

WCL/SEC/2021**October 11, 2021**

To,

BSE Ltd. Listing Department, P. J. Towers, Dalal Street, Mumbai - 400 001. (Scrip Code: Equity - 532144), (NCD- 948505, 960468, 960491 & 973309)	National Stock Exchange of India Ltd. Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051. (Symbol: WELCORP, Series EQ)
--	---

Dear Sirs/ Madam,

Sub: Scheme of Arrangement between Welspun Steel Limited and Welspun Corp Limited and their respective Shareholders - Notice of Unsecured Creditors Meeting.

Further to our letter dated October 8, 2021 on the subject, please find attached herewith the Notice and Explanatory Statement of the **meeting of the unsecured creditors** of the Company to be held on **Tuesday, November 16, 2021 at 12:30 pm** as per the directions of the Hon'ble National Company Law Tribunal ('NCLT'), Ahmedabad Bench to consider and approve the Scheme of Arrangement between Welspun Steel Limited ('WSL' or 'the Demerged Company') with Welspun Corp Limited ('WCL' or 'the Resulting Company').

The Notice & Explanatory Statement and instructions for attending the meeting and voting on the resolution proposed in the Notice are being dispatched to the unsecured creditors and shall also be uploaded on the website of the Company at www.welspuncorp.com.

Kindly take the same in your records.

Thanking You.

Yours faithfully,
For Welspun Corp Limited**Pradeep Joshi**
Company Secretary and Compliance Officer
FCS-4959**Welspun Corp Limited**

Welspun House, 5th Floor, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013, India.

T : +91 22 6613 6000 / 2490 8000 F : +91 22 2490 8020

E-mail : companysecretary_wcl@welspun.com Website : www.welspuncorp.com

Registered Address: Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370 110, India.

T : +91 2836 662222 F : +91 2836 279060

Corporate Identity Number: L27100GJ1995PLC025609

WELSPUN CORP LIMITED

CIN : L27100GJ1995PLC025609

Registered Office: Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat, Pin – 370110, India.

Board No.: +91 2836 662079, Fax No. + 91 2836 279060,

Email: CompanySecretary_WCL@welspun.com Website: www.welspuncorp.com

Corporate Office: Welspun House, 5th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013.

Board: +91 -22-66136000 Fax: +91-22-2490 8020

MEETING OF THE UNSECURED CREDITORS OF WELSPUN CORP LIMITED CONVENED AS PER THE DIRECTIONS OF THE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD BENCH

NCLT MEETING:	
Day	Tuesday
Date	16 November 2021
Time	12.30 p.m.
Mode	Through Video Conference / Other Audio-Visual Means (VC/OAVM) *

*Please note that there shall be no meeting requiring physical presence at a common venue in view of the present circumstances, on account of the COVID-19 pandemic

REMOTE E-VOTING

Start Date and Time	Saturday, 13 November 2021 at 09.00 a.m.
End Date and Time	Monday, 15 November 2021 at 05.00 p.m.

INDEX

Sr. No.	Particulars	Page No.
1.	Notice convening meeting of the Unsecured Creditors of Welspun Corp Limited under the provisions of Sections 230-232 of the Companies Act, 2013 read with rule 6 of the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016 as per the directions of the National Company Law Tribunal, Ahmedabad Bench	1-8
2.	Explanatory Statement under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with rule 6 of the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016	9-40
3.	<u>Annexure 1</u> Scheme of Arrangement between Welspun Steel Limited (“the Demerged Company” or “WSL”) and Welspun Corp Limited (“the Resulting Company” or “WCL”) (“Scheme”)	41-81
4.	<u>Annexure 2 and Annexure 2A</u> Valuation report dated 26 June 2021 obtained from independent registered valuers i.e. RBSA Valuation Advisors LLP and Drushti R. Desai	82-109
5.	<u>Annexure 3</u> Fairness Opinion dated 26 June 2021, issued by Dam Capital Advisors Limited	110-115
6.	<u>Annexure 4 and Annexure 4A</u> Certificate from the statutory auditor of the Welspun Steel Limited and Welspun Corp Limited	116-120

7.	<u>Annexure 5</u> Copy of the Observation Letter dated September 17, 2021 from BSE Limited	121-122
8.	<u>Annexure 6</u> Copy of the Observation Letter dated September 17, 2021 from National Stock Exchange of India Limited	123-125
9.	<u>Annexure 7</u> Complaint Report dated 1 September 2021 submitted to BSE Limited	126-127
10.	<u>Annexure 8</u> Complaint Report dated 18 August 2021 submitted to National Stock Exchange of India Limited	128-129
11.	<u>Annexure 9</u> Report adopted by the Board of Directors of Welspun Corp Limited in its meeting held on 28 June 2021 pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013	130-133
12.	<u>Annexure 10</u> Report adopted by the Board of Directors of Welspun Steel Limited in its meeting held on 28 June 2021 pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013	134-136
13.	<u>Annexure 11</u> Abridged Prospectus as provided in Part E of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, including applicable information pertaining to Welspun Steel Limited	137-148
14	<u>Annexure 12</u> Supplementary Unaudited Financial Statement of Welspun Corp Limited for the period ended 30 June 2021	149-156
15	<u>Annexure 13</u> Supplementary Unaudited Financial Statement of Welspun Steel Limited for the period ended 30 June 2021	157-176
16	<u>Annexure 14 and 14A</u> Pre and post Scheme net worth certificate obtained by Welspun Steel Limited and Welspun Corp Limited	177-182
17	NCLT Order pronounced on 4 October 2021	

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD BENCH
COMPANY SCHEME APPLICATION NO 71 OF 2021**

IN THE MATTER OF COMPANIES ACT, 2013;

AND

**IN THE MATTER OF THE SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013 AND
OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013;**

AND

**IN THE MATTER OF SCHEME OF ARRANGEMENT BETWEEN WELSPUN STEEL LIMITED
("DEMERGED COMPANY") AND WELSPUN CORP LIMITED ("RESULTING COMPANY")
AND THEIR RESPECTIVE SHAREHOLDERS**

Welspun Corp Limited, a company)
incorporated under the provisions of the)
Companies Act, 1956, and having its registered)
office at Welspun City, Village Versamedi,)
Taluka Anjar, Dist. Kutch, Gujarat 370110) **Applicant Company/ Resulting Company**

**NOTICE CONVENING THE MEETING OF THE UNSECURED CREDITORS OF THE
APPLICANT COMPANY**

To,
All the Unsecured Creditors of Welspun Corp Limited (the "**Applicant Company**" or "**Resulting Company**")

NOTICE is hereby given that by an order dated the 4 October 2021 in the above mentioned Company Scheme Application (the "**Order**"), the National Company Law Tribunal, Ahmedabad Bench ("**NCLT**" or "**Tribunal**") has directed a meeting to be held on Tuesday, 16 November 2021 through Video Conferencing or other Audio Visual Means ("**VC/OAVM**") of Unsecured Creditors of the Applicant Company for the purpose of considering, and if thought fit, approving with or without modification(s), the demerger embodied in the Scheme of Arrangement between Welspun Steel Limited ("**the Demerged Company**" or "**WSL**") and Welspun Corp Limited ("**the Resulting Company**" or "**WCL**" or "**the Company**") and their respective shareholders ("**Scheme**").

Further, there shall be no meeting requiring physical presence at a common venue in view of the present circumstances arising on account of the Covid-19 pandemic. Persons entitled to attend, and vote may vote through remote e-voting facility made available prior to the meeting as well as during the meeting through VC/OAVM. The facility of appointment of proxies by Unsecured Creditors will not be available for such meeting. However, a body corporate which is an Unsecured creditor of the Applicant Company is entitled to appoint a representative for the purposes of participating and / or voting during the said meeting.

In pursuance of the said Order and as directed therein further notice is hereby given that a meeting of Unsecured Creditors of the Applicant Company will be held on Tuesday, 16 November 2021 at 12.30 p.m. in compliance with the applicable provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. At the meeting, the following resolution will be considered and if thought fit, be passed, with or without modification(s):

"RESOLVED THAT pursuant to the provisions of Sections 230-232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, as may be applicable, read with related rules thereto as

applicable under the Companies Act, 2013 (including any statutory modification or re-enactment or amendment thereof for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Securities and Exchange Board of India Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, the Observation Letters issued by BSE Limited and National Stock Exchange of India Limited, both dated September 17, 2021 and subject to the relevant provisions of any other applicable laws and enabling provisions of the Memorandum of Association and the Articles of Association of the Company and subject to the approval of Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT" or "Tribunal") (or any other competent authority as may be required under law) and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by NCLT or by any regulatory or other authorities, while granting such approvals, permissions, consents and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), the demerger embodied in the Scheme of Arrangement between Welspun Steel Limited ("the Demerged Company" or "WSL") and Welspun Corp Limited ("the Resulting Company" or "WCL") and their respective shareholders ("Scheme"), with or without the amendment, be and is hereby approved;

RESOLVED FURTHER THAT *the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the demerger embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT while sanctioning the demerger embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper without being required to seek any further approval of the Unsecured Creditors or otherwise to the end and intent that the Unsecured Creditors shall be deemed to have given their approval thereto expressly by the authority of this resolution."*

TAKE FURTHER NOTICE that pursuant to the provisions of Section 230(4) read with Section 110 of the Companies Act 2013 ("Act"); Rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("**Rules**"); Rule 20 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof); Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"); Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 issued by the Securities and Exchange Board of India ("**SEBI**"), as amended from time to time (including the consolidated circular being SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020), Circular number SEBI / HO / CFD / CMD1 / CIR / P/2020/79 dated May 12, 2020 as amended by Circular number SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020 ("**SEBI Circulars**") and General Circular No. 33/2020 dated September 28, 2020 and Circular No. 2 of 2021 dated January 13, 2021 issued by the Ministry of Corporate Affairs ("**MCA Circulars**") and other relevant laws and regulations, as may be applicable, the Applicant Company has provided the facility of voting by remote e-voting (prior to the meeting) so as to enable the Unsecured Creditors to consider and approve the Scheme by way of the aforesaid resolution. In addition, e-voting facility shall also be made available during the meeting, as stated above. Accordingly, voting by Unsecured Creditors on the proposed resolution shall be carried out through remote e-voting facility and through e-voting facility during the meeting.

A copy of the Explanatory Statement, under Sections 230(3), 232(1) and (2) and 102 of the Act, 2013 read with Rule 6 of the Rules, the Scheme and the other enclosures as indicated in the Index are enclosed herewith.

Copies of the Scheme, and of the Statement under Sections 230(3), 232(1) and (2) and 102 of the Act read with Rule 6 of the Rules, along with the enclosures as indicated in the Index, can be obtained free of charge at the registered office of the Applicant Company at Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370110 or its corporate office at Welspun House, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 or at the office of its advocates M/s. Raval & Raval, Advocates at 21-23, Laxmi Chambers, Opp. Old High Court, Ahmedabad – 380014. A written request in this regard, along with details of the outstanding amount due by the Company and mentioning Permanent Account Number (PAN), may be addressed to the Company Secretary at CompanySecretary_WCL@welspun.com.

The Tribunal has appointed Mr. Niral Patel, Chartered Accountant and failing him, Mr. Atul Desai, Advocate and Solicitor, Partner of Kanga & Co., to be the Chairman of the said meeting including for any adjournment or adjournments thereof. The Scheme, if approved in the aforesaid meeting, will be subject to the subsequent approval of the Tribunal.

Sd/-

Atul Desai

Chairperson appointed for the meeting

Dated this 7 October 2021

Registered Office: Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch Gujarat - 370110

Notes:

1. As per the NCLT Order read with applicable MCA / SEBI Circulars, meeting of the Unsecured Creditors of the Applicant Company will be held through VC/OAVM facility. The proceedings of the meeting shall however be deemed to be conducted at the registered office of the Applicant Company which shall be the deemed venue of the meeting. The detailed procedure for participation in the meeting through VC/OAVM facility is provided at note no. 18
2. The Unsecured Creditors of the Applicant Company are entitled to vote through remote e-voting facility made available prior to the meeting or e-voting facility made available during the meeting which will be held through VC/OAVM as described below.

(Unsecured Creditors are requested to use User ID and Password for remote e-voting / e-voting during the meeting, as printed on address sticker in case of physical copy of the Notice and as mentioned in covering e-mail in case of soft copy of the Notice).

3. Since, the meeting is being held pursuant to NCLT Order and the MCA/ SEBI Circulars through VC/OAVM, physical attendance of the Unsecured Creditors has been dispensed with. Accordingly, the facility for appointment of proxies by the Unsecured Creditors will not be available for this meeting.
4. Institution / Corporate / Body Corporate which is an Unsecured Creditor of the Applicant Company and intending to appoint an authorised representative for the purpose of participating and / or voting

during the meeting held through VC/OAVM or remote e-voting are requested to send a duly certified copy of the resolution of the Board of Directors or other governing body of such Institution / Corporate / Body Corporate to the Applicant Company at the Corporate Office at Welspun House, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 or email to CompanySecretary_WCL@welspun.com, authorising such representative to participate and vote on their behalf at the meeting, not less than 48 hours before the time fixed for the aforesaid meeting.

5. In compliance with the aforesaid MCA / SEBI Circulars, the Notice in relation to the meeting, together with the documents accompanying the same, is being sent to all the Unsecured Creditors of the Applicant Company as on 30 June 2021 (“Cut-off Date”) only through electronic mode (e-mail) to all the Unsecured Creditors whose e-mail IDs are registered with the Applicant Company for communication purposes.
6. For Unsecured Creditors who have not registered their e-mail addresses with the Applicant Company, physical copy of the notice and other enclosures are being sent by courier / speed post / registered post at their registered address. The notice and other enclosures may also be accessed on the website of the Applicant Company viz www.welspuncorp.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively and website of National Securities Depository Limited at www.evoting.nsdl.com.

In case the e-mail address of an unsecured creditor of the Applicant Company is not registered with Applicant Company, such unsecured creditor may send his/her request by email at CompanySecretary_WCL@welspun.com along with his/ her name, address, mobile number, PAN, amount due from the Applicant Company.

7. The quorum of the meeting of the Unsecured Creditors of the Applicant Company shall be as per section 103 of the Companies Act, 2013. Unsecured Creditors or Authorised Representative of the Body Corporate attending the meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum. If the requisite quorum is not present within half an hour from the time appointed for holding the meeting, then the meeting shall be adjourned by half an hour and the quorum for the adjourned meeting shall be such number of Unsecured Creditors of the Applicant Company that are present.
8. The Unsecured Creditors of the Applicant Company whose names appear in the records of the Applicant Company as on 30 June 2021 shall be eligible to vote at the meeting of the Unsecured Creditors of the Applicant Company (‘cut-off date for e-voting’). The voting right may be exercised either by remote e-voting within prescribed period OR by e-voting during the meeting being convened through VC/ OAVM.
9. The documents referred to in the accompanying Explanatory Statement shall be open for inspection by the Unsecured Creditors at the registered office or the corporate office of the Applicant Company or at the office of its advocates at M/s. Raval & Raval, Advocates at 21-23, Laxmi Chambers, Opp. Old High Court, Ahmedabad – 380014 between 10.00 a.m. and 05.00 p.m. on all days (except Saturdays, Sundays and public holidays) up to the date of the meeting.

All the relevant documents referred to in this Notice and Explanatory Statement and other documents shall be available electronically for inspection by the Unsecured Creditors at the Meeting. Unsecured Creditors seeking to inspect such documents can send an e-mail to CompanySecretary_WCL@welspun.com from their registered e-mail address.

10. In accordance with the provisions of Sections 230-232 of the Act, the Scheme shall be acted upon only if a majority of persons representing three fourth in value of the Unsecured Creditors of the Applicant Company, voting through e-voting facility made available both prior to as well as during the meeting through VC/ OAVM, agree to the Scheme.
11. The remote e-voting commences from Saturday, 13 November 2021 at 09:00 a.m. and ends on Monday 15 November 2021 at 05:00 p.m.
12. The Unsecured Creditors desiring to attend the meeting through VC/OAVM and exercise their vote by e-voting made available during the meeting, are requested to carefully follow the instructions set out in the note 18 below. Post conclusion of the said meeting, the process of e-voting shall remain open for another 30 minutes therefrom.
13. The notice convening the meeting will be published through advertisement in (i) 'Financial Express' Ahmedabad Edition in the English language; and (ii) translation thereof in 'Kutch Mitra' in Gujarati language.
14. Ms. Mansi Shah, Designated Partner of M/s. JMJA Associates LLP, Company Secretaries and in her absence Mr. Jigar Shah, Designated Partner of M/s. JMJA Associates LLP, Company Secretaries has been appointed as the scrutinizer to scrutinize the votes to be casted through remote e-voting and e-voting during the meeting in a fair and transparent manner. The Scrutinizer shall, immediately after and not later than 48 hours from conclusion of the meeting, make a Scrutinizer's Report of the total votes cast in favour and against the resolution and invalid votes, if any, to the Chairman of the meeting, in writing, who shall countersign the same.
15. The result of the voting shall be submitted to the NCLT by the Chairman of the meeting in the prescribed form along with the Scrutinizer's Report. The results announced, along with the Scrutinizer's Report, shall be displayed at the Registered Office of the Applicant Company and its website viz. www.welspuncorp.com, immediately after declaration. The results shall also be immediately forwarded to the stock exchanges where the Applicant Company's equity shares are listed i.e. BSE Limited and National Stock Exchange of India Limited.
16. The Applicant Company has engaged the services of National Securities Depository Limited for providing VC/OAVM facility and remote e-voting facility both prior as well as during the meeting.
17. Since the meeting will be held through VC/OAVM in accordance with the NCLT Order and MCA / SEBI Circulars, the route map, proxy form and attendance slip are not attached to this Notice.
18. Voting process and other instructions regarding e-voting before and during the meeting are given below:

PROCEDURE FOR REMOTE E-VOTING AND E-VOTING AT THE MEETING:

Pursuant to the directions of the Tribunal given under the Order dated 4 October 2021, the Applicant Company is providing to its Unsecured Creditors facility to exercise their right to vote on the resolution proposed to be passed (i) remotely, using an electronic voting system ("**remote e-voting**"); and (ii) at the Meeting by electronic means ("**e-voting at the Meeting**"). The Applicant Company has engaged the services of NSDL as the agency to provide the facility for remote e-voting and e-voting at the Meeting. The manner of voting using e-voting facility is provided in the instructions given below. The

remote e-voting facility will be available during the voting period specified above in the Notice. The remote e-voting will not be allowed beyond the end date and time specified in the voting period as stated in the Notice and the remote e-voting module shall be forthwith disabled by NSDL upon expiry of the aforesaid period.

Further, the facility for voting through electronic voting system will also be made available at the Meeting and the Unsecured Creditors attending the Meeting who have not cast their votes by remote e-voting will be able to vote electronically at the Meeting through such facility.

Voting rights of the Unsecured Creditor shall be in proportion to the outstanding amount due by the Applicant Company as on the Cut-Off Date (specified in the Notice).

Instructions relating to e-voting:

- a. **The Unsecured Creditors who have cast their votes by remote e-voting may also attend the Meeting but shall not be entitled to cast their votes again at the Meeting. Once the vote on the resolution is cast by an Unsecured creditor, the Unsecured creditor will not be allowed to change it subsequently or cast the vote again.**
- b. An Unsecured creditor can opt for only single mode of voting i.e., through remote e-voting or e-voting at the Meeting. If an Unsecured Creditor casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as “INVALID”.
- c. **A person, whose name is recorded in the list of the Unsecured Creditors of the Applicant Company as on the Cut-Off Date only shall be entitled to avail the facility of remote e-voting or for participation and e-voting at the Meeting.**
- d. The Applicant Company has opted to provide the same electronic voting system at the Meeting, as used during remote e-voting, and the said facility shall be operational till the resolution proposed in the Notice is considered and voted upon at the Meeting and may be used for voting only by the Unsecured Creditors as on the Cut-Off Date and who have not already cast their votes through remote e-voting.
- e. **Instructions for remote e-voting:**
 - i. **In case an unsecured creditor receives an e-mail from the Applicant Company / NSDL [for unsecured creditors whose e-mail addresses are registered with the Applicant Company:]**
 - (a) Launch internet browser by typing the URL: <https://www.evoting.nsdl.com/>
 - (b) Enter the login credentials (User ID and password given in the e-mail). If required, please contact toll-free no.: 1800-222-990 (from 9:00 a.m. to 6:00 p.m.) for your login credentials.
 - (c) After entering these details appropriately, click on “LOGIN”.
 - (d) You will now reach Password Change Menu wherein you are required to mandatorily change your password upon logging-in for the first time. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password on first login. You may also enter a secret question and

answer of your choice to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.**

- (e) You need to login again with the new credentials.
 - (f) On successful login, the system will prompt you to select the EVEN for Welspun Corp Limited.
 - (g) On the voting page, select either, option “FOR” or option “AGAINST” to cast your vote on the resolution.
 - (h) You may then click on “SUBMIT”.
 - (i) A confirmation box will be displayed. Click “OK” to confirm, else “CANCEL” to modify.
 - (j) Once you confirm, you will not be allowed to modify your vote.
 - (k) Unsecured Creditors other than individuals are also required to send legible scanned certified true copy(in PDF Format) of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail id: mansi@jmja.in with a copy marked to evoting@nsdl.co.in and CompanySecretary_WCL@welspun.com. It is also requested to upload the same in the e-voting module in their login. The naming format of the aforesaid legible scanned document shall be “Corporate Name EVEN”.
- ii. In case of any query pertaining to e-voting, Unsecured Creditors may refer to the “Help” and “FAQs” sections / E-voting user manual available through a dropdown menu in the “Downloads” section of NSDL’s website for e-voting: www.evoting.nsdl.com or contact NSDL as per the details given under sub-point no. (iii) below.
 - iii. **Unsecured Creditors are requested to note the following contact details for addressing e-voting related grievances:**

For e-Voting:

- a. Ms. Pallavi Mhatre, Manager – NSDL at E-mail ID pallavid@nsdl.co.in or call at 022-24994545, toll free number 1800-222-990
- b. Mr. Amit Vishal, Senior Manager - NSDL at E-mail ID amitv@nsdl.co.in or call at 022- 24994360, toll free number 1800-222-990.

For VC/OAVM:

- a. Mr. Amit Vishal, Senior Manager - NSDL at E-mail ID amitv@nsdl.co.in or call at 022- 24994360, toll free number 1800-222-990
- b. Mr. Sagar Ghosalkar, Assistant Manager, NSDL at E-mail ID sagar.ghosalkar@nsdl.co.in or call at 022-24994 553 / toll free number - 1800-222-990.

f. Instructions for e-voting at the Meeting:

Facility to cast vote at the Meeting will be made available on the Video Conferencing Meeting Screen and will be activated once commencement of e-voting is announced at the Meeting.

An icon, “Vote”, will be available at the bottom left on the Meeting Screen. Once the voting at the Meeting is announced by the Chairperson of the Meeting, you will be able to cast your vote by clicking on this icon.

- g. Subject to receipt of requisite majority of votes (as per Sections 230 to 232 of the Act), the Resolution proposed in the Notice shall be deemed to have been passed on the date of the Meeting (specified in the Notice).

PROCEDURE FOR INSPECTION OF DOCUMENTS:

- a. Documents for inspection as referred to in the Notice will be available electronically for inspection without any fee by the Unsecured Creditors from the date of circulation of this Notice up to the date of Meeting. Unsecured Creditors seeking to inspect such documents can visit the “Policies, Disclosures, Notices” section on the website of the Applicant Company: www.welspuncorp.com.
- b. Unsecured Creditors seeking any information with regard to the Scheme or the matter proposed to be considered at the Meeting, are requested to write to the Company at least 2 days before the date of the Meeting through email on CompanySecretary_WCL@welspun.com. The same will be replied by the Applicant Company suitably.
- c. **Unsecured Creditors are requested to carefully read all the Notes set out herein and in particular, instructions for joining the Meeting, manner of casting vote through remote e-voting or e-voting at the Meeting.**

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD BENCH
COMPANY SCHEME APPLICATION NO 71 OF 2021**

IN THE MATTER OF COMPANIES ACT, 2013;

AND

**IN THE MATTER OF THE SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013 AND
OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013;**

AND

**IN THE MATTER OF SCHEME OF ARRANGEMENT BETWEEN WELSPUN STEEL LIMITED
("DEMERGED COMPANY") AND WELSPUN CORP LIMITED ("RESULTING COMPANY")
AND THEIR RESPECTIVE SHAREHOLDERS**

Welspun Corp Limited, a company incorporated)
under the provisions of the Companies Act, 1956,)
and having its registered office at Welspun City,)
Village Versamedi, Taluka Anjar, Dist. Kutch,)
Gujarat 370110)..... **Applicant Company / Resulting Company**

**EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232(1) AND 232(2) AND 102 OF
THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES,
ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 TO THE NOTICE OF THE NCLT
CONVENED MEETING OF THE UNSECURED CREDITORS OF THE APPLICANT
COMPANY**

1. Pursuant to an Order dated 4 October 2021 passed by the National Company Law Tribunal, Ahmedabad Bench ("NCLT" or "**Tribunal**") in the Company Application no. 71 of 2021, a meeting of the Unsecured Creditors of Welspun Corp Limited (hereinafter referred to as "**Applicant Company**" or "**Resulting Company**" or "**WCL**" or "**Company**") is being convened and held on Tuesday, 16 November 2021 at 12.30 p.m. through Video Conferencing or other Audio Visual Means ("VC/OAVM") for the purpose of considering and if thought fit, approving with or without modification(s), the proposed Scheme of Arrangement between Welspun Steel Limited ("**the Demerged Company**" or "**WSL**") and Welspun Corp Limited ("**the Applicant Company**" or "**the Resulting Company**" or "**WCL**") and their respective shareholders under Sections 230 to 232 of the Companies Act, 2013 ("**Act**") and other applicable provisions of the Act and the rules and regulations made thereunder ("**the Scheme**").
2. The draft Scheme was placed before the Audit Committee and Board of Directors of the Applicant Company and the Demerged Company at their respective meetings held on 28 June 2021. In accordance with the provisions of the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10 March 2017 and any amendments thereof or modifications issued (consolidated under the circular being SEBI/HO/CFD/DIL1/CIR/P/ 2020/249 dated 22 December 2020), the Audit Committee of the Applicant Company vide resolutions passed on 28 June 2021, recommended the Scheme to the Board of Directors of the Resulting Company inter-alia taking into account:
 - a. The Valuation Reports obtained from RBSA Valuation Advisors LLP and Drushti R. Desai, both dated 26 June 2021 for issue of shares pursuant to the Scheme;

- b. The Fairness Opinion issued by DAM Capital Advisors Limited, dated 26 June 2021 on the fairness of the Valuation Reports;
- c. Statutory Auditor's certificate dated 28 June 2021 issued by Price Waterhouse Chartered Accountants LLP, Statutory Auditors of the Applicant Company, in relation to the accounting treatment prescribed in the Scheme.

Copies of the Valuation Reports and the Fairness Opinion including the Statutory Auditor's certificate are enclosed to this Notice.

3. Based upon the recommendations of the Audit Committee and on the basis of the evaluations, the Board of Directors of the Applicant Company has come to the conclusion that the Scheme is in the interest of the Applicant Company and its shareholders and creditors including all its stakeholders. A copy of the Scheme as approved by the Board of Directors of the Applicant Company and the Demerged Company is enclosed herewith to this Notice

4. BACKGROUND OF THE COMPANIES INVOLVED IN THE SCHEME IS AS UNDER:

1. Welspun Steel Limited ("Demerged Company" or "WSL")

- a. It is submitted that "the Demerged Company" or "WSL" is an unlisted public limited company having its CIN: U27109GJ2004PLC044249 and its registered office at Survey Number 650, Village Varsamedi, Taluka Anjar, District- Kutch, Gujarat- 370110. The Demerged Company was incorporated under the Companies Act, 1956 in the State of Gujarat on 03 June 2004 in the name of Welspun Power and Steel Private Limited. Pursuant to issue of fresh certificate of incorporation consequent upon conversion into public company dated 9 November 2004, the name of Welspun Power and Steel Private Limited was changed to Welspun Power and Steel Limited. Further, pursuant to issue of fresh certificate of incorporation consequent upon change of name dated 26 May 2010, the name of Welspun Power and Steel Limited was changed to Welspun Steel Limited.
- b. The details of the Authorised, Issued, Subscribed and Paid-up share capital of the Demerged Company as on 31st March 2021 are as under:

Particulars	No. of Shares	Amount (Rs.)
<u>Authorized Capital</u>		
Equity Shares (Face Value of Rs. 10/- each)	76,07,60,000	760,76,00,000
Preference Shares (Face Value of Rs. 10/- each)	30,53,00,000	305,30,00,000
Total		10,66,06,00,000
<u>Issued, Subscribed and Paid-up</u>		
Equity Shares (Face Value of Rs. 10/- each)	44,78,13,359	447,81,33,590
Total		447,81,33,590

Subsequent to the above, there has been no change in the issued, subscribed and paid-up capital of the Demerged Company.

- c. The shares of the Demerged Company are currently not listed on any of the stock exchange.

- d. The Demerged Company is *inter alia* engaged in the business of manufacturing and sale of Sponge Iron, MS Billets and TMT Bars as per Indian Standards specifications.
- e. The objects for which the Demerged Company has been established are set out in its Memorandum of Association. The main objects of the Demerged Company are set out hereunder:

THE MAIN OBJECTS OF THE COMPANY TO BE PERSUED BY THE COMPANY ON ITS INCORPORATION:

1. *To carry on in India or elsewhere in the world the business to manufacture, process by melting or otherwise iron and steel of every kind including, Sponge Iron, Pig Iron and Alloy Steel, Carbon steel and Stainless steel in the form of blooms, billets, ingots, slabs Iron or other type of steels by any type of furnace and by any route and process and to process them by hot and cold process for manufacturing of HR coils, sheets, plates, CR coils sheets and plates and manufacture welded tubes and / or pipes of all sizes of steel, stainless steel, carbon steel, alloy steel by resistance welding, spiral welding or longitudinal welding i.e. Sub-merged Arc welded Galvanized coated by any material inside and outside black. Also to manufacture and process seamless tubes and / or pipes of all sizes of steel, stainless steel, carbon steel, alloy steel and non-ferrous, fin tubes for percussive finish, by extrusion, hot and cold drawing, peeling grinding, honing stretching pilgering and spheroidized annealing and manufacturing for specific end use for transportation of water, gas, oil for use in auto industries, hydraulic equipments, special purpose heat exchanges for chemical, dairy, fertilizer and sugar industries, petrochemicals, pharmaceuticals power plants, thermal plants, boilers, refineries, oil extrusion plants from oil seeds, rice bran and for machines tools, steel plant and other industrial establishments, also to trade, sell, purchase, deal in import export convert treat and to act as indenters agents distributors of above product.*
- 1A. *To carry on the business of electrician, mechanical engineers, suppliers of electricity for the purposes of light, heat, motive power or otherwise, and manufacturers of and dealers in apparatus and things required for or capable of being used in connection with the generation, distribution, supply, accumulation and employment of electricity, galvanism, magnetism or otherwise and to carry on in India or elsewhere the business of establishing, commissioning, setting up, operating and maintaining electric power generating stations based on conventional/non-conventional resources, tie-lines, sub-stations and transmission lines on build, own and transfer (BOT) and/or build, own, lease and transfer (BOLT) basis and to carry on in India or elsewhere the business of acquiring, operating, managing and maintaining existing power generation stations, tie-lines, sub-stations and transmission lines, either owned by the private sector or public sector or the Government or Governments or other public authorities and for any or all or the aforesaid purposes, to do all the necessary or ancillary activities as may be considered necessary or beneficial or desirable and to acquire concessions or licenses granted by, and enter into contracts with the Government of India or the Government of any Province in India, or the Government of any State in India, or any municipal or local authority, company or person in India, or elsewhere, for the construction and maintenance of an electric installation for the production, transmission or use of electric power for lighting, heating, pumping, signaling, telephonic, or traction or motive purposes, including the application thereof to tramcars,. Omnibuses, carriages, ships, conveyances and objects, or any other purpose and to start and/or carry on and engage in and conduct research and development in the fields of electronics, electronic/electronically controlled processes or in respect of matters technical or operational, and to carry on investigation and experiments of all kinds, to originate, develop and improve and discoveries, inventions, processes and*

formulae, and particularly to manufacture, purchase or otherwise acquire, own, hold, operate, sell or otherwise transfer, lease, license, use, distribute or otherwise dispose off and generally to deal in property of every kind and description, including without limitation of the generality of the foregoing, computers, electronic, electrical and mechanical devices, appliances and machines and parts thereof.

1B. To carry on the business of construction, erection, development, execution, administration, alteration, maintenance, enlargement, pull down, removal or replacement, deal in any work, manage and control of various infrastructure facilities such as roads, highways, tunnels, bridges, dams, ports, airports, railways, underways, housings, dwellings, shopping complexes, superstructures, buildings, offices, factories, mills, workshops, godowns, farm houses, housing schemes, townships, holiday resorts, hotels, motels and conveniences of all kinds.

2. To construct and carry on the business of ship building and ship construction, sale, break buy, repair, convert alter, dismantle ships and vessels or otherwise deal in any manner with ships, tugs, boats, ocean going vessels, harbours, crafts, pontoons, barges, dredgers, and any other floating vessels, vehicles, air crafts, machinery, implements, metal scrap, hardware and hardware and hollow ware made of metal and to undertake and execute any contracts for works involving the supply or use of machinery and to acquire any business, which is engaged in the aforesaid activities and to buy, convert, alter, treat, dismantle, degassify, sale and break or otherwise deal in any manner with ships, tugs, boats, ocean going vessels, harbor, crafts, pontoons, barges, dredgers and other floating structures or any part thereof, whether for passenger or cargo transportation, and to sell, transfer lease or otherwise dispose of scrap materials, equipments, engineering goods, machineries, wooden and steel structures and generally anything derived therefrom and to acquire any business, which is engaged in the aforesaid activities and to carry on the business as designers, engineers, manufacturers, assemblers, erectors of various mechanical, structural, electrical and electronic equipments, fittings, piping, cabling, including refrigeration, ventilation, air-conditioning, instrumentation, all types machinery, implements and hardwares required for marine, offshores, harbours, ports and ancillary services.

f. The Demerged Company has changed its object clause vide special resolutions passed in shareholders' meetings held on June 9, 2021 and June 21, 2021.

2. Welspun Corp Limited (“WCL” or “Resulting Company” or “Applicant Company” or “Company”)

a. The Applicant Company is a public limited company having its CIN: L27100GJ1995PLC025609 and its registered office at Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370110. The Applicant Resulting Company was incorporated under the Companies Act, 1956 in the State of Gujarat on 26 April 1995 under the name ‘Welspun Stahl Rohren Limited’. Pursuant to issue of fresh certificate of incorporation consequent on change of name dated 26 February 1997, the name Welspun Stahl Rohren Limited was changed to Welspun-Gujarat Stahl Rohren Limited. Further, pursuant to issue of fresh certificate of incorporation consequent upon change of name dated 27 April 2010, the name of Welspun-Gujarat Stahl Rohren Limited was changed to Welspun Corp Limited.

- b. The details of the Authorised, Issued, Subscribed and Paid-up share capital of the Applicant Company as on 31 March 2021 is as under:

Particulars	No. of Shares	Amount (Rs.)
Authorised Share Capital		
Equity shares (Face Value of Rs. 5/- each)	30,41,00,000	152,05,00,000
Preference shares (Face Value of Rs. 10/- each)	9,80,00,000	98,00,00,000
Total		2,50,05,00,000
Issued, subscribed and paid-up		
Equity shares (Face Value of Rs. 5/- each)	26,08,84,395	1,30,44,21,975
Total		1,30,44,21,975

Subsequent to the above date, the Applicant Company has issued and allotted 65,000 Equity Shares of Rs. 5 each fully paid-up upon exercise of Employee Stock Option. Further, the Applicant Company has reserved 23,50,000 stock options under the Welspun Employee Stock Option Plan and granted 23,50,000 stock options at an exercise price of Rs.100 on 16 August 2018, which options will be vested over a period of 3 years with the first vesting date being 1 year from the date of grant of the option (i.e., 16 August, 2019). Out of granted options, 3,35,000 options lapsed and 19,35,000 options are yet to be exercised. The exercise of stock options before the Effective Date, under and in accordance with the Welspun Employee Stock Option Plan, would result in an increase in the issued, subscribed and paid-up equity share capital of the Applicant Company.

- c. The equity shares of the Applicant Company are currently listed on BSE Limited (“BSE”) and The National Stock Exchange of India Limited (“NSE”).
- d. The Applicant Company is *inter alia* engaged in the business of manufacturing of steel pipes of various dimensions & thickness, coated and uncoated having application in water, oil and gas and other liquid transportation pipelines.
- e. The objects for which the Applicant Company has been established are set out in its Memorandum of Association. The main objects of the Applicant Company are set out hereunder:
1. *To carry on in India or elsewhere in the world the business to manufacture, process by melting steel, Alloy steel, carbon steel and stainless steel in the form of blooms, billets, ingots, slabs in any type of furnace and by any route and process them by hot and cold process for manufacturing of HR coils, sheets, plates, CR coils sheets and plates and manufacture welded tubes and/or pipes of all sizes of steel, stainless steel carbon steel, alloy steel by resistance welding, spiral welding or longitudinal welding i.e. Sub-merged Arc welded Galvanized coated by any material inside and outside black. Also to manufacture and process seamless tubes and/or pipes of all sizes of steel, stainless steel, carbon steel, alloy steel and non-ferrous, fin tubes for precise finish, by extrusion, hot and cold drawing, peeling grinding, honing stretching piigering and spherodized annealing and manufacturing for specific end use for transportation of water, gas, oil for use in auto industries, hydraulic equipments, special purpose heat exchanges for chemical, dairy, fertilizer and sugar industries, petrochemicals, pharmaceuticals power plants, thermal plants, boilers refineries, oil extrusion plants from oil seeds, rice bran and for machines tools, steel plant and other industrial establishments, also to trade, sell, purchase, deal in import export convert treat and to act as indenters agents distributors of above product.*

- 1-A.** To carry on, in India or elsewhere in the world, directly or indirectly through subsidiaries, joint ventures, associations, partnerships or any combination thereof, the business of manufacturing, trading, marketing of all types of national and international standards of ductile iron pipe including specialized coating, heat treatment of products, fitting, valves, gratings and nodular casting.
- 1-B.** To carry on, in India or elsewhere in the world, directly or indirectly through subsidiaries, joint ventures, associations, partnerships or any combination thereof, the business of manufacturing, trading, marketing of iron and its by products, granulated pig iron, pig iron sintering, pellet, coke and its by products, Sponge iron,/ Direct Reduced iron, cast iron and foundry products, casting, grinding media ball, rolls, ingots, ingot moulds, cast iron pipes, steel and its by products, slabs, HR coils, CR coils, plates, billet, bloom, rebars, bars, wire rods, wires, structural products, flat products, galvanized products, sheets, galvanized sheets, colour coated sheet, strips, pilings, stainless steel and its products, by products and intermediate products such as power, steam, oxygen & inert gases.
- 1-C.** To construct and carry on, in India or elsewhere in the world, directly or indirectly through subsidiaries, joint ventures, associations, partnerships or any combination thereof, the business of ship building and ship construction, buy sale, break buy, repair, convert alter, treat, dismantle, degasify, or otherwise deal in any manner with ships, vessels, tugs, boats, ocean going vessels, harbors, crafts, pontoons, barges, dredgers, and any other floating structure or any part thereof, whether for passenger or cargo transportation and to act as designer, engineer, manufacturer, assembler and erector of various mechanical, structural, electrical and electronic equipment, fittings, piping, cabling, including refrigeration, ventilation, air-conditioning, instrumentation, all types machinery, implements and hardware required for marine, offshores, harbors, ports and ancillary services and to sell, transfer, lease or otherwise dispose of scrap material, machinery, equipment, implements, engineering goods, wooden and steel structures, hardware and hardware and hollow ware made of metal and to undertake and execute any contracts for works involving the supply or use of machinery and to acquire any business, which is engaged in the aforesaid activities.
- 1-D.** To carry on, in India or elsewhere in the world, directly or indirectly through subsidiaries, joint ventures, associations, partnerships or any combination thereof, all or any of the business of industrial mechanical, engineers and manufactures, fabricators, erectors, founders and dealers or manufacturing of industrial equipment, process plant and equipment, wind tower, container, monopiles, gravity base, jacket floating types and other associated structures such as transition pieces for wind tower and to carry on and operate workshop and foundries for casting Iron, steel and stainless steel, copper, aluminum, brass and other metals and any other substances.
- 1-E.** To carry on business to manufacture, produce, process, excavate, quarry, melt, mould, roll, commercialize, cold, clean, cure, treat, mix and manipulate alloy, special steels, stainless steel, cold and hot rolled steel, all types of materials required for manufacture of alloy, tool and special steels, steel casting fabricating, smelting, rolling and forging, steel and alloy steel billets and all kinds and sizes of re-rolled sections, i.e., flats angles, rounds, T. Iron, squares, hexagons, octagons, rails, joints, channels, steel strips, sheets, plates, deformed bars, plain and cold twisted bars, bright bars, shafting's and steel structure.
- 1-F.** To manufacture produce, install, commission, operate, prepare, pay, import, buy, sell, supply, distribute or otherwise deal in all energy production and conversion activities in all its

- forms inclusive of but not restricted to various renewable sources like solar energy, wind energy, all forms of biomass, geothermal energy, hydel energy, tidal and wave energy, hydrogen energy as also effective and efficient utilization of conventional energy forms like coal, oil, gas, electricity and all equipment that may be associated with such energy related activities.*
- 2. To carry on in India or elsewhere in the world the business to design manufacture, build connect, convert, treat, repair, bend clean, alter, assemble, store, warehouse, buy, market sell, import, export, take or kinds let on hire, lease and otherwise deal in machinery and plants of all descriptions and all or any part thereof of accessories thereto required for the purpose of chemical, petrochemicals, pharmaceuticals, fertilizers, sugar, dairy, metallurgical and textile engineering treat and to act as indenters, agents distributors of above product or any other purpose whatsoever.*
 - 3. To carry on in India and elsewhere in the world all or any of the business of industrial mechanical, engineers and manufactures, fabricators, erectors, founders and dealers or manufacturing of industrial equipment, process plant and equipment, waste water treatment systems for different industries, implements, regulators, recorders, components, spares and machinery chemical plants of all kinds, plants, graphite equipment appliance and to carry on and operate workshop and foundries for casting Iron, steel and stainless steel, copper, aluminium brass and other metals and any other substances.*
 - 65. To carry on the business of mining, refining and preparing for market ores, minerals and metals.*
 - 66. To carry on the business of procuring, developing and supplying technical know-how, patent, inventions, drawings, designs, and other scientific formulae, and processes for the manufacture of processing or erection of machinery or plant for such manufacturing and processing and for the working of mines, oil wells and other sources of minerals and deposits and for search and discovery and testing of mineral deposits and of rendering services in connection with the provisions of such technical know-how.*
 - 67. To carry on the business of deriving, discovering, searching, mining, quarrying, prospecting, exploring, opening and working mines, drill and sink shafts or well and to pump, raise, dig and quarry for oil, petroleum, gold, silver, diamonds, precious stones, coal, earth, limestone, iron, aluminum, titanium, vanadium, mica, apalite, chrome, copper, gypsum, lead, manganese, molybdenum, nickel, platinum, rutile, sulphur, tin, zinc, zircom, bauxite and tungsten and other ores and minerals.*
 - 68. To provide, develop, own, maintain, operate, instruct, execute, carry out, improve, construct, repair, work, administer, manage, control, transfer on a build, operate and transfer (BOT), build, own, operate and transfer (BOOT) or build, operate, lease and transfer (BOLT) basis or otherwise, make tenders, apply or bid for, acquire, transfer to operating companies any infrastructure facilities including but not limited to roads, bridges, ports, waterways, rail system, highways, water supply pipelines projects, oil supply pipeline projects, gas supply pipelines projects, sanitation and sewerage systems, warehouse, godowns, other works or convenience of public, private or commercial utility.*
- f. The Applicant Company has changed its object clause vide special resolutions passed in their meetings held on 11 September 2008, 28 September 2020, and 5 August 2021.*

5. BACKGROUND OF THE SCHEME

The Scheme *inter-alia* provides for the following:

- Demerger of Demerged Undertaking (as defined in the Scheme) of the Demerged Company into the Applicant Company with effect from the Appointed Date of 1 April 2021;
- Issue of Cumulative Redeemable Preference Shares to all the eligible shareholders of the Demerged Company by the Applicant Company.

6. RATIONALE OF THE SCHEME

The Board of Directors of the Demerged Company and the Resulting Company, after intensive deliberations, recommended that this is the right time to demerge and separate the business of the Demerged Undertaking from the Demerged Company into the Resulting Company with an expectation to simplify the group structure and to achieve the following synergies for the group:

Since the business of the Demerged Undertaking will supplement the business of the Resulting Company, the consolidation of the Demerged Undertaking with the business of the Resulting Company is expected to provide *inter-alia* the following benefits:

- a. The consolidation will result in earning predictability, stronger revenue and improved competitiveness, with diversification in product portfolio thereby reducing business risks for mutual benefit of the shareholders. This will result in strong presence across market segments, provide access to new markets and product offerings. Further, the operations of the Demerged Undertaking could have access to the Resulting Company's marketing capabilities.
- b. Greater economies of scale and will provide a larger and stronger base for potential future growth;
- c. Consolidation and simplification of the group structure;
- d. reduction in overheads, administrative, managerial and other expenditure;
- e. operational rationalization and increase in operating efficiency; and
- f. synergistic benefits, expansion and acquisition opportunities.

There is no adverse effect of the Scheme on the directors, key managerial personnel, promoters, non-promoter shareholders, creditors, vendors and employees of the Demerged Company and the Applicant Company. The Scheme would be in the best interest of all stakeholders.

7. SALIENT FEATURES OF THE SCHEME

Salient features of the scheme are set out as below:

- *This Scheme of Arrangement (“Scheme”) is presented pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, rules and regulations made thereunder between Welspun Steel Limited having CIN: U27109GJ2004PLC044249 (“the Demerged Company” or “WSL”) and Welspun Corp Limited having CIN: L27100GJ1995PLC025609 (“the*

Resulting Company” or “**WCL**”) for transfer and vesting of the Demerged Undertaking (as defined below) of WSL into WCL with effect from the Appointed Date (hereinafter defined), and upon effectiveness of the Scheme on the Effective Date (hereinafter defined).

- **"Appointed Date"** means April 1, 2021 or such other date as may be approved by the NCLT;
- **"Demerged Undertaking"** shall mean undertaking, business, activities and operations pertaining to steel, specialty steel and thermo mechanical treatment bars manufacturing business carried on by WSL directly or indirectly through its subsidiaries (which includes Welspun Specialty Solutions Limited, Anjar TMT Steel Private Limited etc); investments related to said businesses; and comprising of all the assets (moveable, incorporeal and immoveable) and liabilities which relate thereto, or are necessary therefore and including specifically the following:
 - (i) all assets, title, properties, interests, investments, loans, advances (including accrued interest) and rights, including rights arising under contracts, wherever located (including in the possession of vendors, third parties or elsewhere), whether real, personal or mixed, tangible, intangible or contingent, exclusively used or held, by the Demerged Company in, or otherwise identified for use in business, activities and operations pertaining to its Demerged Undertaking, including but not limited to all land (other than government land), factory building, equipment, plant and machinery, offices, capital work in progress, furniture, fixtures, office equipment, appliances, accessories, receivables, vehicles, deposits, all stocks, assets, cash, balances with banks, certain identified investments, all customer contracts, contingent rights or benefits, etc., pertaining to its Demerged Undertaking (collectively, the **"Identified Assets"**);
 - (ii) all debts, liabilities (including towards warrants not exercised), guarantees, assurances, commitments and obligations of any nature or description, whether fixed, contingent or absolute, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising, (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability), or pertaining to the Demerged Undertaking (collectively, **"Identified Liabilities"**);
 - (iii) all contracts, approvals, agreements, licenses, leases, linkages, memoranda of undertakings, memoranda of agreement, memoranda of agreed points, letters of agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, sales orders, purchase orders or other instruments of whatsoever nature to which the Demerged Company is a party, exclusively relating to the undertaking, business, activities and operations pertaining to its Demerged Undertaking or otherwise identified to be for the benefit of the same, including but not limited to the relevant licenses, water supply/ environment approvals, and all other rights and approvals, electricity permits, telephone connections, building and parking rights, pending applications for consents or extension, all incentives, tax benefits, tax credits (including any credits arising from advance tax, self-assessment tax, other income tax credits, withholding tax credits, minimum alternate tax credits, CENVAT credits, goods and services tax credits, other indirect tax credits and other tax receivables), other claims under tax laws, incentives (including incentives in respect of income tax, sales tax, value added tax, service tax, custom duties and goods and services tax), deferrals, subsidies, concessions, benefits, grants, rights, claims, liberties, special status and privileges enjoyed or conferred upon or held or availed of by the Demerged Company in relation to its Demerged Undertaking, permits, quotas, consents, registrations, lease, tenancy rights in relation to offices and residential properties, permissions, incentives, if any, in relation to its Demerged Undertaking, and all other rights, title, interests,

privileges and benefits of every kind in relation to its Demerged Undertaking (collectively, **"Identified Contracts"**);

- (iv) all registrations, trademarks, trade names, service marks, copyrights, patents, designs, domain names, applications for trademarks, trade names, service marks, copyrights, designs and domain names exclusively used by or held for use by the Demerged Company in the Demerged Undertaking, (collectively, **"Identified IP"**);
- (v) all permits, licenses, consents, approvals, subsidies, authorizations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, no-objection certificates, clearances, credits, awards, sanctions, certifications, easements, tenancies, privileges and similar rights, and any waiver of the foregoing, issued by any legislative, executive, or judicial unit of any Governmental or semi-Governmental entity or any department, commission, board, agency, bureau, official or other regulatory, local, administrative or judicial authority exclusively used or held for use by the Demerged Company in the undertaking, business, activities and operations pertaining to the Demerged Undertaking (collectively, **"Identified Licenses"**);
- (vi) all such staff, workmen and employees of the Demerged Company, employees/personnel engaged on contract basis and contract labourers and interns/ trainees, both on-shore and off-shore, as are primarily engaged in or in relation to the Demerged Undertaking, business, activities and operations pertaining to the Demerged Undertaking, at its respective offices, branches etc, and any other employees/personnel and contract labourers and interns/trainees hired by the Demerged Company after the date hereof who are primarily engaged in or in relation to the Demerged Undertaking, business, activities and operations pertaining to Demerged Undertaking (collectively, **"Identified Employees"**);
- (vii) all liabilities present and future (including contingent liabilities pertaining to or relatable to the Demerged Undertaking), as may be determined by the Board of the Demerged Company;
- (viii) all deposits and balances with Government, quasi-Government, municipal, local and other authorities and bodies, customers and other persons, earnest moneys and/ or security deposits paid or received by the Demerged Company, directly or indirectly in connection with or in relation to the Demerged Undertaking;
- (ix) all books, records, files, papers, directly or indirectly relating to the Demerged Undertaking; but shall not include any portion of the Remaining Business or Residual Undertaking of WSL; and
- (x) any other asset / liability which is deemed to be pertaining to the Demerged Undertaking by the Board of the Demerged Company.

Any question that may arise as to whether a specific asset or liability pertains or does not pertain to the Demerged Undertaking or whether it arises out of the activities or operations of the Demerged Undertaking shall be decided by mutual consent between the Board of Directors of the Demerged Company and the Resulting Company;

- **"Effective Date"** or **"coming into effect of this Scheme"** or **"upon the Scheme becoming effective"** or **"effectiveness of the Scheme"** means the date on which the conditions specified in Clause 21 of this Scheme are complied with. Any reference in this Scheme to the date of "coming into effect of the/this Scheme" or "upon the Scheme becoming effective" or "effectiveness of the Scheme" shall be construed accordingly;

- **“Record Date”** shall be the date to be fixed by the Board of Demerged Company in consultation with the Resulting Company for the purpose of determining the equity shareholders of the Demerged Company for issue of shares pursuant to this Scheme;
- **“Residual Undertaking” or “Remaining Business”** are the terms used to refer the business of the Demerged Company, as would continue immediately after the transfer and vesting of the Demerged Undertaking in the Resulting Company.
- Upon coming into effect of this Scheme and subject to the provisions of this Scheme, with effect from the Appointed Date, the Demerged Undertaking of the Demerged Company shall stand transferred and vested in and/or be deemed to have been transferred and vested in the Resulting Company, as a going concern, without any further deed or act, together with all its assets, liabilities, properties, rights, benefits and interest therein, subject to existing charges thereon in favour of banks and financial institutions or *lis pendens* or otherwise, as the case may be and shall subject to the provisions of this clause in relation to the mode of transfer and vesting and pursuant to the provisions of the Scheme in accordance with Sections 230 to 232 of the Act and all other applicable provisions of law, if any.
- In so far as assets comprised in the Demerged Undertaking of the Demerged Company are concerned, the security, existing charges, mortgages and encumbrances, if any, over or in respect of any of such assets or any part thereof or charge over such assets relating to any loans or borrowings of the Demerged Company which are not transferred to the Resulting Company shall, without any further act or deed (other than the consent of the relevant lenders), be released and discharged from the same and shall no longer be available as security. Further, upon coming into effect of this Scheme, any loan, deposit or facility availed by both, the Demerged Company in respect of the Demerged Undertaking and by the Resulting Company shall have security, charge and / or mortgage extended over the assets / class of assets of the Resulting Company (including the assets forming part of the Demerged Undertaking) as under:
 - o Working capital shall be secured by 1st *pari-passu* charge on all the current assets and 2nd *pari-passu* charge on all the fixed assets in line with the existing charge in favour of existing lenders.
 - o Term loan facilities shall be secured by 1st *pari-passu* charge on all the fixed assets.

Such security, charge and / or mortgage shall be deemed to be carried out as an integral part of this Scheme without any further act or deed on the part of the Resulting Company.

- All the loans, advances and other facilities, including vehicle loans, cash credit limits and bank guarantees sanctioned to the Demerged Company in relation to the Demerged Undertaking, if any, by its bankers and financial institutions prior to the Appointed Date, which are partly drawn or utilized shall be deemed to be the loans and advances, facilities, bank guarantees sanctioned to the Resulting Company and the said loans and advances, facilities, shall be drawn and utilized either partly or fully by the Demerged Company from the Appointed Date till the Effective Date and all the loans, advances and other facilities so drawn by the Demerged Company in relation to the Demerged Undertaking (within the overall limits sanctioned by their bankers and financial institutions) shall on the Effective Date be treated as loans, advances bank guarantees and other facilities made available to the Resulting Company and all the obligations of the Demerged Company in relation to the Demerged Undertaking under any loan agreement (save and except as provided in Clause 5.8 above regarding the security, existing charges etc.) shall be construed and shall become the obligation of the Resulting Company without any further act or deed on the part of the Resulting Company.

- Upon the Scheme becoming effective and upon the demerger of the Demerged Undertaking of the Demerged Company with the Resulting Company in terms of this Scheme, the Resulting Company shall, subject to regulatory approval, if any, issue and allot shares to the eligible shareholders of the Demerged Company whose name appears in the register of members of the Demerged Company as on the Record Date as may be stipulated by the Board of Directors of the Demerged Company or to such of their heirs, executors, administrators or as the case may be, successors and who produce details of their account with a depository participant to the Resulting Company within 15 days from the Record Date, in the following proportion:

“81 (Eighty One) 6% CRPS of the Resulting Company of Rs. 10 (Rupees Ten Only) each fully paid up, which will be redeemable subject to the terms specified in Annexure to the Scheme shall be issued and allotted for every 100 (One Hundred) equity share of the Demerged Company of the face value of Rs. 10/- (Rupees Ten Only) each fully paid”

- In case if the eligible shareholders cannot be allotted CRPS due to any regulatory constraints, then the Resulting Company shall, subject to applicable regulations, pay cash equivalent to the face value of the CRPS proposed to be issued to such shareholder as per Clause 11.1 above (after deducting such taxes as may be applicable). For this purpose, if considered necessary, the Resulting Company shall allot the CRPS to the trustee (to be appointed by the Board of Directors of the Resulting Company), which shall take steps to sell / transfer the same and make payment to the shareholders (after deducting such taxes as may be applicable).
- The Resulting Company shall take necessary steps to increase or alter or re-classify, if necessary, its authorized share capital suitably to enable it to issue and allot the shares required to be issued and allotted by it under this Scheme.
- The shares of the Resulting Company that are to be issued in terms of this Scheme shall be mandatorily issued in dematerialised form only. The eligible shareholders of the Demerged Company shall provide such confirmation, information and details as may be required including details of their account with a depository participant to the Resulting Company to enable it to issue the aforementioned shares.
- Notwithstanding anything to the contrary contained herein, the Resulting Company shall give effect to the scheme of arrangement in its books of accounts in accordance with Appendix C of Indian Accounting Standard 103, Business Combinations and other accounting principles prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as notified under Section 133 of the Companies Act, 2013 and on the date determined in accordance with Ind AS. It is clarified that the separate financial statements of the Resulting Company shall be restated (including comparative period presented in the financial statements) from the beginning of the preceding period in the financial statements as required by Appendix C of Ind AS 103.
- The Residual Undertaking and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company.
- With effect from the Appointed Date and upon the Scheme becoming effective, the authorized share capital of the Resulting Company as detailed in Clause 4.2 of this Scheme shall be increased from the present authorised share capital of Rs. 250,05,00,000 (Rupees Two Hundred Fifty Crore Five Lakh Only), divided into 30,41,00,000 (Thirty Crores Forty One Lakh) equity shares of Rs. 5 (Rupees Five Only) each and 9,80,00,000 (Nine Crore Eighty Lakh) Preference shares of Rs. 10 (Rupees Ten only) each to Rs. 5,520,500,000 (Rupees Five Hundred Fifty Two Crores Five Lakh Only), divided into 30,41,00,000 (Thirty Crores Forty One Lakh) equity shares of Rs. 5 (Rupees Five Only) each and

400,000,000 (Forty Crore) Preference shares of Rs.10 (Rupees Ten only) each, without any liability for payment of any additional fees (including fees and charges to the relevant Registrar of Companies) or stamp duty.

- Stamp duty and similar transfer duties payable in respect of this Scheme shall be borne by the Resulting Company. All other costs, charges and expenses of the Demerged Company and the Resulting Company arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by the respective companies.

You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof. The aforesaid are only some of the key provisions of the Scheme.

8. APPROVALS

- Pursuant to the SEBI Circulars read with Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Applicant Company had filed necessary applications before BSE and NSE seeking their no-objection to the Scheme. The Applicant Company has received the Observation Letters from BSE and NSE both dated September 17, 2021 conveying their no-objection to the Scheme ("**Observation Letters**"). Copies of the aforesaid Observation Letters are enclosed herewith.
- BSE and NSE vide their Observation Letters dated September 17, 2021 have advised that SEBI has given following comments on the Scheme:
 - Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme.
 - Company shall ensure that all the details provided vide its letter dated September 03, 2021 shall be prominently disclosed in the notice sent to the Shareholders.
 - Company shall ensure that the CRPS proposed to be issued in terms of the "Scheme" shall mandatorily be in demat form only. Accordingly, the para 11.9 of Part B of the "Scheme" and other relevant paras shall be suitably amended before the "Scheme" is filed with Hon'ble NCLT and shareholders, while seeking approval.
 - Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the Clause 21 of Part C mentioned in the scheme document.
 - The Company shall ensure that the information pertaining to all the Unlisted Companies involved in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.
 - Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.
 - Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchanges, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges.
 - Company shall duly comply with various provisions of the Circular.
 - Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.

- It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.

- c. As required by the SEBI Circular, the Applicant Company has filed the Complaint Report with BSE on September 1, 2021 and with NSE on August 18, 2021. Copies of the aforementioned Complaints Report are enclosed herewith.

9. CAPITAL STRUCTURE PRE AND POST SCHEME

The pre and post scheme capital structure of the Demerged Company is mentioned in paragraph 4.1(b).

The pre-Scheme capital structure of the Applicant Company is mentioned in paragraph 4.2(b) above.

With effect from the Appointed Date and upon the Scheme becoming effective:

- the authorized share capital of the Applicant Company shall be increased from the present authorised share capital of Rs. 250,05,00,000 (Rupees Two Hundred Fifty Crore Five Lakh Only), divided into 30,41,00,000 (Thirty Crores Forty-One Lakh) equity shares of Rs. 5 (Rupees Five Only) each and 9,80,00,000 (Nine Crore Eighty Lakh) Preference shares of Rs. 10 (Rupees Ten only) each to Rs. 5,520,500,000 (Rupees Five Hundred Fifty-Two Crores Five Lakh Only), divided into 30,41,00,000 (Thirty Crores Forty-One Lakh) equity shares of Rs. 5 (Rupees Five Only) each and 400,000,000 (Forty Crore) Preference shares of Rs.10 (Rupees Ten only) each, without any liability for payment of any additional fees (including fees and charges to the relevant Registrar of Companies) or stamp duty.
- 81 (Eighty-One) 6% Cumulative Redeemable Preference Shares of the Applicant Company of Rs. 10 (Rupees Ten Only) each fully paid up, which will be redeemable subject to the terms specified in Annexure to the Scheme shall be issued and allotted for every 100 (One Hundred) equity share of the Demerged Company of the face value of Rs. 10/- (Rupees Ten Only) each fully paid to the eligible shareholders of the Demerged Company whose name appears in the register of members of the Demerged Company as on the Record Date as may be stipulated by the Board of Directors of the Demerged Company or to such of their heirs, executors, administrators or as the case may be, successors and who produce details of their account with a depository participant to the Applicant Company within 15 days from the Record Date.

The indicative post-Scheme capital structure of the Applicant Company is as under:

Particulars	No. of Shares	Amount (Rs.)
Authorised Share Capital		
Equity shares (Face Value of Rs. 5/- each)	30,41,00,000	1,52,05,00,000
Preference shares (Face Value of Rs. 10/- each)	40,00,00,000	4,00,00,00,000
Total		5,52,05,00,000
Issued, subscribed and paid-up		
Equity shares (Face Value of Rs. 5/- each)	26,08,84,395	1,30,44,21,975
Preference shares (Face Value of Rs. 10/- each)	36,27,28,820	3,62,72,88,200
Total		4,93,17,10,175

10. PRE AND POST SCHEME SHAREHOLDING PATTERN

1. The pre and post equity Scheme shareholding pattern of the Applicant Company as on 30 June 2021 is as follows:

Sr	Description	Pre-Scheme		Post-Scheme	
		No. of shares	%	No. of shares	%
(A)	Shareholding of Promoter and Promoter Group				
1	Indian				
	Individuals/ Hindu Undivided Family				
	Rajesh R. Mandawewala	200	0	200	0
	Balkrishan Gopiram Goenka	140	0	140	0
	Dipali B. Goenka	2	0	2	0
	Total	342	0	342	0
(b)	Central Government/ State Government(s)	-	-	-	-
(c)	Bodies Corporate	-	-	-	-
	Aryabhat Vyapar Private Limited	6,915,000	2.65	6,915,000	2.65
	Welspun Investments and Commercials Limited	6,523,000	2.50	6,523,000	2.50
	Total	13,438,000	5.15	13,438,000	5.15
(d)	Financial Institutions/ Banks	-	-	-	-
(e)	Any Others	-	-	-	-
	Trusts	-	-	-	-
	Balkrishan Goenka, trustee of Welspun Group Master Trust	117,063,807	44.87	117,063,807	44.87
	B. K. Goenka Family Trust (Balkrishan Goenka)	5	0.00	5	0.00
	Total	117,063,812	44.87	117,063,812	44.87
	Sub Total(A)(1)	130,502,154	50.01	130,502,154	50.01
2	Foreign				
(a)	Individuals (Non-Residents Individuals/ Foreign Individuals)	-	-	-	-
(b)	Bodies Corporate	-	-	-	-
(c)	Institutions	-	-	-	-
(d)	Any Others	-	-	-	-
	Sub Total(A)(2)	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	130,502,154	50.01	130,502,154	50.01
(B)	Public shareholding				
1	Institutions	-	-	-	-
(a)	Mutual Funds/ UTI	11,477,764	4.40	11,477,764	4.40
(b)	Financial Institutions / Banks	9,109,446	1.20	9,109,446	1.20
(c)	Central Government/ State Government(s)	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-
(e)	Insurance Companies	270,000	0.10	270,000	0.10
(f)	Foreign Institutional Investors	-	-	-	-
(g)	Foreign Venture Capital Investors	-	-	-	-
(h)	Foreign Portfolio Investor	31,507,916	12.07	31,507,916	12.07
(i)	Alternate Investment Funds	100,000	0.04	100,000	0.04
(j)	Any Other	-	-	-	-
	Sub-Total (B)(1)	52,465,126	20.11	52,465,126	20.11
2	Non-institutions				

(a)	Bodies Corporate	12,008,126	4.60	12,008,126	4.60
(b)	Individuals	-	-	-	-
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	28,256,661	10.83	28,256,661	10.83
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	23,488,011	9.00	23,488,011	9.00
(c)	NBFCs registered with RBI	4,884,323	1.87	4,884,323	1.87
(d)	Trust Employee	979,600	0.38	979,600	0.38
(e)	Any Other	8,365,394	3.21	8,365,394	3.21
I	IEPF	199,276	0.08	199,276	0.08
ii	Hindu Undivided Family	3,363,067	1.29	3,363,067	1.29
iii	Non Resident Indians	2,689,200	1.03	2,689,200	1.03
iv	Unclaimed Shares	6,300	0.00	6,300	0.00
v	Clearing Member	631,590	0.24	631,590	0.24
vi	Body Corporate-Ltd Liability-Partnership-DR	1,430,961	0.55	1,430,961	0.55
vii	Directors & Directors Relatives	45,000	0.02	45,000	0.02
	Sub-Total (B)(2)	77,982,115	29.88	77,982,115	29.88
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	130,447,241	49.99	130,447,241	49.99
	TOTAL (A)+(B)	260,949,395	100.00	260,949,395	100.00
(C)	Shares held by Custodians and against which DRs have been issued	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	260,949,395	100.00	260,949,395	100.00

2. There are no preference shares in the pre-Scheme shareholding pattern of the Applicant Company. The post Scheme preference shareholding pattern of the Applicant Company is as follows:

Sr	Description	Pre-Scheme		Post-Scheme	
		No. of shares	%	No. of shares	%
(A)	Shareholding of Promoter and Promoter Group				
1	Indian				
	Individuals/ Hindu Undivided Family				
	Balkrishan Gopiram Goenka	-	-	1,092,690	0.30
	Total			1,092,690	0.30
(b)	Central Government/ State Government(s)	-	-	-	
(c)	Bodies Corporate				
	Rank Marketing LLP*	-	-	252,546,032	69.62
	MGN Agro Properties Private Limited *	-	-	97,872,849	26.98
	Total	-	-	350,418,881	96.91
(d)	Financial Institutions/ Banks	-	-	-	-
(e)	Any Others	-	-	-	-
	Sub Total(A)(1)	-	-	351,511,571	96.91
2	Foreign	-	-	-	-
(a)	Individuals (Non-Residents Individuals/ Foreign Individuals)	-	-	-	-
(b)	Bodies Corporate	-	-	-	-
(c)	Institutions	-	-	-	-
(d)	Any Others	-	-	-	-

	Sub Total(A)(2)	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	-	-	351,511,571	96.91
(B)	Public shareholding				
1	Institutions	-	-	-	-
(a)	Mutual Funds/ UTI	-	-	-	-
(b)	Financial Institutions / Banks	-	-	-	-
(c)	Central Government/ State Government(s)	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-
(e)	Insurance Companies	-	-	-	-
(f)	Foreign Institutional Investors	-	-	-	-
(g)	Foreign Venture Capital Investors	-	-	-	-
(h)	Foreign Portfolio Investor	-	-	-	-
(i)	Alternate Investment Funds	-	-	-	-
(j)	Any Other	-	-	-	-
	Sub-Total (B)(1)	-	-	-	-
2	Non-institutions				
(a)	Bodies Corporate Saracorp Pte Ltd*	-	-	11,217,249	3.09
(b)	Individuals				
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	-	-	-	-
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	-	-	-	-
(c)	NBFCs registered with RBI	-	-	-	-
(d)	Trust Employee	-	-	-	-
(e)	Any Other				
	Sub-Total (B)(2)	-	-	11,217,249	3.09
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	-	-	11,217,249	3.09
	TOTAL (A)+(B)	-	-	362,728,820	100.00
(C)	Shares held by Custodians and against which DRs have been issued				
	GRAND TOTAL (A)+(B)+(C)	-	-	362,728,820	100.00

3. The pre and post Scheme shareholding pattern of the Demerged Company as on 30 June 2021 is as follows:

Sr. No	Name of the shareholder	Pre-Scheme		Post-Scheme	
		No. of Equity shares held	Shareholding as % of total no of equity shares issued	No. of Equity shares held	Shareholding as % of total no of equity shares issued
1	Rank Marketing LLP	31,17,85,225	69.62%	31,17,85,225	69.62%
2	MGN Agro Properties Private Limited	12,08,30,674	26.98%	12,08,30,674	26.98%
3	Mr. Balkrishan Goenka	13,49,000	0.30%	13,49,000	0.30%
4	Saracorp Pte Ltd	1,38,48,456	3.09%	1,38,48,456	3.09%

5	Mr. Vipul Bhatt (nominee of MGN Agro Properties Private Limited)	1	0.00%	1	0.00%
6	Mr. Suresh Kadam (nominee of MGN Agro Properties Private Limited)	1	0.00%	1	0.00%
7	Ms. Rashmi Mamtura (nominee of MGN Agro Properties Private Limited)	1	0.00%	1	0.00%
8.	Mr. Mohan Manikkan (nominee of MGN Agro Properties Private limited)	1	0.00%	1	0.00%
	Total	44,78,13,359	100.00%	44,78,13,359	100.00%

11. EXTENT OF SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

1. The Directors and Key Managerial Personnel (KMP) and their respective relatives of the Applicant Company and the Demerged Company are not in any manner interested in the Scheme except in the capacity of shareholder and / or promoter of the Applicant Company and / or the Demerged Company respectively.
2. The details of the present directors and KMP of the Applicant Company and their respective shareholdings in the Applicant Company and the Demerged Company as on 30 June 2021 are as follows:

Name of Directors / KMP	Designation	Equity Shares of the Demerged Company	Equity Shares of the Applicant Company
Mr. B.K.Goenka	Chairman (Non-Executive Director)	13,49,000	11,70,63,952
Ms. Amita Misra	Independent Director	Nil	Nil
Mr. Deshraj Dogra	Independent Director	Nil	Nil
Ms. Dipali Goenka	Non-Executive Director	Nil	2
Mr. K.H. Viswanathan	Independent Director	Nil	20,000
Mr. Rajesh Mandawewala	Non-Executive Director	Nil	200
Ms. Revathy Ashok	Independent Director	Nil	Nil
Mr. Vipul Mathur	MD & CEO	Nil	11,000
Mr. Percy Birdy	CFO	Nil	Nil
Mr. Pradeep Joshi	Company Secretary	Nil	1

- The details of the present directors and KMP of the Demerged Company and their respective shareholdings in the Demerged Company and the Applicant Company as on 30 June 2021 are as follows:

Name of Directors / KMP	Designation	Equity Shares of the Demerged Company	Equity Shares of the Applicant Company
Mr. Balkrishan Goenka	Non-Executive Director	13,49,000	11,70,63,952
Mr. Rajesh R. Mandawewala	Non-Executive Director	Nil	200
Mr. Prakash Tatia	Whole Time Director and CFO	Nil	Nil
Mr. Raj Kumar Jain	Independent Director	Nil	Nil
Ms. Amita Karia	Independent Director	Nil	Nil
Ms. Rashmi Mamtura	Company Secretary	1	20

12. GENERAL

- The Demerged Company and the Applicant Company have made a joint application before the NCLT for the sanction of the Scheme under Sections 230-232 of the Act, and other applicable provisions of the Act, including the rules and regulation made thereunder.
- The amount due to the secured creditors of the Demerged Company as on 30 June 2021 is Rs. 80,76,74,264/-.
- The amount due to the unsecured creditors of the Demerged Company as on 30 June 2021 is Rs. 1,11,61,82,042/-.
- The amount due to the secured creditors of the Applicant Company as on 30 June 2021 is Rs. 5,34,77,56,655/-.
- The amount due to the unsecured creditors of the Applicant Company as on 30 June 2021 is Rs. 11,45,94,577/-.
- The details of outstanding debts / loans of Welspun Steel Limited as on 31 March 2021 which will be transferred and vested to the balance sheet of Welspun Corp Limited is as under:

Sr No.	Particulars	Amount (Rs.)
1	Union Bank of India	12,970,526
2	Punjab National Bank	121,505,778
3	State Bank of India	63,659,279
	Total	198,135,583

7. The details of guarantees provided as on 31 March 2021 by Welspun Steel Limited to any loans / borrowings and pertaining to the assets and operations of the demerged undertaking is as under:

Name of Bank	Loan Taken by	Nature of Facility	Type	Amount (Rs.)
Union Bank of India	Welspun Specialty Solutions Limited	Working Capital	Sanction Limit	273,600,000
Union Bank of India	Welspun Specialty Solutions Limited	Term Loan	Outstanding	248,050,000*
Yes Bank Limited	Welspun Specialty Solutions Limited	Term Loan	Outstanding	400,000,000
Total				921,650,000

* The facility has since been repaid in full and the guarantee under process of release. .

8. In relation to the meeting of the Unsecured Creditors of the Applicant Company, Unsecured Creditors of the Applicant Company whose names are appearing in the records of the Applicant Company as on 30 June 2021 shall be eligible to attend and vote at the meeting of the Unsecured Creditors of the Applicant Company either in person or through authorised representative convened as per the directions of the Tribunal and or cast their votes using e-voting facility.
9. The rights and interests of creditors (secured and unsecured) of Applicant Company and the Demerged Company are not likely to be prejudicially affected as the Applicant Company is a company with a sound net worth and financial background. Further, no compromise is offered to any of the creditors of the Applicant Company and /or the Demerged Company nor their rights are sought to be modified in any manner and the Applicant Company undertakes to meet with all such liabilities in the regular course of its business.
10. The latest audited financial statements for the year ended 31 March 2021 and supplementary unaudited financial statement as on 30 June 2021 of the Applicant Company indicates that it is in a solvent position and would be able to meet liabilities as they arise in the course of business. Hence, the Scheme will not cast any additional burden on the shareholders or creditors of the Applicant Company and the Demerged Company.
11. There is no winding up proceedings/corporate insolvency resolution process pending against the Applicant Company and /or the Demerged Company as on date.
12. No adjudication and recovery proceedings, prosecution or enforcement actions have been instituted or are pending in relation to the Applicant Company and /or the Demerged Company, their respective promoters, and directors.
13. The Applicant Company, the Demerged Company and their respective promoters and directors are not wilful defaulters, fraudulent defaulters.
14. The Applicant Company and the Demerged Company are required to seek approvals / sanctions / no-objections from certain regulatory and governmental authorities (as applicable) for the Scheme such as the Registrar of Companies, Regional Director, Securities Exchange Board of India, BSE Limited, National Stock Exchange of India Limited and Income-tax authorities, as may be applicable, and it will obtain the same at the relevant time.

15. In the event that the Scheme is withdrawn in accordance with its terms, the Scheme shall stand revoked, cancelled and be of no effect and null and void.

16. Names and addresses of the Directors and Promoters of the Applicant Company as on 30 June 2021 are as under:

Names and addresses of the Directors:

Sr. No	Name of the Director	Address
1	Mr. Balkrishan Goenka (Chairman)	Rocky Isle, 46/C, Bhulabhai Desai Road, Breach Candy, Mumbai - 400 026
2	Mr. K. H. Viswanathan (Lead Independent Director)	Flat No.4, Kalyani Uttam Soc., St. Antony Road, Chembur, Mumbai – 400 071.
3	Ms. Amita Misra (Independent Director)	Flat No. AUG0050209, Augusta, Jaypee Greens, Wish Town, Sector 128, Noida, 201304
4	Mr. Desh Raj Dogra (Independent Director)	Flat No. 402, Somerset Building, Hiranandani Gardens, Powai, Mumbai – 400076
5	Ms. Dipali Goenka (Non Executive Director)	Rocky Isle, 46/C, Bhulabhai Desai Road, Breach Candy, Mumbai - 400 026.
6	Ms. Revathy Ashok (Independent Director)	139/6-2, Domlur Layout, Bengaluru – 560 071
7	Mr. Rajesh R. Mandawewala (Director)	Flat No. 171, B-Wing, 17th Floor, Tanna Residency, Bay View, 392, V.S.Marg, Prabhadevi, Mumbai – 400 025
8	Mr. Vipul Mathur (Managing Director & CEO)	Signia Isles Unit No. 1303, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051

Name and addresses of the Promoters:

Sr. No	Name of the Promoter	Address
1	Mr. Balkrishan Goenka	Rocky Isle, 46/C, Bhulabhai Desai Road, Breach Candy, Mumbai - 400 026
2	Mr. Rajesh R. Mandawewala	Flat No. 171, B-Wing, 17th Floor, Tanna Residency, Bay View, 392, V.S.Marg, Prabhadevi, Mumbai – 400 025

Name and addresses of the Promoter Group and Co-Promoters as per Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sr. No	Name of the Promoter Group and Co-Promoters	Address
1	Ms. Dipali Goenka	Rocky Isle, 46/C, Bhulabhai Desai Road, Breach Candy, Mumbai - 400 026.
2	Aryabhat Vyapar Private Limited	Survey No 76, Village Morai, Vapi, Valsad, Gujarat - 396191
3	Welspun Investments and Commercials Limited	Welspun City, Village Versamedi, Taluka Anjar, Dist Kutch, Gujarat - 370110
4	MGN Agro Properties Private Limited	Survey No. 650, Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch Gujarat - 370110

5	Radhika Goenka	Rocky Isle, 46/C, Bhulabhai Desai Road, Breach Candy, Mumbai - 400 026.
6	Vanshika Goenka	Rocky Isle, 46/C, Bhulabhai Desai Road, Breach Candy, Mumbai - 400 026.
7	Pratima Mandawewala	B-161/171, Tanna Residency, Bay View, V.S Marg, Opp. Siddhivinayak Mandir, Prabhadevi, Mumbai-400025
8	Ramesh Mandawewala	B-161/171, Tanna Residency, Bay View, V.S Marg, Opp. Siddhivinayak Mandir, Prabhadevi, Mumbai-400025
9	Sitadevi Mandawewala	B-161/171, Tanna Residency, Bay View, V.S Marg, Opp. Siddhivinayak Mandir, Prabhadevi, Mumbai-400025
10	Abhishek Mandawewala	B-161/171, Tanna Residency, Bay View, V.S Marg, Opp. Siddhivinayak Mandir, Prabhadevi, Mumbai-400025
11	Yash Mandawewala	B-161/171, Tanna Residency, Bay View, V.S Marg, Opp. Siddhivinayak Mandir, Prabhadevi, Mumbai-400025
12	Welspun Wasco Coatings Private Limited	Survey No. 569, Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370110
13	Welspun Tradings Limited	Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370110
14	Welspun Mauritius Holdings Ltd.	C/o IQ EQ Corporate Services (Mauritius) Ltd., 33, Edith Cavell Street, Port Louis, 11324, Mauritius
15	Welspun Pipes Inc.	9301, Frazier Pike, Little Rock, Arkansas - 72205, USA
16	Welspun Metalics Limited	Survey No. 650, Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat- 370110
17	Welspun DI Pipes Limited	Survey No. 650, Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat- 370110
18	Welspun India Limited	WELSPUN CITY VILLAGE VERSAMEDI ANJAR GJ 370110
19	Welspun Captive Power Generation limited	WELSPUN CITY, VILLAGE VERSAMEDI, TALUKA ANJAR ANJAR GJ 370110
20	Welspun Global brands Limited	6th Floor, Welspun House, Kamala Mills Compound Lower Parel, Mumbai 400013 MH
21	Welspun FLOORING Limited	D No. 6-3-609/147/A, Opposite Sri Chakra Apartment Anand Nagar Colony, Khairatabad, Hyderabad TG 500004
22	Welspun Anjaz SEZ Ltd	WELSPUN CITY P.O. VERSAMEDI TALUKA ANJAR GJ 370110 IN
23	Welspun Zucchi Textiles Limited	WELSPUN HOUSE, 6TH FLOOR, KAMALA MILLS COMPOUND, SENAPATI BAPAT MARG, LOWER PAREL Mumbai City MH 400013 IN
24	Anjar Integrated Textile Park Developer Pvt ltd	SURVEY NO. 675, WELSPUN CITY, VILLAGE VERSAMEDI, TALUKA ANJAR, DISTRICT KUTCH, ANJAR Kachchh GJ 370110 IN
25	Besa Developers and Infrastructure Pvt ltd	WELSPUN HOUSE, 6TH FLOOR, KAMALA MILLS COMPOUND, SENAPATI BAPAT MARG, LOWER PAREL MUMBAI Mumbai City MH 400013 IN

26	Welspun Innovative products Limited	Survey No. 675, Welspun City, Village Versamedi, Taluka Anjar, District Kutch ANJAR Kachchh GJ 370110 IN
27	Welspun Advanced Materials (India) Ltd	6-3-609/147/A, Near Dayanand School, Anand Nagar, Khairatabad, HYDERABAD Hyderabad TG 500004 IN
28	Welspun Nexgen INC	251, Little Falls Drive, Wilmington, Delaware 19808
29	Welspun USA INC	Suite No. 1118, 11th Floor, Textile Building, 5th Avenue, New York, NY – 10016, USA
30	Welspun Enterprises Limited	Welspun City, Village Versamedi, Taluka Anjar, Anjar GJ 370110 IN
31	Welspun Holdings Private Limited, Cyprus	10, Diomidous Avenue, Building Alphamega – Acropolis, 3rd Floor, Office 401, 2024 Nicosia, Cyprus
32	Welspun Mauritius Enterprises Limited	Les Cascades Building, Edith Cavell Street, Port Louis, Mauritius
33	Welspun Natural Resources Private Limited	Welspun City, Village Versamedi, Taluka Anjar, Kutch Anjar Kachchh GJ 370110 IN
34	Welspun Projects (Himmatnagar Bypass) Private Limited (Formerly known as MSK Projects (Himmatnagar Bypass) Private Limited)	Survey No.675, Welspun City, Village Versamedi, Taluka Anjar, Anjar Kachchh GJ 370110 IN
35	Welspun Project (Kim Mandvi Corridor) Private Limited (Formerly known as MSK Projects (Kim Mandvi Corridor) Private Limited)	Survey No.675, Welspun City, Village Versamedi, Taluka Anjar, Anjar Kachchh GJ 370110 IN
36	ARSS Bus Terminal Private Limited	C-79, BDA Duplex, Near Airport, Palaspalli, Bhubaneswar Cuttack OR 751020 IN
37	Dewas Waterprojects Works Private Limited	T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi South West Delhi DL 110070 IN
38	Welspun Build-Tech Private Limited	7th Floor, Welspun House Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai Mumbai City MH 400013 IN
39	Welspun Delhi Meerut Expressway Private Limited	T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi South West Delhi DL 110070 IN
40	MBL (CGRG) Road Limited	T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi South West Delhi DL 110070 IN
41	MBL (GSY) Road Limited	T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi South West Delhi DL 110070 IN
42	RGY Roads Private Limited	T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi South West Delhi DL 110070 IN

43	Corbello Trading Private Limited	T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi South West Delhi DL 110070 IN
44	Chikhali - Tarsod Highways Private Limited	T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi South West Delhi DL 110070 IN
45	Welsteel Enterprises Private Limited	T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi South West Delhi DL 110070 IN
46	DME Infra Private Limited	T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi South West Delhi DL 110070 IN
47	Grenoble Infrastructure Private Limited	T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi South West Delhi DL 110070 IN
48	Welspun Sattanathapuram Nagapattinam Road Private Limited	T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi South West Delhi DL 110070 IN
49	Welspun Road Infra Private Limited	T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi South West Delhi DL 110070 IN
50	Welspun Infraconstruct Private Limited (Formerly known as Welspun Amravati Highways Pvt. Ltd.)	T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi South West Delhi DL 110070 IN
51	Welspun Aunta- Simaria Project Private Limited	T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi South West Delhi DL 110070 IN
52	Welspun Infracapacity Private Limited	T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi South West Delhi DL 110070 IN
53	Welspun_Kaveri Infracapacity JV Private Limited	T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi South West Delhi DL 110070 IN
54	Welspun Logistics Ltd	7th Floor, Welspun House, Kamala Mills Compound Senapati Bapat Marg, Lower Parel (West) Mumbai - 400013
55	Welspun Steel Resources Pvt Ltd	Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370110
56	Verement Enterprises Private Limited	Survey No. 684, Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370110
57	Dahej Infrastructure Private Limited	Village Jolva and Vadadla, Near Dahej, Tal. Vagra, Dist. Bharuch, Gujarat - 392130

58	Welspun Realty Private Limited	7th Floor, Welspun House, Kamala Mills Compound Senapati Bapat Marg, Lower Parel Mumbai MH 400013 IN
59	Krishiraj Renewables Energy Private Limited	7th Floor, Welspun House, Kamala Mill Compound, Lower Parel, Mumbai - 400013
60	Rank Marketing LLP	7th Floor, Welspun House, Kamala Mill Compound, Lower Parel, Mumbai - 400013
61	Welspun Steel Ltd	Survey No. 650, Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat- 370110
62	Welspun Specialty Solutions Ltd	Plot Ni.1, GIDC Industrial Estate, Valia Rad, Jhagadia, Bharuch, Gujarat- 393110
63	Welspun Energy Orissa Pvt Ltd	Survey No. 650, Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat- 370110
64	Welspun Energy Thermal Pvt Ltd	Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat- 370110
65	Anjar TMT Steel Private Limited	Survey No. 650, Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370110
66	Mundra Industrial & Business Parks Private Limited	Survey No. 650, Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370110
67	Welspun Real Estate Ventures LLP	Survey No 76, Village Morai Vapi Valsad Gujarat - 396191
68	Welspun One Logistics Parks Private Limited	WELSPUN HOUSE, KAMALA MILLS COMPOUND LOWER PAREL MUMBAI Maharashtra - 400013
69	Astronomical Logistics Private Limited	Survey No 76, Village Morai VAPI Valsad Gujarat 396191
70	Trueguard Realcon Private Limited	Survey No 76, Village Morai VAPI Valsad Gujarat 396191
71	Alphaclarte Trading Private Limited	7th Floor, Welspun House, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai Maharashtra - 400013
72	Alphaclarte Multiveneture Private Limited	7th Floor, Welspun House, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai Maharashtra - 400013
73	Aryabhat Vyapar Private Limited	Survey No 76, Village Morai VAPI Valsad Gujarat 396191
74	Welspun Real Estate and Infra Developers Private Limited	7th Floor, Welspun House, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai Maharashtra - 400013
75	Diameter Trading Private Limited	7th Floor, Welspun House, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai Maharashtra - 400013
76	Welspun Financial Services Limited	7th Floor, Welspun House, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai Maharashtra - 400013
77	Sequence Apartments Private Limited	T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi - 110070

78	Friends Connections Private Limited	T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi - 110070
79	DBG Estates Private Limited	7th Floor, Welspun House, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai Maharashtra - 400013
80	Rajlok Diagnostic Systems Private Limited	T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi - 110070
81	Methodical Invt & Trading Co. Pvt Ltd	7th Floor, Welspun House, Kamala Mills Compound Senapati Bapat Marg, Lower Parel (West) Mumbai - 400013
82	Koolkanya Private Limited	Welspun House, 6th Floor, Kamala Mills Compound, S B Marg, Lower Parel MUMBAI Mumbai City MH 400013 IN
83	Welspun Multiventures LLP	Survey No 76, Village Morai VAPI Valsad Gujarat 396191
84	DBG Multiventures LLP	Survey No. 650, Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370110
85	FRANCO AGENCIES	7th Floor, Welspun House, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai Maharashtra - 400013
86	BKG HUF	Rocky Isle, 46/C, Bhulabhai Desai Road, Breach Candy, Mumbai - 400 026.
87	BKG Family Trust	7th Floor, Welspun House, Kamala Mills Compound Senapati Bapat Marg, Lower Parel (West) Mumbai - 400013
88	B.K. Goenka Family Trust	7th Floor, Welspun House, Kamala Mills Compound Senapati Bapat Marg, Lower Parel (West) Mumbai - 400013
89	Rajesh Mandawewala HUF	B-161/171, Tanna Residency, Bay View, V.S Marg, Opp. Siddhivinayak Mandir, Prabhadevi, Mumbai-400025
90	RRM Family Trust	B-161/171, Tanna Residency, Bay View, V.S Marg, Opp. Siddhivinayak Mandir, Prabhadevi, Mumbai-400025
91	Mandawewala Enterprises Limited	610-611, SNS Business Park, Opp. J H Ambani High School, Vesu Cross Road, Vesu, Surat, GJ-395007
92	AYM Syntex Limited	Plot no.1, Survey no.374/1/1, Village Saily, Silvassa, U.T of Dadra & Nagar Haveli
93	RRM Realty Trader Private Limited	610-611, SNS Business Park, Opp. J H Ambani High School, Vesu Cross Road, Vesu, Surat, GJ-395007
94	Yura Realities Private Limited	610-611, SNS Business Park, Opp. J H Ambani High School, Vesu Cross Road, Vesu, Surat, GJ-395007
95	Arah Realities Private Limited	610-611, SNS Business Park, Opp. J H Ambani High School, Vesu Cross Road, Vesu, Surat, GJ-395007
96	YRM Estates Private Limited	610-611, SNS Business Park, Opp. J H Ambani High School, Vesu Cross Road, Vesu, Surat, GJ-395007
97	Polaire Tradeco Private Limited	Survey No 76, Village Morai VAPI Valsad GJ 396191
98	RRM Enterprises Private Limited	610-611, SNS Business Park, Opp. J H Ambani High School, Vesu Cross Road, Vesu, Surat, GJ-395007

99	Giant Realty Private Limited	B-9, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel Mumbai -400013
100	MGN Estates Private Limited	B-9, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel Mumbai -400013
101	Connective Infrastructure Private Limited	610-611, SNS Business Park, Opp. J H Ambani High School, Vesu Cross Road, Vesu, Surat, GJ-395007
102	Welassure Private Limited	LS 775/P-1, Village Versamedi, Anjar Kachchh GJ 370110 IN
103	Welspun Global Services Limited	Survey No. 650, Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370110
104	Easygo Textiles Private Limited	Survey No. 650, Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370110
105	Tubular Pipes Private Limited	Survey No. 650, Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370110
106	Nauyaan Shipyard Private Limited	Survey No. 650, Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370110
107	Mahatva Plastic Products and Building Materials Private Limited	Survey No. 650, Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370110
108	Finetone Realtors Private Limited	7th Floor, Welspun House, Kamala Mill Compound, Lower Parel, Mumbai - 400013
109	Welspun Energy Park Pvt Ltd *	Welspun House, 7th Floor, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai, MH- 400013
110	Welspun Solar Park Pvt Ltd *	Welspun House, 7th Floor, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai, MH- 400013

*The company has filed strike off application in the month of March 2020.

17. Names and addresses of the directors and promoters of the Demerged Company as on 30 June 2021 are as under:

Name and addresses of the Directors:

Sr. No	Name of the Director	Address
1	Mr. Balkrishan Goenka S/o Mr. Gopiram Goenka	Rocky Isle, 46/C, Bhulabhai Desai Road, Breach Candy, Mumbai, 400026
2	Mr. Rajesh R. Mandawewala, S/o Mr. Ramesh L. Mandawewala	Flat No. 171, B-Wing, 17th Floor, Tanna Residency, Bay View, 392, V. S. Marg, Prabhadevi, Mumbai – 400 025
3	Mr. Prakashmal Tatia S/o Mr. Ranjeetmal Tatia	A-405, Versova Breeze CHS. Ltd. 3rd Cross Lokhandwala, Andheri (West), Mumbai-400053
4	Ms. Amita Karia D/o. Mr. Hansraj Gala	A/24, Sneha Sadan, Jss Road, Mangal Wadi, Girgaum, Mumbai- 400004
5	Mr. Raj Kumar Jain S/o Kailash Chand Jain	Flat No. A-1601, Abrol Vastu Park, Evershine Nagar, Malad (W), Mumbai – 400064.

Name and addresses of the Promoters:

Sr. No	Name of the Promoter	Address
1	Rank Marketing LLP	7th Floor, Welspun House, Kamala Mill Compound, Lower Parel, Mumbai - 400013
2	MGN Agro Properties Pvt Ltd	Survey No. 650, Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat- 370110

18. Details of Directors of the Applicant Company who voted in favour / against / did not participate on resolution passed at the meeting of the Board of Directors of the Applicant Company are given below:

Sl. No	Name of Director	Voted in favour / against / did not participate
1.	Mr. Balkrishan Goenka (Chairman)	Did not participate
2.	Mr. K. H. Viswanathan (Lead Independent Director)	Voted in favour
3.	Ms. Amita Misra (Independent Director)	Voted in favour
4.	Mr. Desh Raj Dogra (Independent Director)	Voted in favour
5.	Ms. Dipali Goenka (Non Executive Director)	Voted in favour
6.	Ms. Revathy Ashok (Independent Director)	Voted in favour
7.	Mr. Rajesh R. Mandawewala (Director)	Did not participate
8.	Mr. Vipul Mathur (Managing Director & CEO)	Voted in favour

19. Details of directors of the Demerged Company who voted in favour / against / did not participate on resolution passed at the meeting of the Board of Directors of the Demerged Company are given below:

Sl. No	Name of Director	Voted in favour / against / did not participate
1.	Mr. Balkrishan Goenka (Director)	Did not participate
2.	Mr. Rajesh R. Mandawewala (Director)	Did not participate
3.	Mr. Prakashmal Tatia (Whole Time Director)	Voted in favour
4.	Ms. Amita Karia (Independent Director)	Voted in favour
5.	Mr. Raj Kumar Jain (Independent Director)	Voted in favour

20. For the purpose of the Scheme, the following consideration has been recommended:

“81 (Eighty One) 6% CRPS of the Resulting Company of Rs. 10 (Rupees Ten Only) each fully paid up, which will be redeemable subject to the terms specified in Annexure to the Scheme shall be issued and allotted for every 100 (One Hundred) equity share of the Demerged Company of the face value of Rs. 10/- (Rupees Ten Only) each fully paid”

21. A report adopted by the Directors of the Applicant Company and the Demerged Company, explaining effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders, laying out in particular the share allotment, is attached herewith. The Applicant Company does not have any depositors. There will be no adverse effect on account of the Scheme as far as the employees and the creditors of the Applicant Company are concerned.
22. A copy of the Supplementary Unaudited Financial Statement of the Applicant Company and the Demerged Company as on 30 June 2021 are attached herewith.
23. A copy of the abridged prospectus as provided in Part E of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, including applicable information pertaining to Welspun Steel Limited is attached herewith.
24. A copy of the pre and post net worth certificate obtained by the Applicant Company and the Demerged Company are attached herewith.
25. The list of assets and liabilities as on 31 March 2021 of the Demerged Company pertaining to the undertaking being transferred and vested into the Applicant Company is as under:

Particulars	Amount (Rs.)
ASSETS	
Non Current Assets	
Property, plant and equipment	2,486,847,528
Capital work in progress	2,016,770
Right of use assets	5,511,279
Intangible assets	163,805
Financial assets	
i) Investments	2,940,525,526
ii) Other financial assets	1,656,231
Other non-current assets	25,049,168
Total Non- Current Assets	5,461,770,307
Current assets	
Inventories	1,194,482,644
Financial assets	
i) Trade receivables	103,870,692
ii) Cash and cash equivalents	1,460,144
iii) Bank balance other than above	177,339,896
iv) Other financial assets	128,680
Other current assets	317,881,564
Total Current Assets	1,795,163,620
TOTAL ASSETS	7,256,933,927

EQUITY AND LIABILITIES	
LIABILITIES	
Non-current Liabilities	
Provisions	5,872,453
Deferred tax liabilities	350,696,020
Other non-current liabilities	5,187,622
Total Non-Current Liabilities	361,756,095
Current liabilities	
Financial liabilities	
i) Bank Borrowings	198,135,583
ii) Trade payables	
a) total outstanding dues of micro enterprises and small enterprises	735,742
b) total outstanding dues of creditors other than micro enterprises and small enterprises	704,035,935
c) Bank Acceptances	652,562,257
iii) Other financial liabilities	2,351,525
Other current liabilities	199,653,075
Provisions	2,083,105
Total Current Liabilities	1,759,557,222
TOTAL LIABILITIES	2,121,313,317
Excess assets over liabilities transferred in to into the resulting company (A)	5,135,620,610
Consideration to be discharged as per the Valuation Report (B)	3,627,288,200
Balance to be credited to Capital Reserve (A-B)	1,508,332,410

26. As far as the employees of the Applicant Company are concerned there would not be any change in their terms of employment on account of the Scheme. Further, no change in the Board of Directors of the Applicant Company is envisaged on account of the Scheme.

27. The following documents will be available for inspection by the Unsecured Creditors of the Applicant Company through electronic mode, basis the request being sent on CompanySecretary_WCL@welspun.com Further, the following documents will be open for inspection by the Unsecured Creditors of the Applicant Company at its registered office at Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat – 370110 and its corporate office at Welspun House, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 and at the office of its advocates M/s. Raval & Raval, Advocates at 21-23, Laxmi Chambers, Opp. Old High Court, Ahmedabad – 380014, between 10.00 a.m. and 05.00 p.m. on all days (except Saturdays, Sundays and public holidays) up to the date of the meeting:

- i. Copy of the order passed by the NCLT in Company Scheme Application No. 71 of 2021 dated 4 October 2021;
- ii. Copy of the Joint Company Scheme Application No. 71 of 2021 along with annexures filed by the Applicant Company and the Demerged Company before NCLT;

- iii. Copy of the Memorandum and Articles of Association of the Demerged Company and the Applicant Company, respectively;
- iv. Copy of the annual reports of the Demerged Company and the Applicant Company for the financial year ended 31 March 2021, 31 March 2020 and 31 March 2019;
- v. Copy of the Supplementary Unaudited Financial Statement of the Demerged Company and the Applicant Company, respectively, for the period ended 30 June 2021;
- vi. Copy of the Register of Directors' shareholding of the Demerged Company and the Applicant Company, respectively;
- vii. Copy of Valuation Reports dated 26 June 2021 obtained from RBSA Valuation Advisors LLP, and from Drushti R. Desai;
- viii. Copy of the Fairness Opinion, dated 26 June 2021 issued by Dam Capital Advisors Limited, to the Board of Directors of the Applicant Company;
- ix. Copy of the Audit Committee Report dated 28 June 2021, of the Applicant Company;
- x. Copy of the Independent Directors Committee Report dated June 28 2021, of the Applicant Company;
- xi. Copy of the resolutions, dated 28 June 2021 and July 19, 2021 passed by the respective Board of Directors of the Applicant Company and the Demerged Company, approving the Scheme;
- xii. Copy of the Statutory Auditors' certificate of the Applicant Company and the Demerged Company dated 28 June 2021;
- xiii. Copy of letter dated 10 July 2021 issued by RBSA Valuation Advisors LLP, July 11, 2021 issued by Drushti R. Desai in relation to the valuation conducted in connection with the proposed Scheme and submitted with the stock exchanges;
- xiv. Abridged Prospectus as provided in Part E of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 including applicable information pertaining to Welspun Steel Limited;
- xv. Copy of the Complaint Reports, dated September 1, 2021 and August 18, 2021, submitted by the Applicant Company to BSE and NSE;
- xvi. Copy of the no adverse observations/no objection letter issued by BSE and NSE, both dated Septembers 17, 2021, respectively, to the Applicant Company;
- xvii. Copy of Form No. GNL-1 to be filed by the respective companies with the concerned Registrar of Companies along with challan evidencing filing of the Scheme;
- xviii. Copy of the Scheme; and

- xix. Copy of the Reports dated June 28, 2021 adopted by the Board of Directors of the Applicant Company and the Demerged Company, respectively, pursuant to the provisions of Section 232(2)(c) of the Act.

This Statement may be treated as an Explanatory Statement under Sections 230(3), 232(1) and (2) and 102 of the Act read with Rule 6 of the Rules. A copy of this Scheme, Explanatory Statement may be obtained free of charge on any working day (except Saturdays, Sundays and public holidays) prior to the date of the meeting, from the Registered Office/ Corporate office of Applicant Company. A written request in this regard, along with details of the outstanding amount due by the Company and mentioning Permanent Account Number (PAN), may be addressed to the Company Secretary at CompanySecretary_WCL@welspun.com

Sd/-

Atul Desai

Chairman appointed for the meeting

Dated this 7 day of October 2021

Registered Office: Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch Gujarat – 370110

Corporate Office: 5th Floor, Welspun House, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013

SCHEME OF ARRANGEMENT
BETWEEN
WELSPUN STEEL LIMITED (“THE DEMERGED COMPANY” OR “WSL”)
AND
WELSPUN CORP LIMITED (“THE RESULTING COMPANY” OR “WCL”)
AND
THEIR RESPECTIVE SHAREHOLDERS
(Under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of
the Companies Act, 2013)

A. Preamble and Background of the Scheme:

1. This Scheme of Arrangement (“**Scheme**”) is presented pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, rules and regulations made thereunder between Welspun Steel Limited having CIN: U27109GJ2004PLC044249 (“the **Demerged Company**” or “**WSL**”) and Welspun Corp Limited having CIN: L27100GJ1995PLC025609 (“the **Resulting Company**” or “**WCL**”) for transfer and vesting of the Demerged Undertaking (as defined below) of WSL into WCL with effect from the Appointed Date (hereinafter defined), and upon effectiveness of the Scheme on the Effective Date (hereinafter defined).
2. This Scheme also provides for various other matters consequential or otherwise integrally connected herewith, in the manner provided for in this Scheme and in compliance with the relevant provisions of the Income Tax Act, 1961.
3. The Demerged Company is a public limited company, incorporated on 3 June 2004 under the provisions of the Companies Act, 1956, has its registered office situated at S N 650 Village Varsamedi, Taluka Anjar, District- Kutch, Gujarat- 370110 and is *inter alia* engaged in the business of manufacturing and sale of sponge iron, steam, other by-products and trading of TMT and rail tracks sleepers.

4. The Resulting Company is a public limited company, incorporated on 26 April 1995, under the provisions of the Companies Act, 1956, has its registered office situated at Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370110 and is *inter alia* engaged in the business of manufacturing of steel pipes of various dimensions & thickness, coated & uncoated having application in water, oil & gas and other liquid transportation pipelines. The equity shares of the Resulting Company are listed on the National Stock Exchange of India Limited and the BSE Limited, Mumbai.
5. The Demerged Undertaking of the Demerged Company is proposed to be demerged and vested into the Resulting Company in conformity with the provisions of Section 2(19AA) of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date, including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income Tax Act, 1961 shall prevail, and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income tax Act, 1961. Such modification(s), will, however, not affect the other provisions of the Scheme including accounting treatment prescribed under Clause 12 of this Scheme.

B. Rationale for the Scheme

The Board of Directors of the Demerged Company and the Resulting Company, after intensive deliberations, recommended that this is the right time to demerge and separate the business of the Demerged Undertaking from the Demerged Company into the Resulting Company with an expectation to simplify the group structure and to achieve the following synergies for the group:

Since the business of the Demerged Undertaking will supplement the business of the Resulting Company, the consolidation of the Demerged Undertaking with the business of the Resulting Company is expected to provide *inter-alia* the following benefits:

- a. The consolidation will result in earning predictability, stronger revenue and improved competitiveness, with diversification in product portfolio thereby reducing business risks for mutual benefit of the shareholders. This will result in strong presence across market segments, provide access to new markets and product offerings. Further, the operations of the Demerged Undertaking could have access to the Resulting Company's marketing capabilities.
- b. Greater economies of scale and will provide a larger and stronger base for potential future growth;
- c. Consolidation and simplification of the group structure;
- d. reduction in overheads, administrative, managerial and other expenditure;
- e. operational rationalization and increase in operating efficiency; and
- f. synergistic benefits, expansion and acquisition opportunities.

There is no adverse effect of the Scheme on the directors, key managerial personnel, promoters, non-promoter shareholders, creditors, vendors and employees of the Demerged Company and the Resulting Company. The Scheme would be in the best interest of all stakeholders.

Taking the above background into consideration, Scheme has been recommended involving the following:

1. The Demerged Undertaking of the Demerged Company i.e. WSL be demerged and vested into the Resulting Company i.e. WCL, on a going concern basis with effect from the Appointed Date.
2. The Residual Undertaking of the Demerged Company, shall continue to be vested in the Demerged Company.

C. Parts of the Scheme:

The Scheme is divided into following parts:

- a. **Part A** deals with the Definitions and Share Capital;
- b. **Part B** deals with the demerger of the Demerged Undertaking of WSL into WCL in accordance with Section 230-232 of the Companies Act, 2013 and other applicable provisions of the said Act and the rules enacted thereunder and in compliance with Section 2(19AA) of the Income Tax Act, 1961.;
- c. **Part C** deals with the General Terms and Conditions.

PART A: DEFINITIONS AND SHARE CAPITAL

- 1. In this Scheme unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:
 - 1.1 “**Act**” or “**the Act**” means the Companies Act, 2013, the rules and regulations made thereunder and will include any statutory modifications, amendments or re-enactment framed thereunder as in force from time to time;
 - 1.2 “**Applicable Law**” means any applicable statute, notification, bye laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, orders or instructions having the force of law enacted or issued by any Appropriate Authority, including any statutory modification or re-enactment thereof for the time being in force;
 - 1.3 “**Appointed Date**” means April 1, 2021 or such other date as may be approved by the NCLT;

- 1.4 **“Appropriate Authority”** means any applicable central, state or local government, legislative body, statutory, regulatory, administrative or statutory authority, agency or commission or department or public or judicial body or authority, including, but not limited, to Securities and Exchange Board of India, Stock Exchanges, Regional Director, Registrar of Companies, NCLT and other applicable authorities pursuant to the provisions of Section 230(5) of the Act, as may be relevant in the context;
- 1.5 **“Board of Directors” or “Board”** in relation to the Demerged Company and the Resulting Company, as the case may be, means the Board of Directors of such company, and unless repugnant to the subject, context or meaning thereof, shall be deemed to include every committee (including any committee of directors) or any person authorized by the Board or by any such committee;
- 1.6 **“Cumulative Redeemable Preference Shares” or “CRPS”** means Cumulative Redeemable Preference Shares to be issued and allotted by the Resulting Company (with such terms and conditions as specified under Annexure to this Scheme);
- 1.7 **“Demerged Company” or “WSL”** means Welspun Steel Limited, a company incorporated under the Companies Act, 1956 and having its registered office at S N 650, Village Varsamedi, Taluka Anjar Dist Kutch, Gujarat - 370110, India and having Corporate Identification Number: U27109GJ2004PLC044249;
- 1.8 **“Demerged Undertaking”** shall mean undertaking, business, activities and operations pertaining to steel, specialty steel and thermo mechanical treatment bars manufacturing business carried on by WSL directly or indirectly through its subsidiaries (which includes Welspun Specialty Solutions Limited, Anjar TMT Steel Private Limited etc); investments related to said businesses; and comprising of all the assets (moveable, incorporeal and immoveable) and liabilities which relate thereto, or are necessary therefore and including specifically the following:

- (i) all assets, title, properties, interests, investments, loans, advances (including accrued interest) and rights, including rights arising under contracts, wherever located (including in the possession of vendors, third parties or elsewhere), whether real, personal or mixed, tangible, intangible or contingent, exclusively used or held, by the Demerged Company in, or otherwise identified for use in business, activities and operations pertaining to its Demerged Undertaking, including but not limited to all land (other than government land), factory building, equipment, plant and machinery, offices, capital work in progress, furniture, fixtures, office equipment, appliances, accessories, receivables, vehicles, deposits, all stocks, assets, cash, balances with banks, certain identified investments, all customer contracts, contingent rights or benefits, etc., pertaining to its Demerged Undertaking (collectively, the “**Identified Assets**”);
- (ii) all debts, liabilities (including towards warrants not exercised), guarantees, assurances, commitments and obligations of any nature or description, whether fixed, contingent or absolute, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising, (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability), or pertaining to the Demerged Undertaking (collectively, “**Identified Liabilities**”);
- (iii) all contracts, approvals, agreements, licenses, leases, linkages, memoranda of undertakings, memoranda of agreement, memoranda of agreed points, letters of agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, sales orders, purchase orders or other instruments of whatsoever nature to which the Demerged Company is a party, exclusively relating to the undertaking, business, activities and operations pertaining to its Demerged Undertaking or otherwise identified to be for the benefit of the same, including but not limited to the relevant licenses, water supply/ environment approvals, and all other rights and approvals, electricity permits, telephone connections, building and parking rights, pending applications for consents or

extension, all incentives, tax benefits, tax credits (including any credits arising from advance tax, self-assessment tax, other income tax credits, withholding tax credits, minimum alternate tax credits, CENVAT credits, goods and services tax credits, other indirect tax credits and other tax receivables), other claims under tax laws, incentives (including incentives in respect of income tax, sales tax, value added tax, service tax, custom duties and goods and services tax), deferrals, subsidies, concessions, benefits, grants, rights, claims, liberties, special status and privileges enjoyed or conferred upon or held or availed of by the Demerged Company in relation to its Demerged Undertaking, permits, quotas, consents, registrations, lease, tenancy rights in relation to offices and residential properties, permissions, incentives, if any, in relation to its Demerged Undertaking, and all other rights, title, interests, privileges and benefits of every kind in relation to its Demerged Undertaking (collectively, “**Identified Contracts**”);

- (iv) all registrations, trademarks, trade names, service marks, copyrights, patents, designs, domain names, applications for trademarks, trade names, service marks, copyrights, designs and domain names exclusively used by or held for use by the Demerged Company in the Demerged Undertaking, (collectively, “**Identified IP**”);
- (v) all permits, licenses, consents, approvals, subsidies, authorizations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, no-objection certificates, clearances, credits, awards, sanctions, certifications, easements, tenancies, privileges and similar rights, and any waiver of the foregoing, issued by any legislative, executive, or judicial unit of any Governmental or semi-Governmental entity or any department, commission, board, agency, bureau, official or other regulatory, local, administrative or judicial authority exclusively used or held for use by the Demerged Company in the undertaking, business, activities and operations pertaining to the Demerged Undertaking (collectively, “**Identified Licenses**”);

- (vi) all such staff, workmen and employees of the Demerged Company, employees/personnel engaged on contract basis and contract labourers and interns/trainees, both on-shore and off-shore, as are primarily engaged in or in relation to the Demerged Undertaking, business, activities and operations pertaining to the Demerged Undertaking, at its respective offices, branches etc, and any other employees/personnel and contract labourers and interns/trainees hired by the Demerged Company after the date hereof who are primarily engaged in or in relation to the Demerged Undertaking, business, activities and operations pertaining to Demerged Undertaking (collectively, “**Identified Employees**”);
- (vii) all liabilities present and future (including contingent liabilities pertaining to or relatable to the Demerged Undertaking), as may be determined by the Board of the Demerged Company;
- (viii) all deposits and balances with Government, quasi-Government, municipal, local and other authorities and bodies, customers and other persons, earnest moneys and/or security deposits paid or received by the Demerged Company, directly or indirectly in connection with or in relation to the Demerged Undertaking;
- (ix) all books, records, files, papers, directly or indirectly relating to the Demerged Undertaking; but shall not include any portion of the Remaining Business or Residual Undertaking of WSL; and
- (x) any other asset / liability which is deemed to be pertaining to the Demerged Undertaking by the Board of the Demerged Company.

Any question that may arise as to whether a specific asset or liability pertains or does not pertain to the Demerged Undertaking or whether it arises out of the activities or operations of the Demerged Undertaking shall be decided by mutual consent between the Board of Directors of the Demerged Company and the Resulting Company;

- 1.9 **“Effective Date” or “coming into effect of this Scheme” or “upon the Scheme becoming effective” or “effectiveness of the Scheme”** means the date on which the conditions specified in Clause 21 of this Scheme are complied with. Any reference in this Scheme to the date of "coming into effect of the/this Scheme" or "upon the Scheme becoming effective" or “effectiveness of the Scheme” shall be construed accordingly;
- 1.10 **“Employee Benefit Funds”** means the existing benefits including provident fund, gratuity fund, pension fund, superannuation fund, trusts, retirement fund or benefits and any other funds created or existing for the benefit of the employees;
- 1.11 **“National Company Law Tribunal” or “Tribunal” or “NCLT”** means the National Company Law Tribunal., Ahmedabad Bench, as constituted and authorized as per the provisions of the Companies Act, 2013 for approving any scheme of arrangement, compromise or reconstruction of companies under Section 230 to 232 of the Companies Act, 2013 and having jurisdiction over the Demerged Company and the Resulting Company;
- 1.12 **“Record Date”** shall be the date to be fixed by the Board of Demerged Company in consultation with the Resulting Company for the purpose of determining the equity shareholders of the Demerged Company for issue of shares pursuant to this Scheme;
- 1.13 **“Residual Undertaking” or “Remaining Business”** are the terms used to refer the business of the Demerged Company, as would continue immediately after the transfer and vesting of the Demerged Undertaking in the Resulting Company.
- 1.14 **“Resulting Company” or “WCL”** means Welspun Corp Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Welspun City, Village Versamedi, Taluka Anjar, Gujarat - 370110 and having Corporate Identification Number: L27100GJ1995PLC025609;

- 1.15 **“Scheme”** or **“the Scheme”** or **“this Scheme”** means the Scheme of arrangement in its present form (along with any annexures, schedules, etc., annexed/attached hereto) or with any modification(s) and amendments made under Clause 20 of this Scheme from time to time and with appropriate approvals and sanctions as imposed or directed by the NCLT or such other competent authority, as may be required under the Act, as applicable, and under all other applicable laws;
- 1.16 **“SEBI”** means the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992;
- 1.17 **“SEBI Scheme Circular”** means the circular issued by the SEBI as may be applicable, including Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 and any amendments thereof or modifications issued (consolidated under the circular being SEBI/HO/CFD/DIL1/CIR/P/ 2020/249 dated 22 December 2020) pursuant to the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015;
- 1.18 **“Stock Exchanges”** means the BSE Limited (‘BSE’) and/ or wherever applicable, the National Stock Exchange of India Limited (‘NSE’);

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

2. INTERPRETATIONS

In the Scheme, unless the context otherwise requires:

- 2.1 reference to clauses, recitals and schedules, unless otherwise provided, are to clauses, recitals and schedules of and to this Scheme;
- 2.2 references to the singular shall include the plural and vice versa and references to any gender includes the other gender;
- 2.3 references to a statute or statutory provision include that statute or provision as from time to time modified or re-enacted or consolidated and (so far as liability thereunder may exist or can arise) shall include also any past statutory provision (as from time to time modified or re-enacted or consolidated) which such provision has directly or indirectly replaced, provided that nothing in this Clause shall operate to increase the liability of any party beyond that which would have existed had this Clause been omitted.
- 2.4 the headings are inserted for ease of reference only and shall not affect the construction or interpretation of the relevant provision of this Scheme.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT or made as per Clause 20 of the Scheme, shall be effective from the Appointed Date and shall be operative from the Effective Date.

4. **SHARE CAPITAL**

4.1 **The Demerged Company:**

The authorized, issued, subscribed and paid-up share capital of the Demerged Company as on March 31, 2021 is as under:

Particulars	No. of Shares	Amount in INR
<u>Authorized Capital</u>		
Equity Shares (Face Value of Rs. 10/- each)	76,07,60,000	760,76,00,000
Preference Shares (Face Value of Rs. 10/- each)	30,53,00,000	305,30,00,000
Total		1066,06,00,000
<u>Issued, Subscribed and Paid-up</u>		
Equity Shares (Face Value of Rs. 10/- each)	44,78,13,359	447,81,33,590
Total		447,81,33,590

Subsequent to the above date and till the date of the Board meeting of the Demerged Company for approval of the Scheme, there is no change in the issued, subscribed and paid-up capital of the Demerged Company.

4.2 The Resulting Company:

The authorized, issued, subscribed and paid-up share capital of the Resulting Company as on March 31, 2021 is as under:

Particulars	Amount in INR
<u>Authorized Capital</u>	
30,41,00,000 Equity shares of Rs. 5 each	1,520,500,000
9,80,00,000 Preference shares of Rs. 10 each	980,000,000
Total	2,500,500,000
<u>Issued, Subscribed and Paid-up</u>	
26,08,84,395 Equity shares of Rs. 5 each	1,304,421,975

Subsequent to the above date, the Company has issued and allotted 65,000 Equity Shares of Rs. 5 each fully paid-up upon exercise of Employee Stock Option. Further, the Resulting Company has reserved 23,50,000 stock options under the Welspun Employee Stock Option Plan and granted 23,50,000 stock options at an exercise price of Rs.100 on August 16, 2018, which options will be vested over a period of 3 years with the first vesting date being 1 year from the date of grant of the option (i.e., August 16, 2019). Out of granted options, 1,85,000 options lapsed and 20,85,000 options are yet to be exercised. The exercise of stock options before the Effective Date, under and in accordance with the Welspun Employee Stock Option Plan, would result in an increase in the issued, subscribed and paid-up equity share capital of the Resulting Company.

The Resulting Company allotted 80,000 equity shares upon exercise of ESOP by 2 grantees on March 9, 2020 and April 10, 2021 respectively.

PART B

DEMERGER OF DEMERGED UNDERTAKING OF WSL INTO WCL

5. TRANSFER AND VESTING OF DEMERGED UNDERTAKING OF THE DEMERGED COMPANY INTO RESULTING COMPANY

- 5.1 Upon coming into effect of this Scheme and subject to the provisions of this Scheme, with effect from the Appointed Date, the Demerged Undertaking of the Demerged Company shall stand transferred and vested in and/or be deemed to have been transferred and vested in the Resulting Company, as a going concern, without any further deed or act, together with all its assets, liabilities, properties, rights, benefits and interest therein, subject to existing charges thereon in favour of banks and financial institutions or *lis pendens* or otherwise, as the case may be and shall subject to the provisions of this clause in relation to the mode of transfer and vesting and pursuant to the provisions of the Scheme in accordance with Sections 230 to 232 of the Act and all other applicable provisions of law, if any.
- 5.2 Without prejudice to the generality of the foregoing, upon the Scheme becoming effective with effect from the Appointed Date, the assets and the properties of the Demerged Company in relation to the Demerged Undertaking shall include, without limitation:
- 5.2.1 All the Identified Assets, as are movable in nature or are incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery, wherever located, or by vesting and recordal pursuant to this Scheme, the same shall stand transferred and vested by the Demerged Company to the Resulting Company and shall become the property of the Resulting Company as an integral part of the Demerged Undertaking. The transfer and vesting pursuant to this sub-clause shall be deemed to have occurred by physical delivery and possession or

negotiation and endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred and vested accordingly.

5.2.2 All assets, estate, rights, title, interest and authorities acquired by the Demerged Company after the Appointed Date and prior to the Effective Date for operation of the Demerged Undertaking shall also stand transferred to and vested in the Resulting Company upon the coming into effect of the Scheme.

5.2.3 All Identified Assets that are other movable properties, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, pursuant to the vesting order and by operation of law become the property of the Resulting Company, and the title thereof together with all rights, interests or obligations therein shall be deemed to have been mutated and recorded as that of the Resulting Company and any document of title pertaining to the assets of the Demerged Undertaking shall also be deemed to have been mutated and recorded as titles of the Resulting Company to the same extent and manner as originally held by the Demerged Company and enabling the ownership, right, title and interest therein as if the Resulting Company was originally the Demerged Company.

5.2.4 any and all immoveable properties (including land together with the buildings and structures standing thereon) of the Demerged Company relating to the Demerged Undertaking, whether leasehold, freehold, under development or otherwise and any documents of title, rights and easements in relation thereto shall stand transferred to and vested in the Resulting Company, without any act or deed done by the Demerged Company or the Resulting Company. With effect from the Effective Date, the Resulting Company shall be entitled to exercise all rights and privileges and be liable to pay lease rent, ground rent, municipal taxes and fulfil all obligations in relation to or applicable to such immoveable properties and transfer of the leasehold and other rights therein, as applicable, in the name of the Resulting

Company shall be made and duly recorded by the appropriate authorities pursuant to the sanction of this Scheme by the NCLT and this Scheme becoming effective with effect from the Appointed Date, in accordance with the terms hereof without any further act or deed or part of Resulting Company;

- 5.2.5 The Demerged Company and the Resulting Company, as the case may be, shall at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or novation, other writings or arrangements with any party to any contract or arrangements in relation to the Demerged Undertaking to which the Demerged Company is a party as may be required to formalize the effectiveness of the Scheme. Provided however that execution of any confirmation or novation or other writings or arrangement shall in no event postpone the giving effect to the Scheme from the Appointed Date. The Resulting Company shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances referred to above on part of the Demerged Company.
- 5.2.6 For the purpose of giving effect to the order passed under Sections 230 to 232 of the Companies Act, the Resulting Company shall at any time pursuant to the orders on this Scheme, be entitled to get the recordal of the change in the title and appurtenant legal right(s) upon the vesting of such Demerged Undertaking in the Resulting Company, including without limitation, in relation to assets belonging to Demerged Undertaking, the vesting of which in the Resulting Company is desirable to be recorded separately, the Demerged Company and the Resulting Company each will execute such deeds, documents or such other instruments or writings or create evidence, if any, as may be necessary. The Demerged Company and the Resulting Company are jointly and severally authorised to execute any writing as are required to remove any difficulties and carry out any formalities or compliance for the implementation of this Scheme.

5.2.7 For avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that with effect from the Effective Date all the cheques and other negotiable instruments, payment orders in relation to the Demerged Undertaking which are received or presented for encashment and such collection is made in the name of the Demerged Company, such collection shall without any further act or deed be and stand transferred to the Resulting Company. It is hereby expressly clarified that any legal proceedings by or against the Demerged Company, in relation to or in connection with the Demerged Undertaking, in relation to the cheques and other negotiable instruments, payment orders received or presented for encashment, which are in the name of the Demerged Company shall be instituted, or as the case may be, continued by or against the Resulting Company after the coming into effect of this Scheme.

5.3 With effect from the Appointed Date and upon the Scheme becoming effective:

5.3.1 All Identified Liabilities including debts, liabilities (including the Identified Liabilities), contingent liabilities, duties and obligations of every kind, nature and description, whether provided for or not or disclosed in the books of the Demerged Undertaking, attributable to the Demerged Undertaking, including any license/s shall without any further act or deed, be transferred to, or be deemed to be transferred to the Resulting Company so as to become from the Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of the Resulting Company and the Resulting Company undertakes to meet, discharge and satisfy the same. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause.

- 5.3.2 Where any of the liabilities and obligations attributed to the Demerged Undertaking on the Appointed Date has been discharged by the Demerged Company on behalf of the Demerged Undertaking after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on behalf of the Resulting Company.
- 5.3.3 All liabilities and obligations attributed to the Demerged Undertaking, including its unsecured loans taken over by the Resulting Company may be discharged by the Resulting Company in the manner as the Resulting Company may deem fit.
- 5.3.4 All loans raised and used, and liabilities incurred, if any, by the Demerged Company after the Appointed Date, but prior to the Effective Date, for the operations of the Demerged Undertaking shall be transferred and discharged by the Resulting Company.
- 5.4 All Identified Contracts including contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies) for the purpose of carrying on the business of Demerged Undertaking of the Demerged Company, and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Demerged Undertaking of the Demerged Company, or to the benefit of which, Demerged Undertaking of the Demerged Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall by endorsement, delivery or recordal or by operation of law pursuant to the vesting order of NCLT sanctioning the Scheme be deemed to be contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies) of the Resulting Company. Such properties and rights described hereinabove shall stand vested in the Resulting Company and shall be deemed to be the property and become the property by operation of law as an integral part of the Resulting Company. Such contracts and properties described above shall continue to be in full force

and continue as effective as hitherto in favour of or against the Resulting Company and shall be the legal and enforceable rights and interests of the Resulting Company, which can be enforced and acted upon as fully and effectually as if, it were the Demerged Company, as the Resulting Company is and successor in interest. Upon the Scheme becoming effective, the rights, duties, obligations, interests flowing from such contracts and properties, shall be deemed to have been entered in and novated to the Resulting Company by operation of law and the Resulting Company shall be deemed to be its substituted party or beneficiary or obligor thereto. In relation to the same any procedural requirements required to be fulfilled solely by the Demerged Company (and not by any of its successors), shall be fulfilled by the Resulting Company as if it were the duly constituted attorney of the Demerged Company. Upon this Scheme becoming effective and with effect from the Appointed Date, any contract of the Demerged Company relating to or benefiting at present the Demerged Company and the Demerged Undertaking, shall be deemed to constitute separate contracts, thereby relating to and/or benefiting the Resulting Company, respectively.

- 5.5 All the Identified Employees shall become employees of and be engaged by the Resulting Company pursuant to the vesting order and by operation of law, with effect from the Effective Date, on such terms and conditions as are no less favourable than those on which they are currently engaged by the Demerged Company, without any interruption of service as a result of this hiving-off, without any further act, deed or instrument on the part of the Demerged Company or the Resulting Company. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees, the Resulting Company shall stand substituted for the Demerged Company for all purposes whatsoever, upon the Scheme becoming effective, including with regard to the obligation to make contributions to relevant authorities, such as the Regional Provident Fund Commissioner or to such other funds maintained by the Demerged Company, in accordance with the provisions of applicable laws or otherwise. It is hereby clarified that upon the Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to such employees and the services of all such employees of the Demerged Company for such purpose shall be treated as having been

continuous.

- 5.6 All Identified IP including registrations, goodwill, licenses, trademarks, service marks, copyrights, domain names, applications for copyrights, trade names and trademarks, appertaining to the Demerged Undertaking of the Demerged Company, if any, shall stand vested in the Resulting Company without any further act, instrument or deed (unless filed only for statistical record with any appropriate authority or Registrar), on the order of the NCLT sanctioning the Scheme. The other intellectual property rights presently held by the Demerged Company, that relates to or benefit at present the Demerged Company and the Demerged Undertaking, shall be deemed to constitute separate intellectual property rights and the necessary substitution/endorsement shall be made and duly recorded in the name of the Demerged Company and the Resulting Company, respectively, by the relevant authorities pursuant to the sanction of this Scheme by NCLT.
- 5.7 All Identified Licenses including approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description whatsoever in relation to the Demerged Undertaking of the Demerged Company, or to the benefit of which the Demerged Undertaking of the Demerged Company may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall by endorsement, delivery or recordal or by operation of law pursuant to the vesting order of NCLT sanctioning the Scheme, shall be deemed to be approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature of the Resulting Company, and shall be in full force and effect in favour of the Resulting Company and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligor thereto. Such of the other permits, licenses, consents, approvals, authorizations, quotas, rights, entitlements, allotments,

concessions, exemptions, liberties, advantages, no-objection certificates, certifications, easements, tenancies, privileges and similar rights, and any waiver of the foregoing, as are held at present by the Demerged Company, but relate to or benefitting the Demerged Company and the Demerged Undertaking, shall be deemed to constitute separate permits, licenses, consents, approvals, authorizations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, no-objection certificates, certifications, easements, tenancies, privileges and similar rights, and any waiver of the foregoing, and the necessary substitution/endorsement shall be made and duly recorded in the name of the Resulting Company, respectively, by the relevant authorities pursuant to the sanction of this Scheme by NCLT. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall take on record the drawn up order of NCLT sanctioning the Scheme on its file and make and duly record the necessary substitution or endorsement in the name of the Resulting Company as successor in interest, pursuant to the sanction of this Scheme by NCLT, and upon the Scheme becoming effective in accordance with the terms hereof. For this purpose, the Resulting Company shall file certified copies of such sanction order, and if required file appropriate applications, forms or documents with relevant authorities concerned for statistical, information and record purposes only, and there shall be no break in the validity and enforceability of approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.

- 5.8 In so far as assets comprised in the Demerged Undertaking of the Demerged Company are concerned, the security, existing charges, mortgages and encumbrances, if any, over or in respect of any of such assets or any part thereof or charge over such assets relating to any loans or borrowings of the Demerged Company which are not transferred to the Resulting Company shall, without any further act or deed (other than the consent of the relevant lenders), be released and discharged from the same and shall no longer be available as security. Further, upon coming into effect of this Scheme, any loan, deposit or facility

availed by both the Demerged Company in respect of the Demerged Undertaking and by the Resulting Company shall have security, charge and / or mortgage extended over the assets / class of assets of the Resulting Company including the assets forming part of the Demerged Undertaking as under:

- Working capital lenders shall be secured by 1st *pari-passu* charge on all the current assets and 2nd *pari-passu* charge on all fixed assets in line with the existing charge in favour of existing lenders.
- Term loan lenders shall be secured by 1st *pari-passu* charge on all the fixed assets.

Such security, charge and / or mortgage shall be deemed to be carried out as an integral part of this Scheme without any further act or deed on the part of the Resulting Company.

5.9 All the loans, advances and other facilities, including vehicle loans, cash credit limits and bank guarantees sanctioned to the Demerged Company in relation to the Demerged Undertaking, if any, by its bankers and financial institutions prior to the Appointed Date, which are partly drawn or utilized shall be deemed to be the loans and advances, facilities, bank guarantees sanctioned to the Resulting Company and the said loans and advances, facilities, shall be drawn and utilized either partly or fully by the Demerged Company from the Appointed Date till the Effective Date and all the loans, advances and other facilities so drawn by the Demerged Company in relation to the Demerged Undertaking (within the overall limits sanctioned by their bankers and financial institutions) shall on the Effective Date be treated as loans, advances bank guarantees and other facilities made available to the Resulting Company and all the obligations of the Demerged Company in relation to the Demerged Undertaking under any loan agreement (save and except as provided in Clause 5.8 above regarding the security, existing charges etc.) shall be construed and shall become the obligation of the Resulting Company without any further act or deed on the part of the Resulting Company.

5.10 Notwithstanding anything to the contrary contained in the contract, deed, bond, agreement

or any other instrument, but subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature and subsisting or having effect on the Effective Date and relating to the Demerged Undertaking, shall continue in full force and effect against or in favor of the Resulting Company and may be enforced effectively by or against the Resulting Company as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party thereto.

5.11 The Resulting Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, in relation to the Demerged Undertaking, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, other documents or tripartite arrangements with, or in favor of any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Resulting Company shall be deemed to be authorized to execute any such writings as a successor of the Demerged Company in relation to the in relation to the Demerged Undertaking and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Demerged Company.

5.12 All cheques and other negotiable instruments, payment orders received in the name of the Demerged Company in relation to the Demerged Undertaking, after the Effective Date shall be accepted by the bankers of the Resulting Company and credited to the account of the Resulting Company. Similarly, the banker of Resulting Company shall honor cheques issued by the Demerged Company for payment in relation to the Demerged Undertaking after the Effective Date.

6. CLAIMS AND LEGAL PROCEEDINGS

6.1 All the claims or legal proceedings of whatsoever nature by or against the Demerged Company in relation to the Demerged Undertaking, pending before the Effective Date shall not abate or be discontinued or be in any way prejudicially be affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or

against the Resulting Company, as the case may be, in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company. In the event of any difference or difficulty on whether any specific legal or other proceeding relates to the Demerged Undertaking or not, a certificate jointly issued by the Demerged Company and the Resulting Company as to whether such proceeding relates to the Demerged Undertaking or not shall be conclusive evidence of the matters.

- 6.2 If proceedings are taken against the Demerged Company, in respect of matters referred to above, it shall defend the same in accordance with the advice of the Resulting Company. The cost of such defense shall be borne by the Resulting Company. The Resulting Company undertake to reimburse and indemnify, the Demerged Company against all liabilities and obligations incurred by the Demerged Company (in relation to the Demerged Undertaking) in respect thereof.
- 6.3 The Resulting Company undertakes to have all the claims, legal or other proceedings initiated by or against the Demerged Company in respect of matters referred above changed into its name and account and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company to the extent possible.
- 6.4 The transfer and vesting of the assets, liabilities and obligations of the Demerged Company under Clause 5 above, the continuance of claims and legal proceedings by or against the Resulting Company under Clause 6 hereof shall not affect any transactions or any proceedings already completed by the Demerged Company on and after the Appointed Date to the end and intent that, subject to anything contained to the contrary in this Scheme, the Resulting Company accepts all acts, deeds and things done and executed by and/or on behalf of the Demerged Company as acts, deeds and things done and executed by and on behalf of the Resulting Company.
- 6.5 Without prejudice to Clause 6.1 of this Scheme, if the Resulting Company is in receipt of any new demand, claim or notice (as the case may be) (“**Claim**”) which results into cash

outflow for the Resulting Company and / or is impleaded as a party in any proceedings before any Appropriate Authority which was unknown or undisclosed to the Resulting Company or not in public domain, in relation to the Demerged Undertaking, and pertaining to the period prior to the Appointed Date, the Demerged Company and the Resulting Company shall take all such necessary steps in the proceedings before the Appropriate Authority to replace the Resulting Company with the Demerged Company. However, if the Demerged Company is unable to get the Resulting Company replaced in such proceedings, the Resulting Company and the Demerged Company shall jointly defend the same or deal with such Claim in good faith at the cost and expenses of the Demerged Company and the latter shall fully indemnify and reimburse to the Resulting Company all costs, liabilities and obligations which are incurred by way of actual cash outflow by the Resulting Company in respect thereof. In the event the Resulting Company makes any interim payments, deposits, advance payments or issuance of security/bank guarantees, whether interim or otherwise in respect of such Claim (“**Interim Payment**”), the Demerged Company shall indemnify and reimburse the Resulting Company towards such Interim Payment. Provided that the Resulting Company shall forthwith refund the entire amount paid by the Demerged Company in this regard in the event the Resulting Company receives refund of such Interim Payment from the Appropriate Authority.

- 6.6 Notwithstanding anything contained to the contrary in this Scheme, the Demerged Company shall not be liable in any manner in respect of: (i) any contractual liabilities or claims or litigation proceedings arising from the same after the expiry of 3 (Three) years from the Appointed Date and; (ii) any statutory or tax related liabilities, claims or legal proceedings arising after the expiry of 7 (Seven) years from the Appointed Date.

7. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

- 7.1 Notwithstanding anything to the contrary contained in the contract, deed, bond, agreement or any other instrument, but subject to the other provisions of this Scheme, all contracts (including customer and vendor contracts), deeds, bonds, agreements, memorandum of undertakings, memorandum of agreements, memorandum of agreed points, arrangements,

undertakings, deed, bonds and other instruments of whatsoever nature and subsisting or having effect, whether written or otherwise pertaining to the Demerged Undertaking of the Demerged Company, to which the Demerged Company is a party or to, *inter-alia*, the commercial benefits of which the Demerged Company may be eligible and which are subsisting or having effect immediately before the Appointed Date, shall be in full force and effect against or in favour of the Resulting Company, as the case may be, and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary thereto. The Resulting Company shall enter into and/or issue and/or execute deeds, writings or confirmation or enter into any multipartite agreements, arrangements, confirmations or writings to which the Demerged Company will, if necessary, also be a party in order to give formal effect to the provisions of this clause, if so required or becomes necessary

- 7.2 The Resulting Company may, at any time after the coming into effect of this Scheme in accordance with the provisions thereof, if so required, under any law or otherwise, shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any multipartite agreement, confirmations or writings to which the Demerged Company will, if necessary, also be a party in order to give formal effect to the provisions of this Scheme, if it is so required or if it becomes necessary. The Resulting Company shall, be deemed to be authorised to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Demerged Company.

8. STAFF, WORKMEN & EMPLOYEES

- 8.1 All the employees of the Demerged Undertaking (including the Identified Employees) who are in service on the date immediately preceding the Effective Date shall, on and from the Effective Date become and be engaged as the employees of the Resulting Company, without any break or interruption in service as a result of the transfer and on terms and conditions not less favorable than those on which they are engaged by the Demerged Company immediately preceding the Effective Date. For the purposes of all retirement

benefits and all other entitlements for which the employees of the Demerged Undertaking may be eligible, their services shall be taken into account from the date of their respective appointment with the Demerged Company. The Resulting Company further agrees that for the purpose of payment of any retrenchment compensation, if any, such past services with the Demerged Company shall also be taken into account. The services of such employees shall not be treated as having been broken or interrupted for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments with the Demerged Company.

- 8.2 In so far as the Employee Benefit Funds created for the employees of the Demerged Undertaking by the Demerged Company are concerned, or in respect of which the Demerged Company makes contributions for the such employees of the Demerged Undertaking, upon the Scheme becoming effective, the Resulting Company shall stand substituted for the Demerged Company in respect of such employees so transferred for all purposes whatsoever relating to the administration or operation of such Employee Benefit Funds or trusts or in relation to the obligation to make contribution in accordance with the provisions of such Employee Benefit Funds or trusts as provided in the respective deeds or other documents. It is the aim and the intent of the Scheme that all the rights, duties, powers and obligations of the Demerged Company in relation the employees of the Demerged Undertaking in respect of such Employee Benefit Funds or trusts shall become those of the Resulting Company. The trustees including the Board of Directors of the Demerged Company and the Resulting Company or through any committee / person duly authorized by the Board of Directors in this regard shall be entitled to adopt such course of action in this regard as may be advised, provided however that there shall be no discontinuation or breakage in the services of the employees of the Demerged Undertaking of the Demerged Company.
- 8.3 Any disciplinary action initiated by the Demerged Company against any of the employees of the Demerged Undertaking shall have full force, effect and continuity as if it has been initiated by the Resulting Company instead of the Demerged Company.

- 8.4 With effect from the first of the date of filing of this Scheme with Tribunal and up to and including the Effective Date, the Demerged Company shall not vary or modify the terms and conditions of employment of any of its employees engaged in or in relation to the Demerged Undertaking of the Demerged Company, except with written consent of the Resulting Company.

9. TAXES

- 9.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, all tax payable by the Demerged Company in relation to the Demerged Undertaking under Income-tax Act 1961, Customs Act, 1962, Goods and Services tax or other applicable laws/regulations dealing with taxes/duties/levies (hereinafter referred to as “Tax laws”) shall be to the account of the Resulting Company.
- 9.2 Upon the Scheme becoming effective, all taxes (including tax deduction at source, advance tax payments), cess, duties and liabilities (direct and indirect), paid or payable by the Demerged Company for the period falling after the Appointed Date in relation to the Demerged Undertaking, shall, for all purposes, be treated as taxes, cess, duties and liabilities, as the case may be, paid by the Resulting Company.
- 9.3 Upon the Scheme becoming effective, notwithstanding anything to the contrary contained in the provisions of this Scheme, unabsorbed tax depreciation, carry forward tax losses, minimum alternate tax credit, if any, as on the Appointed Date of the Demerged Company in relation to the Demerged Undertaking, shall for all purposes, be treated as of the Resulting Company.
- 9.4 In relation to the Demerged Undertaking, the Demerged Company and the Resulting Company shall be entitled to, amongst others, file/or revise its financial statements and income-tax returns, TDS/TCS returns, wealth-tax returns, service tax, excise duty, sales tax, value added tax, entry tax, cess, professional tax or any other statutory returns, if

required, credit for advance tax paid, tax deducted at source, claim for sum prescribed under section 43B of the Income tax Act 1961 on payment basis, claim for deduction of provisions written back by Resulting Company previously disallowed in the hands of the Demerged Company under the Income-tax Act 1961, credit of tax under section 115JB read with section 115JAA of the Income-tax Act 1961, credit of foreign taxes paid/withheld, if any, for the period starting with the Appointed Date, pertaining to Demerged Company as may be required consequent to implementation of the Scheme and where necessary to give effect to the Scheme, even if the prescribed time limit for filing or revising such returns have lapsed without incurring any liability on account of interest, penalty or any other sum. The Resulting Company shall have the right to claim refunds, tax credits, set offs and/or adjustments relating to the income or transactions entered by them by virtue of the Scheme with effect from the Appointed Date.

- 9.5 All Tax assessment proceedings and appeals of whatsoever nature by or against the Demerged Company in relation to the Demerged Undertaking before the Appointed Date shall be on account of the Demerged Company and in so far as it relates to a period after the Appointed Date, it shall be continued and/or enforced by or against the Resulting Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company and shall be dealt with in a similar manner as has been prescribed in Clause 6.5 above. Further, the aforementioned proceedings shall neither abate or be discontinued nor be in any way prejudicially affected by reason of the demerger of the Demerged Undertaking into the Resulting Company or anything contained in this Scheme;

If the Resulting Company is in receipt of any incentives, refunds, credits, benefits or likewise, in relation to the Demerged Undertaking, and pertaining to the period prior to the Appointed Date, the Resulting Company shall take all steps to pass on such incentives, refunds, credits, benefits etc to the Demerged Company.

- 9.6 Without prejudice to the generality of the above, all benefits, incentives, claims, losses, credits (including service Tax, excise duty, goods and applicable state value added Tax) to

which the Demerged Company is entitled to in relation to the Demerged Undertaking in terms of the applicable Tax laws, shall be available to and vest in the Resulting Company from the Effective Date.

- 9.7 All the expenses incurred by the Demerged Company and the Resulting Company in relation to the demerger of the Demerged Undertaking of the Demerged Company into the Resulting Company in accordance with this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Resulting Company in accordance with section 35DD of the Income-tax Act, 1961 over a period of five (5) years beginning with the financial year in which this Scheme becomes effective.

10. INTER-SE TRANSACTIONS

With effect from the Effective Date, all *inter-se* contracts solely between the Demerged Company and the Resulting Company in relation to the Demerged Undertaking, if any, shall stand cancelled and cease to operate, and appropriate effect shall be given to such cancellation and cessation in the books of accounts and records of the Resulting Company.

11. CONSIDERATION

- 11.1 Upon the Scheme becoming effective and upon the demerger of the Demerged Undertaking of the Demerged Company with the Resulting Company in terms of this Scheme, the Resulting Company shall, subject to regulatory approval, if any, issue and allot shares to the eligible shareholders of the Demerged Company whose name appears in the register of members of the Demerged Company as on the Record Date as may be stipulated by the Board of Directors of the Demerged Company or to such of their heirs, executors, administrators or as the case may be, successors and who produce details of their account with a depository participant to the Resulting Company within 15 days from the Record Date, in the following proportion:

“81 (Eighty One) 6% CRPS of the Resulting Company of Rs. 10 (Rupees Ten Only) each

fully paid up, which will be redeemable subject to the terms specified in Annexure to the Scheme shall be issued and allotted for every 100 (One Hundred) equity share of the Demerged Company of the face value of Rs. 10/- (Rupees Ten Only) each fully paid”

- 11.2 In case if the eligible shareholders cannot be allotted CRPS due to any regulatory constraints, then the Resulting Company shall, subject to applicable regulations, pay cash equivalent to the face value of the CRPS proposed to be issued to such shareholder as per Clause 11.1 above (after deducting such taxes as may be applicable). For this purpose, if considered necessary, the Resulting Company shall allot the CRPS to the trustee (to be appointed by the Board of Directors of the Resulting Company), which shall take steps to sell / transfer the same and make payment to the shareholders (after deducting such taxes as may be applicable).
- 11.3 If any shareholder of the Demerged Company becomes entitled to any fractional shares, entitlements or credit on the issue and allotment of shares by the Resulting Company in accordance with this Scheme, the Board of the Resulting Company shall consolidate all such fractional entitlements and shall, without any further application, act, instrument or deed, issue and allot such consolidated shares directly to an individual trust or a board of trustees or a corporate trustee or a SEBI registered merchant banker nominated by the Resulting Company (the "Trustee"), who shall hold such shares with all additions or accretions thereto in trust for the benefit of the respective shareholders, to whom they belong and their respective heirs, executors, administrators or successors for the specific purpose of selling such shares to any buyer(s) at such price or prices and on such time or times within 60 (sixty) days from the date of allotment, as the Trustee may in its sole discretion decide and on such sale, pay to the Resulting Company, the net sale proceeds (after deduction of applicable taxes and costs incurred) thereof and any additions and accretions, whereupon the Resulting Company shall, subject to withholding tax, if any, distribute such sale proceeds to the concerned shareholders of the Demerged Company in proportion to their respective fractional entitlements.
- 11.4 In the event of any increase in the issued, subscribed or paid up share capital of the

Demerged Company or issuance of any instruments convertible into equity shares or restructuring of their respective equity share capital including by way of share split/ consolidation/ issue of bonus shares, free distribution of shares or instruments convertible into equity shares or other similar action in relation to the share capital of the Demerged Company at any time before the Record Date, the share exchange ratio shall be adjusted appropriately to take into account the effect of such issuance or corporate actions and assuming conversion of any such issued instruments convertible into equity shares.

- 11.5 The Resulting Company shall take necessary steps to increase or alter or re-classify, if necessary, its authorized share capital suitably to enable it to issue and allot the shares required to be issued and allotted by it under this Scheme.
- 11.6 The shares to be issued and allotted as above shall be subject to and in accordance with the Memorandum and Articles of Association of the Resulting Company.
- 11.7 The shares issued and allotted by the Resulting Company in terms of this Scheme shall rank *pari-passu* in all respects with the same class of existing shares of the Resulting Company.
- 11.8 The approval of this Scheme by the shareholders of the Resulting Company shall be deemed to be due compliance of the relevant provisions of Act and all the other relevant and applicable provisions of the Act for the issue and allotment of shares by the Resulting Company to the shareholders of the Resulting Company, as provided in this Scheme.
- 11.9 , The shares of the Resulting Company that are to be issued in terms of this Scheme shall be mandatorily issued in dematerialised form only. The eligible shareholders of the Demerged Company shall provide such confirmation, information and details as may be required including details of their account with a depository participant to the Resulting Company to enable it to issue the aforementioned shares.

- 11.10 The shares to be issued by the Resulting Company as per Clause 11.1 above, in respect of the shares of the Demerged Company, the allotment or transfer of which is held in abeyance under Applicable Law shall, pending allotment or settlement of dispute by order of the appropriate court or otherwise, also be kept in abeyance in like manner by the Resulting Company.

12. ACCOUNTING TREATMENT

12.1 In the books of Demerged Company

12.1.1 The Demerged Company shall reduce the carrying values of all the assets and liabilities pertaining to the Demerged Undertaking as on the Appointed Date from its books of accounts.

12.1.2 The difference between the carrying values of the assets and the carrying values of the liabilities pertaining to the Demerged Undertaking shall be debited to Capital Reserve as appearing in the books of the Demerged Company.

12.2 In the books of Resulting Company

Notwithstanding anything to the contrary contained herein, the Resulting Company shall give effect to the scheme of arrangement in its books of accounts in accordance with Appendix C of Indian Accounting Standard 103, Business Combinations and other accounting principles prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as notified under Section 133 of the Companies Act, 2013 and on the date determined in accordance with Ind AS. It is clarified that the separate financial statements of the Resulting Company shall be restated (including comparative period presented in the financial statements) from the beginning of the preceding period in the financial statements as required by Appendix C of Ind AS 103.

13. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

13.1 With effect from the Appointed Date and up to and including the Effective Date:

13.1.1 The Demerged Company shall carry on and shall be deemed to have carried on its business and activities in relation to the Demerged Undertaking and shall stand possessed of its entire business and undertakings in relation to the Demerged Undertaking, in trust for the Resulting Company. The Demerged Company hereby undertakes to hold the said assets with utmost prudence until the Effective Date.

13.1.2 All the income or profits accruing or arising to the Demerged Company in relation to the Demerged Undertaking and all costs, charges, expenses or losses incurred by the Demerged Company in relation to the Demerged Undertaking shall, for all purposes, be treated the income, profits, costs, charges, expenses and losses as the case may be of the Resulting Company.

13.1.3 The Demerged Company shall not utilize the profits or income, if any, relating to the Demerged Undertaking for the purpose of declaring or paying any dividend or for any other purpose in respect of the period falling on and after the Appointed Date, without the prior written consent of the Board of Directors of the Resulting Company, unless the same is in lines with the business requirements of the Demerged Undertaking.

13.1.4 The Demerged Company shall not without the prior written consent of the Board of Directors of the Resulting Company or pursuant to any pre-existing obligation, sell, transfer or otherwise alienate, charge, mortgage or encumber or otherwise deal with or dispose of the undertaking relating to Demerged Undertaking or any part thereof except in the ordinary course of its business.

13.1.5 The Demerged Company shall carry on its business and activities in relation to the Demerged Undertaking with reasonable diligence and business prudence in the

ordinary course consistent with past practice in good faith and in accordance with Applicable Law.

13.1.6 The Demerged Company shall not vary the terms and conditions of employment of any of the employees in relation to the Demerged Undertaking except in the ordinary course of business or without the prior consent of the Resulting Company or pursuant to any pre-existing obligation undertaken by the Demerged Company as the case may be, prior to the Appointed Date.

13.1.7 The Demerged Company shall not enter into any contract, deed, bond, agreement or any other instrument in relation to the Demerged Undertaking, which is not in lines with business requirements of the Demerged Undertaking without consulting the Resulting Company.

13.2 The Resulting Company shall be entitled, pending the sanction of the Scheme, to apply to the Central/State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions in relation to the Demerged Undertaking, which the Resulting Company may require pursuant to this Scheme in relation to the Demerged Undertaking.

14. RESIDUAL UNDERTAKING

14.1 The Residual Undertaking and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company.

14.2 All legal, taxation or other proceedings by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted in future, whether or not in respect of any matter arising before the Effective Date, and relating to the Residual Undertaking (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Residual Undertaking) shall be continued and enforced by or against the Demerged Company (or successor thereof). The Resulting Company shall in no event be responsible or liable in relation to

any such legal, taxation or other proceeding against the Demerged Company (or successor thereof).

15. SAVING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities under Clause 5 above and the continuance of proceedings by or against the Demerged Company in relation to the Demerged Undertaking under Clause 6 above and effectiveness of contracts and deeds under Clause 7 shall not affect any transaction or proceedings in relation to the Demerged Undertaking already concluded by the Demerged Company on or after the Appointed Date till the Effective Date, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by the Demerged Company in relation to the Demerged Undertaking in respect thereto as done and executed on behalf of the Resulting Company.

16. VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon the coming into effect of this Scheme, the limits of the Resulting Company in terms of Section 180(1)(c) and Section 186(2) of the Act shall be deemed, without any further act or deed, to have been enhanced by the aggregate limits of the Demerged Company pursuant to the Scheme with effect from the Appointed Date.

17. PROFITS AND DIVIDENDS

- 17.1 The Demerged Company and the Resulting Company shall be entitled to declare and pay dividends, to their respective shareholders in respect of the accounting period ending on March 31, 2021 consistent with the past practice or in ordinary course of business, whether interim or final.
- 17.2 It is clarified that the aforesaid provisions in respect of declaration of dividends (whether interim or final) are enabling provisions only and shall not be deemed to confer any right

on any shareholder of the Demerged Company and the Resulting Company to demand or claim or be entitled to any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the respective Boards of the Demerged Company and the Resulting Company as the case may be, and subject to approval, if required, of the shareholders of the Demerged Company and the Resulting Company as the case may be.

18. INCREASE IN THE AUTHORIZED SHARE CAPITAL OF THE RESULTING COMPANY

18.1 With effect from the Appointed Date and upon the Scheme becoming effective, the authorized share capital of the Resulting Company as detailed in Clause 4.2 of this Scheme shall be increased from the present authorised share capital of Rs. 250,05,00,000 (Rupees Two Hundred Fifty Crore Five Lakh Only), divided into 30,41,00,000 (Thirty Crores Forty One Lakh) equity shares of Rs. 5 (Rupees Five Only) each and 9,80,00,000 (Nine Crore Eighty Lakh) Preference shares of Rs. 10 (Rupees Ten only) each to Rs. 5,520,500,000 (Rupees Five Hundred Fifty Two Crores Five Lakh Only), divided into 30,41,00,000 (Thirty Crores Forty One Lakh) equity shares of Rs. 5 (Rupees Five Only) each and 400,000,000 (Forty Crore) Preference shares of Rs.10 (Rupees Ten only) each, without any liability for payment of any additional fees (including fees and charges to the relevant Registrar of Companies) or stamp duty.

18.2 Consequently, Clause V of the Memorandum of Association of the Resulting Company shall without any act, instrument or deed be and stand altered, modified and substituted pursuant to Section 13 of the Act and Section 230-232 and other applicable provisions of the Act, as set out below:

“The Authorized Share Capital of the Company is Rs.5,520,500,000/- (Rupees Five Hundred Fifty Two Crores Five Lakh Only) divided into 30,41,00,000 (Thirty Crores Forty One Lakh) equity shares of Rs. 5 (Rupees Five Only) each and 400,000,000 (Forty Crore) Preference shares of Rs.10 (Rupees Ten only) each.”

- 18.3 The Resulting Company shall file requisite returns with the jurisdictional Registrar of Companies in relation to such increase in the authorized capital. It is clarified that the approval of the shareholders of the Resulting Company to the Scheme shall be deemed to be their consent / approval to such increase in the authorized capital of the Resulting Company under the Act and also to the consequential alteration of the Memorandum and Articles of Association of the Resulting Company and the Resulting Company shall not be required to seek separate consent / approval of its shareholders for such increase in the authorized capital of the Resulting Company and such alteration of the Memorandum and Articles of Association of the Resulting Company as required under the Act.

PART C

GENERAL TERMS AND CONDITIONS

19. APPLICATION TO NCLT

The Demerged Company and the Resulting Company shall make Applications / Petitions under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Act to NCLT for sanction of this Scheme under the provisions of the Act.

20. MODIFICATION OR AMENDMENTS TO THE SCHEME

The Demerged Company and the Resulting Company with approval of their respective Board of Directors may consent, from time to time, on behalf of all persons concerned, to any modifications / amendments or additions / deletions to the Scheme which may otherwise be considered necessary, desirable or appropriate by the said Board of Directors to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters, and things necessary for bringing this Scheme into effect or agree to any terms and / or conditions or limitations that NCLT or any other authorities under law may deem fit to approve of, to direct and / or impose. The aforesaid powers of the Demerged Company and the Resulting Company to give effect to the

modification / amendments to the Scheme may be exercised by their respective Board of Directors or any person authorised in that behalf by the concerned Board of Directors subject to approval of NCLT or any other authorities under the applicable law.

21. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

- i. The requisite sanctions and approvals of all government, statutory, regulatory, judicial or other authority as may be necessary, and any consents, no-objection confirmations or approvals of the Stock Exchange, in respect of the Scheme being obtained;
- ii. Approval of the Scheme by the requisite majority in number and value of such class of persons including the respective members and/or creditors of the Demerged Company and the Resulting Company as required under the Act and as may be directed by NCLT;
- iii. Approval of the shareholders of the Demerged Company and the Resulting Company through e-voting and/ or postal ballot and/or physical meeting and/ or any other mode as may be required under any Applicable Law. The Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the Scheme are more than the number of votes cast by the public shareholders of the Resulting Company, against it as required under the SEBI Scheme Circular. The term 'public' shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957; and
- iv. The sanction to the Scheme by NCLT under Sections 230 to 232 of the Act.

22. EFFECT OF NON-RECEIPT OF APPROVALS AND MATTERS RELATING TO REVOCATION / WITHDRAWAL OF THE SCHEME

22.1 In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained and/ or the Scheme not being sanctioned by NCLT or such other competent authority and / or the Order not being passed as aforesaid within such period or periods as may be agreed upon between the Demerged Company and the Resulting Company by their Boards of Directors (and which the Boards of Directors of the Companies are hereby empowered and authorized to agree to and extend the Scheme from time to time without any limitation) this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

22.2 In the event of revocation/withdrawal under Clause 22.1 above, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Demerged Company and the Resulting Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the Applicable Law and in such case, the Demerged Company and the Resulting Company and shall bear its own costs, unless otherwise mutually agreed.

23. COSTS, CHARGES & EXPENSES

Stamp duty and similar transfer duties payable in respect of this Scheme shall be borne by the Resulting Company. All other costs, charges and expenses of the Demerged Company and the Resulting Company arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by the respective companies.

Annexure

Terms and Conditions of Cumulative Redeemable Preference Shares

Issuer	Welspun Corp Limited
Instrument	Cumulative Redeemable Preference Shares which shall be unlisted
Face value	Rs. 10
Coupon Rate	6% p.a.
Redemption	Redeemable, at face value, at the option of the holder upon the expiry of 18 months from the date of issue

For Welspun Corp Limited


Pradeep Joshi
Company Secretary and Compliance Officer
FCS-4959

RBSA Valuation Advisors LLP

VALUATION | INVESTMENT BANKING | RESTRUCTURING | ADVISORY SERVICES
TRANSACTION SERVICES | TRANSACTION TAX



Strictly Private and Confidential

Report Reference Number: RVA2122MTFAREP034

Date: June 26, 2021

The Board of Directors
Welspun Corp Limited
Welspun City
Versamedi, Anjar
Gujarat – 370110

The Board of Directors
Welspun Steel Limited
Welspun City
Versamedi, Anjar
Gujarat – 370110

Sub: Recommendation of Share Entitlement Ratio for the proposed demerger of the Demerged Undertaking of Welspun Steel Limited into Welspun Corp Limited

Dear Sirs,

We refer to our engagement letter dated June 17, 2021 whereby the Board of Directors of Welspun Corp Limited ("WCL") and Welspun Steel Limited ("WSL") appointed RBSA Valuation Advisors LLP ("RBSA"/ "Valuer") to recommend the Share Entitlement Ratio for the proposed demerger of the Demerged Undertaking of WSL (as defined below) on a 'going concern' premise into WCL, pursuant to a Scheme of Arrangement between WCL and WSL and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "Scheme").

The fair share entitlement ratio for the purpose of this Report refers to the number of fully paid-up Cumulative Redeemable Preference Shares of face value INR 10/- each ("CRPS") to be issued by WCL to the equity shareholders of WSL as a consideration for the proposed demerger of the Demerged Undertaking on a 'going concern' premise into WCL (the "Share Entitlement Ratio")

This report ("Report") is our deliverable to recommend the Share Entitlement Ratio for the proposed demerger of the Demerged Undertaking of WSL into WCL.

This Report is subject to the scope, assumptions, exclusions, limitations, and disclaimers detailed hereinafter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

CONTEXT AND PURPOSE OF THIS REPORT

We understand that the management of WCL and WSL (together referred to as the "Management") are contemplating the demerger of the Demerged Undertaking of WSL on a 'going concern' basis into WCL, pursuant to the Scheme (the "Proposed Transaction").

As part of the Proposed Transaction, it is envisaged that:

- WSL shall demerge its Demerged Undertaking into WCL
- Appointed date for Scheme shall be April 1, 2021.
- As a consideration for the demerger, WCL shall issue 6% CRPS of INR 10 each (Redeemable, at face value, upon the expiry of 18 months from the date of the issue) to the shareholders of WSL.



RBSA Valuation Advisors LLP

VALUATION | INVESTMENT BANKING | RESTRUCTURING | ADVISORY SERVICES
TRANSACTION SERVICES | TRANSACTION TAX



We understand from the Management that the Demerged Undertaking of WSL primarily include:

- Steel Business of WSL (“WSL Steel Business”); and
- WSL’s equity stake in Welspun Specialty Solutions Limited (“WSSL”), Welspun Captive Power Generation Limited (“WCGPL”) and Anjar TMT Steel Private Limited (“ATMT”).

WSSL, WCGPL and ATMT are together referred to as the “WSL Investee Companies”. WSL and WSL Investee Companies are together referred to as the Specified Companies.

In this context, the Board of Directors of WCL and WSL have jointly appointed RBSA to recommend the Share Entitlement Ratio for the proposed demerger of the Demerged Undertaking of WSL on a ‘going concern’ premise into WCL, pursuant to the Scheme.

SOURCES OF INFORMATION

In connection with this exercise, we have used the following information received from the Management and/or obtained from the public domain:

- i. Unaudited carved-out financials statement pertaining to WSL Steel Business for the year ended March 31, 2021;
- ii. Audited/ unaudited financial statements of the WSSL and WCGPL for FY19, FY20 and FY21;
- iii. Projected income and cash flow statements of the WSL Steel Business, WSSL and WCGPL, which the Management believe to be their best estimate of the expected performance of the respective business/ companies (“Management Projections”);
- iv. Draft Scheme of Arrangement between WSL and WCL and their respective shareholders;
- v. Key Terms of the CRPS proposed to be issued by WCL as a consideration for the Proposed Transaction;
- vi. Databases such as Capital IQ and Mergermarket;
- vii. Discussions and correspondence with the Management;
- viii. Other information and documents considered relevant for the purpose of this engagement;
- ix. We have also obtained the explanations, information, and representations, which we believed were reasonably necessary and relevant for our exercise from the Management.

Management has informed us that DAM Capital Advisors LLP (“DCAL”) has been appointed to provide fairness opinion on the recommended Share Entitlement Ratio for the Proposed Transaction. Further, at the request of the Management, we have had discussions with DCAL on the valuation approach adopted and key assumptions made by us.

PROCEDURES ADOPTED

Procedures adopted for our analysis included such substantive steps as we considered necessary under the circumstances, including, but not limited to the following:

- Discussion with the Management to inter-alia:
 - Understand the business and fundamental factors that affect the business of the Demerged Undertaking
 - Understand historical financial performance, current state of affairs and future financial performance of WSL and WSL Investee Companies
- Analysis of information shared by the Management including the following:
 - carved out historical income statement and statement of assets and liabilities of WSL Steel Business and financial statements of WSL Investee Companies;
 - Management Projections



RB SA Valuation Advisors LLP

VALUATION | INVESTMENT BANKING | RESTRUCTURING | ADVISORY SERVICES
TRANSACTION SERVICES | TRANSACTION TAX



- Considered Draft Scheme of Arrangement between WSL and WCL;
- Considered the key terms of the CRPS proposed to be issued by WCL as a consideration for the Proposed Transaction
- Selection of appropriate valuation approach and methodology/(ies);
- Determination of the Share Entitlement Ratio for the proposed demerger of the Demerged Undertaking into WCL.

BACKGROUND OF THE SPECIFIED COMPANIES

Welspun Corp Limited

WCL is the flagship company of the Welspun Group. It is primarily engaged in the manufacture of HSAW, LSAW and ERW pipes, with total pipe capacity of ~1.655 million Tonnes per annum ("MTPA"), at four locations in India. WCL's wholly owned subsidiary in USA has manufacturing facility with an installed capacity of ~0.525 MTPA and its Joint Venture in Kingdom of Saudi Arabia has manufacturing facility with an installed capacity of ~0.375 MTPA.

The issued and subscribed equity share capital of WCL as on March 31, 2021 was INR 1,304.4 million consisting of 260,884,395 equity shares of face value of INR 5 each. The shareholding pattern of WCL as of March 31, 2021 is as under:

No.	Shareholder category	Percentage
1.	Promoter and Group	50.02%
2.	Public shareholders	49.98%
Total		100.00%

Source: BSE filing

Equity shares of WCL are listed on BSE Limited and the National Stock Exchange of India Limited.

Welspun Steel Limited

WSL is primarily engaged in manufacturing of Sponge Iron, TMT Bars, and structural steel like billets/ingots ("WSL Steel Business"). It has two divisions, Sponge Iron / DRI having a capacity of ~144,000 TPA and Billets / SMS Division having a capacity of ~288,000 TPA. The manufacturing facility is located at Anjar, Gujarat. WSL also holds equity stake in WSSL, WCGPL and ATMT.

The issued and subscribed equity share capital of WSL as at date is INR 4,478.1 million consisting of 447,813,359 equity shares of face value of INR 10 each. Equity shares of WSL are not listed on any stock exchanges.

Welspun Specialty Solutions Limited

WSSL is part of Welspun Group. It operates an electric arc furnace-based steel melting shop, a rolling mill and a seamless pipe facility in Bharuch, Gujarat. The equity shares of WSSL are listed on BSE Limited. As at date, WSL holds ~50.03 % equity stake in WSSL.

Welspun Captive Power Generation Limited ("WCPGL"):

WCPGL is the power generation arm of Welspun Group. WCPGL is engaged in the business of generation and sale of power and steam mainly to Welspun group companies. WCPGL has 80-megawatt (MW) power generation facility at Anjar, Gujrat, which was commissioned in April 2013. In September 2019, WCPGL acquired 43MW power plant from WCL on a slump sale basis.



RBSA Valuation Advisors LLP

VALUATION | INVESTMENT BANKING | RESTRUCTURING | ADVISORY SERVICES
TRANSACTION SERVICES | TRANSACTION TAX



As at date, WSL holds ~2.9% of the equity stake in WCPGL. Equity shares of WCPGL are not listed on any stock exchanges.

Anjar TMT Steel Private Limited ("ATMT"):

ATMT, incorporated on April 23, 2021, is a wholly owned subsidiary of WSL and intends to carry out business of manufacturing TMT bars and allied activities. Equity shares of ATMT are not listed on any stock exchanges.

VALUATION APPROACH & METHODOLOGY

Valuation Base: Valuation base means the indication of the type of value being used in an engagement. Different Valuation bases may lead to different conclusions of value. Considering the nature of this exercise, we have adopted Relative Value as the Valuation base.

Premise of Value: Premise of Value refers to the conditions and circumstances how an asset is deployed. Considering the nature of this exercise, we have adopted 'Going Concern' Value as the Premise of Value.

Intended Users: This Report is intended for consumption of the Board of Directors of WCL and WSL and may be submitted to the shareholders of WCL and WSL and relevant regulatory and judicial authorities as may be mandatorily required under the laws of India, in connection with the Proposed Transaction.

It should be understood that the valuation of any entity or business is inherently subjective and is subject to uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we have relied on explanations provided by the Management and have made assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the companies. This valuation could fluctuate with the passage of time, changes in prevailing market conditions and prospects, industry performance and general business and economic conditions financial and otherwise, of the companies, and other factors which generally influence the valuation of companies and their assets.

Commonly accepted approach/ methods for determining the value of the equity shares of a company/ business, include:

- Income Approach – Discounted Cash Flow method
- Market Approach
- Asset Approach – Net Asset Value method

There are several commonly used and accepted methods, within the market approach, income approach and asset approach, for determining the Share Entitlement Ratio, which have been considered in the present case, to the extent relevant and applicable, and subject to the availability of detailed information.

Income Approach – Discounted Cash Flow ("DCF")

Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalized) amount.



RBSA Valuation Advisors LLP

VALUATION | INVESTMENT BANKING | RESTRUCTURING | ADVISORY SERVICES
TRANSACTION SERVICES | TRANSACTION TAX



Under the DCF method the projected free cash flows to the firm are discounted at the weighted average cost of capital. This method is used to determine the present value of a business on a going concern assumption and recognizes the time value of money by discounting the free cash flows for the explicit forecast period and the perpetuity value at an appropriate discount factor. The terminal value represents the total value of the available cash flow for all periods subsequent to the horizon period. The terminal value of the business at the end of the horizon period is estimated, discounted to its present value equivalent, and added to the present value of the available cash flow to estimate the value of the business.

Such DCF analysis involves determining the following:

- Estimating future free cash flows: Free cash flows are the cash flows expected to be generated by the company/ asset that are available to the providers of the company's capital – both debt and equity.
- Appropriate discount rate to be applied to cash flows i.e., the cost of capital: This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

Market Approach

Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as a business.

Market Price Method:

Under this method, the value of shares of a company is determined by taking the average of the market capitalization of the equity shares of such companies as quoted on a recognized stock exchange over reasonable periods of time where such quotations are arising from the shares being regularly and freely traded in an active market, subject to the element of speculative support that may be inbuilt in the market price.

Comparable Companies Multiple (CCM) Method:

Under this method, the value of the shares / business of a company is estimated by applying the derived market multiple based on market quotations of comparable public / listed companies, in an active market, possessing attributes similar to the business of such company - to the relevant financial parameter of the company / business (based on past and / or projected working results) after making adjustments to the derived multiples on account of dissimilarities with the comparable companies and the strengths, weaknesses and other factors peculiar to the company being valued. These valuations are based on the principle that such market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

Comparable Transaction Multiple (CTM) Method

Under Comparable Transaction Method, the value of shares / business of a company is determined



RBSA Valuation Advisors LLP

VALUATION | INVESTMENT BANKING | RESTRUCTURING | ADVISORY SERVICES
TRANSACTION SERVICES | TRANSACTION TAX



based on market multiples of publicly disclosed transactions in the similar space as that of the subject company. Multiples are generally based on data from recent transactions in a comparable sector, but with appropriate adjustment after consideration has been given to the specific characteristics of the business being valued.

Asset Approach

The asset-based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. A net asset methodology is most applicable for businesses where the value lies in its underlying assets and not in the ongoing operations of the business.

Valuation Approach/ methodology adopted

Valuation of the Demerged Undertaking of WSL has been carried out on a 'sum of the parts' basis considering *inter-alia* valuation of WSL Steel Business and WSL's equity stake in WSL Investee Companies.

Valuation of WSL Steel Business

Valuation of WSL Steel Business is carried out on a 'going concern' premise. WSL Steel Business is expected to make profits in the near to medium term. The historical net asset value of the WSL Steel Business may not be representative of their earning potential. Accordingly, Asset Approach has not been adopted for the valuation of the WSL Steel Business.

Equity shares of WSL are not listed on any stock exchanges. Accordingly, Market price method is not adopted. Valuation of WSL Steel Business therefore has been carried out adopting a combination of Income approach (Discounted cash flow method) and Market Approach (Comparable Companies Multiple method).

Valuation of WSL Investee Companies

Valuation of WSL Investee Companies is carried out on a 'going concern' premise. WSL Investee Companies are expected to make profits in the near to medium term. The historical net asset value of WSL Investee Companies may not be representative of their earning potential. Accordingly, Asset Approach has not been adopted for the valuation of WSL Investee Companies.

- Valuation of WSSL has been carried out adopting a combination of Income approach (Discounted cash flow method) and Market Approach (Comparable Companies Multiple method and Market Price Method).
- Considering that ECGPL has finite life, valuation of WCGPL has been carried out adopting Income approach (Discounted cash flow method).
- Considering that ATMT has been recently incorporated and in absence of business plan, valuation of ATMT has been carried out using underlying Asset Approach (Net Asset Method).

Valuation of CRPS

CRPS of WCL are not listed on any stock exchanges. Further, CRPS issued by the other companies may not be comparable with the CRPS of WCL in terms of the coupon rate, tenor, credit rating, etc. Accordingly, the valuation of CRPS of WCL has been carried out adopting the income approach considering *inter-alia* the coupon rate, tenor, credit rating of WCL and other factors.



RBSA Valuation Advisors LLP

VALUATION | INVESTMENT BANKING | RESTRUCTURING | ADVISORY SERVICES
TRANSACTION SERVICES | TRANSACTION TAX



SCOPE, ASSUMPTIONS, EXCLUSIONS, LIMITATIONS, AND DISCLAIMERS

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. These services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

The scope of our services is to recommend a Share Entitlement Ratio for the Proposed Transaction. Valuation Standards ("ICAI VS") issued by the Institute of Chartered Accountants of India has been adopted for the valuation.

The recommendation contained herein is as at the date of the Report ("Valuation Date") and is not intended to represent value at any time other than the date of the Report.

This Report, its contents and the results herein are (i) specific to the purpose of valuation agreed as per the terms of our engagement; (ii) the Valuation Date and (iii) are based on the data detailed in the section - Sources of Information. We have been informed by the Management that the business activities of the Specified Companies have been carried out in the normal and ordinary course between March 31, 2021 and the Report date and that no material changes have occurred in their respective operations and financial position between March 31, 2021 and the Report date.

An analysis of this nature is necessarily based on the information made available to us, the prevailing stock market, financial, economic, and other conditions in general and industry trends in particular, as of the Valuation Date. Events occurring after the date hereof may affect this Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.

The recommendation rendered in this Report only represents our recommendation based upon information till date, furnished by the Management (or its representatives) and other sources and the said recommendation shall be considered to be in the nature of non-binding advice. Our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors.

The COVID-19 (SARS-CoV-2) ("Coronavirus" or "Virus" or "Covid") is presenting potentially significant impacts upon economic activity and certain businesses. At the Report Date, the Covid pandemic is still ongoing, and the future impact of the Coronavirus was not capable of being qualitatively or quantitatively assessed at this time. For carrying out the valuation, we have factored the impact of Covid in the valuation based on the information available till the Report Date and based on our understanding of the likely impact on the Demerged Undertaking. However, this should not be considered as an accurate assessment of the future impact of the COVID-19 on the Demerged Undertaking, or any prediction regarding the future course of events that would arise due to the Covid pandemic.

Valuation of a business or an entity is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgement. There is, therefore, no single undisputed Share Entitlement Ratio. While we have provided our recommendation of the Share Entitlement Ratio based on the information available to us and within the scope of our engagement, others may have a different opinion. The final responsibility for the determination of the Share Entitlement Ratio at which the Proposed Transaction shall take place will be with the Board of Directors of WSL and WCL who



RBSA Valuation Advisors LLP

VALUATION | INVESTMENT BANKING | RESTRUCTURING | ADVISORY SERVICES
TRANSACTION SERVICES | TRANSACTION TAX



should take into account other factors such as their own assessment of the Proposed Transaction and inputs from other advisors.

In the course of the valuation, we were provided with both written and verbal information. We have evaluated the information provided to us by/ on behalf of the Management through broad inquiry, analysis and review but have not carried out a due diligence or audit of the information provided for the purpose of this engagement. Our conclusions are based on the assumptions, forecasts and other information given by/on behalf of the Management. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements. Further, with respect to the information and explanation sought for the Demerged Undertaking, we have been given to understand by the Management that they have not omitted any relevant or material information. Our conclusions are based on the assumptions and information given by/on behalf of the Management. The Management has indicated to us that they have understood that any omissions, inaccuracies, or misstatements may materially affect our valuation analysis/results.

Valuation may be based on estimates of future financial performance or opinions that represent reasonable expectations at a particular point in time. However, we do not provide assurance on the achievability of the results projected by the Management as events and circumstances do not occur as expected and differences between actual and expected results may be material. We express no opinion as to how closely the actual results will correspond to those projected as the achievement of the projected results is inter-alia dependent on actions, plans and assumptions of the Management and macro-economic and other external factors which are beyond the control of the Management. Further, we have relied on the assessment of the Management as regards to contingent and other liabilities.

The Report assumes that the business/ companies constituting the Demerged Undertaking complies fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that they will be managed in a competent and responsible manner. Further, unless specifically stated to the contrary, this Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigations and other contingent liabilities that are not recorded/ reflected in the financial statements provided to us.

This Report does not look into the business/ commercial reasons behind the Proposed Transaction nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Proposed Transaction as compared with any other alternative business transaction or other alternatives or whether such alternatives could be achieved or are available.

We have relied on data from external sources also to conclude the valuation. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where we have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and / or reproduced in its proper form and context.

The valuation analysis is based on the exercise of judicious discretion by the valuer taking into account the relevant factors. There will always be several factors, e.g., management capability, present and prospective competition, yield on comparable securities, market sentiment, etc.



RBSA Valuation Advisors LLP

VALUATION | INVESTMENT BANKING | RESTRUCTURING | ADVISORY SERVICES
TRANSACTION SERVICES | TRANSACTION TAX



which may not be apparent from the financial statements but could strongly influence the value.

No investigation/ inspection of the Specified companies' claim to title of assets has been made for the purpose of this Report and the Specified companies' claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the financial statements. Therefore, no responsibility is assumed for matters of a legal nature.

Neither this Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties other than in connection with the Scheme, without our prior written consent. This Report does not in any manner address the prices at which equity shares of WCL / WSSL will trade following announcement of the Proposed Transaction and we express no opinion or recommendation as to how the shareholders of WCL / WSL should vote at the shareholders' meeting(s) to be held in connection with the Proposed Transaction.

This Report and the information contained in it is absolutely confidential and intended only for the sole use and information of the Board of Directors of WCL and WSL in connection with the Proposed Transaction including for the purpose of obtaining regulatory approvals, as required under applicable laws of India, for the proposed demerger. Without limiting the foregoing, we understand that WCL and WSL may be required to share this Report with their shareholders, regulatory or judicial authorities and merchant banker providing fairness opinion on the Share Entitlement Ratio, in connection with the Proposed Transaction (together, "Permitted Recipients"). We hereby give consent to such disclosure of this Report, on the basis that the Valuer owes responsibility only to WCL and WSL that have engaged us, under the terms of the engagement, and to no other person; and that, to the fullest extent permitted by law, the Valuer accepts no responsibility or liability to any other party, in connection with this Report. It is clarified that reference to this Report in any document and / or filing with Permitted Recipients, in connection with the Proposed Transaction, shall not be deemed to be an acceptance by the Valuer of any responsibility or liability to any person/ party other than WCL and WSL.

The Management has informed us that:

- There are no unusual / abnormal events in the Specified Companies till the Report Date materially impacting their operating / financial performance. Further, the Management has informed us that all material information impacting WCL, and WSL (including WSL investee companies) has been disclosed to us.
- There would be no variation between the draft Scheme of Arrangement and the final scheme approved and submitted with the relevant authorities.

We owe responsibility to only the Boards of Directors of WSL and WCL that has appointed us under the terms of our engagement letter and nobody else. We will not be liable for any losses, claims, damages, or liabilities arising out of the actions taken, omissions of or advice given by any other advisor to the Specified Companies. In no event shall we be liable for any loss, damages, cost, or expenses arising in any way from fraudulent acts, misrepresentations, or willful default on part of the Specified Companies, their directors, employees, or agents. In no circumstances shall the liability of a Valuer, its partners, its directors, or employees, relating to the services provided in connection with the engagement set out in this Valuation Report shall exceed the amount paid to the Valuer in respect of the fees charged by it for these services.



RBSA Valuation Advisors LLP

VALUATION | INVESTMENT BANKING | RESTRUCTURING | ADVISORY SERVICES
TRANSACTION SERVICES | TRANSACTION TAX



We do not accept any liability to any third party in relation to the issue of this Report. It is understood that this analysis does not represent a fairness opinion on the Share Entitlement Ratio. This Report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.

Our Report can be used by WCL and WSL only for the purpose, as indicated in this Report, for which we have been appointed. The results of our valuation analysis and our Report cannot be used or relied by WCL / WSL for any other purpose or by any other party for any purpose whatsoever. We are not responsible to any other person / party for any decision of such person / party based on this Report. Any person / party intending to provide finance / invest in the shares / business of the companies / their holding companies/ subsidiaries/ associates/ investee companies/ other group companies, if any, shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. If any person/ party (other than WCL and WSL) chooses to place reliance upon any matters included in the Report, they shall do so at their own risk and without recourse to the Valuer. It is hereby notified that usage, reproduction, distribution, circulation, copying or otherwise quoting of this Report or any part thereof, except for the purpose asset out earlier in this Report, without our prior written consent, is not permitted, unless there is a statutory or a regulatory requirement to do so.

The Management of WCL and WSL has been provided with the opportunity to review the draft report (excluding the recommended Share Entitlement Ratio) as part of our standard practice to make sure that factual inaccuracies / omissions are avoided in our final Report.

The fee for the engagement is not contingent upon the results reported.

This Report is subject to the laws of India.

The Report should be used in connection with the Scheme.

BASIS OF FAIR SHARE ENTITLEMENT RATIO

The basis of demerger of the Demerged Undertaking of WSL into WCL would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. Though different values have been arrived at under each of the above methodologies, for the purposes of recommending a Share Entitlement Ratio, it is necessary to arrive at a single value for the Demerged Undertaking of WSL and CRPS of WCL. It is however important to note that in doing so we are not attempting to arrive at the absolute values but at their relative values to facilitate the determination of a Share Entitlement Ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each methodology.

The Share Entitlement Ratio has been arrived at on the basis of a relative valuation based on the various approaches/ methods explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potential of the businesses, having regard to information base, key underlying assumptions, and limitations.



RBSA Valuation Advisors LLP

VALUATION | INVESTMENT BANKING | RESTRUCTURING | ADVISORY SERVICES
TRANSACTION SERVICES | TRANSACTION TAX



We have independently applied valuation methodologies discussed herein above as appropriate and arrived at the value per share of the Demerged Undertaking and at the value per share of CRPS. To arrive at the consensus on the Share Entitlement Ratio for the proposed demerger, suitable minor adjustments/ rounding off have been done.

The computation of the Share Entitlement Ratio is as under:

Valuation Approach	Demerged Undertaking (A)		CRPS (B)	
	INR per share	Weight	INR per share	Weight
Market Approach: Comparable Companies Multiple Method	8.00	50%	NA	0%
Income Approach: Discounted Cash Flow Method	8.17	50%	10.00	100%
Asset Approach: Net Asset Value Method	11.47	0%	NA	0%
Relative Value per share	8.09	100%	10.00	100%
<i>Share Entitlement Ratio (A/B)</i> <i>(Rounded off)</i>	0.81			

NA: Not Applicable/ Not adopted

On the basis of the foregoing and on consideration of the relevant factors and circumstances as discussed and outlined herein above, we recommend the following Share Entitlement Ratio for the demerger of the Demerged Undertaking of WSL into WCL:

81 (Eighty-One) fully paid up Cumulative Redeemable Preference Shares of face Value of INR 10 each of Welspun Corp Limited for every **100 (One Hundred)** fully paid-up Equity Shares of face Value INR 10 each held in Welspun Steel Limited.

The Share Entitlement Ratio has been determined based on the capital structure of WSL as on the Report Date and the key terms of the CRPS proposed to be issued by WCL.

Respectfully submitted,

For RBSA Valuation Advisors LLP
(RVE No.: IBBI/RV-E/05/2019/110)

Ravishu Vinod Shah
Partner
Asset Class: Securities or Financial Assets
(RV No.: IBBI/RV/06/2020/12728)
Date: June 26, 2021
Place: Mumbai



**REPORT ON
RECOMMENDATION OF RATIO
OF ALLOTMENT FOR THE
PROPOSED DEMERGER
OF
STEEL UNDERTAKING
OF WELSPUN STEEL LIMITED ("WSL")
INTO
WELSPUN CORP LIMITED ("WCL")**

ACCOUNTANTS' REPORT

**Drushti R. Desai
Bansi S. Mehta & Co.
Chartered Accountants
Metro House, 3rd Floor
M. G. Road, Dhobi Talao,
Mumbai – 400 020.**

CONTENTS

1.	Glossary of Abbreviation	2
2.	Introduction and Brief History	3
3.	Data obtained	6
4.	Approach to Valuation	7
5.	Conclusion	12
6.	Limitations and Disclaimers	13
7.	Gratitude	15
APPENDIX A: Broad Summary Of Data Obtained		16



1. Glossary of Abbreviation

Abbreviation	Definition
BSE	Bombay Stock Exchange
CCM	Comparable Companies Multiple Method
Comparable Companies	Comparable Companies In Similar Line Of Business
DCF Method	Discounted Cash Flow Method
FCF	Free Cash Flows
EBITDA	Earnings Before Interest, Tax, Depreciation And Amortisation
EV	Enterprise Value
IVS	ICAI Valuation Standards
ICAI	Institute Of Chartered Accountants Of India
Management	Management Of Welspun Steel Limited and Welspun Specialty Solutions Limited
NSE	National Stock Exchange
Steel Business or SB	Steel Business of WSL
SOTP	Sum of the Parts
Scheme	Scheme of Arrangement Under Section 230 To 232 of the Companies Act, 2013
Valuation Date	June 25, 2021
WAP	Weighted Average Price
WSL	Welspun Steel Limited
WSSL	Welspun Specialty Solutions Limited
WCL	Welspun Corp Limited
WCPGL	Welspun Captive Power Generation Limited



2. Introduction and Brief History

- 2.1. There is a proposal before the Board of Directors of Welspun Steel Limited for the Demerger of the Steel Business of Welspun Steel Limited ("Steel Business" or "SB") along with investment in equity shares of Welspun Specialty Solutions Limited ("WSSL") and Welspun Captive Power Generation Limited ("WCPGL") in to Welspun Corp Limited. Preference shares of WCL shall be issued to the shareholders of WSL on the proposed demerger. The Steel Business along with demerging investments hereinafter referred to as the "Demerging Undertaking". The proposed transaction is contemplated under a scheme of arrangement under section 230 to 232 of the Companies Act, 2013 ("Scheme").
- 2.2. In this regard, I have been called upon by the management of WSL and WCL ("The Management") vide Engagement Letter dated June 16, 2021, to recommend ratio of allotment for the proposed demerger.
- 2.3. Accordingly, this report ("the Report" or "my Report") sets out the findings of my exercise. For the purpose of my Report, I have considered the Valuation Date as June 25, 2021 ("Valuation Date").

2.4. Brief Profile of the Companies and the Steel Business

2.4.1. Welspun Steel Limited

Welspun steel limited ("WSL") is an unlisted public company incorporated on June 3, 2004 under the provisions of the Indian Companies Act, 1956, and has its registered office situated at S N 650 Village Varsamedi, Taluka Anjar, District- Kutch, Gujarat- 370110. It is primarily engaged the business of manufacturing of Sponge Iron/ DRI and steel Billets/ Ingots.

The issued and subscribed equity share capital of WSL as at March 31, 2021 is as follows:

Share Capital	Amount (INR in crores)
Authorised:	
76,07,60,000 Equity Shares of INR 10 each	760.76
30,53,00,000 Preference Shares of INR 10 each	305.30
Issued, Subscribed and fully paid up:	
44,78,13,359 Equity Shares of INR 10 each	447.81

Significant portion of foregoing share capital viz. 96.61% is held by Rank Marketing LLP, MGN Agro Properties Pvt Ltd and its nominees.

The equity shares of WSL are not listed.



2.4.2. Welspun Specialty solutions Limited

WSSL is a listed public limited company incorporated on December 29, 1980 under the provisions of the Indian Companies Act, 1956, and has its registered office at Plot No.1, G.I.D.C. Industrial Estate, Valia Road, Jhagadia Dist. Bharuch - 393 110 Gujarat, India. It is engaged in the business of manufacturing of rolled products, Ingot, Bloom, seamless pipe, Mill scale, Slab casting and others.

The issued and subscribed equity share capital of WSSL as at March 31, 2021 is as follows:

Share Capital	Amount (INR in crores)
Authorised:	
55,00,00,000 Ordinary Shares of INR 6 each	330.00
23,50,00,000 Preference shares of INR 10 each	235.00
Issued, Subscribed, and paid up:	
52,94,21,306 Ordinary Shares of INR 6 each fully paid up	317.65
5,09,04,271 12% non-cumulative redeemable preference shares of INR 10 each fully paid up	50.90

The foregoing share capital is held by the promoters to the extent of 53.62% and balance 46.38% is held by public.

Source: BSE website

The equity shares of WSSL are listed on BSE Limited ("BSE").

Further, WSSL issued 6,67,850 equity shares against exercise of ESOPs after March 31, 2021, till the date of this report.

2.4.3. Welspun Corp Limited

WCL is a listed public limited company incorporated on April 26, 1995 under the provisions of the Companies Act, 1956 and has its registered office is at Welspun City, Village Versamedi, Taluka Anjar, Gujarat – 370110 and is primarily engaged in the business of Production and Coating of High Grade Submerged Arc Welded Pipes.

The issued and subscribed equity share capital of WCL as at March 31, 2021 is as follows:

Share Capital	Amount (INR in crores)
Authorised:	152.05
30,41,00,000 Equity Shares of INR 5 each	
9,80,00,000 Preference shares of INR 10 each	98.00
Issued, Subscribed and fully paid up:	130.44
26,08,84,395 Equity Shares of INR 5 each	

Source: Draft Scheme



The foregoing share capital is held by promoters to the extent of 50.02% and balance 49.98% is held by public.

Source: *BSE*

The equity shares of WCL are listed on BSE and National Stock Exchange Limited (“NSE”).

Further, WCL issued 65,000 equity shares against exercise of ESOPs after March 31, 2021, till the date of this report.

2.4.4. Steel Business of WSL

Steel Undertaking of WSL is primarily engaged in the business of manufacturing of Sponge Iron/ DRI and steel Billets/ Ingots.

2.4.5. Demerging Undertaking of WSL comprise its Steel Business, investment in shares of WSSL and shares of WCPGL.



3. Data obtained

3.1 I have called for and obtained such data, information, etc. as were necessary for the purpose of this assignment, which have been, as far as possible, made available to me by the Management. **Appendix A** hereto broadly summarizes the data obtained.

3.2 For the purpose of this assignment, I have relied on such data summarized in the said Appendix and other related information and explanations provided to me in this regard.



4. Approach to Valuation

- 4.1 It is universally recognized that valuation is not an exact science and that estimating values necessarily involves selecting a method or an approach that is suitable for the purpose.
- 4.2 It may be noted that the Institute of Chartered Accountants of India (ICAI) on June 10, 2018 has issued the ICAI Valuation Standards ("IVS") effective for all the valuation reports issued on or after July 1, 2018. The IVS is mandatory for a valuation done under the Companies Act, 2013, and recommendatory for valuation carried out under other statutes/ requirements. I have given due cognizance to the same in carrying out the valuation exercise.
- 4.3 For the purpose of arriving at the valuation, I have considered the valuation base as 'Fair Value'. My valuation, and this Report, is based on the premise of 'going concern'. Any change in the valuation base, or the premise could have a significant impact on the valuation exercise, and therefore, this Report.
- 4.4 IVS 301 on Business Valuations deals with valuation of a business and business ownership interest (i.e. it includes valuation of shares).
- 4.5 IVS 301 specifies that generally, the following three approaches for valuation of business/business ownership interest are used:

4.5.1 Market Approach

- 4.5.1.1 Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities. The common methodologies under the Market Approach are as under.

4.5.1.1.1 Market Price Method:

This method involves determining the market price of an entity based on its traded price on the stock exchange over a reasonable period of time.

4.5.1.1.2 Comparable Companies Multiple Method ("CCM") :

This method involves valuing an asset based on market multiple of comparable companies as related to earnings, assets etc.

4.5.2 Income Approach

Income approach is a valuation approach that converts maintainable future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalised) amount. An approach based on earnings is relevant in case of companies generating a steady stream of income. The steel industry is observed to be cyclical in nature. The projections of WSL and WSSL as provided have not been adjusted for this cyclicity. Hence, I have not relied on the Discounted Free Cash Flow approach.

4.5.3 Cost Approach

Cost Approach is a valuation approach that reflects the amount that would be required currently to replace the service capacity of an assets (often referred to as current replacement cost). This approach is relevant in looking at value of capital-intensive businesses.



- 4.6 The Transaction involves Demerger by WSL of its Steel Business including investment in equity shares of WSSL and WCPGL into WCL. Against such demerger, WCL would allot 6% Cumulative Redeemable preference shares at par to the shareholders of WSL. I have, therefore, determined value of WSL attributed to Demerged Undertaking based on sum of the parts ("SOTP") approach, so as to determine the fair ratio of allotment for this transaction.
- 4.7 Under SOTP for the Demerged Undertaking I have recognised the following parts
- 4.7.1. Steel Business comprised in WSL involving manufacture of steel ("Steel Business of WSL")
- 4.7.2. Investment in WSSL
- 4.7.3. Investment in Welspun Captive power generation limited being used for captive power consumption in the Steel Business of WSL.
- 4.8 For WCPGL I have relied on the fair valuation report dated May 21, 2021 obtained by the Management from TPG & Co.
- 4.9 Each of the above part is valued separately and added up to determine the fair value of the Steel Undertaking.
- 4.10 For determination of value of each of the part of the Demerged Undertaking, I have used the examined the applicability of the methods listed in para 4.5 above. I discuss below the approach to valuation adopted for each part.
- 4.11 Valuation of Steel Business of WSL**

4.11.1 Market Approach:

4.11.1.1 Market Price Method

The equity shares of WSL are not listed on any stock exchange. Further, the transaction involves demerger of an undertaking out of the company. As the shares of the company undergoing the demerger are not listed there is no market price reflection available for the same. Therefore, this method is not used for determination of the value of the demerging undertaking of WSL.

4.11.1.2 Under CCM Method

WSL is a company which is in the business of manufacture of steel billets and has had a track record of profits. Hence, I have followed the undermentioned steps to derive the value of Steel Undertaking of WSL under CCM.

4.11.1.2.1 Value based on Historic EV/ EBITDA Multiple Method

The broad steps followed to derive the value based on forward Earning Before Interest Depreciation Tax and Amortisations ("EBITDA"), are mentioned hereunder:

- For the purpose of arriving at the value under this method I have considered the financial statements of WSL for the year ended March 31, 2021.



- Under this method, I have considered the profit before tax of the Company for the year ended March 31, 2021, adjusted for non-operating and non-recurring expenses/incomes, interest, depreciation, tax and amortisation in order to arrive at Adjusted EBIDTA.
- Calculated the Enterprise Value ("EV") of companies in similar line of business comparable to the business being valued, hereinafter referred to as Comparable Companies by adding the amount of debt and preference capital as applicable to their respective Adjusted Market Capitalization considering their market price based on Weighted Average Price ("WAP") over a period of three months ended the Valuation date. Also computed adjusted EBIDTA for these companies to derive EV/EBIDTA Multiples for the Comparable Companies.
- I observed in case of some of the well tracked Comparable Companies that there is an expectation of decline in EBIDTA per tonne in the year 2023 over the earlier year. Despite such decline there is a strong growth momentum seen in those companies. This trend was not observed in WSL. Since, earnings multiples of Comparable Companies would have built in such growth expectation, I have discounted the EV/EBIDTA multiple of the Comparable Companies by 20%.
- The EBIDTA of WSL as computed above is then multiplied by such discounted EV/EBIDTA Multiple to obtain EV of the Steel Business as at the Valuation Date.
- The EV so arrived at above is increased by the realizable amount of non-operating cash and bank balances and reduced by the amount of borrowings, to arrive at the Business value/Equity value. It is understood from the Management that none of the contingent liabilities are expected to crystallise. Therefore, no reduction is made for the same.

4.11.2 Cost Approach

It may be noted that the Steel Business is capital intensive. For arriving at the value under this approach I have considered the value of assets based on their reflection in the Balance Sheet of WSL as on March 31, 2021.

However, in the final valuation, due cognizance is given to the fact that, in going concern valuation, earnings potential would be more relevant for determining its value.

4.11.3 Fair valuation of Steel Business of WSL:

I have arrived at the fair value of the steel undertaking of WSL by applying 66.67% weight to the comparable company multiple Method and 33.33% weight to the Net asset value method. Under comparable company multiple method fair value is arrived at using EV/EBITDA method.



4.12 Valuation of Investment in WSSL

4.12.1 Under Market Approach:

4.12.1.1 Market Price Method

Insofar as valuation of WSSL is concerned, as stated in para 2.4.2, its equity shares are listed on BSE. Therefore, I have determined the market price of WSSL based on Weighted Average Price ("WAP") over a period of three months ended the Valuation date. It may be noted that the shares of the WSSL are thinly traded.

4.12.1.2 Under CCM Method

I have observed that WSSL has incurred losses in the past. However, the Management proposes to revamp the products and focus only on higher margin products, for which it has already set up the capacity. I have, therefore, considered the forward outlook for WSSL to capture its value. I have followed the following steps to derive the value of the equity shares WSSL under CCM Method.

Value based on Forward EV/ EBITDA Multiple Method

- For the purpose of arriving at the value under this method I have considered the projected financial statements of WSSL for the period ended March 31, 2023.
- Computed the forward EV/EBIDTA Multiple for the Comparable Companies.
- The EBIDTA of WSSL as computed above is then multiplied by such forward EV/EBIDTA Multiple and the value thus obtained is the Enterprise Value of WSSL as at the Valuation Date.
- The Enterprise Value so arrived at above is increased by the realizable amount of non-operating cash and bank balances and reduced by the amount of borrowings, fair value of 12% Non-Cumulative Preference Shares so as to arrive at the Business value/Equity value as at the Valuation Date. It is understood from the Management that none of the contingent liabilities are expected to crystallise. Therefore, no adjustment is made for the same.
- I have divided such Business Value arrived above by the number of fully paid, issued and subscribed equity shares of WSSL as at the Valuation Date to arrive at the value per share under the Forward EV/ EBITDA Multiple Method.

4.12.2 Cost Approach

WSSL is engaged in asset intensive business. Therefore, this approach would achieve primary importance. However, the company has suffered losses in the past which were funded by debt, which brought down the asset base of the company. Further, in a going concern scenario, the relative earning power, as reflected under the Earnings based and Market approaches, is of greater importance to the basis of amalgamation / arrangement,



with the values arrived at on the net asset basis being of limited relevance. Therefore, I have not used the Cost Approach for valuation of WSSL for this valuation.

4.12.3 Fair Valuation of WSSL:

Considering that the shares of WSSL are thinly traded I have given lower weight to the value arrived at under the Market Price Method. I have arrived at the fair value per share of the WSSL by applying 85% weight to the value arrived at under the CCM Method and 15% weight to the value under the Market price method.

4.13 Sum of the parts value of WSL

The fair value of the Demerged Undertaking is arrived at by adding the value of the 50.03% holding of WSL in WSSL and 2.95% holding of WSL in WCPGL to the value of Steel Business of WSL under each of the approaches adopted.

I have divided the fair value of the Demerged undertaking by the face value of the 6% cumulative redeemable preference shares to be issued by WCL to arrive at the total number of shares to be issued. This is divided by the total issued equity shares of WSL to calculate the fair allotment ratio.

Approach	Weights	Total Business Value (INR in Crores)	
<u>Market Approach</u>			330.36
Comparable Companies Multiple Method			
Based on EBITDA	66.67%	330.36	
<u>Cost Approach</u>			421.11
Net Asset Value Method	33.33%	421.11	
Total	100%		
Business Value as at Valuation Date			360.61



5 Conclusion

Based on the foregoing, in my opinion the ratio of allotment of preference shares in WCL is: for every 1 equity share of Face Value Rs.10 held in WSL 0.81, 6% Cumulative Redeemable Preference Share of Face Value of Rs.10 each in WCL.



6 Limitations and Disclaimers

This Report is subject to the scope of limitations detailed hereinafter.

- 6.1 As such the Report is to be read in totality and not in parts.
- 6.2 The valuation is based on the information furnished to me being complete and accurate in all material respect.
- 6.3 I have relied on the written representations from the Management that the information contained in this report is materially accurate and complete in the manner of its portrayal and therefore forms a reliable basis for the valuation.
- 6.4 The information presented in this report does not reflect the outcome of any financial due diligence procedures. The reader is cautioned that the outcome of that process could change the information herein and, therefore, the valuation materially.
- 6.5 My scope of work does not enable me to accept responsibility for the accuracy and completeness of the information provided to us. I have, therefore, not performed any audit, review or examination of any of the historical or prospective information used and therefore, I do not express any opinion with regard to the same.
- 6.6 I have relied on the judgment made by the Management and, accordingly, the valuation does not consider the assumption of contingent liabilities materializing (other than those specified by the Management and the Auditors). If there were any omissions, inaccuracies or misrepresentations of the information provided by the Management, then this may have the effect on the valuation computations.
- 6.7 The Report is meant for the specific purpose mentioned herein and should not be used for any purpose other than the purpose mentioned herein. The Report should not be copied or reproduced without obtaining my prior written approval for any purpose other than the purpose for which it is prepared.
- 6.8 No investigation of the Company's claim to the title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature. The report is not, nor should it be construed, as my opining or certifying the compliance with the provisions of any law including company and taxation laws or as regards any legal, accounting or taxation implications or issues.
- 6.9 The valuation is based on the market conditions and the regulatory environment that existed at the Valuation Date. However, changes to the same in the future could impact the companies and the industry they operate in, which may impact the valuation.
- 6.10 I have no obligation to update this Report because of events or transactions occurring subsequent to the date of this Report.
- 6.11 I have not carried out any physical verification of the assets and liabilities of the Company and take no responsibility for the identification of such assets and liabilities.



- 6.12 I have not considered any additional impairment on fixed assets other than that already considered by Management.
- 6.13 This Report does not look into the business/commercial reasons behind the proposed transaction nor the likely benefits arising out of it. Similarly, it does not address the relative merits of the proposed transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.



7 Gratitude

I am grateful to the Management for making information and particulars available to us, often at a short notice, to enable me to conclude my opinion in a time-bound manner.



DR Desai

DRUSHTI R. DESAI.

Registered Valuer

Registration Number: IBBI/RV/06/2019/10666

Place: Mumbai

Date: June 26, 2021

UDIN: 21102062AAAA BQ6995

APPENDIX A: Broad Summary Of Data Obtained

From the Managements:

1. Carved Out Balance sheet of Steel Business of WSL as at March 31, 2021.
2. Audited Financial Statements of WSSL for the period ended March 31, 2021.
3. Projected financial statements for WSL and WSSL for years to end March 31, 2022 to March 31, 2026.
4. Draft Scheme of arrangement for the proposed transaction.
5. Income tax Computation for WSL and WSSL for AY 2021-22
6. Valuation report for WCPGL issued by TPG and Co. dated May 21, 2021.
7. Terms of 12% Non- cumulative redeemable preference shares issued by WSSL.
8. Answers to specific questions and issues raised by me to the Management after examining the foregoing data.
9. Other information as required by me from time to time.

From publicly available sources:

1. Quantity of shares traded and Traded Turnover of equity shares of the Comparable Companies on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).
2. Data of Comparable Companies from the database of ACE TP.
3. Audited financial statements of comparable companies.
4. ET Intelligence for Industry analyst reports.



CONFIDENTIAL

Date: 26 June, 2021

To
The Board of Directors,
Welspun Corp Limited
Welspun City,
Versamedi, Anjar,
Gujarat – 370110

I. Engagement Background

We understand that the Board of Directors of Welspun Corp Limited (“WCL” or “Company” or “Resulting Company”) is considering the demerger of undertaking, business, activities and operations of Welspun Steel Limited (“WSL” or “Demerged Company”) pertaining to steel, specialty steel and thermo mechanical treatment bars manufacturing business carried on directly or indirectly by WSL, or through its subsidiaries and related investments (“Demerged Undertaking” or “Steel Undertaking”) into WCL through a Scheme of Arrangement (“Scheme”) under the applicable provisions of Companies Act, 2013.

Part B of the Scheme envisages the demerger of the Demerged Undertaking of WSL into WCL in a manner, as set forth in the draft Scheme shared with us on June 26, 2021, the final version of which will be filled by the aforementioned companies with the appropriate authorities.

We understand that upon the Scheme becoming effective and in consideration for the demerger of the Demerged Undertaking of WSL into WCL in terms of the Scheme, WCL shall, subject to regulatory approval, if any, issue and allot 81 (Eighty one) Cumulative Redeemable Preference Shares (“CRPS”) of WCL of Rs.10 (Rupees Ten) each fully paid-up, for every 100 (One hundred) equity shares of WSL of the face value of Rs. 10 (Rupees 10) fully paid up held by the equity shareholders of WSL (hereinafter referred to as the “Share Entitlement Ratio”)

We further understand that the Share Entitlement Ratio for the proposed transaction has been arrived at based on the Valuation reports dated June 26, 2021 and June 26, 2021 (“Valuation Reports”) prepared by RBSA Valuation Advisors LLP and Bansil S. Mehta & Co respectively (the “Valuers”), who have been appointed for this exercise by WCL and WSL jointly.

In connection with the demerger of the Demerged Undertaking of WSL with WCL, you requested our Fairness Opinion (the “Opinion”) as of the date hereof, as to the fairness of the Share Entitlement Ratio, as proposed by the Valuers, from a financial point of view, to the equity shareholders of the Company.

II. Background of the Scheme

A brief history of each of the aforesaid companies is as under –

- WCL is a public limited company, incorporated on 26 April 1995, under the provisions of the Companies Act, 1956, has its registered office situated at Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370110 and is *inter alia* engaged in the business of



manufacturing of steel pipes of various dimensions & thickness, coated & uncoated having application in water, oil & gas and other liquid transportation pipelines. The equity shares of the Resulting Company are listed on the National Stock Exchange of India Limited and the BSE Limited, Mumbai.

- **WSL** is a public limited company, incorporated on 3 June 2004 under the provisions of the Companies Act, 1956, has its registered office situated at S N 650 Village Varsamedi, Taluka Anjar, District- Kutch, Gujarat- 370110 and is inter alia engaged in the business of manufacturing and sale of sponge iron, steam, other by-products and trading of TMT and rail tracks sleepers
- **“Demerged Undertaking”** shall mean undertaking, business, activities and operations pertaining to steel, specialty steel and thermo mechanical treatment bars manufacturing business carried on by WSL directly or indirectly through its subsidiaries (which includes Welspun Specialty Solutions Limited, Anjar TMT Steel Private Limited etc); investments related to said businesses; and comprising of all the assets (moveable, incorporeal and immoveable) and liabilities which relate thereto, or are necessary therefore

Part B of the Scheme provides for:

Demerger of Demerged Undertaking of WSL into WCL

- Upon the Scheme becoming effective and upon the demerger of the Demerged Undertaking of the Demerged Company with the Resulting Company in terms of this Scheme, the Resulting Company shall, subject to regulatory approval, if any, issue and allot shares to the eligible shareholders of the Demerged Company (**“Consideration”**)
- Shareholders of WSL as on the record date shall be entitled to the Consideration issued by WCL
- The Consideration to the equity shareholders of WSL shall be discharged in the form of Cumulative Redeemable Preference Shares (**“CRPS”**) of WCL, proportionate to their holding in WSL
- Terms and Conditions of Cumulative Redeemable Preference Shares will be as follows:
 - Issuer: Welspun Corp Limited
 - Instrument: Cumulative Redeemable Preference Shares which shall be unlisted
 - Face value: Rs. 10
 - Coupon Rate: 6% p.a.
 - Redemption: Redeemable, at face value, at the option of the holder upon the expiry of 18 months from the date of issue
- The shares issued and allotted by the Resulting Company in terms of this Scheme shall rank *pari-passu* in all respects with the same class of existing shares of the Resulting Company
- The Appointed Date for the proposed Scheme shall be April 1, 2021

The rationale of the Scheme as shared with us by the Company’s management is based on inter-alia the following benefits:

- The consolidation will result in stronger revenue and improved competitiveness, with diversification in product portfolio thereby reducing business risks for mutual benefit of the shareholders. This will result in strong presence across market segments, provide access to new



markets and product offerings. Further, the operations of the Demerged Undertaking could have access to the Resulting Company's marketing capabilities.

- Greater economies of scale and will provide a larger and stronger base for potential future growth;
- Consolidation and simplification of the group structure;
- reduction in overheads, administrative, managerial and other expenditure;
- operational rationalization and increase in operating efficiency; and
- synergistic benefits, expansion and acquisition opportunities

We have taken the foregoing facts (together with the other facts and assumptions set forth in section III of this Opinion) into account when determining the meaning of "fairness", from a financial point of view, for purposes of this Opinion.

III. Limitation of Scope and Review

Our Opinion and analysis is limited to the extent of review of documents as provided to us by WCL and WSL including the Valuation Reports prepared by the Valuers and the draft Scheme.

In connection with this Opinion, we have:

- reviewed the draft Scheme
- reviewed the Valuation Reports prepared by the Valuers;
- reviewed certain historical business and financial information relating to each of the relevant entities, as provided by the Company, and sought certain clarifications with respect to the same;
- held discussions with the Valuers, in relation to the approach taken to valuation and the details of the various methodologies utilized by them in preparing the Valuation Reports and recommendations;
- sought various clarifications from the respective senior management teams of the relevant companies;
- reviewed certain publicly available information with respect to certain other companies in the same line of business and which we believe to be generally relevant in the context of the businesses of WSL and its operating subsidiaries; and
- performed such other financial analysis and considered such other information and factors as we deemed appropriate

We have relied upon the accuracy and completeness of all information, documents, data and explanations provided to us, without carrying out any due diligence or independent verification or validation of such information to establish its accuracy or sufficiency. We have relied upon assurances of the management of WCL and WSL that they are not aware of any facts or circumstances that would make such information or data incomplete, inaccurate or misleading in any material respect. The respective management of WCL and WSL as well as the Valuers have indicated to us that it is understood that any omissions, inaccuracies or misstatements may materially affect our Opinion. Accordingly, we assume no responsibility for any errors in the above information furnished, to us, by WCL/WSL/Valuers and their impact on the present exercise.

We have assumed the genuineness of all the signatures, the authenticity of all documents submitted to us as originals, and the conformity with their originals of all documents submitted to us as copies thereof, and that each of the copies of the documents supplied to us or photocopies or facsimiles

thereof are true, complete and accurate and we have found nothing to indicate that such assumption are not fully justified.

With respect to WCL and WSL and/ or their subsidiaries:

- ✓ We have not conducted any independent valuation or appraisal of any of the assets or liabilities
- ✓ We do not express any opinion as to the value of any asset whether at current prices or in the future.

We express no opinion on the achievability of the forecasts, if any, given to us. The assumptions used in their preparation, as we have been explained, are based on the management's present expectation of both - the most likely set of future business events and circumstances and the management's course of action related to them. It may occur that some events and circumstances do not occur as expected or are not anticipated. Therefore, actual results during the forecast period may differ from the forecast and such differences may be material.

We express no view as to, and our Opinion does not address, the underlying business decision of WCL and/or WSL to effect the proposed Scheme or the merits of the proposed Scheme. Our Opinion does not constitute a recommendation to any shareholder or creditor of WCL and/or WSL and its subsidiaries as to how such shareholder or creditor should vote on the proposed Scheme or any matter related thereto. In addition, this Opinion does not in any manner address the price at which the Company's equity shares will trade following consummation of the Scheme.

In rendering our Opinion, we have assumed, that the Scheme will be implemented on the terms described therein, without any waiver or modification of any material terms or conditions, and that in the course of obtaining the necessary regulatory or third party approvals for the Scheme, no delay, limitation, restriction or condition will be imposed that would have an adverse effect on WCL and WSL and/ or their subsidiaries and/or their respective shareholders. We have further assumed that the transaction would be carried out in compliance with applicable laws, rules and regulations.

Our Opinion does not factor overall economic environment risk, material adverse change and other risks and is purely based on the information and representations provided to us. Our Opinion does not address matters such as corporate governance or shareholder rights. We have assumed that the Part B of Scheme is legally enforceable.

No consideration has been given to any liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Accordingly, no due diligence into any right, title or interest in property or assets was undertaken and no responsibility is assumed in this respect or in relation to legal validity of any such claims.

We do not express any Opinion as to any tax or other consequences that might arise from the Scheme on WCL and WSL and/ or their subsidiaries and/or their respective shareholders, nor does our Opinion address any legal, tax, regulatory or accounting matters, as to which we understand that WSL and WCL have obtained such advice as it deemed necessary from qualified professionals.

We assume no responsibility for updating or revising our Opinion based on circumstances or events occurring after the date hereof. Our Opinion is specific to the demerger of the Demerged Undertaking of WSL into WCL as contemplated in Part B of the Scheme provided to us and is not valid for any other purpose. It is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

We or our affiliates or group companies may have in the past provided, and may currently or in the future provide, investment banking, broking, research or banking services to WCL and WSL and/or its subsidiaries or their respective affiliates that are unrelated to the proposed Scheme, for which services we may have received or may receive customary fees. In addition, in the ordinary course of their respective businesses, affiliates of DAM Capital Advisors Limited ("**DAM Capital**") may actively trade securities of WCL and/or WSL and / or its subsidiaries or group companies or for their own accounts and for the accounts of their customers and, accordingly, may at any time hold a position in such securities. Our engagement and the Opinion expressed herein are for the benefit of the Board of Directors of WCL in connection with its consideration of the Scheme and for none other. Neither DAM Capital, nor its affiliates, partners, directors, shareholders, managers, employees or agents of any of them, makes any representation or warranty, express or implied, as to the information and documents provided to us, based on which the Opinion has been issued. All such parties and entities expressly disclaim any and all liability for, or based on or relating to any such information contained therein.

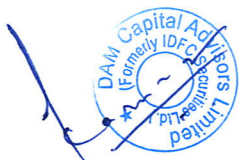
We do not accept any liability to any third party in relation to the issue of this Opinion, and our Opinion is conditional upon an express indemnity from WCL in our favor holding us harmless from and against any cost, damage, expense and other consequence in connection with the provision of this Opinion.

The company has been provided with the opportunity to review the draft Opinion as part of our standard practice to make sure any factual inaccuracy/ omissions are avoided in our final Opinion.

This Opinion is subject to the laws of India.

Neither the Opinion nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than for submission to NCLT, Courts, Stock Exchanges, other regulatory authorities and inspection by shareholders in connection with the proposed Scheme, without our prior written consent.

This Opinion is limited to the matters stated herein and is not to be read as extending to any other matters not so referred to. We express no views or opinion as to any terms or other aspects of the Scheme (other than the Share Entitlement Ratio for the proposed demerger) including without limitation, the discharge of Consideration or the form or structure of the Scheme. We were not requested to, and we did not, participate in the negotiation of the Scheme. We express no opinion or view with respect to the financial implications of the Scheme for any stakeholder, including creditors of respective companies.



IV. VALUER'S RECOMMENDATION

As per the Valuation Reports of Valuers, it is quoted

"On the basis of the foregoing and on consideration of all the relevant factors and circumstances as discussed and outlined herein above, we recommend the following Fair Share Entitlement Ratio for the demerger of Steel Business Undertaking of WSL into WCL:

81 (Eighty one) fully paid up Cumulative Redeemable Preference Shares of face Value of INR 10 each of Welspun Corp Limited for every 100 (One hundred) fully paid-up Equity Shares of face Value INR 10 each held in Welspun Steel Limited"

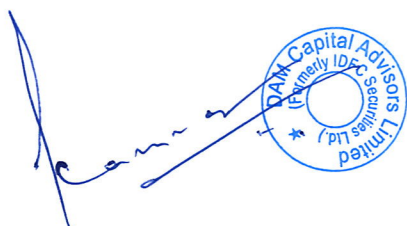
"Based on the foregoing, in my opinion the ratio of allotment of preference shares in WCL is: for every 1 equity share of Face Value Rs. 10 held in WSL 0.81, 6% Cumulative Redeemable Preference Share of Face Value of Rs.10 each in WCL"

Conclusion

Based on and subject to the foregoing, we are of the opinion that, as of the date hereof, Share Entitlement Ratio proposed by the Valuers in their Valuation Reports is fair to the equity shareholders of WCL, from a financial point of view.

Yours truly,

For **DAM Capital Advisors Limited** (formerly IDFC Securities Limited)



Authorised Signatory

Name: Kamraj Singh Negi

Designation: Managing Director – M&A and ECM



Auditor's Certificate certifying accounting treatment contained in Scheme (as defined hereinafter) as prescribed in Annexure-I, in respect of Scheme of Arrangement between Welspun Steel Limited ("WSL" or "the Demerged Company") and Welspun Corp Limited ("WCL" or "the Resulting Company") and their respective Shareholders

To,
The Board of Directors,
Welspun Steel Limited
Survey No. 650, Welspun City,
Village Versamedi, Taluka Anjar,
Dist. Kutch, Gujarat - 370110.

1. This certificate is issued in accordance with the terms of our engagement vide email dated 25th June 2021.
2. We, the statutory auditors of Welspun Steel Limited ("the Company"), have examined the proposed accounting treatment specified in Clause 12.1 of Part B of the Scheme of Arrangement between Welspun Steel Limited ("WSL" or "the Demerged Company") and Welspun Corp Limited ("WCL" or "the Resulting Company") and their respective Shareholders in terms of the provisions of sections 230 to 232 of the Companies Act, 2013 with reference to its compliance with applicable Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013, read with Rules made thereunder and other Generally Accepted Accounting Principles.

Management's Responsibility

3. The responsibility for the preparation of the Scheme and its compliance with the relevant laws and regulations, including the applicable Indian Accounting Standards (Ind AS) as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the proposed accounting treatment specified in Clause 12.1 of Part B of the Scheme of Arrangement complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.

Auditor's Responsibility

4. Our responsibility, for this certificate, is limited to certifying whether the proposed accounting treatment in the books of Company as contained in the Scheme of Arrangement is in compliance with all the Indian Accounting Standards (Ind AS) and did not include the evaluation of adherence by the Company with all the applicable guidelines.
5. We conducted our examination of the Statement in accordance with the Guidance Note on reports or Certificates for Special Purposes Issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.



P Y S & Co (a partnership firm) converted into P Y S & Co LLP (a Limited Liability Partnership with LLP Identification No AAG-9715) w.e.f. 20th July 2016.

Mumbai Office : Saraswati Bhuvan, Sahakar Road, Tejpal Scheme Road No. 5, Vile Parle (East), Mumbai - 400 057.

Tel : 9987068582 / 8286051811 Email: emails@pys.ind.in

Registered Office : No. 777/D, New Bridge Corporate Centre, 100 Feet Road, Indiranagar, Bengaluru – 560 038.

Other Offices: New Delhi-NCR and Surat



Opinion

7. Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with all the applicable Indian Accounting Standards (Ind AS) notified by the Central Government under the Companies Act, 2013, read with Rules made thereunder and other Generally Accepted Accounting Principles.
8. For ease of references, Clause 12.1 of Part B of the Scheme of Arrangement, duly authenticated on behalf of the Company, is reproduced in Annexure- I to this Certificate, and is initialed/signed by us only for the purpose of identification.

Restriction on Use

9. This Certificate is issued at the request of the Management of the Company pursuant to the requirements of Companies Act, 2013 for onward submission to the National Company Law Tribunal, Ahmedabad. This Certificate should not be used for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For P Y S & CO LLP
Chartered Accountants
Firm Registration No. 012388S/S200048

DIMPLE
AMOL SHAH
SAVLA

Digitally signed by DIMPLE AMOL
SHAH SAVLA
DN: c=IN, o=Personal, cn=DIMPLE
AMOL SHAH SAVLA,
serialNumber=c46ec0b5bd028165245
304dc094fbd47006dfa25d68c579e9b2
5e3357b2681cb, postalCode=400068,
2.5.4.20=a2874e89d50f753e939e3618f
6e65a41749e4f71513f4da46ca025573
7e4cdd, st=Maharashtra
Date: 2021.06.28 16:20:10 +05'30'



(Dimple Amol Shah Savla)
Partner
Membership No.: 121502
UDIN: 21121502AAAAMT4110
Certificate No.: PYS/21-22/8012
Place: Mumbai
Dated: 28 June 2021

Annexure- 'I'

Clause 12.1 of Part B of the Scheme of Arrangement between Welspun Steel Limited ("WSL" or "the Demerged Company") and Welspun Corp Limited ("WCL" or "the Resulting Company") and their respective Shareholders

PART B - DEMERGER OF DEMERGED UNDERTAKING OF WSL INTO WCL

12. ACCOUNTING TREATMENT

12.1 IN THE BOOKS OF THE DEMERGED COMPANY

- 12.1.1 The Demerged Company shall reduce the carrying values of all the assets and liabilities pertaining to the Demerged Undertaking as on the Appointed Date from its books of accounts.
- 12.1.2 The difference between the carrying values of the assets and the carrying values of the liabilities pertaining to the Demerged Undertaking shall be debited to Capital Reserve as appearing in the books of the Demerged Company.



**DIMPLE
AMOL
SHAH
SAVLA**

Digitally signed by DIMPLE AMOL
SHAH SAVLA
DN: cn=Personal, cn=DIMPLE
AMOL SHAH SAVLA,
serialNumber=446ec6b5b02816524
5104dc094fb0d7036dffa25d68c579e
8a29e3357132681c6,
postalCode=400068,
2.5.4.20=a2874e89d50f733e939e361
8f6e65841749e4d7151314da46ca925
5737e4cdd, st=Maharashtra
Date: 2021.06.28 16:21:25 +05'30'

Price Waterhouse Chartered Accountants LLP

Auditor's Certificate

The Board of Directors,
Welspun Corp Limited
Welspun House, 5th Floor,
Kamala City,
Senapati Bapat Marg,
Lower Parel (West), Mumbai – 400013.

- 1) This certificate is issued in accordance with the terms of our agreement dated June 28, 2021.
- 2) We, the statutory auditors of Welspun Corp Limited, (hereinafter referred to as the "Company" or "WCL" or "Resulting Company"), have examined the proposed accounting treatment specified in clause 12.2 of the Draft Scheme of Arrangement between the Company and Welspun Steel Limited (hereinafter referred to as the "WSL" or "Demerged Company") and their respective shareholders for transfer of the "Demerged Undertaking" of WSL (as defined in Clause 1.8 of the Draft Scheme) to the Company, as approved by the Board of Directors of the Company in their meeting held on June 28, 2021, in terms of the provisions of sections 230 to 232 of the Companies Act, 2013 (the "2013 Act") (the 'Draft Scheme') with reference to its compliance with the applicable Accounting Standards specified under Section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standards) Rules 2015, as amended, (the 'applicable Accounting Standards') and other generally accepted accounting principles. The Draft Scheme is attached herewith and initialed for identification purpose only.

Management's Responsibility

- 3) The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards and other generally accepted accounting principles as aforesaid, is that of the Board of Directors of the Companies involved.

Auditors' Responsibility

- 4) Our responsibility is to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and other generally accepted accounting principles.
- 5) We carried out our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
- 6) We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Conclusion

- 7) Based on our examination and according to the information and explanations given to us, pursuant to the requirements of paragraph 5 of Annexure I to the Circular no. CIR/DIL3/CIR/2017/21 dated March 10, 2017 issued by the Securities and Exchange Board of India (SEBI), we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with Regulations 11, 37 and 94 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder and all the applicable Accounting Standards specified under Section 133 of the 2013 Act, read with and other generally accepted accounting principles.

Price Waterhouse Chartered Accountants LLP, 7th Floor, Tower A – Wing 1, Business Bay, Airport Road,
Yerwada, Pune – 411 006
T: +91(20) 41004444, F: +91 (20) 41006161

Registered office and Head office : Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/NS00016 (ICAI registration number before conversion was 012754N)



Price Waterhouse Chartered Accountants LLP

Welspun Corp Limited

Certificate in relation to Scheme of Arrangement between WCL and WSL

Page 2 of 2

Emphasis of Matter

- 8) We draw attention to Clause 5 of the Draft Scheme which requires the transfer and vesting of the Demerged Undertaking of the Demerged Company into Resulting Company with effect from the appointed date. However, Clause 12.2 of the Draft Scheme requires the accounting treatment in the books of Resulting Company to be carried out in accordance with Appendix C to Ind AS 103 'Business Combinations', that is, from the beginning of the preceding year or the date on which business combination has occurred, whichever is later and further requires restatement of the separate financial statements of the Resulting Company (including comparative period presented in the financial statements) from the beginning of the preceding period in the financial statements. Our conclusion is not modified in respect of this matter.

Restriction on Use

- 9) Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.
- 10) This Certificate is issued at the request of Company pursuant to the requirements of circulars issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the Bombay Stock Exchange Limited, National Stock Exchange of India Limited, and/or any other Stock Exchanges and National Company Law Tribunal. This Certificate should not be used for any other purpose without our prior written consent.

Enclosure: Draft Scheme

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/ N500016



Neeraj Sharma

Partner

Membership Number: 108391

UDIN: 21108391AAAAEM3736

Place: Pune

Date: June 28, 2021



DCS/AMAL/MJ/R37/2086/2021-22

“E-Letter”

September 17, 2021

The Company Secretary,
Welspun Corp Limited.
Welspun City, Village Versamedi,
Dist Kutch, Anjar, Gujarat, 370110.

Dear Sir,

Sub: Observation letter regarding Draft Scheme of Arrangement between Welspun Steel Limited and Welspun Corp Limited and their respective shareholders.

We are in receipt of the Draft Scheme of Arrangement of Welspun Corp Ltd. as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated September 17, 2021 has inter alia given the following comment(s) on the draft scheme of Arrangement:

- “Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme.”
- “Company shall ensure that all the details provided vide its letter dated September 03, 2021 shall be prominently disclosed in the notice sent to the Shareholders.”
- “Company shall ensure that the CRPS proposed to be issued in terms of the "Scheme" shall mandatorily be in demat form only. Accordingly, the para 11.9 of Part B of the "Scheme" and other relevant paras shall be suitably amended before the "Scheme" is filed with Hon'ble NCLT and shareholders, while seeking approval.”
- “Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the Clause 21 of Part C mentioned in the scheme document.”
- “The Company shall ensure that the information pertaining to all the Unlisted Companies involved in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.”
- “Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.”
- “Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchanges, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges.”
- “Company shall duly comply with various provisions of the Circular.”
- “Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.”
- “It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.”

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:



- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

Sd/-

Rupal Khandelwal
Assistant General Manager

National Stock Exchange Of India Limited

Ref: NSE/LIST/27541_III

September 17, 2021

The Company Secretary
Welspun Corp Limited
Welspun City, Village Versamedi,
Taluka Anjar, Dist. Kutch,
Gujarat -370110

Kind Attn.: Mr. Pradeep Joshi

Dear Sir,

Sub: Observation Letter for draft scheme of arrangement between Welspun Steel Limited and Welspun Corp Limited and their respective shareholders.

We are in receipt of draft scheme of arrangement between Welspun Steel Limited (“Demerged Company” or “WSL”) and Welspun Corp Limited (“Resulting Company” or “WCL”) and their respective shareholders vide application dated July 05, 2021.

Based on our letter reference no Ref: NSE/LIST/27541 submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended from time to time, (hereinafter referred to as ‘the Circular’) and the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 (“Circular”), kindly find following comments on the draft scheme:

- a. *The Company shall ensure that the Company discloses all details of ongoing adjudication and recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon’ble NCLT and shareholders, while seeking approval of the scheme.*
- b. *The Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchange, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges.*
- c. *The Companies involved in the scheme shall duly comply with various provisions of the Circular.*
- d. *The Company is advised that the information pertaining to all the Unlisted Companies involved in the scheme shall be included in the format specified for the abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*
- e. *The Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*

- f. The Company is advised that all the details provided by the Company vide its letter dated September 03, 2021 shall be prominently disclosed in the notice sent to the Shareholders.*
- g. The Company is advised that the CRPS proposed to be issued in terms of the “Scheme” shall mandatorily be in demat form only. Accordingly, the para 11.9 of Part B of the “Scheme” and other relevant paras shall be suitably amended before the “Scheme” is filed with Hon’ble NCLT and shareholders, while seeking approval.*
- h. The Company is advised that the “Scheme” shall be acted upon subject to the application complying with the Clause 21 of Part C mentioned in the scheme document.*
- i. The Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon’ble National Company Law Tribunal (‘NCLT’) and the company is obliged to bring the observations to the notice of Hon’ble NCLT.*
- j. It is to be noted that the petitions are being filed by the company before Hon’ble NCLT after processing and communication of comments/observations on draft scheme by SEBI/Stock Exchange(s). Hence, the company is not required to send notice for representation as mandated under Section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observations/ representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the Scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the Circular.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No objection” in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from September 17, 2021 within which the scheme shall be submitted to NCLT.

The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37(1) of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.

Yours faithfully,
For National Stock Exchange of India Limited

Harshad Dharod
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL:
<https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>

WCL/SEC/2021

September 1, 2021

To,
The General Manager
Department of Corporate Services
BSE Limited
P.J. Towers, Dalai Street,
Mumbai – 400 001

BSE Scrip Code: 532144

Ref: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed Scheme of Arrangement between Welspun Steel Limited and Welspun Corp Limited and their respective Shareholders

Sub: Report on Complaint in terms of Para I(A)(6) of the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22.12.2020 as amended from time to time ("SEBI Circular")

This is with reference to our application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed **Scheme of Arrangement between Welspun Steel Limited and Welspun Corp Limited and their respective Shareholders ("Scheme")** filed on July 5, 2021, and hosted on your website on **August 10, 2021**.

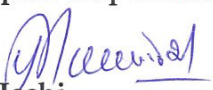
As per Para I(A)(6) of the SEBI Circular, the Company is *inter alia* required to submit a "Report on Complaints" containing the details of complaints received by the Company on the draft Scheme from various sources, within 7 days of expiry of 21 days from the date of uploading of the draft Scheme and related documents on the website of the relevant Stock Exchange.

In the present case i.e. the Scheme, the period of 21 days from date the uploading of said documents by BSE Limited on its website (i.e. **August 10, 2021**) **has expired on August 31, 2021**, accordingly, we attach herewith a "Report on Complaints", as "Annexure 1" to this letter.

The Report on Complaints is also being uploaded on the website of the Company, i.e., www.welspuncorp.com, as per requirement of the aforementioned said SEBI Circular.

We request you to kindly take the above on record.

Thanking You.
For **Welspun Corp Limited**


Pradeep Joshi
Company Secretary and Compliance Officer
FCS-4959

Copy for information to:

The General Manager
Department of Corporate Services
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400051
NSE Symbol: WELCORP

Welspun Corp Limited

Welspun House, 5th Floor, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013, India.

T : +91 22 6613 6000 / 2490 8000 F : +91 22 2490 8020

E-mail : companysecretary_wcl@welspun.com Website : www.welspuncorp.com

Registered Address: Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370 110, India.

T : +91 2836 662222 F : +91 2836 279060

Corporate Identity Number: L27100GJ1995PLC025609

Period of Complaints Report: August 11, 2021 to August 31, 2021

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchange	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Not Applicable
5.	Number of complaints pending	Not Applicable

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.		Not applicable	

Thanking You.

For Welspun Corp Limited


Pradeep Joshi
 Company Secretary and Compliance Officer
 FCS-4959

Date: September 1, 2021

Welspun Corp Limited

Welspun House, 5th Floor, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013, India.

T : +91 22 6613 6000 / 2490 8000 F : +91 22 2490 8020

E-mail : companysecretary_wcl@welspun.com Website : www.welspuncorp.com

Registered Address: Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370 110, India.

T : +91 2836 662222 F : +91 2836 279060

Corporate Identity Number: L27100GJ1995PLC025609

WCL/SEC/2021

August 18, 2021

To,
The General Manager
Department of Corporate Services
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051

NSE Symbol: WELCORP

Ref: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed Scheme of Arrangement between Welspun Steel Limited and Welspun Corp Limited and their respective Shareholders.

Sub: Report on Complaint in terms of Para I(A)(6) of the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22.12.2020 as amended from time to time ("SEBI Circular")

This is with reference to our application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed **Scheme of Arrangement between Welspun Steel Limited and Welspun Corp Limited and their respective Shareholders ("Scheme")** filed on July 5, 2021, and hosted on your website on July 27, 2021.

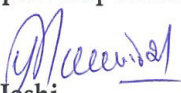
As per Para I(A)(6) of the SEBI Circular, the Company is *inter alia* required to submit a "Report on Complaints" containing the details of complaints received by the Company on the draft Scheme from various sources, within 7 days of expiry of 21 days from the date of uploading of the draft Scheme and related documents on the website of the relevant Stock Exchange.

In the present case i.e. the Scheme, the period of 21 days from date of the uploading of said documents by National Stock Exchange of India Limited on its website (i.e. **July 27, 2021**) **has expired on August 17, 2021**, accordingly, we attach herewith a "Report on Complaints", as "Annexure 1" to this letter.

The Report on Complaints is also being uploaded on the website of the Company, i.e., www.welspuncorp.com, as per requirement of the aforementioned said SEBI Circular.

We request you to kindly take the above on record.

Thanking You.
For Welspun Corp Limited


Pradeep Joshi
Company Secretary and Compliance Officer
FCS-4959

Copy for information to:

The General Manager
Department of Corporate Services
BSE Limited
P.J. Towers, Dalai Street, Mumbai – 400 001
BSE Scrip Code: 532144

Welspun Corp Limited

Welspun House, 5th Floor, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013, India.

T : +91 22 6613 6000 / 2490 8000 F : +91 22 2490 8020

E-mail : companysecretary_wcl@welspun.com Website : www.welspuncorp.com

Registered Address: Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370 110, India.

T : +91 2836 662222 F : +91 2836 279060

Corporate Identity Number: L27100GJ1995PLC025609

Period of Complaints Report: July 27, 2021 to August 17, 2021

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchange	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Not Applicable
5.	Number of complaints pending	Not Applicable

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	Not applicable		

Thanking You.

For Welspun Corp Limited



Pradeep Joshi

Company Secretary and Compliance Officer

FCS-4959

Date: August 18, 2021

Welspun Corp Limited

Welspun House, 5th Floor, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013, India.

T : +91 22 6613 6000 / 2490 8000 F : +91 22 2490 8020

E-mail : companysecretary_wcl@welspun.com Website : www.welspuncorp.com

Registered Address: Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370 110, India.

T : +91 2836 662222 F : +91 2836 279060

Corporate Identity Number: L27100GJ1995PLC025609

REPORT OF THE BOARD OF DIRECTORS OF WELSPUN CORP LIMITED ('the COMPANY') AT ITS MEETING HELD ON MONDAY, JUNE 28, 2021 VIA AUDIO-VISUAL MODE, EXPLAINING EFFECT OF THE SCHEME OF ARRANGEMENT PROVIDING FOR TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING OF WELSPUN STEEL LIMITED ('DEMERGED COMPANY') INTO THE COMPANY (i.e. THE RESULTING COMPANY) AND THEIR RESPECTIVE SHAREHOLDERS ('SCHEME') ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS, NON-PROMOTER SHAREHOLDERS, LAYING OUT IN PARTICULAR THE SHARE ENTITLEMENT RATIO

The Company had placed before its Board of Directors, the draft of the proposed Scheme, which was approved by the Board of Directors of the Company vide board resolution dated June 28, 2021.

As per Section 232(2)(c) of the Companies Act, 2013 ('the Act'), a report adopted by the directors explaining effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders laying out in particular the share exchange ratio, is required to be circulated to the shareholders along with the notice convening the meeting.

This report of the Board of Directors is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.

The following documents were placed before the Board of Directors of the Company:

1. Draft Scheme;
2. Valuation Report dated June 26, 2021 from RBSA Valuation Advisors LLP and Drushti R. Desai Registered Valuers;



Welspun Corp Limited

Welspun House, 5th Floor, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013, India.
T : +91 22 6613 6000 / 2490 8000 F : +91 22 2490 8020
E-mail : companysecretary_wcl@welspun.com Website : www.welspuncorp.com

Registered Address: Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370 110, India.
T : +91 2836 662222 F : +91 2836 279060

Corporate Identity Number: L27100GJ1995PLC025609

3. Fairness opinion dated June 26, 2021 by DAM Capital Advisors Limited, a Category I Merchant Banker on the valuation report issued by RBSA Valuation Advisors LLP and Drushti R. Desai Registered Valuers;
4. Memorandum of Association and Article of Association of Welspun Corp Limited and Welspun Steel Limited;
5. Report from the Audit Committee recommending the draft Scheme;

Effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company:

1. The companies (i.e. the Demerged Company and the Company) involved in the Scheme are group companies. The Demerged Company is engaged in the business of manufacturing of Sponge Iron / DRI, Steel Billets and TMT Bars. The Company is engaged in the business of manufacturing of steel pipes of various dimensions & thickness, coated & uncoated having application in water, oil & gas and other liquid transportation pipelines.
2. Upon effectiveness of the Scheme i.e. upon the demerger of the Demerged Undertaking of the Demerged Company into the Company in terms of the said Scheme, the Company shall allot shares, based on the shares exchange ratio, as stipulated in Clause 11 of the Scheme, to the shareholders of the Demerged Company in the following manner:

"81 (Eighty-one) 6% CRPS of the Resulting Company of Rs. 10 (Rupees Ten only) each fully paid up, which will be redeemable subject to the terms specified in Annexure to the Scheme, shall be issued and allotted for every 100 (One Hundred) equity share of the Demerged Company of the face value of Rs. 10/- (Rupees Ten only) each fully paid"



Welspun Corp Limited

Welspun House, 5th Floor, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013, India.

T : +91 22 6613 6000 / 2490 8000 F : +91 22 2490 8020

E-mail : companysecretary_wcl@welspun.com Website : www.welspuncorp.com

Registered Address: Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370 110, India.

T : +91 2836 662222 F : +91 2836 279060

Corporate Identity Number: L27100GJ1995PLC025609

3. The shares shall be issued in dematerialized form.
4. Stamp duty and similar transfer duties payable in respect of this Scheme shall be borne by the Company. All other costs, charges and expenses arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by the respective companies.
5. There is no adverse effect of the Scheme on the equity shareholders (the only class of the shareholders) of the Company, the promoter and non-promoter shareholders, the key managerial personnel and/or the Directors of the Company.
6. No change in Key Managerial Person is expected pursuant to the Scheme.
7. Under the Scheme, no rights of the staff and employees of the Company are being affected. The services of the staff and employees of the Company shall continue on the same terms and conditions on which they were engaged by the Company.
8. Under the Scheme, there is no arrangement with the creditors of the Company. No compromise is offered under the Scheme to any of the creditors of the Company. The liability to the creditors of the Company, under the Scheme, is neither reduced nor being extinguished.
9. As on date, the Company has not accepted any deposits and therefore, the effect of the Scheme on any such depositors or deposit trustees does not arise.
10. Under the Scheme, there is no arrangement with the debenture holders of the Company. No compromise is offered under the Scheme to any of the debenture holder of the Company. The liability to the debenture holders of the Company, under the Scheme is neither reduced nor being extinguished. The Scheme is not prejudicial to the interest of the shareholders or the creditors of the company.

**Welspun Corp Limited**

Welspun House, 5th Floor, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013, India.

T : +91 22 6613 6000 / 2490 8000 F : +91 22 2490 8020

E-mail : companysecretary_wcl@welspun.com Website : www.welspuncorp.com

Registered Address: Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370 110, India.

T : +91 2836 662222 F : +91 2836 279060

Corporate Identity Number: L27100GJ1995PLC025609

11. No special valuation difficulties were reported by the valuers.

In the opinion of the Board, the Scheme will be fair and reasonable for all stakeholders.

CERTIFIED TRUE COPY

For WELSPUN CORP LIMITED



Managing Director & CEO

DIN: 07990476

 Place: Mumbai

Date: June 28, 2021

Welspun Corp Limited

Welspun House, 5th Floor, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013, India.

T : +91 22 6613 6000 / 2490 8000 F : +91 22 2490 8020

E-mail : companysecretary_wcl@welspun.com Website : www.welspuncorp.com

Registered Address: Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370 110, India.

T : +91 2836 662222 F : +91 2836 279060

Corporate Identity Number: L27100GJ1995PLC025609

REPORT OF THE BOARD OF DIRECTORS OF WELSPUN STEEL LIMITED ('the COMPANY') AT ITS MEETING HELD ON MONDAY, JUNE 28, 2021 AT MUMBAI, EXPLAINING EFFECT OF THE SCHEME OF ARRANGEMENT PROVIDING FOR TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING OF THE COMPANY INTO WELSPUN CORP LIMITED ('RESULTING COMPANY') AND THEIR RESPECTIVE SHAREHOLDERS ('SCHEME') ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS, NON-PROMOTER SHAREHOLDERS, LAYING OUT IN PARTICULAR THE SHARE ENTITLEMENT RATIO

The Company had placed before its Board of Directors, the draft of the proposed Scheme, which was approved by the Board of Directors of the Company vide board resolution dated June 28, 2021.

As per Section 232(2)(c) of the Companies Act, 2013 ('the Act'), a report adopted by the directors explaining effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders laying out in particular the share exchange ratio, is required to be circulated to the shareholders along with the notice convening the meeting.

This report of the Board of Directors is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.

The following documents were placed before the Board of Directors of the Company:

1. Draft Scheme;
2. Valuation Report from RBSA Valuation Advisors LLP and Drushti R. Desai both dated June 26, 2021;
3. Fairness opinion dated June 26, 2021 of DAM Capital Advisors Limited,, a Category I Merchant Banker on the valuation report issued by RBSA Valuation Advisors LLP and Drushti R. Desai; and
4. Memorandum of Association and Article of Association of Welspun Steel Limited and Welspun Corp Limited.

Welspun Steel Limited

C/8, BKT House, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai 400013, India

T : +91 22 6613 6000 / 2490 8000 F : +91 22 2490 8020

E-mail : companysecretary_wsl@welspun.com Website : www.welspunsteel.com

Registered Office : Survey No. 650, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370 110, India.

T : +91 2836 279051-56 F : +91 2836 279050

Corporate Identity Number: U27109GJ2004PLC044249



Effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company:

1. The companies (i.e. the Resulting Company and the Company) involved in the Scheme are group companies. The Company is engaged in the business of manufacturing of Sponge Iron / DRI, Steel Billets and TMT Bars. The Resulting Company is engaged in the business of manufacturing welded line pipes.
2. Upon effectiveness of the Scheme i.e. upon the demerger of the Demerged Undertaking of the Company into the Resulting Company in terms of the said Scheme, the Resulting Company shall allot shares, based on the shares exchange ratio, as stipulated in [Clause 11] of the Scheme, to the shareholders of the Company in the following manner:
"81 (Eighty-one) 6% CRPS of the Resulting Company of Rs. 10 (Rupees Ten only) each fully paid up, which will be redeemable subject to the terms specified in Annexure to the Scheme, shall be issued and allotted for every 100 (Hundred) equity share of the Demerged Company of the face value of Rs. 10/- (Rupees Ten only) each fully paid."
3. The shares shall be issued in dematerialized form.
4. All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in connection with and implementing the Scheme and matters incidental shall be borne by the Resulting Company.
5. There is no adverse effect of the Scheme on the equity shareholders (the only class of the shareholders) of the Company, the promoter and non-promoter shareholders, the key managerial personnel and/or the Directors of the Company.
6. No change in Key Managerial Person is expected pursuant to the Scheme.
7. Under the Scheme, no rights of the staff and employees of the Company are being affected. The services of the staff and employees of the Company shall continue on the same terms and conditions on which they were engaged by the Company.
8. Under the Scheme, there is no arrangement with the creditors of the Company. No compromise is offered under the Scheme to any of the creditors of the Company. The liability to the creditors of the Company, under the Scheme, is neither reduced nor being extinguished.
9. As on date, the Company has not accepted any deposits and therefore, the effect of the Scheme on any such depositors or deposit trustees does not arise.

Welspun Steel Limited

C/8, BKT House, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai 400013, India.

T : +91 22 6613 6000 / 2490 8000 F : +91 22 2490 8020

E-mail : companysecretary_wsl@welspun.com Website : www.welspunsteel.com

Registered Office : Survey No. 650, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370 110, India.

T : +91 2836 279051-56 F : +91 2836 279050

Corporate Identity Number: U27109GJ2004PLC044249



10. Under the Scheme, there is no arrangement with the debenture holders of the Company. No compromise is offered under the Scheme to any of the debenture holder of the Company. The liability to the debenture holders of the Company, under the Scheme is neither reduced nor being extinguished. The Scheme is not prejudicial to the interest of the shareholders or the creditors of the Company.
11. No special valuation difficulties were reported by the valuers.

In the opinion of the Board, the Scheme will be fair and reasonable for all stakeholders.

CERTIFIED TRUE COPY
For WELSPUN STEEL LIMITED



Director
BALKRISHAN GOENKA
DIN: 00270175



Place: Mumbai
Date: June 30, 2021

Welspun Steel Limited

C/8, BKT House, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai 400013, India.
T : +91 22 6613 6000 / 2490 8000 F : +91 22 2490 8020

E-mail : companysecretary_wsl@welspun.com Website : www.welspunsteel.com

Registered Office : Survey No. 650, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370 110, India.
T : +91 2836 279051-56 F : +91 2836 279050

Corporate Identity Number: U27109GJ2004PLC044249

Ref: DSPL/WCL/01/2021-22

June 29, 2021

The Board of Directors
Welspun Corp Ltd
Welspun House, 5th Floor,
Kamala Mills Compound, Senapati Bapat Marg,
Lower Parel, Mumbai -400 013

Dear Sir/Madam

Subject: Certificate on adequacy and accuracy of disclosure of Information in the Abridged Prospectus in compliance with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/ 2020/249 dated 22 December 2020 ("SEBI Circular"), for the purpose of the proposed Scheme of Arrangement between Welspun Steel Limited (the "Demerged Company" or "WSL") and Welspun Corp Limited (the "Resulting Company" or "WCL") and their respective shareholders, under Sections 230 – 232 and other applicable provisions of the Companies Act, 2013, rules and regulations thereunder, for demerger of certain businesses of WSL into WCL (hereinafter referred to as, the "Scheme"), as provided in the format specified for the abridged prospectus in Part E of Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, to the extent applicable ("SEBI (ICDR) Regulations").

This is with reference to the engagement letter no. **DSPL/WSL/01/2021** dated June 18, 2021 appointing Dalmia Securities Private Limited ["**DSPL**"/"**We**"], a SEBI Registered Category (I) Merchant Banker, to provide certificate on adequacy and accuracy of disclosure of Information in the Abridged Prospectus, prepared in compliance with SEBI Circular CID/DIL3/CIR/2017/21,

The Scheme involves . WCL a public limited company having its shares listed on BSE Limited and The National Stock Exchange of India Limited. WSL is an unlisted public limited Company forms part of promoter group of the WCL

The SEBI Circular *inter-alia* prescribed that the listed entity (in the present case "**WCL**") shall include the applicable information pertaining to the unlisted entities (in the present case "**WSL**") involved in the Scheme in the format specified for abridged prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**ICDR Regulations**"), in the explanatory statement or notice or proposal accompanying resolution to be passed, sent to the shareholders while seeking approval of the Scheme. The SEBI Circular further states that the accuracy and adequacy of such disclosures shall be certified by a SEBI Registered Merchant Banker after following the due diligence process. In this regard, the Abridged Prospectus dated June 28, 2021 (**Abridged Prospectus**) is submitted as required in terms of the paragraph 3(a) of Annexure I of the SEBI Circular.

Based on the information, undertakings, certificates, confirmations and documents provided to us by WCL and WSL, we confirm that the information contained in the Abridged Prospectus is accurate and adequate, in terms of the paragraph 3(a) of Annexure I of the SEBI Circular read with the format provided in Part E of Schedule VI of the ICDR Regulations and the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/ 2020/249 dated 22 December 2020 ("SEBI Circular"), as applicable ("**Abridged Prospectus Format**").

The above confirmation is based on the information furnished and explanation provided to us by the management of the WCL and WSL, assuming the same is complete and accurate in all materials aspect on an as is basis. We have relied upon financials; information and representation furnished to us on an as



EMPOWERING INVESTORS
A SEBI Initiative

Khetan Bhavan Room No17 2nd Floor 198 Jamshedji Tata Road Mumbai 400020 P 91 22 3027 2815-9 F 91 22 3027 2820 www.dalmiasec.com

SEBI Regn Nos NSE INB230645339 F&O INF230645339 Code 06453 • BSE INB010684638 F&O INF010684638 Code 530

NSDL IN300222 • CDSL 14500 • ARN 0284

Certified Signed
physical copy

is basis and have not carried out an audit of such information. Our scope of work does not constitutes an audit of financial information, accordingly we are unable to, and do not express an opinion on the fairness of any such financial information referred to in the Abridged Prospectus. This certificate is based on the information as at June 28, 2021. This certificate is specific purpose certificate issued in terms of the SEBI Circular and hence should not be used for any other purpose or transaction. This certificate is not, nor should it be constructed as our opinion or certification of the compliance of the proposed Scheme of Arrangement with the provision of any law including Company law, taxation laws, capital market laws and related laws.

We express no opinion and make no recommendation at all to the Resulting Company's underlying decision to effect the Scheme or as to how the holders of equity shares of the Company should vote at their respective meeting held in connection with the Scheme. We do not express and should not be deemed to have expressed any views on any other terms of the Scheme or its success. We also express no opinion and, accordingly, accept no responsibility for or as to price at which the equity shares of the Resulting Company will trade following the Scheme or as to financial performance of the Resulting Company or WSL following the consummation of the Scheme. We express no opinion whatsoever and make no recommendation at all (and accordingly take no responsibility) as to whether shareholders/Investors should buy, sell, or hold any stake in the Resulting Company or any of its related parties (holding/subsidiaries/ associates).

For Dalmia Securities Private Limited



Jeyakumar S

COO- Investment Banking

SEBI Registration Number INM000011476

Contact No. 9821854258

Email: s.jeyakumar@dalmiasec.com

Date: June 29, 2021

Place: Mumbai (Work From Home Office- Corona period)

Certified Signed ^{Physical} Copy



EMPOWERING INVESTORS
A SEBI Initiative

Khetan Bhavan Room No17 2nd Floor 198 Jamshedji Tata Road Mumbai 400020 P 91 22 3027 2815-9 F 91 22 3027 2820 www.dalmiasec.com

SEBI Regn Nos **NSE** INB230645339 F&O INF230645339 Code 06453 • **BSE** INB010684638 F&O INF010684638 Code 530

NSDL IN300222 • **CDSL** I4500 • **ARN** 0284

This is an Abridged Prospectus prepared in connection with the proposed Composite Scheme of Arrangement under Sections 230-232 and other applicable provisions of the Companies Act, 2013, rules and regulations thereunder, between Welspun Steel Limited (referred as "**Demerged Company**")/ "**WSL**") and Welspun Corp Limited (referred as "**Resulting Company**" or "**WCL**") and their respective Shareholders ["**Scheme**"].

**THIS ABRIDGED PROSPECTUS CONTAINS 10 PAGES
PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.**

This Abridged Prospectus has been prepared in connection with the Scheme pursuant to and in compliance with Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with the Consolidated SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22 December 2020 ("**SEBI Circular**") and in accordance with the disclosures in Abridged Prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, to the extent applicable.

This Abridged Prospectus dated June 28, 2021 is important and should be carefully read together with the Scheme and the notice being sent to the Shareholders of Welspun Corp Limited. The Scheme would also be available on the websites of the National Stock Exchange of India Limited ('NSE') at www.nseindia.com and BSE Limited ('BSE') at www.bseindia.com.

Welspun Steel Limited

Registered Office : S N 650, Village Varsamedi, Taluka Anjar Dist Kutch, Gujarat - 370110, India

Tel.: +91 9820517293;

Contact Person: Mr. Prakash Tatia – Wholetime Director & CFO ; **E-mail:** CompanySecretary_WSL@welspun.com
Corporate Identity Number (CIN): U27109GJ2004PLC044249

NAME OF THE PROMOTER OF WSL

WSL is promoted by MGN Agro Properties Pvt. Ltd and Rank Marketing LLP, which in turn are promoted and controlled by Mr. Balkrishan Goenka, who is also one of the promoters of Welspun Corp Ltd., the Resulting Company. For further details on "Promoter" please refer page 3 of the Abridged Prospectus.

SCHEME AND INDICATIVE TIME LINE

The Scheme of Arrangement ("**Scheme**") is pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, rules and regulations made thereunder between Welspun Steel Limited having CIN: U27109GJ2004PLC044249 ('the **Demerged Company**' or '**WSL**') and Welspun Corp Limited having CIN: L27100GJ1995PLC025609 ('the **Resulting Company**' or '**WCL**') for transfer and vesting of the Demerged Undertaking of WSL into WCL with effect from the Appointed Date, and upon effectiveness of the Scheme on the Effective Date.

"**Demerged Undertaking**" shall mean undertaking, business, activities and operations pertaining to steel, specialty steel and thermo mechanical treatment bars manufacturing business carried on directly or indirectly by WSL or through its subsidiaries; related investments related to said businesses; and comprising of all the assets (moveable, incorporeal and immoveable) and liabilities of the Demerged Company.

The Demerged Undertaking of the Demerged Company is proposed to be demerged and vested into the Resulting Company in conformity with the provisions of Section 2(19AA) of the Income Tax Act, 1961.

The equity shares of the Demerged Company are not listed/ traded on any of the recognized Stock Exchanges of India.

As a part of the Scheme, the Resulting Company would issue and allot Cumulative Redeemable Preference Shares (CPRS) of the Resulting Company, to the eligible shareholders of the Demerged Company, as on the Record Date. Such CPRS will not be listed in any recognized stock exchanges of India.

The procedure with respect to public issue/ public offer would not be applicable, as this issue is only to the shareholders of the unlisted company, pursuant to the Scheme, without any cash consideration. Hence, the procedure with respect to General Information Document (GID) is not applicable.

ELIGIBILITY

In compliance "SEBI Scheme Circular" means the circular issued by the SEBI, being Circular being SEBI/HO/CFD/DIL1/CIR/P/ 2020/249 dated 22 December 2020 pursuant to regulations 11, 37 and 94 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and in accordance with the disclosure rules for an abridged prospectus format as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "SEBI Regulations"), of the unlisted Demerged Company, to the extent applicable is to be furnished as a part of the Scheme to be sanctioned by NCLT under sections 230 to 232 of the Companies Act, 2013;

The percentage of shareholding of pre-scheme public shareholders of the listed entity and the Qualified Institutional Buyers (QIBs) of the unlisted entity, if any, in the post scheme shareholding pattern of the merged company shall not be less than 25%;

In connection with the proposed Scheme, the Resulting Company will not issue / reissue any Equity Shares, not covered under the Scheme;

There are no outstanding warrants / instruments / agreements in the demerged Company which give right to any person to be the beneficiary of Equity Shares in the Resulting Company at any future date.

GENERAL RISK

Investors are advised to read the risk factors carefully before taking an investment decision in relation to the Scheme and the Resulting Company. For taking an investment decision, the investors/shareholders must rely on their own examination of the Demerged Company, and the Scheme including the risk involved. The CRPS being issued under the Scheme have not been recommended or approved by the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy adequacy of this document. Specific attention of the Shareholders/Investors is invited to the statement of Risk Factors appearing in the Abridged Prospectus.

COMPANY'S ABSOLUTE RESPONSIBILITY

The Demerged Company, having made all reasonable inquiries, accepts responsibility for, and confirms that this Abridged Prospectus contains all information with regard to the Demerged Company, and the Scheme, which is material in the context of the Scheme, that the information contained in this Abridged Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Abridged Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

Not Applicable as there will not be any issue of Equity Shares by the Resulting Company to the Shareholders of the Demerged Company.

GENERAL INFORMATION

MERCHANT BANKER FOR DUE DILIGENCE



DALMIA SECURITIES PRIVATE LIMITED

Khetan Bhavan, Room No. 17, 2nd Floor, 198, Jamshedji Tata Road, Mumbai - 400 020

Tel No: +91 22 45117200/205/216;

Email: indrajit@dalmiasec.com; Website: www.dalmiasec.com

Investor Grievance Email: grievances@dalmiasec.com

Contact person : Mr. Jeyakumar S./ Mr. Suhas Satardekar

SEBI Registration No: INM000011476

STATUTORY AUDITORS OF THE COMPANY

PYS & CO LLP, Chartered Accountants, Firm Regn No: 012388S/S200048 having its registered Office at 777/D New Bridge Corporate Centre, 100 Feet Road, Indiranagar, Bengaluru 560 038. Mumbai Office: Saraswati Bhuvan, Shakar Road, Tejpal Scheme Road No 5, Vile Parle (East) Mumbai 400 057.
emails@pys.ind.in Contact: Mr. G.D.Joglekar, FCA; Partner 9987068582 / 8286051811

Int-

PROMOTERS OF WELSPUN STEEL LTD

WSL is promoted by Rank Marketing LLP (69.62%) and MGN Agro Properties Pvt Ltd (26.98%).

MGN Agro Properties Pvt. Ltd. is a company incorporated in India having its registered Office at Survey No. 650, Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat- 370110 with CIN U51100GJ1999PTC081436.

The paid up equity share capital of MGN is Rs.8,00,20,000 which is held by Mr. Balkrishan Goenka (as Trustee of BKG Family Trust – 79,97,999 shares) and Ms. Dipali Goenka (4001 shares as Nominee of BKG Family Trust).

The main activity of MGN agro Properties Pvt. Ltd is to carry on the business of buyers, sellers, stockists, agents, investors, distributors, importers, exporters, and concessionaires of and dealers in commodities of all kinds including yarn, cotton, textiles, fabrics, steel, pipes and substances, merchandise, goods, machinery, articles, parts, apparatus, things and material of all kinds, together with trading and holding of securities.

Rank Marketing is registered as LLP with the identification number AAG 0802 and has its registered office at 7th Floor, Welspun House, Kamala Mill Compound, Lower Parel, Mumbai - 400013.

MGN Agro Properties Pvt. Ltd. holds 48.995% of the LLP capital, while Mr. Balkrishan Goenka holds 26% and Ms. Dipali Goenka holds 25% of Partners' capital respectively. The main business activity of Rank Marketing LLP is to carry on the business of import, export, manufacture, buy, sell, barter, exchange, make advances upon or otherwise deal in any or all kinds of goods, commodities (including power, cotton, yarns, fabrics, garment iron ores, minerals, steel, pipes); produce merchandise, raw material items, articles, products and to undertake engineering, procurement and construction contracts.

As Mr. Balkrishan Goenka along with his family members has controlling beneficiary interest in entities which hold majority shareholding in WSL, Mr. Balkrishan Goenka is reckoned as the designated promoter of WSL. He is also designated as the promoter of Welspun Group, along with Mr. Rajesh Mandawewala.

FIVE LARGEST LISTED GROUP COMPANIES.

Name of Companies	Equity Capital as on March 31,2021 Rs. Lakh	Income/ Turnover for the FY2021 Rs.Cr	Profit/(loss) after tax for the FY ended 2021 Rs. Cr	Equity Shareholding of WSL (%)	Listing Status
Welspun Specialty Solutions Ltd.®	31,765	95	923	50.09	BSE
Welspun Corp Ltd^	13,044	4,765	414	Nil	BSE/NSE
Welspun India Limited	10,047	5,690	527	Nil	BSE/NSE
Welspun Enterprises Limited	14,886	1410	107	Nil	BSE/NSE
Welspun Investment and Commercials Limited	365.45	1.36	0.79	Nil	BSE/NSE

@- Includes Rs.13761 lakh of Net income on Exceptional items. The company incurred a loss of Rs.4432 lakh prior to adjustment on account of exceptional items.

^ Un-audited for the nine month ended December 31, 2020.

Jul

BUSINESS MODEL/ OVERVIEW AND STRATEGY

Welspun Steel Limited (erstwhile Welspun Power and Steel Limited) ("WSL") a Welspun Group company, having its registered office at Welspun City, Survey No. 650, P.O. Varsamedi, Tal. – Anjar, Dist. Kutch, Gujarat – 370 110 and corporate office at Trade World, BKT House, 'C' Wing, 8th Floor, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai – 400013, is engaged in manufacturing of Sponge Iron / DRI, Steel Billets and TMT Bars**. The Company was incorporated on 3rd June, 2004, by Mr. Balkrishan Goenka as a closely held Public Limited Company.

The Company has plants for manufacturing Sponge Iron, MS Billets and TMT Bars as per Indian Standards specifications. The manufacturing facilities are located at Anjar (Gujarat) in a complex with ~100 acres of area. The installed capacity of each of the products is furnished below:

Product / Facility	Installed Capacity (MT)	Capacity utilization (MT) for FY 2021
Sponge Iron	144,000	122,623
Billet	288,000	176,868
TMT **	60,000	-

**** This manufacturing mill of the Company is of smaller capacity and of conventional design / old technology. It is not operational at present due to comparatively higher conversion cost and lower production compared to modern rebar mills.**

The company is in the process of setting up a world class modern TMT rebar plant which is continuous horizontal-vertical configuration, capable of very high speed rolling and slit rolling capability for smaller sizes. The plant will be capable of rolling 100% hot billet production from existing steel melting facility. The new facility is being set up under a newly formed Company Anjar TMT Steel Private Limited. As a part of the proposed Scheme, this undertaking would also be transferred and vested with WCL.

The plants have proximity to the ports in Kutch region of Gujarat, which facilitates cost effective business operations and export of its products.

The sponge iron plant is based on coal based Direct reduction of Iron ore (DRI) technology and WSL has 4x 100 tpd DRI kilns for production of sponge iron. The waste heat from the production process is used for power generation.

The DRI produced from the sponge iron plant is mixed along with suitable scrap in the Steel melt shop to produce Square Billets. These billets are the raw material for the Thermo Mechanically Treated bars (construction steel), which would be produced at the new facility.

WSL is self-sufficient in its power requirements and receives power from Welspun Captive Power Generation Limited (a group company) to meet its power requirement. Pursuant to the Scheme, WSL would transfer the investments in Welspun Captive Power Generation Limited and the rights of use of power.

Welspun Specialty Solutions Ltd (Erstwhile RMG Alloy Steel Ltd) (WSSL), subsidiary of WSL, is a listed company engaged in manufacturing of Specialty steel (Alloy and Stainless Steel) products namely Blooms, Ingots and Bars, stainless steel seamless pipe/tubes at its facility in Jhagadia, Bharuch. The installed capacity of each of the products of WSSL is furnished below:

Product / Facility	Installed Capacity (MT)	Capacity utilization (MT) during FY 2021
SMS	1,50,000	Nil
Rolling mill (Alloy & SS)	1,00,000	2,682
Pipe Plant	10,000	2,235

Int

BOARD OF DIRECTORS

The following table sets forth the details regarding the Board of Directors, as on date of Abridged Prospectus:

Sr. No.	Name	Profile
1.	Mr. Balkrishan Goenka	Mr. Balkrishan Goenka aged 53 years is a Commerce Graduate. Mr. Goenka being one of the promoters of the Company is also Chairman of Welspun Group from its inception. He is a prime architect of the Welspun Group. For over 30 years, Mr. Goenka with his strong business acumen and ability to handle business challenges is credited to have successfully steered the Welspun Group in many high-growth sectors. He has a vision to make Welspun one of the most respected groups in the world by creating world-class companies that consistently sets industry benchmarks.
2.	Mr. Rajesh R. Mandawewala	Mr. Mandawewala aged 58 years, is a qualified Chartered Accountant. Mr. Mandawewala has vast experience in home-textiles and saw pipes businesses. He has been associated with Welspun Group for more than 30 years. He plays a key role advising and guiding management of the Company on strategic and operational matters. He is in-charge of operations of the textile business and has enabled Welspun to develop a global reach in over 50 Countries.
3.	Mr. Prakash Tatia	Mr. Prakash Tatia, aged 67 years, is a graduate mechanical engineer and has 42 years of rich experience in steel and related sectors. He remained associated with Vikram Ispat (a unit of Grasim Ltd) for 21 years. His core expertise includes Marketing, Planning & Procurement for steel industries with strong knowledge of International Trade for Bulk commodities. He has worked with corporates like M. N. Dastur & Co. (a leading steel consultancy firm), Mahindra & Mahindra, Zenith Ltd, Aditya Birla, etc. He has travelled extensively and has presented papers in various national & international steel conferences. He has been Chairman of Sponge Iron Manufacturing Association of India and is presently a member of Steel committee of CII & FICCI. Presently he is also Vice President of Indian Stainless Steel Pipes Manufacturing Association (ISSMA).
4.	Ms. Amita Karia	Mrs. Amita Karia, aged 34, is a law graduate from the Mumbai University and Fellow Member of the Institute of Company Secretaries of India (ICSI). She has worked in Legal & Secretarial Department of conglomerates and has experience of working with various Listed Companies engaged in manufacturing and trading activities since past few years. She has vast experience in handling in various Corporate Law compliances, secretarial audits and due diligence in diverse industries.
5.	Mr. Raj Kumar Jain	Mr. Raj Kumar Jain aged 64 years, is a Chartered Accountant, having experience of more than 4 decades in private and public sector which consist of Stock Audits, Concurrent and Revenue Audit, Investigation Audit and various audits of Banks. Also acting as a concurrent auditor for various banks. He is also acting as an Independent Directors on various listed and public Companies.

OBJECTS OF THE ISSUE

a) Object of the Scheme:

The proposed Scheme would inter-alia, result in the following benefits:-

Since the business of the Demerged Undertaking will supplement the business of the Resulting Company, the consolidation of the Demerged Undertaking with the business of the Resulting Company is expected to provide *inter-alia* the following benefits:

Int

- i. will result in earning predictability, stronger revenue and improved competitiveness, with diversification in product portfolio thereby reducing business risks for mutual benefit of the shareholders. This will result in strong presence across market segments, provide access to new markets and product offerings. Further, the operations of the Demerged Undertaking could have access to the Resulting Company's marketing capabilities.
 - ii. Greater economies of scale and will provide a larger and stronger base for potential future growth;
 - iii. Consolidation and simplification of the group structure;
 - iv. Reduction in overheads, administrative, managerial and other expenditure;
 - v. Operational rationalization and increase in operating efficiency; and
 - vi. Synergistic benefits, expansion and acquisition opportunities.
- b) **Cost of the project:** Not Applicable
- c) **Means of financing:** Not Applicable
- d) **Schedule of deployment of issue proceeds:** Not Applicable
- e) **Name of appraising agency:** Not Applicable
- f) **Name of monitoring agency:** Not Applicable
- g) **Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues/rights issues, if any, of the Company in the preceding 10 years:** No Delays.
- h) **Details of any outstanding convertible instrument (including convertible warrants):** NIL.

SHAREHOLDING PATTERN

a) Equity Shareholding pattern of WSL (demerged company)

Category & Name of Shareholders		Pre -Scheme		Post-Scheme	
		Number of Shares	(%)	Number of Shares	(%)
A. Promoters and Promoter Group		433,964,903	96.91	433,964,903	96.91
Rank Marketing LLP		311,785,225	69.62	311,785,225	69.62
	MGN Agro Properties Pvt. Ltd.	120,830,674	26.98	120,830,674	26.98
Balkrishan Gopiram Goenka		1,349,000	0.30	1,349,000	0.30
	Others as nominees of MGN Agro Properties Pvt Ltd	4	negligible	4	Negligible
B. Other than Promoter		13,848,456	3.09	13,848,456	3.09
Category & Name of Shareholders		Pre -Scheme		Post-Scheme	
		Number of Shares	(%)	Number of Shares	(%)
Public		13,848,456	3.09	13,848,456	3.09
	GRAND TOTAL (A+B)	447,813,359	100.00	447,813,359	100.00

b) Equity Share holding pattern of the WCL (including and indicative Post- Scheme shareholding, changes, if any) :

WCL is promoted by Mr. Balkrishan Goenka, Ms. Dipali Goenka and Mr. Rajesh Mandawewala as Individual Promoters and Welspun Group Master Trust (Balkrishan Goenka as trustee), B.K.Goenka Family Trust

Signature

(Balkrishan Goenka as Trustee) and Aryabhat Vyapar Pvt. Ltd, Welspun Investments and Commercials Limited (a listed Group company) as corporate promoters.

Category & Name of Shareholders	Pre -Scheme		Post-Scheme	
	Number of Shares	(%)	Number of Shares	(%)
A. Promoters and Promoter Group	130,502,154	50.01	130,502,154	50.01
Rajesh R. Mandawewala	200		200	
Balkrishan Gopiram Goenka	140		140	
Dipali. B. Goenka	2		2	
Aryabhat Vyapar Private Limited	69,145,000		6,915,000	
Welspun Investments and Commercials Limited	6,523,000		6,523,000	
Balkrishan Goenka, trustee of Welspun Group Master Trust	117,063,807		117,063,807	
B. K. Goenka Family Trust (Balkrishan Goenka)	5		5	
B. Public	130,447,241	49.99	130,447,241	49.99
GRAND TOTAL	260,949,395	100.00	260,949,395	100.00

FINANCIAL INFORMATION

a) Audited Financial Information (Consolidated):

(In INR Cr unless stated otherwise)

Particular	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016 ^a
Total Income from Operations (Net of Excise duty)	578.6	873.2	332.7	237.1	353.6
Other Income	10.9	24.8	129.6	43.9	32.9
Total Revenue	589.5	898.0	462.4	280.9	353.6
Net Profit / (Loss) Before Tax	(36.8)	49.9	97.4	(79.94)	(4.3)
Net Profit / (Loss) After Tax	(55.1)	20.5	50.4	(179.6)	0.2
Comprehensive income attributable to owners	54.9	23.8	50.6	(179.6)	0.2
Equity Share Capital Issued, subscribed and paid- up capital ¹	447.8	447.8	433.96	433.96	110.1
Convertible Pref shares	0.0	0.0	42.9	42.9	42.9
Other Equity (including Non controlling interest)	15.0	141.7	520.4	493.6	116.2
Net Worth**	222.7	358.6	411.0	359.4	269.2
Basic Earnings Per Share (in Rs.)	Negative	0.5	1.2	Negative	0.0
Diluted Earnings Per Share (in Rs.)	Negative	0.4	1.1	Negative	0.0
Return On Net Worth (%)**	Negative	5.7	12.3	Negative	0.1

Handwritten signature

Net asset value per share@	10.06	13.10	20.92	25.29	17.59
----------------------------	-------	-------	-------	-------	-------

The synopsis of the operations and financial position for the year ended March 31, 2021 (Standalone audited) are as under:

Total Income from Operations (Net of Excise duty)	645.9
Other Income	8.6
Total Revenue	654.5
Net Profit / (Loss) Before Tax	18.4
Net Profit / (Loss) After Tax	11.9
Equity Share Capital	447.80
Issued, subscribed and paid- up capital ¹	0.00
Convertible Pref shares	239.6
Reserves And Surplus	483.9
Net Worth**	0.27
Basic Earnings Per Share (in Rs.)	0.27
Diluted Earnings Per Share (in Rs.)	2.5
Return On Net Worth (%)**	15.2
Net asset value per share@	

Note

*Net worth =Equity Share Capital plus retained earnings and security premium plus Convertible Pref shares but excluding revaluation reserve.

**Return on Net worth (%) is computed by (Profit after Tax / Networth) X 100.

@Net assets value per share has been calculated by adding the balance of equity Capital, Convertible Pref shares and Reserve & surplus (i.e. retained earnings, Security premium & Capital reserve arising on amalgamation) divided by number of equity shares outstanding (including convertible Pref shares).

** Includes deferred tax credit

*** Includes Extraordinary items of Rs251 lakh

& Figures for year ending 31st March, 2016 are as per Accounting Standards prevailing at that time and not as per Ind AS

a) Material Development after the date of the latest balance sheet:

Subsequent to the date of the latest balance sheet two subsidiaries have been incorporated by WSL. Viz. Anjar TMT Steel Pvt Ltd under which new TMT plant is planned. This subsidiary will be forming part of the Scheme of Arrangement and will be transferred to WCL. Mundra Industrial and Business Parks Pvt Ltd; is another company incorporated as subsidiary, and pursuant to a scheme of demerger approved by the Board of WSL, a land parcel located at Mundra and all assets and liabilities relating thereto, owned by the Company will be demerged from WSL into Mundra Industrial and Business Parks Pvt Ltd. The implementation of the said scheme is subject to necessary statutory and regulatory approvals.

Int

- b) Authorized, issued, subscribed and paid-up capital as on the date of the Abridged Prospectus is set forth as below:

Particulars	Amount in INR	Amount in INR
Authorised Capital		
Equity Shares of Rs.10/- each	760,760,000	760,76,00,000
Preference Share	305,300,000	305,30,00,000
Total		1066,06,00,000
Issued, Subscribed and Paid-up		
44,78,13,359 Equity Shares of Rs.10/- each fully paid up		447,81,33,590
Total		447,81,33,590

INTERNAL RISK FACTORS

The Scheme has been intended to Demerge certain business activities of WSL into WCL. The risk factors pertaining to the WSL Undertaking are as under:

- The business of WSL is dependent on manufacturing facilities and are subject to certain risks in production process. Any slowdown or shutdown in manufacturing operations or underutilization of manufacturing facilities could have an adverse effect on business, results of operations.
- The existing old technology TMT bar facility of WSL, is dormant and WSL has proposed to set up a new modern facility under a new subsidiary. The project is at its implementation stage and any slowdown in implementation of this project will have an adverse impact on the business of WCL post- scheme.

SUMMARY OF OUTSTANDING LITIGATIONS/CLAIMS AND REGULATORY ACTIONS

- a) Total Number of outstanding litigations involving WSL

Nature of Cases	No. Case outstanding	Amount Involved (Rs. Cr)
Criminal	1	N.A.
Civil against company	2	N.A.
Civil filed by company	2	N.A.
Taxation	Nil	N.A.
Stamp Authority	1	2.93
Other Regulatory matters	Nil	N.A.

- Regulatory Action, if any - disciplinary action taken by Securities and Exchange Board of India or Stock Exchanges in India against the Promoters/ Group Companies of the WSL in the past 5 (five) financial years including outstanding action, if any: NIL.
- Outstanding criminal proceedings against the Promoters: Not Applicable.

Int

OTHER DISCLOSURE

- a) **Basis of Issue Price :** Drushti R. Desai and RBSA Valuation Advisors LLP, valuers registered under IBBI with registration number IBBI/RV/06/2019/10666 and IBBI/RV/06/2020/12728 respectively, submitted their valuation report dated June 26, 2021 recommending the following share entitlement ratio for the amalgamation of WSL and WCL

81 (Eighty-One) fully paid-up Cumulative Redeemable Preference Shares of face value of Rs. 10 each of Welspun Corp Limited for every 100 (One Hundred) fully paid-up Equity Shares of face value of Rs. 10 each held in Welspun Steel Limited.

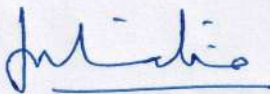
M/s. DAM Capital Advisors Pvt. Ltd Mumbai have vide their report dated June 26, 2021 accorded an opinion report indicating that the share entitlement ratio proposed by the valuers in their valuation report is fair to the shareholders of WCL from a financial point of view.

- b) **Authority for the issue:** The Scheme was approved by the Board of directors of WSL in their meeting held on June 28, 2021. The Scheme is subject to the approvals from the applicable statutory and regulatory authorities, such as, among others, National Company Law Tribunal ('NCLT') and shall come into effect from the Appointed Date, as defined under the Scheme.
- c) **Material contracts and documents for inspection**
- 1) Memorandum and Articles of Association of WSL;
 - 2) Draft Scheme of Arrangement;
 - 3) Financial Statements for the financial year ended March 31, 2019, 2020, 2021;
 - 4) Valuation reports recommending share entitlement ratio for the proposed Scheme of Arrangement; and
 - 5) Fairness Opinion Report taken pursuant to the Scheme.
- d) **Time and place of inspection of material contracts:** Copies of aforesaid documents are available for inspection at the Registered Office of WSL on all working days between 10.00 am to 5.00 pm from date of the Abridged Prospectus until date of listing approval.

DECLARATION

We hereby declare that all applicable provisions of the format of an Abridged Prospectus as set out in Part E of Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, have been complied with. We further certify that all statements with respect to us in this Abridged Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTOR OF WELSPUN STEEL LIMITED



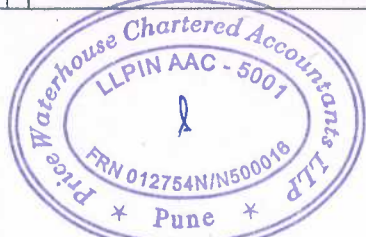
Prakash Tatia
Whole Time Director
DIN: 06559106
Date: June 28, 2021
Place: Mumbai

Regd. Office: Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat, Pincode-370110.
Tel No. 02836-662222, Fax : 02836-279060, email - Companysecretary_wcl@welspun.com, Website: www.welspuncorp.com
Corp. Office: Welspun House, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai, Pincode - 400013.
Tel No. 022-2490 8000, Fax: 022-2490 8020

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2021

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter ended (Unaudited)			Year ended (Audited)
		30-Jun-21	31-Mar-21	30-Jun-20	31-Mar-21
1	Continuing operations:				
	Income				
a	Revenue from operations	124,237	172,723	201,423	614,665
b	Other operating income	5,657	9,208	5,502	29,305
c	Other income	3,755	9,055	1,617	23,539
	Total Income	133,649	190,986	208,542	667,509
2	Expenses				
a	Cost of materials consumed	54,591	98,374	50,742	318,122
b	Purchase of stock-in-trade	579	604	56,008	55,747
c	Changes in inventories of work-in progress and finished goods	25,312	22,588	46,455	57,799
d	Employee benefit expense	9,730	11,029	9,932	41,769
e	Depreciation and amortisation expense	5,461	5,498	5,343	21,457
f	Other expenses	23,186	26,323	25,726	93,084
g	Finance costs	1,694	1,128	2,810	6,763
	Total expenses	120,553	165,544	197,016	594,741
3	Profit for the period before tax and share of profit of joint ventures (1-2)	13,096	25,442	11,526	72,768
4	Share of profit/ (loss) of joint ventures	250	(1,833)	2,283	13,492
5	Profit before tax (3+4)	13,346	23,609	13,809	86,260
6	Tax expense				
a	Current tax	4,903	13,431	14,484	39,378
b	Deferred tax	(1,285)	(12,117)	(6,660)	(17,286)
	Total tax expense	3,618	1,314	7,824	22,092
7	Net profit for the period from continuing operations (5-6) (I)	9,728	22,295	5,985	64,168
	Discontinued operations:				
	Loss from discontinued operations	-	(572)	(909)	(1,436)
	Tax expenses/ (credit) of discontinued operations	-	41	(316)	(333)
	Loss from discontinued operations, after tax (II)	-	(613)	(593)	(1,103)
	Profit for the period (I+II)	9,728	21,682	5,392	63,065
8	Other Comprehensive Income, net of income tax				
a	Items that will be reclassified to profit or loss (net)	1,912	(877)	641	(3,450)
b	Items that will not be reclassified to profit or loss	19	444	(141)	73
	Total other comprehensive income, net of income tax	1,931	(433)	500	(3,377)
9	Total Comprehensive Income for the period (including non-controlling interest) (7+8)	11,659	21,249	5,892	59,688
10	Net profit attributable to:				
	-Owners	9,747	21,872	5,189	61,883
	-Non-controlling interest	(19)	(190)	203	1,182
11	Other comprehensive income attributable to:				
	-Owners	1,892	(458)	508	(3,302)
	-Non-controlling interest	39	25	(8)	(75)
12	Total comprehensive income attributable to:				
	-Owners	11,639	21,414	5,697	58,581
	-Non-controlling interest	20	(165)	195	1,107
13	Paid up equity share capital (Face value of Rs. 5/- each)	13,047	13,044	13,044	13,044
14	Other Equity				366,241
15	Earnings/ (loss) per share (of Rs. 5/- each) (not annualised in quarters)				
	(a) Basic (In Rs.) - continuing operations	3.74	8.61	2.23	24.14
	(b) Diluted (In Rs.) - continuing operations	3.73	8.59	2.21	24.08
	(c) Basic (In Rs.) - discontinued operations	-	(0.23)	(0.23)	(0.42)
	(d) Diluted (In Rs.) - discontinued operations	-	(0.23)	(0.23)	(0.42)
	(e) Basic (In Rs.) - continuing and discontinued operations	3.74	8.38	2.00	23.72
	(f) Diluted (In Rs.) - continuing and discontinued operations	3.73	8.36	1.98	23.66



Notes:

- 1 The aforesaid consolidated financial results of Welspun Corp Limited (the "Company") and its subsidiaries (the Company and its subsidiaries together hereinafter referred to as the "Group") and its joint ventures were reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its meeting held on July 29, 2021. The Statutory Auditors have carried out a Limited Review and expressed an unmodified opinion on the aforesaid results.
- 2 The Group is primarily engaged in the business of manufacture and distribution of steel products i.e. single segment.
- 3 The Standalone financial results were reviewed by the Audit Committee and thereafter approved by the Board of Directors at its meeting held on July 29, 2021, and will be made available to BSE and NSE and will be posted on the Company's website www.welspuncorp.com. The key information related to the standalone financial results - continuing operations are given below.

(Rs. in lakhs except earnings per share)

	Key financials	Quarter ended (Unaudited)			Year ended (Audited)
		30-Jun-21	31-Mar-21	30-Jun-20	31-Mar-21
a	Total Income	75,333	133,211	167,429	550,046
b	Profit before tax	7,296	18,612	69,135	128,684
c	Profit after tax	5,451	17,597	55,904	100,921
d	Earnings per share (of Rs. 5/- each) (not annualised)				
	(a) Basic (In Rs.) - continuing operations	2.09	6.74	21.43	38.68
	(b) Diluted (In Rs.) - continuing operations	2.08	6.72	21.38	38.58
	(c) Basic (In Rs.) - continuing and discontinued operations	2.09	6.66	21.20	38.41
	(d) Diluted (In Rs.) - continuing and discontinued operations	2.08	6.64	21.15	38.31

- 4 The aforesaid consolidated financial results of the Group and its joint ventures have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.

- 5 Details of Secured, Redeemable, Non Convertible Debentures is as follows:

(Rs. in Lakhs)

Particulars	Previous Due Date #		Next Due Date			
	Principal	Interest	Next Instalment Date	Principal Amount	Interest Date	Interest Amount
11.00% Secured Redeemable Non Convertible Debenture	09.11.2020	09.05.2021	November 2021	2,700	09.08.2021	175
6.50% Secured Redeemable Non Convertible Debenture	NA	NA	February 2024	20,000	10.02.2022	1,300
7.25% Secured Redeemable Non Convertible Debenture	NA	NA	February 2026	20,000	16.02.2022	1,450

Principal and interest has been paid on the due dates.

- 6 The listed Secured, Redeemable, Non-Convertible Debentures of the Company aggregating to Rs. 46,300 lakhs (excludes transaction costs as per effective interest rate of Rs. 154 lakhs) as on June 30, 2021 are secured by first charge ranking pari passu by way of mortgage of certain movable and immovable property, plant and equipment of the Company. The Company has maintained hundred percent asset cover sufficient to discharge the principal amount of the said debentures in terms of Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The fixed assets cover is 1.59 times for total debts and the Credit rating by CARE for Secured Redeemable Non Convertible Debentures issue by the Company is "AA/stable".

- 7 The details of Commercial Papers outstanding as at June 30, 2021 are as follows :

S. No.	Security description and ISIN	(Rs. in Lakhs)	Previous due date		Next due date for	
			Principal	Interest	Principal	Interest
1	CP- 4.75%, INE191814465	5,000	NA	28.04.2021	27.07.2021	NA
2	CP-4.55%, INE191814473	2,500	NA	10.06.2021	08.09.2021	NA
3	CP-4.55%, INE191814481	2,500	NA	18.06.2021	16.09.2021	NA

The Credit rating by CARE for Commercial Papers issued by the Company is "A1+".

- 8 Group's management has made an assessment of the impact of COVID 19 in preparation for these consolidated financial results. Group's management has considered all relevant external and internal factors in the measurement of assets and liabilities including recoverability of carrying values of its assets, its liquidity position and ability to repay debts. No adjustment to key estimates and judgements that impact the consolidated financial results have been identified. However, the impact assessment of COVID 19 will be a continuing process given the uncertainties associated with its nature and duration and no significant impact is envisaged on the operations.



ha

9 On March 31, 2021, the Company has concluded sale of its Plates & Coils Mills Division (PCMD) division for Rs. 84,850 lakhs plus closing adjustments towards net working capital pursuant to the Business Transfer Agreement dated March 31, 2019 and amended on March 31, 2021 (collectively know as "BTA").

The disposal group (i.e. PCMD) was reported as discontinued operations in the financial statements for the year ended March 31, 2020 and the assets and liabilities directly associated with disposal group were presented as held for sale as at March 31, 2020.

As of July 24, 2021, the Company has received the total consideration of Rs. 80,920 lakhs and there is no further consideration receivable.

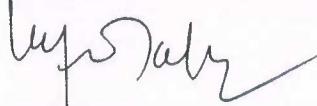
10 The Board of Directors of the Company at its meeting held on August 6, 2020 and the shareholders at their meeting held on August 31, 2020, approved listing of its joint venture Company viz. East Pipe Integrated Company for Industry' or 'EPIC' (formerly know as 'Welspun Middle East Pipes Company') at the local Stock Exchange, through divestment of 15% (at maximum) of the total issued shares of EPIC held by the Company through its overseas subsidiary, at a pro-rata consideration exceeding US\$ 30 million along with proportionate shares to be divested by the local partners. The listing and divestment is subject to regulatory approvals in the Kingdom of Saudi Arabia.

11 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group and its joint ventures is in process of evaluating the financial impact, if any.

12 The Board of Directors of the Company at their meeting held on June 28, 2021 have approved the Scheme of Arrangement (the "Scheme") between Welspun Steel Limited ("WSL") and the Company for transfer and vesting of the demerged undertaking (as defined under the Scheme) of WSL into the Company with effect from the Appointed Date as April 01, 2021, subject to regulatory and other approvals.

13 The figures for the previous periods have been regrouped wherever necessary.

For and On Behalf of the Board of Directors of Welspun Corp Limited



Vipul Mathur
Managing Director and Chief Executive Officer
DIN - 007990476

Place: Mumbai

Date: July 29, 2021



Price Waterhouse Chartered Accountants LLP

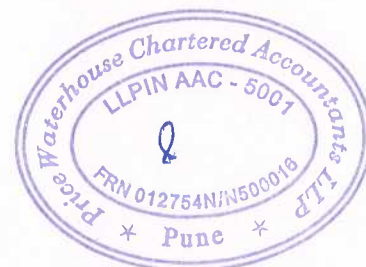
Review Report

Date: July 29, 2021

The Board of Directors,
Welspun Corp Limited,
5th Floor, Welspun House,
Kamala Mills Compound,
Senapati Bapat Marg,
Lower Parel (West),
Mumbai – 400 013.

1. We have reviewed the unaudited consolidated financial results of Welspun Corp Limited (the “Parent”), its subsidiaries (the parent and its subsidiaries hereinafter referred to as the “Group”) and its joint ventures for the quarter ended June 30, 2021 which are included in the accompanying ‘Unaudited Consolidated Financial Results for the quarter ended June 30, 2021’ (the “Statement”). The Statement is being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations, 2015”), which has been initialled by us for identification purposes.
2. This Statement, which is the responsibility of the Parent’s Management and has been approved by the Parent’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “Interim Financial Reporting” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



Price Waterhouse Chartered Accountants LLP, 7th Floor, Tower A – Wing 1, Business Bay, Airport Road, Yerwada, Pune – 411 006

T: +91(20) 41004444, F: +91 (20) 41006161

Registered office and Head office : Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Price Waterhouse Chartered Accountants LLP

Review report on Consolidated results for the quarter ended June 30, 2021

Page 2 of 2

4. The Statement includes the results of the following entities:

Relationship	Entity name
Holding Company:	Welspun Corp Limited
Subsidiaries:	Welspun Tradings Limited, India
	Welspun DI Pipes Limited, India
	Welspun Metalics Limited, India
	Welspun Pipes Inc., USA
	Welspun Tubular LLC, USA
	Welspun Global Trade LLC, USA
	Welspun Mauritius Holdings Limited, Mauritius
Joint ventures:	Welspun Wasco Coatings Private Limited, India
	East Pipes Integrated Company for Industry, Kingdom of Saudi Arabia (formerly known as Welspun Middle East Pipes Company)

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The consolidated unaudited financial results includes the Group's share of net profit after tax of Rs. 250 lakhs and total comprehensive income of Rs. 225 lakhs for the quarter ended June 30, 2021, as considered in the consolidated unaudited financial results, in respect of 1 joint venture located outside India, based on their interim financial information which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these financial information are not material to the Group. Our conclusion on the Statement is not modified in respect of this matter.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Neeraj Sharma
Partner
Membership Number 108391
UDIN: 21108391AAAAFJ8460

Place: Pune
Date: July 29, 2021

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2021

Sr. No.	Particulars	Quarter ended (Unaudited)			Year ended (Audited)
		30-Jun-21	31-Mar-21	30-Jun-20	31-Mar-21
	(Rs. in Lakhs)				
1	Continuing operations:				
	Income				
a	Revenue from operations	70,462	121,202	100,165	450,707
b	Other operating income	1,470	2,609	3,744	13,504
c	Other income	3,401	9,400	63,520	85,835
	Total income	75,333	133,211	167,429	550,046
2	Expenses				
a	Cost of materials consumed	42,848	69,390	50,949	240,015
b	Purchase of stock-in-trade	579	911	256	1,522
c	Changes in inventories of work-in progress and finished goods	2,304	14,444	18,047	72,195
d	Employee benefit expense	3,930	4,665	4,392	17,539
e	Depreciation and amortisation expense	2,568	2,609	2,377	9,734
f	Other expenses	14,448	21,717	19,961	75,395
g	Finance costs	1,360	863	2,312	4,962
	Total expenses	68,037	114,599	98,294	421,362
3	Profit before tax (1-2)	7,296	18,612	69,135	128,684
4	Tax expenses				
a	Current tax	2,581	13,472	13,067	38,896
b	Deferred tax	(736)	(12,457)	164	(11,133)
	Total tax expense	1,845	1,015	13,231	27,763
5	Net profit for the period from continuing operations (3-4) (I)	5,451	17,597	55,904	100,921
	Discontinued operations:				
	Loss from discontinued operations	-	(179)	(909)	(1,043)
	Tax expenses/ (credit) of discontinued operations	-	41	(316)	(333)
	Loss from discontinued operations, after tax (II)	-	(220)	(593)	(710)
	Profit for the period (I+II)	5,451	17,377	55,311	100,211
6	Other Comprehensive Income, net of income tax				
a	Items that will be reclassified to profit or loss (net)	(210)	(953)	393	(96)
b	Items that will not be reclassified to profit or loss	43	310	(101)	172
	Total other comprehensive income, net of income tax	(167)	(643)	292	76
7	Total Comprehensive Income for the period (5+6)	5,284	16,734	55,603	100,287
8	Paid up equity share capital (Face value of Rs. 5/- each)	13,047	13,044	13,044	13,044
9	Other Equity				242,464
10	Earnings/ (loss) per share (of Rs. 5/- each) (not annualised in quarters)				
	(a) Basic (In Rs.) - continuing operations	2.09	6.74	21.43	38.68
	(b) Diluted (In Rs.) - continuing operations	2.08	6.72	21.38	38.58
	(c) Basic (In Rs.) - discontinued operations	-	(0.08)	(0.23)	(0.27)
	(d) Diluted (In Rs.) - discontinued operations	-	(0.08)	(0.23)	(0.27)
	(e) Basic (In Rs.) - continuing and discontinued operations	2.09	6.66	21.20	38.41
	(f) Diluted (In Rs.) - continuing and discontinued operations	2.08	6.64	21.15	38.31



Notes:

- 1 The aforesaid standalone financial results of Welspun Corp Limited (the "Company") were reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its meeting held on July 29, 2021. The Statutory Auditors have carried out a Limited Review and expressed an unmodified opinion on the aforesaid results.
- 2 Since the segment information applicable to the Company, as per Ind AS 108 - Operating Segments is provided on the basis of consolidated financial results, the same is not provided separately in standalone financial results.
- 3 The aforesaid standalone financial results of the Company have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.

- 4 Details of Secured, Redeemable, Non Convertible Debentures is as follows: (Rs. in Lakhs)

Particulars	Previous Due Date #		Next Due Date			
	Principal	Interest	Next Instalment Date	Principal Amount	Interest Date	Interest Amount
11.00% Secured Redeemable Non Convertible Debenture	09.11.2020	09.05.2021	November 2021	2,700	09.08.2021	175
6.50% Secured Redeemable Non Convertible Debenture	NA	NA	February 2024	20,000	10.02.2022	1,300
7.25% Secured Redeemable Non Convertible Debenture	NA	NA	February 2026	20,000	16.02.2022	1,450

Principal and interest has been paid on the due dates.

- 5 The listed Secured, Redeemable, Non-Convertible Debentures of the Company aggregating to Rs. 46,300 lakhs (excludes transaction costs as per effective interest rate of Rs. 154 lakhs) as on June 30, 2021 are secured by first charge ranking pari passu by way of mortgage of certain movable and immovable property, plant and equipment of the Company. The Company has maintained hundred percent asset cover sufficient to discharge the principal amount of the said debentures in terms of Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The fixed assets cover is 1.59 times for total debts and the Credit rating by CARE for Secured Redeemable Non Convertible Debentures issue by the Company is "AA/stable".

- 6 The details of Commercial Papers outstanding as at June 30, 2021 are as follows :

S. No.	Security description and ISIN	(Rs. in Lakhs)	Previous due date		Next due date for	
			Principal	Interest	Principal	Interest
1	CP- 4.75%, INE191B14465	5,000	NA	28.04.2021	27.07.2021	NA
2	CP-4.55%, INE191B14473	2,500	NA	10.06.2021	08.09.2021	NA
3	CP-4.55%, INE191B14481	2,500	NA	18.06.2021	16.09.2021	NA

The Credit rating by CARE for Commercial Papers issued by the Company is "A1+".

- 7 On March 31, 2021, the Company has concluded sale of its Plates & Coils Mills Division (PCMD) division for Rs. 84,850 lakhs plus closing adjustments towards net working capital pursuant to the Business Transfer Agreement dated March 31, 2019 and amended on March 31, 2021 (collectively know as "BTA").
The disposal group (i.e. PCMD) was reported as discontinued operations in the financial statements for the year ended March 31, 2020 and the assets and liabilities directly associated with disposal group were presented as held for sale as at March 31, 2020.
As of July 24, 2021, the Company has received the total consideration of Rs. 80,920 lakhs and there is no further consideration receivable.
- 8 Management has made an assessment of the impact of COVID 19 in preparation for these standalone financial results. Management has considered all relevant external and internal factors in the measurement of assets and liabilities including recoverability of carrying values of its assets, its liquidity position and ability to repay debts. No adjustment to key estimates and judgements that impact the financial results have been identified. However, the impact assessment of COVID 19 will be a continuing process given the uncertainties associated with its nature and duration and no significant impact is envisaged on the operations.
- 9 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company is in process of evaluating the financial impact, if any.
- 10 The Board of Directors of the Company at their meeting held on June 28, 2021 have approved the Scheme of Arrangement (the "Scheme") between Welspun Steel Limited ("WSL") and the Company for transfer and vesting of the demerged undertaking (as defined under the Scheme) of WSL into the Company with effect from the Appointed Date as April 01, 2021, subject to regulatory and other approvals.
- 11 The figures for the previous periods have been regrouped wherever necessary.

For and On Behalf of the Board of Directors of Welspun Corp Limited

Place: Mumbai
Date: July 29, 2021



Vipul Mathur
Managing Director and Chief Executive Officer
DIN - 007990476



Price Waterhouse Chartered Accountants LLP

Review Report

Date: July 29, 2021

The Board of Directors,
Welspun Corp Limited,
5th Floor, Welspun House,
Kamala Mills Compound,
Senapati Bapat Marg,
Lower Parel (West),
Mumbai – 400 013.

1. We have reviewed the unaudited standalone financial results of Welspun Corp Limited (the "Company") for the quarter ended June 30, 2021, which are included in the accompanying 'Unaudited Standalone Financial Results for the quarter ended June 30, 2021' (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Neeraj Sharma
Partner
Membership Number: 108391
UDIN: 21108391AAAAFK2099

Place: Pune
Date: July 29, 2021

Price Waterhouse Chartered Accountants LLP, 7th Floor, Tower A – Wing 1, Business Bay, Airport Road, Yerwada,
Pune – 411 006
T: +91(20) 41004444, F: +91 (20) 41006161

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

WELSPUN STEEL LIMITED**PROVISIONAL UNAUDITED STANDALONE BALANCE SHEET AS AT 30TH JUNE 2021**

Particular	Note No.	WSL (Standalone) As at 30/06/2021 (Rs.)	WSL (Standalone) As at 31/03/2021 (Rs.)
ASSETS			
Non Current Assets			
Property, plant and equipment	2	2,685,846,670	2,716,829,718
Capital work in progress		12,983,708	2,016,768
Right of use assets	3	5,467,922	5,511,279
Intangible assets	4	139,086	163,805
Financial assets			
i) Investments	5	2,990,504,732	2,997,300,555
ii) Loans	6	444,315,019	437,191,771
iii) Other financial assets	7	76,658,086	94,676,887
Income tax assets (net)	8	302,446,004	301,974,891
Other non-current assets	9	30,389,168	25,049,168
Total Non- Current Assets		6,548,750,395	6,580,714,842
Current assets			
Inventories	10	1,540,247,554	1,194,482,644
Financial assets			
i) Investments	11	-	-
ii) Trade receivables	12	17,725,558	103,870,692
iii) Cash and cash equivalents	13	3,143,832	1,876,438
iv) Bank balance other than above	14	750,065,944	726,104,652
v) Loans	15	57,298,349	57,290,653
vi) Other financial assets	16	2,190,205	128,680
Other current assets	17	391,344,359	331,708,047
Total Current Assets		2,762,015,801	2,415,461,806
TOTAL ASSETS		9,310,766,196	8,996,176,648
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	4,478,133,590	4,478,133,590
Other equity		2,435,623,785	2,396,729,741
Total Equity		6,913,757,375	6,874,863,331
LIABILITIES			
Non-current Liabilities			
Financial liabilities			
i) Borrowings	19	-	-
i) Other financial liabilities	19	-	-
Provisions	20	5,872,453	5,872,453
Deferred tax liabilities	21	362,027,206	350,696,020
Other non-current liabilities	22	5,151,545	5,155,354
Total Non Current Liabilities		373,051,204	361,723,827
Current liabilities			
Financial liabilities			
i) Borrowings	23	103,152,926	198,135,583
ii) Trade payables	24		
a) total outstanding dues of micro enterprises and small enterprises		230,573	735,742
b) total outstanding dues of creditors other than micro enterprises and small enterprises		1,426,013,175	1,356,598,192
iii) Other financial liabilities	25	8,953,400	2,351,525
Other current liabilities	26	483,524,438	199,685,343
Provisions	27	2,083,105	2,083,105
Total Current Liabilities		2,023,957,617	1,759,589,490
TOTAL EQUITY AND LIABILITIES		9,310,766,196	8,996,176,648

For and on behalf of the Board of directors



(Signature)
 (Balkrishan Goenka)
 Director
 DIN: 00270175
 NKB/SC



WELSPUN STEEL LIMITED

PROVISIONAL UNAUDITED STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 30 JUNE 2021

Particulars	Note No.	WSL (Standalone) till 30-06-2021 (Rs.)	WSL (Standalone) 2020-21 (Rs.)
Revenue from operations	27	1,989,884,818	6,459,207,336
Other income	28	11,810,392	86,513,049
Total Revenue		2,001,695,210	6,545,720,385
Expenses:			
Cost of materials consumed	29	1,545,125,225	4,804,684,791
Purchase of stock in trade	30	-	97,140,470
Changes in inventories of finished goods	31	(236,819,620)	(789,853,681)
Employee benefits expense	32	55,078,618	213,846,644
Finance costs	33	15,546,193	83,367,833
Depreciation and amortisation expense		31,082,277	125,083,909
Other expenses	34	541,457,287	1,826,598,019
Total expenses		1,951,469,980	6,360,867,985
Profit / (Loss) before tax		50,225,230	184,852,400
Tax expense:			
Current tax		-	-
Deferred tax benefit / (expenses)		(11,331,186)	(65,197,458)
Perior year tax adjustments		-	(626,621)
		(11,331,186)	(65,824,079)
Profit / (Loss) for the year		38,894,044	119,028,321
Other comprehensive income			
Items that will not to be reclassified to profit or loss:			
Equity instrument through Other Comprehensive		-	44,368,699
Re-measurement gains / (losses) on defined benefit plans		-	173,338
Deferred tax effect relating above items		-	(10,379,758)
Net other comprehensive income		-	34,162,279
Total comprehensive income / (loss) for the year		38,894,044	153,190,600
Earnings/(Loss) per equity share:	47		
(1) Basic		0.09	0.27
(2) Diluted		0.09	0.27
Nominal value of equity shares		10	10



For and on behalf of th

(Balkrishan Goenka)
Director
NKB/SC



WELSPUN STEEL LIMITED

PROVISIONAL UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021

A Equity shares

Particulars	Amount (Rs.)
Balance as at 31 March 2020	4,478,133,590
Changes in equity share capital during the year	-
Balance as at 31 March 2021	4,478,133,590
Changes in equity share capital during the year	-
Balance as at 30 June 2021	4,478,133,590

B Other equity

Particulars	Reserve and Surplus			Other Reserves				Total Other Equity
	Retained earnings	Securities Premium	Capital reserve on amalgamation	Equity component of compound financial instruments	Equity instrument - Equity shares	Equity component - Preference shares	Actuarial gain / (loss)	
	(Rs.)		(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Balance as at 31 March 2020	(365,253,226)	609,332,064	2,310,333,880	90,000,000	35,986,896	(8,201,857)	2,960,516	2,675,158,273
Profit/(Loss) for the year	119,028,321	-	-	-	-	-	-	119,028,321
Prior year tax adjustments on amalgamation	-	-	(500,000,000)	-	-	-	-	(500,000,000)
Adjustment on capital reserve arising on amalgamation (additional payment received)	-	-	170,307,088	-	-	-	-	170,307,088
Adjustment on capital reserve arising on amalgamation (short payment received)	-	-	(11,926,220)	-	-	-	-	(11,926,220)
Equity component of 0.01% 9,500,000 Optionally Convertible Debentures [Refer note b) below]	-	-	-	95,000,000	-	-	-	95,000,000
Repayment of equity component of 0.01% 18,500,000 Optionally Convertible Debentures	-	-	-	(185,000,000)	-	-	-	(185,000,000)
Realised gain on sale of Equity instrument - Equity shares transferred	6,025,650	-	-	-	(6,025,650)	-	-	-
Equity instrument through Other Comprehensive Income	-	-	-	-	44,368,699	-	-	44,368,699
Realised loss on sale of Equity component - Preference shares transferred	(8,201,857)	-	-	-	-	8,201,857	-	-
Re-measurement gain on defined benefit plans	-	-	-	-	-	-	173,338	173,338
Deferred tax impact	-	-	-	-	(10,336,132)	-	(43,626)	(10,379,758)
Balance as at 31 March 2021	(248,401,112)	609,332,064	1,968,714,748	-	63,993,813	-	3,090,228	2,396,729,741
Profit/(Loss) for the year	38,894,044	-	-	-	-	-	-	38,894,044
Balance as at 30 June 2021	(209,507,068)	609,332,064	1,968,714,748	-	63,993,813	-	3,090,228	2,435,623,785

Note:

- a) The debentures are convertible into equity shares of Rs.10 each at any time after one month from the date of allotment as per conversion ratio of Rs.14.48 per equity shares at the option of issuer.
- b) The debentures are convertible into equity shares of Rs.10 each at any time after one month from the date of allotment as per conversion ratio of Rs.15.75 per equity shares at the option of issuer.

For and on behalf of the Board of directors

(Balkrishna Goenka)
Director
DIN: 00270175

NICK/SC



NOTES TO PROVISIONAL UNAUDITED STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2 Property, plant and equipment

Particulars	WSL (Standalone)							
	Tangible Assets							
	Freehold Land (Rs.)	Buildings (Rs.)	Roads (Rs.)	Plant and equipment (Rs.)	Furniture and fixtures (Rs.)	Vehicles (Rs.)	Office equipments (Rs.)	Total (Rs.)
Gross Block (At cost)								
As at 31 March 2020	654,883,162	852,818,044	159,742,618	2,630,975,734	7,549,203	28,321,090	11,386,039	4,345,675,890
Additions	7,841,210	-	-	15,999,307	-	13,388,456	473,742	37,702,715
Deductions	29,877,528	-	-	-	-	21,926,634	12,348	51,816,510
As at 31 March 2021	632,846,844	852,818,044	159,742,618	2,646,975,041	7,549,203	19,782,912	11,847,433	4,331,562,095
Additions							31,153	31,153
As at 30 June 2021	632,846,844	852,818,044	159,742,618	2,646,975,041	7,549,203	19,782,912	11,878,586	4,331,593,248
Depreciation								
As at 31 March 2020	-	222,128,325	148,327,618	1,102,246,246	6,668,728	8,259,122	8,788,463	1,367,515,145
For the year	-	28,216,790	692,787	92,394,820	157,879	2,197,055	1,104,834	130,112,129
Deduction	-	-	-	-	-	6,441,700	8,590	1,208,772
As at 31 March 2021	-	250,345,115	149,020,405	1,194,641,066	6,826,607	4,014,477	9,884,707	1,496,418,502
For the year		7,034,871	172,722	22,975,916	36,102	585,314	209,276	31,014,201
Deduction								-
As at 30 June 2021	-	257,379,986	149,193,127	1,217,616,982	6,862,709	4,599,791	10,093,983	1,527,432,703
Net Block								
As at 31 March 2021	632,846,844	602,472,929	10,722,213	1,452,333,975	722,596	15,768,435	1,962,726	2,716,829,718
At 30 June 2021	632,846,844	595,438,058	10,549,491	1,429,358,059	686,494	15,183,121	1,784,603	2,685,846,670



WELSPUN STEEL LIMITED

NOTES TO PROVISIONAL UNAUDITED STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

3 Right of use assets

Particulars	Lease Assets			Total (Rs.)
	WSL (Standalone) (Rs.)	WSL Other Than Steel Business (Rs.)	WSL Steel Business (Rs.)	
Gross Value				
As at 01 April 2020	1,619,598	-	1,619,598	1,619,598
Additions	4,247,384	-	4,247,384	4,247,384
As at 31 March 2021	5,866,982	-	5,866,982	5,866,982
Additions	-	-	-	-
As at 30 June 2021	5,866,982	-	5,866,982	5,866,982
Depreciation				
As at 01 April 2020	173,427	-	173,427	173,427
For the year	182,276	-	182,276	182,276
As at 31 March 2021	355,703	-	355,703	355,703
For the year	43,357	-	43,357	43,357
As at 30 June 2021	399,060	-	399,060	399,060
Net Carrying amount				
As at 31 March 2021	5,511,279	-	5,511,279	5,511,279
As at 30 June 2021	5,467,922	-	5,467,922	5,467,922

4 Other intangible assets

Particulars	Computer Software			Total (Rs.)
	WSL (Standalone) (Rs.)	WSL Other Than Steel Business (Rs.)	WSL Steel Business (Rs.)	
Gross Block (At cost)				
As at 01 April 2020	5,294,364	-	5,294,364	5,294,364
Additions	-	-	-	-
Deductions	-	-	-	-
As at 31 March 2021	5,294,364	-	5,294,364	5,294,364
Additions	-	-	-	-
Deductions	-	-	-	-
As at 30 June 2021	5,294,364	-	5,294,364	5,294,364
Amortisation				
As at 01 April 2020	4,993,091	-	4,993,091	4,993,091
For the year	137,468	-	137,468	137,468
Deduction	-	-	-	-
As at 31 March 2021	5,130,559	-	5,130,559	5,130,559
For the year	24,719	-	24,719	24,719
Deduction	-	-	-	-
As at 30 June 2021	5,155,278	-	5,155,278	5,155,278
Net Block				
As at 31 March 2021	163,805	-	163,805	163,805
As at 30 June 2021	139,086	-	139,086	139,086



WELSPUN STEEL LIMITED

NOTES TO PROVISIONAL UNAUDITED STANDALONE IND AS FINANCIAL STATEMENTS FOR THE

5 Non-current investments

Particulars	WSL (Standalone) As at 30/06/2021 (Rs.)	WSL (Standalone) As at 31/03/2021 (Rs.)
Trade, Unquoted:		
Investments in Equity Instruments:		
In subsidiaries at cost:		
10,000 (-) Anjar TMT Steel Pvt Ltd	100,000	
10,000 (-) Mundra Industrial & Business Park Pvt Ltd	100,000	
21,000 (-) Welspun resources Pvt Ltd	15,834	
10,000 (10,000) equity share of Rs.10 each of Welspun Energy Orissa Private Limited	100,000	100,000
In joint venture at cost:		
51,000 (51,000) equity shares of of Rs. 10 each of Welsteel Enterprise Private Limited	510,000	510,000
In other at cost:		
1,400 (1,400) equity shares of Rs.10 each of Welassure Private Limited	856,800	856,800
In others at fair value through OCI:		
872,193 (872,193) equity shares of Rs.10 each of Welspun Captive Power Generation Limited	103,965,524	103,965,525
Investments in Preference Shares:		
In subsidiary at cost:		
14,80,000 (-) Welspun Steel Resources Private Limited	111,592	-
Non-Trade, Unquoted:		
In government securities at amortised cost:		
National Saving Certificates (Lodged with Government authorities)	60,000	60,000
Trade, Quoted:		
Investments in Equity Instruments:		
In subsidiary at cost:		
265,190,034 (265,190,034) equity shares of Welspun Specialty Solutions Ltd. (formerly known as RMG Alloy Steel Ltd.) of Rs. 6 each, fully paid up	2,836,500,001	2,836,500,001
In subsidiary at cost:		
Deemed investment in subsidiary Welspun Specialty Solutions Ltd. (formerly known as RMG Alloy Steel Ltd.)	48,184,981	55,308,229
Total	2,990,504,732	2,997,300,555



WELSPUN STEEL LIMITED

NOTES TO PROVISIONAL UNAUDITED STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR EN

6 Non-current loans

Particulars	WSL (Standalone)	WSL (Standalone)
	As at 30/06/2021 (Rs.)	As at 31/03/2021 (Rs.)
Loans receivables considered good - Unsecured	444,315,019	437,191,771
Loans receivables which have significant increase in Credit Risk	-	-
Loans receivables - Credit Impaired	-	-
Less: Provision for Impairment	-	-
Total	444,315,019	437,191,771

Details of loans and advances to related parties:

Particulars	WSL (Standalone)	WSL (Standalone)
	As at 30/06/2021 (Rs.)	As at 31/03/2021 (Rs.)
Welspun Specialty Solutions Ltd. (formerly known as RMG Alloy Steel Ltd.)	444,315,019	437,191,771
Total	444,315,019	437,191,771

7 Other non-current financial assets

Particulars	WSL (Standalone)	WSL (Standalone)
	As at 30/06/2021 (Rs.)	As at 31/03/2021 (Rs.)
Interest accrued: on loans to related party	75,001,855	67,020,656
Security deposits	1,656,231	1,656,231
Bank deposits with more than 12 months maturity	-	26,000,000
Total	76,658,086	94,676,887

8 Income tax assets (net)

Particulars	WSL (Standalone)	WSL (Standalone)
	As at 30/06/2021 (Rs.)	As at 31/03/2021 (Rs.)
Taxes paid (net of provision for tax)	302,446,004	301,974,891
Total	302,446,004	301,974,891

9 Other non-current assets

Particulars	WSL (Standalone)	WSL Steel Business
	As at 30/06/2021 (Rs.)	As at 31/03/2021 (Rs.)
Capital advances	30,072,700	24,732,700
Prepaid expenses	316,468	316,468
Total	30,389,168	25,049,168



WELSPUN STEEL LIMITED

NOTES TO PROVISIONAL UNAUDITED STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR EN
10 Inventories

Particulars	WSL (Standalone)	WSL (Standalone)
	As at 30/06/2021 (Rs.)	As at 31/03/2021 (Rs.)
Raw Materials and components	244,461,819	125,942,600
Raw Materials and components in transit	25,037,179	48,718,745
Finished goods	1,186,539,221	949,719,601
Stores, spares and packing materials	84,209,335	70,101,698
Total	1,540,247,554	1,194,482,644



WELSPUN STEEL LIMITED

NOTES TO PROVISIONAL UNAUDITED STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR EN

11 Trade receivables

Particulars	WSL (Standalone) As at 30/06/2021 (Rs.)	WSL (Standalone) As at 31/03/2021 (Rs.)
Trade receivables considered good - Unsecured	17,725,558	103,870,692
Trade receivables which have significant increase in Credit Risk	-	-
Trade receivables - Credit Impaired	-	-
Less: Provision for Impairment	-	-
Total	17,725,558	103,870,692

12 Cash and cash equivalents

Particulars	WSL (Standalone) As at 30/06/2021 (Rs.)	WSL (Standalone) As at 31/03/2021 (Rs.)
Balances with banks	2,007,687	1,276,055
Cheques on hand	-	7,696
Cash on hand	1,136,144	592,687
Bank deposits with original maturity less than three months	-	-
Total	3,143,831	1,876,438

13 Other bank balances

Particulars	WSL (Standalone) As at 30/06/2021 (Rs.)	WSL (Standalone) As at 31/03/2021 (Rs.)
Bank deposits	750,065,944	726,104,652
Total	750,065,944	726,104,652

14 Current loans

Particulars	WSL (Standalone) As at 30/06/2021 (Rs.)	WSL (Standalone) As at 31/03/2021 (Rs.)
Loans receivables considered good - Unsecured	57,298,349	57,290,653
Loans receivables which have significant increase in Credit Risk	-	-
Loans receivables - Credit Impaired	-	-
Less: Provision for Impairment	-	-
Total	57,298,349	57,290,653

Details of loans and advances to related parties:

Particulars	WSL (Standalone) As at 30/06/2021 (Rs.)	WSL (Standalone) As at 31/03/2021 (Rs.)
Welspun Energy Orissa Private Limited	57,290,653	57,290,653
MGN Agro Properties Pvt Ltd	7,696	-



WELSPUN STEEL LIMITED

NOTES TO PROVISIONAL UNAUDITED STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR EN

Welspun Specialty Solutions Ltd. (formerly known as RMG Alloy	-	
Total	57,298,349	57,290,653

15 Other current financial assets

Particulars	WSL (Standalone)	WSL (Standalone)
	As at 30/06/2021 (Rs.)	As at 31/03/2021 (Rs.)
Interest accrued:		
on bank deposits	2,190,205	-
on loans to related party	-	-
MTM on forward contract receivable	-	128,680
Total	2,190,205	128,680

16 Other current assets

Particulars	WSL (Standalone)	WSL (Standalone)
	As at 30/06/2021 (Rs.)	As at 31/03/2021 (Rs.)
Security deposits	7,100,000	7,100,000
Retirement benefit asset	-	-
Balances with statutory / government authorities	255,106,608	259,654,068
Advances to suppliers	112,570,094	58,512,668
Advances recoverable in cash or in kind	16,567,657	6,441,311
Total	391,344,359	331,708,047



WELSPUN STEEL LIMITED

NOTES TO PROVISIONAL UNAUDITED STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR

17 Share capital

Particulars	As at 31/03/2021 (Rs.)	As at 31/03/2020 (Rs.)
Authorised:		
760,760,000 (760,760,000) Equity shares of Rs.10 each	7,607,600,000	7,607,600,000
305,300,000 (305,300,000) Preference share of Rs.10 each	3,053,000,000	3,053,000,000
	10,660,600,000	10,660,600,000
Issued, subscribed and fully paid up:		
Equity shares		
447,813,359 (447,813,359) Equity shares of Rs.10 each	4,478,133,590	4,478,133,590
Total	4,478,133,590	4,478,133,590

a) Reconciliation of the Equity shares outstanding at the beginning and at the end of the year:

i) Equity Shares:

Particulars	As at 30/06/2021		As at 31/03/2021	
	No. of shares	(Rs.)	No. of shares	(Rs.)
At the beginning of the year	447,813,359	4,478,133,590	447,813,359	4,478,133,590
Issued during the year	-	-	-	-
At the end of the year	447,813,359	4,478,133,590	447,813,359	4,478,133,590

b) Terms / Rights attached to shares:

i) Equity Shares:

The Company has only one class of equity shares having a par value of Rs.10 per share. Each share holder is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the shareholder will be entitled to receive assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of the shares held by holding company :

Name of Shareholder	As at 30/06/2021		As at 31/03/2020	
	No. of shares	% of Holding	No. of shares	% of Holding
Equity Shares:				
Rank Marketing LLP	311,785,225	69.62%	311,785,225	69.62%

d) Details of shareholders holding more than 5% shares in the Company :

Name of Shareholder	As at 30/06/2021		As at 31/03/2021	
	No. of shares	% of Holding	No. of shares	% of Holding
Equity Shares:				
Rank Marketing LLP	311,785,225	69.62%	311,785,225	69.62%
MGN Agro Properties Pvt. Ltd.	120,830,674	26.98%	120,830,674	26.98%

e) Company has not allotted any class of shares as fully paid up without payment being received in cash or as bonus shares, nor any class of shares has been bought back by the Company during last five years except, during 2018-19 financial year 13,848,456 equity shares were allotted by conversion of preference shares.



WELSPUN STEEL LIMITED

NOTES TO PROVISIONAL UNAUDITED STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

18 Other non-current financial liabilities

Particulars	WSL (Standalone) As at 30/06/2021 (Rs.)	WSL (Standalone) As at 31/03/2021 (Rs.)
(Carried at amortised cost) Security deposits from related party	-	-
Total	-	-

19 Non-current provisions

Particulars	WSL (Standalone) As at 30/06/2021 (Rs.)	WSL (Standalone) As at 31/03/2021 (Rs.)
Provision for employee benefits: Leave encashment (Unfunded)	5,872,453	5,872,453
Total	5,872,453	5,872,453

20 Deferred tax liabilities (net)

Particulars	WSL (Standalone) As at 30/06/2021 (Rs.)	WSL (Standalone) As at 31/03/2021 (Rs.)
Deferred tax liabilities:		
Depreciation	362,027,206	347,360,718
Retirement benefit	-	-
LTCG on equity instruments measured at fair value	-	19,372,591
Total (a)	362,027,206	366,733,309
Less: Deferred tax assets:		
Expenses allowable on payment basis	-	2,002,255
Deferred lease rent	-	-
Business losses	-	-
Unabsorbed depreciation	-	14,035,034
Total (b)	0	16,037,289
Deferred Tax Liabilities (Net) (a-b)	362,027,206	350,696,020

21 Other non-current liabilities

Particulars	WSL (Standalone) As at 30/06/2021 (Rs.)	WSL (Standalone) As at 31/03/2021 (Rs.)
Lease liabilities	5,151,545	5,155,354
Total	5,151,545	5,155,354

22 Short-term borrowings

Particulars	WSL (Standalone)	WSL (Standalone)
-------------	------------------	---------------------

WELSPUN STEEL LIMITED

NOTES TO PROVISIONAL UNAUDITED STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Particulars	As at 30/06/2021 (Rs.)	As at 31/03/2021 (Rs.)
Secured:		
Cash credit from banks (refer note a & b below)	103,152,926	198,135,583
Inter Company Deposit	-	
Total	103,152,926	198,135,583

- a) Working Capital facilities including Cash credit from banks under consortium arrangement, are secured by hypothecation of inventories, bills receivables, book debts and other current assets of the Company, both present and future (first pari-passu charge) and second pari passu charge on the entire land situated at Versamedi village vide survey No. 650, 652/P-1 together with buildings and structures thereon and plant and
- b) The cash credits are repayable on demand and carries interest 1 Year MCLR rate plus spread of 0.95% to

23 Current trade payables

Particulars	WSL (Standalone) As at 30/06/2021 (Rs.)	WSL (Standalone) As at 31/03/2021 (Rs.)
Total outstanding dues of micro enterprises and small enterprises	230,573	735,742
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,426,013,175	1,356,598,192
Total	1,426,243,748	1,357,333,934



WELSPUN STEEL LIMITED

NOTES TO PROVISIONAL UNAUDITED STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

The following details relating to micro, small and medium enterprises :

Particulars	WSL (Standalone) As at 30/06/2021 (Rs.)	WSL (Standalone) As at 31/03/2021 (Rs.)
a) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	230,573	735,742
b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
Total	230,573	735,742

Note:

Except as disclosed above, the Company has not received intimation from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, accordingly disclosure has been

24 Other current financial liabilities

Particulars	WSL (Standalone) As at 30/06/2021 (Rs.)	WSL (Standalone) As at 31/03/2021 (Rs.)
Interest accrued on borrowings	653,424	1,277,961
Interest received in advance from customer	-	-
Employees dues payable	155,301	1,073,564
Commission payable to director	-	-
Dues for fixed assets purchases	-	-
Consideration payable for shares	-	-
Payable on demerger of treasury undertaking to MGN Agro Properties Pvt. Ltd.	-	-
MTM on forward contract payable	-	-
Total	8,144,675	-
	8,953,400	2,351,525

25 Other current liabilities



WELSPUN STEEL LIMITED

NOTES TO PROVISIONAL UNAUDITED STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30 JUNE 2021

Particulars	WSL (Standalone) As at 30/06/2021 (Rs.)	WSL (Standalone) As at 31/03/2021 (Rs.)
Advances received from customers and others	477,088,610	190,238,872
Deferred lease rent	-	-
Lease liabilities	461,304	490,196
Statutory dues payable	5,974,526	8,956,275
Total	483,524,438	199,685,343

26 Short-term provisions

Particulars	WSL (Standalone) As at 30/06/2021 (Rs.)	WSL (Standalone) As at 31/03/2021 (Rs.)
Provision for employee benefits:		
Leave encashment (Unfunded)	1,599,854	1,599,854
Gratuity (Funded)	483,251	483,251
Total	2,083,105	2,083,105



WELSPUN STEEL LIMITED

NOTES TO PROVISIONAL UNAUDITED STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

27 Revenue from operations

Particulars	WSL (Standalone) till 30-06-2021 (Rs.)	WSL (Standalone) 2020-21 (Rs.)
Sales of products:		
Finished goods	1,833,833,819	5,819,458,956
Less:		
Commission on sales	309,456	4,990,897
Freight on sales	7,444,960	28,276,152
Traded goods	1,826,079,403	5,786,191,908
	-	105,255,896
Other operating revenues:	1,826,079,403	5,891,447,804
Export incentive	16,473,221	201,595,332
VAT incentive	49,707,894	-
Sale of steam	97,624,300	366,164,200
	163,805,415	567,759,532
Total	1,989,884,818	6,459,207,336

a) Details of finished goods sold

Particulars	WSL (Standalone) till 30-06-2021 (Rs.)	WSL (Standalone) 2020-21 (Rs.)
Sponge iron	163,088,826	1,028,424,211
Billets	5,431,362,652	3,665,206,114
Others	-3,760,617,659	395,852,369
Total	1,833,833,819	5,089,482,694

b) Details of traded goods sold:

Particulars	WSL (Standalone) till 30-06-2021 (Rs.)	WSL (Standalone) 2020-21 (Rs.)
Coal	29,592,125	254,053,760
Iron ore	49,000,140	-
Scrap	26,663,631	87,401,308
Others	-	3,087,748
Total	105,255,896	344,542,816



WELSPUN STEEL LIMITED

NOTES TO PROVISIONAL UNAUDITED STANDALONE IND AS FINANCIAL
STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

28 Other income

Particulars	WSL (Standalone) till 30-06-2021 (Rs.)	WSL (Standalone) 2020-21 (Rs.)
Interest income:		
on bank deposits	2,506,252	30,179,839
on others	-	762,295
on bonds	-	1,999,192
on loans	7,981,199	21,418,758
on income tax refund	-	2,844,450
on VAT refund	-	243,220
on preference share investment measured at amortised cost	-	218,553
Lease rental income	1,230,000	9,575,653
Profit on sale of investment (net)	92,941	6,949,585
Balance written back (net)	-	12,321,505
Exchange rate difference (net)	-	-
Refund of excess electricity duty	-	-
Total	11,810,392	86,513,049



WELSPUN STEEL LIMITED

NOTES TO PROVISIONAL UNAUDITED STANDALONE IND AS FINANCIAL
STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

29 Cost of materials consumed

Particulars	WSL (Standalone) till 30-06-2021 (Rs.)	WSL (Standalone) 2020-21 (Rs.)
Raw materials:		
Opening inventory	174,661,345	248,445,786
Add: Purchases	1,639,962,878	4,730,900,350
Less: Closing inventory	269,498,998	174,661,345
Total	1,545,125,225	4,804,684,791

a) Details of raw materials consumed:

Particulars	WSL (Standalone) till 30-06-2021 (Rs.)	WSL (Standalone) 2020-21 (Rs.)
Iron ore	652,988,282	1,823,011,368
Coal	214,617,526	780,317,108
Scrap	658,563,466	2,180,867,470
Others	18,955,951	20,488,845
Total	1,545,125,225	4,804,684,791

30 Purchase of stock in trade

Particulars	WSL (Standalone) till 30-06-2021 (Rs.)	WSL (Standalone) 2020-21 (Rs.)
Purchase of stock in trade	-	97,140,470
Total	-	97,140,470

31 Changes in inventories of finished goods

Particulars	WSL (Standalone) till 30-06-2021 (Rs.)	WSL (Standalone) 2020-21 (Rs.)
Changes in inventories of finished goods:		
Opening inventory	949,719,601	159,865,920
Less: Closing inventory	1,186,539,221	949,719,601
Total	(236,819,620)	(789,853,681)



WELSPUN STEEL LIMITED

NOTES TO PROVISIONAL UNAUDITED STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

32 Employee benefits expense

Particulars	WSL (Standalone) till 30-06-2021 (Rs.)	WSL (Standalone) 2020-21 (Rs.)
Salaries and wages	50,669,612	191,496,178
Contributions to provident and other funds	2,651,655	13,006,251
Staff welfare expenses	1,757,351	9,344,215
Total	55,078,618	213,846,644

33 Finance costs

Particulars	WSL (Standalone) till 30-06-2021 (Rs.)	WSL (Standalone) 2020-21 (Rs.)
Interest expense	14,092,091	74,261,515
Other borrowing costs	1,421,178	7,570,501
Interest expense on lease liabilities	32,924	175,713
Interest expense on security deposit liability measures at amortised cost	-	1,360,104
Total	15,546,193	83,367,833

34 Other expenses

Particulars	WSL (Standalone) till 30-06-2021 (Rs.)	WSL (Standalone) 2020-21 (Rs.)
Consumption of stores, spares and packing materials	105,106,183	374,092,575
Labour charges	12,595,911	59,085,659
Hire charges	9,395,700	32,999,653
Power, fuel and water charges	286,502,240	1,046,757,114
Freight and forwarding charges	108,726,690	165,548,296
Repairs and maintenance:		
to buildings	-	439,829
to plant and machinery	1,882,111	6,967,208
to others	29,670	302,196
IT Outsourcing expenses	1,845,399	7,300,433
Insurance	1,646,090	11,411,259
Rent	71,667	1
Rates and taxes	782,560	6,601,794
Stamp duty on amalgamation expenses	-	-
Travelling and conveyance	1,019,104	10,956,630
Professional and consulting charges	2,605,201	25,353,569
Security expense	598,649	2,967,847
Auditor's remuneration:		
for audit	290,000	1,395,000
for tax audit	-	250,000
for other services	-	25,000
for reimbursement of expenses	-	-
Investments written off	-	-
Loss on sale of investments (net)	-	-



WELSPUN STEEL LIMITED

NOTES TO PROVISIONAL UNAUDITED STANDALONE IND AS FINANCIAL
STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Loss on sale of fixed assets (net)	-	17,803,664
Exchange rate difference (net)	6,602,756	5,684,110
Bad debts written off	-	-
Sundry balance written off (net)	-	-
Loans written off	-	19,710,294
Capital advances written off	-	20,021,733
Custom duty paid under protest written off	-	-
CSR expenditure / Donations	-	2,642,986
Miscellaneous expenses	1,757,356	8,281,169
Total	541,457,287	1,826,598,019



C. S. MANGAL & CO.

CHARTERED ACCOUNTANTS

C. S. Mangal

B. Com, F.C.A., A.C.S.
Proprietor

Block No. 9, Roxana Building,
Ground Floor, 109, Maharshi Karve Road,
Churchgate, Mumbai - 400 020.
Tel.: 022- 2203 6685 / 2205 7359
Fax : 022- 2205 7359
Email : csmangal_24@yahoo.com

CERTIFICATE

To,

The Board of Directors,

Welspun Steel Limited,

Welspun City, Village Versamedi,

Taluka Anjar,

Gujarat 370110

Dear Sirs,

1. At the request of Welspun Steel Limited ("WSL" or "the Company"), we have examined the attached statement of computation of pre and post scheme net worth of the Company as at March 31, 2021, ('the statement'), prepared by the Company and certified by us for identification purposes.
2. It has been explained to us that the attached copy of the Draft Scheme of Arrangement, provides, *inter alia*, for demerger of the Demerged Undertaking (as defined at Clause 1.9 of the said scheme) of Welspun Steel Limited ('the Demerged Company') into Welspun Corp Limited ("the Resulting Company"), under Sections 230-232 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 ("Scheme"). The Appointed Date of Scheme is April 1, 2021.
3. In the attached statement, the account balances (Equity Share Capital, Securities Premium account and Free Reserves) used in the computation of pre Scheme net worth of the Company as at March 31, 2021 has been traced from the audited books of accounts of the Company, for the financial year 2020-21 made available to us for verification and the post Scheme net worth of the Company has been computed considering the accounting treatment contained in the Scheme which is subject to National Company Law Tribunal ("NCLT") approval. As represented to us, the Scheme is proposed to be filed with the NCLT, Ahmedabad Bench.



4. The accompanying statement is the responsibility of Company's management. Our responsibility is not to verify the accuracy of the facts stated in the certificate. We conducted our examination in accordance with the guidance notes on Audit reports and certificates for special purposes issue by the Institute of Chartered Accountants of India. Our Scope of work did not involve performing any audit tests in the context of our examination. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such opinion.
5. Based on the procedures mentioned in paragraph 3 above and according to the information and explanation given to us and specific representation received from the management, we certify that the pre-Scheme net worth of the Company as at March 31, 2021 and the post-Scheme net worth computed in accordance with paragraph 3 above is as noted below:

(INR in million)

Particulars	Pre-Scheme	Post-Scheme
Equity Share Capital	4,478.13	4,478.13
Security Premium Account	609.33	609.33
Free Reserves	(248.40)	(248.40)
Total Net Worth	4,839.06	4,839.06

Since Capital reserve is not available for distribution of dividend, it has not been included in free reserves.

6. Net Worth for the above computation is taken as the sum total of the paid-up share capital, securities premium account and Free Reserves as defined under section 2(43) of the Companies Act, 2013.

Other reserve / equity (like Capital reserve, Equity Component of fair valuations of Investment and Equity Component of Actuarial gain / (loss)) of the Company, excluding Free Reserve as stated above, pre-Scheme, totals to INR 2,035.80 millions: post Scheme the total of such other reserves would be INR (3,099.82) millions.



7. This certificate is intended solely for the use of the management of the Company for the purpose of submission to the Stock Exchange, and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**Yours Faithfully,
For C.S. Mangal & Co.
(Chartered Accountants)**



**Proprietor
Place: Mumbai
Date: 09.07.2021
Membership No: 35244
FRN: 131384W
UDIN: 21035244AAAAHD8719**



C. S. MANGAL & CO.

CHARTERED ACCOUNTANTS

C. S. Mangal

B. Com, F.C.A., A.C.S.
Proprietor

Block No. 9, Roxana Building,
Ground Floor, 109, Maharshi Karve Road,
Churchgate, Mumbai - 400 020.
Tel.: 022- 2203 6685 / 2205 7359
Fax : 022- 2205 7359
Email : csmangal_24@yahoo.com

CERTIFICATE

To,
The Board of Directors,
Welspun Corp Limited,
Welspun City, Village Versamedi,
Taluka Anjar,
Gujarat 370110

Dear Sirs,

1. At the request of Welspun Corp Limited ("WCL" or "the Company"), we have examined the attached statement of computation of pre and post scheme net worth of the Company as at March 31, 2021, ("the statement"), prepared by the Company and certified by us for identification purposes.
2. It has been explained to us that the attached copy of the Draft Scheme of Arrangement, provides, *inter alia*, for demerger of the Demerged Undertaking (as defined at Clause 1.9 of the said scheme) of Welspun Steel Limited ("the Demerged Company") into Welspun Corp Limited ("the Resulting Company"), under Sections 230-232 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 ("Scheme"). The Appointed Date of Scheme is April 1, 2021.
3. In the attached statement, the account balances (Equity Share Capital, Securities Premium account and Free Reserves) used in the computation of pre Scheme net worth of the Company as at March 31, 2021 has been traced from the audited books of accounts of the Company, for the financial year 2020-21 made available to us for verification and the post Scheme net worth of the Company has been computed considering the accounting treatment contained in the Scheme which is subject to National Company Law Tribunal ("NCLT") approval. As represented to us, the Scheme is proposed to be filed with the NCLT, Ahmedabad Bench.
4. The accompanying statement is the responsibility of Company's management. Our responsibility is not to verify the accuracy of the facts stated in the certificate. We conducted our examination



in accordance with the guidance notes on Audit reports and certificates for special purposes issue by the Institute of Chartered Accountants of India. Our Scope of work did not involve performing any audit tests in the context of our examination. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such opinion.

5. Based on the procedures mentioned in paragraph 3 above and according to the information and explanation given to us and specific representation received from the management, we certify that the pre-Scheme net worth of the Company as at March 31, 2021 and the post-Scheme net worth computed in accordance with paragraph 3 above is as noted below:

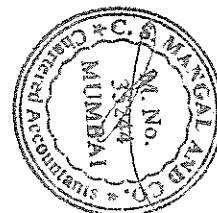
(INR in million)

Particulars	Pre Scheme	Post Scheme
Equity Share Capital	1,304.43	1,304.43
Securities Premium Account	7,183.71	7,183.71
Free Reserves	16,823.18	16,823.18
Total Net Worth	25,311.32	25,311.32

Since the consideration to be issued pursuant to the Scheme is in the form of Redeemable Preference Shares, the same will be treated as a liability in the books of the Resulting Entity, and hence not forming part of Net Worth.

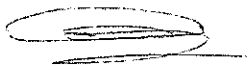
6. Net Worth for the above computation is taken as the sum total of the paid-up share capital, securities premium account and Free Reserves as defined under section 2(43) of the Companies Act, 2013.

Other reserves (like capital reserve, Debenture Redemption Reserve, capital redemption reserve, Equity settled share based payments and cash flow hedging reserve) of the Company, excluding the Free Reserves as stated above, pre-Scheme, totals to INR million 239.55 ; post Scheme the total of such other reserves would be INR million 1,747.88.



7. This certificate is intended solely for the use of the management of the Company for the purpose of submission to the Stock Exchange, and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**Yours Faithfully,
For C. S. Mangal & Co.
Chartered Accountants**



Proprietor

Place: Mumbai

Date: 01st July 2021

Membership No. 35244

FRN: 131384W

UDIN No: 21035244AAAAGT9199



IN THE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD
COURT - 1

ITEM No 141
C.A.(CAA)/71(AHM)2021

Order under Section 230-232

IN THE MATTER OF:

Welspun Steel Ltd
Welspun Corp Ltd

.....Applicant

Order delivered on ..04/10/2021

Coram:

Madan B. Gosavi, Hon'ble Member(J)
Virendra Kumar Gupta, Hon'ble Member(T)

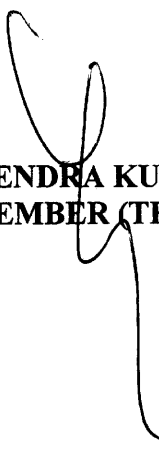
PRESENTS:

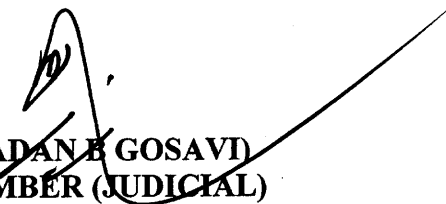
For the Applicant :
For the IRP/RP :
For the Respondent :

ORDER

The case is fixed for pronouncement of order.

The order is pronounced in open court vide separate sheet.


(VIRENDRA KUMAR GUPTA)
MEMBER (TECHNICAL)


(MADAN B. GOSAVI)
MEMBER (JUDICIAL)

**NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH
COURT -1**

CA (CAA)/71/AHM/2021

[A Company Application filed under section 230-232 of the Companies Act, 2013]

In the matter of:

Welspun Steel Limited
(CIN:U27109GJ2004PLC044249)
Having its registered office at
Survey No. 650, Village
Varsamedital, Taluka Anjar, Dist.
Kutch, Gujarat - 370110

... Applicant Demerged Company

Welspun Corp Limited
(CIN:L27100GJ1995PLC025609)
Having its registered office at
Welspun City, Village Versamedi,
Taluka Anjar, Dist. Kutch,
Gujarat -370110

... Applicant Resulting Company

Order Reserved on 27.09.2021

Order Pronounced on 04.10.2021

Coram: Madan Bhalchandra Gosavi (Member Judicial)

Virendra Kumar Gupta (Member Technical)

Appearance:

Learned Counsel Ms. Dharmishta N. Raval appeared for the Applicant Companies



ORDER

[Per: Bench]

1. The present application is filed by Welspun Steel Limited and Welspun Corp Limited ("**the Applicant Companies**") under Sections 230-232 of the Companies Act, 2013 (hereinafter referred to as '**the Act**') read with Companies (Compromise, Arrangement and Amalgamations) Rules, 2016 (hereinafter referred to as "**the Rules**"). The Scheme is an arrangement between Welspun Steel Limited (hereinafter referred to as the "**Applicant Demerged Company**") and Welspun Corp Limited (hereinafter referred to as the "**Applicant Resulting Company**") and its respective shareholders.
2. The registered office of both the Applicant Companies is situated in the State of Gujarat, and hence both the Applicant Companies are under the jurisdiction of the National Company Law Tribunal at Ahmedabad.
3. By this application, the Applicant Companies are seeking dispensation of the meetings of the Equity Shareholders in respect of the Applicant Demerged Company and appropriate directions for holding and convening of meeting of Equity shareholders of the Applicant Resulting Company and of Secured

and Unsecured Creditors of both the Applicant Companies in respect of the Scheme of Arrangement between Welspun Steel Limited and Welspun Corp Limited and their respective shareholders ("**the Scheme**"), with effect from the Appointed Date on the agreed terms and conditions as set out in the Scheme annexed at **Annexure F**, in accordance with Sections 230 to 232 of the Act and other applicable provisions of the Act.

4. The proposed restructuring pursuant to this Scheme is expected, inter-alia, to result in the following benefits:
 - a. The consolidation will result in earning predictability, stronger revenue and improved competitiveness, with diversification in product portfolio thereby reducing business risks for mutual benefit of the shareholders. This will result in strong presence across market segments; provide access to new markets and product offerings. Further, the operations of the Demerged Company could have access to the Resulting Company's marketing capabilities.
 - b. Greater economies of scale and will provide a larger and stronger base for potential future growth;
 - c. Consolidation and simplification of the group structure;

- d. Reduction in overheads, administrative, managerial and other expenditure;
 - e. Operational rationalization and increase in operating efficiency; and
 - f. Synergistic benefits, expansion and acquisition opportunities.
5. It is submitted by the Learned Counsel that the Board of Directors of the Applicant Companies at their respective Board meetings which was held on 28th June 2021 passed a resolution approving the proposed Scheme as placed before the respective Board. The Applicant Companies have filed their audited Balance Sheet as on 31st March 2021 and provisional financial statement as on 30th June 2021 and is placed on record. The Applicant Companies have also placed on record the certificate issued by their respective statutory auditors certifying compliance with Section 133 of the Act.
6. It is further submitted that the Applicant Companies have placed on record report given by RBSA Valuation Advisors LLP and Drushti R. Desai and the same is annexed with the application.
7. The equity shares of the Applicant Resulting Company are listed on the Bombay Stock Exchange Limited and the National Stock

Exchange of India Limited. It is further submitted that the Applicant Resulting Company had submitted the Scheme (**Annexure F**) to the aforesaid stock exchanges for the requisite approvals and the aforesaid stock exchanges have issued their respective observation letters to the Applicant Resulting Company and the same is placed on record.

8. It is further submitted by the Learned Counsel that no investigation or proceedings under Sections 210 to 226 of the Companies Act, 2013 as well as Sections 235 to 251 of the Companies Act, 1956 are pending against the Applicant Companies.
9. It is further submitted that the Applicant Companies are part of Welspun Group. Further the De-minimis exemption provided under the Competition Act, 2002 is available. Accordingly, the provisions of the Competition Act, 2002 are not applicable in the present case.
10. It is submitted by the Learned Counsel for the Applicant Companies that notice to Reserve Bank of India is required as there is a foreign shareholder in the Applicant Demerged Company.

11. Heard the Learned Counsel for the Applicant Companies and perused the application and the documents placed on record.
12. It is submitted that as on 30th June 2021, the Applicant Demerged Company has 8 Equity Shareholders. The list of Equity Shareholders as certified by the Chartered Accountant is placed on record at **Annexure K**. It is submitted that all the Equity Shareholders of the Applicant Demerged Company have filed consent affidavit and the same are produced on record at **Annexure J (Colly)**.
13. It is submitted that as on 30th June 2021, the Applicant Resulting Company has 1,00,828 Equity Shareholders. The number of Equity Shareholders as certified by the Chartered Accountant is placed on record at **Annexure L**.
14. It is submitted that as on 30th June 2021, the Applicant Demerged Company has 3 Secured Creditors. The number of Secured Creditors as certified by the Chartered Accountant is placed on record at **Annexure M**.

15. It is submitted that as on 30th June 2021, the Applicant Resulting Company has 12 Secured Creditors. The number of Secured Creditors as certified by the Chartered Accountant is placed on record at **Annexure N**.
16. It is submitted that as on 30th June 2021, the Applicant Demerged Company has 450 Unsecured Creditors. The number of Unsecured Creditors as certified by the Chartered Accountant is placed on record at **Annexure O**.
17. It is submitted that as on 30th June 2021, the Applicant Resulting Company has 1,310 Unsecured Creditors. The number of Unsecured Creditors as certified by the Chartered Accountant is placed on record at **Annexure P**.
18. Considering the entire facts and materials placed on record, this Tribunal passes the following order:
- i. The meeting of Equity Shareholders of the Applicant Demerged Company is hereby dispensed with in view of the consent affidavits of all the Equity Shareholders.
 - ii. The meeting of the Secured Creditors of the Applicant Demerged Company shall be convened and held on 16.11.2021 at 11.45 am, in case of physical meeting, at the registered office of the

Applicant Demerged Company for the purpose of considering and, if thought fit, approving with or without modifications the proposed Scheme.

- iii. The meeting the Unsecured Creditors of the Applicant Demerged Company shall be convened and held on 16.11.2021 at 1.15 pm, in case of physical meeting, at the registered office of the Applicant Demerged Company for the purpose of considering and, if thought fit, approving with or without modifications the proposed Scheme.
- iv. The meeting of the Equity Shareholders of the Applicant Resulting Company shall be convened and held on 16.11.2021 at 2.30 pm, in case of physical meeting, at the registered office of the Applicant Resulting Company for the purpose of considering and, if thought fit, approving with or without modifications the proposed Scheme.
- v. The meeting of the Secured Creditors of the Applicant Resulting Company shall be convened and held on 16.11.2021 at 11.00am, in case of physical meeting, at the Applicant Resulting Company for the purpose of considering and, if thought fit, approving with or without modifications the proposed Scheme.
- vi. The meeting of the Unsecured Creditors of the Applicant Resulting Company shall be convened and held on 16.11.2021 at 12.30 pm, in case of physical meeting, at the registered office of

the Applicant Resulting Company for the purpose of considering and, if thought fit, approving with or without modifications the proposed Scheme.

- vii. In view of the recent circulars of Ministry of Corporate Affairs; viz. Circular No. 14 of 2020 dated 8th April 2020, Circular No. 17 of 2020 dated 13th April 2020 and Circular No. 20 of 2020 dated 5th May 2020, the meetings of Secured Creditors and Unsecured Creditors of the Applicant Demerged Company and the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Applicant Resulting Company may be convened and conducted through video conferencing or other Audio Visual Means or other means as may be permitted under law.
- viii. The Applicant Resulting Company being a listed public company is governed by SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017, and in view of Sections 230(4) of the Act as well as Rule 6(3)(xi) of the Companies (CAA) Rules, 2016 and SEBI (Listing Obligations and Disclosure Requirements Regulations), 2015; it is required to provide a facility of remote e-voting to the shareholders. Hence the Applicant Resulting Company is directed to carry out voting through (i) remote e-voting as well as (ii) voting at the time of meeting for all the Equity Shareholders, Secured Creditors and Unsecured Creditors.

- ix. At least one month before the date of the aforesaid meetings, the respective Applicant Companies to publish the day, the date, the place and the time as aforesaid of the meetings, one in English Daily '**Financial Express**' Ahmedabad Edition and Gujarati translation thereof in '**Kutch Mitra**'. The publication shall indicate that the statement required to be furnished pursuant to Section 102 of the Act, read with Sections 230 - 232 of the Act and the prescribed proxy can be obtained free of charge at the registered office of the respective Applicant Companies in accordance with second proviso to sub-section (3) of Section 230 of the Act read with Rule 7 of the Companies (CAA) Rules, 2016.
- x. At least one month before the date of the meeting of the Equity Shareholders of the Applicant Resulting Company to be held as aforesaid, a notice in respect of convening the said meeting indicating the day, date, place and time as aforesaid, together with a copy of the Scheme, a copy of the statement required to be furnished pursuant to Section 102 of the Act read with Sections 230 to 232 of the Act and Rule 6 of the Companies (CAA) Rules, 2016 and prescribed form of proxy shall be sent to each of the Equity Shareholders on records of the Applicant Resulting Company as on 30.06.2021 at their respective registered or last known addresses either by Registered Post or

Speed Post/Airmail or by Courier or by Email or by Hand delivery.

- xi. At least one month before the date of the aforesaid meetings, of the Applicant Companies to be held as aforesaid, a notice in respect of convening the said meeting indicating the day, date, place and time as aforesaid, together with a copy of the Scheme, a copy of the statement required to be furnished pursuant to Section 102 of the Act read with Sections 230 to 232 of the Act and Rule 6 of the Companies (CAA) Rules, 2016 and prescribed form of proxy shall be sent to each of the respective Secured Creditors and Unsecured Creditors on records of the Applicant Companies as on 30.06.2021 at their respective registered or last known addresses either by Registered Post or Speed Post/Airmail or by Courier or by Email or by Hand Delivery.
- xii. Mr. Atul Desai, Advocate & Solicitor, Partner of Kanga & Co. and failing him, Mr. Niral Patel, Chartered Accountant, Partner of RNPG & Co., shall be the Chairman of the aforesaid meetings of the Applicant Demerged Company and in respect of any adjournment or adjournments thereof.
- xiii. Mr. Niral Patel, Chartered Accountant, Partner of RNPG & Co. and failing him Mr. Atul Desai, Advocate & Solicitor, Partner of Kanga & Co., shall be the Chairman of the aforesaid meetings of

the Applicant Resulting Company and in respect of any adjournment or adjournments thereof.

- xiv. Mr. Sanjay S. Risbud, Practicing Company Secretary and, in his absence, Mr. Mihen Halani, Practicing Company Secretary is appointed as the Scrutinizer for the aforesaid meetings of the Applicant Demerged Company.
- xv. Ms. Mansi Shah, Designated Partner of M/s. JMJA Associates LLP, and, in her absence, Mr. Jigar Shah Designated Partner of M/s. JMJA Associates LLP is appointed as the Scrutinizer for the aforesaid meetings of the Applicant Resulting Company.
- xvi. The Chairman appointed for the aforesaid meetings shall issue advertisements and send out notices of the said meetings referred above. The Chairman is free to avail services of the respective Applicant Companies or any agency for carrying out the aforesaid directions.
- xvii. The Chairman shall have all powers under the Articles of Association of the respective Applicant Companies and also under Rules in relation to conduct of the meetings, including for deciding any procedural questions, that may arise at the meetings or adjournment(s) thereof proposed for the said meetings, amendment(s) to the aforesaid Scheme or resolution, if any, proposed at the aforesaid meetings by any person(s); and to ascertain the decision of the meeting of Secured Creditors and

Unsecured Creditors of the Applicant Demerged Company and of the meeting of Equity Shareholders, Secured Creditors and Unsecured Creditors of the Applicant Resulting Company.

- xviii. The quorum for the aforesaid meetings shall be as per Section 103 of the Companies Act 2013 present in person or through authorised representative or through proxy. If the requisite quorum is not present within half an hour from the time appointed for holding the respective meetings, then the said meeting shall be adjourned by half an hour and the quorum for the adjourned meeting shall be such number of persons that are present in person or through authorised representative or through proxy.
- xix. Voting by proxy/authorized representative is permitted provided that the proxy in the prescribed form/authorization duly signed by the person entitle to attend and vote at the aforesaid meetings is filed with the relevant Applicant Companies at its registered office or at its corporate office not later than 48 hours before the said meetings, vide Rule 10 of the Companies (CAA) Rules, 2016 read with Section 105 and Section 113 of the Act.
- xx. In view of Para A(X) of the MCA General Circular No. 14/2020 dated 8th April 2020, in case of meeting through video conference or other audio-visual means, the voting through Proxy shall not be permitted. However, voting through

Authorized Representative is permitted, provided the prescribed form / authorization duly signed by the person entitle to attend and vote at the aforesaid meetings is filed with the Applicant Demerged Company not later than 48 hours before the start of the said meetings, vide Rule 10 of the Companies (CAA) Rules, 2016 read with Section 113 of the Act.

- xxi. The number and value of the vote of each of Equity Shareholders or the value of debt of the Secured Creditors and Unsecured Creditors of the Applicant Companies, as the case may be, shall be in accordance with the register or records of the Applicant Resulting Company for its Equity Shareholders and as per the entries in the books of accounts of the respective Applicant Companies for their Secured Creditors and Unsecured Creditors; and where the entries in the records are disputed, the Chairman of the meeting shall determine the value for the meeting.
- xxii. The Chairman shall file an affidavit not less than 7 (Seven) days before the date fixed for the holding of the meetings and to report to this Tribunal that the directions regarding issuance of notices and advertisement of the meetings have been duly complied with as per Rule 12 of the Companies (CAA) Rules, 2016.
- xxiii. It is further ordered that the Chairman shall report to this Tribunal on the result of the said meetings in Form No. CAA 4, verified by his affidavit, as per Rule 14 of the Companies (CAA)

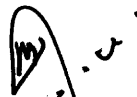
Rules, 2016 within 7 (Seven) days of the conclusion of the meetings.

19. In compliance of sub-section (5) of Section 230 of the Act and Rule 8 of the Companies (CAA) Rules, 2016, the Applicant Demerged Company shall send a notice in Form No.CAA.3 along with disclosures mentioned under Rule 6, to (i) the Central Government through the Regional Director, North Western Region, (ii) the Registrar of Companies, Gujarat, (iii) the Income Tax authorities concerned, and (iv) the Reserve Bank of India stating that representations, if any, to be made by them shall be made within a period of 30 days from the date of receipt of such notice, failing which it shall be presumed that they have no objection to make on the proposed Scheme. The said notices shall be sent forthwith by registered post or by speed post or by courier or by hand delivery at the office of the authority as required by sub-rule (2) of Rule 8 of the Companies (CAA) Rules, 2016. The aforesaid authorities, who desire to make any representation under sub-section (5) of Section 230 of the Act, shall send the same to the Tribunal within a period of 30 days from the date of receipt of such notice, failing which it will be deemed that they have no representation to make on the proposed arrangement.

20. This Company Application is allowed and disposed off accordingly.



(VIRENDRA KUMAR GUPTA)
MEMBER (TECHNICAL)



(MADAN B. GOSAVI)
MEMBER (JUDICIAL)

Shweta Desai