

WIL/SEC/2018

December 21, 2018

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

Dear Sirs/ Madam,

Ref: Our Letter No. WIL/SEC/2018 dated September 21, 2018 relating to Scheme of Amalgamation presented under section 230 - 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder, of Prasert Multiventure Private Limited ("PMPL") with Welspun India Limited ("WIL") and their respective shareholders and creditors ("Scheme" or "the Scheme").

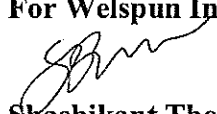
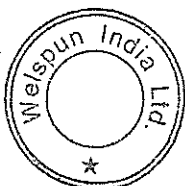
Subject: Change of Appointed Date for proposed Scheme of Amalgamation of Welspun India Limited ("Amalgamated Company" or "Transferee Company") and Prasert Multiventure Private Limited ("Amalgamating Company" or "Transferor Company")

This is reference to our earlier letter dated September 21, 2018 informing about the proposed Scheme of Amalgamation of Prasert Multiventure Private Limited ("Amalgamating Company" or "Transferor Company") with Welspun India Limited ("Amalgamated Company" or "Transferee Company") and their respective shareholders and creditors ("the Scheme") and the No-objection Letters dated December 05, 2018 and December 06, 2018 issued by the BSE Limited and The National Stock Exchange of India Limited respectively, to the proposed Scheme.

This is to inform you that the Board of Directors of the Company have, by way of a circular resolution, considered and approved the change of Appointed Date of the Scheme from August 16, 2018 to October 08, 2018. Apart from the said change, all other clauses of the Scheme (including consideration clause) remain as is. The revised copy of the Scheme is attached herewith.

We request you to take the above on the record and oblige. If you require any further clarifications/informations, we would be happy to provide the same.

For Welspun India Limited


Shashikant Thorat
Company Secretary
ICSI Membership No. : FCS-6505
Encl: As above


Welspun India Limited

Welspun House, 6th 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 / 2490 8021

E-mail : companysecretary_wil@welspun.com Website : www.welspunindia.com

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

T : +91 2836 661 111 F : +91 2836 279 010

Works: Survey No. 76, Village Morai, Vapi, District Valsad, Gujarat 396 191, India.

T : +91 260 2437437 F : +91 260 22437088

Corporate Identity Number: L17110GJ1985PLC033271

SCHEME OF AMALGAMATION
OF
PRASERT MULTIVENTURE PRIVATE LIMITED ("THE TRANSFEROR COMPANY")
WITH
WELSPUN INDIA LIMITED ("THE TRANSFeree COMPANY")
AND
THEIR RESPECTIVE SHAREHOLDERS & CREDITORS

PREAMBLE

This Scheme of Amalgamation is presented under Sections 230-232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 for amalgamation of Prasert Multiventure Private Limited ("the Transferor Company") with Welspun India Limited ("the Transferee Company"). The equity shares of Welspun India Limited are listed on the BSE Limited and The National Stock Exchange of India Limited.

RATIONALE FOR THE SCHEME

Prasert Multiventure Private Limited forms part of the Promoter Group of Welspun India Limited. It presently holds 67,90,78,913 equity shares in Welspun India Limited representing about 67.59% of the total paid up share capital.

It is proposed to amalgamate the Transferor Company into the Transferee Company by this Scheme, as a result of which the shareholders of the Transferor Company viz. the promoter group of the Transferor Company (who are also part of the promoter group of the Transferee Company) shall directly hold shares in the Transferee Company and the following benefits shall, inter alia, accrue to the Companies:

- a) The amalgamation will result in the promoter group of the Transferor Company directly holding shares in the Transferee Company, which will lead not only to simplification of the shareholding structure and reduction of shareholding tiers of the Transferee Company but also demonstrate the promoter group's direct commitment to and engagement with the Transferee Company;



- b) The promoter group of the Transferee Company is desirous of streamlining its holding in the Transferee Company. As a step towards such rationalization, it is proposed to merge the Transferor Company into the Transferee Company;
- c) The promoters would continue to hold the same percentage of shares in the Transferee Company, pre and post the amalgamation. There would also be no change in the financial position of the Transferee Company. All cost, charges and expenses relating to the Scheme would be borne out of the assets (other than shares of the Transferee Company) of the Transferor Company. Any expense, exceeding the assets of the Transferor Company would be borne by the shareholders of the Transferor Company directly;
- d) Further, the Scheme also provides that the shareholders of the Transferor Company shall indemnify the Transferee Company and keep the Transferee Company indemnified for liability, claim, demand, if any, and which may devolve on the Transferee Company on account of this amalgamation;
- e) Currently, Transferee Company is one layer of subsidiary of the Transferor Company. Any acquisition(s) by the Transferee Company involving more than one layer of Indian subsidiaries would be impermissible having regard to the provisions of section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017. To rationalize the current structure of the Transferee Company, it is proposed to amalgamate the Transferor Company into the Transferee Company.

Accordingly, the Board of Directors of the Transferor Company and the Transferee Company have formulated this Scheme for the transfer and vesting of all the assets of the Transferor Company with and into the Transferee Company pursuant to the provisions of Sections 230-232 and other relevant provisions of the Companies Act, 2013 (including any statutory modification or re-enactment or amendment thereof).



PARTS OF THE SCHEME:

The Scheme is divided into the following parts:

PART A	Deals with the definitions and share capital
PART B	Deals with amalgamation of the Transferor Company with the Transferee Company
PART C	Deals with general terms and conditions.

PART A - DEFINITIONS & SHARE CAPITAL

1. DEFINITIONS

In this Scheme (as defined hereinafter), unless inconsistent with the subject or context, the following expressions shall have the following meaning:

- 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 thereof for the time being in force;
- 1.2 **"Appointed Date"** means 08th October 2018;
- 1.3 **"Appropriate Authority(ies)"** means and includes any governmental, statutory, departmental or public body or authority, including SEBI, Stock Exchanges, Registrar of Companies and the NCLT;
- 1.4 **"Board" or "Board of Directors"** means the Board of Directors of the Transferor Company or of the Transferee Company as the context may require and shall, unless it be repugnant to the context or otherwise, include a committee of directors or any person(s) authorized by the Board of Directors or such committee of Directors;
- 1.5 **"Effective Date"** means the date on which the conditions specified in Clause 18 of this scheme are complied with;



- 1.6 **"Record Date"** means the date fixed by the Board of Directors or committee thereof, if any, of the Transferee Company for the purpose of determining the members of the Transferor Company to whom New Equity Shares will be allotted pursuant to this Scheme;
- 1.7 **"Scheme" or "the Scheme" or "this Scheme"** means this Scheme of Amalgamation in its present form as submitted with the NCLT or this Scheme with any modification(s) made under Clause 17 of the Scheme;
- 1.8 **"SEBI"** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;
- 1.9 **"Stock Exchanges"** means BSE Limited, The National Stock Exchange of India Limited and any other stock exchange(s);
- 1.10 **"Transferee Company" or "WIL"** means Welspun India Limited (CIN: L17110GJ1985PLC033271), a company incorporated under the Companies Act, 1956 and having its registered office at Welspun City, Village Versamedi, Anjar, Gujarat-370110;
- 1.11 **"Transferor Company" or "PMPL"** means Prasert Multiventure Private Limited (CIN: U51901GJ2017PTC100255), a company incorporated under the Companies Act, 2013 and having its registered office at Survey No 76, Village Morai, Vapi, Dist. Valsad, Gujarat-396191;
- 1.12 **"Tribunal" or "the NCLT"** means the National Company Law Tribunal, Ahmedabad Bench.

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. DATE OF TAKING EFFECT AND OPERATIVE DATE

- 2.1 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 17 of the Scheme, shall be effective and operative from the Effective Date.
- 2.2 Any reference in this Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" or "upon the coming into effect of the Scheme" shall mean the Effective Date.

3. SHARE CAPITAL

- 3.1 The share capital of the Transferor Company as on 31st March, 2018 is as under:

Particulars	Amount in Rs.
Authorized Share Capital	
50,000 Equity Shares of Rs. 10 each	5,00,000
Total	5,00,000
Issued, Subscribed and Paid-up Share Capital	
50,000 Equity Shares of Rs. 10 each	5,00,000
Total	5,00,000

Subsequent to 31st March, 2018 and till the date of approval of the Scheme by the Board of Directors of the Transferor Company, there has been no change in the issued, subscribed and paid-up share capital of the Transferor Company.

- 3.2 The share capital of the Transferee Company as on 31st March, 2018 is as under:

Particulars	Amount in Rs.
Authorized Share Capital	
155,50,00,000 Equity shares of Re. 1 each	155,50,00,000
Total	155,50,00,000
Issued Share Capital	
100,47,25,150 Equity shares of Re. 1 each	100,47,25,150
Subscribed and Paid-up Share Capital	
100,47,25,150 Equity shares of Re. 1 each	100,47,25,150
Total	100,47,25,150



Subsequent to 31st March, 2018 and till the date of approval of the Scheme by the Board of Directors of the Transferee Company, there has been no change in the issued, subscribed and paid-up share capital of the Transferee Company.

Further, the Transferor Company holds 67,90,78,913 equity shares of Re. 1 each fully paid up in the Transferee Company, representing about 67.59% of the total paid up share capital of the Transferee Company.

PART B - AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEE COMPANY

4. TRANSFER AND VESTING

- 4.1. With effect from the Appointed Date, the business of the Transferor Company including its properties and assets (whether movable tangible or intangible) of whatsoever nature including investments, shares, debentures, securities, loans and advances, licenses, permits, approvals, lease, tenancy rights, titles, permissions, if any, benefits of tax relief including under the Income-tax Act, 1961 such as credit for advance tax, taxes deducted at source, minimum alternate tax and all other rights, title, interest, contracts, consent, approvals or powers of every kind, nature and descriptions whatsoever shall under the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the NCLT or any other Appropriate Authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date, shall stand transferred to and/or deemed to be transferred to and vested in the Transferee Company so as to become the properties and assets of the Transferee Company.
- 4.2. Without prejudice to Clause 4.1, all movable assets including sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any government, quasi-government, local or other authority or body or with any company or other person, the same shall, on and from the Appointed Date, stand transferred to and vested in Transferee Company without any notice or other intimation to the debtors (although Transferee Company may without being obliged and if it so deems appropriate at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositor, as the case may be, that the said debt, loan, advance, balance or



deposit stands transferred and vested in Transferee Company) subject to existing charges or *lis pendens*, if any thereon.

- 4.3. The liabilities shall also, without any further act, instrument or deed be transferred to and vested in and assumed by and/or deemed to be transferred to and vested in and assumed by the Transferee Company pursuant to the provisions of Sections 230 to 232 of the Act, so as to become the liabilities of the Transferee Company and further 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 liabilities have arisen, in order to give effect to the provisions of this Clause.
- 4.4. This Scheme has been drawn up to comply with the conditions relating to "amalgamation" as specified under Section 2(1B) of the Income -tax Act, 1961. If any terms or provisions of the Scheme are inconsistent with the provisions of Section 2(1B) of the Income-tax Act, 1961, the provisions of Section 2(1B) of the Income-tax Act, 1961 shall to the extent of such inconsistency prevail and the Scheme shall stand modified to that extent to comply with Section 2(1B) of the Income-tax Act, 1961; such modification to not affect other parts of the Scheme.
- 4.5. Pursuant to the Scheme becoming effective, Transferee Company shall, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangement with any party to any contract or arrangement to which the Transferor Company is a party in order to give formal effect to the above provisions. The Transferee Company shall be deemed to be authorised to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliances referred to above on part of the Transferor Company.

5. CONSIDERATION

- 5.1 Upon this Scheme becoming effective and upon amalgamation of the Transferor Company into the Transferee Company in terms of this Scheme, the Transferee Company shall, without any application, act or deed, issue and allot equity shares, credited as fully paid up, to the extent indicated below, to the members of the Transferor Company holding fully paid-up equity shares of the Transferor Company and whose names appear in the register of



members of the Transferor Company as on the Record Date, or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Transferor Company / Transferee Company in the following proportion:

"67,90,78,913 fully paid up equity share of Re. 1 each of the Transferee Company shall be issued and allotted as fully paid up to the equity shareholders of the Transferor Company in proportion of their holding in the Transferor Company"

(Equity shares to be issued by the Transferee Company as above are referred to as "New Equity Shares").

- 5.2 The Transferor Company holds 67,90,78,913 equity shares of the Transferee Company and pursuant to the amalgamation, the Transferee Company shall issue the same number of New Equity Shares i.e. 67,90,78,913 to the equity shareholders of the Transferor Company. In the event the Transferor Company holds more than 67,90,78,913 fully paid up equity shares of the Transferee Company (without incurring any additional liability) on the Record Date, New Equity Shares to be issued by the Transferee Company to the shareholders of the Transferor Company shall stand increased by such additional number of equity shares held by the Transferor Company.
- 5.3 The New Equity Shares to be issued to the members of the Transferor Company as per clause 5.1 above shall be subject to the Memorandum of Association and Articles of Association of the Transferee Company. The New Equity Shares shall rank *pari-passu* in all respects, including dividend, with the existing equity shares of Transferee Company.
- 5.4 In respect of fractional entitlement to a shareholder, shall be rounded off to the nearest integer. A fraction of less than half shall be rounded down to the nearest lower integer and a fraction of half or more shall be rounded up to the nearest higher integer. However, in no event, shall the number of New Equity Shares to be allotted by the Transferee Company to the members of the Transferor Company exceed the number of equity shares held by the Transferor Company in the Transferee Company on the Effective Date.
- 5.5 The investment held by the Transferor Company in the equity share capital of the Transferee Company shall, without any further application, act, instrument or deed stand cancelled, and



further the shares held by the Transferor Company in dematerialized form shall be extinguished, on and from such issue and allotment of New Equity Shares.

- 5.6 The New Equity Shares to be issued and allotted by the Transferee Company to the shareholders of the Transferor Company shall be issued in dematerialized form.
- 5.7 The New Equity Shares of the Transferee Company shall be listed and/ or admitted to trading on the Stock Exchanges on which the existing equity shares of the Transferee Company are listed at that time. The Transferee Company shall enter into such arrangements and give such confirmation and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said Stock Exchanges.
- 5.8 The Transferee Company shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment by Transferee Company of New Equity Shares to the members of the Transferor Company under the Scheme.
- 5.9 The approval of this Scheme by the members of the Transferee Company shall be deemed to be due compliance with the applicable provisions of the Act including Section 42 and 62 of the Act, for the issue and allotment of New Equity Shares by the Transferee Company to the members of the Transferor Company, as provided in the Scheme.

6. CANCELLATION OF EQUITY SHARES OF THE TRANSFEE COMPANY HELD BY THE TRANSFEROR COMPANY

- 6.1 Upon the Scheme becoming effective, the issued, subscribed and paid up share capital of WIL, to the extent of the shares held by PMPL in WIL, shall be automatically cancelled and reduced in terms of section 66 of the Act.
- 6.2 The said cancellation shall result in reduction of capital under section 66 of the Act. However, since the aforesaid reduction is consequential and is proposed as an integral part of the Scheme, the Transferee Company shall not be required to undertake separate procedure under section 66 of the Act. Further, as the aforesaid reduction does not result in either diminution of liability in respect of unpaid share capital or payment to any



shareholder of any paid-up share capital, the provisions of section 66 of the Act shall not be applicable. The order of the NCLT sanctioning the scheme shall be deemed to be the order under section 66 of the Act for the purpose of confirming reduction. Further, the Transferee Company shall not be required to add "and reduced" as a suffix to its name consequent upon such reduction

7. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFeree COMPANY

The Transferee Company shall account for the amalgamation in its books as per the accounting principles generally accepted in India, including the Indian Accounting Standards (IndAS) prescribed under Section 133 of the Act and the accounting treatment prescribed below, to the extent consistent with IndAS. Upon the Scheme becoming effective, the Transferee Company shall account for the amalgamation in its books as under –

- 7.1. All the assets and liabilities appearing in the books of accounts of the Transferor Company shall be recorded by the Transferee Company at their respective carrying values as appearing in the books of the Transferor Company.
- 7.2. The equity shares of the Transferee Company held by the Transferor Company shall stand cancelled in accordance with Clause 6.1 of the Scheme and as a result equivalent equity share capital of the Transferee Company and the book value of investments held by the Transferor Company in the Transferee Company shall also stand cancelled.
- 7.3. The face value of New Equity Shares issued by the Transferee Company to the shareholders of the Transferor Company pursuant to Clause 5.1 above shall be credited to the Equity Share Capital Account of the Transferee Company.
- 7.4. The difference, if any, of the value of assets over the value of liabilities transferred to the Transferee Company, after providing for adjustments as stated above and the face value of New Equity Shares issued by the Transferee Company shall be recognized as Capital Reserves in the books of the Transferee Company.



8. COMBINATION OF AUTHORIZED SHARE CAPITAL

- 8.1. Upon the Scheme becoming effective, the authorized share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company, including payment of stamp duty and fees payable to Registrar of Companies, by the authorized share capital of the Transferor Company as on the Effective Date. Further, post such increase authorized share capital of the Transferee Company shall be re-classified as follows:

Particulars	Amount in Rs.
Authorized Share Capital	
155,55,00,000 Equity shares of Re. 1 each	155,55,00,000
Total	155,55,00,000

- 8.2. Consequently, the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme, whether at a meeting or otherwise, shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 13, 14 and 61 of the Act and other applicable provisions of the Act would be required to be separately passed, as the case may be and for this purpose the stamp duties and fees paid on the authorized share capital of the Transferor Company shall be utilized and applied to the increase and reclassification of authorized share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee by the Transferee Company for increase and reclassification in the authorized share capital to that extent.

- 8.3. It is clarified that the approval of the members of the Transferee Company to the Scheme, whether at a meeting or otherwise, shall be deemed to be their consent/approval also to the amendment of the Memorandum of Association of the Transferee Company as may be required under the Act.



9. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

With effect from the Appointed Date and upto and including the Effective Date:

- 9.1. The Transferor Company shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all its properties and assets pertaining to business of the Transferor Company for and on account of and in trust for the Transferee Company. The Transferor Company hereby undertakes to hold the said assets with utmost prudence until the Effective Date.
- 9.2. The Transferor Company shall not, except in the ordinary course of business or without prior written consent of the Transferee Company alienate charge, mortgage, encumber or otherwise deal with or dispose of any of its properties or part thereof of the Transferor Company.
- 9.3. Any income accruing or arising to the Transferor Company shall for all purposes be treated and deemed to be in profits or income of the Transferee Company.
- 9.4. With effect from the Appointed Date and upto and including the Effective Date, in the event the Transferee Company distributes dividend (including interim dividend) or issues bonus shares or offers right shares to its members, the Transferor Company shall be entitled to receive such dividend and bonus shares, and subscribe to such rights shares offered by the Transferee Company.
- 9.5. Until the Effective Date, the Transferor Company may utilize its income/available cash, if any, for meeting its expenses in the ordinary course of business or for the purpose specified in the scheme.
- 9.6. Until the Effective Date, the holders of shares of the Transferor Company shall, save as expressly provided otherwise in the Scheme, continue to enjoy their existing rights under the Articles of Association of the Transferor Company including the right to receive dividends.

