

Shashikant Thorat
Company Secretary

Encl: as above

Corporate Office:

Welspun House, 6th Floor
Kamala City
Senapati Bapat Marg, Lower Parel
Mumbai - 400 013, INDIA.

Tel: +91-22-66136000 / 24908000
Fax: +91-22-24908020
E-mail: wttvapi@welspun.com
URL: www.welspun.com

NOTICE

NOTICE is hereby given that the following Special Resolutions are circulated herewith for approval of the members of the Company to be accorded by Postal Ballot in accordance with the provisions of section 192-A, and all other applicable provisions, of the Companies Act, 1956 and all applicable provisions of the Companies Act, 2013 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011.

1) TO CONSIDER AND TO PASS THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to Section 198, 269, 309, 310, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and of the Companies Act, 2013 (including any statutory amendments, modifications or re-enactments thereof for the time being in force) and recommendation of the Remuneration Committee and subject to approval of the Central Government, approval of the members of the Company be and is hereby accorded to appointment of Mr. Rajesh R. Mandawewala as the “Managing Director” of the Company for a period of 3 years w.e.f. April 1, 2014.”

“RESOLVED FURTHER THAT pursuant to Section 198, 269, 309, 310, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and of the Companies Act, 2013 (including any statutory amendments, modifications or re-enactments thereof for the time being in force) and recommendation of the Remuneration Committee and subject to approval of the Central Government and such other approvals as may be required under the Act or otherwise, approval of the members of the Company be and is hereby accorded to remuneration of Mr. Rajesh R. Mandawewala, Managing Director of the Company as given below for the period from April 1, 2013 to March 31, 2017.”

	In case of adequate profits (as computed under sections 349 and 350 of the Companies Act, 1956)	In case of inadequate profits (subject to approval of the Central Government)
Basic Salary	₹170 Lac per annum	₹170 Lac per annum
Leave Travel Allowance, Superannuation, Telephone Expense Reimbursement, Car Facility, Leave encashment, Gratuity, etc.	As per the rules of the Company	As per the rules of the Company
Club Membership	Fees (except life membership) for two clubs	Fees (except life membership) for two clubs
Contribution to Provident Fund	To the extent exempt under Income Tax Act	To the extent exempt under Income Tax Act
Commission	1% of the profit computed in the manner laid down in section 349 & 350 of the Companies Act, 1956	—

	In case of adequate profits (as computed under sections 349 and 350 of the Companies Act, 1956)	In case of inadequate profits (subject to approval of the Central Government)
Other perquisites	As per rules of the Company or as may be agreed to by the Board of Directors	As per rules of the Company or as may be agreed to by the Board of Directors
Annual increment	Not more than 25% p.a. of the ceiling of remuneration for the preceding financial year as may be agreed to by the Board of Directors	Not more than 25% p.a. of the ceiling of remuneration for the preceding financial year as may be agreed to by the Board of Directors

“RESOLVED FURTHER THAT Mr. B. K. Goenka, Chairman of the Company be and is hereby authorised to enter into an agreement /issue a letter for appointment and increase in remuneration and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to this resolution.”

2) TO CONSIDER AND TO PASS THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to Section 198, 269, 309, 310, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and of the Companies Act, 2013 (including any statutory amendments, modifications or re-enactments thereof for the time being in force) and recommendation of the Remuneration Committee and subject to approval of the Central Government and such other approvals as may be required under the Act or otherwise, approval of the members of the Company be and is hereby accorded to remuneration of Ms. Dipali Goenka, Executive Director of the Company as given below for a period of 3 years w.e.f April 1, 2013:

1. Tenure	April 1, 2013 to March 31, 2016
2. Basic Salary	₹150,00,000/- p.a.
3. Leave Travel Allowance, Superannuation, Telephone Expense Reimbursement, Car Facility, Leave encashment, Gratuity, etc	As per the rules of the Company
4. Club Membership	Fees (except life membership) for two clubs
5. Contribution to Provident Fund	To the extent exempt under Income Tax Act
6. Other perquisites	As per the rules of the Company or as may be agreed to by the Board of Directors
7. Annual increment	With effect from April 1, 2014 subject to 25% per annum as may be decided by the Board of Directors
8. Commission	NIL



“RESOLVED FURTHER THAT Mr. Rajesh R. Mandawewala, Managing Director of the Company, be and is hereby authorised to enter into an agreement /issue a letter for increase in remuneration on behalf of the Company to Ms. Dipali Goenka and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to this resolution.”

3) TO CONSIDER AND TO PASS THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Section 17 and other applicable provisions, if any, of the Companies Act, 1956 and of the Companies Act, 2013 (including any statutory amendments, modifications or re-enactments thereof, for the time being in force) the Other Objects of Clause III (C) of the Memorandum of Association of the Company be and is hereby altered by inserting the following Clause after the existing Clause 66 thereof:

67. *To undertake, identify, formulate, design, develop, promote, procure, establish, equip, manage, construct, erect, operate, maintain, improve, control, regulate, modify, restructure, re-organise, participate and/or assist in the designing, development, construction, implementation, commissioning, operation and maintenance of infrastructure projects in textile sector and other sectors in special economic zones or otherwise, schemes, facilities, programs or advisory mandates across sectors in India or abroad (including without limitation urban, rural, municipal, social, real estate, industrial, infrastructure) and ancillary facilities and services for commercial use by itself or by members, shareholders and others through other companies promoted by the Company or promoted, identified by the Company or through contractors and operators, on commercial terms by charging, demanding, collecting, auctioning, retaining and appropriating tariffs, charges, tolls, fees, prices, rent and all types of revenues, user fees from users of infrastructure facilities and projects and ancillary services and facilities, accept receivables towards dues, investments, returns, servicing / repayments of debts or capital to arrange for financing of the above activities and to develop integrated textile park inter alia comprising of composite textile units, textile plant and machinery, spinning factories, pressing factories, power looms, effluent treatment plants, drainage, sewerage, waste management, water supply works, transport facilities, marketing facilities, internet facilities, cable and satellite communication network, information technology facilities, telecommunication systems, laboratories, roads, bridges, railway sidings, captive power plants, power generation, transmission, distribution and warehouses research & development centers, yards, parks, parking facilities, training centers and other social infrastructure and social services and associated services of any description and ancillary facilities including municipal services, security services, construction of buildings, factory sheds, design centers, warehouses, raw material depot, crèche, canteen, restaurants, multiplexes, workers' hostel, offices of service providers, clubs, markets, shops, labour rest and recreation facilities, entertainment centers, other commercial premises, real estate development*

and hoardings and other infrastructure facilities as may be required for the purpose, in public, private sector, partnership mode or any other formats as may be necessary and for this purpose to enter into all types of contracts with government and private entities.

4) TO CONSIDER AND TO PASS THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to Section 149(2A) of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956 and of the Companies Act, 2013 (including any statutory amendments, modifications or re-enactments thereof for the time being in force) and subject to such statutory approvals as may be necessary, approval of the members be and is hereby accorded for commencement by the Company of the business specified in Clause III (C) 67 of the Memorandum of Association of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds, matters and things as may be necessary in this regard including authorising any person or committee on its behalf in order to give effect to the aforesaid.”

5) TO CONSIDER AND TO PASS THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to Section 31 and all other applicable provisions of the Companies Act, 1956 and of the Companies Act, 2013 (including any statutory amendments, modifications or re-enactments thereof for the time being in force) and provisions of all other applicable laws and regulations applicable thereunder, provisions in the Memorandum of Association and Articles of Association of the Company and in accordance with the Listing Agreement entered into by the Company with the Stock Exchanges where the equity shares of the Company are listed and all other concerned statutory and other authorities to the extent necessary and such other approvals, consents, permissions, sanctions and the like, as may be necessary, and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions, sanctions and the like, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which shall include a duly authorized committee thereof for the time being exercising the powers conferred upon it by the Board), Article 170 of the Articles of Association of the Company be and is hereby replaced with text given below:

170. *The seal shall never be used except by the authority of the Board of Directors or a committee of the Board as may be authorised and every deed or other instrument, to which a seal of the company is required to be affixed, shall be signed by one director atleast in whose presence the seal shall have been affixed, unless the same is executed:*

- a. *by a duly constituted attorney for the company and the Seal is affixed in his presence; or*
- b. *by a representative duly authorized in that behalf by a resolution of the Board or of any Committee of the Board and the Seal is affixed in presence of such representative.*



Provided nevertheless that the certificate of shares issued by the company shall be sealed and signed as provided in the following Article.

6) TO CONSIDER AND TO PASS THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Section 372A and other applicable provisions, if any, of the Companies Act, 1956 and of the Companies Act, 2013 and pursuant to the Companies (Passing of Resolution by Postal Ballot) Rules, 2011, a resolution of the Board of Directors, passed on May 15, 2013 authorizing, inter alia, issue of guarantee in favour of consortium of lenders to Welspun Global Brands Limited (“Consortium”) to secure repayment of working capital facilities upto ₹ 447 Crore issued by Consortium to Welspun Global Brands Limited, be and is hereby confirmed.”

7) TO CONSIDER AND TO PASS THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Section 372A and other applicable provisions, if any, of the Companies Act, 1956 and of the Companies Act, 2013 and pursuant to the Companies (Passing of Resolution by Postal Ballot) Rules, 2011, a resolution of the Board of Directors, passed on August 7, 2013 authorizing, inter alia, issue of guarantee in favour of Bank of India, Manchester, UK (“Bank”) to secure repayment of term loan of GBP 3 million renewed by Bank to Welspun Home Textiles UK Limited, UK, a subsidiary of the Company, be and is hereby confirmed.”

8) TO CONSIDER AND TO PASS THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Section 372A and other applicable provisions, if any, of the Companies Act, 1956 and

of the Companies Act, 2013 and pursuant to the Companies (Passing of Resolution by Postal Ballot) Rules, 2011, a resolution of the Board of Directors, passed on November 29, 2013 authorizing, inter alia, issue of guarantee in favour of lenders to secure repayment of loans upto ₹125 Crore as may be availed by Anjar Integrated Textile Park Developers Private Limited, be and is hereby confirmed.”

9) TO CONSIDER AND TO PASS THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to Section 314 and other applicable provisions, if any, of the Companies Act, 1956 and of the Companies Act, 2013 (including any statutory amendments, modifications or re-enactments thereof, for the time being in force), approval of members of the Company be and is hereby accorded for appointment of Mr. Yash Mandawewala as Management Trainee w.e.f November 1, 2013 on a remuneration of ₹15.00 lac per annum inclusive of perquisites.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to increase the aforesaid remuneration on April 01, 2014 and thereafter at the end of every 12 months by not more than 25% of the remuneration last drawn.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things including decision regarding change in break-up of remuneration package, designation, etc. as may be necessary in order to give effect to the aforesaid.”

By Order of the Board

Place: Mumbai
Date : January 27, 2014

Shashikant Thorat
Company Secretary

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 1 :

Over the years, Mr. Rajesh R. Mandawewala has served as a Whole Time Director of the Company except for the period from October 23, 2009 to March 31, 2011 during which he was a Non-Executive Director. The Board of Directors, at its meeting held on February 14, 2011, had appointed Mr. Mandawewala as the Managing Director of the Company w.e.f. April 1, 2011.

Mr. Mandawewala is co-promoter of the Company and has been associated with the Company since its inception. The Company has flourished under his able leadership and guidance over the years. His personal details are as given below:

Date of Birth	05.05.1962
Date of Current Appointment	01.04.2011
Date of Proposed Appointment	01.04.2014
Qualification	FCA
Expertise in specific area	Well versed in operations of business of manufacturing of home textile products. He has experience of more than 20 years in home textile sector.
Directorships held in companies (excluding foreign and Section 25 companies)	1. Welspun Syntex Limited 2. Welspun Corp Limited 3. Welspun Projects Limited 4. Welspun Global Brands Limited 5. Welspun Zucchi Textiles Limited 6. Welspun Wintex Limited 7. Welspun Fintrade Private Limited 8. Welspun Mercantile Limited 9. Welspun Developers and Infrastructure Limited 10. Welspun Steel Limited 11. Welspun Energy Limited 12. MGN Agro Properties Private Limited 13. Alspun Infrastructure Limited 14. Welspun Infratech Limited 15. Welspun Maxsteel Limited 16. Angel Power and Steel Private Limited
Memberships/ Chairmanships of committees of companies (includes only Audit Committee & Shareholders'/ Investors' Grievance Committee)	Member of Share Transfer and Investor Grievance Committee of : 1. Welspun Corp Limited 2. Welspun Syntex Limited Member of Audit Committee of : 1. Welspun Infratech Limited 2. Welspun Fintrade Private Limited
Number of shares held in the Company	103
Relationships between directors inter-se	—

Subject to approval of the members of the Company and the Central Government, the Board of Directors at its meeting held on November 29, 2013, has approved his remuneration as given in resolution proposed at item no. 1.

Considering the progress the Company has achieved under his leadership, it is proposed that his reappointment w.e.f. April 1, 2014 and remuneration for the period from April 1, 2013 to March 31, 2017 be approved.

Please also refer to Annexure 1 which forms part of this Explanatory statement. The terms as set out in the resolution and explanatory statement may be treated as an abstract of the terms of appointment and remuneration pursuant to section 302 of the Companies Act, 1956.

The resolution at item no. 1 is proposed as a Special Resolution for your approval by way of Postal Ballot.

None of the directors, key managerial personnels and relatives of the directors and key managerial personnels of the Company, except Mr. Rajesh R. Mandawewala is in any way concerned or interested in the said resolution.

Item No. 2:

Subject to approval of the members of the Company and the Central Government, the Board of Directors at its meeting held on November 29, 2013, has approved remuneration of Ms. Dipali Goenka, Executive Director, as given in resolution proposed at item no. 2.

Ms. Goenka is at the helm of operations of the Company and is in charge of the day to day affairs of the Company as well as Welspun's home textile business.

Ms. Goenka has been involved at senior level in textile business of Welspun for over last 12 years and currently she is also the Managing Director of Welspun Global Brands Limited. Her personal details are as given below:

Date of Birth	13.10.1969
Date of Appointment	01.04.2013
Qualification	Graduation in Psychology
Expertise in specific area	Well versed in operations of business of manufacturing of home textile products export and retail trading in those products
Directorships held in companies (excluding foreign and Section 25 companies)	1. Welspun Global Brands Limited 2. Goodvalue Polyplast Limited 3. Mertz Securities Limited 4. Friends Connections Private Limited 5. Sequence Apartments Private Limited 6. Goldenarch Estates Private Limited 7. Welspun Fintrade Private Limited 8. Welspun Mercantile Limited 9. Welspun Logistics Limited 10. Vipuna Trading Limited 11. Giant Realty Private Limited 12. Alspun Infrastructure Limited 13. Welspun Zucchi Textiles Limited 14. Welspun Wintex Limited



Memberships/ Chairmanships of committees of companies (includes only Audit Committee & Shareholders'/ Investors' Grievance Committee)	–
Number of shares held in the Company	72,360
Relationships between directors inter-se	Wife of Mr. B.K. Goenka

Please also refer to Annexure 2 which forms part of this Explanatory statement. The terms as set out in the resolution and explanatory statement may be treated as an abstract of the terms of appointment and remuneration pursuant to section 302 of the Companies Act, 1956.

The resolution at item no. 2 is proposed as a Special Resolution for your approval by way of Postal Ballot.

None of the directors and key managerial personnel of the Company and relatives of the directors and key managerial personnels, except Ms. Dipali Goenka and Mr. B.K. Goenka, is in any way concerned or interested in the said resolution.

Item No. 3 and 4:

The Board of Directors has approved investment into a Special Purpose Vehicle for setting up of an integrated textile park in order to facilitate smooth supply of ancillary products to the Company's operations. Considering the massive size of the Company's operations and aggressive outlook towards the future, it is considered appropriate that the Memorandum of Association of the Company enables the Company to undertake various activities, through ancillary units, which may be construed to be within extensive vision of the Company for coming years. In this regard, it is proposed that the members approve insertion of clause 67, proposed at resolution at item no. 3, in Object clause of the Company and authorize the Board to commence business mentioned therein.

None of the directors and key managerial personnel of the Company and relatives of the directors and key managerial personnels is in any way concerned or interested in the said resolution.

Item No. 5:

The Company executes various documents with its Common Seal. Article 170 of the Articles of Association of the Company provides for authority to use the Common Seal. In order to bring more clarity in the said Article, it is proposed that the Article be replaced with text as mentioned in the resolution proposed at item no. 5. Members are requested to approve the change.

None of the directors and key managerial personnel of the Company and relatives of the directors and key managerial personnels is in any way concerned or interested in the said resolution.

Item No. 6:

The Company exports and distributes its products through its subsidiary

viz. Welspun Global Brands Limited. It is in the interest of Company to provide guarantee to lenders of Welspun Global Brands Limited. The Board of Directors at its meeting held on May 15, 2013 had authorised, inter alia, issue of guarantee in favour of consortium of lenders to Welspun Global Brands Limited ("Consortium") to secure repayment of working capital facilities upto ₹447 Crore issued by Consortium to Welspun Global Brands Limited

The Guarantee mentioned above exceeds the limits specified under Section 372A of the Companies Act, 1956. As per the Companies (Passing of Resolution by Postal Ballot) Rules, 2011, guarantee in excess of the limits prescribed under section 372A requires approval of the members by passing a resolution by way of Postal Ballot. Therefore, resolution at item no. 6 is proposed as a Special Resolution for your approval by way of Postal Ballot.

None of the Directors and key managerial personnel of the Company and relatives of the directors and key managerial personnels is in any way concerned or interested in the said resolution.

Item No. 7:

The Company's subsidiary Welspun Home Textiles UK Limited, UK ("WHTUKL") controls group of Companies which market "Christy" brand of home textile products in UK and around the world. The Company had acquired Christy Group of companies through the conduit of WHTUKL. WHTUKL had borrowed GBP 10 million from Bank of India, Manchester, UK. The Bank had renewed its conditions for then remaining loan of GBP 3 million and had asked for fresh corporate guarantee of the Company. It is in the interest of Company to provide guarantee to Bank. The Board of Directors at its meeting held on August 7, 2013 had authorised, inter alia, issue of guarantee in favour of WHTUKL to secure repayment of the balance loan amount.

The Guarantee mentioned above exceeds the limits specified under Section 372A of the Companies Act, 1956. As per the Companies (Passing of Resolution by Postal Ballot) Rules, 2011, guarantee in excess of the limits prescribed under section 372A requires approval of the members by passing a resolution by way of Postal Ballot. Therefore, resolution at item no. 7 is proposed as a Special Resolution for your approval by way of Postal Ballot.

None of the directors and key managerial personnel of the Company and relatives of the directors and key managerial personnels is in any way concerned or interested in the said resolution.

Item No. 8:

The Board of Directors has approved investment into a Special Purpose Vehicle for setting up of an integrated textile park in order to facilitate smooth supply of ancillary products to the Company's operations. The SPV company viz. Anjar Integrated Textile Park Developers Private Limited proposes to borrow amounts upto ₹125 Crore from various banks and financial institutions. It is in the interest of Company to provide guarantee to lenders of the SPV company. The Board of Directors at its meeting held on November 29, 2013 had authorised, inter alia, issue of guarantee in favour of lenders to the SPV company.

The Guarantee mentioned above exceeds the limits specified under Section 372A of the Companies Act, 1956. As per the Companies



(Passing of Resolution by Postal Ballot) Rules, 2011, guarantee in excess of the limits prescribed under section 372A requires approval of the members by passing a resolution by way of Postal Ballot. Therefore, resolution at item no.8 is proposed as a Special Resolution for your approval by way of Postal Ballot.

None of the directors and key managerial personnel of the Company and relatives of the directors and key managerial personnel is in any way concerned or interested in the said resolution.

Item No. 9:

Mr. Yash Mandawewala is a Bachelor of Science in Mechanical Engineering from Carnegie Mellon University, Pittsburgh, Pennsylvania, USA. Taking into consideration his educational qualification, subject to the approval of the members, he has been appointed as Management Trainee with an annual remuneration of ₹15 lac inclusive of perquisites.

Since he is son of Mr. Rajesh R. Mandawewala, Managing Director, the appointment, as the matter being appointment of a relative of a director of the Company to the office of profit under section 314 of the Companies Act, 1956, is required to be approved by the members of the Company.

Members are requested to approve the said resolution at item no. 9 as a Special Resolution by way of postal ballot.

None of the directors and key managerial personnel of the Company and relatives of the directors and key managerial personnel, except Mr. Rajesh R. Mandawewala and Mr. Yash Mandawewala, is in any way concerned or interested in the said resolution.

By Order of the Board

Place: Mumbai
Date : January 27, 2014

Shashikant Thorat
Company Secretary

NOTES:

- 1) The Company has appointed Ms. Mansi Damania, Proprietor, M/s. Mansi Damania & Associates, Company Secretaries as the Scrutinizer for the purpose of Postal Ballot exercise. The postal ballot form and the self-addressed business reply envelope are enclosed for use of the members. The members are requested to exercise their voting rights by using the attached Postal Ballot Form only. No other form or photocopy of the form is permitted.
- 2) You are requested to carefully read the instructions printed in the Postal Ballot Form. A member desiring to exercise vote by Postal Ballot may complete the enclosed Postal Ballot Form and send it to the Scrutinizer in the enclosed self-addressed Business Reply Envelope. The envelopes containing the postal ballot should reach the Scrutinizer not later than the close of working hours on Wednesday, March 12, 2014.
- 3) After completion of the scrutiny, the Scrutinizer will submit his report to the Chairman appointed by the Board. The result of the Postal Ballot shall be announced by the Chairman appointed by the Board on Thursday, March 13, 2014 at 4 p.m. at the Corporate Office of the Company and the resolutions shall be taken as passed effective from the date of announcement of the result, if the results of the Postal Ballot indicate that the requisite majority of the members had assented to the resolutions. Members who wish to be present at the time of declaration of result may do so at the said venue.

By Order of the Board

Place: Mumbai
Date : January 27, 2014

Shashikant Thorat
Company Secretary



Annexure 1

Statement of Information as required under Section II of Part II of Schedule XIII to the Companies Act, 1956 as a part of explanatory statement to resolution given as item no. 1 of this notice.

Sr.	Particulars					
I.	General Information					
	(1)	Nature of Industry	Home Textile			
	(2)	Date of commencement of commercial production	Not applicable as the Company is an existing company			
	(3)	Financial performance based on given indicators		₹ In lacs except EPS		
			Particulars	2010-11	2011-12	2012-13
			Total Income	206,338.20	262,858.26	309,211.80
			Profit After Tax	(9,978.42)	11,710.99	17,140.50
			Equity Share Capital	8,897.63	8,901.23	10,002.70
			Reserves and Surplus	56,826.86	83,172.58	96,034.03
			Earning/ (Loss) Per Equity Share (EPS)	(11.33)	11.77	17.12
(4)	Export performance and net foreign exchange collaborations	The Company's goods are sold to the Company's subsidiary viz. Welspun Global Brands Limited.				
(5)	Foreign investments or collaborators	The Company is listed on NSE and BSE and as on January 27, 2014, there was no foreign holding in the Company. Non Resident Indians were holding 0.27% of the share capital of the Company. There are no foreign collaborators.				
II.	Information about the Appointee					
	(1)	Background details	Mr. Rajesh R. Mandawewala, aged 51 years, is the Managing Director of the Company. Mr. Mandawewala is a co-promoter of the Company and has been instrumental in executing various projects and expansions from time to time, including negotiating with the suppliers, consultants and arranging for necessary financial resources.			
	(2)	Past Remuneration	He was paid a remuneration of ₹120 lac per annum, along with commission of 1% of net profits of the Company w.e.f. April 1, 2012 which was increased to ₹170 Lac per annum along with commission of 1% of net profits of the Company w.e.f April 1, 2013.			
	(3)	Recognition or awards	The Companies promoted by him have been honoured by various forums in India and overseas and these forums include Wal-Mart, USA, Texpocil, India, Macy's Inc., USA.			
	(4)	Job profile and his suitability	Mr. Mandawewala has rich experience and deep knowledge about the home textile industry and has immensely contributed to the profitability of the company by his incisive and broad based knowledge of the domestic and international markets.			
	(5)	Remuneration proposed	As mentioned in the text of the resolution in the notice			
	(6)	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Mr. Mandawewala has served on the Board of the Company for last two decades. He has led the Company from its nascent stage and has propelled its growth. He has streamlined the business process operations of the Company and has been a strategic management persona. His skill set and his experience places him in a correspondingly equal position to major textile companies in India. Considering the general industry and the specific company profile, the proposed remuneration is in line with the industry levels and that of comparatively placed companies in India.			
	(7)	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Co-promoter and Managing Director of the Company.			
III.	Other Information					
	(1)	Reasons of loss or inadequate profits	During the financial year 2013-14, the Company changed its method of providing depreciation on assets of the Company from Straight Line Method to Reducing Balance Method after taking into consideration the type of assets, nature of their use etc. It is considered that it would result in more appropriate preparation and presentation of the Financial Statements of the Company. Accordingly, depreciation has been recalculated under the Reducing Balance Method for the period from the date on which the assets came into use upto June 30, 2013 in accordance with Accounting Standard 6 "Depreciation Accounting" notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended]. The incremental depreciation of ₹463.10 crore for the period upto June 30, 2013 arising from the change has been provided in the quarter ended September 30, 2013. Accordingly, annual profit of the Company for financial year 2013-14 may not be adequate to accommodate the managerial remuneration.			
	(2)	Steps taken for improvement				
	(3)	Expected increase in productivity and profits in measurable terms				
IV.	Disclosures					
	(1)	Remuneration Package and other details	Remuneration Package is as mentioned in the text of the resolution in the notice.			

Annexure 2

Statement of Information as required under Section II of Part II of Schedule XIII to the Companies Act, 1956 as a part of explanatory statement to resolution given as item no. 2 of this notice.

Sr.	Particulars					
I.	General Information					
	(1)	Nature of Industry	Home Textile			
	(2)	Date of commencement of commercial production	Not applicable as the Company is an existing company			
	(3)	Financial performance based on given indicators		₹ In lacs except EPS		
			Particulars	2010-11	2011-12	2012-13
			Total Income	206,338.20	262,858.26	309,211.80
			Profit After Tax	(9,978.42)	11,710.99	17,140.50
			Equity Share Capital	8,897.63	8,901.23	10,002.70
			Reserves and Surplus	56,826.86	83,172.58	96,034.03
			Earning/ (Loss) Per Equity Share (EPS)	(11.33)	11.77	17.12
(4)	Export performance and net foreign exchange collaborations	The Company's goods are sold to the Company's subsidiary viz. Welspun Global Brands Limited.				
(5)	Foreign investments or collaborators	The Company is listed on NSE and BSE and as on January 27, 2014, there was no foreign holding in the Company. Non Resident Indians were holding 0.27% of the share capital of the Company. There are no foreign collaborators.				
II.	Information about the Appointee					
	(1)	Background details	Ms. Dipali Goenka, aged 44 years, is the Managing Director of Welspun Global Brands Limited, a subsidiary of the Company. She has been associated with Welspun's retail business since its inception. She is a Graduate in Psychology and has a brief stint at Harvard Business School (USA) under her belt. Currently, she is the Executive Director in the Company and is involved in the Company's day to day operations and advises on the functioning of the Company's factories at Vapi and Anjar.			
	(2)	Past Remuneration	She is currently drawing remuneration of ₹150 Lac per annum from the Company. She is also drawing remuneration of ₹48 Lac per annum along with commission of 2% of net profits from Welspun Global Brands Limited, a subsidiary of the Company.			
	(3)	Recognition or awards	She has headed FLO – The Women's wing of FICCI, Bombay Chapter enabling micro financing for women entrepreneurs and initiatives for the girl child.			
	(4)	Job profile and her suitability	She has a rich experience of overseeing the affairs of the Company at various locations including Vapi, Anjar and Mumbai. She is also the Managing Director of Welspun Global Brands Limited which is the Company's marketing arm. With both manufacturing and marketing under her control, she plays an influential role in progress of the Company.			
	(5)	Remuneration proposed	As mentioned in the text of the resolution in the notice			
	(6)	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Ms. Dipali Goenka's experience places her in a correspondingly equal position to major home textile companies in India. Considering the general industry and the specific company profile, the proposed remuneration is in line with the industry levels and that of comparatively placed companies in India.			
	(7)	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Wife of Mr. B. K. Goenka, co-promoter of the Company. Currently, she is also drawing remuneration from the Company and from Welspun Global Brands Limited as mentioned above.			
III.	Other Information					
	(1)	Reasons of loss or inadequate profits	During the financial year 2013-14, the Company changed its method of providing depreciation on assets of the Company from Straight Line Method to Reducing Balance Method after taking into consideration the type of assets, nature of their use etc. It is considered that it would result in more appropriate preparation and presentation of the Financial Statements of the Company. Accordingly, depreciation has been recalculated under the Reducing Balance Method for the period from the date on which the assets came into use upto June 30, 2013 in accordance with Accounting Standard 6 "Depreciation Accounting" notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended]. The incremental depreciation of ₹463.10 crore for the period upto June 30, 2013 arising from the change has been provided in the quarter ended September 30, 2013. Accordingly, annual profit of the Company for financial year 2013-14 may not be adequate to accommodate the managerial remuneration.			
	(2)	Steps taken for improvement				
	(3)	Expected increase in productivity and profits in measurable terms				
IV.	Disclosures					
	(1)	Remuneration Package and other details	Remuneration Package is as mentioned in the text of the resolution in the notice.			

POSTAL BALLOT FORM

Serial No. _____

- Name(s) of Shareholder(s) _____
(including joint holders, if any)
- Registered address of the sole /first named shareholder _____

- Registered Folio No./ (DPID No./ Client ID No. _____
applicable to investors holding shares in dematerialized form)
- No. of shares held _____
- I/We hereby exercise my / our vote in respect of the Special Resolutions to be passed through Postal Ballot for the businesses stated in the Notice of the Company by sending my/our assent or dissent to the said resolutions by placing the tick [✓] mark at the appropriate box below :

Item No.	Description	No. of Shares	Assent / Dissent	Please place [✓] mark below
1	Special Resolution, as given at item no. 1 of the Postal Ballot Notice, approving appointment of, and remuneration payable to, Mr. Rajesh R. Mandawewala, Managing Director		I/We assent to the resolution	
			I/We dissent to the resolution	
2	Special Resolution, as given at item no. 2 of the Postal Ballot Notice, approving remuneration payable to Ms. Dipali Goenka as Executive Director of the Company.		I/We assent to the resolution	
			I/We dissent to the resolution	
3	Special Resolution, as given at item no. 3 of the Postal Ballot Notice, approving insertion of Clause 67 in the Other Objects given in the Memorandum of Association.		I/We assent to the resolution	
			I/We dissent to the resolution	
4	Special Resolution, as given at item no. 4 of the Postal Ballot Notice, approving commencement of business under Clause 67 in the Other Objects given in the Memorandum of Association.		I/We assent to the resolution	
			I/We dissent to the resolution	
5	Special Resolution, as given at item no. 5 of the Postal Ballot Notice, approving alteration of Article 170 of the Articles of Association of the Company		I/We assent to the resolution	
			I/We dissent to the resolution	
6	Special Resolution, as given at item no. 6 of the Postal Ballot Notice, confirming resolution of the Board of Directors dated May 15, 2013 authorising guarantee in favour of consortium of banks led by State Bank of Bikaner and Jaipur to secure repayment of working capital facilities up to ₹447 Crore sanctioned to Welspun Global Brands Limited by the consortium.		I/We assent to the resolution	
			I/We dissent to the resolution	
7	Special Resolution, as given at item no. 7 of the Postal Ballot Notice, confirming resolution of the Board of Directors dated August 7, 2013 authorising guarantee in favour of Bank of India, Manchester, UK to secure repayment of loan of GBP 3 million availed by Welspun Home Textiles UK Limited, UK.		I/We assent to the resolution	
			I/We dissent to the resolution	
8	Special Resolution, as given at item no. 8 of the Postal Ballot Notice, confirming resolution of the Board of Directors dated November 29, 2013 authorising guarantee in favour of lenders to Anjar Integrated Textile Park Developers Private Limited for securing lenders' loans upto ₹125 crore.		I/We assent to the resolution	
			I/We dissent to the resolution	
9	Special Resolution, as given at item no. 9 of the Postal Ballot Notice, approving appointment of Mr. Yash Mandawewala as Management Trainee.		I/We assent to the resolution	
			I/We dissent to the resolution	

Place & Date:

(Signature of Shareholder)

NOTE: Please read carefully the instructions printed below before exercising the vote.

Instructions:

- A member desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer, appointed by the Board of Directors of the Company, in the attached self-addressed envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballots, if sent by courier at the expenses of the registered shareholder will also be accepted.
- The Postal Ballot Form should be completed and signed by the Shareholder. In case of joint holding, this form should be completed and signed [as per specimen signature registered with the company] by the first named shareholder and in his absence, by the next named shareholder.
- In case of shares held by Companies, Trusts, Societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of Power of Attorney / certified copy of board resolution/ authorization together with the specimen signature(s) of the duly authorised signatories. (It is required only, in case the signatories are other than the signatories whose specimen signatures are registered with the Company / R&TA viz. – Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai 400 078).
- Unsigned, incomplete or incorrectly ticked Postal Ballot Form will be rejected.
- The Scrutinizer's decision on the validity of the Postal Ballot shall be final.
- The Postal Ballot shall not be exercised by a proxy.
- Duly completed Postal Ballot Form should reach the Scrutinizer not later than the close of working hours on March 12, 2014. Postal Ballot Form received after this date will be strictly treated as if the reply from the member has not been received.
- There will be one Postal Ballot Form for every Folio / Client ID, irrespective of the number of joint holders.
- A member may request a duplicate form, if so required. However, the duly filled in duplicate form should reach the Scrutinizer not later than the date specified at serial no.7 above.
- Members are requested to fill in the Postal Ballot Form with indelible ink and not by any erasable writing mode.