DETAILED PUBLIC STATEMENT FOR THE ATTENTION OF THE SHAREHOLDERS OF

WELSPUN INVESTMENTS AND COMMERCIALS LIMITED

Registered Office: Welspun City,Village Versamedi, Taluka Anjar, Kutch Dist., Gujarat - 370110, India; Telephone No: +91-2836-661111; Fax No. +91-2836-279010; Email id: companysecretary_winl@welspun.com

OPEN OFFER FOR ACQUISITION OF 9,50,164 (NINE LAKH FIFTY THOUSAND ONE HUNDRED SIXTY FOUR ONLY) EQUITY SHARES OF WELSPUN INVESTMENTS AND COMMERCIALS LIMITED ("WICL"/ "TARGET COMPANY") FROM THE PUBLIC SHAREHOLDERS OF THE TARGET COMPANY BY KRISHIRAJ TRADING LIMITED ("ACQUIRER"), ALONG WITH WELSPUN MERCANTILE LIMITED ("WML"/ "PAC 1") AND WELSPUN WINTEX LIMITED ("WWL"/ "PAC 2"), (COLLECTIVELY PAC 1 and PAC 2, REFERRED TO AS "PERSON ACTING IN CONCERT" / "PAC").

Definitions:

For the purpose of this DPS, the following terms would have the meaning assigned respectively as below:

a) **"Equity Shares"** means fully paid-up equity shares of the Target Company of the face value of Rs.10/- (Rupees Ten Only) each.

b) **"Offer"** means open offer made to the Public Shareholders of WICL, to acquire up to 9,50,164 Equity Shares, representing 26% of the total voting share capital of the Target Company as of the 10th working day from the closure of the tendering period under this Offer at a price of Rs. 20 per fully paid-up equity share.

c) **"Promoters"** means group forming part of the Promoters of the Target Company, as per clause 35 of the listing agreement, including the Acquirer and the PAC. The list of Promoters and the Equity Shares held by them, as on date, is as stated below:

Sr. No	Name of the Promoters	No. of Shares	% Holding
1	Welspun Fintrade Private Limited	6,46,956	17.70%
2	Welspun Mercantile Limited	4,53,054	12.40%
3	Welspun Wintex Limited	3,58,978	9.82%
4	Krishiraj Trading Limited	2,17,358	5.95%
5	Dipali Goenka	32,728	0.90%
6	Welspun Finance Limited	24,654	0.67%
7	Radhika Goenka	9,130	0.25%
8	B K Goenka jointly with Dipali Goenka	2,229	0.06%
9	B K Goenka (HUF)	878	0.02%
10	Methodical Investment and Trading Company Private Limited	349	0.01%
11	Welspun Syntex Limited	67	0.00%
12	Welspun Steel Limited	5	0.00%
13	Welspun Zucchi Textiles Limited	5	0.00%
14	Rajesh Mandawewala	1	0.00%
	Total	17,46,392	47.79%

d) **"Public Shareholders"** means the equity shareholder(s) of the Target Company other than the Promoters.

This Detailed Public Statement ("**DPS**") is being issued by Prime Securities Limited, the Manager to the Offer ("**Manager**"), for and on behalf of the Acquirer and the PAC, to the Public Shareholders of the Target Company, in compliance with Regulation 13(4) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("**SEBI (SAST) Regulations**") pursuant to the Public Announcement ("**PA**") filed on September 18, 2012 with the Bombay Stock Exchange Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") (herein collectively referred as "**Stock Exchanges**") and sent on September 18, 2012 to Securities and Exchange Board of India ("**SEBI**") and the Target Company at its registered office, in terms of Regulation 3(2) of the SEBI (SAST) Regulations.

1. ACQUIRER, PAC, TARGET COMPANY AND OFFER:

1.1 Acquirer and PAC:

1.1.1 The Acquirer, Krishiraj Trading Limited, was incorporated on March 4, 1992 under the Companies Act, 1956 with the Registrar of Companies, Maharashtra (Mumbai), as Krishiraj Investment and Finance Private Limited. The name was changed to Krishiraj Trading Private Limited with effect from July 29, 2004 and subsequently changed to Krishiraj Trading Limited with effect from August 16, 2004. The corporate identity number of the Acquirer is U65990GJ1992PLC050965. Its registered office is located at Survey No. 76, Village Morai, Vapi, Gujarat - 396 191, India; Tel No: +91-260-2437437.

1.1.2 The Acquirer is engaged in the business of trading in commodities and investment in securities.

1.1.3 The shareholding pattern of the Acquirer, as on date, is as under:

Category	No. of Shares	% Holding
Promoter and Promoter Group		
Dipali Goenka	4,400	88.00
Radhika Goenka	450	9.00
Rajesh Mandawewala	50	1.00
Vanshika Goenka under guardian Dipali Goenka	25	0.50
Welspun Mercantile Limited	25	0.50
B.K.Goenka (HUF)	25	0.50
B.K Goenka Family Trust	25	0.50
Total	**5,000**	**100.00**

1.1.4 Mrs. Dipali Goenka, promoter of the Acquirer and holding 88.00% of the voting share capital of the Acquirer, is the person in control of the Acquirer.

1.1.5 Mr. L.T. Hotwani, Director of the Acquirer, hold the position of Chairman of the Board of Directors of the Target Company. Further, Mr. Raj Kumar Jain, statutory auditor of the Acquirer, holds the position of Independent Director of the Target Company.

1.1.6 The brief financial details of the Acquirer are as under:

(Amount in Rs. Crore except EPS)

Particulars	Financial Year ending March 31, 2010	Financial Year ending March 31, 2011	Financial Year ending March 31, 2012
	Standalone	Standalone	Standalone
	Audited	Audited	Audited
Total Revenue	35.47	12.76	19.09
Net Income/(Net Loss)	15.84	(2.19)	4.22
EPS (Rs. per share)	31,682	(4,391)	8,430
Net worth / Shareholders' Funds	810.26	808.06	812.28

Source: *The financial information has been extracted / calculated from the audited financial statements of the Acquirer for the years ended on March 31, 2010, 2011 and 2012 as audited by statutory auditor of the Acquirer.*

1.1.7 The PAC 1, Welspun Mercantile Limited, was incorporated on June 19, 1989 under the Companies Act, 1956 with the Registrar of Companies, Maharashtra (Mumbai), as Welspun Estates Private Limited. The name was changed to Welspun Mercantile Private Limited with effect from April 1, 1999 and subsequently changed to Welspun Mercantile Limited on March 25, 2003. The corporate identity number of the PAC 1 is U70100GJ1989PLC056345. Its registered office is located at Welspun City, Village Versamedi, Taluka Anjar, Kutch Dist., Gujarat - 370 110, India; Tel No: +91-2836-662222.

1.1.8 The PAC 1 is engaged in the business of trading in commodities and investment in securities.

1.1.9 The shareholding pattern of the PAC 1, as on date, is as under:

Category	No. of Shares	% Holding
Promoter and Promoter Group		
Dipali Goenka	8,000	49.86
Vanshika Goenka under guardian Dipali Goenka	4,019	25.05
Radhika Goenka	4,019	25.05
B.K.Goenka (HUF)	2	0.01
B.K Goenka Family Trust	2	0.01
Krishiraj Trading Limited	1	0.01
Welspun Fintrade Private Limited, nominee of the Acquirer	1	0.01
Total	**16,044**	**100.00**

1.1.10 Mrs. Dipali Goenka, promoter and Director of the PAC 1 and holding 49.86% of the voting share capital of the PAC 1, is the person in control of the PAC 1.

1.1.11 Mr. L.T. Hotwani, Director of the PAC 1 holds the position of Chairman of the Board of Directors of the Target Company. Further, Mr. Raj Kumar Jain, statutory auditor of the PAC 1, holds the position of Independent Director of the Target Company.

1.1.12 The brief financial details of the PAC 1 are as under:

(Amount in Rs. Crore except EPS)

Particulars	Financial Year ending March 31, 2010	Financial Year ending March 31, 2011	Financial Year ending March 31, 2012
	Standalone	Standalone	Standalone
	Audited	Audited	Audited
Total Revenue	7.07	3.39	6.48
Net Income/(Net Loss)	2.12	3.36	2.38
EPS (Rs. per share)	1,324	2,096	1,482
Net worth / Shareholders' Funds	102.78	106.15	154.73

Source: *The financial information has been extracted / calculated from the audited financial statements of the PAC 1 for the years ended on March 31, 2010, 2011 and 2012 as audited by statutory auditor of the PAC 1.*

1.1.13 The PAC 2, Welspun Wintex Limited, was incorporated on January 28, 1985 under the Companies Act, 1956 with the Registrar of Companies, Maharashtra (Mumbai), as Welspun Wintex Private Limited. On March 31, 1992, the name was changed to Welspun Wintex Limited. Subsequently, on December 21, 1998, the name was changed from Welspun Wintex Limited to Welspun Wintex Private Limited. Later, on March 24, 2003, the name was changed to Welspun Wintex Limited. The Corporate Identity Number of the PAC 2 is U17120GJ1985PTC056127. Its registered office is located at Welspun City, Village Versamedi, Taluka Anjar, Kutch Dist., Gujarat - 370 110, India; Tel No: +91-2836-662222.

1.1.14 The PAC 2 is engaged in the business of trading in commodities and investment in securities.

1.1.15 The Shareholding pattern of the PAC 2, as on date, is as under:

Category	No. of Shares	% Holding
Promoter and Promoter Group		
Dipali Goenka	8,360	67.53
Rajesh Mandawewala	1,000	8.08
B. K. Goenka Family Trust	970	7.84
Welspun Mercantile Limited	600	4.85
Krishiraj Trading Limited	500	4.04
Radhika Goenka	475	3.84
Vanshika Goenka under guardian Dipali Goenka	475	3.84
Total	**12,380**	**100.00**

1.1.16 Mrs. Dipali Goenka, promoter and Director of the PAC 2 and holding 67.53% of the voting share capital of the PAC 2, is the person in control of the PAC 2.

1.1.17 Mr. Raj Kumar Jain, statutory auditor of the PAC 2, holds the position of Independent Director of the Target Company.

1.1.18 The brief financial details of the PAC 2 are as under:

Particulars	Financial Year ending March 31, 2010	Financial Year ending March 31, 2011	Financial Year ending March31, 2012
	Standalone	Standalone	Standalone
	Audited	Audited	Audited
Total Revenue	12.78	13.23	6.03
Net Income/(Net Loss)	3.41	(7.61)	2.57
EPS (Rs. per share)	2,752	(6,146)	2,073
Net worth /Shareholders' Funds	36.71	29.10	67.57

Source: *The financial information has been extracted / calculated from the audited financial statements of the PAC 2 for the years ended on March 31, 2010, 2011 and 2012 as audited by statutory auditor of the PAC 2.*

1.1.19 The equity shares of the Acquirer and the PAC are not listed on any stock exchange in India or abroad.

1.1.20 The Acquirer, the PAC and the Directors of the Acquirer and the PAC, are not prohibited, as on date, by SEBI from dealing in securities, in terms of directions issued under Section 11B or any other Regulations made under the SEBI Act, 1992 and subsequent amendments thereto. SEBI had passed an Exparte adinterim Order dated December 2, 2010 u/s 11B, 11D and 11(4)(b) of the SEBI Act, 1992 against a market participant, his associates and other entities (including Welspun group promoter entities) in various scrips alleging manipulative and unfair trade practices by the market participant and his associate entities ("**SEBI Order**"). The SEBI Order, inter alia, directed that Welspun group promoter entities, as mentioned in the SEBI Order, shall not buy, sell or deal in the securities of their own companies and their listed group companies in any manner whatsoever till further directions. These directions were passed against the entities pending investigation and without hearing the entities. Subsequently, SEBI completed investigation and vacated the aforesaid interim directions vide its order dated March 16, 2012.

1.2 **Details of the sellers, for the transaction triggering Offer: Not Applicable**

1.3 Target Company:

1.3.1 The Target Company, Welspun Investments and Commercials Limited, is a listed company, incorporated in India on October 7, 2008 under Companies Act, 1956 as Welspun Investments Private Limited. The Target Company's name was changed from Welspun Investments Private Limited to Welspun Investments Limited on October 21, 2008 consequent to conversion to public limited company. Subsequently, the name was changed to Welspun Investments and Commercials Limited on March 31, 2010.

1.3.2 The Target Company is into the business of trading in commodities and acts as an investment holding company having investments predominantly in Welspun Group Companies. The Target Company also holds investments in bonds, etc.

1.3.3 The registered office of the Target Company is located at Welspun City, Village Versamedi, Taluka Anjar, Kutch Dist., Gujarat - 370 110, India; Tel No: +91-2836-661111.

1.3.4 The Equity Shares are listed on BSE and NSE and have been frequently traded on NSE within the meaning of Regulation 2(1)(j) of SEBI (SAST) Regulations.

1.3.5 The key financial information of the Target Company is as follows:

(Amount in Rs. Crore except EPS)

Particulars	Financial Year ending March 31, 2010	Financial Year ending March 31, 2011	Financial Year ending March 31, 2012	3 months ended June 30, 2012
	Standalone	Standalone	Standalone	Standalone
	Audited	Audited	Audited	Unaudited
Total Revenue	5.14	2.89	6.69	0.31
Net Income/ (Net Loss)	1.43	1.11	0.97	0.03
EPS (Rs. Per share)	3.93	3.02	2.66	0.09
Net worth / Shareholders' Funds	24.76	25.87	26.84	N/A

Source: *The financial information has been extracted/calculated from the audited financial statements of the Target Company for the years ended March 31, 2010, 2011 and 2012 audited by statutory auditors of the Target Company. The financial information of the Target Company for 3 months ended June 30, 2012 has been extracted/calculated from the unaudited financial information of the Target Company for 3 months ended June 30, 2012 and has been subjected to a limited review by the statutory auditors as confirmed in its report dated August 8, 2012.*

1.4 Details of the Offer:

1.4.1 This Offer is for acquisition of upto 9,50,164 Equity Shares, representing 26% of the total voting share capital of the Target Company ("**Offer Size**").

1.4.2 This Offer is being made to all the Public Shareholders, in terms of Regulation 7(6) of the SEBI (SAST) Regulations.

1.4.3 The Offer is being made at a price of Rs.20 per fully paid-up equity share of the Target Company ("**Offer Price**"), payable in **cash**, in accordance with provisions of Regulation 9(1)(a) of SEBI (SAST) Regulations.

1.4.4 This Offer is not conditional and is not subject to any minimum level of acceptance.

1.4.5 This is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.

1.4.6 The Manager does not hold any Equity Shares as on the date of DPS. The Manager further declares and undertakes that they will not deal on their own account in the Equity Shares during the Offer period.

1.4.7 This Offer is subject to the receipt of the statutory and other approvals, if any, mentioned in Paragraph 6 of this DPS. In terms of Regulation 23 of the SEBI (SAST) Regulations, in the event the statutory approvals, if any, are refused, this Offer shall stand withdrawn. In the event of withdrawal, a public announcement will be made within two (2) working days of such withdrawal, in the same newspapers in which this DPS has been published and such public announcement will also be sent to SEBI, the Stock Exchanges and the registered office of the Target Company.

1.5 The Acquirer and the PAC currently form part of the Promoters of the Target Company. The Promoters, including the Acquirer and the PAC, are already in control of the Target Company and the proposed acquisition, pursuant to the Offer, is for the purpose of consolidating its shareholding in the Target Company. Since the Promoters are already in control of the Target Company, the provisions of Regulation 25(2) of the SEBI (SAST) Regulations are not applicable to the Promoters. However, the proposed consolidation of the Promoters shareholding, pursuant to the acquisition of shares under the Offer, by the Acquirer and the PAC, is not with an intent to dispose off any material assets of the Target Company during the period of two (2) years after the Offer whether by way of sale, lease, encumbrance or otherwise except to the extent that may be required (i) in the ordinary course of business and/or (ii) in accordance with applicable law.

1.6 The Acquirer and the PAC are part of Welpsun group and belong to the Promoters category of the Target Company as per SEBI (SAST) Regulations. The Acquirer and the PAC undertake that if, pursuant to the closure of this Offer (assuming 100% tendering in the Offer), the public shareholding in the Target Company falls below 25% of the voting rights/ paid-up capital, the Promoters will bring down the non-public shareholding to the levels specified (i.e. 75% of the voting share capital) within a period of twelve (12) months from the date of completion of Offer as specified in Securities Contract (Regulation) Rules, 1957 and in accordance with such directions as may be issued by the Stock Exchanges on which shares of the Target Company are listed. The Acquirer and the PAC also undertake, that pursuant to the closure of the Offer, if the Promoters shareholding exceeds the maximum permissible non-public shareholding, under these regulations, the Promoters shall not make a voluntary delisting offer under the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, unless a period of twelve (12) months has elapsed from the date of the completion of the Offer period.

2 BACKGROUND TO THE OFFER

2.1 As on the date preceding the date of the PA, the Promoters, held 17,46,392 Equity Shares representing 47.79% of the total voting share capital of the Target Company. As on the date preceding the date of the PA, the Acquirer and the PAC together, held 10,29,390 Equity Shares representing 28.17% of the total voting share capital of the Target Company.

As on the date preceding the date of the PA, the Acquirer has acquired 84,690 Equity Shares representing 2.32% of the total voting share capital of the Target Company during the financial year 2012-13. On September 18, 2012, the Acquirer, placed a purchase order with Prime Broking Company (India) Limited to acquire up to 1,25,000 (One Lakh Twenty Five Thousand Only) Equity Shares representing 3.42% of the total voting share capital of the Target Company, at a price not exceeding Rs.20/- (Rupees Twenty Only) per equity share of the Target Company.

Pursuant to the PO for acquisition of Equity Shares entitling the Acquirer to gain control over more than 5% of the total voting share capital of the Target Company in one financial year, this mandatory Offer is being made by the Acquirer, along with the PAC, in compliance with Regulation 3(2) and other applicable provisions of SEBI (SAST) Regulations.

2.2 The Acquirer and the PAC are part of the Promoters of the Target Company. The Promoters propose to extend support to continue and expand the existing business of the Target Company. The main purpose of the above mentioned acquisitions and the Offer is to consolidate their shareholding.

3 SHAREHOLDING AND ACQUISITION DETAILS

The current and proposed shareholding of the Acquirer and the PAC in Target Company and the details of their acquisition, are as follows:

Details	Acquirer		PAC 1		PAC 2	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Shareholding as on the PA date**	2,17,358 Equity Shares	5.95% of the total voting share capital	4,53,054 Equity Shares	12.40% of the total voting share capital	3,58,978 Equity Shares	9.82% of the total voting share capital
Shares acquired between the PA date and the DPS date	NIL	-	NIL	-	NIL	-
Post Offer shareholding * (On diluted basis, as on 10th working day after closing of tendering period of the Offer)	• 21,04,554 Equity Shares • 57.59% of the total voting share capital					

*Notes: * The Promoters, assuming 100% acceptance under this Offer, shall hold 28,21,556 Equity Shares, representing 77.21% of the total voting share capital of the Target Company, post the Offer.*

*** Directors of the Acquirer and the PAC do not hold any Equity Shares, except those mentioned below:*

Name of the Director	No. of Equity Shares
Acquirer	
S.R. Somani	7
PAC	
Dipali Goenka	32,728
Rajesh Mandawewala	1

4 OFFER PRICE

4.1 The Equity Shares are listed on BSE and NSE.

4.2 Based on the information available on BSE and NSE, the Equity Shares of the Target Company are frequently traded on NSE (within the meaning of definition of "frequently traded shares" under clause 2(1)(j) of the SEBI (SAST) Regulations).

4.3 The Offer Price of Rs. 20 (Rupees Twenty Only) per fully paid-up equity share of the Target Company is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations, being highest of the following:

(a)	The highest negotiated price per equity share of the Target Company for acquisition under any agreement attracting the obligation to make a public announcement of an open offer	N/A
(b)	The volume weighted average price paid for acquisitions, whether by the Acquirer or by the PAC during the fifty two (52) weeks immediately preceding the date of the public announcement	Rs.17.46 /-
(c)	The highest price paid for any acquisition whether by the Acquirer or by the PAC, during the twenty six (26) weeks immediately preceding the date of the public announcement	Rs.19.53 /-
(d)	The volume-weighted average market price of Equity Shares for a period of sixty (60) trading days immediately preceding the date of the public announcement as traded on the NSE, being the stock exchange where the maximum volume of trading in the Equity Shares are recorded during such period	Rs.19.16 /-
(e)	Highest price per equity share of the Target Company quoted by the Acquirer in the purchase order issued to the broker, pursuant to which the Offer is triggered	Rs.20.00 /-

4.4 Mr. Suresh Sureka, Partner, Sureka Associates, Chartered Accountants, Firm Registration Number:110640W, having office at 45C, Mandhana Manor, Mogal Lane, Matunga Road (W), Mumbai 400 016, Tel No: +91-22-24306150, Fax No: +91-22-24327608, Email: surekas@vsnl.net, vide certificate dated September 18, 2012 has certified that the minimum price per equity share computed as per Regulation 8(2) of SEBI (SAST) Regulations is Rs.20 (Rupees Twenty Only) per fully paid-up equity share of the Target Company.

4.5 To the best of the knowledge of the Acquirer and the PAC, there have been no corporate actions in the Target Company warranting adjustment of relevant price parameters.

4.6 In the event of further acquisition of Equity Shares by the Acquirer and/or the PAC during the Offer period, pursuant to PO or by subscription or subsequent market purchase, at a price higher than the Offer Price, the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirer and/or the PAC shall not be acquiring any Equity Shares after the third working day prior to the commencement of the tendering period until the expiry of the tendering period of the Offer.

4.7 If the Acquirer and/or the PAC acquire Equity Shares during the period of twenty six (26) weeks after the tendering period of the Offer at a price higher than the Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in the Offer within sixty (60) days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under an open offer under the SEBI (SAST) Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009, or open market purchases made in the ordinary course on the Stock Exchanges, not being negotiated acquisition of Equity Shares whether by way of bulk deals, block deals or in any other form.

4.8 There has been no revision in the Offer Price or the Offer Size as on the date of this DPS. An upward revision in the Offer Price or in the Offer Size, if any, on account of competing offers or otherwise, will be done at any time prior to the commencement of the last three (3) working days before the commencement of tendering period of the Offer in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer shall (i) make corresponding increases to the escrow amounts, as more particularly set out in Paragraph 5 of this DPS, (ii) make a public announcement in the same newspapers in which this DPS has been published and (iii) simultaneously with the issue of such announcement, inform SEBI, the Stock Exchanges and the Target Company at its registered office of such revision.

4.9 In the event that the number of Equity Shares validly tendered by the shareholders of the Target Company under the Offer, is more than the Offer Size, the Equity Shares received from the Public Shareholders shall be accepted on a proportionate basis, in consultation with the Manager.

5 FINANCIAL ARRANGEMENTS

5.1 The total financial resources required for this Offer, assuming full acceptance of this Offer, would be Rs. 1,90,03,280 (Rupees One Crore Ninety Lakh Three Thousand Two Hundred Eighty Only) i.e. consideration payable for acquisition of up to 9,50,164 Equity Shares at the Offer Price of Rs. 20 (Rupees Twenty Only) per fully paid-up equity share of the Target Company ("**Offer Consideration**").

5.2 The Acquirer has made firm financial arrangements and has adequate resources to meet the financial requirements of this Offer. The Offer will be financed through internal resources and/or through fresh issue of share capital of the Acquirer.

5.3 In accordance with Regulation 17(1) of the SEBI (SAST) Regulations, the Acquirer has opened an escrow account ("**Escrow Account**") by depositing cash of Rs. 55,00,000/- (Rupees Fifty Five Lakh Only), being more than 25% of the Offer Consideration, with Yes Bank Limited a banking corporation incorporated under the laws of India and having its registered office and one of its branch offices at Nehru Centre, 9th Floor, Discovery of India Bldg., Dr. Annie Besant Road, Worli, Mumbai 400 018 ("**Escrow Agent**"). The Manager has been duly authorized to realize the value of the aforesaid Escrow Account in terms of the SEBI (SAST) Regulations.

5.4 In case of any upward revision in the Offer Price or the Offer Size, the value of the escrow amount shall be computed on the revised consideration calculated at such revised Offer Price or Offer Size and any additional amounts required will be funded via cash in the Escrow Account by the Acquirer prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations.

5.5 Mr. Raj Kumar Jain, Chartered Accountant and the statutory auditor of the Acquirer, Membership No.035669, having office at 1B/1, Nalanda, Evershine Nagar, Malad (West), Mumbai - 400 064 vide certificate number RKJ/KTL/NW/CERT/33/12-13 dated September 17, 2012 has certified that the Acquirer has made firm financial arrangements and adequate financial resources are available with the Acquirer to enable it to fulfill its obligations under this Offer.

5.6 Based on the above, the Manager is satisfied that firm arrangements have been put in place by the Acquirer to fulfill the Acquirer's obligations through verifiable means in relation to this Offer in accordance with the SEBI (SAST) Regulations.

6 STATUTORY AND OTHER APPROVALS

6.1 Public Shareholders who are either Non-Resident Indians ("**NRIs**") or Overseas Corporate Bodies ("**OCBs**") and wish to tender their Equity Shares in this Offer, shall be required to submit all the applicable approvals (specific and general), if any, from the Reserve Bank of India ("**RBI**") that they have obtained at the time of their acquisition of the Equity Shares. In the event such approvals from the RBI are not submitted, the Acquirer and/or the PAC reserve the sole right to reject the Equity Shares tendered by such shareholders in Offer. This Offer is subject to receipt of the requisite RBI approvals, if any, for acquisition of Equity Shares by the Acquirer from NRIs and OCBs.

6.2 To the best of the knowledge and belief of the Acquirer and/or the PAC, as on the date of this DPS, there are no other statutory approvals required to implement the Offer other than those mentioned above. If any other statutory approvals are required or become applicable prior to completion of the Offer, the Offer would also be subject to the receipt of such other statutory approvals.

6.3 The Acquirer and/or the PAC, in terms of Regulation 23 of SEBI (SAST) Regulations, will have a right not to proceed with the Offer in the event statutory approvals, if any, are refused. In the event of withdrawal, a public announcement will be made within 2 working days of such withdrawal in the same newspapers in which this DPS has appeared.

6.4 In case of delay / non-receipt of any approval, SEBI may, if satisfied that non receipt of the requisite approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer and/or the PAC to diligently pursue such approval, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the shareholders as directed by SEBI, in terms of Regulation 18(11) of the SEBI (SAST) Regulations.

7 TENTATIVE SCHEDULE OF ACTIVITY PERTAINING TO THE OFFER

1	Date of PA	Tuesday, September 18, 2012
2	Date of publication of this DPS in newspapers simultaneously with submission to SEBI, Stock Exchanges and the registered office of the Target Company	Wednesday, September 26, 2012
3	Filing of the draft letter of offer with SEBI	Thursday, October 04, 2012
4	Last date for public announcement of a competing offer(s) being made	Thursday, October 18, 2012
5	Last date for SEBI observations on draft letter of offer (in the event SEBI has not sought clarification or additional information from the Manager)	Monday, October 29, 2012
6	Identified Date*	Wednesday, October 31, 2012
7	Date by which Letter of Offer is to be posted to the Public Shareholders	Wednesday, November 07, 2012
8	Last date for upward revision of the Offer Price or any increase in Offer Size	Thursday, November 08, 2012
9	Last date for public announcement by the Independent Directors Committee of the Target Company on their recommendation to the Public Shareholders for this Offer	Friday, November 09, 2012
10	Date of publication of Offer Opening Public Announcement in the newspapers where this DPS has been published	Thursday, November 15, 2012
11	Date of commencement of the tendering period	Friday, November 16, 2012
12	Date of closure of the tendering period	Friday, November 30, 2012
13	Date of communicating the rejection/ acceptance and payment of consideration for the acquired shares	Friday, December 14, 2012
14	Issue of Post Offer Advertisement	Friday, December 21, 2012

** The Identified Date is the date falling on the 10th working day prior to the commencement of the tendering period, for the purpose of determining the shareholders to whom the Letter of Offer shall be sent.*

8 PROCEDURE FOR TENDERING THE SHARES IN CASE OF NON RECEIPT OF LETTER OF OFFER (LOF)

8.1 All the Public Shareholders, registered or unregistered, owning Equity Shares any time before the closure of Offer, are eligible to participate in the Offer.

8.2 LOF specifying the detailed terms and conditions together with Form of Acceptance cum acknowledgment ("**Form of Acceptance**") will be dispatched to all the Public Shareholders whose names appear in the Register of Members on October 31, 2012, the Identified Date.

8.3 Persons who have acquired the Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date or unregistered owners or those who have acquired the Equity Shares after the Identified Date or those who have not received the LOF, may also participate in this Offer by submitting an application on plain paper giving details regarding their shareholding and confirming their consent to participate in this Offer as per the terms and conditions of this Offer as set out in the PA, this DPS and in the LOF. Alternatively, such holders of Equity Shares may also apply on the Form of Acceptance in relation to this Offer annexed to the LOF which may be obtained from the SEBI website (www.sebi.gov.in) or from **Link Intime India Private Limited** ("**Registrar to the Offer**"). The application is to be sent to the Registrar to the Offer at the address mentioned below in Paragraph 10 so as to reach the Registrar to the Offer on or before 5:00 p.m. on the date of closure of the tendering period of this Offer (as mentioned in Paragraph 7), together with:

8.3.1 In case of registered Public Shareholders holding Equity Shares in physical form, the name, address, number of Equity Shares held, number of Equity Shares offered, distinctive numbers and folio number together with the original equity share certificate/s and valid transfer deeds. Unregistered Public Shareholders can send their application in writing to the Registrar to the Offer, on plain paper stating the name and address of the first holder, name(s) and address(es) of joint holder(s), if any, number of Equity Shares held, number of Equity Shares offered, distinctive numbers, folio number, together with the original equity share certificate(s), valid share transfer deeds and the original contract note(s) issued by the broker through whom they acquired their Equity Shares and/or such other documents as may be specified; or

8.3.2 In the case of Equity Shares held in dematerialized form, Depository Participant ("**DP**") name, DP identity, beneficiary account number together with photocopy or counterfoil of the delivery instruction slip in "off-market" mode duly acknowledged by the DP for transferring the Equity Shares in favour of the special depository account ("**Special Depository Account**") opened by the Registrar to the Offer with the National Securities Depository Limited ("**NSDL**"). The shareholders tendering the Equity Shares in dematerialized form should ensure credit of Equity Shares in the favour of the Special Depository Account during the tendering period of this Offer. Form of acceptance, in respect of dematerialized Equity Shares not credited to the Special Depository Account on or before end of business hours on date of closure of the tendering period of this Offer is liable to be rejected. Details of the Special Depository Account are set out in the table below:

Depository Participant Name	Ventura Securities Limited
Depository Participant ID	IN303116
Beneficiary Account Number / Client ID	11048963
Account Name	LIIPL WICL OPEN OFFER ESCROW DEMAT ACCOUNT
ISIN	INE389K01018
Depository	National Securities Depository Limited
Mode of Instruction	Off-Market

Shareholders having their beneficiary account with Central Depository Services (India) Limited ("**CDSL**") have to use inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favour of the Special Depository Account with NSDL.

8.4 Shareholders may also (a) download the LOF from the SEBI website (www.sebi.gov.in) or (b) obtain a copy of LOF by writing to the Registrar to the Offer or Manager superscripting the envelope "WELSPUN INVESTMENTS AND COMMERCIALS LIMITED – Open Offer" with (1) suitable documentary evidence of ownership of the Equity Shares and (2) their folio number, DP identity – Client identity, current address and contact details.

8.5 No indemnity is needed from the unregistered shareholder.

9 The detailed procedure for tendering Equity Shares in the Offer will be available in the LOF.

10 OTHER INFORMATION

10.1 The Acquirer, the PAC, and the Directors of the Acquirer and the PAC, severally and jointly accept the responsibility for the information contained in the PA and this DPS. The Acquirer and the PAC are responsible for the fulfillment of its obligations under the SEBI (SAST) Regulations.

10.2 Pursuant to Regulation 12 of the SEBI (SAST) Regulations, the Acquirer and the PAC have appointed Prime Securities Limited as Manager to the Offer.

10.3 The Acquirer and the PAC have appointed **Link Intime India Private Limited** as Registrar to the Offer, having its office at C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai – 400 078, Tel. No: +91-22-25967878, Email: wicl.offer@linkintime.co.in, SEBI Registration Number: INR000004058, Contact person: Mr. Pravin Kasare.

10.4 Shareholders are also requested to read the opinion of Independent Directors of the Target Company before tendering their Equity Shares in the Offer.

10.5 This DPS and the PA would also be available on the website of SEBI (www.sebi.gov.in).

Issued by Manager to the Offer

Prime Securities Limited
Ashford Centre, 7th Floor, Shankarrao Naram Marg,
Opp. Peninsula Corporate Park, Lower Parel, Mumbai - 400 013
Tel : +91-22-24981515 E-mail: wicl_openoffer@primesec.com;
Contact Person: Mr. Nitesh Surana / Mr. Apurva Doshi
SEBI Registration Number: INM000000750

On behalf of Krishiraj Trading Limited, Welspun Mercantile Limited and Welspun Wintex Limited

Sd/-
Authorised Signatories

Place: Mumbai
Date: September 25, 2012